



嘉利國際控股有限公司  
Karrie International Holdings Limited

(於百慕達註冊成立之有限公司)

(Incorporated in Bermuda with limited liability)

股份代號 stock code : 1050

Annual Report 2007/08 年報

# Join Forces to Excel

## 一同跨過



**Join Forces to Excel**  
一同跨過





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## Corporate Information 公司資料

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

10th Floor  
Southeast Industrial Building  
611-619 Castle Peak Road  
Tsuen Wan  
New Territories  
Hong Kong

### WEB SITE

<http://www.karrie.com.hk>

### DIRECTORS

#### Executive Directors

Mr. HO Cheuk Fai (*Chairman & CEO*)  
Mr. KWOK Wing Kin, Francis (*Deputy Chairman & COO*)  
(re-designated on 1 January 2008)  
Mr. LEE Shu Ki  
Mr. WONG Shun Pang (resigned on 1 December 2007)

#### Non-executive Director

Mr. HO Cheuk Ming (re-designated on 1 June 2007)

#### Independent Non-executive Directors

Mr. SO Wai Chun  
Mr. CHAN Sui Sum, Raymond  
Mr. FONG Hoi Shing

### AUDIT COMMITTEE

Mr. SO Wai Chun  
Mr. CHAN Sui Sum, Raymond  
Mr. FONG Hoi Shing  
Mr. HO Cheuk Ming (was appointed on 1 June 2007)

### REMUNERATION COMMITTEE

Mr. SO Wai Chun  
Mr. CHAN Sui Sum, Raymond  
Mr. HO Cheuk Ming

### COMPANY SECRETARY

Mr. TANG Wing Fai

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### 總辦事處及主要營業地點

香港  
新界  
荃灣  
青山公路611-619號  
東南工業大廈  
10樓

### 網址

<http://www.karrie.com.hk>

### 董事

#### 執行董事

何焯輝先生 (*主席兼行政總裁*)  
郭永堅先生 (*副主席兼營運總裁*)  
(二零零八年一月一日獲調任)  
李樹琪先生  
黃順鵬先生 (二零零七年十二月一日辭任)

#### 非執行董事

何卓明先生 (二零零七年六月一日獲調任)

#### 獨立非執行董事

蘇偉俊先生  
陳瑞森先生  
方海城先生

### 審核委員會

蘇偉俊先生  
陳瑞森先生  
方海城先生  
何卓明先生 (二零零七年六月一日獲委任)

### 薪酬委員會

蘇偉俊先生  
陳瑞森先生  
何卓明先生

### 公司秘書

鄧榮輝先生

## Corporate Information 公司資料

### AUDITOR

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

### PRINCIPAL BANKERS

China Construction Bank Corporation  
44-45/F, Tower One Lippo Centre  
89 Queensway, Admiralty  
Hong Kong

Hang Seng Bank  
83 Des Voeux Road Central  
Hong Kong

The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road Central  
Hong Kong

Mizuho Corporate Bank, Limited  
17th Floor, Two Pacific Place  
88 Queensway  
Hong Kong

Standard Chartered Bank  
Standard Chartered Bank Building  
4-4A Des Voeux Road Central  
Hong Kong

### PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

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

### HONG KONG BRANCH SHARE REGISTRARS AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Rooms 1712-6, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

### 核數師

羅兵咸永道會計師事務所  
執業會計師  
香港中環  
太子大廈22樓

### 主要往來銀行

中國建設銀行  
香港  
金鐘道89號  
力寶中心一座44-45樓

恒生銀行  
香港  
德輔道中83號

香港上海滙豐銀行有限公司  
香港  
皇后大道中1號

瑞穗實業銀行  
香港  
金鐘道88號  
太古廣場2座17樓

渣打銀行  
香港  
德輔道中4-4A號  
渣打銀行大廈

### 主要股份過戶登記處

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

### 香港股份過戶登記分處

香港中央證券登記有限公司  
香港  
皇后大道東183號  
合和中心  
17樓1712-6室

## Key Information for Shareholders 股東主要資料

### FINANCIAL CALENDAR 2008

#### Announcement of 2007/2008 results

3 July 2008

#### Last day to register for 2007/2008

15 August 2008

#### Annual General Meeting

22 August 2008

#### Financial Year End

31 March 2008

### SHARE CAPITAL

### 二零零八年財務年誌

二零零七年/零八年度業績公佈日期

二零零八年七月三日

二零零七年/零八年度最後登記日期

二零零八年八月十五日

#### 股東週年大會

二零零八年八月二十二日

#### 財務年結日

二零零八年三月三十一日

### 股本

		As at 截至	
		31 March 2008 二零零八年 三月三十一日	15 June 2008 二零零八年 六月十五日
Authorised (HK\$)	法定(港元)	80,000,000	80,000,000
Issued (HK\$)	已發行(港元)	57,719,760	57,719,760

### ANALYSIS OF SHAREHOLDING STRUCTURE AND SHAREHOLDER DISTRIBUTION

As at 15 June 2008, the Company had 577,197,600 shares in issue of which approximately 44%<sup>(1)</sup> was held by the public. As at that date, the Company had a total of 880 registered shareholders. The following table shows the distribution of ownership according to the Register of Members and the Participant Shareholding Report generated from the Central Clearing and Settlement System as of 15 June 2008:

### 股權結構及股東分佈之分析

截至二零零八年六月十五日，本公司共發行股份577,197,600股，其中公眾持股量約佔44%<sup>(1)</sup>。截至同日，本公司擁有註冊股東880名。根據股東名冊及中央結算交收系統於二零零八年六月十五日編纂的參與者股權報告，我們編制了以下股東分佈表供投資者參考：

## Key Information for Shareholders 股東主要資料

ANALYSIS OF SHAREHOLDING STRUCTURE  
AND SHAREHOLDER DISTRIBUTION (Cont'd)

## 股權結構及股東分佈之分析 (續)

Category		Number of registered shareholders	% of number of shareholders	Number of shares	% of total issued share capital
類別		註冊股東數量	佔註冊股東比例%	持股數量	佔已發行股份比例%
Pearl Court Company Limited		1	0.11%	243,804,000	42.24%
Ho's family <sup>(2)</sup>	何氏家族 <sup>(2)</sup>	3	0.34%	77,024,000	13.34%
Directors <sup>(3)</sup>	董事 <sup>(3)</sup>	3	0.34%	2,382,000	0.41%
Veer Palthe Voute NV <sup>(4)</sup>		1	0.11%	34,554,800	5.99%
Individuals	個人投資者	706	80.24%	16,389,816	2.84%
Institutions, corporates and nominees	機構投資者、企業投資者及代理人	166	18.86%	203,042,984	35.18%
Total	合計	880	100.00%	577,197,600	100.00%

Note:

備註：

- |   |   |
|---|---|
| (1) Public shareholding represents shares held by the public, excluding those shares held by Pearl Court Company Limited, Ho's family and Directors of the Company. | (1) 公眾持股量代表(除 Pearl Court Company Limited、何氏家族及本公司董事所持股份數量外)公眾人士所持有的股份數量。 |
| (2) Ho's family comprises Mr. Ho Cheuk Fai, Chairman and Chief Executive Officer, Mr. Ho Cheuk Ming, Non-executive Director and Ms. Ho Po Chu.                      | (2) 何氏家族由主席兼行政總裁何焯輝先生、非執行董事何卓明先生及何寶珠女士組成。                                 |
| (3) Directors represent Directors of the Company excluding Mr. Ho Cheuk Fai and Mr. Ho Cheuk Ming.  | (3) 董事代表(除何焯輝先生及何卓明先生外)本公司之董事。  |
| (4) Latest information as at 15 June 2008 as provided by Veer Palthe Voute NV.  | (4) 此乃Veer Palthe Voute NV所提供之更新截至二零零八年六月十五日之最新資料。                        |

## As at 15 June 2008

於二零零八年六月十五日

## Number of Shares Held

所持股份數目

## Shareholders

股東

## Number

人數

## % of total

佔總數百分比

## Shares of HK\$0.1 each

每股面值0.1港元股份

## Number

數目

## % of total

佔總數百分比

1 – 5,000	566	64.3%	180,131	0.0%
5,001 – 20,000	89	10.1%	1,083,624	0.2%
20,001 – 50,000	63	7.2%	2,268,463	0.4%
50,001 – 100,000	46	5.2%	3,477,489	0.6%
100,001 – 200,000	35	4.0%	4,824,880	0.8%
200,001 – 500,000	32	3.6%	10,512,525	1.8%
500,001 – 1,000,000	19	2.2%	15,088,254	2.6%
1,000,001 – 2,000,000	9	1.0%	13,044,921	2.3%
2,000,001 – 5,000,000	6	0.7%	20,637,141	3.6%
Over 5,000,000以上	15	1.7%	506,080,172	87.7%
Total	合計	880	577,197,600	100.0%

## Key Information for Shareholders 股東主要資料

### OUTSTANDING OPTIONS FOR ORDINARY SHARES GRANTED (AS ADJUSTED UPON COMPLETION OF THE RIGHTS ISSUE ON 28 NOVEMBER 2007)

已授予但仍未行使的購股權(經於二零零七年十一月二十八日完成供股後予以調整)

		As at 截至	
		31 March 2008 二零零八年 三月三十一日	15 June 2008 二零零八年 六月十五日
at exercise price of HK\$1.23 each	行使價為每股1.23港元	105,850	105,850
at exercise price of HK\$1.56 each	行使價為每股1.56港元	2,720,345	2,720,345
at exercise price of HK\$2.34 each	行使價為每股2.34港元	7,574,626	7,489,946
at exercise price of HK\$1.79 each	行使價為每股1.79港元	2,112,766	2,112,766
at exercise price of HK\$2.98 each	行使價為每股2.98港元	4,847,930	4,763,250
at exercise price of HK\$3.16 each	行使價為每股3.16港元	9,949,900	9,949,900
		27,311,417	27,142,057

### MARKET CAPITALISATION

**As at 31 March 2008**  
**(Closing Price: HK\$0.66)**  
HK\$380,950,416

### 市值

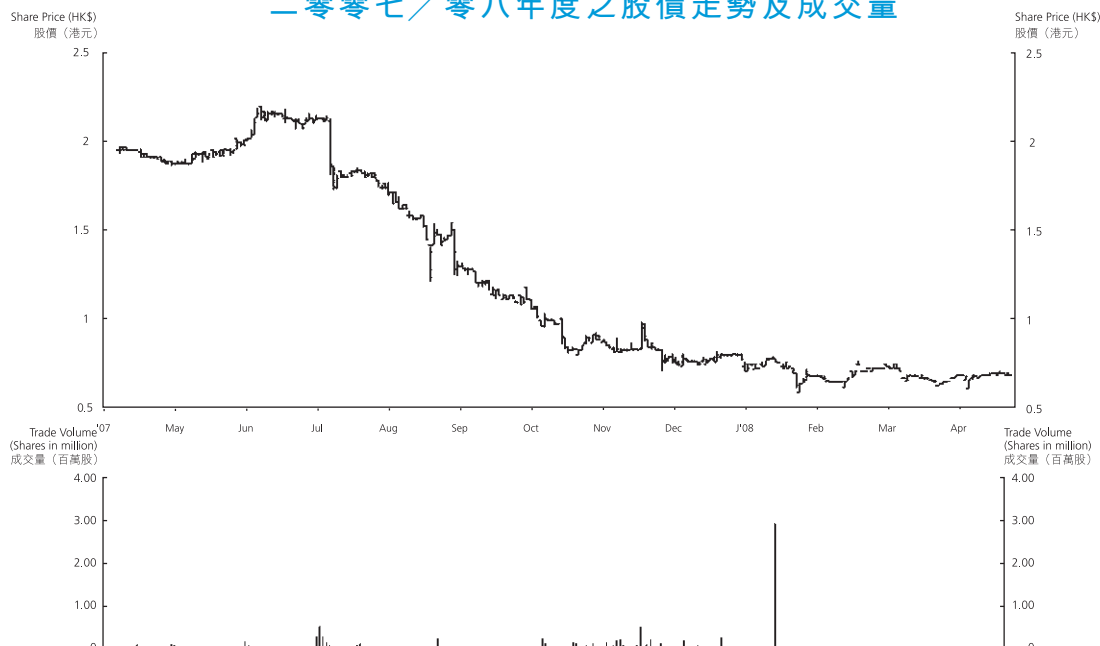
截至二零零八年三月三十一日  
(收市價：0.66港元)  
380,950,416港元

**As at 15 June 2008**  
**(Closing Price: HK\$0.68)**  
HK\$392,494,368

截至二零零八年六月十五日  
(收市價：0.68港元)  
392,494,368港元

### Share Price Movement and Trade Volume in 2007/08

#### 二零零七／零八年度之股價走勢及成交量





## Key Information for Shareholders 股東主要資料

### STOCK CODE

The Stock Exchange of Hong Kong Limited  
Main Board  
1050

### BOARD LOT

2,000 Shares

### SHAREHOLDER SERVICES

Any matters relating to your shareholding, such as transfer of shares, change of name or address, and loss of share certificates should be addressed in writing to the Branch Share Registrars and Transfer Office of the Company:

Computershare Hong Kong Investor Services Limited  
Rooms 1712-6, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Hong Kong  
Tel: (852) 2862-8628  
Fax: (852) 2529-6087

### INVESTOR RELATIONS

For enquiries, please contact:

Ms. Winnie Tsang  
Senior Corporate Communications Officer  
Karrie International Holdings Limited  
10th Floor, Southeast Industrial Building  
611-619 Castle Peak Road  
Tsuen Wan, New Territories  
Hong Kong  
Tel: (852) 2437-6830  
Fax: (852) 2415-1608  
Email: pytsang@karrie.com.hk/  
ir@karrie.com.hk

### 股份編號

香港聯合交易所有限公司  
主板  
1050

### 每手股數

2,000股

### 股東服務

假若有任何關於閣下股份之事宜，包括股份轉讓、更改姓名或地址、遺失股票等，請以書面聯絡我們的股份過戶登記分處：

香港中央結算登記有限公司  
香港  
皇后大道東183號  
合和中心17樓1712-16室

電話：(852) 2862-8628  
傳真：(852) 2529-6087

### 投資者關係

如有任何垂詢，請聯絡：

曾佩瑩小姐  
高級企業傳訊主任  
嘉利國際控股有限公司  
香港  
新界荃灣  
青山公路611-619號  
東南工業大廈10樓  
電話：(852) 2437-6830  
傳真：(852) 2415-1608  
電郵：pytsang@karrie.com.hk/  
ir@karrie.com.hk

## Corporate Calendar 企業大事日誌

### 2007

- JUL 7月** Cooperate with “DAB” – “Flying to Our Mainland, Our Home” Hong Kong Tertiary Student Placement Program 2007  
與「民建聯」合辦「進一步的天空」香港大專生暑假內地實習計劃2007
- SEP 9月** 2007/08 1st Quarterly Results Announcement  
公佈二零零七／零八年度第一季季度業績
- “Team Building for Peak Performance Via Enneagram” workshop for top management team and continue to promote different kinds of training via Enneagram to all levels of management  
為高級管理層舉行「運用九型人格 • 建立高效團體」之培訓工作坊及開始各階層管理者九型人格培訓序幕
- NOV 11月** Commenced Right Issue of 164,913,000 rights shares at HK\$0.75 each on the basis of four rights shares for every ten existing shares held  
完成按每股0.75港元供股發行164,913,000股供股股份（基準為每持有十股份現有股份供股四股股份）
- Awarded with “Honorable Mentions” and “Citation for Achievement in Corporate Governance Disclosure” in 2007 HKMA Best Annual Reports Award by the Hong Kong Management Association  
獲「香港管理專業協會」二零零七年度「最佳年報選舉」之「優異年報獎」及「優秀企業管治資料披露獎」
- Sponsorship by Ho Cheuk Fai Foundation to the “Nothing is impossible” Outward Bound Programme for the Disadvantaged Children together with the St. Christopher’s Home for the second consecutive year  
何焯輝基金連續第二年資助予香港聖公會聖基道兒童院舉辦「嘉利凡事皆可能自我挑戰計劃」
- DEC 12月** 2007/08 Interim Results Announcement  
公佈二零零七／零八年度中期業績
- Winner of “Best Annual Report and other Corporate Literature” and awarded with Honorable Mention in the “Grand Prix for the Best Overall Investors Relations in Hong Kong – Small/Mid Cap” by the IR Magazine  
獲「投資者關係雜誌」推選為「最佳年報及企業文獻」第一名及「香港最佳投資者關係」（中小企業組）優異獎

## Corporate Calendar 企業大事日誌

## 2008

- JAN 1月** 12th “Tea-Break with Individual Investors”  
舉行第十二次「與個人投資者茶敘」
- FEB 2月** Awarded the “Caring Company” logo for the third consecutive year by the Hong Kong Council of Social Service  
連續第三年獲香港社會服務聯會頒發「商界展關懷」標誌
- Acquisition of land with an area of approximately 480 Chinese acres (approximately 320,000 sq.m.) in the Yixing Economic Development Zone, Jiangsu Province, the PRC  
於中國江蘇省宜興經濟開發區購入一幅約480畝(約320,000平方米)之地盤
- MAR 3月** 2007/08 3rd Quarterly Results Announcement  
公佈二零零七／零八年度第三季季度業績
- Held a 2-days “Karrie Management Retreat Camp 2008” for management team  
為管理層舉行2日1夜之「嘉利管理層集思會」2008
- Mr. Wang Zhong Su, Mayor of Yixing, Jiangsu Province, together with the officials visited Karrie Hong Kong Headquarter and Mainland Plants  
江蘇省宜興市市長王中蘇先生率眾官員到訪嘉利香港總部及國內廠房
- MAY 5月** Internal fund raising for the “5.12 Sichuan Earthquake” in the Mainland China with a total donation of more than HK\$1,400,000  
為中國內地「5.12四川大地震」發動內部募捐行動，共籌得善款超過港幣1,400,000元
- JUL 7月** 13th “Tea-Break with Individual Investors”  
舉行第十三次「與個人投資者茶敘」

# Financial Highlights 財務概要

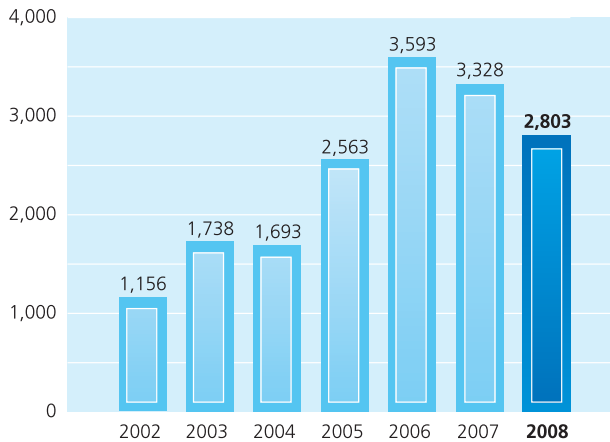
## Share Price Movement from 1998 to 2008

一九九八年至二零零八年之股價走勢圖



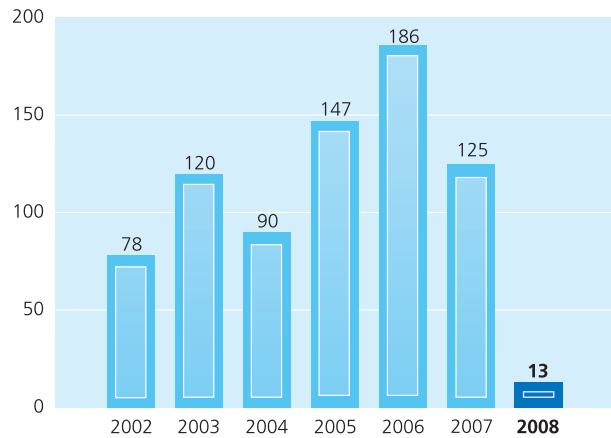
### Turnover HK\$ million

營業額 百萬港元



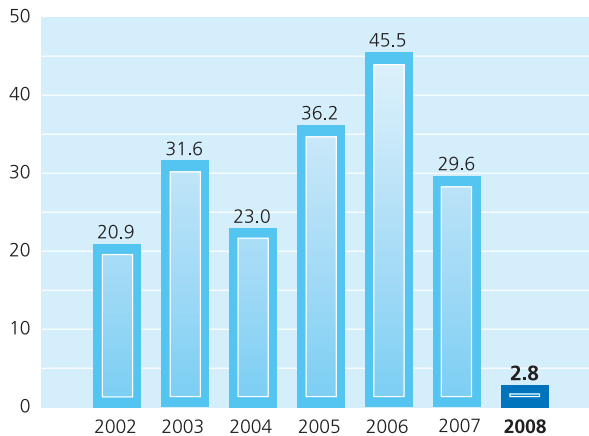
### Profit attributable to shareholders HK\$ million

股東應佔溢利 百萬港元



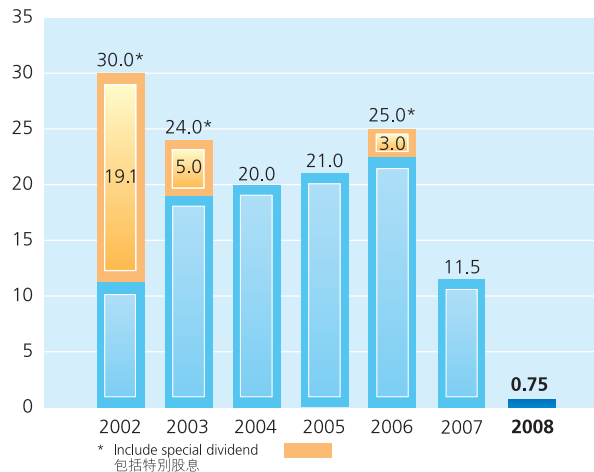
### Basic earnings per share HK cents

每股基本溢利 港仙



### Dividends per share HK cents

每股股息 港仙

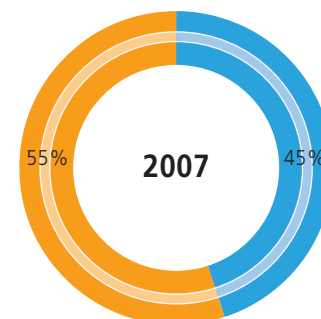
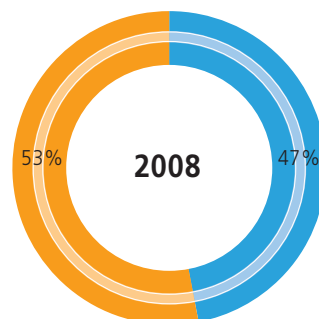


## Financial Highlights 財務概要

## Turnover percentage by Products

按產品劃分的營業額百分率

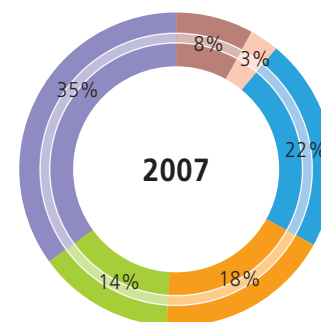
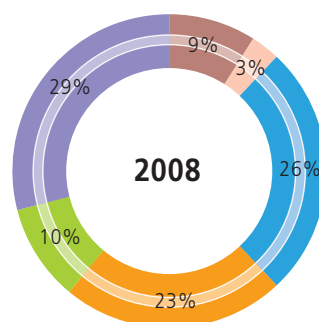
- Metal and Plastic Business  
五金塑膠業務
- Electronics Manufacturing Services  
Business  
電子專業代工業務



## Turnover percentage by Geographical Location

按產品所在地劃分的營業額百分率

- Japan  
日本
- Hong Kong  
香港
- China  
中國
- Asia (excluding Japan, Hong Kong and China)  
亞洲 (不包括日本, 香港及中國)
- North America  
北美洲
- Western Europe  
西歐



		2008 二零零八年	2007 二零零七年	% Changes 變動百分比
<i>HK\$ million</i>	百萬港元			
Turnover	營業額	2,800	3,320	-16%
Gross profit	毛利	179	304	-41%
Operating profit	經營溢利	27	150	-82%
Profit attributable to equity holders	股權持有人應佔溢利	13	125	-90%
Total assets	資產總值	1,657	1,621	+2%
Shareholders' equity	股東權益	676	557	+21%
<i>In Million</i>	百萬股			
Number of shares	股份數目	577	412	+40%
<b>Per Share Data</b>	<b>每股資料</b>			
<i>HK Cents</i>	港仙			
Basic earnings	基本溢利	2.8	29.6	-91%
Diluted earnings	攤薄後溢利	2.8	29.4	-90%
Total cash dividends	總現金股息	0.75	11.5	-93%
<i>HK\$</i>	港元			
Net asset value per share	每股資產淨值	1.2	1.4	-14%
<b>Financial Ratios</b>	<b>財務比率</b>			
Gross profit margin (%)	邊際毛利 (%)	6.4	9.1	-30%
Net profit margin (%)	邊際純利 (%)	0.5	3.8	-87%
Net current ratio	淨流動比率	2.0	1.5	+33%
Net quick ratio	淨速動比率	1.4	1.0	+40%
Net gearing ratio (%)	淨銀行借貸比率 (%)	8	25	-68%
Interest coverage	利息涵蓋比率	5	9	-44%
Dividend payout (%)	派息比率 (%)	27	38	-29%
Turnover to net bank borrowings	營業額與淨銀行借貸比率	54	23	+135%
Non-current assets to shareholders' equity (%)	非流動資產與股東權益比率 (%)	67	57	+18%

## Financial Highlights 財務概要

### Definitions

### 定義

Basic earnings per share	$\frac{\text{Profit attributable to equity holders}}{\text{Weighted average number of shares}}$	每股基本溢利	$\frac{\text{股權持有人應佔溢利}}{\text{加權平均股數}}$
Diluted earnings per share	$\frac{\text{Profit attributable to equity holders}}{\text{Diluted weighted average number of shares}}$	每股攤薄後溢利	$\frac{\text{股權持有人應佔溢利}}{\text{攤薄加權平均股數}}$
Net asset value per share	$\frac{\text{Net assets}}{\text{Number of shares as at year end}}$	每股資產淨值	$\frac{\text{資產淨值}}{\text{年底股數}}$
Gross profit margin (%)	$\frac{\text{Gross profit}}{\text{Turnover}} \times 100\%$	邊際毛利 (%)	$\frac{\text{毛利}}{\text{營業額}} \times 100\%$
Net profit margin (%)	$\frac{\text{Profit attributable to equity holders}}{\text{Turnover}} \times 100\%$	邊際純利 (%)	$\frac{\text{股權持有人應佔溢利}}{\text{營業額}} \times 100\%$
Net current ratio	$\frac{\text{Current assets (less cash and bank balances)}}{\text{Current liabilities (less cash and bank balances)}}$	淨流動比率	$\frac{\text{流動資產 (減現金及銀行結存)}}{\text{流動負債 (減現金及銀行結存)}}$
Net quick ratio	$\frac{\text{Current assets (less inventories and cash and bank balances)}}{\text{Current liabilities (less cash and bank balances)}}$	淨速動比率	$\frac{\text{流動資產 (減存貨及現金及銀行結存)}}{\text{流動負債 (減現金及銀行結存)}}$
Net gearing ratio (%)	$\frac{\text{Bank borrowings (less cash and bank balances)}}{\text{Shareholders' equity}}$	淨銀行借貸比率 (%)	$\frac{\text{銀行借貸 (減現金及銀行結存)}}{\text{股東權益}}$
Interest coverage	$\frac{\text{Earnings before interest, tax, depreciation and amortisation}}{\text{Interest paid}}$	利息涵蓋比率	$\frac{\text{扣除利息支出、稅項、折舊及攤銷前溢利}}{\text{利息支出}}$
Dividend payout (%)	$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100\%$	派息比率 (%)	$\frac{\text{每股股息}}{\text{每股溢利}} \times 100\%$
Turnover to net bank borrowings	$\frac{\text{Turnover}}{\text{Bank borrowings (less cash and bank balances)}}$	營業額與淨銀行借貸比率	$\frac{\text{營業額}}{\text{銀行借貸 (減現金及銀行結存)}}$
Non-current assets to shareholders' equity (%)	$\frac{\text{Non-current assets}}{\text{Total equity}}$	非流動資產與股東權益比率 (%)	$\frac{\text{非流動負債}}{\text{權益總值}}$

## Chairman's Statement 主席報告

On behalf of the board of directors, I am pleased to present the annual report of Karrie International Holdings Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 March 2008.

### PRINCIPAL ACTIVITIES AND RESULTS

The Group is principally engaged in

- Metal and Plastic Business: manufacturing and sale of metal and plastic products including computer casings, office automation products, video tape cassettes, moulds, plastic and metal parts; and
- Electronic Manufacturing Services ("EMS") Business: manufacturing and sale of magnetic tape drives, laser printers, multi-function facsimile machines, "point-of-sale" system and other computer peripherals.

#### Business review

- The turnover of the Metal and Plastic Business for year ended 31 March 2008 was HK\$1,321,560,000 (for the year ended 31 March 2007: HK\$1,480,918,000), 11% lower than that for the corresponding period last year. The decline was mainly attributed to the fact that the Group had acceded to the price-cutting request from one of its major customers, based on a mistaken belief that by doing so the Group would be able to secure orders from this customer as a sole supplier. However, it turned out that the Group was not able to secure orders for some of the new projects, and that shipments for the existing orders had also slowed down. This has led to a decline in both the turnover and profit. The operational profit for the year is HK\$48,127,000 (for the year ended 31 March 2007: HK\$132,270,000), approximately 64% lower than that for the same period last year.
- The turnover of the EMS Business for the year ended 31 March 2008 dropped by 20% to HK\$1,478,407,000 (for the year ended 31 March 2007: HK\$1,839,112,000). The EMS Business recorded an operational loss of HK\$24,264,000 during the year. This was mainly attributable to a drop of 44% in the sales of one of laser printers of our major customers when compared with the sales for the corresponding period last year. The sales to this major customer had not been recovered after this major customer had restructured its business whilst sales from the other customers were insufficient to mitigate the decrease in the size of the above mentioned decrease in shipment. As a result, the overall turnover of the EMS Business dropped accordingly during the relevant period.

我謹此代表董事會提交嘉利國際控股有限公司(「公司」)及其附屬公司(「集團」)截至二零零八年三月三十一日止的年報。

### 主要業務及業績

集團主要從事

- 五金塑膠業務 - 製造及銷售五金及塑膠產品，包括電腦外殼、辦公室文儀產品、錄影帶外殼、模具、塑膠及金屬部件等。
- 電子專業代工業務 - 製造及銷售磁帶解碼器、鐳射打印機、多功能傳真機、「收銀機系統」及其他電腦週邊產品。

#### 業務回顧

- 五金塑膠業務於截至二零零八年三月三十一日之營業額為1,321,560,000港元較去年同期下跌了11%(截至二零零七年三月三十一日：1,480,918,000港元)。其營業額下跌之主因乃基於過份滿足其中一位主要客戶，以致出現抉擇錯誤，為爭取以為本公司是「單一的供應商」的訂單，故答應客戶要求減價，但之後仍失去部份新的項目訂單，另現有訂單的付運也減慢，引致營業額及溢利下跌。今年的營運溢利為48,127,000港元(截至二零零七年三月三十一日止，132,270,000港元)，較去年同期下跌了約64%。
- 電子專業代工業務於截至二零零八年三月三十一日止之營業額為1,478,407,000港元較去年同期下跌了20%(截至二零零七年三月三十一日止：1,839,112,000港元)。電子專業代工業務今年錄得營運虧損24,264,000港元。主要原因為由於本集團其中一名主要客戶的鐳射打印機銷售額較去年同期下跌了44%，而在該客戶業務重組後，本集團對該客戶的銷售額仍未復甦。同時，其他客戶的銷售增長未能抵銷上述對鐳射打印機付運下跌之影響，結果導致電子專業代工業務整體營業額於有關期間內下跌。

## Chairman's Statement 主席報告

### Fear no challenges

- This financial year is obviously the most challenging year that we have ever met. At the macro-economy level, the sub-prime mortgage crisis in the U.S. remains unsolved and may further deteriorate, and the U.S. economy may fall into stagflation and even recession. The global economy has become worse as the global credit crunch results in a tight money supply. Without exception, China has also been adversely affected.
- In order to mitigate the inflation, China has raised interest rate and deposit reserve ratio several times to curb liquidity and to prevent its economy from overheating. However, these restrictive policies are apparently unfavorable to the reconstruction of the devastated areas in China after China has suffered severe natural disasters like the snowstorm and earthquakes. Accordingly, China's economy is now facing a dilemma. Furthermore, rapid price rise in raw materials and the repeatedly record-breaking price rise in crude oil, appreciation of RMB, more rigid environmental protection laws and regulations as well as a series of labor protection laws and regulations such as the newly implemented Labor Contract Law and the minimum wage rules are also unfavorable factors. All of the above factors lead to a rapid rise in the overall cost of the labor-intensive manufacturing industries. In China, manufacturers that fail to control their costs effectively or fail to keep demand unaffected when passing on the increasing cost in full to their customers are in an even worse situation, China's position as the "world's factory" has become unstable. Under such adverse circumstances, many factories have been closed or relocated to other areas with lower labor cost.
- In addition, the commencement of operation of Yu Quan Plant and the expenses earmarked for the construction of Yixing plant have resulted in an increase in additional expenditure and operation cost.

Despite all these challenging situations, the Group still focuses on expansion in China market, fears no challenges and is confident to surmount these difficulties and taking steady steps forward. The Group adopts the following solutions to tackle the following major problems:

### 無懼挑戰

- 本財政年度，肯定為最具挑戰性的一年，從宏觀環境，美國次按問題不但未有解決的跡象，並有擴散之可能，美國經濟可能陷入滯漲，甚至出現衰退之情況。全球經濟大氣候亦趨轉壞，國際信貸從而收縮，令致銀根緊絀，中國亦不能置身事外，受到不同程度的影響。
- 中國為壓抑通漲，經過多次加息及調高存款準備金率，收緊信貸，以防止通漲及經濟過熱。然中國屢經雪災及地震等天然災害，緊縮政策顯然不利重建。中國經濟因而陷入兩難之局面。此外，原材料價格大漲，石油價格屢創新高、人民幣飆升、嚴格環保法規、今年開始實施《勞動合同法》及最低工資等一系列勞動新法規。上述因素，導致以勞工密集為主之製造業總體成本急速上升。而工廠無法有效控制成本或無法保證於不影響需求之情況下，把上升中的成本悉數轉嫁予客戶，更令中國製造業雪上加霜，中國作為「世界工廠」之地位也開始動搖。面對如斯惡劣環境下，很多廠房已被關閉或遷往其他勞工成本更廉宜地區。
- 此外，本集團的玉泉廠房投入運作及準備興建宜興廠房之費用，致使額外開支和營運成本都有所增加。

雖然面對如此嚴峻的環境，本集團仍然著眼中華，無懼挑戰，有信心跨過重重困難，繼續邁步向前。本集團在面對下列不同的主要問題，亦提出應對的方法。



“Enneagram” is the Group’s theme training development this year. Through different “Enneagram” workshops, not only provided class training, but also employed some brand new training techniques such as documentary report and drama, to enhance the soft skills in communication and interpersonal relationship. Our chairman Dr. Ho Cheuk Fai has personally casted for one of the characters!

「九型人格」培訓為本年度的主題培訓發展，透過多次「九型人格」工作坊，除了課堂式培訓外，更利用記錄片報導及話劇形式，加強與不同層面員工的軟性溝通技巧，主席何焯輝博士更親自演繹其中一種型格呢！



## Chairman's Statement 主席報告

### Appreciation of RMB

Weak US dollar has resulted in a 8% increase in the exchange rate of RMB against Hong Kong dollar during the year, and appreciation of RMB boosted the operation expenditures of the Group up. Given that RMB is not an international currency, we do not have any effective method to hedge the relevant risk. However, as most of the Company's raw materials have been procured from customers and designated suppliers and are settled in US dollar, the effect arising from the fluctuation of exchange rates can be reduced accordingly.

In the long run, the Company will pass on the increasing operation cost to its customers as much as possible. In our 2007/08 annual report, amount settled in RMB accounted for approximately 15% of the total cost.

### Electricity supply

Electricity expenses accounted for less than 2% of the total cost. During the year, the Group used local power and diesel-powered generators as before to maintain 100% alternative power supply capacity and to ensure that its production would not be adversely affected. However, with the price of crude oil hitting US\$145 per barrel, higher cost of energy and electricity would certainly affect the Group's profit. The Group managed to use local electricity, which was less expensive, to mitigate this adverse effect as the costs of alternative power supply capacity is higher than that of the local power. As a result, the average electricity expenses for the year decreased slightly than that of last year. However, the amount of HK\$3,000,000 so saved was totally "swallowed" by the appreciation of RMB.

### Steel price

The price of steel materials was relatively stable in the past two years, but has since the beginning of 2008 been on the rise, for more than 50%. The Group kept raising the prices of its products and stocking up steel materials. The steel materials accounted for approximately 5% of the total cost.

### 人民幣升值

隨著美元疲弱，人民幣對港元於本年度上升了約8%，人民幣升值必然增加了營運開支。鑑於人民幣並非國際貨幣，並無有效對沖之辦法。然本公司大部份原料皆從客戶及其指定供應商所提供，並主要以美元找結，故能減少匯率波動對本公司之影響。

長遠而言，本公司儘力將上升之營運成本轉嫁予各客戶。於二零零七／零八年度中，採用人民幣結算的總額佔整體成本約15%。

### 電力供應

電力費用佔整體成本少於2%。本年度本集團一如以往般使用市電及柴油發電機。以保持百分百的後備發電能力，以確保生產力不受影響。唯隨著油價升至逾145美元一桶，能源電力成本不斷上升，定必影響利潤，後備發電比市電相對地昂貴，本集團已盡量爭取使用較便宜的市電，以減輕負面影響，故本年度平均每度電費相比去年，有輕微下降。但節約所得的約3,000,000港元卻全部給人民幣升值所「吞噬」了。

### 鐵料價格

鐵料價格於過去兩年相對穩定，但踏入二零零八年後鐵料價格持續上升，升幅超過50%。本集團仍不斷努力就製造產品提價和增加鐵料存量，而鐵料佔總成本約為5%。

## Chairman's Statement 主席報告

### Labor

The Group complied with the newly implemented Labor Contract Law and strictly followed the minimum wage rules. This resulted in a double-digit increase in the Group's labor cost. To offset the rising labor cost, the Group has employed capital-intensive automatic machines and enhanced administrative efficiency to reduce labor headcount and to cut wage expenditure. During the year, salary/wage accounted for less than 10% of the total cost.

### Keen Competition

The industry in which the Group operates is highly competitive, with the players therein competing with each other in such major aspects as productivity, product and service stability and quality, pricing, responsiveness to market and production capacity, etc. The management of the Group clings closely to the ever-changing business environment, grasps the market pulse, understands customers' needs, industry trends and various challenges, so as to capture opportunities and develop new business for the Group.

### "THE THREE EQUILIBRIUMS"

We have always been focusing "the three equilibriums", which allowed us to achieve rapid growth or contraction while facing different problems and challenges. Achieving the "equilibriums" in conflicting circumstances is a difficult task, but it is also a key to successful corporate management. (please refer to page 16 to 17 of the 2006/07 Annual Report)

### 勞工

勞動合同法之實施及嚴格執行最低工資，本集團已按照法規執行。雖然勞工市場供應情況有所改善，惟勞動成本卻以雙位數字上升。為減輕勞動成本上漲，本集團已實行資本密集之機械自動化及提高行政效率，以減輕人手之要求，從而節省工資開支。年內工資／薪金佔整體成本少於10%。

### 激烈的競爭

本集團經營行業競爭激烈，同業生產力、產品和服務穩定性及質素、定價、回應市場的速度及產能等主要方面互相競爭。本集團之管理層皆緊貼瞬息萬變之商業環境，掌握行情脈搏，了解客戶需求、行業趨勢及各項挑戰，以抓住機遇，發展公司業務。

### 「三大平衡」

我們一直強調「三大平衡」，希望藉此讓你明白我們在業務高速增長或收縮的同時所遇到的各樣難題與挑戰。如何在不能兼容的情況下成功取得「三大平衡」可謂一門非常艱辛的任務，卻也是企業管理的關鍵。（請參考二零零六／零七年度年報第十六至十七頁）

# 玉泉廠房整體規劃 Construction Plan for Yu Quan Plant



Phase I 第一期  
Phase II 第二期  
Under planning 規劃中



Plastics Injection 注塑 - A4, A9, B3  
EMS 電子組裝 - A1, A2, A7, A8  
Moulding 工模 - A3, B4  
Warehouse 貨倉 - A6, B2-2, C7

Administration Office 行政大樓 - B2-1  
Dormitory 宿舍 - C1, C2  
Canteen 食堂 - C6  
Power Station 配電房 - P1

10-2005

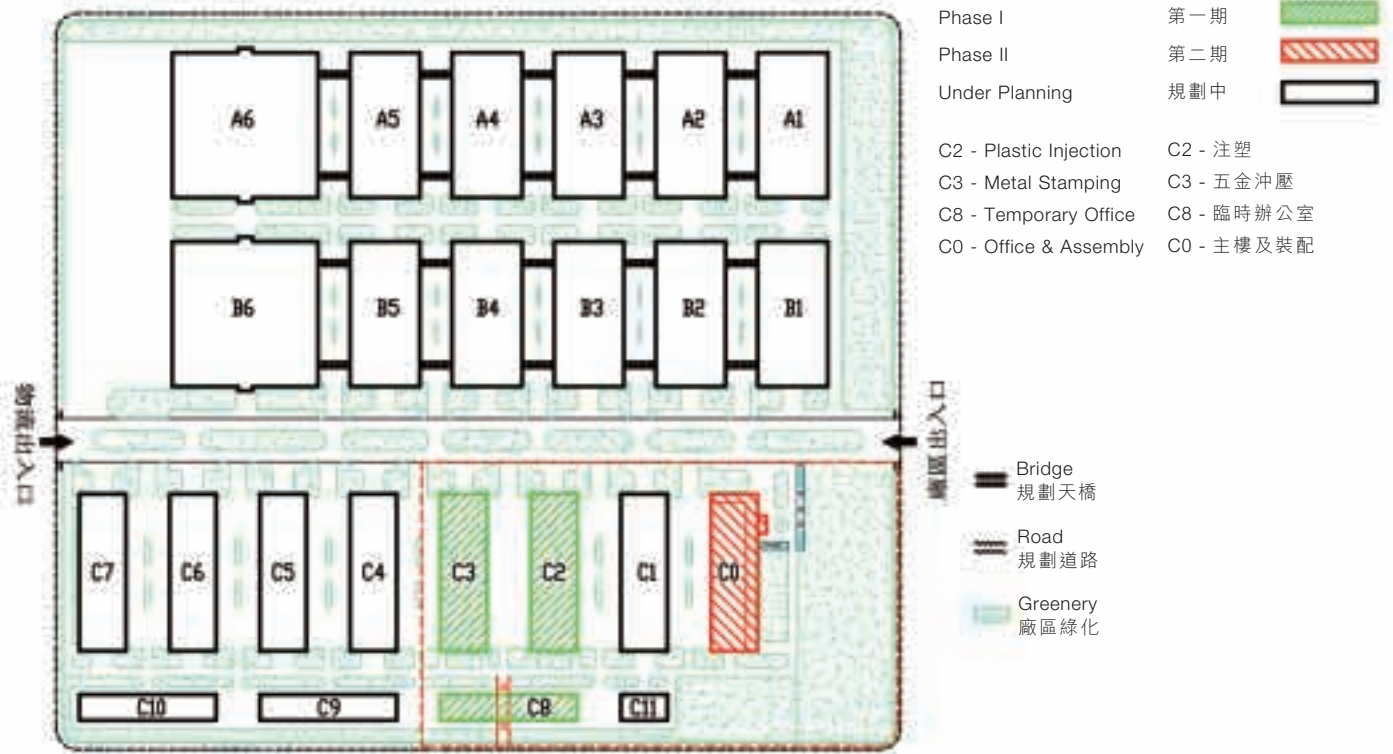


Present 現在



# 宜興用地發展規劃圖

## Yixing Development Layout Plan



C2, C3



C3-Metal Stamping 五金沖壓



C2-Plastic Injection 注塑



C8-Temporary Office 臨時辦公室



## Chairman's Statement 主席報告

### The First Equilibrium: "Risk of Investing" vs "Risk of Not Investing"

Despite the conflicting situation, Karrie's management team has never given up the pursuit of achieving an equilibrium between them. Since the financial year 2003/04, the Group has been implementing a capacity expansion plan to further exploit economies of scale, strengthen cost competitiveness and accelerate automation. After several years' investments (see table below), it is expected that after completion of the capital expenditure of approximately HK\$80,000,000 next year, the capacity and productivity will increase significantly to meet future business development of the Group. This round's Capex will terminate and the subsequent investment amounts will decrease remarkably.

### 第一平衡：「投資的風險」與「不作投資的風險」

雖然我們處於這個不能兼容的局面之下，但嘉利的專業管理團隊於過去數年從未放棄尋求兩者之間的平衡。從二零零三／零四年度開始本集團已定下產能擴張計劃，進一步發揮規模效益、增強成本競爭能力及加速自動化。經過數年之投資（見下表），預計在完成明年之固定資產的投資金額約80,000,000港元後，產能及生產力已大大提升，足以應付未來本集團業務的發展，這一輪的投資週期應當完結。之後的投資金額將大幅降低。

	Turnover 營業額 HK\$ 港元	Capex 固定資產投資 HK\$ 港元	Net Gearing Ratio as at 31 March 淨銀行借貸比率 截至三月三十一日
2001/02	1,156,262,000	15,000,000	-18%
2002/03	1,737,979,000	24,000,000	-9%
2003/04	1,692,960,000	59,000,000	1%
2004/05	2,563,190,000	62,000,000	56%
2005/06	3,592,741,000	92,000,000	21%
2006/07	3,320,030,000	92,000,000	25%
2007/08	2,799,967,000	199,000,000	8%
2008/09	N/A 不適用	80,000,000	<50%*

\* Initial estimation  
初步估計

#### – Factory investment:

- Automation and factory expansion for future development purpose, which mainly includes:
  - completion of the expansion of phase II of the new Yu Quan Plant;
  - acquisition of new automation robotic transfer line for mass production, metal stamping and mould processing equipments and facilities for Yu Quan Plant; and
  - construction of Phase I of Yi Xing plant and acquisition of machinery.

#### – 廠房投資：

- 其中包括自動化及擴建廠房，作為未來發展用途，主要包括：
  - 完成新玉泉廠房第二期的擴建；
  - 玉泉廠房添置新的自動機械手生產線、金屬沖床及工模加工機器和設備；及
  - 興建宜興第一期之廠房及購買機器。

## Chairman's Statement 主席報告

- The Group devotes itself to meeting customers' demands in the Eastern China. It initially planned to lease factory premises in Wuzhong, Suzhou, Jiangsu province. However, after the signing of the lease, the landlord of the factory premises requested an increase of rental through the local government. Despite that Group had acceded to the request, at the time when renovation had commenced and machinery were then being moved into the factory premises, the landlord made another request to the Group verbally that an additional plant be built. The repeated requests for amendments to the terms and conditions of the lease cast doubts on the integrity of the landlord. As a result, the Group decided to terminate the relevant lease. Negotiation for the termination is under way and is expected to be finalised very soon.
- The Group pursues a strategy, which emphasizes setting up factories in the eastern China, providing best quality products and services to customers and growing up together, and at the same time providing value-added services to potential customers who develop and conduct businesses in the Yangtze River Delta, China, so as to explore more business opportunities. To continue this strategy, a wholly-owned subsidiary of the Company entered into an agreement to acquire the land use rights of a piece of land located in Yixing Economic Development Zone in Jiangsu Province in the Yangtze River Delta region, China, on 31 January 2008.

The land has a site area of approximately 480 Chinese acres (approximately 320,000 sq.m.) (for reference: the existing three plants at Fenggang, Yan Tien and Yu Quan, Dongguan, with a total land area of approximately 470 Chinese acres). For more details, you may refer to the circular to shareholders dated 18 February 2008. It is planned that the first phase of the project will be commenced in the year 2008/09. It is estimated that the Capex the construction of three factories and the acquisition of machinery will amount to HK\$20,000,000. Due to the recent rainy weather, it is expected that trial production can only commence in the 4th quarter of 2008.

- 本集團致力於華東地區之客戶要求。最初計劃於江蘇省蘇州市吳中區租用廠房。唯簽約後，業主透過鎮府要求增加租金，雖已滿足其要求，但在展開裝修期間，並在機器開始進場時，再次口頭改變增加建築廠房，其一而再，再而三地變更合作條件，令誠信出現問題，現正商討取消相關租約，並已接近完成階段。

- 為延續於華東地區設立廠房設施之策略，向客戶提供最優質之產品及服務，共同成長。並為中國長江三角洲發展及進行業務之潛在客戶提供增值服務，以發掘更多商機。於二零零八年一月三十一日，本公司之全資附屬公司，訂立協議，以收購位於中國長江三角洲地區江蘇省宜興市經濟開發區地盤（「地盤」）之土地使用權。

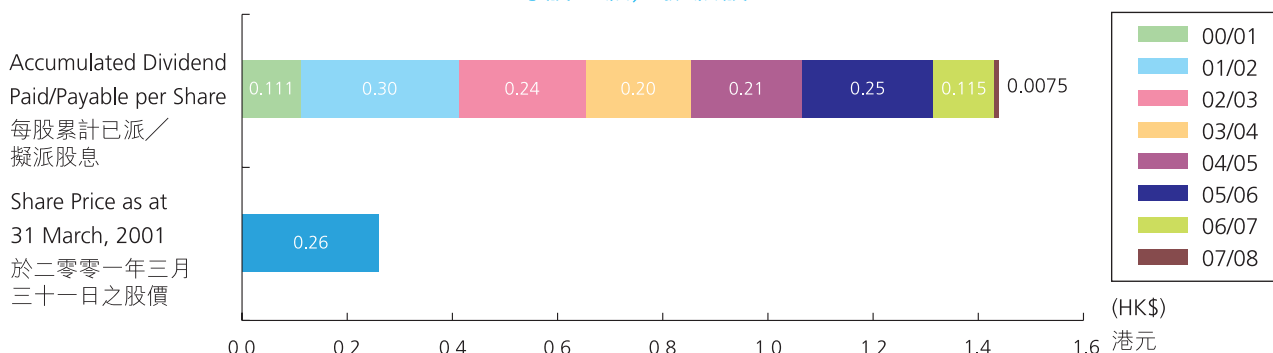
該地盤佔地約480畝（約320,000平方米）（參考資料：現有東莞市鳳崗鎮的雁田、鳳崗及玉泉三個廠房，合共土地面積約470畝），詳情可參閱二零零八年二月十八日寄予各股東之通函，並計劃於二零零八／零九年度展開第一期工程，預算以20,000,000港元建築三棟廠房及購買機械之固定資產投資。受到近期天雨影響，因此預料於二零零八年第四季才可進行試產。

## Chairman's Statement 主席報告

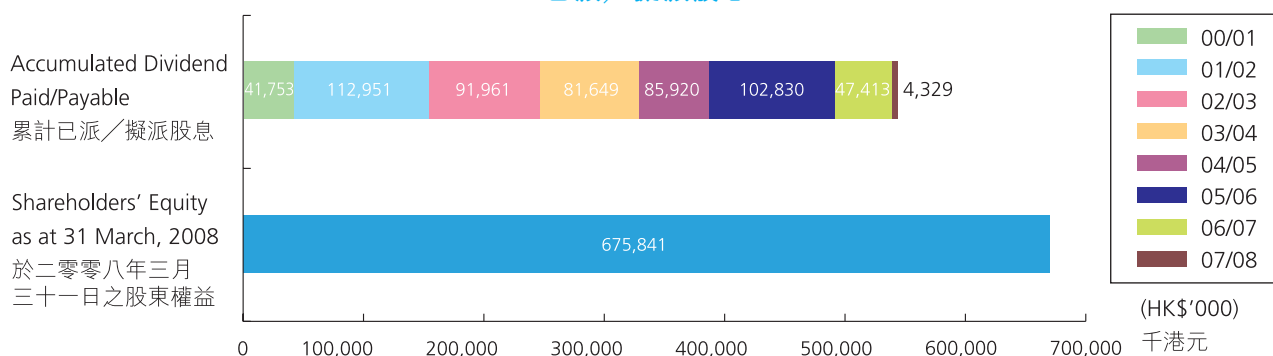
### The Second Equilibrium: "Dividends" vs "Capex and Working Capital Requirement"

第二個平衡：「股息」與「固定資產投資及流動資金需求」

Dividend Paid/Payable per Share  
每股已派／擬派股息



Dividend Paid/Payable  
已派／擬派股息



In determining dividends, the Board should consider the Capex and the working capital requirement and achieve a proper equilibrium.

On 11 October 2007, the Group announced to undertake a proposed rights issue of shares at the price of HK\$0.75 per rights share, on the basis of four rights shares for every ten existing shares (the "Rights Issue"). The Rights Issue was successfully completed in November 2007. The Rights Issue has expanded share capital basis and increased shareholder basis. A net proceeds of approximately HK\$121,690,000 was raised, which gave good financial support to the Group's future development and strengthened the working capital of the Group.

The Board has adopted a set of "New Dividend Policy" for the financial year ended 31 March 2008, which outlines the factors for consideration when determining the dividend for distribution, such as profit attributable to equity holders of the Company, cash flow and Capex. In view of the setback in the results of the Group and the increase in Capex for the year, the Company adjusted its dividend

在決定股息時，董事會須考慮股息與固定資產投資及流動資金需求，並取得適當的平衡。

於二零零七年十月十一日，本集團宣布建議按每股認購價0.75港元供股，基準為每持有十股現有股份供四股供股股份（「供股」）。於二零零七年十一月，供股得以順利完成，並擴大了股本基礎及增加股東基礎，合共籌集的資金淨額合共約121,690,000港元，為本集團未來發展資金奠下良好基礎，並加強本集團之流動資金。

董事會於截至二零零八年三月三十一日止年度採納「新股息政策」。新股息政策列出決定股息的派發金額時所須考慮的因素，如本集團股權持有人應佔溢利、現金流量及投資預算。由於本集團於本年度的業績有所倒退及固定投資增加，所以本公司在股息的派發金額上作出了相應的調整，然



## Chairman's Statement 主席報告

distribution to its equity holders accordingly while its dividend policy remains unchanged. The Group has paid interim dividends of HK0.75 cents on 31 January 2008. According to the dividend policy of the Group, not less than 30% of profit attributable to equity holders is distributed as dividends. Taking into account of the interim dividend of HK0.75 cents, there is not much profit left available for dividend distribution to shareholders for the year. As at 15 June 2008, there were 696 equity holders and 537 of them held 2,000 or less shares. In order to save administration expenditures and retain profits of the Group for future development, after careful considerations, the Board does not recommend distribution of final dividends to shareholders this year.

Although the Company has entered into the stage of proactive investments, the non-current assets to shareholders' fund ratio remained at a healthy level of 67% (2006/07: 57%). Bank borrowings provided flexible allocation of financial resources for the Group, and net bank borrowing ratio and the net bank borrowing amount was 8% and HK\$52,121,000 (31 March 2007: 25% and HK\$141,297,000) respectively. It is expected that the non-current assets to shareholders' fund ratio for the year will be below 100% and the net bank borrowing ratio will stay at a healthy level of under 50%.

### **The Third Equilibrium: How to balance the customers' requirement for reasonable inventory vs the risk profile of the Group**

As the sole supplier of specific projects of customers, we have to oblige to their requests to maintain a reasonable level of inventory. However, under our effective inventory management, the inventory turnover was 37 days, and the value of our inventory was approximately HK\$264,352,000 as at 31 March 2008 (representing an inventory amount decrease of 30% as compared to 45 days and HK\$374,974,000 as at 31 March 2007).

### **Geographical Distribution**

The Group does not rely on one single market but ships to diverse markets. During the year, Asia (except Japan, China and Hong Kong) contributed HK\$636,698,000 in turnover (2006/07: HK\$591,082,000). Turnover from Japan amounted to HK\$252,894,000 (2006/07: HK\$259,253,000), that from China amounted to HK\$741,178,000 (2006/07: HK\$745,730,000) and that from Hong Kong amounted to HK\$84,018,000 (2006/07: HK\$83,788,000). Turnover from Western Europe amounted to HK\$803,973,000 (2006/07: HK\$1,170,719,000) and turnover from direct shipment to North America amounted to HK\$284,213,000 (2006/07: HK\$477,525,000).

其股息政策不變。本集團已於二零零八年一月三十一日派付中期股息每股0.75港仙，若以本集團之股息政策，股權持有人應佔溢利不少於30%作為股息，於扣除中期股息每股0.75港仙，以今年之溢利計算，可予派發予股東之股息剩餘無幾，截至二零零八年六月十五日止，股權持有人合共696名，而少於或等於2,000股佔537名，為節省本集團之行政費用及保留盈利將來發展之用，故董事會經審慎考慮，建議本年度不擬派發末期息予股東。

雖然本公司已進入積極投資之週期，而非流動資產與股東資金比率繼續維持於67%之健康水平(二零零六/零七年：57%)。銀行借貸為本集團提供靈活財務資源調配，淨銀行借貸比率及借貸金額分別為8%及52,121,000港元(二零零七年三月三十一日：25%及141,297,000港元)。預計本年度非流動資產與股東資金比率將會低於100%，而淨銀行負債比率將低於50%之健康水平。

### **第三平衡：如何於客戶要求合理存貨與集團風險評估之間取得平衡**

作為客戶個別項目之唯一供應商，我們別無選擇地只能順應他們的要求積存合理水平的存貨。但在有效的存貨管理下，截至二零零八年三月三十一日止，存貨週轉期為37天，金額約為264,352,000港元(二零零七年三月三十一日為45天和374,974,000港元，或金額下跌了約30%)。

### **地域分布**

集團一向採取多元化模式付運產品，不會依賴單一市場。亞洲地區(日本、中國及香港除外)錄得營業額636,698,000港元(二零零六/零七年度：591,082,000港元)，日本則錄得252,894,000港元(二零零六/零七年度：259,253,000港元)，中國則錄得741,178,000港元(二零零六/零七年度：745,730,000港元)，香港則錄得84,018,000港元(二零零六/零七年度：83,788,000港元)，西歐市場則錄得803,973,000港元(二零零六/零七年度：1,170,719,000港元)，而直接付運至北美洲的營業額則佔284,213,000港元(二零零六/零七年度：477,525,000港元)。

## Chairman's Statement 主席報告

### PROSPECTS

The year under review was difficult and challenging. The aforesaid negative factors encompassed the Group and resulted in the downward trend of our overall gross profit margin and turnover, it is anticipated that our turnover for the coming year will remain steady or even drop by a single digit percentage. In response to the increasing expansion of the above cost structure and the uncertainties of the economic environment, the Company has taken the following measures accordingly:

- (i) Proactively communicating with our customers with a view to transfer part of the costs to them;
- (ii) Accelerating the process of automation and streamlining the approaching operation to improve efficiency, reducing consumption of raw materials and cutting labour cost;
- (iii) The construction of Phase II of Yu Quan Plant is approaching its completion and the construction of Yixing Plant will soon commence, which will further increase our production capacity to meet the requirements of customers located in different regions. This will result in a more concentrated production and operation. Each of individual building is independently constructed so as to satisfy various customers' requirements. The operations can be run under either contract processing or WOFE business model to enhance flexibility and ensure smoothness in business operation for each customer;
- (iv) In addition, as the Company's mission is to maximize shareholders' interest, it has also considered using factories as the focal point to develop other integrated businesses such as hotel, travel and property businesses. Personally, I have accumulated extensive experience and good proven records in this respect which I wish to be useful for the diversification of businesses of the Company. However, as at today, the Group has no detailed plans in this respect; and
- (v) With the commencement of operation of Yu Quan Plant, production facilities in Yan Tien have begun to be relocated to Yu Quan Plant. But some production lines will remain in operation till the end of the year. By then, the Group will have vacated a site area of approximately 24,000 sq.m.. Various plans as to the future use of the vacated site are still under discussion with the view of maximizing the interests of our shareholders.

### 展望

今年是艱難及具挑戰性的一年，前述的負面因素，困擾着本集團並導致整體營業額及毛利率仍趨下降，預計明年營業額將保持平穩，甚或出現低單位百分數下跌。為應付上述之成本結構不斷上升及不明朗之經濟環境。本公司亦相應地採取了下列措施：

- (i) 積極與客戶溝通，以轉嫁部份成本予客戶；
- (ii) 加強自動化之步伐及精簡營運方式，以提高效率、減少原材料損耗及降低勞工成本；
- (iii) 玉泉廠房第二期工程已接近完成階段及宜興廠房隨即興建。將進一步增加產能以應付不同地域客戶之需求。致使生產營運更為集中，建築物採用獨立型式建設，因應不同客戶之要求，可以來料加工或獨資企業模式經營，增加彈性，以滿足及確保本集團為每位客戶提供服務時得以暢順運作；
- (iv) 此外，本公司以爭取股東權益為依歸，故考慮發展以工廠為核心以外的其他綜合性業務，如酒店、旅遊及房地產業務，本人私人在這方面已具備多年豐富經驗和良好經營記錄，希望能使公司業務更為多元化。至今，本集團並未有詳細計劃；及
- (v) 隨著玉泉廠房開始營運，而雁田之生產設施也開始遷移至玉泉廠房，但仍部份生產線仍會繼續運作直至本年底。到時將有約24,000平方米的空置廠房土地。本集團就將來使用空置廠房商討不同方案，以為股東爭取最大利益。

“Nothing is Impossible” Outward Bound Programme was sponsored by Ho Cheuk Fai Foundation with St. Christopher’s Home for the second consecutive year, which aimed at facilitate the all-around development of children. Through various activities like war game training and adventure-ship, children are cultivated the spirit of “Nothing is impossible” and strengthen their endurance.

何焯輝基金連續第二年資助予香港聖公會聖基道兒童院舉辦「嘉利凡事皆可能自我挑戰計劃」，希望透過不同的外展活動如野戰訓練、乘風航及歷奇訓練等培養兒童「凡事皆可能」的精神，強化他們的鬥志和能力。



## Chairman's Statement 主席報告

The Group's unaudited turnover for the two months ended 31 May 2008 was HK\$415,000,000 (2006/07: HK\$463,000,000), as the unaudited turnover for these two months may not be able to reflect the final results for the year ended 31 March 2009, investors and shareholders should exercise caution when dealing in the shares of the Company.

### FINANCIAL RESOURCES

The Group's business suffered a setback this year. In theory, the decrease in working capital requirements would reduce the bank borrowings requirements, assuming no deterioration in current assets quality. The inherent beauty of this self-adjusting mechanism of our business model is one of the key pillars of our confidence in the future of the Group.

#### Robust Cash Generating Ability

With the new Capex cycle coming to an end, the Group has taken a group-wide effort to improve the cash cycle. As a result, the Group maintains a net cash inflow from operating activities of HK\$161,536,000 as compared to last year's net cash inflow of HK\$154,664,000 despite a 16% decrease in turnover.

#### Additional Bank Borrowings

The Group has adequate financial flexibility backed by long term banking facilities secured. Our bankers have been very supportive. Hang Seng Bank, HSBC and Standard Chartered Bank have provided the Group with a five-year installment loan facility totalling HK\$200,000,000. Such loan facilities had all been utilised as at 31 March 2008.

#### Raising funds by Rights Issue to expand shareholders' funds

During the year under review, net proceeds of approximately HK\$121,690,000 were raised from the Rights Issue. The Group is of the view that the Rights Issue has enabled it to raise funds to support its business development and general working capital needs. With a strengthened financial position as a result of the Rights Issue, the Group will be able to make strategic investments promptly when opportunities arise.

集團截至二零零八年五月三十一日止兩個月未經審核之營業額為415,000,000港元(二零零六/零七年度: 463,000,000港元), 因這兩個月之未經審核營業額未必能反映截至二零零九年三月三十一日止年度之最後業績, 懇請各投資者及股東在買賣本公司股份時務須審慎行事。

### 財務資源

本年度集團之業務表現遇到下挫時, 理論上流動資金需求下跌, 假設流動資產「質素」不變, 這將減低對銀行借貸的需求。集團經營模式中包含著這個自動調節的機制, 乃是我們對未來充滿信心的其中一項主要支柱。

#### 充裕的變現能力

隨著新一輪的固定資產投資週期快將完結, 集團透過整體努力達至改善現金回轉週期的目標, 雖然營業額下降了16%, 但最後仍維持「經營活動之淨現金流入」於161,536,000港元, 對比上年度之淨現金流入154,664,000港元相若。

#### 安排額外銀行借貸

為確保集團之財務保持足夠靈活性, 故已安排長期貸款。銀行方面亦非常支持, 恒生銀行、匯豐銀行及渣打銀行合共提供了200,000,000港元之5年期分期還款借貸融資, 於二零零八年三月三十一日, 此等融資均已被動用。

#### 供股集資, 擴大股東資金

於回顧年內, 本集團就供股所籌集的資金淨額合共約121,690,000港元。本集團認為, 供股可以為本集團籌集資金以供本集團發展業務及應付一般營運資金上的需要, 同時亦可鞏固本集團的財務狀況, 使其日後能把握機遇, 及時作出策略投資。



## Chairman's Statement 主席報告

### Financing for Growth

The financing arrangement for 2008/09 is by far more difficult than the last financial year because of the following reasons:

- Even though the 2008/09 Capex budget has been reduced, when compared to the actual expenditure of HK\$198,529,000 for 2007/08, it remains high at HK\$80,000,000;
- The financial market is stringent;
- The macro economic environment is unfavourable to the manufacturing industry.

As at 31 May 2008, the unaudited net bank borrowing ratio was approximately 25%. As such, we still expect the net gearing ratio will stay at a level of below 50%. We are also following our house rule of using our profit after tax and proceeds from the Rights Issue last year to finance our capital expenditures:

### 為增長提供資金週轉

二零零八／零九年度的融資安排遠較去年度為艱辛，因為

- 二零零八／零九年之固定資產投資總預算雖然比二零零七／零八年度實際支出約198,529,000港元為低，但仍需約80,000,000港元；
- 金融市場銀根緊拙；
- 宏觀經濟環境不利製造行業。

截至二零零八年五月三十一日止，未經審計的淨銀行借貸比率約為25%。鑒此，我們預計淨銀行借貸比率仍將維持低於50%之水平，同時亦堅持既有之原則，以除稅後溢利及去年供股所得的資金作為支持資本性開支的需要：

### Financing Capex by Profit 以溢利作為固定資產投資之資金來源

HK\$ million	百萬港元	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08
Profit After Tax	除稅後溢利	20	26	78	120	90	147	186	125	13
Depreciation	折舊	32	39	34	32	34	38	50	54	60
Proceeds of Rights Issue	供股集資	-	-	-	-	-	-	-	-	122
		52	65	112	152	124	185	236	179	195
Less:	減去：									
CAPEX	固定資產投資	57	65	15	24	59	62	92	92	199
Dividend/Dividends To Be Distributed	股息／將派發股息	16	42*	113*	92*	82	86	103*	47	4
(Deficit)/Surplus	(虧欠)／盈餘	(21)	(42)	(16)	36	(17)	37	41	40	(8)
(Net Bank Borrowings)/ Net Cash	(淨銀行借貸)／ 淨現金	(23)	(51)	64	34	(6)	(234)	(112)	(141)	(52)
(Net Gearing Ratio)/ Net Cash Ratio	(淨銀行借貸比率) ／淨現金比率	(7%)	(16%)	18%	9%	(1%)	(56%)	(21%)	(25%)	(8%)

\* Including special dividend 包括特別股息

Extended "Team Building & Leadership for Peak Performance" workshop to middle levels, providing them with the experience training where they could learn the importance of team work, toleration and mutual belief.

將「高效團隊及領導才訓練工作坊」推行中層人員，讓他們透過體驗式的培訓，從中領悟到團體合作、相互包容及互信的重要性。



## Chairman's Statement 主席報告

As a prudent manufacturer, we never entertain the idea of borrowing money to finance Capex, as this will expose the Group to financial difficulty should the economy take a sudden downturn.

However, from the experience of previous years, even with a decrease in turnover growth rate, a vigorous working capital management system would alleviate the burden on cash flow resulting from financing receivables and inventories.

### Resources Available

The Directors are confident that with the cash in hand of HK\$353,140,000 and banking facilities of HK\$1,340,249,000, the Group is able to meet its current operational and capital expenditure requirements and to make strategic investments when opportunities arise.

### Exchange Rate Exposure

All the Group's assets, liabilities and transactions are denominated either in Hong Kong dollar, US dollar or RMB. As the exchange rates of the RMB against Hong Kong dollar and US dollar rose continuously during the relevant period, the Group was exposed to exchange rate fluctuation risks and pressure on its production cost. The Group will actively communicate with its customers regarding raising its products' selling prices to mitigate the impact of the appreciation of the RMB on its business.

### Contingent Liabilities

As at 31 March 2008, the Group had no significant contingent liabilities.

作為一個保守的工業家，我們從未想過以銀行借貸支付固定資產投資的資金需要，因為倘若經濟環境突然出現逆轉時，集團便會陷入危機。

根據過往經驗所得，在營業額收縮幅度較大時，透過嚴謹的流動資金管理可適度減輕應收帳及存貨對流動資金週轉的壓力。

### 可動用資源

以集團現時分別擁有手頭現金353,140,000港元與及銀行借貸額約1,340,249,000港元，集團有信心足夠應付現時營運與及資本性開支及如機遇出現時的策略性投資的需要。

### 匯兌風險

本集團所有資產、負債及交易主要均以港元、美元或人民幣計算，由於在有關期間內人民幣兌換港元和美元之匯率持續上升，故此對本集團的營運成本產生一定的匯兌壓力和風險。本集團將努力與客戶爭取在貨價上作出調整，以減低人民幣匯價上升對業務的衝擊。

### 或然負債

截至二零零八年三月三十一日止，集團並無重大或然負債。



## Chairman's Statement 主席報告

### RECOGNITION

#### 2007 IR Magazine Award

The Group's annual reports have won various awards including Asiamoney, IR Magazine and the Hong Kong Management Association in the past few years. Continuing this excellent track record, the Group's 2006/07 annual report received the first prize of "Best Annual Report and other Corporate Literature" award from IR Magazine. Besides, despite that the Group's performance declined during the year, the Group received the "Honorable Mention" in the "Grand Prix for the Best Overall Investors Relations in Hong Kong – Small/Mid Cap" by institutional investors and analysts by IR Magazine.

### 認同

#### 二零零七年度「投資者關係雜誌選舉」

過去幾年本集團之年報曾取得「亞洲貨幣雜誌」、「投資者關係雜誌」及「香港管理專業協會」之多個獎項外，本集團之二零零六／零七年度年報再度獲得「投資者關係雜誌」之「最佳年報及企業文獻」第一名榮銜。同時，雖然本集團本年度之業績表現有所下跌，但仍然獲機構投資者及分析員於「投資者關係雜誌選舉」中評選為「香港最佳投資者關係」（中小企業組）的優異獎。



二零零七年度香港管理專業協會「最佳年報選舉」之優異年報獎及優秀企業管治資料披露獎。

Awarded with "Honorable Mentions" and "Citation for Achievement in Corporate Governance" in 2007 HKMA Best Annual Reports Award.



二零零七年度「投資者關係雜誌選舉」「最佳年報及企業文獻」第一名

"Best Annual Report and other Corporate Literature" Award in 2007 IR Magazine Award.

## Chairman's Statement 主席報告



2001/02  
Rebirth: March Toward Excellence  
脫胎換骨·邁向卓越



2002/03  
We Promise We Deliver  
言而有信·一諾千金



2003/04  
Sunset, Sunrise  
日出·日落



2004/05  
A Thousand-Mile Journey Starts  
with A First Step  
千里之行·始於足下



2005/06  
Heartfelt Dedication In All Details  
事無大小·用心去做



2006/07  
Riding the Waves  
乘風破浪

### 2007 HKMA Best Annual Reports Award

The Group also received "Honourable Mentions" and "Citation for Achievement in Corporate Governance Disclosure" in the 2007 Hong Kong Management Association Best Annual Reports Award. The Board believes that the Group's annual reports and other corporate literatures and website are important platforms for communication with shareholders and all stakeholders. The Group thus devotes "Heartfelt Dedication in All Details" (theme of the 2005/06 annual report) and resorts to using graphs, simple and clear language, and photos to communicate with investors, shareholders and other stakeholders. We are delighted that our efforts are recognized and we will continue to seek room for improvement.

### 二零零七年度「最佳年報選舉」

本集團同時獲得「香港管理專業協會」二零零七年度「最佳年報選舉」之「優異年報獎」及「優秀企業管治資料披露獎」。董事會一直相信本集團之年報及其他企業文獻與及公司網頁乃作為與股東們及相關利益團體訊息交換之重要平台，因此我們一直秉承著「事無大小，用心去做」（二零零五／零六年度年報主題）的信念，利用圖表、簡淺的文字及照片等與投資者、股東及其他相關利益團體溝通，我們對付出了的努力最終得到外界之認同感到非常高興。我們會繼續努力去尋求改進空間。

## Chairman's Statement 主席報告

### Tea-break with individual investors

The Company is of the opinion that all investors shall have equal rights to get access to the certain information of the Company. Therefore, "Tea-Break with Individual Investors" event has been organised to create a new channel for effective communication with investors. Two "tea-breaks" were successfully organised during the year, at which various interactive activities were carried out between investors and the management, thereby investors deepened their understanding of the Group and made some suggestions. The Company considers that such communication channel is valuable in effectively communicating with individual investors. Two "tea-breaks" are expected to be held this year. The next "tea-break" is scheduled to take place on 25 July 2008 from 7 p.m. to 9 p.m. at Crystal Room VI, 3/F, Panda Hotel, 3 Tsuen Wah Street, Tsuen Wan. As part of the Group's social responsibility effort, participants will be asked to donate at least HK\$50 to charity and the Group will match the donation up to a maximum of HK\$10,000. For those who donate HK\$100 or more, the Group will request the relevant charity to issue a receipt to the donor for tax deduction purpose. As the investors have become more knowledgeable about the Group, they are now less enthusiastic about attending tea-breaks. Coupled with the decline in the interest amongst investors in the shares of small industry sector, the number of investors attending tea-breaks has been dropping. Depending on the number of investors attending, we will consider reducing the number of tea-breaks from twice a year to once a year.

Interested investors are invited to visit the Group's website at [www.karrie.com.hk](http://www.karrie.com.hk) for more details. Application form can be downloaded from the website or obtained by calling 2411-1142 during office hours. Since seats are limited, only investors whose applications are confirmed can join the function. If the total number of application is more than the seats available, the Group reserves the right to allocate the admission tickets by lottery. Investors are advised to grasp this opportunity to communicate directly with the management of the Company.

### 與個人投資者茶敘

本公司認為所有投資者皆應同等地有權獲得本公司資訊，從而推出「與個人投資者茶敘」之活動，另開闢一個與投資者有效溝通的渠道。本年亦成功地舉行了兩次茶敘，於茶敘內，各投資者皆與管理層作出不同互動接觸，因而加深了對集團之了解，並作出了一些建議。本公司認為值得繼續保持一個與個人投資者之有效溝通渠道，預計今年仍會舉行兩次茶敘。下一次之茶敘將於二零零八年七月二十五日晚上七時至九時，假座荃灣荃華街3號悅來酒店三樓水晶廳VI舉行。此茶敘亦為本集團履行社會責任計劃之一部份，所有到場參與人仕均需捐助不少於50港元予慈善機構，而本集團亦會捐出相同總額（總額上限為10,000港元）。如任何人仕願意捐出100港元或以上，本集團將會盡可能向相關慈善機構要求發出收據供退稅用途。隨著各投資者對集團的認識逐漸加深，他們對出席茶敘的熱情漸漸冷卻下來，加上普羅投資者對於小型工業股興趣驟減，每次出席茶敘之人數逐漸減少。未來將視乎參與人數，再決定有否需要由每年兩次再遞減至每年一次。

如投資者對上述活動有興趣，歡迎瀏覽本集團網頁[www.karrie.com.hk](http://www.karrie.com.hk)索取更詳細資料，報名表格可於本集團網頁直接下載或於辦公時間內致電2411-1142索取。由於場地座位有限，如人數超過限額，本集團會以抽籤形式分配入場券。所有出席茶敘之人仕必須事先獲確認登記，方可入座。請各位投資者把握與本公司管理層對話之機會。

## Chairman's Statement 主席報告

### SEAMLESS TEAM READY FOR FUTURE GROWTH

#### CORPORATE SOCIAL RESPONSIBILITY

##### Community Interest

As a responsible corporate citizen, we have actively participated in corporate social responsibility promotion. In May 2005, our employees formed a new volunteer team to support activities that will benefit the elderly, children and educational causes. The Group has always pursued its role as a good corporate citizen, and has been awarded the "Caring Company" logo by the Hong Kong Council of Social Services for three consecutive years in 2008. The Group is very pleased that its role as a good corporate citizen is endorsed by the community.

##### Joint Project – "Nothing Is Impossible" Outward Bound Programme

The Programme is a joint project between the Group and St. Christopher's Home. The aim of which is to nurture a "nothing is impossible" spirit in participants through activities including war-game training, adventure training and wind surfing. The activities help participants to realise their potential and enhance their understanding of the self and on how to build interpersonal relationships. For the two-year programme, we have completed the part for primary school last year and will proceed with our commitment for secondary school this year. Ho Cheuk Fai Foundation Fund, apart from funding the activities, the management will also attend the opening ceremony and encourage our employees to take part in such activities.

##### Job Shadowing Programme

The programme is one that bases theory on actual social requirements and links one's learning interests to his career. Through participating the programme, high-school students become the shadow of our employees in different departments. Under the guidance of school teachers and voluntary tutors, they are able to experience actual social work and get to know how to apply the knowledge and expertise they have learnt in school to their work and gain an initial concept of joining the working society or continuing their studies, meanwhile, participants of the Company have access to the younger generation and have a better understanding of them, our future elites.

### 績密團隊、迎接發展

#### 企業社會責任

##### 社會公益

作為一個負責任之企業公民，我們一直熱心推動企業社會責任運動。於二零零五年五月，集團員工組成了「社會公益活動小組」，為社會公益事務出一分力，並以長者、兒童及教育為主要的目標對象舉辦各類活動。集團一直以實踐良好企業公民精神為己任，於二零零八年連續三年獲得香港社會服務聯會頒發「商界展關懷」標誌，而今次獲得社會人士的認同，我們都感到非常高興。

##### 合作計劃 – 嘉利「凡事皆可能」自我挑戰計劃

贊助聖公會聖基道兒童院合辦此計劃，希望透過不同活動，包括野戰訓練、歷奇訓練及乘風航，培養參加者「凡事皆可能」的精神，同時協助參加者發展個人潛能、增進自我認識及促進人際關係。為期兩年的計劃，去年完成小學組部分，本年度繼續中學組部分，何焯輝基金除支持所需支出外，管理層亦出席活動開幕禮，並鼓勵員工參與其中。

##### 工作影子計劃

「工作影子計劃」是一個把學習理論與實際社會工作要求拉近、加強學習興趣與事業間之連繫的計劃。中學生透過參與該計劃，有機會成為本公司不同崗位任職者的「影子」，在校內老師及義務工作導師的指導下，體驗社會工作的真實情況，從而了解學校裡所學的知識及技能如何在工作中運用，並對將來投身社會或繼續學業有一初步概念；而本公司參與之員工則可以接觸時下年青一輩，對我們的未來棟樑加深了解。

Environmental Protection is also one of the main duties for entrepreneur and citizenship. "Tree Plantation Day" at Kadorrie Farm & Botanic Garden has been held for fourth consecutive years, which became one of the gathering activities for staff and their families. Do you enjoy all these beautiful sceneries?

環境保護乃企業與市民的一個重大公民責任，集團已於嘉道理農場暨植物園連續四年合辦植樹活動，每年一度的植樹日已逐漸成為一個員工與家庭一起聯誼的活動。你是否同樣欣賞這些美麗的風景？



各位企好位影相啦  
葉尚文



我們  
楊狄勳



自得其樂  
麥慶琴



包容，共生，創未來  
黃福全



眾人模特兒  
蘇慧儀



花中蟻，蟻中花  
鄭玉娟



穿上綠色戰衣的小甲蟲  
梁嘉欣

## Chairman's Statement 主席報告

### Donations

The Group conducted various donation activities from time to time. We donated soup, bread and fruits to Caritas Ngau Tau Kok Elderly Centre and held an elderly-visiting activity; then, we donated mooncakes to Caritas Shatin Elderly Centre and held a Mid-Autumn Festival celebration for the elderly; we also donated sportswear and running shoes to the students with slight mental retardation of HHCKLA Buddhist Po Kwong School who were led by their teachers to participate in the 10 km race in the "2008 Standard Chartered Hong Kong International Marathon" with an aim to improve their willpower and endurance. To encourage employees to take part in community activities, the Company adopts the matching donation policy towards the amounts raised by its employees in community activities such as "Walk for a Million", that is, the Company will donate 1 dollar for each dollar raised by its employees.

In mainland China, whenever there is a festival, the Company will send its representatives to the homes for the elderly to hold celebration activities and distribute festive foods such as mooncakes and glutinous rice dumplings (糰子) to the elderly people; and the Company also pays regular visit to the three Hope Primary Schools funded by the Company and its employees, meets with the teachers and students and donates condolence money and gifts to them.

A disastrous earthquake took place in Sichuan province in May 2008, Mr. HO Cheuk Fai, the Company's Chairman, immediately made donations in the name of himself and his Company which, together with the donations from various departments of the Company in Hong Kong and mainland China, amounted to over HK\$1,400,000. The Company established the Disaster Relief Special Fund Committee to manage the use of such donation so that it can be handed over to the earthquake victims in Sichuan province and be used for reconstruction.

### 捐款捐贈

集團會不定期舉辦各類捐款捐贈活動，先後捐贈湯包及水果予明愛牛頭角長者中心及舉行長者探訪活動；捐贈月餅予明愛沙田長者中心，以及舉行中秋節長者慶祝活動；贊助香海正覺蓮社佛教普光學校輕度智障學生的運動服裝及跑鞋，由其校老師帶領參加「渣打香港國際馬拉松2008」十公里賽事，讓他們訓練個人的意志力及耐力。為鼓勵員工參與公益活動，公司會為員工於參加公益活動如百萬行等活動所籌得的款項進行配捐政策，即員工籌得一元，公司會配捐一元之措施。

國內方面，每逢節日來臨，均會派表到護老院舉行慶祝活動及派發應節食品如月餅及糰子予長者；定期到由公司及同事籌款捐建的三間希望小學，探訪老師及學生們，並捐贈慰問金及禮物。

二零零八年五月，四川地震籌款賑災，主席何焯輝先生以私人及公司名義連同中港各部門齊心捐出款項，共籌得賑災款項超過港幣140萬元。成立「賑災專款委員會」，管理善款之使用，以確保員工所捐的款項能下達到四川災民手中及協助重建工作。

## Chairman's Statement 主席報告

### Education

We made donations to the scholarships for the master programmes on corporate governance and directorate of the Hong Kong Baptist University to support the training of more talents of corporate governance and directorship, in the hope of helping to improve the corporate governance level of companies in Hong Kong, mainland China and immediate vicinities. We also cooperate with universities to provide opportunities for students to use the Group as the subject of their graduation dissertation, thereby enabling them to apply theories into practice. In addition, visits to our PRC plants were arranged during the summer holiday for college or university students.

### Environmental Protection

The Group held its annual "Tree Plantation Day" at the Kadorrie Farm & Botanic Garden for the fourth consecutive year, which has become one of the gathering activities for staff and their families who are brought together to realize the importance of cherishing the nature. Besides, a photography competition was initiated for staff members to show their excellent photography.

In order to save energy, energy-saving light tubes are used in our Hong Kong office in place of the previously used light tubes which are donated to the Helping Hand Committee for its daily use and for avoidance of waste.

In mainland China, our volunteer team went to Fenggang Yuanlongshan park to carry out a green environmental activity in the theme of "Make Yuanlongshan Park Cleaner, Let Fenggang Town Become More Beautiful" during which we were committed to cleaning up the rubbish there.

### We Care about Our Employees

The Group understands that the success of an enterprise is based on the support of its employees. Therefore, the Group is always dedicated to improve the welfare of its staff so that they will be proud of being a member of the Group and high team spirit can be brought into the work place. The Group adopts a flexible and caring strategy and creates better working environment for its staff so as to improve their productivity. To encourage communication between employees and their families and promote harmonious family relationship, the Group invites its employees and their families to activities such as annual dinner, tree-planting, visits and Walk for a Million, so as

### 教育事項

捐款予香港浸會大學，以設立「公司管治與董事學理學碩士課程獎學金」，支持浸大培養公司管治與董事學的人才，希望藉此提升香港、內地和鄰近地區的公司管治水平。我們並與大學合作，提供機會予大學生以本公司實務作為畢業論文課題，廠校合作，理論與實際結合，相得益彰，此外，亦提供機會予專上學員或大學生於暑假期間到國內廠房實習，為培育下一代提供平台。

### 環境保護

集團已連續四年到嘉道理農場暨植物園舉行一年一度的公司植樹日，員工可攜同家屬參與，一起認識愛護大自然的重要，另外更增設攝影比賽，讓喜歡攝影的員工大顯身手。

為節約能源，集團香港辦事處已全面換上節能光管，而原來的二手光管則捐予伸手助人協會作其日常損耗用，以減少浪費。

國內方面，志願者服務隊前往鳳崗園龍山公園開展綠色環保行動，主題為「讓園龍山更清潔，讓新鳳崗更靚麗」進行收集垃圾及清潔活動。

### 對員工之關懷

集團明白到成功的企業必須要得到員工支持，因此集團向來致力持續改善員工福利，讓員工以身為集團的一員為榮，建立團隊精神。集團採取較為柔性、溫馨的策略，同時亦可營造出一個較佳的工作環境氣氛，令生產力得以提升。為促進員工家庭溝通，增加和諧氣氛，邀請員工攜同家屬參與公司周年晚會、植樹活動、探訪活動及百萬行等，使員工及家庭生活更豐盛。公司並會贊助員工於聖誕及元旦等重要節日的聯歡慶祝經費。集團並明白到作為父母之員工，於栽培子侄及為他們將來

Karrie is more than willing to contribute our modest part to the society and our focus is mainly on the elderly, children and education. We have been awarded with "Caring Company" logo by the Hong Kong Council of Social Service for the third consecutive year.

集團致力於不同層面回饋社會，分別以長者、兒童及教育為主要的目標對象舉辦各類活動，已連續第三年獲香港社會服務聯會頒發「商界展關懷」標誌。







## Chairman's Statement 主席報告

to enrich the living of our employees and their families. The Company also sponsors the get-together celebrations held by its employees for major traditional festivals such as Christmas and the New Year. The Group understands that its employees need to cultivate their children for their future careers in society, the Group provides their children with opportunities to do intern in the Group's various departments during the school summer holiday of each year, so that they will have access to working experience and get prepared for higher education or pursuing a career in society later. The Group allows its employees to use its internal network service so that they can deal with their work at home or overseas, which provides flexibility for its staff to have a balanced arrangement for their work and families.

To reward our staff's willingness to spare their private time to take part in various social welfare activities, the Group created a volunteer holiday from January 2008 to encourage more employees to do voluntary work.

In addition, to cope with domestic development and the actual need for talent-retaining, the Group establishes a "Cooperative Home & Car Ownership Scheme" to encourage and finance potential elites in buying a home and car as a means to retain talents who may otherwise be lost in the competitive labour market. The Group also sets up a "Karrie Club" which, in addition to leisure, sports and cultural activities, provides staff members a venue to relax and socialize. It serves the purposes of enriching employees' time after work and increasing their sense of belonging to the Group. The "Committee on the Concerns for the Next Generation" holds regular informal discussions with new employees to find out how they are fitting in with the new environment and the problems they may have encountered at work. Assistance and counselling will be given to employees to help them solve their problems and hasten adaptation to the work environment.

A disastrous snow storm in southern China at the beginning of 2008 ruined the plan of many people wishing to go home for a get-together with their families during the Spring Festival. As such, the Group continued to provide the left-behind staff with accommodation and food service in its factory dormitories and canteens, and held an activity in the theme of "Caring Action – Get together For Lantern Festival Celebration" for them. During the celebration, they were served with hot stuffed dumplings (湯圓) and entertaining shows which made them feel warm and helped relieve their distress for being unable to meet with their families.

踏足社會作好準備，集團每年都會提供機會予員工子侄於暑假期間到集團屬下不同部門實習，吸取社會工作經驗，為將來進修或踏足社會作好準備。集團會開放網絡讓員工於家中或海外都可遙距處理工作，為員工提供彈性以配合員工平衡工作及家庭的需要。

為感謝員工們願意撥出私人時間參與各項公益活動，更於二零零八年一月起增設義工假期，以鼓勵更多員工參與義務工作。

此外，為配合國內發展及實際挽留人才需要，集團設有「合作置業及置車計劃」，透過此兩項計劃，鼓勵及資助公司重點栽培人才置業及置車，於競爭激烈的人才市場有效挽留人才；亦設有「嘉利俱樂部」，除一貫之康體及文藝活動安排外，「嘉利俱樂部」讓員工有消閒及聯誼的好去處，豐富工餘休閒生活，增加歸屬感；「關懷員工委員會」會定時與新員工座談，關懷新員工融入新環境及工作所面對的問題，協助解決及疏導，加快新員工適應環境。

二零零八年初國內不少員工因受雪災影響未能回家鄉度歲，集團於農曆年期間繼續開放宿舍及飯堂維持提供膳食，並為留守的員工舉辦「暖流行動，元宵佳節大聯歡」活動，為員工送上熱騰騰的湯圓和精彩節目，讓員工感受到暖流以對抗雪災引致未能一家團圓之苦。

## Chairman's Statement 主席報告

### EMPLOYEES AND REMUNERATION POLICIES

For the year ended 31 March 2008, the Group had approximately 6,850 employees. With a good reputation in the local community, the Group has never encountered major difficulties in recruiting employees.

Employee remuneration packages are determined in accordance with prevailing market standards and the employee's performance and experience. The Group will also grant bonuses to employees with outstanding performance based on its own audited business performance and the appraisal and reward system. Other employee benefits include medical insurance, "Cooperative Home & Car Ownership Scheme" and mandatory provident fund.

#### Performance Based Incentives

The standard 13th month pay was abolished in 2002 and replaced by a performance based bonus system and more objective performance assessment. Employees with outstanding performance will receive bonus higher than what they would have received before the new system was implemented.

In addition, for the purpose of boosting staff morale, the Company adopted a new share option scheme in 2002. As at 31 March 2008, a total of 109 (2006/07: 113) employees were granted share options, and approximately HK\$1,079,000 (2006/07: HK\$3,328,000) was charged to the income statement. No share options were granted during the year.

#### "All-Round Training Programme"

Strongly believing in possession of a pool of dedicated employees with technical expertise is one of the key factors of success, the Group always place great emphasis on personnel training and development. To match with the Group's target and development strategy, this year's training goal has been set for "**professional development and continuous study**".

### 僱員及薪酬政策

截至二零零八年三月三十一日，集團於期內聘有僱員約6,850人。由於集團在當地建立了良好的信譽，故此於招聘人員上並未遇到重大困難。

僱員薪酬乃根據一般市場標準及僱員之表現及經驗釐定，集團並會根據公司已審核的業績透過獎賞評核政策，對有良好表現的員工發放花紅。其他員工福利包括醫療保險、「合作置業及置車計劃」及強制性公積金。

#### 表現為先

於二零零二年起取消固有的第十三個月薪金，取而代之推出與表現掛勾的獎金制及較客觀的表現評估，有超卓表現的員工則會獲發比以往更為可觀的獎金。

此外，為激勵員工士氣，本公司於二零零二年採納一個新購股權計劃。截至二零零八年三月三十一日，共有109位僱員獲發購股權（二零零六／零七年度：113位）以為獎勵，而所涉及購股權成本共約1,079,000港元（二零零六／零七年度：3,328,000港元）已計算於損益表內，本年度並未有授出任何購股權。

#### 「全方位人才培訓計劃」

集團深信成功的其中一項要素是擁有一群具專業技術及對工作熱誠的員工，因此集團一向十分重視人才培訓及發展。為配合集團目標及發展策略，本年度以「**發展專業、持續進修**」為培訓目標。

## Chairman's Statement 主席報告

Based on the working levels and functions of different employees, this year's training programme was designed to provide continuous professional training lessons and development schemes of different types, with coverage mainly in **management development, professional skills and talent training programmes**. These trainings not only helped employees develop their own technical talents and skills and enhance their performance and efficiency, but also assisted the Company to build up a more superior foundation for the future. Besides, each training scope also has its key training subject:

### – Management Development

This year's soft skills training for the management focused on the "communication skills". Accordingly, we provided workshops of "**Coaching Skills for Leadership**" and "**Enhancing Management Strengthens with Enneagram**" to our management members at all levels, so as to strengthen their skills in respect of communicating with employees in different segments, and enhance their skills of handling communication and interpersonal relationship at study and at work. In particular, Enneagram is the Group's theme development this year. Accordingly, we not only provided class training, but also employed some brand new training techniques such as documentary report and drama, so as to give our employees of all segments a vivid view of Enneagram and each of the nine characteristics.

"**Team Building**" training gained positive and affirmative responses when it was held among the senior and middle management members in the previous year. On this platform, we extended the same to our junior management members and supervision staff, providing them with the experience training where they could learn the importance of team work, toleration and mutual belief. In such way, the core talent of the team would be enhanced, and a space for infinite development could be created.

本年度培訓計劃根據不同員工的工作層次、職能等因素提供多類別的持續培訓課程及發展計劃，主要領域包括**管理發展、專業技能、人才培訓計劃**等。藉有關的培訓使員工發展專業才能及技術，達致提升表現及效率，協助公司打造日後更卓越的基業藍圖。另外，每個不同的培訓領域也有其重點培訓項目：

### — 管理發展

「溝通技巧」是本年度管理層軟性技巧培訓的重點。故我們舉行「**企業教練輔導技巧**」及「**運用九型人格•提升管理優勢**」工作坊給各階層的管理者，藉此加強與不同層面員工的溝通技巧，以促進學習、工作上的溝通及人際關係技巧。而九型人格培訓更是集團本年度的主題發展，因此我們運用嶄新的培訓手法，在以課堂形式進行培訓外，更利用記錄片報導及話劇形式，將九形人格知識及各種形格活靈活現地推廣到集團的不同階層員工。

「**團隊建立**」在上年度已在高、中管理層舉行後獲得正面及積極的回應。因此，在本年度將此培訓推行至初級管理者及督導人員，讓他們透過體驗式的培訓，從中領悟到團體合作、相互包容及互信的重要性，籍此提升團體的核心才能，有助創造無限發展空間。

Through "Job Shadowing" with Junior Achievement Hong Kong and "Flying to Our Mainland, Our Home" with DAB, our staff and management act as voluntary tutors and mentors for the secondary and tertiary students, let them participate in the real working environment and thus the younger generation has better understanding in planning their future career.

員工及管理層分別擔任「國際成就計劃香港部」的「工作影子計劃」及「民建聯」的「進一步的天空」內地實習計劃 中學生及大專生的義務導師，讓年青一代透過實際的工作體驗，讓他們於選擇未來事業方向有更好的計劃。



## Chairman's Statement 主席報告

### – Professional Skills

“Project Management” was the focus of this year’s professional training programme. As the business of the Group is generally conducted one project after another, to strengthen the training in this respect will render absolute support to the Group’s business development. Therefore, we invited an expert to the Beijing 2008 Olympic Games Project Team, to give lessons on the “project management practice” training programme, which received enthusiastic response. The training programme helped enhance the project engineering staff’s comprehensive quality in project management, and reinforce the Group’s ability to develop its business.

### – Talents Training Programme

With an aim of cultivating and retaining the talents for the Group, we took gradual and appropriate steps in training, so as to develop the business in a continuous and steady way. To satisfy the requirements of all units, we set up different training programmes, including:

**“Graduates training programme”** – The programme has been introduced for some years. The first batch of trainees has started working, marking a good progress of the Group’s effort to nurture talents with integrated skills for its business. In line with the development of the Group’s business, the number of participants of this programme has been increased in this year.

**“Internal back-up personnel training programme”** – By internal recruitment and providing staff with training, the Company can save recruitment cost, create an internal talent pool and provide its staff with more room for further development.

**“Potential staff training programme”** – The Chairman and senior managers will mentor middle management with potential to create a back-up talent pool for future development.

### – 專業技能

「項目管理」是本年度專業技能培訓的重點。集團接回來的生意一般是以項目形式進行，所以加強這方面的培訓對集團的業務發展有絕對性的幫助。因此，我們特邀請了二零零八年北京奧林匹克運動會項目小組專人教授進行「項目管理實戰」培訓並獲得熱烈的回響。此培訓有助提升項目工程人員對項目管理的綜合素質，加強集團業務發展的能力。

### – 人才培訓計劃

透過循序漸進的人才培訓，使集團達致育才、留才的目的，以助業務能持續及穩定地發展。為配合各方面的需要，我們設立了不同的人才培訓計劃，當中包括：

**「大學生培訓計劃」** – 此計劃已實行數年，上年度首批已投入正式崗位工作，為集團培養綜合型人才取得良好成效。另配合集團業務發展，本年度提升了參與人數。

**「內部後備人才培訓計劃」** – 透過內部招聘及培訓，公司既可節省招聘成本，亦可向內部開發及儲備人才，從而提升員工的發展空間。

**「潛質人員培訓計劃」** – 由主席及高層人員親自帶領具有潛質之中層人員作貼身指導，做好儲備人才作日期未來發展的準備。

## Chairman's Statement 主席報告

**“Project engineers training programme”** – A training programme with a term of three years aimed at enhancing the technical skills of the project engineers, during which, the project engineers will be sent to different engineering and production technical departments and practice under the direct guidance of managers

Looking forward, we will continue to enhance our training standards through introducing more in-depth management trainings, which can help the management bring better result to the Group to. Furthermore, we will continuously develop the technical standards of the Group's core business through cooperation with different professional skill training institutions, so as to maintain the competitiveness of the Group and satisfy our customers' requirements. This year, the Group further establishes an appraisal system for management promotion, which will ensure the best quality of the management and make the team keep pace with the times.

「項目工程師培訓計劃」— 為期三年的培訓計劃，透過前往不同的工程及生產技術部門實習，並由主管作貼身指導，以提升項目工程師的技術手平。

展望未來，我們將不斷提升培訓水平，包括引入更深層次的管理層培訓，以助管理層帶領集團更上一層樓。另外，我們將與不同專業技能培訓機構合作，使集團核心業務之技術水平不斷提升，以保持集團的競爭力及滿足客人需求。本年度更引入管理層晉升考核制度，使集團管理層更具質素及與時並進。



Sharing Management Philosophy of “6” and “9”

Dr. Ho Cheuk Fai, our Chairman, gives each member of the management the gift of “6” and “9”. Dr. Ho pointed out that although “6” and “9” are just numbers, in fact they represent an analogy. Looking from the upward side, it is “6”, but it becomes “9” looking from the other side. Looking in a horizontal way, it is even not a number anymore visually. This analogy suggests that every member at the management level should at all times consider from all angles and different aspects, so that perfect cooperation and complementarity can be achieved. In case where disagreement arises, they should understand each other's point of view and reach a compromise.

從「6」與「9」分享管理哲學

主席何焯輝博士送予各管理者每人一個「6」與「9」。何博士指出簡單如「6」與「9」雖只是數字，原來箇中藏有很深喻意。從前面角度看是「6」，反方向看是「9」。把數字放平看，視覺上又已不再是數字了。當中的玄機帶給每位管理人凡事應全方位、多角度去觀看、互相補位及無縫協作；遇到意見分歧時，應全盤理解，達致共識。

Initiated a 2-days "Karrie Management Retreat Camp" with senior management in March 2008. Through various activities, we have created innovative methods to set up a mutual goal to ensure that the Group's objective of "cost control and higher efficiency" could be achieved.

於2008年3月為管理層舉行了一個為期兩天的「嘉利管理層集思會」，透過不同的活動激發管理層的創新思維，訂定共同目標，確保達到集團「成本控制，效益提升」的目標。







## Chairman's Statement 主席報告

### Talents Assembling, Brainstorming and Diligent Working

Despite the rapid growth in the past few years, the Group recently saw a slowdown in turnover. In addition, the operational difficulties we now face in the country and in relation to manufacturing industry, including rising labor cost in China, appreciation of RMB, higher consumer prices, surging diesel prices and rising raw materials price, has driven up overall operational costs and eroded the profit margin.

Nevertheless, the management has never been discouraged. As we stated in the Interim Report for 2007/08, if we always "prepare for the worst and plan ahead for the best", and implement the policy of "increase the revenue and control the costs" in a rapid and decisive way, we can withstand the wildest storm.

"Join together and brainstorming". During the year, the Group has broken the tradition and held a brainstorming session in March 2008 at Breakthrough Youth Village which lasted for two days and one night. During the brainstorming session, the management considered the future direction of the Group from various viewpoints, and managed to create some innovative methods to broaden the revenue base and control the costs. The brainstorming session also urged for team spirit and effective implementation of the policies. During the brainstorming session, the attendees shared with the others their own management knowledge and experiences in such areas as metal/plastic production, assembly production, logistics management, market development and administration. In the meantime, they set up a mutual goal for each of these areas and ensured that the Group's objective of "cost control and higher efficiency" for the year could be achieved.

Many practical action plans have been formulated at the brainstorming session. In respect of production, there were plans for avoiding wastage of raw material and controlling scrap through mould design, technology improvement, combination of machinery and equipment as well as training. In respect of logistic management, there were plans to enhance performance level of suppliers, shorten order cycle, strengthen storage management and accelerate material management and response speed as well as control scrap strictly by reinforcing a series of measures. In respect of administration, there were plans to reduce excess employees and retrench staff through structure and

### 人才薈萃、集思廣益、勵精圖治

集團經過過去幾年的高速增長後，營業額有放緩的跡象，加上現時面對國內及製造業各項經營困難因素，包括中國勞工成本上漲、人民幣升值、消費物價上漲、柴油價格持續上升、原材料價格上升等，整體營運成本上漲引致毛利率持續下跌。

雖然如此，管理層從未有感到氣餒，誠如我們於二零零七／零八年度中期業績報告中所述，凡事若能作好了「最壞打算，最好準備」，採取快速、決斷的「開源節流」措施以對抗更嚴峻的風浪。

「眾志成城，集思廣益」，集團今年初突破常規於二零零八年三月份於突破青年村舉行為期兩日一夜的「集思會」，讓管理層於多個不同角度共同思考集團的未來方向及規劃出一些破格創新的「開源節流」方法，合力發揮團隊精神並將各項措施貫徹到位。集思會期間各人就五金／塑膠生產、裝配生產、物流管理、市場開發及行政管理等範疇，交流管理心得及經驗，集思廣益，同時並為各不同範疇訂定共同目標，確保達到集團本年度「成本控制，效益提升」的目標。

「集思會」定立了不少重要的實際行動計劃，其中包括生產方面透過模具設計、技術提升、機械設備配合及培訓等方面，更有效地節省原材料及控制報廢等。物流管理方面會加強一系列措施，以提升供應商表現水平、縮短訂貨週期、加強倉存管理及加快物料管理及回應速度，嚴控物料報廢等。行政管理方面亦會透過架構及職能重整、加強績效管理與獎酬掛勾政策等措

## Chairman's Statement 主席報告

foundation reorganization, and strengthen the policy that linking performance management with reward. Whilst cost controlling is important, broadening the revenue base is more important. In respect of marketing, there were plans to readjust strategies and explore more opportunities, in addition to actively developing new projects with existing customers.

Each action plan has been implemented at full speed, for which the Board will monitor closely and has confidence that each plan will be successful.

### Pressing Forward In One Mind and Join Forces to Excel

Predicting from the current year, the Group is expected to be exposed in the coming year to various uncertainties, including a sharp increase in raw material price, soaring oil price, appreciation of the Renminbi, macro-economic regulating measures, repercussions of the sub-prime crisis, credit crisis and rising wages etc. Although the aforesaid problems will affect the Group's profit margin to a certain extent, but the Group has, in the face of such great challenges, made sufficient preparation in the area of funding requirement, personnel training and maintenance of team spirit, thereby showing great foresight, overcoming challenges, taking up future investment direction, surmounting difficulties and marching steadily towards our goal. With excellent team spirit and effective management, we are determined to achieve better results and seek greater return for our shareholders. Though facing uncertainties, we have strong belief in a bright prospect as long as we make efforts in one mind.

As an old Chinese saying goes "a journey of a thousand miles starts with the first step" (main theme of the 2004/05 annual report), we can steadily go forward. It is the firm belief of our prudent team that with "heartfelt dedication in all details" (main theme of the 2005/06 annual report), the Group will be able to accumulate and learn from experience, forge a solid foundation, work in unity and "Ride the waves" (main theme of the 2006/07 annual report) to overcome all difficulties, and "Join Forces to Excel" (main theme of the 2007/08 annual report).

施，以減省冗員及精簡人手。節流固然需要，但開源更加重要，市場開發方面會重整策略，除積極於現有客戶開發新項目外，並會開拓更多商機。

各行動計劃已開始緊密進行，管理層會嚴密監控，並有信心各項措施皆能取得成效。

### 齊心邁進、一同跨過

預計明年本集團仍面對多種不明朗因素，其中包括原料價格急升、石油價格暴漲、人民幣升值、宏觀調控措施、次按問題餘波未了，信貸危機及工資上漲等問題。雖然上述問題對本集團之邊際利潤有不同程度的影響，面對如此巨大之挑戰本公司不論在資金準備、人才培訓及維繫團隊都有充足的準備，高瞻遠矚、無懼挑戰，掌握未來投資方向，跨越重重困難，穩定地朝著目標不停的邁進，透過縝密之團隊精神及有效之管理班底，爭取佳績，為股東尋求更大之回報為己任。雖然身處黑暗不明的道路中，只要齊心邁進，相信光明就在前方。

正所謂「千里之行，始於足下」(二零零四／零五年度年報主題)穩步向前邁進，縝密之團隊堅信只要「事無大小，用心去做」(二零零五／零六年度年報主題)，一點一滴累積經驗、打穩根基，公司上下一心，定能「乘風破浪」(二零零六／零七年度主題)排除萬難，「一同跨過」(二零零七／零八年度主題)。

## Chairman's Statement 主席報告

### Dividend

The Board does not recommend the payment of any final dividend in respect of this year (2006/07: HK3 cents). Together with the interim dividend of HK0.75 cent per share already paid, total dividend for this year will amount to HK0.75 cent (2006/07: HK11.5 cents) per share.

### AUDIT COMMITTEE

The Audit Committee of the Company had reviewed the consolidated results of the Group for the year ended 31 March 2008.

### APPRECIATION

I would like to thank our customers, suppliers, bankers, shareholders and others who have extended their invaluable support to the Group, and my fellow Directors, managers and all staff for their considerable contributions to the Group.

My special appreciation is given to Mr. Wong Shun Pang, the executive director, for his dedication to the Group during the past years with rich experience in the engineering and manufacturing management in the plastic, metal and electronic industries. He resigned as the director of the Company for health reasons on 1 December 2007.

As at the date of this announcement, the Executive Directors are: Messrs. Ho Cheuk Fai, Kwok Wing Kin, Francis and Lee Shu Ki; the Non-executive Director is: Mr. Ho Cheuk Ming; the Independent Non-executive Directors are: Messrs. So Wai Chun, Chan Sui Sum, Raymond and Fong Hoi Shing

By Order of the Board

**Ho Cheuk Fai**  
*Chairman*

Hong Kong, 3 July 2008

### 股息

董事會已建議不擬派發本年度末期股息(二零零六/零七年度: 3港仙)。連同中期股息每股0.75港仙, 全年股息共達每股0.75港仙(二零零六/零七年度: 11.5港仙)。

### 審核委員會

審核委員會已審閱本集團截至二零零八年三月三十一日止的已綜合業績。

### 感謝

本人謹向一直鼎力支持集團的所有客戶、供應商、銀行家、股東、以及所有給予本公司支持者致以衷心致謝。此外更感謝一直為集團作出寶貴貢獻之董事、經理及員工們。

特別鳴謝執行董事黃順鵬先生經年對本集團之貢獻, 尤其是塑膠、五金及電子行業的工程及製造管理經驗。彼因健康理由於二零零七年十二月一日辭任本公司董事。

於本公佈日期, 本公司執行董事為何焯輝先生、郭永堅先生及李樹琪先生; 非執行董事為何卓明先生; 以及獨立非執行董事為蘇偉俊先生、陳瑞森先生及方海城先生。

承董事會命

**主席**  
**何焯輝**

香港, 二零零八年七月三日

## Chairman's Statement 主席報告

## APPENDIX 1

## Special Characteristics of Our Business Model

## A Hypothetical Example (Simplified and generalized for easy understanding)

## 1. Quotation Phase

- Around 12 to 15 months prior to shipment, Customer A sends out Request for Quotation (RFQ) for a project to all “qualified suppliers”.

## 2. Project Confirmation Phase

- Customer A confirms the placement of the project to us;
- Customer A also provides shipment forecast for the next 18 to 24 months, which is the normal life cycle of a project.

## 3. Moulds and Prototype Making Phase

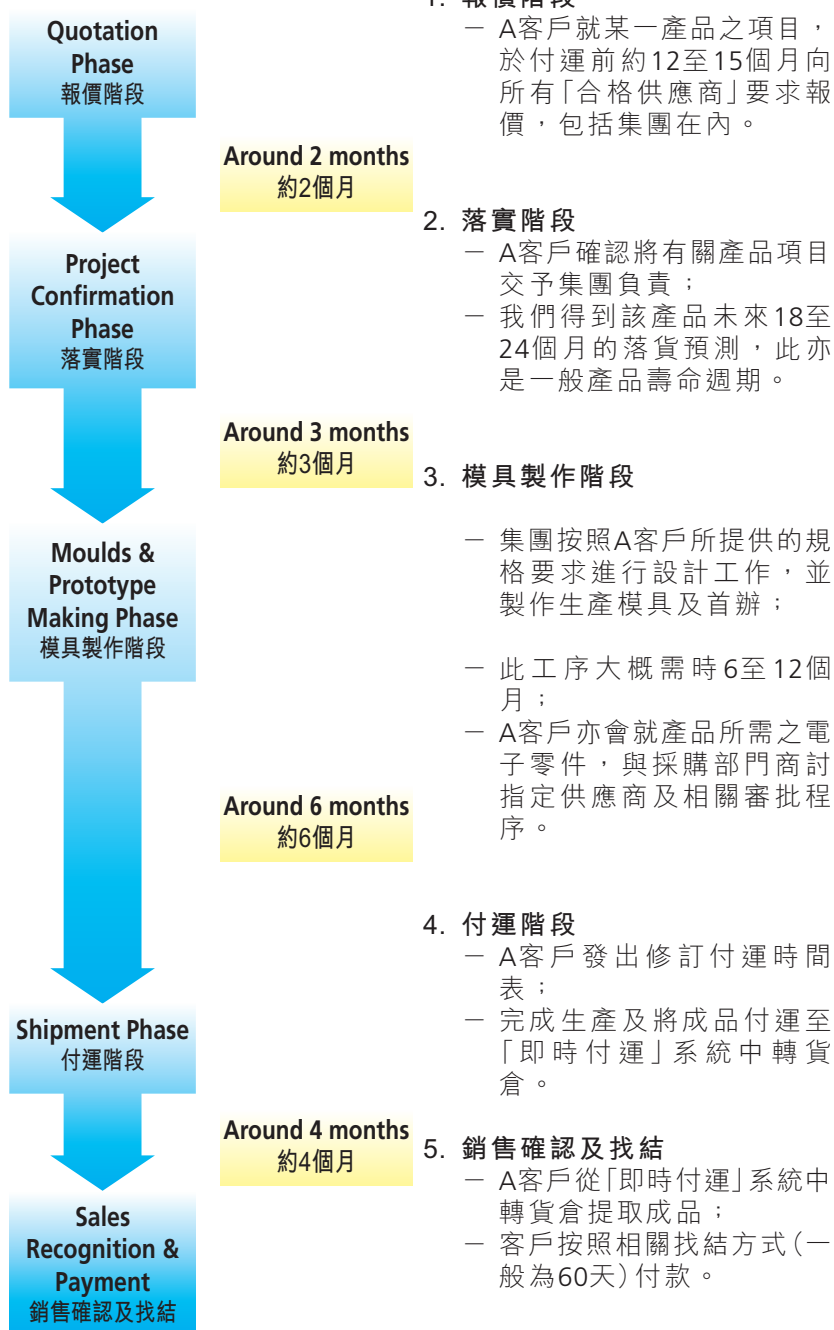
- According to Customer A's specification, we start to perform the design works, make the moulds and prototype;
- This process would take around 6 to 12 months;
- Customer A would also work with our purchasing department on electronics components and the list of qualified suppliers for such components.

## 4. Shipment Phase

- Customer A finalizes and revises the final shipment schedule;
- We start manufacturing and ship goods to just-in-time (JIT) inventory warehouses.

## 5. Sales Recognition and Payment

- Customer A takes goods from JIT warehouses;
- We get paid after the normal credit period (generally 60 days).



## 附錄一

## 經營模式之特色

假設舉例(為方便大家容易理解，下列之過程以簡化形式表達)

## 1. 報價階段

- A客戶就某一產品之項目，於付運前約12至15個月向所有「合格供應商」要求報價，包括集團在內。

## 2. 落實階段

- A客戶確認將有關產品項目交予集團負責；
- 我們得到該產品未來18至24個月的落貨預測，此亦是一般產品壽命週期。

## 3. 模具製作階段

- 集團按照A客戶所提供的規格要求進行設計工作，並製作生產模具及首辦；
- 此工序大概需時6至12個月；
- A客戶亦會就產品所需之電子零件，與採購部門商討指定供應商及相關審批程序。

## 4. 付運階段

- A客戶發出修訂付運時間表；
- 完成生產及將成品付運至「即時付運」系統中轉貨倉。

## 5. 銷售確認及找結

- A客戶從「即時付運」系統中轉貨倉提取成品；
- 客戶按照相關找結方式(一般為60天)付款。

## Chairman's Statement 主席報告

### APPENDIX 1 (Cont'd)

#### Special Characteristics of Our Business Model (Cont'd)

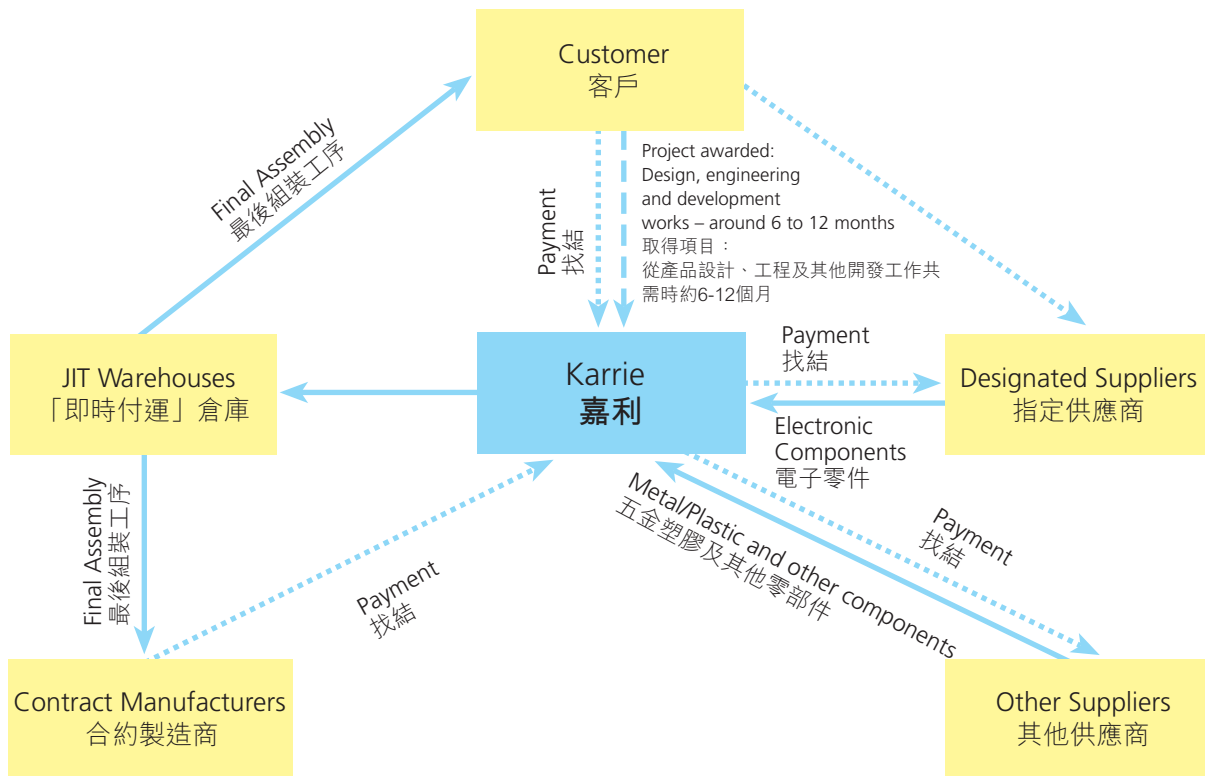
As in most cases the Group is the sole supplier for the confirmed project and the related engineering works have largely been completed, our problem is therefore one of production, and not of marketing (2003/04 Annual Report, page 26).

### 附錄一 (續)

#### 經營模式之特色 (續)

由於集團通常是客戶個別產品項目之唯一供應商，而有關項目經已與新舊客戶取得落實，相關之工程準備工作亦大致完成，故現時所要關注的是如何完成生產任務，而非訂單（二零零三／零四年度年報第二十六頁）。

**Generalised Flow Chart of the Supply Chain Management System**  
供應鍊管理系統一般運作流程圖



## Chairman's Statement 主席報告

### APPENDIX 1 (Cont'd)

#### Special Characteristics of Our Business Model (Cont'd)

Some or all of the following characteristics apply to our dealings with customers. Such characteristics have been generalized/simplified to enable easy understanding:

1. We deal with projects, which can take one year from initial project confirmation, development and engineering works to final shipment of goods. A project's shipment cycle can run for 18 to 24 months.
2. We do not normally have a large order backlog because the customers' adoption of either the just-in-time inventory (JIT), rolling forecast, Electronic Data Interexchange (EDI) or a combination of the above methods.
3. Usually we are the sole supplier for a particular project and therefore have the obligation to ship goods to customers even if the sales volume is much higher than the initial projection.
4. Most of our customers are not retailers, but manufacturers themselves. Some of them even have factories in China. Most of the electronic components are either sourced through the customers or their designated suppliers.
5. While the metal and plastic enclosures business is an integral part of the computer and computer peripheral sector, the industry thrives only in Taiwan but not in Hong Kong.
6. Our customers are mostly multi-national companies. Thus we frequently encounter such situation like project originated in Japan, components assembled in China while the final products shipped to Asia or Europe. Our definition of breakdown by market is by shipment destination rather than country of origin of the customers.

### 附錄一 (續)

#### 經營模式之特色 (續)

以下的幾點經營特色或多或少是我們與客戶之間生意上交往時會遇到的，方便大家理解，已將下列之特色簡化表達：

1. 我們接回來的生意一般是以項目形式進行，而每個項目從開發，工程設計到起辦，至成品付運，整個過程為時約一年，而項目本身之週期為18至24個月。
2. 一般我們並無大量的實單在手，因為客戶落單以即時付運(JIT)，滾動式的預算表又或以電子信息交換系統(EDI)進行。
3. 很多時我們所負責的項目都是客戶該項目的唯一供應商，因此就算客戶突然將訂單數量增加，我們亦有責任準時付運。
4. 我們的客戶大多是廠家，而非零售商，有些更於中國設有廠房，大部份的電子零件都是客戶指定供應商又或是他們自己提供的。
5. 雖然五金塑膠外殼業務乃電腦及其週邊產品的核心部份，但這行業於台灣遠比香港盛行。
6. 我們的客戶大部份屬國際知名品牌，故很多時會出現如下情況：客戶之項目源自日本，但在中國生產，成品最終付運到亞洲及歐洲等地。而我們對於市場分佈之界定則以成品付運終點站為準，而非客戶來自那個國家。

## Chairman's Statement 主席報告

### APPENDIX 2

#### Corporate Governance

1. Establishment of an Executive Committee to improve decision-making efficiency. The day-to-day operations of the Group are now in the hands of a group of professional managers;
2. Efforts to improve transparency
  - disclosing in annual report detailed explanation of corporate strategies and the rationale behind;
  - meeting with individual shareholders periodically through a new “tea-break” program.
3. Clearly defined dividend policy of payment of 30%\* or more of the profit attributable to shareholders;
4. Clearly defined ROE objective of 20%;
5. Clearly defined future turnover targets;
6. Announcing quarterly results;
7. Increasing the number of audit committee meetings to 4 times a year;
8. Encouraging executive directors to hold at least 500,000 shares of the Group;
9. Willingness to share wealth created with all shareholders through dividend. Since 2000/01, the aggregated amount of the Group's dividends paid/payable is around HK\$568,806,000 or around 84% of the shareholders' fund.

\*Remarks: Because of the importance of maintaining financial stability in this crucial period of a CAPEX cycle, the Directors reserve the right of changing this guideline without prior notice.

### 附錄二

#### 企業管治

1. 成立執行委員會加快決策效率，集團日常營運交由一群專業管理人員處理；
2. 致力提高透明度
  - 於年報中詳細解釋集團策略與其背後之理念；
  - 定期舉行「茶敘」活動與個人投資者會面
3. 將股東應佔溢利之30%\*或以上用作派息作為集團之派息政策；
4. 清晰釐定股東權益回報率目標為20%；
5. 清晰釐定集團未來銷售目標；
6. 公佈季度業績；
7. 增加召開審核委員會會議之次數至每年4次；
8. 鼓勵各執行董事持有不少於500,000股集團股份；
9. 願意透過派發股息與各股東一同分享財富；自二零零零／零一年度開始，集團已派發／擬派發現金股息約568,806,000港元，或約佔股東資金84%。

\*註：由於投資期內保持財務穩定相當重要，因此董事會保留無需提前通知而更改此股息派發指引之權利。



## Chairman's Statement 主席報告

## APPENDIX 3

## 附錄三

## Dividend and Dividend Policy:

股息及股息政策：

## An unbroken 11 years' record of dividend payment

11年以來派息從未間斷

The Group's policy to distribute 30% or more of its profits attributable to shareholders as dividend

集團既定股息政策為股東應佔溢利30%或以上用作派息

All dividend paid shown below is in HK cents per share

下列每股派發之股息全以港仙計算

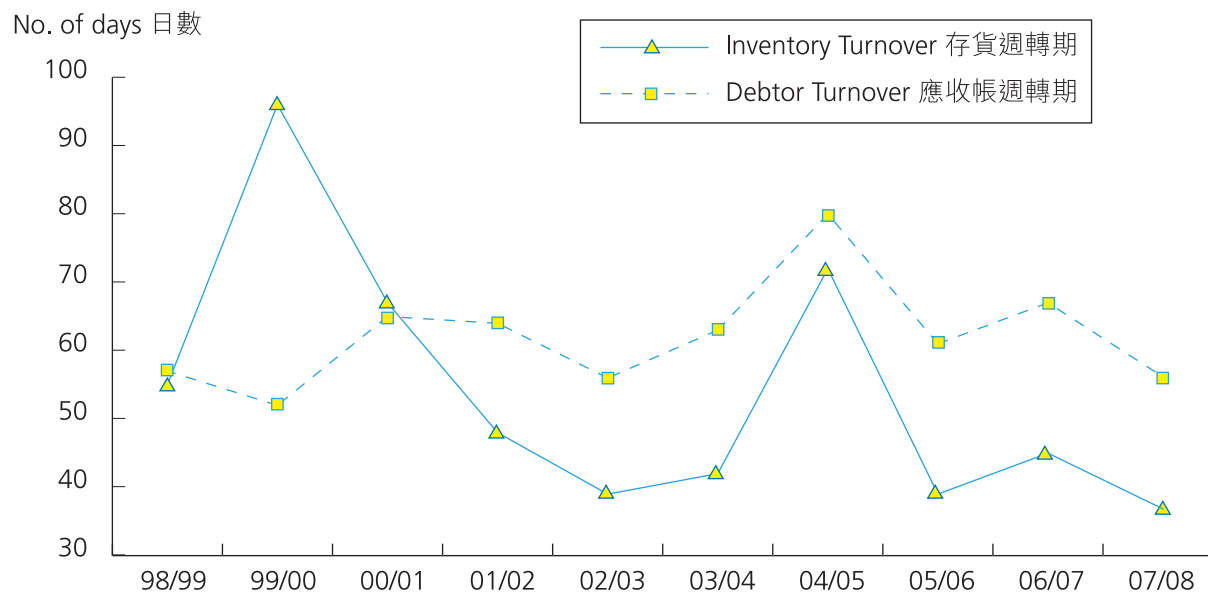
	Interim 中期	Final 末期	Subtotal 小計	Interim Special 中期 特別股息	Final Special 末期 特別股息	Special Subtotal 特別股息 小計	Total 合計	Dividend Payout Ratio 股息 派發比率	
								(Excluding)* (不包括在內)*	(Including)# (包括在內)#
1997/98	Nil 無	1.00	<b>1.00</b>	Nil 無	Nil 無	<b>Nil 無</b>	<b>1.00</b>	13%	N/A 不適用
1998/99	2.00	2.00	<b>4.00</b>	Nil 無	Nil 無	<b>Nil 無</b>	<b>4.00</b>	58%	N/A 不適用
1999/00	2.20	2.20	<b>4.40</b>	Nil 無	Nil 無	<b>Nil 無</b>	<b>4.40</b>	77%	N/A 不適用
2000/01	1.10	3.80	<b>4.90</b>	Nil 無	6.20	<b>6.20</b>	<b>11.10</b>	69%	156%
2001/02	5.00	5.90	<b>10.90</b>	5.00	14.10	<b>19.10</b>	<b>30.00</b>	50%	138%
2002/03	8.00	11.00	<b>19.00</b>	Nil 無	5.00	<b>5.00</b>	<b>24.00</b>	60%	75%
2003/04	8.00	12.00	<b>20.00</b>	Nil 無	Nil 無	<b>Nil 無</b>	<b>20.00</b>	87%	N/A 不適用
2004/05	8.50	12.50	<b>21.00</b>	Nil 無	Nil 無	<b>Nil 無</b>	<b>21.00</b>	58%	N/A 不適用
2005/06	9.00	13.00	<b>22.00</b>	Nil 無	3.00	<b>3.00</b>	<b>25.00</b>	48%	55%
2006/07	8.50	3.00	<b>11.50</b>	Nil 無	Nil 無	<b>Nil 無</b>	<b>11.50</b>	38%	N/A 不適用
2007/08	0.75	Nil 無	<b>0.75</b>	Nil 無	Nil 無	<b>Nil 無</b>	<b>0.75</b>	27%	N/A 不適用

Remarks: \* Excluding special dividend  
備註： \*不包括特別股息# Including special dividend  
#包括特別股息

## Chairman's Statement 主席報告

## APPENDIX 4

## 附錄四

Inventory & Debtor Turnover  
存貨及應收帳週轉期

(no. of days)(日數)	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08
Inventory Turnover 存貨週轉期	55	96	67	48	39	42	72	39	45	37
Debtor Turnover 應收帳週轉期	57	52	65	64	56	63	80	61	67	56

Inventory turnover (Base on year end stock value/Cost of Sales) x 365 days

Debtor turnover (Base on year end debtors/Turnover) x 365 days

存貨週轉期(以年終存貨值/銷售成本) x 365日

應收帳週轉期(以年終應收帳/營業額) x 365日

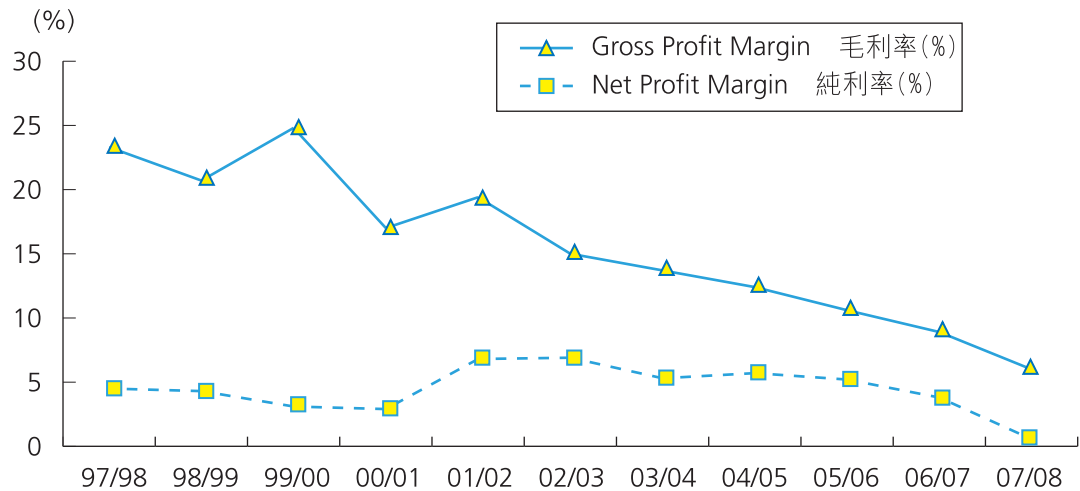
## Inventory Turnover Days 存貨週轉期

(no. of days)(日數)	06/07	07/08	Change 變幅
Raw Materials 原料	23	18	-5
WIP 半製品	5	5	-
Finished Goods 製成品	17	14	-3
Total 合計	45	37	-8

## Chairman's Statement 主席報告

## APPENDIX 5

## 附錄五

Gross Profit Margin & Net Profit Margin  
毛利率與純利率走勢圖

(%)	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08
Gross Profit Margin 毛利率	23.3	20.7	24.8	17.0	19.4	15.0	13.7	12.4	10.7	9.1	6.4
Net Profit Margin 純利率	4.5	4.3	3.1	2.9	6.8	6.9	5.3	5.7	5.2	3.8	0.5
HK\$(million) (百萬港元)											
Turnover/Revenue 營業額/收入	619	592	662	893	1,156	1,738	1,693	2,563	3,597*	3,328*	2,803*
Profit attributable to Shareholders 股東應佔溢利	28	25	21	26	78	120	90	147	186	125	13

\* Revenue = Turnover + Other gains  
收入 = 營業額 + 其他收益

## Chairman's Statement 主席報告

### APPENDIX 6

#### FAQ

#### BUSINESS

1. What is so special about Karrie's business model?
  - Normally we deal with projects, which can take one year from initial project confirmation, development and engineering works to final shipment of goods. A project shipment cycle can run for 18 to 24 months.
  - Usually we are the only vendor for a particular project confirmed. Combined with the 18 to 24 months shipment cycle, we are bestowed with relatively long-term business visibility. (2004/05 Annual Report, page 60)
  
2. Would rising cost of raw material affect the performance of the Group?
 

Under the Group's versatile 'Total Transparent Cost Plus Pricing Mechanism' most of the raw materials other than electro-galvanized steel plates are sourced through the customers or through suppliers designated by the customers. A rise in raw material price (other than steel) has only a marginal impact on the bottom line. (2004/05 Annual Report, page 18)
  
3. Experts say RMB is going to appreciate more in the coming two years. What is the impact on the Group?
  - RMB payments represents about 15% of the total cost of sales.
  - As most of our competitors are also based in China and on the basis that customers stick to their present purchasing practice, in theory we could raise price to cover the increase in cost over the time.
  
4. To whom do Karrie sell its products?
 

Our products, including computer server casings, laser printers, magnetic tape drive, are mainly sold to multi-national customers.

### 附錄六

#### 常見問題

#### 業務

1. 嘉利之經營模式有何特別？
  - 我們接回來的生意一般是以項目形式進行，而每個項目從開發，工程設計到起辦，至成品付運，整個過程為時約一年，而項目本身之週期為十八至二十四個月。
  - 通常我們所負責的項目都是客戶該項目的唯一供應商，加上一般產品之壽命週期為十八至二十四個月，因而我們對生意前景有相對較長線的洞悉力。(二零零四／零五年度年報第六十頁)
  
2. 原料成本不斷上漲會否對集團的表現有所影響？
 

根據集團多變的「全透明成本加利潤報價模式」，除鐵料外，大部份原料均是由客戶負責採購又或是由客戶指定供應商所提供，故此原料價格(鐵料除外)上升只會對集團帶來輕微影響。(二零零四／零五年度年報第十八頁)
  
3. 有專家指出未來兩年人民幣仍然會持續升值，這對集團有何影響？
  - 採用人民幣找結的總額佔整體銷售成本約15%。
  - 由於集團大部份之競爭對手之生產基地亦設於中國，理論上長遠而言，基於客戶仍會按照現有之採購模式於中國採購，相信大家都會一致向客戶要求加價，以彌補成本上升的。
  
4. 嘉利所制的產品銷售對象是誰？
 

我們製造的產品包括電腦伺服器外殼、鐳射打印機、磁帶解碼機等，大部份均是售予一些國際性知名的客戶。

## Chairman's Statement 主席報告

## APPENDIX 6 (Cont'd)

## CAPEX, DIVIDEND AND FINANCE

5. Are you worried about a high level of bank borrowings?

- The Group's shareholders fund is much higher than the non-current assets meaning that the Group is financing its non-current assets through stable shareholders' fund rather than bank borrowings;
- Any increase in net bank borrowings could therefore be attributed to the increased working capital requirement due to an increase in turnover. This is a positive news but not the otherwise.

6. What is the status of new Yu Quan and Yi Xing Plants?

- The site area of Yu Quan Plant is approximately 240,000 sq. m. as compared to the combined site area of 89,000 sq. m. of the existing Yan Tien Plant and Fenggang Plant;
- We will build Yu Quan Plants in various phases depending on the economic conditions. Phase I has launched production in October 2006;
- It is expected the Phase II of Yu Quan Plant will be completed by end of 2008.
- The construction of Phase I of Yi Xing Plant has commenced. The trial run is expected in the 4th quarter of 2008.

7. Is Karrie going to change its dividend policy because of the capex and working capital requirements?

- Our dividend policy is to pay out 30%\* or more of the profit attributable to shareholders;
- In 2007/08, we paid out a total of HK0.75 cents as dividend (payout ratio: 27%), making the 11th year of unbroken dividend payment record;

\*Remarks: Because of the importance of maintaining financial stability in this crucial period of a CAPEX cycle, the Directors reserve the right of changing this guideline without prior notice.

## 附錄六 (續)

## 固定資產投資、股息及財務方面

5. 你們有否擔心過高借貸情況？

- 集團股東資金比「非流動資產」為高，代表著集團之「非流動資產」是以穩定的股東資金所支持的，而非經由銀行借貸；
- 任何淨銀行借貸之上升乃由銷售額增長帶動流動資金需求增加的，這是正常不過的現象，絕無不妥當。

6. 目前新的玉泉及宜興廠房興建進度如何？

- 目前的雁田及鳳崗廠房兩者相加之佔地面積只有89,000平方米，至於玉泉廠房之佔地面積約240,000平方米；
- 我們將會根據經濟狀況將玉泉廠房劃數個階段興建，而第一期已於二零零六年十月正式投產；
- 預期玉泉廠房第二期工程將於二零零八年底完成。
- 宜興廠房第一期建築工程已展開。預計二零零八年第四季開始試產。

7. 因應目前之固定資產投資及流動資金的需求，嘉利會否改變股息政策？

- 我們的股息政策是將股東應佔溢利的30%\*或以上作為股息；
- 於二零零七／零八年度我們每股派發0.75港仙作為股息(派發比率為27%)，並連續十一年保持派息記錄；

\*註：由於投資期內保持財務穩定相當重要，因此董事會保留無需提前通知而更改此股息派發指引之權利。

## Chairman's Statement 主席報告

### APPENDIX 6 (Cont'd)

#### CORPORATE GOVERNANCE AND OTHERS

8. Should you worry about the corporate governance standard of Karrie?

- For three consecutive years, fund managers and research analysts have voted Karrie as one of the best-managed companies in Hong Kong in the Asiamoney Polls. In the 2004 Poll, Karrie was voted as the second best in Corporate Governance in Hong Kong. In 2005 Karrie was voted as the best small cap in the same poll;
- We have made detailed explanation of corporate strategies and the rationale behind in our annual reports and our effort was recognised by Hong Kong Management Association and awarded with "Honorable Mentions" in 2006 and 2007 Best Annual Report Award, also being awarded with 2007 IR Magazine Award "Best Annual Report and Other Corporate Literature" Award;
- Since 2001 the day-to-day operation of Karrie has been in the hands of a group of professional managers. The management team is not related to the controlling shareholder;
- Karrie is also willing to share with shareholders the wealth created through distribution of dividend. Since 2000/01, the aggregated amount of the Group's dividends paid/payable is around HK\$568,806,000 or around 84% of the shareholders' fund as at 31 March 2008;
- To increase its transparency, Karrie
  - a. voluntarily announces quarterly result;
  - b. arranges "tea-breaks" with individual shareholders half a year; and
  - c. publishes an easy-to-read annual reports with graphs, tables and other useful information.

9. Who are the major shareholders?

- As at 15 June 2008, the Ho's family/Pearl Court Company Limited held around 56% of the issued share capital of the Company;
- Veer Palthe Voute NV held around 6% of the issued share capital of the Company.

### 附錄六 (續)

#### 企業管治及其他

8. 我們應否擔憂嘉利的企業管治水平？

- 嘉利連續三年於「亞洲貨幣雜誌」選舉中被機構投資者及證券分析員推許為優秀企業。於「二零零四年度選舉」中，嘉利被選為「香港最佳企業管治表現」第二名。於「二零零五年度選舉」更獲選為「香港最佳管理公司—小型企業」第一名；
- 於年報中詳細解釋集團策略與其背後之理念，此舉取得「香港管理專業協會」認同並獲頒發二零零六及二零零七年度「最佳年報選舉」之優異年報獎項，同時亦獲「投資者關係雜誌」二零零七年度「最佳年報及企業文獻」第一名；
- 嘉利自二零零一年開始交由一班專業管理人仕負責日常營運工作，所有成員均與控股股東無親屬關係；
- 嘉利亦願意透過派發股息與股東們分享財富，自二零零零／零一年度開始，截至二零零八年三月三十一日集團合共已派發／擬派發之現金股息約568,806,000港元，佔股東資金的84%；
- 為了提高透明度，嘉利
  - a. 自願公佈季度業績；
  - b. 每半年為個人投資者舉行茶敘活動；及
  - c. 年報制作考慮「用者為先」，透過簡淺的圖畫、圖表及其他有用資料加以表達。

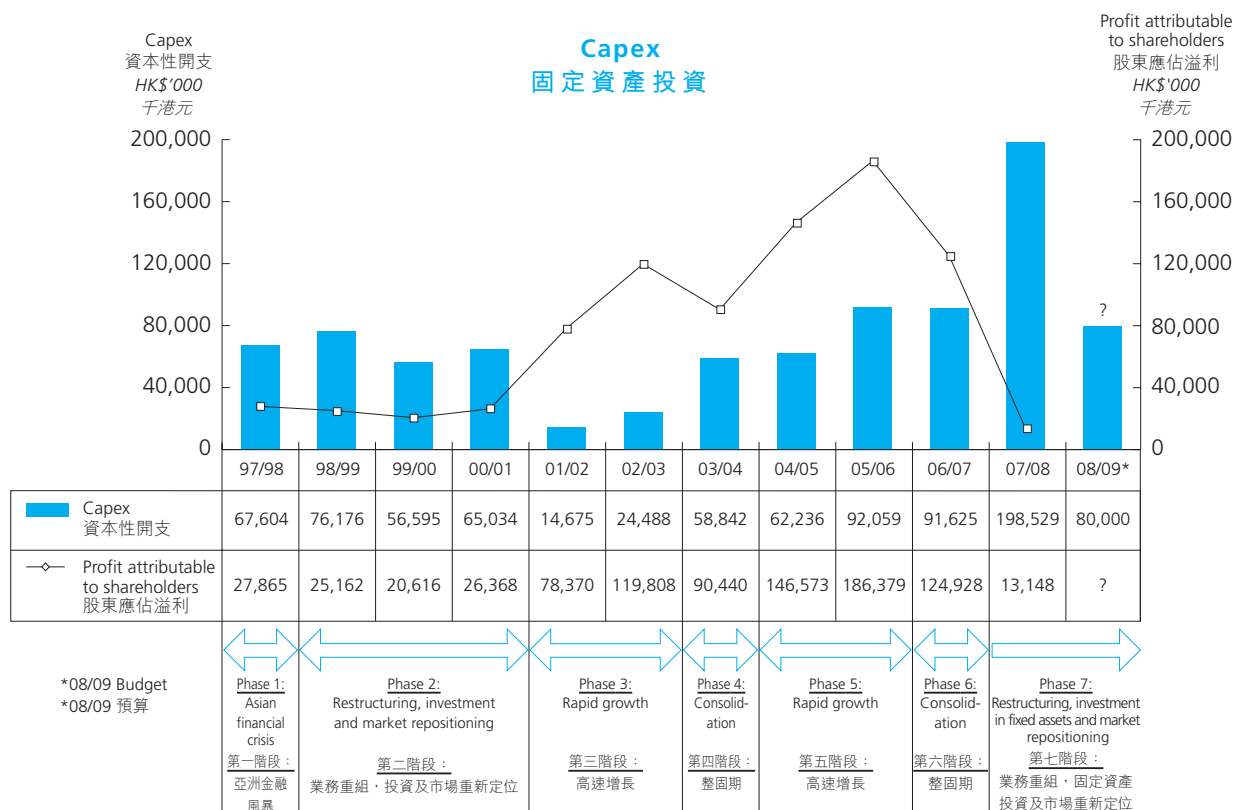
9. 誰是集團的主要股東？

- 截至二零零八年六月十五日止，何氏家族／Pearl Court Company Limited持有股份為56%；
- Veer Palthe Voute NV持有約6%股份。

## Chairman's Statement 主席報告

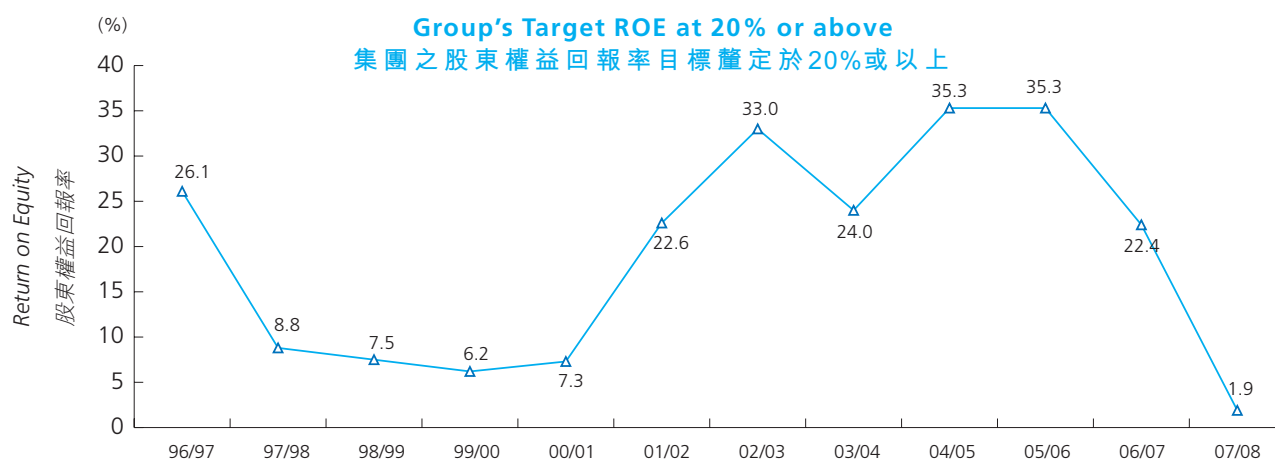
## APPENDIX 7

## 附錄七



## APPENDIX 8

## 附錄八



HK\$ million  
百萬港元

		96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08
Profit after Tax	除稅後溢利	81	28	25	21	26	78	120	90	147	186	125	13
Shareholders' Equity	股東權益	310	318	332	339	356	347	364	375	416	527	557	676
Return on Equity (%)	股東權益回報率(%)	26.1	8.8	7.5	6.2	7.3	22.5	33.0	24.0	35.3	35.3	22.4	1.9

## Chairman's Statement 主席報告

## APPENDIX 9

## 附錄九

## Potential Dilutive Effect of Share Options

## 購股權潛在攤薄影響

(As at 15 June 2008, issued share capital comprises 577,197,600 shares)

(截至二零零八年六月十五日已發行股本為577,197,600股)

Exercisable during or after the period	Number of exercisable outstanding share options 未行使購股權數目			Percentage over total issued share capital 佔已發行股本 之百分比
	Directors 董事	Other Participants 其他參與者	Total 總數	
於期內或之後可行使之年度				
01/04/2008 - 31/03/2009	7,091,950	20,050,107	27,142,057	4.7%
<b>Cumulative total 累計</b>	<b>7,091,950</b>	<b>20,050,107</b>	<b>27,142,057</b>	<b>4.7%</b>



## Corporate Governance Report 企業管治報告書

The Company and its subsidiaries (the "Group") are committed to achieving high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability.

For the year ended 31 March 2008 (the "Year"), the Group has applied the principles of the recently promulgated Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and complied with the code provisions (the "Code Provisions") of the CG Code, save for deviation from Code Provisions A.2.1, A.4.2 and E.1.2 of the CG Code. This report describes our Group's corporate governance practices and explains the said deviations from the CG Code.

### A. BOARD OF DIRECTORS

#### 1. The Board of Directors

- 1.1 As at 31 March 2008, the Board consisted of seven Directors, comprising Mr. Ho Cheuk Fai (Chairman and Chief Executive Officer), Mr. Kwok Wing Kin, Francis (Deputy Chairman and Chief Operating Officer) and Mr. Lee Shu Ki as executive Directors; Mr. Ho Cheuk Ming as a non-executive Director and Mr. So Wai Chun, Mr. Chan Sui Sum, Raymond and Mr. Fong Hoi Shing as the independent non-executive Directors. The Board has the collective responsibility for the leadership and promotion of the success of the Group's business by directing and supervising the Group's affairs.

為保障全體股東權益及提升企業價值和問責性，本公司及其附屬公司（「本集團」）一向承諾恪守奉行最嚴謹之企業管治。

於截至二零零八年三月三十一日止年度（「本年度」）內，本集團已應用最新頒佈並列載於香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四之企業管治常規守則（「企業管治守則」）所規定之原則及遵守所有守則條文（「守則條文」）（除了偏離企業管治守則條文A.2.1、A.4.2及E.1.2條外）。本報告書詳述集團之企業管治慣例，並闡釋企業管治守則之原則應用及偏離企業管治守則的行為。

### A. 董事會

#### 1. 董事會

- 1.1 截至二零零八年三月三十一日，董事會由七名董事組成。包括執行董事：何焯輝先生（主席兼行政總裁）、郭永堅先生（副主席兼營運總裁）及李樹琪先生。非執行董事：何卓明先生。獨立非執行董事：蘇偉俊先生、陳瑞森先生及方海城先生。董事會成員共同負責本集團事務之領導及管治工作，並共同承擔指引及監督本集團事務之責任。

## Corporate Governance Report 企業管治報告書

1.2 The Board is committed to the Group's objectives of enhancing the shareholder's value and provision of superior products and services. The Board is collectively responsible for formulating the overall objective and strategy of the Group; monitors and evaluates its operating and financial performance and reviews the standard of corporate governance of the Group. It also makes decisions on matters such as approving the annual results, interim and quarterly results, connected transactions, appointment and re-appointment of Directors, declaring dividend and adopting accounting policies. The Board has delegated the authority and responsibility for implementing business strategies and management of the daily operations of the Group's businesses to the management.

1.3 The Board conducts regular scheduled meetings on a quarterly basis. Ad-hoc meetings are convened when circumstances require.

The Board had met four times for the Year and considered, reviewed and approved the Group's annual results for the year ended 31 March 2007, quarterly and interim results of the Group for the Year.

1.2 董事會致力實現本集團有關提升股東價值以及提供優越產品與服務之目標。董事會訂立集團之整體目標及策略，並監管及評估集團在營運與財務上之表現，以及檢討集團之企業管治水平。董事會亦須決定各項事宜，其中包括全年、中期及季度業績、關連交易、董事聘任或續聘、股息分派及採納會計政策。董事會已授權管理層負責推行本集團商業策略及管理本集團之日常業務運作。

1.3 董事會每季舉行定期會議，並於情況需要時召開特別會議。

董事會於本年度內已舉行四次會議，並已考慮、審閱及批准集團截至二零零七年三月三十一日之全年業績及於本年度之季度及中期業績。

## Corporate Governance Report 企業管治報告書

The attendance records of Board meetings held during the Year are set out below:

以下是本年度董事會會議的出席紀錄：

### Attendance of individual Directors at Board meetings during the Year

### 本年度董事會會議個別董事的出席率

		No. of attendance/ No. of meetings 出席次數／會議次數	Attendance rates 出席率
<i>Executive Directors</i> 執行董事			
Mr. Ho Cheuk Fai	何焯輝先生	7/9 <sup>3</sup>	78%
Mr. Kwok Wing Kin, Francis	郭永堅先生	8/9	89%
Mr. Lee Shu Ki	李樹琪先生	9/9	100%
Mr. Wong Shun Pang <sup>2</sup>	黃順鵬先生 <sup>2</sup>	6/6	100%
<i>Non-executive Directors</i> 非執行董事			
Mr. Ho Cheuk Ming <sup>1</sup>	何卓明先生 <sup>1</sup>	8/9 <sup>3</sup>	89%
<i>Independent Non-executive Directors</i> 獨立非執行董事			
Mr. So Wai Chun	蘇偉俊先生	9/9	100%
Mr. Chan Sui Sum, Raymond	陳瑞森先生	8/9	89%
Mr. Fong Hoi Shing	方海城先生	9/9	100%
<b>Average attendance rate</b>	<b>平均出席率</b>		<b>93%</b>

<sup>1</sup> re-designated as non-executive Director on 1 June 2007

<sup>1</sup> 二零零七年六月一日已獲調任為非執行董事

<sup>2</sup> resigned on 1 December 2007

<sup>2</sup> 於二零零七年十二月一日辭任

<sup>3</sup> In accordance with the Company's bye-laws and the Listing Rules, Mr. Ho Cheuk Fai and Mr. Ho Cheuk Ming were required to refrain from attending the relevant board meeting(s) to decide on the matters relating to the then proposed rights issue of the Company as they were considered having a material interest therein

<sup>3</sup> 根據本公司細則及上市條例，何焯輝先生及何卓明先生因考慮本身涉及重大利益須避免出席相關董事會會議，就本公司建議供股事宜作出決定

1.4 To maximize the effectiveness of the Board and to encourage active participation and contribution from Board members, the Board has established an audit committee and a remuneration committee. Detailed descriptions of each of these committees are set out below. All of these committees adopt, as far as practicable, the principles, procedures and arrangements of the Board in relation to the scheduling and proceeding of meetings, notice of meetings and inclusion of agenda items, records and availability of minutes.

1.4 為提高董事會效能以及鼓勵董事會成員積極參與及作出貢獻，董事會已成立審核委員會及薪酬委員會。下文載列各委員會之詳細說明。董事委員會按實際可行情況採納董事會有關擬定會議時間表及會議進行方式、會議通告及載入議程項目、保存及提供會議記錄等之原則、程序及安排。

## Corporate Governance Report 企業管治報告書

### 2. Board Composition

- 2.1 As at 31 March 2008, the Board comprises seven Directors: three executive Directors, one non-executive Director and three independent non-executive Directors. Mr. Ho Cheuk Ming, the non-executive Director, is the younger brother of Mr. Ho Cheuk Fai, the Chairman and Chief Executive Officer. The Board has received annual confirmations of independence from each of the independent non-executive Directors and believed that all the independent non-executive Directors meet with the guidelines for assessment of independence as set out in Rule 3.13 of the Listing Rules.
- 2.2 The attributes, skills and expertise among the existing Directors are considered appropriate so as to effectively lead, supervise and manage the Group, taking into account the scope and nature of the operations. The Directors have a mix of core competencies in areas such as accounting and finance, business and management, production and quality control techniques, supply chain management, industry knowledge and marketing strategies. Details of the experience and qualifications of Directors and Senior Management are set out in the section headed "Directors and Senior Management" in this Annual Report.

### 2. 董事會組成

- 2.1 於二零零八年三月三十一日，董事會由七名董事組成，包括三名執行董事；一名非執行董事及三名獨立非執行董事。執行董事何焯輝先生為主席兼行政總裁，乃非執行董事何卓明先生之兄。董事會已收悉有關各獨立非執行董事之獨立性的確認函並相信全體獨立非執行董事均能符合上市規則第3.13條所載有關獨立非執行董事獨立性評估之指引規定。
- 2.2 就本集團之業務範疇及性質而言，現任董事所具備之特質、技能及專業知識足以令彼等能有效地引領及監控本集團。董事具有各方面如會計及財務、商業及管理、生產及品質控制技術、供應鏈管理，行業知識及市場策略等實質專才。有關董事及高級管理人員之經驗及資歷資料載於本年報中「董事及高級管理人員」一節。

## Corporate Governance Report 企業管治報告書

### 3. Appointment, Re-election and Removal of Directors

- 3.1 At each annual general meeting (“AGM”), one-third of the Directors are required to retire from office by rotation. The Directors, since his last election or appointment who have been the longest in office shall retire and be eligible for re-election at the AGM. The Chairman and/or the Managing Director of the Group shall not, when holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. With the introduction of the CG Code and to comply with Code Provision A.4.2 of the CG Code, the Chairman and/or the Managing Director of the Group will voluntarily retire at the AGM at least once every three years.
- 3.2 As at 31 March 2008, non-executive Directors (except Mr. Ho Cheuk Ming) including independent non-executive Directors are appointed for a fixed term not exceeding three years and all non-executive Directors are subject to the requirements of retirement by rotation and re-election by shareholders at AGM in accordance with the Company’s by-laws (the “Bye-laws”).
- 3.3 The names and biographical details of the Directors who will offer themselves for election or re-election at the forth coming AGM are set out in the circular to shareholders to assist shareholders in making an informed decision on their elections.

### 3. 董事的委任、重選及罷免

- 3.1 於每屆股東週年大會（「股東週年大會」）上，三分之一董事須輪席退任。每年之退任董事須為彼等自上次獲選或重選以來任期為最長者並合資格於股東週年大會上膺選連任。擔任集團主席及／或行政總裁的董事受制於輪席退任或於釐定股東週年大會上須輪席退任之董事人數時，毋須計及。然而，由於企業管治守則的推出及為遵守企業管治守則守則條文A.4.2，集團主席及行政總裁將至少每三年自願退任。
- 3.2 於二零零八年三月三十一日，非執行董事（何卓明先生除外）包括獨立非執行董事以固定任期委任，惟不超過三年，所有非執行董事並須根據本公司之公司細則（「公司細則」）於股東週年大會上輪席退任並重選連任。
- 3.3 將於應屆股東週年大會上膺選連任董事之姓名及履歷載於致股東之通函內，以協助彼等於表決時作出知情決定。

## Corporate Governance Report 企業管治報告書

3.4 Since the whole Board participates in the appointment of new Directors, the Company does not establish a nomination committee. In evaluating whether an appointee is suitable to act as a Director, the Board will consider the experience and skills of the appointee; as well as personal ethics, integrity and the willingness to commit time in the affairs of the Group. Where the appointee is appointed as an independent non-executive Director, the Board will also consider his/her independence. During the Year, the Board had also reviewed and made recommendations in respect of the re-appointments of retiring Directors, which were approved by the shareholders at the last AGM.

3.4 由於新董事之委任是由董事會全體成員參議，故本公司並無成立提名委員會。在評估一名被委任者是否適合出任本公司董事時，董事會會考慮其經驗、專長及其個人操守及誠信，以及其願意付出處理集團事務之時間。當一名董事被委任為公司的獨立非執行董事時，董事會亦會考慮其獨立性。於本年度內董事會亦就上屆股東週年大會通過重新委任退任董事事宜上作出檢討及建議。

### 4. Corporate Governance and Chairman and Chief Executive Officer

The Group is committed to achieving high standards of corporate governance. Throughout the year ended 31 March 2008, the Company had applied the principles and complied with the requirements set out in the CG Code in Appendix 14 of the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited, except the following:

Code Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not segregate the roles of its Chairman and Chief Executive Officer and Mr. Ho Cheuk Fai ("Mr. Ho") currently holds both positions.

### 4. 企業管治及主席及行政總裁

本集團一向承諾恪守最嚴謹的企業管治，於截至二零零八年三月三十一日止年度，本公司一直依循及遵守，香港聯合交易所有限公司證券上市規則附錄十四所載之企業管治守則，所有原則及規定。除以下所述：

企業管治守則條文第A.2.1條規定應區分主席與行政總裁的角色，並不應由一人同時兼任。本公司並無區分主席與行政總裁的角色，何焯輝先生（「何先生」）目前兼任該兩個職位。

## Corporate Governance Report 企業管治報告書

Being the founder of the Group, Mr. Ho has substantial experience in the manufacturing industry. At the same time, Mr. Ho has the appropriate skills and business acumen that are the pre-requisites for assuming the role of the Chief Executive Officer. The Board believes that vesting the roles of both the Chairman and the Chief Executive Officer in the same person would provide the Group with strong and consistent leadership and allow the Group to be more effective and efficient in developing long-term business strategies and execution of business plans. The Board considers that there is no need to segregate the roles of the Chairman and the Chief Executive Officer and both roles should continue to be performed by Mr. Ho.

According to Code Provision A.4.1, Non-executive Director should be appointed for a specific term, subject to re-election. Mr. Ho Cheuk Ming was re-designated as Non-executive Director on 1 June 2007 without a specific term. Moreover, Code Provision A.4.2 stipulated that every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

According to the Company's bye-laws, at each annual general meeting, one-third of the Directors for the time being or, if their number is not 3 or a multiple of 3, the number nearest to one-third but not greater than one-third shall retire from office provided that notwithstanding anything in the Company's bye-laws, the Chairman of the Directors and/or the Managing Director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. Furthermore, any Director appointed to fill a casual vacancy or as an addition to the Board should hold office only until the next following AGM and would then be eligible for re-election. With the introduction of the CG Code and to comply with Code Provision A.4.2 of the CG Code, the Chairman and/or the Managing Director of the Group will voluntarily retire at the annual general meeting at least once every three years. As such, the Company considers that sufficient measures have been taken to ensure good corporate governance of the Company.

何先生為本集團的創辦人，於製造業具備豐富經驗。同時，何先生具備擔當行政總裁所需之合適管理技巧及商業觸覺之先決條件。董事會相信，由一人同時擔任主席與行政總裁的角色為本集團提供強大兼一致的領導，並可讓本集團更有效及有效率地發展長遠業務策略及執行業務計劃。因此董事會認為無須區分主席及行政總裁之角色，並由何先生繼續擔任這兩個角色。

按照守則條文A.4.1，非執行董事的委任應有指定任期，亦須接受重新選舉。何卓明先生於二零零七年六月一日獲再委任非執行董事，但沒有指定任期。守則條文A.4.2規定每名董事（包括有指定任期之董事）應至少每三年輪值退任一次。

根據本公司之細則，在本公司每一屆股東週年大會上，三分之一之當時在任之董事（或，倘其人數並非三之倍數，則最接近但不多於三分之一之數目）須輪值退任，惟本公司董事會主席及／或董事總經理不須按此規定輪值退任或在釐定每年退任董事人數時被計算在內。此外，任何填補空缺而獲委任之董事或為董事會新增之成員僅可任職至下屆股東週年大會為止，屆時彼可膺選連任。然而，由於《企業管治守則》的推出及為遵守《企業管治守則》守則條文A.4.2，本集團主席及／或董事總經理將至少每三年自願退任。因此，本公司認為已採取足夠措施，以確保本公司良好企業管治。

## Corporate Governance Report 企業管治報告書

Under Code Provision E.1.2, the Chairman of the Audit Committee and Remuneration Committee or their delegates should be arranged to attend the Company's AGM. The Chairman of the Audit and Remuneration Committees, Mr. So Wai Chun, had not attended the AGM held on 17 August 2007 (the "Meeting") as he had another business engagement and no delegate had been arranged to attend the Meeting. The Chairman of the Board, Mr. Ho Cheuk Fai, together with other members of the Board had attended the Meeting in which Mr. Lee Shu Ki, the Executive Director of the Company, took the chair of the Meeting. The Board considers that the Chairman of the Board and the members of the Board who attended the Meeting were already of sufficient calibre and number for answering questions from shareholders at the AGM.

The Company will continue to review its practices from time to time to achieve high standard of corporate governance.

### B. BOARD COMMITTEE

#### 1. Remuneration Committee ("RC")

- 1.1 The Board has established the RC in June 2005 with terms of reference, comprising a majority of independent non-executive Directors, which meets at least once a year. It is chaired by Mr. So Wai Chun and comprises two other members, namely Mr. Chan Sui Sum, Raymond and Mr. Ho Cheuk Ming. All RC members, with the exception of Mr. Ho Cheuk Ming (non-executive Director), are independent non-executive Directors. The quorum necessary for the transaction of business by the RC is two.
- 1.2 The principal responsibilities of RC are to formulate remuneration policy of the Group, review and make recommendations to the Board in respect of the remuneration policy and to determine the remuneration of the executive Directors and the senior management.

根據守則條文第E.1.2條，審核委員會及薪酬委員會主席或其委任代表被安排出席本公司股東周年大會。由於審核委員會及薪酬委員會主席，蘇偉俊先生(並無委任代表)另有要務在身，未能出席本公司於二零零七年八月十七日舉行的股東周年大會(「大會」)，本公司執行董事李樹琪先生以大會主席身份，連同董事會主席何焯輝先生及其他董事會成員一併出席大會。董事會認為出席大會的董事會主席及董事會成員已有足夠能力及人數回答股東周年大會上的提問。

本公司將繼續不時檢討其常規，以達至高水平之企業管治。

### B. 董事委員會

#### 1. 薪酬委員會

- 1.1 董事會已於二零零五年六月成立薪酬委員會連同職權範圍書，成員大多數為獨立非執行董事。薪酬委員會最少每年舉行一次會議，由蘇偉俊先生擔任主席，並包括兩位其他成員：陳瑞森先生及何卓明先生。除何卓明先生(非執行董事)外，全體薪酬委員會成員均為獨立非執行董事。薪酬委員會處理事務之法定人數為兩人。
- 1.2 薪酬委員會主要職能包括就本集團董事及高級管理層薪酬之公司政策及架構向董事會作出建議及釐定所有執行董事及高級管理層之薪酬計劃。



## Corporate Governance Report 企業管治報告書

1.3 The RC met once during the Year with an attendance rate of 100% and reviewed its terms of reference, the remuneration policy of the Group and the remuneration packages of Directors and senior management staff.

1.3 薪酬委員會於本年度已舉行一次會議，出席率為100%，以審閱其職權範圍、本集團的薪酬政策及董事和高級管理層之薪酬。

### 2. Audit Committee ("AC")

### 2. 審核委員會

2.1 The AC's membership, with the exception of Mr. Ho Cheuk Ming (non-executive Director), comprised the independent non-executive Directors as at 31 March 2008:

2.1 截至二零零八年三月三十一日，審核委員會(除何卓明先生(非執行董事)外)均為獨立非執行董事組成：

Mr. So Wai Chun (*Chairman*)  
Mr. Chan Sui Sum, Raymond  
Mr. Fong Hoi Shing; and  
Mr. Ho Cheuk Ming

蘇偉俊先生(主席)  
陳瑞森先生  
方海城先生  
何卓明先生

The Board is of the opinion that members of the AC have sufficient accounting and financial management expertise or experience to discharge their duties.

董事會認為，審核委員會成員擁有足夠會計及財務管理專業知識或經驗，以履行彼等之職務。

2.2 The operations of the AC are regulated by its terms of reference. The main duties of the AC include:

2.2 審核委員會之運作受職權範圍規管。審核委員會之主要職責包括：

- to review and supervise the Group's financial reporting process including the review of quarterly, interim and annual results of the Group;
- to review the external auditors' appointment, remuneration and any matters relating to resignation or termination;
- to examine the effectiveness of the Group's internal control which involves regular review in various corporate structures and business process; and
- to realize corporate objective and strategy by taking into account the potential risk and the nature of its urgency in order to ensure the effectiveness of the Group's business operations. The scope of such reviews includes finance, operations, regulatory compliance and risk management.

- 檢討及監控本集團之財務報告程序，包括審閱本集團的季度、中期及年度業績；
- 檢討外聘核數師的委任和批准其薪酬及任何有關其辭任或辭退之任何事宜；
- 檢討本集團內部監控之有效性，包括定期檢討各項有關企業及業務的程序；及
- 在考慮到潛在風險的性質及迫切性的情況下體現企業目標及策略以確保本集團業務運作有效。該等檢討包括財務、營運、監管規則的遵守及風險管理等範圍。

## Corporate Governance Report 企業管治報告書

2.3 The AC met four times during the Year with an attendance rate of 100% and reviewed the quarterly, interim results and the annual results of the Group for the year ended 31 March 2007. The AC had also reviewed the Group's audited annual results of the Year. The Company Secretary of the Company keeps all minutes of the AC.

2.3 審核委員會於本年度舉行四次會議，其出席率為100%，並審閱了集團之季度、中期及截至二零零七年三月三十一日止年度的全年業績。審核委員會亦審閱了本年度本集團的全年業績。審核委員會之詳盡會議記錄由公司的公司秘書存置。

### C. SECURITIES TRANSACTIONS BY DIRECTORS

1.1 The Company has adopted a Code for Securities Transactions by Directors of the Group (the "Company's Model Code") on terms no less exacting than the required standard set out in Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in Appendix 10 of the Listing Rules.

1.2 Having made specific enquiries to all Directors, they have confirmed that they had complied with the required standards set out in both the Company's Model Code and the Model Code throughout the year ended 31 March 2008.

### C. 董事進行證券交易

1.1 本公司已採納本集團董事進行證券交易的標準守則（「公司標準守則」），其條款並不較上市規則附錄10所載上市公司董事進行證券交易的標準守則（「標準守則」）之條款寬鬆。

1.2 經向全體董事作出具體查詢後，彼等確認已於截至二零零八年三月三十一日止年度期間全面遵守標準守則及公司標準守則所載之標準規定。

### D. ACCOUNTABILITY AND AUDIT

#### 1. Financial Reporting

1.1 The Board acknowledges its responsibility for preparing the Group's accounts which gives a true and fair view of the state of affairs of the companies and of the Group on a going concern basis, with supporting assumption or qualification as necessary. In preparing the accounts for the Year, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable.

1.2 The management provides explanation and information to the Board as to enable the Board to make informed assessments of the financial and other information put before the Board for approval.

### D. 問責及審核

#### 1. 財務匯報

1.1 董事會知悉其責任乃編製反映本公司及本集團真實公平財政狀況之賬目（按持續經營基準，並在有需要時以假設及保留意見支援）。於編製本年度之賬目時，董事已挑選適合之會計政策及貫徹應用，並作出審慎合理之判斷及估計。

1.2 管理層向董事會提供該等闡釋及資料，使董事會對其須批准之財務及其他資料能作出知情評估。

## Corporate Governance Report 企業管治報告書

1.3 The Board endeavours to ensure the making of balanced, clear and understandable assessments of the Group's position and prospects and extending the coverage of such information to include annual, interim and quarterly reports, price-sensitive announcements and financial disclosures as required under the Listing Rules, reports to regulators as well as any information that is required to be disclosed pursuant to statutory requirements.

1.4 Since September 2003, the Company has been publishing its financial results on a quarterly basis in order to enhance transparency about its performance and to give details of the latest development of the Group in a timely manner. The Company is expected to announce its annual results within 3 months after each financial year end and announced its interim results within 2 months after the end of the relevant periods.

### 2. Internal Controls

The Board is responsible for the Group's system of internal controls and is committed to managing business risks and maintaining sound and effective internal control system to safeguard the shareholders' investment and the Group's assets.

During the Year, the Internal Audit Department under the supervision of the Board and the Audit Committee, has reviewed and reported on the adequacy of effectiveness of the internal control systems of the Group, covering financial, operational, compliance and risk management control functions.

The internal control system is designed to provide reasonable, but not absolute, assurance of no material mis-statement or loss and to manage instead of eliminating risks of failure in operational systems and achievement of the Group's objectives.

The Internal Audit Department performs regular audit reviews and report of the risk and key controls of the Group to the Board and the Audit Committee. The responsible Department Heads will be notified of the control deficiencies noted for rectification.

1.3 董事會致力確保對本集團之狀況及前景作出客觀、明確及可理解之評估，並將範圍擴大至本集團之年度、中期及季度報告、其他涉及股價敏感資料的公佈、其他根據上市規則須予披露之財務資料、致監管機構之報告書以及法定須予披露之其他資料。

1.4 由二零零三年九月起，本公司按季度刊發其財務業績，以增加其效績之透明度及適時提供本集團最新發展之詳情。本公司預期於財政年度完結日期後三個月內公佈其全年業績，亦於有關期間完結後兩個月內公佈中期業績。

### 2. 內部監控

董事會負責本集團之內部監控系統，並致力管理經營風險及確保內部監控系統穩健妥善且有效，以保障股東之投資及本集團的資產。

於本財政年度內部審計部，在董事會及審核委員會的監督下，已對本集團內部監控制度之有效性進行檢討及匯報，範圍包括財務、營運、合規監控及風險管理功能。

內部監控系統乃提供合理，但非絕對地，確保沒有重大錯誤陳述或損失，以及旨在管理而非消除營運制度失當之風險及達致本集團之目標。

內部審計部進行定期審核，並向董事會及審核委員會匯報風險及主要的內部監控。部門主管將獲通知其監控不足之處以進行修正。

## Corporate Governance Report 企業管治報告書

### 3. Auditors' remuneration

During the Year, the fees paid to PricewaterhouseCoopers, the Group's external auditor HK\$1,650,000 for audit services of the Group and for non-audit related services HK\$658,000, representing mainly taxation services and non-audit service fees in connection with the rights issue circular.

### E. COMMUNICATION WITH SHAREHOLDERS

1. The Company strives to convey to shareholders pertinent information in a clear, detailed, timely manner and on a regular basis and to take into consideration their views and inputs, and to address the shareholders concerned. Their views are communicated to the Board comprehensively.
2. The Company communicates with its shareholders through the publication of annual, interim reports, results announcements and releases. All communications to shareholders are also available on the Company's website at [www.karrie.com.hk](http://www.karrie.com.hk).
3. The AGM provides a useful platform for shareholders to exchange views with the Board. The Chairman of the Board and the Board members are available to answer shareholders' questions.
4. Separate resolutions are proposed at general meetings on each substantially separate issue, including the election of individual Directors.
5. Details of the voting procedures and rights of shareholders to demand a poll are included in the circular to shareholders, which has been dispatched together with this Annual Report.

### 3. 核數師酬金

於本財政年度，支付予本公司外聘核數師羅兵咸永道會計師事務所1,650,000港元為本集團提供核數服務及658,000港元為非核數相關服務（主要為稅務服務及有關供股計劃之通函）。

### E. 與股東之溝通

1. 本公司致力向股東傳達明確、詳盡、適時及定期之相關資料，並考慮彼等之意見及建議以及處理股東關注之事宜。彼等之意見會整體向董事會傳達。
2. 本公司透過刊發年報、中期報告、業績公佈及新聞發報與股東溝通。所有與股東之通訊亦載於本公司網站 [www.karrie.com.hk](http://www.karrie.com.hk)。
3. 股東週年大會為股東與董事會提供有用之交換意見平台。董事會主席以及董事會成員將出席回答股東之問題。
4. 每一個實質上無關連之個別事項（包括選舉個別董事），以獨立決議案提呈於股東大會上。
5. 投票表決程序及股東要求投票表決權力之詳情載於連同本年報寄發予股東之通函內。

## Corporate Governance Report 企業管治報告書

### F. INVESTOR RELATIONS

1. The Board recognizes that effective communication with investors is the key to establish investor confidence and to attract new investors.

#### 2. Quarterly results announcement

The Group has voluntarily adopted quarterly result announcement commencing from September 2003 onwards. This is part of the Group's effort to go beyond the Stock Exchange requirements and to make the Group's financial position as transparent as possible to shareholders, potential investors and the general public. Annual reports and interim reports are prepared and issued to all shareholders within the prescribed period stipulated by the Listing Rules. All results announcements and reports are posted on the Company's website.

#### 3. Media and analysts briefings

Briefings for media are held on the same day immediately after the quarterly, interim and annual results released via teletext. Briefing for analysts by way of presentation at luncheons, receptions or telephone conferences are organized thereafter. During the briefing, the Group's management provides an in-depth analysis of the Group's performances in respect of the relevant periods and ensures that the financial performance and accounts of the Group are well understood. There is also ample opportunity for the analysts and media to ask questions and interact with the executive Directors and senior management.

### F. 投資者關係

1. 董事會紳知與投資者之有效溝通，乃建立投資者信心及吸引新投資者之關鍵。

#### 2. 季度業績公佈

由二零零三年九月起，本集團主動採納季度業績公佈。此乃本集團超出聯交所規定，致力為股東、有意投資者及公眾提高本集團財政狀況透明度。本集團已於上市規則規定的期間內編製年度及中期報告，並刊發予全體股東。所有業績公佈及報告均載於本公司網站。

#### 3. 新聞界及分析員簡報會

新聞界簡報會緊隨季度、中期及全年業績發佈於大利市機後的當日舉行。分析員簡報會以午餐會、接待會或電話會議形式於其後進行。於簡報會上，本集團管理層會深入分析本集團於有關期間之業績表現，並確保與會人士充分理解本集團財務表現及帳目。本集團亦提供足夠機會予分析員及新聞界提問及與執行董事和高級管理層溝通。

## Corporate Governance Report 企業管治報告書

### 4. Tea-Break with individual investors

Since the first quarter of 2004/05, the Group has been arranging tea-break with individual investors to build up an interactive and direct communication channel. This allows individual investors talking to the management of the Group. Meanwhile, the Group would give an update about the status of the Group's development and share of their feelings toward the Group.

5. The Group regularly releases corporate information such as awards received, and the latest news of the Group's developments on its Company's website. The public are welcome to give their comments and make their enquiries through the Company's website, the management will give their prompt response.

### 4. 與個人投資者茶敘

自二零零四／零五年度第一季起，本集團舉行茶敘，以提供渠道予個人投資者，透過跟管理層直接會面和互動溝通，從而增加對集團之了解，本集團會提供有關集團最新發展的更新資料及分享他們對集團的感受。

5. 本集團定期於本公司網站公佈公司資料，例如其所獲得獎項及本集團發展之最新消息等。本集團歡迎公眾人士透過本公司網站提出意見及查詢，管理層將會迅速跟進。

## Senior Management Profile 高級管理人員之個人資料

### DIRECTORS

#### Executive Directors

**Mr. HO Cheuk Fai**, aged 62, was appointed as a Director of the Company in October 1996 and is the Chairman and Chief Executive Officer of the Company as well as the founder of the Group. Prior to founding the Group in 1980, Mr. Ho had over 10 years' experience in factory management and in manufacturing plastic, metal and electronic products. He is responsible for the Group's overall corporate strategies and objectives. He is also a director of Pearl Court Company Limited, a corporate substantial shareholder of the Company, and the brother of Mr. Ho Cheuk Ming and husband of Ms. Ho Po Chu.

His solid business knowledge and working experience throughout the years was being recognized by the academic. He was awarded with fellow member of the Asian Knowledge Management Association in September of 2003 and Honorary Fellowship by Canadian Chartered Institute of Business Administration and Honorary Doctorate in Management by Lincoln University in April of 2007.

He has been appointed as member of the 10th Guangdong Provincial Committee of Political Consultative Conference in January 2008 and member of 10th and 11th Chinese People's Political Consultative Conference, Dongguan City, Guangdong Province in January 2007. Mr. Ho is currently participating in affairs of different associations, which including Honorary Chairman of the Hong Kong Metals Manufacturers Association, Member of the Executive Committee of China Association of Enterprises with Foreign Investment, Vice-Chairman of the Supervisory Board of Dongguan City Association of Enterprises with Foreign Investment, Chairman of the Supervisory Board of Dongguan City Fenggang Association of Enterprises with Foreign Investment, Vice-Chairman of the Executive Committee of the Overseas Friendship Association of Dongguan, Committee Member of Hebei Chinese Overseas Friendship Association, Member of the Executive Committee of Hong Kong Hebei Association Ltd and Committee Member of Dongguan University of Technology Education Foundation of Dongguan City.

### 董事

#### 執行董事

**何焯輝先生**，六十二歲，於一九九六年十月獲委任為本公司董事，並為本公司主席兼行政總裁及本集團的創辦人。於一九八零年成立本集團前，彼擁有逾十年工廠管理及塑膠、金屬與電子產品製造經驗。彼負責集團之整體企業策略及目標。彼為本公司法團大股東 Pearl Court Company Limited 之董事，及為何卓明先生的兄長及何寶珠女士的丈夫。

憑藉多年於商界的深厚經驗及閱歷，得到了教學界之肯定，於二零零三年九月獲亞洲知識管理協會院士名銜，另於二零零七年四月獲加拿大管理學院頒授榮譽院士兼美國林肯大學頒授榮譽管理博士名銜。

彼於二零零八年一月獲委任為廣東省第十屆政協委員及於二零零七年一月廣東省東莞市第十及十一屆政協委員，同時亦積極參與多個商會事務，其中包括有香港金屬製造業協會名譽會長、中國外商投資企業協會常務理事、東莞市外商投資企業協會副監事長、東莞市鳳崗外商投資企業協會主席、東莞市海外聯誼會副理事長、河北海外聯誼會理事、香港河北聯誼會常務理事及東莞市東莞理工學院教育發展基金會理事。

## Senior Management Profile 高級管理人員之個人資料

**Mr. KWOK Wing Kin, Francis**, aged 46, was appointed as a Director of the Company in October 2000, and is a Deputy Chairman and the Marketing Director as well as Convener of the Executive Committee of the Group. Mr. Kwok was re-designated as a Deputy Chairman and a Chief Operational Officer as well as Convener of the Executive Committee of the Group with effect from 1 January 2008. Mr. Kwok graduated from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) with a diploma in business management and is an associate member of The Hong Kong Management Association. Prior to joining the Group in 1989, Mr. Kwok had ten years' experience in plastic manufacturing sector and procurement work in electronics manufacturing sector.

**Mr. LEE Shu Ki**, aged 52, was appointed as a Director of the Company in December 1997, and is the Financial Controller and a member of the Executive Committee of the Group. He is responsible for overseeing the daily operation of the Group's Accounting Department. Mr. Lee graduated from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) with a higher diploma in accountancy and is a fellow member of The Hong Kong Institute of Certified Public Accountants and an associate member of the Chartered Institute of Management Accountants of the United Kingdom. He has over 25 years' accounting and financial management experience in manufacturing businesses. Mr. Lee joined the Group in June 1995.

### Non-executive Directors

**Mr. HO Cheuk Ming**, aged 54, was re-designated as non-executive Director of the Company with effect from 1 June 2007. He was appointed as an executive Director of the Company from October 1996 to 31 May 2007, and was a Deputy Chairman and Chief Operation Officer as well as the Convener of the Executive Committee of the Group. He is responsible for overall supervision of the Group's operation. He joined the Group in 1980 and has over 20 years' experience in factory production. He is also a director of Pearl Court Company Limited, a corporate substantial shareholder of the Company, and the brother of Mr. Ho Cheuk Fai and the brother-in-law of Ms. Ho Po Chu.

**郭永堅先生**，四十六歲，於二零零零年十月獲委任為本公司董事，並為本集團副主席兼市場總監及執行委員會召集人，郭先生於二零零八年一月一日起獲調任為本集團副主席兼營運總裁及執行委員會召集人。郭先生畢業於香港理工學院（現稱香港理工大學），持有工商管理文憑，並為香港管理專業協會之會員。郭先生於一九八九年加入本集團之前，擁有十年塑膠製造及電子採購之經驗。

**李樹琪先生**，五十二歲，於一九九七年十二月獲委任為本公司董事，並為本集團財務總監及執行委員會成員之一，負責管理本集團會計部之日常運作。彼畢業於香港理工學院（現稱香港理工大學），持有會計學高級文憑，並為香港會計師公會資深會員及英國特許管理會計師公會之會員。彼擁有逾二十五年製造業之財務管理經驗。李先生於一九九五年六月加入本集團。

### 非執行董事

**何卓明先生**，五十四歲，於二零零七年六月一日起獲調任為非執行董事。彼由一九九六年十月至二零零七年五月三十一日期間為本公司執行董事，並為本集團副主席兼營運總裁及執行委員會召集人，負責本集團整體業務運作監督。彼於一九八零年加入本集團，擁有逾二十年工廠生產經驗。彼為本公司法團大股東 Pearl Court Company Limited 之董事，及為何焯輝先生之弟及何寶珠女士的小叔。



## Senior Management Profile 高級管理人員之個人資料

### Independent Non-executive Directors

**Mr. SO Wai Chun**, aged 59, was appointed as an independent non-executive Director of the Company in July 2001. Mr. So has been carrying on business in Hong Kong and the People's Republic of China for over 20 years. He is the major shareholder and director of a company in Hong Kong. His businesses are mainly in financial services and international trading. In 2000, Mr. So was appointed as the China Representative of Forestry New Zealand Limited, a subsidiary of Evergreen Forestry Limited which is a listed company in New Zealand.

**Mr. CHAN Sui Sum, Raymond**, aged 68, was appointed as an independent non-executive Director of the Company in February 1998. He graduated from Oklahoma Baptist University in the United States with a bachelor degree in Arts in 1964. Mr. Chan has over 30 years' experience in the construction industry. He is also a director of Chaplin Chemicals Limited and Shelton Food Industry Limited.

**Mr. FONG Hoi Shing**, aged 44, was appointed as an independent non-executive Director of the Company in December 2004. He has extensive experience in accounting, finance and management. He holds a degree in master of professional accounting, a postgraduate diploma in corporate administration and a higher diploma in accountancy from The Hong Kong Polytechnic University. He is an associate member of the Hong Kong Institute of Certified Public Accountants and an Associate of The Institute of Chartered Secretaries and Administrators.

### MANAGEMENT

**Ms. HO Po Chu**, aged 59, is the Director of Administration of the Group. Ms. Ho is one of the founding members of the Group in 1980 and has over 20 years' experience in office administration and purchasing. She is responsible for supervising personnel and overall administration of the Group. She is also a director of Pearl Court Company Limited, a corporate substantial shareholder of the Company, and the wife of Mr. Ho Cheuk Fai and sister-in-law of Mr. Ho Cheuk Ming.

### 獨立非執行董事

**蘇偉俊先生**，五十九歲，於二零零一年七月獲委任為本公司獨立非執行董事。蘇先生在香港及中國經商超過二十年，為香港某公司的主要股東及董事，從事金融服務及國際貿易等業務。蘇先生於二零零零年曾被委任為新西蘭森林木材有限公司 (Forestry New Zealand Limited) 的中國代表。該公司乃新西蘭上市公司—Evergreen Forestry Limited的附屬公司。

**陳瑞森先生**，六十八歲，於一九九八年二月獲委任為本公司獨立非執行董事。彼於一九六四年取得美國奧克拉荷馬大學文學士學位。陳先生從事建造業逾三十年。彼現為卓麟化原有限公司及南寧兆中食品工業有限公司之董事。

**方海城先生**，四十四歲，於二零零四年十二月獲委任為本公司獨立非執行董事。方先生於會計、財務及管理方面擁有豐富經驗。彼持有香港理工大學頒授的專業會計碩士、公司行政管理深造文憑及會計學高級文憑，彼為香港會計師公會會員，亦為英國特許秘書及行政人員公會會員。

### 管理人員

**何寶珠女士**，五十九歲，本集團行政總監。何女士為本集團於一九八零年成立時的創辦人之一，擁有逾二十年辦公室行政及採購經驗。彼負責監督本集團之人事及整體行政工作。彼為本公司法團大股東 Pearl Court Company Limited之董事，及為何焯輝先生之夫人及何卓明先生的大嫂。

## Senior Management Profile 高級管理人員之個人資料

**Ms. CHAN Ming Mui, Silvia**, aged 36, is the Assistant Administration Director of the Group and responsible for overall operation of human resources, administration and EDP department of the Group. Ms. Chan is one of the members of Executive Committee and Internal Audit Committee of the Group. Ms. Chan graduated from The City University of Hong Kong majoring in Public Administration and Management. She joined the Group in 1996 and has over 10 years' experience in administration and management.

**Mr. WONG Siu Ching**, aged 50, is the Marketing Director (Division 1) of the Group, responsible for project development and marketing for the Group. Prior to joining the Group in 1988, Mr. Wong had over 10 years' experience in sales and marketing.

**Mr. CHAN Raymond**, aged 41, is the Senior Marketing Director of the Group, responsible for marketing development work. He joined the Group in 1985 and has over 15 years' experience in sales and marketing.

**Mr. CHAN Wah Ying**, aged 43, is the Assistant General Manager – Operation and Quality of the Group. Mr. Chan graduated from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) with a higher certificate in Manufacturing Engineering. Prior to joining the Group in 1992, Mr. Chan had over 13 years' experience in quality management in an electronic manufacturing company.

**Ms. YIU Yuet Fung**, aged 43, is the Assistant General Manager at the Group's factories in China, responsible for the overall personnel and administration management. She joined the Group in 1984 and has over 20 years' experience in managing the production process of manufacturing industries.

**陳名妹小姐**，三十六歲，本集團副行政總監，負責人力資源、行政及電腦部之整體運作。陳小姐是集團執行委員會及內部審計管理委員會之成員。陳小姐於香港城市大學畢業，主修公共行政及管理。彼於一九九六年加入本集團，擁有逾十年行政及管理經驗。

**王少正先生**，五十歲，本集團市務總監(第一組)，負責本集團項目發展及市場推廣。於一九八八年加入本集團前，王先生擁有逾十年銷售及市場推廣經驗。

**陳毅文先生**，四十一歲，本集團高級市場總監，負責市場業務拓展。彼於一九八五年加入本集團，擁有逾十五年銷售及市場推廣經驗。

**陳華英先生**，四十三歲，本集團運作及品質副總經理。陳先生畢業於香港理工學院(現稱香港理工大學)，持有製造工程高級證書。彼於一九九二年加入本集團前，擁有逾十三年於電子製造公司的品質管理經驗。

**姚月鳳小姐**，四十三歲，本集團中國廠房之副總經理，負責人事及行政整體管理。彼於一九八四年加入本集團，擁有逾二十年於製造業生產程序管理經驗。

## Senior Management Profile 高級管理人員之個人資料

**Mr. WONG Fok Tsun, Albert**, aged 56, is the Internal Audit Manager of the Group, responsible for setting up internal audit function and reporting directly to the Board and Internal Audit Committee. Mr. Wong graduated from Curtin University of Technology, WA with a bachelor degree in Management and Marketing. He also holds a master degree of Accounting from the same University. He is a fellow member of The Association of International Accountants, UK and is an associate member of CPA Australia. He is also a member of The Institute of Internal Auditors Inc. U.S.A. Mr. Wong has over 10 years' experience in internal auditing and 12 years' experience in financial accounting. He joined the Group in March 2003.

**Mr. HA Hon Leung**, aged 48, is the Technical Director of the Engineering and R&D Department, responsible for engineering capabilities and technology development for electronic system products. Mr. Ha holds a bachelor degree from The University of Windsor, Canada, and a master degree from The University of Waterloo, Canada, both in Electrical Engineering. He also holds a master degree in business administration from Heriot-Watt University, UK. Mr. Ha has over 20 years' experience in engineering and technical management in the electronics industry.

**黃福全先生**，五十六歲，本集團內部審計經理，負責建立內部審計運作程序及直接向董事會及內部審計管理委員會報告。黃先生畢業於西澳洲Curtin科技大學，持有管理及市場學士學位，並持有同一大學會計學碩士學位。彼為英國國際會計師公會資深會員及澳洲會計師公會會員，亦為美國內部審計師學會的會員；擁有逾十年內部審計及十二年財務會計經驗。彼於二零零三年三月加入本集團。

**夏漢良先生**，四十八歲，本集團工程及研發部技術總監，負責發展電子系統產品的工程能力及技術開發。夏先生持有加拿大溫莎大學電氣工程學士及滑鐵盧大學電氣工程碩士學位，並持有英國Heriot-Watt大學工商管理碩士學位。彼在電子業擁有逾二十年工程及技術管理經驗。

## Report of the Directors 董事會報告

The Board has the pleasure of presenting the report together with the audited financial statements of the Group for the Year.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in the manufacture and sale of computer casings, office automation products, moulds, plastic and metal parts (together referred to as "Metal and Plastic Business") and provision of electronic manufacturing services business ("EMS Business").

The Group's turnover by principal product category and geographical locations for the Year are set out in Note 5 to the financial statements.

### DIVIDEND

The Board does not recommend the payment of any final dividend in respect of this year (2006/07: HK3 cents). Together with the interim dividend of HK0.75 cents per share already paid, total dividend for this year will amount to HK0.75 cents (2006/07: HK11.5 cents) per share.

### RESULTS AND APPROPRIATIONS

Details of the Group's results for the Year are set out in the consolidated income statement on page 110 of this annual report.

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group and of the Company during the Year are set out in Note 7 to the financial statements.

### SHARE CAPITAL

Details of the share capital of the Company are set out in Note 13 to the financial statements.

董事會謹此呈上本集團本年度之報告及經審核財務報表。

### 主要業務

本公司之主要業務為投資控股，其附屬公司主要從事製造及銷售電腦外殼、辦公室文儀產品、模具、塑膠及金屬部件（統稱「五金塑膠業務」）及提供電子專業代工服務（「電子專業代工業務」）。

本集團本年度之營業額按主要產品及地區之分析詳載於財務報表附註5。

### 股息

董事會已建議不擬派發本年度末期股息（二零零六／零七年度：3港仙）。連同中期股息每股0.75港仙，全年股息共達每股0.75港仙（二零零六／零七年度：11.5港仙）。

### 業績與分派

本集團本年度之業績，詳載於本年報第110頁之綜合損益表內。

### 物業、廠房及設備

本集團及本公司在本年度內之固定資產變動情況詳載於財務報表附註7。

### 股本

本公司股本情況詳載於財務報表附註13。

## Report of the Directors 董事會報告

### RESERVES

Movements in reserves of the Group and the Company during the Year are set out in Note 15 to the Financial Statements.

As at 31 March 2008, the Company's reserves of approximately HK\$231,957,000 representing the contributed surplus and retained profit were available for distribution to the Company's shareholders.

### DONATIONS

Charitable and other donations made by the Group during the Year amounted to HK\$124,700.

### 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 SCHEMES

#### The New Scheme

The New Scheme was adopted on 21 May 2002 to comply with the new requirements of Chapter 17 of the Listing Rules effected on 1 September 2001. Details of the New Scheme are summarised herein below:

- (i) The purpose of the New Scheme is to provide incentives or rewards to eligible participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high calibre employees and attract human resources that are valuable to the Group and any Invested Entity (as defined in the New Scheme);
- (ii) The participants of the New Scheme include any employee, director (including executive and non-executive director of the Group), shareholder, supplier, customer, consultant, adviser, other service provider, partner and business or strategic alliance partner of the Group or any Invested Entity (as defined in the New Scheme) or any discretionary trust whose discretionary objects may be any of the above persons;

### 儲備

本集團及本公司在本年度之儲備變動情況載於財務報表附註15。

截至二零零八年三月三十一日止，本公司可供分派予本公司股東的儲備約231,957,000港元，為繳入盈餘、保留溢利及擬派股息。

### 捐款

本集團於本年度進行之慈善及其他捐款達124,700港元。

### 購買、出售或贖回股份

本公司於本年度並沒有贖回其股份。本公司及其附屬公司在本年度內概無購買或出售本公司任何股份。

### 購股權計劃

#### 新計劃

新計劃於二零零二年五月二十一日採納，以符合二零零一年九月一日生效之上市規則第十七章之新規定。新計劃之詳細摘要如下：

- (i) 新計劃旨在鼓勵或獎勵合資格參與者對本集團作出貢獻及／或有助本集團招聘及挽留能幹之僱員，以及吸納對本集團與任何投資對象（按《新計劃》定義）有價值之人才；
- (ii) 董事局可絕對酌情授購股權予新計劃之參與人，包括本集團之任何僱員或董事（包括本集團之執行及非執行董事）、股東、供應商、客戶、顧問、諮詢人、其他服務供應商、任何合營企業夥伴、業務或策略性聯盟合夥人以認購本公司之股份或任何投資對象（按《新計劃》定義）或彼等為全權託管受益人之任何全權信託；

## Report of the Directors 董事會報告

### SHARE OPTIONS SCHEMES (Cont'd)

#### The New Scheme (Cont'd)

- (iii) The total number of shares that may be issued by the Company if all options granted under the New Scheme have been exercised is 27,142,057, which represents 4.70% of the existing issued share capital of the Company at the date of this report;
- (iv) The total number of shares in respect of which options may be granted under the New Scheme is not permitted to exceed 10% of the shares of the Company at the date of adoption of the New Scheme and thereafter, if refreshed, shall not exceed 10% of the shares in issue as at the date of approval of the refreshed limit by the Company's shareholders. The number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option schemes of the Company must not exceed 30% of the shares in issue from time to time;
- (v) Unless approved by shareholders in general meeting, no participants shall be granted any option if the total number of shares issued and to be issued upon exercise of the options granted and to be granted to such participant in any 12-month period up to the date of the latest grant would exceed 1% of the issued share capital of the Company from time to time. Options granted to a substantial shareholder or an independent non-executive director in excess of 0.1% of the Company's share capital in issue for the time being and with a value in excess of HK\$5,000,000 must be approved in advance by the Company's shareholders;
- (vi) An option may be exercised in accordance with the terms of the New Scheme at any time during a period to be notified by the Board to each grantee. Unless otherwise determined by the Board at its sole discretion, there is no requirement of a minimum period for which an option must be held or a performance target which must be achieved before an option can be exercised;

### 購股權計劃 (續)

#### 新計劃 (續)

- (iii) 根據新計劃已授出的所有購股權若然行使，本公司可發行之股份總數為27,142,057股，相當於本報告日期本公司現行已發行股本之4.70%；
- (iv) 其根據新計劃已獲授及將獲授購股權而獲發或將獲發之股份之總數不得超過採納新計劃當日之已發行股份數目之10%，及其後如獲更新，將不會超過由股東批准更新當日已發行股份數目之10%。因行使根據新計劃及本公司任何其他購股權計劃已授出而尚未行使及仍有待行使之所有購股權而可予以發行之股份數目上限，不得超過不時已發行股份之30%；
- (v) 除非獲得股東大會批准，否則因授予每名參與者之購股權在獲行使而已發行及將予發行之股份數目，在任何12個月內不得超過已發行股份之1%。倘每名主要股東或獨立非執行董事獲授之購股權合共佔本公司當時已發行股份逾0.1%；或根據授出購股權當日聯交所每日價表所報股份之收市價計算，總值超過5,000,000港元，則授予購股權之建議必須事先經股東批准；
- (vi) 每名獲授人可按新計劃之條款於董事會向其通知之行使期內行使購股權。除董事會酌情考慮外，行使購股權時並無任何最少持有期限或工作表現目標要求之規限；

## Report of the Directors 董事會報告

### SHARE OPTIONS SCHEMES (Cont'd)

#### The New Scheme (Cont'd)

- (vii) A non refundable remittance of HK\$10 by way of consideration for the grant of an option is required to be paid by each grantee upon acceptance of the option;
- (viii) The subscription price payable upon exercising any particular option granted under the New Scheme is determined based on a formula:  $P = N \times E_p$ , where "P" is the subscription price; "N" is the number of shares to be subscribed; and "E<sub>p</sub>" is the exercise price of the highest of (a) the nominal value of a share in the Company on the date of grant; (b) the closing price of shares of the Company on the Stock Exchange, as stated in the Stock Exchange's daily quotations sheet on the date of grant; and (c) the average of the closing prices of shares of the Company on the Stock Exchange on the five trading days immediately preceding the date of grant and as adjusted pursuant to the clauses of the New Scheme; and
- (ix) The life of the New Scheme is until the tenth anniversary of the adoption date of the New Scheme.

### 購股權計劃 (續)

#### 新計劃 (續)

- (vii) 獲授人在接納購股權時須支付十港元作為獲授購股權之代價，款項概不退回；
- (viii) 根據每項獲授予購股權在行使時認購本公司股份的價格乃按下列算式釐定： $P = N \times E_p$ ，其中「P」為認購價；「N」為認購之股份數目；「E<sub>p</sub>」為行使價以認購一股本公司股份之價格；惟至少必須為以下之較高者：(a) 本公司股份的面值；或(b) 本公司股份在聯交所之收市價，以有關購股權授予日聯交所日報表所示者為準；或(c) 緊接授予購股權日期之前五個交易日本公司股份在聯交所之平均收市價或按新計劃條款所調整之行使值；及
- (ix) 新計劃之有效期為其獲採納當日起計直至十週年當日。

## Report of the Directors 董事會報告

### SHARE OPTIONS SCHEMES (Cont'd)

#### The New Scheme (Cont'd)

- (x) Details of share option movements during the Year under the New Scheme are as follows:

### 購股權計劃 (續)

#### 新計劃 (續)

- (x) 根據新計劃於本年度之購股權變動詳情如下：

Name 姓名	Date of Grant 授出日期	Exercise Price (Note) 行使價 (附註) (HKS) (港元)	Exercise Period 行使期	Closing Price before date of grant 於購股權授出日前之價格 (HKS) (港元)	Price at exercise date of options 於購股權行使日之價格 (HKS) (港元)	Number of Share Options (Note) 購股權數目 (附註)				
						Outstanding at 31 March 2007 二零零七年三月三十一日 尚未行使 (‘000) (千)	Granted during the Year 於本年度獲授予 (‘000) (千)	Exercised during the Year 於本年度行使 (‘000) (千)	Lapsed/cancelled during the Year 於本年度失效/取消 (‘000) (千)	Outstanding at 31 March 2008 二零零八年三月三十一日 尚未行使 (‘000) (千)
(i) Directors/Chief Executives 董事及最高行政人員										
Mr. Ho Cheuk Ming 何卓明先生	07/02/2005	3.16	01/01/2007-06/02/2015	3.325	-	280	16.38	-	-	296.38
	07/02/2005	3.16	01/01/2008-06/02/2015	3.325	-	560	32.76	-	-	592.76
	07/02/2005	3.16	01/01/2009-06/02/2015	3.325	-	560	32.76	-	-	592.76
Mr. Kwok Wing Kin, Francis 郭永堅先生	01/11/2002	1.56	01/01/2003-31/10/2012	1.65	-	50	2.925	-	-	52.925
	01/11/2002	1.56	01/01/2004-31/10/2012	1.65	-	750	43.875	-	-	793.875
	27/04/2004	1.79	01/01/2005-26/04/2014	1.86	-	160	9.36	-	-	169.36
	27/04/2004	1.79	01/01/2006-26/04/2014	1.86	-	320	18.72	-	-	338.72
	27/04/2004	1.79	01/01/2007-26/04/2014	1.86	-	320	18.72	-	-	338.72
	07/02/2005	3.16	01/01/2007-06/02/2015	3.325	-	200	11.7	-	-	211.7
	07/02/2005	3.16	01/01/2008-06/02/2015	3.325	-	400	23.4	-	-	423.4
	07/02/2005	3.16	01/01/2009-06/02/2015	3.325	-	400	23.4	-	-	423.4



## Report of the Directors 董事會報告

## SHARE OPTIONS SCHEMES (Cont'd)

## The New Scheme (Cont'd)

(x) (Cont'd)

Name 姓名	Date of Grant 授出日期	Exercise Price (Note) 行使價 (附註) (HK\$) (港元)	Exercise Period 行使期	Closing Price before date of grant 於購股權授出日前之價格 (HK\$) (港元)	Price at exercise date of options 於購股權行使日之價格 (HK\$) (港元)	Number of Share Options (Note) 購股權數目(附註)				
						Outstanding at 31 March 2007 二零零七年三月三十一日 尚未行使 ( <sup>'000</sup> ) (千)	Granted during the Year 於本年度獲授予 ( <sup>'000</sup> ) (千)	Exercised during the Year 於本年度行使 ( <sup>'000</sup> ) (千)	Lapsed/cancelled during the Year 於本年度失效/取消 ( <sup>'000</sup> ) (千)	Outstanding at 31 March 2008 二零零八年三月三十一日 尚未行使 ( <sup>'000</sup> ) (千)
Mr. Lee Shu Ki 李樹琪先生	01/11/2002	1.56	01/01/2003-31/10/2012	1.65	-	200	11.7	-	-	211.7
	01/11/2002	1.56	01/01/2004-31/10/2012	1.65	-	300	17.55	-	-	317.55
	27/04/2004	1.79	01/01/2005-26/04/2014	1.86	-	80	4.68	-	-	84.68
	27/04/2004	1.79	01/01/2006-26/04/2014	1.86	-	160	9.36	-	-	169.36
	27/04/2004	1.79	01/01/2007-26/04/2014	1.86	-	160	9.36	-	-	169.36
	07/02/2005	3.16	01/01/2007-06/02/2015	3.325	-	200	11.7	-	-	211.7
	07/02/2005	3.16	01/01/2008-06/02/2015	3.325	-	400	23.4	-	-	423.4
	07/02/2005	3.16	01/01/2009-06/02/2015	3.325	-	400	23.4	-	-	423.4

## 購股權計劃 (續)

## 新計劃 (續)

(x) (續)

# Report of the Directors 董事會報告

## SHARE OPTIONS SCHEMES (Cont'd)

### The New Scheme (Cont'd)

(x) (Cont'd)

## 購股權計劃 (續)

### 新計劃 (續)

(x) (續)

#### Number of Share Options (Note) 購股權數目 (附註)

Name 姓名	Date of Grant 授出日期	Exercise Price (Note) 行使價 (附註) (HK\$) (港元)	Exercise Period 行使期	Closing Price before date of grant 於購股權授出日前之價格 (HK\$) (港元)	Price at exercise date of options 於購股權行使日之價格 (HK\$) (港元)	Number of Share Options (Note) 購股權數目 (附註)				
						Outstanding at 31 March 2007 二零零七年三月三十一日 尚未行使 (‘000) (千)	Granted during the Year 於本年度獲授予 (‘000) (千)	Exercised during the Year 於本年度行使 (‘000) (千)	Lapsed/cancelled during the Year 於本年度失效/取消 (‘000) (千)	Outstanding at 31 March 2008 二零零八年三月三十一日 尚未行使 (‘000) (千)
Mr. Wong Shun Pang 黃順鵬先生	01/11/2002	1.56	01/01/2004-31/10/2012	1.65	-	150	-	-	(150)	-
	01/12/2003	2.34	01/01/2006-30/11/2013	2.425	-	200	-	-	(200)	-
	01/12/2003	2.34	01/01/2007-30/11/2013	2.425	-	200	-	-	(200)	-
	27/04/2004	1.79	01/01/2005-26/04/2014	1.86	-	160	-	-	(160)	-
	27/04/2004	1.79	01/01/2006-26/04/2014	1.86	-	120	-	-	(120)	-
	27/04/2004	1.79	01/01/2007-26/04/2014	1.86	-	120	-	-	(120)	-
	07/02/2005	3.16	01/01/2007-06/02/2015	3.325	-	200	-	-	(200)	-
	07/02/2005	3.16	01/01/2008-06/02/2015	3.325	-	400	-	-	(400)	-
	07/02/2005	3.16	01/01/2009-06/02/2015	3.325	-	400	-	-	(400)	-
Ms. Ho Po Chu 何寶珠女士	07/02/2005	3.16	01/07/2005-06/02/2015	3.325	-	800	46.8	-	-	846.8

## Report of the Directors 董事會報告

## SHARE OPTIONS SCHEMES (Cont'd)

## The New Scheme (Cont'd)

(x) (Cont'd)

Name 姓名	Date of Grant 授出日期	Exercise Price (Note) (HKS) (港元)	Exercise Period 行使期	Closing Price before date of grant 於購股權授出日前之價格 (HKS) (港元)	Price at exercise date of options 於購股權行使日之價格 (HKS) (港元)	Number of Share Options (Note) 購股權數目 (附註)				
						Outstanding at 31 March 2007 二零零七年三月三十一日 尚未行使 (‘000) (千)	Granted during the Year 於本年度獲授予 (‘000) (千)	Exercised during the Year 於本年度行使 (‘000) (千)	Lapsed/cancelled during the Year 於本年度失效/取消 (‘000) (千)	Outstanding at 31 March 2008 二零零八年三月三十一日 尚未行使 (‘000) (千)
(ii) Other Eligible Participants 其他合資格參與者										
Employees 僱員	22/05/2002	1.23	22/05/2002-21/05/2012	1.30	-	100	5.85	-	-	105.85
	01/11/2002	1.56	01/01/2003-31/10/2012	1.65	-	320	18.72	-	-	338.72
	01/11/2002	1.56	01/01/2004-31/10/2012	1.65	-	1,250	55.575	-	(300)	1,005.575
	01/12/2003	2.34	01/01/2006-30/11/2013	2.425	-	3,352	191.412	-	(80)	3,463.412
	01/12/2003	2.34	01/01/2007-30/11/2013	2.425	-	3,964	227.214	-	(80)	4,111.214
	27/04/2004	1.79	01/01/2005-26/04/2014	1.86	-	776	39.546	-	(100)	715.546
	27/04/2004	1.79	01/01/2006-26/04/2014	1.86	-	320	7.02	-	(200)	127.02
	27/04/2004	1.79	01/01/2007-26/04/2014	1.86	-	200	-	-	(200)	-
	01/02/2005	2.98	01/01/2006-31/01/2015	3.15	-	924	54.054	-	(8,468)	969.586
	01/02/2005	2.98	01/01/2007-31/01/2015	3.15	-	1,848	108.108	-	(16,936)	1,939.172
	01/02/2005	2.98	01/01/2008-31/01/2015	3.15	-	1,848	108.108	-	(16,936)	1,939.172
	07/02/2005	3.16	01/07/2005-06/02/2015	3.325	-	1,800	105.3	-	-	1,905.3
	07/02/2005	3.16	01/01/2007-06/02/2015	3.325	-	880	39.78	-	(200)	719.78
	07/02/2005	3.16	01/01/2008-06/02/2015	3.325	-	1,760	79.56	-	(400)	1,439.56
	07/02/2005	3.16	01/01/2009-06/02/2015	3.325	-	1,760	79.56	-	(400)	1,439.56

Note: The exercise price and the total number of shares falling to be issued upon exercise of the options have been adjusted after completion of the right issue of the Company on 28 November 2007.

附註：於二零零七年十一月二十八日完成供股後，行使購股權之行使價及數量皆予以調整。

## 購股權計劃 (續)

## 新計劃 (續)

(x) (續)

## Report of the Directors 董事會報告

### SHARE OPTIONS SCHEMES (Cont'd)

#### The New Scheme (Cont'd)

- (xi) Details of share option movements during the period between 1 April 2008 to 15 June 2008 under the New Scheme are as follows:

### 購股權計劃 (續)

#### 新計劃 (續)

- (xi) 根據新計劃於二零零八年四月一日至六月十五日止之購股權變動詳情如下：

Name	Date of Grant	Exercise Price (Note)	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Number of Share Options (Note) 購股權數目(附註)				Outstanding at 15 June 2008
						Outstanding at 31 March 2008	Granted during the period from 1 April 2008 to 15 June 2008	Exercised during the period from 1 April 2008 to 15 June 2008	Lapsed/cancelled during the period from 1 April 2008 to 15 June 2008	
姓名	授出日期	行使價 (附註) (HK\$) (港元)	行使期	於購股權 授出日前 之價格 (HK\$) (港元)	於購股權 行使日 之價格 (HK\$) (港元)	二零零八年 三月三十一日 尚未行使 (‘000) (千)	於 二零零八年 四月一日至 六月十五日 獲授予 (‘000) (千)	於 二零零八年 四月一日至 六月十五日 行使 (‘000) (千)	於 二零零八年 四月一日至 六月十五日 失效/取消 (‘000) (千)	二零零八年 六月十五日 尚未行使 (‘000) (千)

- (i) Directors/Chief Executives  
董事及最高行政人員

Mr. Ho Cheuk Ming 何卓明先生	07/02/2005	3.16	01/01/2007- 06/02/2015	3.325	-	296.38	-	-	-	296.38
	07/02/2005	3.16	01/01/2008- 06/02/2015	3.325	-	592.76	-	-	-	592.76
	07/02/2005	3.16	01/01/2009- 06/02/2015	3.325	-	592.76	-	-	-	592.76
Mr. Kwok Wing Kin, Francis 郭永堅先生	01/11/2002	1.56	01/01/2003- 31/10/2012	1.65	-	52.925	-	-	-	52.925
	01/11/2002	1.56	01/01/2004- 31/10/2012	1.65	-	793.875	-	-	-	793.875
	27/04/2004	1.79	01/01/2005- 26/04/2014	1.86	-	169.36	-	-	-	169.36
	27/04/2004	1.79	01/01/2006- 26/04/2014	1.86	-	338.72	-	-	-	338.72
	27/04/2004	1.79	01/01/2007- 26/04/2014	1.86	-	338.72	-	-	-	338.72
	07/02/2005	3.16	01/01/2007- 06/02/2015	3.325	-	211.7	-	-	-	211.7
	07/02/2005	3.16	01/01/2008- 06/02/2015	3.325	-	423.4	-	-	-	423.4
	07/02/2005	3.16	01/01/2009- 06/02/2015	3.325	-	423.4	-	-	-	423.4

## Report of the Directors 董事會報告

## SHARE OPTIONS SCHEMES (Cont'd)

## The New Scheme (Cont'd)

(xi) (Cont'd)

## 購股權計劃 (續)

## 新計劃 (續)

(xi) (續)

Number of Share Options (Note)  
購股權數目(附註)

Name	Date of Grant	Exercise Price (Note)	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 31 March 2008	Granted during the period from	Exercised during the period from	Lapsed/ cancelled during the period from	Outstanding at 15 June 2008
							1 April 2008 to 15 June 2008	1 April 2008 to 15 June 2008	1 April 2008 to 15 June 2008	
姓名	授出日期	行使價 (附註) (HK\$) (港元)	行使期	於購股權授出日前之價格 (HK\$) (港元)	於購股權行使日之價格 (HK\$) (港元)	二零零八年三月三十一日尚未行使 ('000) (千)	於 二零零八年四月一日至 六月十五日 獲授予 ('000) (千)	於 二零零八年四月一日至 六月十五日 行使 ('000) (千)	於 二零零八年四月一日至 六月十五日 失效/取消 ('000) (千)	二零零八年六月十五日尚未行使 ('000) (千)
Mr. Lee Shu Ki 李樹琪先生	01/11/2002	1.56	01/01/2003-31/10/2012	1.65	-	211.7	-	-	-	211.7
	01/11/2002	1.56	01/01/2004-31/10/2012	1.65	-	317.55	-	-	-	317.55
	27/04/2004	1.79	01/01/2005-26/04/2014	1.86	-	84.68	-	-	-	84.68
	27/04/2004	1.79	01/01/2006-26/04/2014	1.86	-	169.36	-	-	-	169.36
	27/04/2004	1.79	01/01/2007-26/04/2014	1.86	-	169.36	-	-	-	169.36
	07/02/2005	3.16	01/01/2007-06/02/2015	3.325	-	211.7	-	-	-	211.7
	07/02/2005	3.16	01/01/2008-06/02/2015	3.325	-	423.4	-	-	-	423.4
	07/02/2005	3.16	01/01/2009-06/02/2015	3.325	-	423.4	-	-	-	423.4
Ms. Ho Po Chu 何寶珠女士	07/02/2005	3.16	01/07/2005-06/02/2015	3.325	-	846.8	-	-	-	846.8

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## SHARE OPTIONS SCHEMES (Cont'd)

### The New Scheme (Cont'd)

(xi) (Cont'd)

Name	Date of Grant	Exercise Price (Note)	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Number of Share Options (Note)				Outstanding at 15 June 2008
						Outstanding at 31 March 2008	Granted during the period from 1 April 2008 to 15 June 2008	Exercised during the period from 1 April 2008 to 15 June 2008	Lapsed/cancelled during the period from 1 April 2008 to 15 June 2008	
姓名	授出日期	行使價 (附註) (HKS) (港元)	行使期	於購股權授出日前之價格 (HKS) (港元)	於購股權行使日之價格 (HKS) (港元)	二零零八年三月三十一日尚未行使 (‘000) (千)	於二零零八年四月一日至六月十五日獲授予 (‘000) (千)	於二零零八年四月一日至六月十五日行使 (‘000) (千)	於二零零八年四月一日至六月十五日失效/取消 (‘000) (千)	二零零八年六月十五日尚未行使 (‘000) (千)
(ii) Other Eligible Participants 其他合資格參與者										
Employees 僱員	22/05/2002	1.23	22/05/2002-21/05/2012	1.30	-	105.85	-	-	-	105.85
	01/11/2002	1.56	01/01/2003-31/10/2012	1.65	-	338.72	-	-	-	338.72
	01/11/2002	1.56	01/01/2004-31/10/2012	1.65	-	1,005.575	-	-	-	1,005.575
	01/12/2003	2.34	01/01/2006-30/11/2013	2.425	-	3,463.412	-	-	-	3,463.412
	01/12/2003	2.34	01/01/2007-30/11/2013	2.425	-	4,111.214	-	-	(84.68)	4,026.534
	27/04/2004	1.79	01/01/2005-26/04/2014	1.86	-	715.546	-	-	-	715.546
	27/04/2004	1.79	01/01/2006-26/04/2014	1.86	-	127.02	-	-	-	127.02
	01/02/2005	2.98	01/01/2006-31/01/2015	3.15	-	969.586	-	-	(16.936)	952.65
	01/02/2005	2.98	01/01/2007-31/01/2015	3.15	-	1,939.172	-	-	(33.872)	1,905.3
	01/02/2005	2.98	01/01/2008-31/01/2015	3.15	-	1,939.172	-	-	(33.872)	1,905.3
	07/02/2005	3.16	01/07/2005-06/02/2015	3.325	-	1,905.3	-	-	-	1,905.3
	07/02/2005	3.16	01/01/2007-06/02/2015	3.325	-	719.78	-	-	-	719.78
	07/02/2005	3.16	01/01/2008-06/02/2015	3.325	-	1,439.56	-	-	-	1,439.56
	07/02/2005	3.16	01/01/2009-06/02/2015	3.325	-	1,439.56	-	-	-	1,439.56

Note: The exercise price and the total number of shares falling to be issued upon exercise of the options have been adjusted after completion of the right issue of the Company on 28 November 2007.

## 購股權計劃 (續)

### 新計劃 (續)

(xi) (續)

Name	Date of Grant	Exercise Price (Note)	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Number of Share Options (Note)				Outstanding at 15 June 2008
						Outstanding at 31 March 2008	Granted during the period from 1 April 2008 to 15 June 2008	Exercised during the period from 1 April 2008 to 15 June 2008	Lapsed/cancelled during the period from 1 April 2008 to 15 June 2008	
姓名	授出日期	行使價 (附註) (HKS) (港元)	行使期	於購股權授出日前之價格 (HKS) (港元)	於購股權行使日之價格 (HKS) (港元)	二零零八年三月三十一日尚未行使 (‘000) (千)	於二零零八年四月一日至六月十五日獲授予 (‘000) (千)	於二零零八年四月一日至六月十五日行使 (‘000) (千)	於二零零八年四月一日至六月十五日失效/取消 (‘000) (千)	二零零八年六月十五日尚未行使 (‘000) (千)
(ii) Other Eligible Participants 其他合資格參與者										
Employees 僱員	22/05/2002	1.23	22/05/2002-21/05/2012	1.30	-	105.85	-	-	-	105.85
	01/11/2002	1.56	01/01/2003-31/10/2012	1.65	-	338.72	-	-	-	338.72
	01/11/2002	1.56	01/01/2004-31/10/2012	1.65	-	1,005.575	-	-	-	1,005.575
	01/12/2003	2.34	01/01/2006-30/11/2013	2.425	-	3,463.412	-	-	-	3,463.412
	01/12/2003	2.34	01/01/2007-30/11/2013	2.425	-	4,111.214	-	-	(84.68)	4,026.534
	27/04/2004	1.79	01/01/2005-26/04/2014	1.86	-	715.546	-	-	-	715.546
	27/04/2004	1.79	01/01/2006-26/04/2014	1.86	-	127.02	-	-	-	127.02
	01/02/2005	2.98	01/01/2006-31/01/2015	3.15	-	969.586	-	-	(16.936)	952.65
	01/02/2005	2.98	01/01/2007-31/01/2015	3.15	-	1,939.172	-	-	(33.872)	1,905.3
	01/02/2005	2.98	01/01/2008-31/01/2015	3.15	-	1,939.172	-	-	(33.872)	1,905.3
	07/02/2005	3.16	01/07/2005-06/02/2015	3.325	-	1,905.3	-	-	-	1,905.3
	07/02/2005	3.16	01/01/2007-06/02/2015	3.325	-	719.78	-	-	-	719.78
	07/02/2005	3.16	01/01/2008-06/02/2015	3.325	-	1,439.56	-	-	-	1,439.56
	07/02/2005	3.16	01/01/2009-06/02/2015	3.325	-	1,439.56	-	-	-	1,439.56

附註：於二零零七年十一月二十八日完成供股後，行使購股權之行使價及數量皆予以調整。

## Report of the Directors 董事會報告

### SHARE OPTIONS SCHEMES (Cont'd)

#### The New Scheme (Cont'd)

A professional actuarial firm has been invited in the year of 2005/06 to perform a valuation of the share options granted under the share option schemes.

According to the Hong Kong Financial Reporting Standard 2 ("HKFRS2"), the cost of share-based transactions should be recognised as an expense over the period from the date of grant until they are exercisable by the receiver of such payment. The expense required to be reported for share options granted on or before 31 March 2008 would be estimated as follows:

	Financial Year						Total 合計
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	
P&L expenses (HK\$'000) 損益賬支出(千港元)	768	4,718	7,311	3,328	1,079	337	17,541

There are several relevant measures that may be considered to assess the financial impact of the share option schemes, including the expense of share-based transactions under generally accepted financial reporting standards (e.g., HKFRS2). The expense of the share-based transactions is attributed over the period from the original transaction date (i.e., grant date) to the date when the recipient's entitlement to the payment has been fully realized (i.e., vested).

In assessing the value of the share options granted during the Year and the expense of share-based transactions under HKFRS2 requirement, the Binomial option pricing model (the "Binomial model") has been used. The Binomial Model is one of the generally most accepted methods used to calculate the value of options and expense of share-based transactions.

The parameters of the Binomial Model include the risk free rate, dividend yield, exit rate and trigger price multiple. The risk free rate has made reference to the yield Exchange Fund Notes as at the grant date. The dividend yield makes reference to the dividend history and it is assumed that the grantee will exercise the option in accordance with their sub-optimal exercise policy.

### 購股權計劃 (續)

#### 新計劃 (續)

一間專業估值公司於二零零五／零六年度獲邀評估本公司之購股權價值和費用。

根據香港財務報告準則第二號(「香港財務準則2」)，購股權於授出日期的公平值須於有關的權益期內攤銷，攤銷支出從損益帳戶扣除。有關於二零零八年三月三十一日或以前授出的購股權所產生的損益帳支出遂評估如下：

現時有數種計量方法可以考慮用作評估購股權計劃對財務報表的影響，包括於普遍採納的財務報告標準(如香港財務準則2)下以股份支付的交易的有關支出。至於以股份支付的交易的有關支出則會於有關權益期內(即不同財政年度內)攤銷。

香港財務準則2規定下在本年度以股份支付的交易的有關支出乃使用二項式期權定價模式(「二項式模式」)評估。「二項式模式」乃計算購股權價值及股份支付的交易的有關支出最為普遍接納之方法之一。

二項式模式之參數包括購股權之無風險利率、股息回報率、提早行使購股權和價格波動等因素。無風險利率乃參照香港外匯基金票據之回報率。股息回報率乃反映有關過往紀錄及假設授讓者將根據次佳行使政策行使購股權。

## Report of the Directors 董事會報告

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws and there was no restriction against such rights under the laws of Bermuda.

### TEN-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last ten financial years is set out on page 191 of this annual report.

### MANAGEMENT CONTRACTS

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

### SUBSIDIARIES

Particulars of the subsidiaries of the Company are set out in Note 8 to the financial statements.

### BANK LOANS AND OVERDRAFTS

Particulars of bank loans and overdrafts of the Group as at 31 March 2008 are set out in Notes 17 to the financial statements.

### BOARD OF DIRECTORS

The Directors who held office during the Year and up to the date of this report are:

#### Executive Directors

Mr. Ho Cheuk Fai (*Chairman & Chief Executive Officer*)  
 Mr. Kwok Wing Kin, Francis (*re-designated as Deputy Chairman & Chief Operational Officer on 1 January 2008*)  
 Mr. Lee Shu Ki  
 Mr. Wong Shun Pang (*resigned on 1 December 2007*)

#### Non-executive Directors

Mr. Ho Cheuk Ming (*re-designated as non-executive Director on 1 June 2007*)

### 優先權

公司細則規定概無載有本公司須按比例向現有股東發行新股之優先權條文，而百慕達法例中亦無限制有關優先權之條文。

### 十年財務概要

本集團過去十個財政年度之業績及資產與負債摘要載於本年報第191頁。

### 管理合約

本年度內，本公司概無就整體業務或任何重大業務之管理或行政工作訂立任何合約，亦無存有此等合約。

### 附屬公司

本公司各附屬公司之詳情，載於財務報表附註8。

### 銀行貸款與透支

本集團於二零零八年三月三十一日之銀行貸款與透支詳情列於財務報表附註17。

### 董事會

本年度內及截至本年報日期止，在任之董事如下：

#### 執行董事

何焯輝先生 (*主席兼行政總裁*)  
 郭永堅先生 (*於二零零八年一月一日已獲調任為副主席兼營運總裁*)  
 李樹琪先生  
 黃順鵬先生 (*二零零七年十二月一日辭任*)

#### 非執行董事

何卓明先生 (*於二零零七年六月一日已獲調任為非執行董事*)



## Report of the Directors 董事會報告

### BOARD OF DIRECTORS (Cont'd)

#### Independent Non-executive Directors

Mr. So Wai Chun  
Mr. Chan Sui Sum, Raymond  
Mr. Fong Hoi Shing

The independent non-executive Directors are appointed for specific terms and hold office until 30 June 2009, 4 February 2009 and 6 December 2008, respectively, subject to extension.

In accordance with Bye-law 87 and A.4.2. of the Code on Corporate Governance Practices, Messrs. Kwok Wing Kin, Francis, Chan Sui Sum, Raymond and Fong Hoi Shing will retire from office by rotation at the forthcoming AGM. All such Directors, being eligible, offer themselves for re-election.

### DIRECTORS' SERVICE CONTRACTS

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

### DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance to which any of the Group companies was a party and in which a Director was materially interested, either directly or indirectly, subsisted at the end of the Year or at any time during the Year.

### CONNECTED TRANSACTIONS

Upon the expiry of the previous lease agreement on 17 November 2007, a new lease agreement (the "Lease Agreement") dated 16 November 2007 was entered into between Kings Lion Development Limited ("Kings Lion") as landlord and Karrie Industrial Company Limited ("Karrie Industrial"), a wholly-owned subsidiary of the Company, as tenant for the lease of a portion (being 26,573 square feet in gross floor area) of 9th Floor, Southeast Industrial Building, 611-619 Castle Peak Road, Tsuen Wan, New Territories together with one car parking space in the same building at a monthly rental of HK\$132,865 (that is, at approximately HK\$5 per square foot) for a term of two years commencing on 18 November 2007.

### 董事會 (續)

#### 獨立非執行董事

蘇偉俊先生  
陳瑞森先生  
方海城先生

本公司獨立非執行董事之任期均以特定年期委任，其任期分別於二零零九年六月三十日、二零零九年二月四日及二零零八年十二月六日屆滿，延期除外。

按照公司細則第87條規定及企業管治敘規守則A.4.2.，郭永堅先生、陳瑞森先生及方海城先生將於即將舉行之股東週年大會上輪席退任。所有該等董事為有資格並願意膺選連任。

### 董事之服務合約

本公司並無與擬於股東週年大會上重選連任之董事訂立任何不可於一年內由本公司無償終止之服務合約(法定賠償除外)。

### 董事於合約之利益

本公司或其附屬公司於本年度內任何時間概無簽訂涉及本公司之業務而本公司董事直接或間接擁有重大利益之重要合約。

### 關連交易

在前租賃協議於二零零七年十一月十七日期滿時，勁獅發展有限公司(「勁獅」)(出租人)與嘉利產品有限公司(「嘉利產品」)(本公司之全資附屬公司)(承租人)於二零零七年十一月十六日就位於新界荃灣青山公路611-619號東南工業大廈九樓部份樓面(建築面積為26,573平方呎)連同壹個位於該大廈地下的車位訂立租賃協議(「租賃協議」)，月租132,865港元(即每平方呎約5港元)，為期兩年，租期由二零零七年十一月十八日起計。

## Report of the Directors 董事會報告

### CONNECTED TRANSACTIONS (Cont'd)

Kings Lion is a connected person of the Company under Chapter 14A of the Listing Rules for the reason that Mr. Ho Cheuk Fai, a Director of the Company, together with his spouse, control 100% of the voting power in general meeting and also control the board of Directors of Kings Lion. The transaction contemplated under the Lease Agreement (the "Transaction") therefore constitutes a continuing connected transaction for the Company under Rule 14A.34 of the Listing Rules. Details of the Transaction have been set out in the announcement dated 16 November 2007 issued to the shareholders of the Company.

The independent non-executive Directors have reviewed the Transaction and confirmed that the Transaction has been entered into by the Group in the ordinary and usual course of its business and on normal commercial terms which are fair and reasonable and in the interests of the shareholders of the Company as a whole.

In accordance with paragraph 14A.38 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Board of Directors engaged the auditors of the Company to perform certain factual finding procedures on the above continuing connected transaction on a sample basis in accordance with Hong Kong Standard or Related Services 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" issued by the Hong Kong Institute of Certified Public Accountants. The auditors have reported their factual findings on the selected samples based on the agreed procedures to the Board of Directors.

### 關連交易 (續)

根據《上市規則》第14A章，勁獅為本公司之關連人士，因本公司董事何焯輝先生連同其妻子控制勁獅之股東大會100%投票權及其董事會。該訂定租賃協議交易（「交易」）遂根據《上市規則》第十四A章第三十四條構成本公司之持續關連交易。有關交易詳情已刊登在本公司於二零零七年十一月十六日向股東發出之公佈內。

獨立非執行董事已審閱上述交易，並確認此等交易乃在本集團之日敘業務中進行，並按公平合理的正敘之商業條款訂立，對本公司之股東有利。

根據香港聯合交易所有限公司證券上市規則第14A.38條，董事會已委聘本公司核數師按照香港會計師公會發出的香港相關服務準則4400「就財務資料執行協定程序的聘用協定」，以抽樣方式對上述持續關連交易執行若干事實查明程序。核數師已將其對所抽選的樣本根據協定程序進行的事實結果向董事會報告。

## Report of the Directors 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES

As at 31 March 2008

The interests and short positions of the Directors and the chief executives of the Company in the shares and the underlying shares of the Company and any associated corporations (as defined in Part XV of the Securities and Futures Ordinance (the "SFO")) (a) as recorded in the register required to be kept under Section 352 of the SFO; or (b) as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

#### (A) Interests in the Company

### 董事及最高行政人員之股份權益

於二零零八年三月三十一日

本公司各董事及最高行政人員在本公司及任何相聯法團(釋義見《證券及期貨條例》(「《證券條例》」)第XV部)的股份及相關股份中擁有的權益及淡倉，而該等權益及淡倉(a)根據《證券條例》第352條須予備存之登記冊所記錄者；或(b)依據《上市公司董事進行證券交易的標準守則》(「《標準守則》」)通知本公司及香港聯合交易所有限公司(「聯交所」)，如下：

#### (甲) 於本公司之權益

Number of ordinary shares of HK\$0.10 each  
每股面值0.1港元之普通股數目

		Personal interests	Family interests	Corporate/ Other interests	Total interests	% of issued share capital
		個人權益	家屬權益	法團權益或 其他權益	合計權益	持股百分比
Mr. Ho Cheuk Fai	何焯輝先生	10,886,000 (Note 1) (附註一)	298,684,800 (Note 1) (附註一)	243,804,000 (Note 2) (附註二)	309,570,800	53.63
Mr. Ho Cheuk Ming	何卓明先生	13,585,900 (Note 3) (附註三)	-	243,804,000 (Note 2) (附註二)	257,389,900	44.59
Mr. Kwok Wing Kin, Francis	郭永堅先生	3,732,100 (Note 4) (附註四)	-	-	3,732,100	0.65
Mr. Lee Shu Ki	李樹琪先生	3,411,150 (Note 5) (附註五)	-	-	3,411,150	0.59
Mr. Fong Hoi Shing	方海城先生	2,000	-	-	2,000	0.00
Ms. Ho Po Chu	何寶珠女士	54,880,800 (Note 6) (附註六)	254,690,000 (Note 6) (附註六)	243,804,000 (Note 2) (附註二)	309,570,800	53.63

## Report of the Directors 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE' S INTERESTS IN SHARES (Cont'd)

#### (A) Interests in the Company (Cont'd)

Notes:

- The personal interests of Mr. Ho Cheuk Fai comprise 10,886,000 ordinary shares. Mr. Ho Cheuk Fai is deemed to be interested in (a) 54,880,800 shares held by his spouse, Ms. Ho Po Chu, as beneficial owner and (b) 243,804,000 shares in which his children under 18 are interested. Such 243,804,000 shares in which his children under 18 are interested are duplicated with his interests as a founder of the Ho Cheuk Fai Family Trust (the "HCF Trust") in the same block of shares referred to in Note 2 below.
- 243,804,000 shares are held by Pearl Court Company Limited ("Pearl Court") as trustee for a unit trust, the HCF Trust. Mr. Ho Cheuk Fai is deemed to be interested in these 243,804,000 shares as founder of the HCF Trust. Ms. Ho Po Chu is interested in these 243,804,000 shares by virtue of the fact that (a) she controls or exercises the control of one-third or more of the voting power at general meetings of Pearl Court; (b) she holds one unit in the HCF Trust; and (c) she is one of the discretionary objects of a discretionary trust known as Ho Wai Leung Memorial Trust (the "HWL Trust"), the trust property of which comprises 9,999 units in the HCF Trust and in which Ms. Ho Po Chu, Mr. Ho Cheuk Ming and Mr. Ho Cheuk Fai's children under 18 are the discretionary objects. These 9,999 units of the HCF Trust are held by HSBC International Trustee Limited ("HITL") as trustee for the HWL Trust. Therefore, the interests of Mr. Ho Cheuk Fai, Ms. Ho Po Chu, their children under 18 and Mr. Ho Cheuk Ming in the 243,804,000 shares are duplicated with each other.
- The personal interests of Mr. Ho Cheuk Ming comprise 12,104,000 ordinary shares and 1,481,900 outstanding share options.
- The personal interests of Mr. Kwok Wing Kin, Francis comprise 980,000 ordinary shares and 2,752,100 outstanding share options.
- The personal interests of Mr. Lee Shu Ki comprise 1,400,000 ordinary shares and 2,011,150 outstanding share options.
- The personal interests of Ms. Ho Po Chu comprise 54,034,000 ordinary shares and 846,800 outstanding share options. Ms. Ho Po Chu is also deemed to be interested in (a) 10,886,000 shares held by her spouse, Mr. Ho Cheuk Fai, as beneficial owner and (b) 243,804,000 shares in which her children under 18 are interested. Such 243,804,000 shares in which her children under 18 are interested are duplicated with her interests in the same block of shares referred to in Note 2 above.

### 董事及最高行政人員之股份權益 (續)

#### (甲) 於本公司之權益 (續)

附註：

- 何焯輝先生之個人權益由10,886,000股本公司普通股股份組成。何焯輝先生被視為持有(a)其配偶何寶珠女士作為實益擁有人持有之54,880,800股股份；及(b)其未滿18歲的子女擁有243,804,000股股份之權益。該等243,804,000股股份之權益，被視為何焯輝先生作為Ho Cheuk Fai Family Trust(「HCF Trust」)的成立人(如附註二所述)及其未滿18歲的子女之間重疊之同一權益。
- 243,804,000股股份由Pearl Court Company Limited(「Pearl Court」)以HCF Trust之單位信託之受託人持有。何焯輝先生作為HCF Trust之成立人，被視為持有該等243,804,000股股份之權益。何寶珠女士被視為持有該等243,804,000股股份之權益，因為(a)她於Pearl Court股東大會控制或行使控制三分之一或以上投票權；(b)她持有HCF Trust的一個單位；及(c)她作為一個名為Ho Wai Leung Memorial Trust(「HWL Trust」)酌情信託的酌情信託對象，該酌情信託持有HCF Trust之9,999單位，其酌情信託對象由何寶珠女士、何卓明先生及何焯輝先生未滿18歲的子女組成。該等9,999 HCF Trust之單位由HSBC International Trustee Limited(「HITL」)作為HWL Trust的受託人持有。故此，該等243,804,000股股份之權益，被視為何焯輝先生、何寶珠女士及其彼等未滿18歲的子女及何卓明先生之間重疊之同一權益。
- 何卓明先生之個人權益由12,104,000股本公司普通股股份及1,481,900尚未行使之購股權組成。
- 郭永堅先生之個人權益由980,000股本公司普通股股份及2,752,100尚未行使之購股權組成。
- 李樹琪先生之個人權益由1,400,000股本公司普通股股份及2,011,150尚未行使之購股權組成。
- 何寶珠女士之個人權益由54,034,000股本公司普通股股份及846,800尚未行使之購股權組成。何寶珠女士被視為持有(a)其配偶何焯輝先生作為實益擁有人持有之10,886,000股股份；及(b)其未滿18歲的子女擁有243,804,000股股份之權益。該等243,804,000股股份之權益，被視為何寶珠女士(如附註二所述)及其未滿18歲的子女之間重疊之同一權益。

## Report of the Directors 董事會報告

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES (Cont'd)

## 董事及最高行政人員之股份權益 (續)

## (B) Interests and short positions in associated corporations

## (乙) 於相聯法團之權益及淡倉

(i) Karrie Industrial Company Limited ("KICL")

(i) 嘉利產品有限公司 (「嘉利產品」)

Number of non-voting deferred shares of HK\$100 each  
每股面值100港元之無投票權遞延股份數目

	Personal interests 個人權益	Family interests 家屬權益	Corporate/ Other interests 法團權益或 其他權益	Total interests 合計權益	% of issued share capital 持股百分比	Short Positions 淡倉	% of issued share capital 持股百分比
Mr. Ho Cheuk Fai 何焯輝先生	43,000	43,000 (Note 1) (附註一)	43,000 (Note 1) (附註一)	43,000	85.98% (Note 2) (附註二)	43,000 (Note 1) (附註一)	85.98% (Note 2) (附註二)
Ms. Ho Po Chu 何寶珠女士	7,000	7,000 (Note 1) (附註一)	7,000 (Note 1) (附註一)	7,000	13.99% (Note 2) (附註二)	7,000 (Note 1) (附註一)	13.99% (Note 2) (附註二)

(ii) Karpo Technologies Limited ("KTL")

(ii) 嘉寶科技有限公司 (「嘉寶科技」)

Number of non-voting deferred shares of HK\$100 each  
每股面值100港元之無投票權遞延股份數目

	Personal interests 個人權益	Family interests 家屬權益	Corporate/ Other interests 法團權益或 其他權益	Total interests 合計權益	% of issued share capital 持股百分比	Short Positions 淡倉	% of issued share capital 持股百分比
Mr. Ho Cheuk Fai 何焯輝先生	10,000	10,000 (Note 1) (附註一)	10,000 (Note 1) (附註一)	10,000	99.90% (Note 3) (附註三)	10,000 (Note 1) (附註一)	99.90% (Note 3) (附註三)

## Report of the Directors 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE' S INTERESTS IN SHARES (Cont'd)

### 董事及最高行政人員之股份權益 (續)

#### (B) Interests and short positions in associated corporations (Cont'd)

#### (乙) 於相聯法團之權益及淡倉 (續)

(iii) Karrie Investment Holdings Limited (formerly known as Karrie Industrial Holdings Limited) ("KIHL")

(iii) 嘉利投資控股有限公司 (前稱Karrie Industrial Holdings Limited) (「嘉利投資」)

Number of non-voting deferred shares of HK\$1 each  
每股面值1港元之無投票權遞延股份數目

	Personal interests 個人權益	Family interests 家屬權益	Corporate/ Other interests 法團權益或 其他權益	Total interests 合計權益	% of issued share capital 持股百分比	Short Positions 淡倉	% of issued share capital 持股百分比
Mr. Ho Cheuk Fai 何焯輝先生	1	1 (Note 1) (附註一)	1 (Note 1) (附註一)	1	8.33% (Note 4) (附註四)	1 (Note 1) (附註一)	8.33% (Note 4) (附註四)
Ms. Ho Po Chu 何寶珠女士	1	1 (Note 1) (附註一)	1 (Note 1) (附註一)	1	8.33% (Note 4) (附註四)	1 (Note 1) (附註一)	8.33% (Note 4) (附註四)

#### Notes:

- Karrie International (B.V.I.) Limited ("KIBVI"), a direct wholly-owned subsidiary of the Company, has been granted options to acquire from Mr. Ho Cheuk Fai and Ms. Ho Po Chu their non-voting deferred shares in each of KICL, KTL and KIHL. Accordingly, KIBVI is taken to be interested in these non-voting deferred shares in respect of which Mr. Ho Cheuk Fai and Ms. Ho Po Chu have each created short positions. In addition, by virtue of (i) their interests in the Company; and (ii) the interests of their children under 18 in the Company, as referred to in Notes 1, 2 and 6 under the section headed "(A) Interests in the Company" above, Mr. Ho Cheuk Fai and Ms. Ho Po Chu are each deemed to be interested in the long positions that KIBVI has in these non-voting deferred shares. Such interests are duplicated with their personal interests in these non-voting deferred shares.
- The entire issued share capital of KICL comprises 50,000 non-voting deferred shares of HK\$100 each and 10 ordinary shares of HK\$100 each.
- The entire issued share capital of KTL comprises 10,000 non-voting deferred shares of HK\$100 each and 10 ordinary shares of HK\$100 each.
- The entire issued share capital of KIHL comprises 2 non-voting deferred shares of HK\$1 each and 10 ordinary shares of HK\$1 each.

#### 附註：

- Karrie International (B.V.I.) Limited (「KIBVI」)，本公司之直接全資附屬公司，獲授予認購權以認購何焯輝先生和何寶珠女士於嘉利產品、嘉寶科技及嘉利投資所持有的無投票權遞延股份。由於何焯輝先生和何寶珠女士因上述所授予認購權而各自產生有關之淡倉，KIBVI遂持有該等股份之權益。再者，於上述(甲)「於本公司之權益」中，因他們及其18歲以下的子女持有本公司之權益，何焯輝先生和何寶珠女士各自被視為持有KIBVI中該等股份之權益。該等權益跟其個人於這些股份的權益乃屬重複的。
- 嘉利產品已發行股份由50,000股每股面值100港元之無投票權遞延股份及10股每股面值100港元之普通股股份組成。
- 嘉寶科技已發行股份由10,000股每股面值100港元之無投票權遞延股份及10股每股面值100港元之普通股股份組成。
- 嘉利投資已發行股份由2股每股面值1港元之無投票權遞延股份及10股每股面值1港元之普通股股份組成。

## Report of the Directors 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE' S INTERESTS IN SHARES (Cont'd)

Save as disclosed above, none of the Directors and the chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and any associated corporations which were (a) recorded in the register required to be kept under Section 352 of the SFO; or (b) otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

#### As at 15 June 2008

There have been no changes in the interests and short positions of the Directors and the chief executives of the Company in the shares and underlying shares of the Company and any associated corporations (a) as recorded in the register required to be kept under Section 352 of the SFO; or (b) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies during the period from 1 April 2008 to 15 June 2008.

### DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors had any interest in any business which competes with the business of the Group.

### 董事及最高行政人員之股份權益 (續)

除上文所披露外，本公司各董事及最高行政人員並無擁有在本公司及任何相聯法團的股份、相關股份及債券證中的權益及淡倉，而該等權益及淡倉 (a) 根據《證券條例》第352條須予備存之登記冊所記錄者；或 (b) 依據《上市公司董事進行證券交易的標準守則》通知本公司及聯交所。

#### 於二零零八年六月十五日

於二零零八年四月一日至二零零八年六月十五日期間，本公司各董事及最高行政人員在本公司及任何相聯法團的股份及相關股份中擁有的權益及淡倉，而該等權益及淡倉 (a) 根據《證券條例》第352條須予備存之登記冊所記錄者；或 (b) 依據《上市公司董事進行證券交易的標準守則》通知本公司及聯交所，並未有出現變動。

### 董事於競爭業務之權益

本公司各董事概無與本集團構成競爭之業務中擁有任何權益。

## Report of the Directors 董事會報告

### SUBSTANTIAL SHAREHOLDERS

As at 31 March 2008 and 15 June 2008

The interests or short positions of the persons (other than a Director or Chief Executive of the Company) in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO are as follows:

### 主要股東

於二零零八年三月三十一日及二零零八年六月十五日

以下人士(不包括董事及本公司之最高行政人員)於本公司股份及相關股份中擁有根據本公司須按《證券條例》第336條存置之登記冊之權益及淡倉：

#### Number of ordinary shares of HK\$0.10 each 每股面值0.1港元之普通股數目

Name of Shareholder 股東名稱	Personal interests 個人權益	Corporate/ Other interests 法團權益或 其他權益	Shareholding percentage 持股百分比
Pearl Court	243,804,000 (Note 1附註一)	–	42.23%
HITL	–	243,804,000 (Note 1附註一)	42.23%
Veer Palthe Voute NV	–	34,554,800 (Note 2附註二)	5.99%
Dresdner Bank Aktiengesellschaft	–	34,554,800 (Note 2附註二)	5.99%
Allianz SE	–	34,554,800 (Note 2附註二)	5.99%

#### Notes:

- These 243,804,000 shares are held by Pearl Court as trustee for the HCF Trust. HITL is deemed to be interested in these 243,804,000 shares held by Pearl Court by virtue of the fact that 9,999 of 10,000 units of the HCF Trust are held by HITL as trustee for the HWL Trust.
- Veer Palthe Voute NV is interested in 34,554,800 shares in the capacity of investment manager. Dresdner Bank Aktiengesellschaft is deemed to be interested in the same block of shares by virtue of the fact that Veer Palthe Voute NV is a corporation controlled by it. Allianz SE is also deemed to be interested in the same block of shares by virtue of the fact that Dresdner Bank Aktiengesellschaft is a corporation controlled by it.

#### 附註：

- 該等243,804,000股股份由Pearl Court作為HCF Trust之受託人持有。HITL被視為擁有該等由Pearl Court持有之243,804,000股股份之權益，因為HITL作為HWL Trust之受託人持有10,000個HCF Trust單位中之9,999個單位。
- Veer Palthe Voute NV作為投資經理持有34,554,800股股份。由於Veer Palthe Voute NV為Dresdner Bank Aktiengesellschaft的受控法團，Dresdner Bank Aktiengesellschaft被視為擁有該等34,554,800股股份的權益。由於Dresdner Bank Aktiengesellschaft為Allianz SE的受控法團，Allianz SE被視為擁有該等34,554,800股股份的權益。



## Report of the Directors 董事會報告

### SUBSTANTIAL SHAREHOLDERS (Cont'd)

Save as disclosed above, as at 31 March 2008 and 15 June 2008, no person, other than the Directors and chief executives of the Company, whose interests are set out in the section "Directors' and Chief Executives' Interests in Shares" above, had an interest or short position in the shares and underlying shares of the Company that was required to be recorded in the register required to be kept under Section 336 of the SFO.

### MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the year ended 31 March 2008 attributable to the Group's major suppliers and customers are as follows:

Purchases	
The largest supplier	17%
Five largest suppliers combined	46%
Sales	
The largest customer	30%
Five largest customers combined	85%

None of the Directors, their associates, or any shareholders (which, to the knowledge of the Directors, owned more than 5% of the Company's share capital) had a beneficial interest in the Group's major suppliers or customers noted above.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 18 August 2008 to Friday, 22 August 2008 (both dates inclusive) during which period no transfer of shares will be registered. All properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Registrars and Transfer Office in Hong Kong, Computershare Hong Kong Investor Services Limited, Room 1712-6, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 15 August 2008.

### 主要股東 (續)

除上文及董事及最高行政人員於「董事及最高行政人員之股份權益」中披露外，於二零零八年三月三十一日及二零零八年六月十五日，並無人士擁有本公司之股份及相關股份之權益或淡倉，而該等權益或淡倉需根據《證券條例》第336條須予備存之登記冊所記錄。

### 主要客戶及供應商

截至二零零八年三月三十一日止年度，本集團在主要供應商及客戶之購買及銷售百分比為：

購買	
最大供應商	17%
五大供應商共佔	46%
銷售	
最大客戶	30%
五大客戶共佔	85%

除上述外，各董事、彼等的聯繫人或以董事所知擁有本公司股本超過5%之股東並無擁有任何上述本集團主要供應商及客戶之權益。

### 暫停辦理過戶登記

本公司將由二零零八年八月十八日(星期一)至二零零八年八月二十二日(星期五)(包括首尾兩天)暫停辦理股份過戶登記手續。所有填妥之股份轉讓文件連同有關之股票，須於二零零八年八月十五日(星期五)下午四時三十分前送達本公司於香港之股份過戶登記分處：香港中央證券登記有限公司；地址為香港灣仔皇后大道東183號合和中心17樓1712至6室。

## Report of the Directors 董事會報告

### PUBLIC FLOAT

As at the date of this annual report, based on public information available to the Company and to the best knowledge of the Directors, the Company maintained sufficient public float, being 25% of the issued share capital of the Company as required under the Listing Rules.

### AUDITORS

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

On behalf of the Board

**Ho Cheuk Fai**

*Chairman*

Hong Kong, 3 July 2008

### 公眾持股量

於本年報刊發日期，根據本公司獲得的公開資料及據本公司董事知悉，本公司擁有足夠的公眾持股量，即不少於上市規則規定下本公司已發行股份的25%。

### 核數師

本年度之帳目由羅兵咸永道會計師事務所審核；該核數師已任滿，惟有資格並願意膺選連任。

承董事會命

主席  
**何焯輝**

香港，二零零八年七月三日

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PRICEWATERHOUSECOOPERS 

羅兵咸永道會計師事務所

**PricewaterhouseCoopers**  
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**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
KARRIE INTERNATIONAL HOLDINGS LIMITED**  
*(Incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Karrie International Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 108 to 190, which comprise the consolidated and company balance sheets as at 31 March 2008, 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.

### 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.

**獨立核數師報告  
致嘉利國際控股有限公司  
(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108至第190頁嘉利國際控股有限公司(「貴公司」)及其子公司(以下合稱「貴集團」)之綜合財務報表，此綜合財務報表包括於二零零八年三月三十一日之綜合及公司資產負債表與截至該日止年度之綜合收益表、綜合權益變動表和綜合現金流量表，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之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及按照香港《公司條例》之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之內部控制，以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇和應用適當之會計政策；及按情況下作出合理之會計估計。

### 核數師之責任

我們的責任是根據我們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》第90條僅向整體股東報告，除此之外本報告別無其它目的。我們不會就本報告之內容向任何其他人士負上或承擔任何責任。

## Independent Auditor's Report 獨立核數師報告

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.

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2008 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, 3 July 2008

我們已根據香港會計師公會所頒佈之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。

審核涉及執行情序以獲取有關財務報表所載金額及披露資料的審該憑證。所選定之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之風險。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之內部控制，以設計適當之審核程序，但並非為對公司之內部控制之效能發表意見。審核亦包括評價董事採用之會計政策之合適性及所作出之會計估計之合理性，以及評價財務報表之整體列報方式。

我們相信，我們所獲得之審核憑證是充足和適當地為我們之審核意見提供基礎。

### 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二零零八年三月三十一日之事務狀況，及貴集團截至該日止年度之利潤及現金流量，並按照香港《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，二零零八年七月三日

## Balance Sheets 資產負債表

As at 31 March 2008 於二零零八年三月三十一日

		Note 附註	Group 本集團		Company 本公司	
			2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>					
Non-current assets	非流動資產					
Leasehold land and land use rights	租賃土地及土地使用權	6	<b>46,873</b>	47,927	-	-
Deposits for acquisition of land use rights	購置土地使用權之按金		<b>26,400</b>	-	-	-
Property, plant and equipment	物業、廠房及設備	7	<b>378,328</b>	269,150	-	-
Investment in subsidiaries	於附屬公司之投資	8	-	-	<b>500,526</b>	403,495
Interest in associated companies	於聯營公司之權益	9	<b>400</b>	-	-	-
Deferred tax assets	遞延稅項資產	18	<b>387</b>	1,042	-	-
			<b>452,388</b>	318,119	<b>500,526</b>	403,495
Current assets	流動資產					
Inventories	存貨	11	<b>264,352</b>	374,974	-	-
Trade receivables	貿易應收帳款	10	<b>430,742</b>	610,850	-	-
Prepayments, deposits and other receivables	預付款、按金及其他應收帳款	10	<b>151,412</b>	35,015	<b>200</b>	300
Amount due from associated companies	應收聯營公司帳款	9	-	8,770	-	-
Tax prepaid	預付稅項		<b>4,783</b>	-	-	-
Pledged bank deposits	抵押銀行存款		-	6,359	-	-
Cash and bank balances	現金及銀行結存	12	<b>353,140</b>	267,280	<b>428</b>	118
			<b>1,204,429</b>	1,303,248	<b>628</b>	418
<b>Total assets</b>	<b>資產總值</b>		<b>1,656,817</b>	1,621,367	<b>501,154</b>	403,913
<b>EQUITY</b>	<b>權益</b>					
Capital and reserves attributable to the Company's equity holders	本公司股權持有人應佔股本及儲備					
Share capital	股本	13	<b>57,720</b>	41,228	<b>57,720</b>	41,228
Other reserves	其他儲備	15	<b>212,326</b>	107,505	<b>399,611</b>	294,790
Retained earnings	保留溢利					
- Proposed final dividend	- 擬派末期股息		-	12,369	-	12,369
- Others	- 其他		<b>405,371</b>	395,096	<b>38,772</b>	43,514
			<b>675,417</b>	556,198	<b>496,103</b>	391,901
Minority interest	少數股東權益		<b>424</b>	424	-	-
<b>Total equity</b>	<b>權益總值</b>		<b>675,841</b>	556,622	<b>496,103</b>	391,901

## Balance Sheets 資產負債表

As at 31 March 2008 於二零零八年三月三十一日

		Note 附註	Group 本集團		Company 本公司	
			2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
LIABILITIES	負債					
Non-current liabilities	非流動負債					
Long-term bank borrowings, secured	長期銀行借貸，有抵押	17	188,700	90,875	–	–
Deferred tax liabilities	遞延稅項負債	18	8,753	7,536	–	–
Provision for long service payments	長期服務金準備	19	9,793	6,053	807	400
			207,246	104,464	807	400
Current liabilities	流動負債					
Taxation payable	應繳稅項		–	2,959	1,603	134
Trade and bills payables	貿易應付帳款及票據	16	351,379	451,605	10	82
Accruals and other payables	應計費用及其他應付帳款		202,365	183,086	2,631	11,396
Receipts in advance	預收帳款		2,614	4,929	–	–
Amount due to associated companies	應付聯營公司帳款	9	811	–	–	–
Short-term bank borrowings, secured	短期銀行借貸，有抵押	17	216,561	317,702	–	–
			773,730	960,281	4,244	11,612
Total liabilities	負債總值		980,976	1,064,745	5,051	12,012
Total equity and liabilities	權益及負債總值		1,656,817	1,621,367	501,154	403,913
Net current assets/ (liabilities)	流動資產淨值/ (負債)		430,699	342,967	(3,616)	(11,194)
Total assets less current liabilities	總資產減流動負債		883,087	661,086	496,910	392,301

**Ho Cheuk Fai**  
何焯輝  
Director  
董事

**Kwok Wing Kin, Francis**  
郭永堅  
Director  
董事

## Consolidated Income Statement - by function of expense

### 綜合損益表 – 按費用功能分類

For the year ended 31 March 2008 截至二零零八年三月三十一日止

		Note 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Revenue	收入	20	<b>2,802,974</b>	3,328,097
Cost of sales	銷售成本	21	<b>(2,623,931)</b>	(3,024,002)
Gross profit	毛利		<b>179,043</b>	304,095
Distribution and selling expenses	分銷及銷售費用	21	<b>(34,948)</b>	(40,343)
General and administrative expenses	一般及行政費用	21	<b>(117,225)</b>	(113,358)
Operating profit	經營溢利		<b>26,870</b>	150,394
Finance income	財務收入	23	<b>14,853</b>	11,104
Finance costs	財務成本	23	<b>(20,071)</b>	(23,764)
Profit before taxation	除稅前溢利		<b>21,652</b>	137,734
Taxation	稅項	24	<b>(8,504)</b>	(12,806)
Profit attributable to equity holders of the Company	本公司股權持有人 應佔溢利		<b>13,148</b>	124,928
Earnings per share (expressed in HK cents)	每股溢利 (以港仙計)			
– Basic	– 基本	26	<b>2.8</b>	29.6
– Diluted	– 攤薄	26	<b>2.8</b>	29.4
Dividends	股息	27	<b>4,329</b>	47,413



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 March 2008 截至二零零八年三月三十一日止

### Attributable to equity holders of the Company 應佔本公司股權持有人

		Share capital 股本 HK\$'000 千港元	Other reserves (Note 15) 其他儲備 (附註15) HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Minority interest 少數股東 權益 HK\$'000 千港元	Total equity 權益總值 合共 HK\$'000 千港元
Balance at 1 April 2006	二零零六年四月一日之結餘	41,051	101,922	383,225	424	526,622
Profit for the year	本年溢利	-	-	124,928	-	124,928
Issue of shares upon exercise of share options	行使購股權而發行之股份	177	2,576	-	-	2,753
Employee share option scheme: - value of employee services	僱員購股權計劃： - 僱員服務之價值	-	3,328	-	-	3,328
Transfer to retained earnings upon lapse of share options	購股權失效而轉至保留溢利	-	(321)	321	-	-
Dividends paid	已派股息	-	-	(101,009)	-	(101,009)
<b>Balance at 31 March 2007</b>	<b>二零零七年三月三十一日之結餘</b>	<b>41,228</b>	<b>107,505</b>	<b>407,465</b>	<b>424</b>	<b>556,622</b>
Balance at 1 April 2007	二零零七年四月一日之結餘	41,228	107,505	407,465	424	556,622
Profit for the year	本年溢利	-	-	13,148	-	13,148
Rights issue of shares	發行供股之股份	16,492	105,198	-	-	121,690
Employee share option scheme: - value of employee services	僱員購股權計劃： - 僱員服務之價值	-	1,079	-	-	1,079
Transfer to retained earnings upon lapse of share options	購股權失效而轉至保留溢利	-	(1,456)	1,456	-	-
Dividends paid	已派股息	-	-	(16,698)	-	(16,698)
<b>Balance at 31 March 2008</b>	<b>二零零八年三月三十一日之結餘</b>	<b>57,720</b>	<b>212,326</b>	<b>405,371</b>	<b>424</b>	<b>675,841</b>

# Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 March 2008 截至二零零八年三月三十一日止

	Note 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cash flows from operating activities	經營活動之現金流量		
Profit before taxation	除稅前溢利	21,652	137,734
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	59,394	52,978
Amortisation of leasehold land and land use rights	租賃土地及土地使用權之攤銷	1,054	1,050
Share-based compensation expense	以股份支付報酬之支出	1,079	3,328
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	3,192	367
Write-back of provision for obsolete and slow moving inventories	陳舊及滯銷存貨準備之回撥	(11,470)	–
Provision for impairment of trade receivables	貿易應收帳款減值準備	2,595	526
Write-back of provision for amount due from associated companies	應收聯營公司帳款準備之回撥	–	(1,874)
Provision for long service payments	長期服務金準備	3,740	359
Interest expenses	利息支出	20,071	23,764
Interest income	利息收入	(14,853)	(11,104)
Operating profit before working capital changes	營運資金變動前之經營溢利	86,454	207,128
Inventories	存貨	122,092	(35,146)
Trade receivables	貿易應收帳款	177,513	(6,278)
Prepayments, deposits and other receivables	預付款、按金及其他應收帳款	(116,397)	(12,294)
Amount due from associated companies	應收聯營公司帳款	8,770	(6,896)
Trade and bills payables	貿易應付帳款及票據	(100,226)	21,609
Accruals and other payables	應計費用及其他應付帳款	19,279	29,810
Receipts in advance	預收帳款	(2,315)	(5,251)
Amount due to associated companies	應付聯營公司帳款	811	–
Cash generated from operations	經營產生之現金	195,981	192,682
Interest paid	已付利息	(20,071)	(23,764)
Hong Kong profits tax paid	已付香港利得稅	(15,684)	(15,422)
Hong Kong profits tax refunded	退還香港利得稅	1,310	1,451
Long service payments paid	已付長期服務金	–	(283)
Net cash generated from operating activities	經營活動產生之淨現金	161,536	154,664

# Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 March 2008 截至二零零八年三月三十一日止

	Note 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cash flows from investing activities	投資活動之現金流量		
Purchase of property, plant and equipment	添置物業、廠房及設備	(172,129)	(91,208)
Increase in leasehold land and land use rights	增加租賃土地及土地使用權	-	(417)
Increase in deposits for acquisition of land use rights	增加購置土地使用權之按金	(26,400)	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款	365	751
Increase in investment in associated companies	增加於聯營公司之投資	(400)	-
Decrease/(increase) in pledged bank deposits	減少/(增加)抵押銀行存款	6,359	(6,359)
Interest received	已收利息	14,853	11,104
Net cash used in investing activities	投資活動所用現金淨額	(177,352)	(86,129)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from exercise of share options	行使購股權之所得款	-	2,753
Net proceeds from rights issue of shares	發行供股股份之淨所得款	121,690	-
New long-term bank borrowings	新長期銀行借貸	200,000	-
New short-term bank borrowings	新短期銀行借貸	439,680	802,560
Repayment of long-term bank borrowings	償還長期銀行借貸	(74,050)	(57,750)
Repayment of short-term bank borrowings	償還短期銀行借貸	(503,287)	(732,444)
New trust receipts bank loans	新信託收據銀行貸款	336,751	577,625
Repayment of trust receipts bank loans	償還信託收據銀行貸款	(402,458)	(616,499)
Dividends paid	已派股息	(16,698)	(101,009)
Net cash generated from/(used in) financing activities	融資活動之產生/(所用)現金淨額	101,628	(124,764)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值物之淨增加/(減少)	85,812	(56,229)
Cash and cash equivalents at 1 April	四月一日之現金及現金等值物	267,145	323,374
Cash and cash equivalents at 31 March	三月三十一日之現金及現金等值物	352,957	267,145

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 1 GENERAL INFORMATION

Karrie International Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in the manufacture and sale of computer casings, office automation products, video cassette housings, moulds, plastic and metal parts and provision of electronic manufacturing services.

The Company was incorporated in Bermuda on 29 October 1996. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company’s shares have been listed in the Main Board of The Stock Exchange of Hong Kong Limited since 16 December 1996.

These consolidated financial statements are presented in thousands of Hong Kong dollars (HK\$’000), unless otherwise stated, and have been approved for issue by the Board of Directors on 3 July 2008.

### 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 have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS) under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss, 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 Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

### 1 一般資料

嘉利國際控股有限公司(「本公司」)及其附屬公司(合稱「本集團」)主要從事製造及銷售電腦外殼、辦公室文儀產品、錄影帶外殼、模具、塑膠及金屬部件及從事電子專業代工業務。

本公司於一九九六年十月二十九日於百慕達註冊，辦事處地址是Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司之股份於一九九六年十二月十六日於香港聯合交易所有限公司主板上市。

綜合財務報表以千港元列報(除非另有說明)。綜合財務報表已經由董事會在二零零八年七月三日批准刊發。

### 2 重要會計政策摘要

編製本綜合財務報表採用之主要會計政策載於下文。除另有說明外，此等政策在所呈報之所有年度內貫徹應用。

#### 2.1 編製基準

本綜合財務報表是根據香港財務報告準則(香港財務準則)，按照歷史成本法編制，並按公平值透過損益記帳之財務資產和財務負債之重估而作出修訂。

編制符合香港財務準則之財務報表需要使用若干關鍵會計估計。這亦需要管理層在應用本集團之會計政策過程中行使其判斷。涉及高度之判斷或高度複雜性之範疇，或涉及對綜合財務報表屬重大假設和估計之範疇，在附註4中披露。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### 2.1 Basis of preparation (Cont'd)

(a) *Standards, amendment and interpretations effective in current year*

- 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 and does not have any impact on the classification and valuation of the Group's financial instruments, or the disclosures relating to taxation and trade and other payables;
- HK(IFRIC) – Int 8, "Scope of HKFRS 2", requires consideration of transactions involving the issuance of equity instruments, where the identifiable consideration received is less than the fair value of the equity instruments issued in order to establish whether or not they fall within the scope of HKFRS 2. This standard does not have any impact on the Group's financial statements;
- 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; and
- HK(IFRIC) – Int 11, "HKFRS 2 – Group and treasury share transactions". 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. This interpretation does not have an impact on the Group's financial statements.

## 2 重要會計政策摘要 (續)

### 2.1 編製基準 (續)

(a) 在本年度生效之準則、修訂及詮釋

- 香港財務準則7「金融工具：披露」，及香港會計準則1「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，對本集團金融工具之分類和估值，或稅項和貿易及其他應付款相關之披露並無任何影響；
- 香港（國際財務報告詮釋委員會）－詮釋8「香港財務準則2之範圍」規定凡涉及發行權益工具之交易－當中所收取之可識別代價低於所發行權益工具之公平值－必須確定其是否屬於香港財務報告準則2之範圍內。此項準則並無對本集團之財務報表有任何影響；
- 香港（國際財務報告詮釋委員會）－詮釋10「中期財務報告和減值」禁止在中期期間確認按成本值列帳之商譽、權益工具之投資和財務資產投資之減值虧損，在之後之結算日回撥。此項準則並無對本集團之財務報表有任何影響；及
- 香港（國際財務報告詮釋委員會）－詮釋11「香港財務準則2」－「集團及庫存股份交易」。香港（國際財務報告詮釋委員會）－詮釋11對涉及庫存股份或牽涉集團實體之以股份為基礎交易之支付（例如：母公司股份之認股權）應否在母公司及集團公司之獨立帳目中入帳為權益結算或現金結算之以股份為基礎之支付提供指引。此項詮釋並無對本集團之財務報表有任何影響。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### 2.1 Basis of preparation (Cont'd)

- (b) *Standards, amendments and interpretations effective in current year but not relevant for the Group's operations*

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

- HK(IFRIC) – Int 7, “Applying the restatement approach under HKAS 29, Financial reporting in hyper-inflationary economies”; and
- HK(IFRIC) – Int 9, “Re-assessment of embedded derivatives”

- (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 1 April 2008 or later periods, but the Group has not early adopted them:

- HKAS 1 (Revised), “Presentation of Financial Statements” (effective from 1 January 2009). HKAS 1 (Revised) requires all owner changes in equity to be presented in a statement of changes in equity. All comprehensive income is presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). It requires presenting a statement of financial position as at the beginning of the earliest comparative period in a complete set of financial statements when there are retrospective adjustments or reclassification adjustments. However, it does not change the recognition, measurement or disclosure of specific transactions and other events required by other HKFRSs. The Group will apply HKAS 1 (Revised) from 1 January 2009;

#### 2 重要會計政策摘要 (續)

##### 2.1 編製基準 (續)

- (b) 本年度生效但與本集團營運無關之準則、修訂及詮釋

以下準則、修訂及對已公佈準則之詮釋必須在二零零七年四月一日或之後開始之會計期間採納，但與本集團之營運無關：

- 香港(國際財務報告詮釋委員會)－詮釋7「應用香港會計準則29「嚴重通脹經濟中之財務報告」下之重列法」；及
- 香港(國際財務報告詮釋委員會)－詮釋9「重新評估勘入式衍生工具」。

- (c) 仍未生效而本集團亦無提早採納之準則、修訂及對現有準則之詮釋

以下為已公佈之準則、修訂及對現有準則之詮釋，而本集團必須在二零零八年四月一日或之後開始之會計期間或較後期間採納，但本集團並無提早採納：

- 香港會計準則1(經修訂)「財務報表之呈報」(由二零零九年一月一日起生效)。香港會計準則1(經修訂)規定所有權益擁有人之變動必須在權益變動表中呈列。所有全面收入必須在全面收入報表中，或分開在收益表和全面收入報表中呈列。此項修訂規定如有追溯調整或重新分類之調整，應將最早之可比較期間開始時之財務狀況報表在整份財務報表中呈列。但此項修訂沒有改變其他香港財務報告準則對特定交易和其他事項之確認、計量或披露規定。本集團將會由二零零九年一月一日起應用香港會計準則1(經修訂)；

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### 2.1 Basis of preparation (Cont'd)

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

- HKAS 23 (Amendment), "Borrowing costs" (effective from 1 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 1 January 2009 but is currently not applicable to the Group as there are no qualifying assets;
- HKAS 32 and HKAS 1 (Amendments) "Puttable Financial Instruments and Obligations Arising on Liquidation" (effective for annual periods beginning on or after 1 January 2009). The amendments require some puttable financial instruments and some financial instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation to be classified as equity;
- HKFRS 8, "Operating segments" (effective from 1 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 1 January 2009. The expected impact is still being assessed in detail by management, but it appears likely that the number of reportable segments, as well as the manner in which the segments are reported, will change in a manner that is consistent with the internal reporting provided to the chief operating decision-maker;

### 2 重要會計政策摘要 (續)

#### 2.1 編製基準 (續)

(c) *仍未生效而本集團亦無提早採納之準則、修訂及對現有準則之詮釋 (續)*

- 香港會計準則23(修訂)「借貸成本」(由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之資產)直接應佔之借貸成本資本化,作為該資產之部份成本。將該等借貸成本即時作費用支銷之選擇將被刪去。本集團將會由二零零九年一月一日起應用香港會計準則23(修訂),但由於本集團並無合資格資產,故目前不適用於本集團;
- 香港會計準則32及香港會計準則1(修訂)「可認沽金融工具及清盤時產生之責任」(由二零零九年一月一日或之後開始之年度期間起生效)。此修訂本規定,若干可認沽金融工具以及只會於清盤時導致某實體產生責任而必須向另一方按比例提供其淨資產之若干金融工具,必須分類為權益;
- 香港財務準則8「營運分部」(由二零零九年一月一日起生效)。香港財務準則8取代了香港會計準則14,並將分部報告與美國準則SFAS 131「有關企業分部和相關資料之披露」之規定統一起來。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之相同基準呈報。本集團將會由二零零九年一月一日起應用香港財務準則8。預期影響現正由管理層詳細評估中,但可報告分部之數目以及報告分部之方式,很有可能會跟隨向主要經營決策者提供之內部報告以一致之方式變動;

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### 2.1 Basis of preparation (Cont'd)

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

- HK(IFRIC) – Int 14, “HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction” (effective from 1 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 1 January 2008, but it is not expected to have any impact on the Group’s financial statements;
- HKAS 27 (Revised) “Consolidated and Separate Financial Statements” (effective from annual period beginning on or after 1 July 2009). The amendment requires non-controlling interests (i.e. minority interests) to be presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. Total comprehensive income must be attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Changes in a parent’s ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity. When control of a subsidiary is lost, the assets and liabilities and related equity components of the former subsidiary are derecognised. Any gain or loss is recognised in income statement. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost. The Group will apply HKAS 27 (Revised) from 1 April 2010;

#### 2 重要會計政策摘要 (續)

##### 2.1 編製基準 (續)

(c) *仍未生效而本集團亦無提早採納之準則、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14「香港會計準則19－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14對香港會計準則19有關評估可確認為資產之盈餘金額之限額提供指引。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之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14，但預期不會對本集團之財務報表有任何影響；
- 香港會計準則27(經修訂)「綜合及獨立財務報表」(由二零零九年七月一日或之後開始之年度期間起生效)。此項修訂規定非控制性權益(即少數股東權益)必須在綜合財務狀況報表內之權益中呈列，並與母公司之擁有人權益分開列報。全面收入總額必須歸屬於母公司擁有人和非控制性權益，即使這導致非控制性權益出現虧損結餘。母公司在附屬公司不導致失去控制權之權益變動，在權益中記帳。當失去對附屬公司之控制權時，將該前附屬公司之資產、負債和相關權益部份剔除確認。任何盈虧在損益表中確認。在該前附屬公司所保留之任何投資按控制權失去當日之公平值記帳。本集團將會由二零一零年四月一日起應用國際會計準則27(經修訂)；



## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### 2.1 Basis of preparation (Cont'd)

- (c) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (Cont'd)*
- HKFRS 2 Amendment "Share-based Payment Vesting Conditions and Cancellations" (effective from 1 January 2009). The amendment clarifies the definition of "vesting conditions" and specifies the accounting treatment of "cancellations" by the counterparty to a share-based payment arrangement. Vesting conditions are service conditions (which require a counterparty to complete a specified period of service) and performance conditions (which require a specified period of service and specified performance targets to be met) only. All "non-vesting conditions" and vesting conditions that are market conditions shall be taken into account when estimating the fair value of the equity instruments granted. All cancellations are accounted for as an acceleration of vesting and the amount that would otherwise have been recognised over the remainder of the vesting period is recognised immediately. The Group will apply HKFRS 2 Amendment from 1 April 2009, but it is not expected to have any significant impact on the Group's financial statements; and

### 2 重要會計政策摘要 (續)

#### 2.1 編製基準 (續)

- (c) 仍未生效而本集團亦無提早採納之準則、修訂及對現有準則之詮釋 (續)
- 香港財務報告準則第2號(修訂)「以股份為基礎之行權條件及註銷」(由二零零九年一月一日起生效)。此項修訂澄清了「行權條件」之定義並列明有關對方「註銷」以股份為基礎之付款安排之計劃時之會計處理方法。行權條件包括服務條件(規定對方完成特定期限之服務)以及業績條件(需要有關對方達到特定服務期限及特定之業績目標)。當估計授予權益性工具之公平價值時，需要考慮所有之「非行權條件」以及行權條件之市場情況。所有之註銷被視為加速行權，而本應該在剩餘行權期限確認之金額將立即被確認。本集團將會由二零零九年四月一日起應用香港財務報告準則2號修訂，但預期不會對本集團之綜合財務報表有任何重大影響；及

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### 2.1 Basis of preparation (Cont'd)

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

- HKFRS 3 (Revised) "Business Combination" (effective for business combinations with acquisition date on or after the beginning of the first annual reporting period beginning on or after 1 July 2009). The amendment may bring more transactions into acquisition accounting as combinations by contract alone and combinations of mutual entities are brought into the scope of the standard and the definition of a business has been amended slightly. It now states that the elements are "capable of being conducted" rather than "are conducted and managed". It requires considerations (including contingent consideration), each identifiable asset and liability to be measured at its acquisition-date fair value, except leases and insurance contracts, reacquired right, indemnification assets as well as some assets and liabilities required to be measured in accordance with other HKFRSs. They are income taxes, employee benefits, share-based payment and non-current assets held for sale and discontinued operations. Any non-controlling interest in an acquiree is measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets. The Group will apply HKFRS 3 (Revised) from 1 April 2010.

#### 2 重要會計政策摘要 (續)

##### 2.1 編製基準 (續)

(c) *仍未生效而本集團亦無提早採納之準則、修訂及對現有準則之詮釋 (續)*

- 香港財務準則3(經修訂)「企業合併」(適用於企業合併之收購日期是在二零零九年七月一日或以後開始之首個年度報告期間或以後)。此項修訂或會令更多交易採用收購會計法記帳，因為單純以合約方式合併和互助實體之合併已被納入此項準則之範圍內，而企業之定義已作出輕微修改。該準則現說明有關成份乃「能夠進行」而非「進行和管理」。該修訂規定了代價(包括或然代價)、每項可辨識之資產和負債必須按其收購日之公平值計量，惟租賃和保險合約、重新購入之權利、賠償保證資產以及須根據其他香港財務準則計量之若干資產和負債則除外。這些項目包括所得稅、僱員福利、以股份為基礎之付款以及持作出售之非流動資產和已終止經營業務。在某一被收購方之任何非控制性權益可按公平值，或按非控制性權益以比例應佔被收購方之可辨識淨資產計量。本集團將會由二零一零年四月一日起應用香港財務準則3(經修訂)。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### 2.1 Basis of preparation (Cont'd)

- (d) Interpretations to existing standards that are not yet effective and not relevant for the Group's operations

The following interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 April 2008 or later periods but are not relevant for the Group's operations:

- HK(IFRIC) – Int 12, "Service concession arrangements" (effective from 1 January 2008). IFRIC/HK(IFRIC) – Int 12 applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. HK(IFRIC) – Int 12 is not relevant to the Group's operations because none of the Group's companies provide for public sector services; and
- HK(IFRIC) – Int 13, "Customer loyalty programmes" (effective from 1 July 2008). HK(IFRIC) – Int 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement using fair values. HK(IFRIC) – Int 13 is not relevant to the Group's operations because none of the Group's companies operate any loyalty programmes.

## 2 重要會計政策摘要 (續)

### 2.1 編製基準 (續)

- (d) 仍未生效且與本集團營運無關之對現有準則之詮釋

以下為已公佈對現有準則之詮釋，本集團必須在二零零八年四月一日或之後開始之會計期間或較後期間採納，但與本集團之營運無關：

- 香港(國際財務報告詮釋委員會)－詮釋12「服務特許權的安排」(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12適用於由私人營運商參與公營服務基建之發展、融資、營運和維修之合約性安排。香港(國際財務報告詮釋委員會)－詮釋12與本集團之營運無關，因為本集團屬下並無公司提供公營服務；及
- 香港(國際財務報告詮釋委員會)－詮釋13「客戶忠誠度計劃」(由二零零八年七月一日起生效)。香港(國際財務報告詮釋委員會)－詮釋13澄清了假若貨品或服務是跟隨一項客戶忠誠度獎勵計劃(例如忠誠度分數或贈品)而售出，則有關安排屬於多重銷售組合安排，應收客戶之代價須利用公平值在多重銷售組合安排部份中分攤。香港(國際財務報告詮釋委員會)－詮釋13與本集團之營運無關，因為本集團屬下並無公司營運任何客戶忠誠度計劃。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### 2.2 Consolidation

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

##### (a) Subsidiaries

Subsidiaries are 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.

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.

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 of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### 2 重要會計政策摘要 (續)

##### 2.2 綜合帳目

綜合財務報表包括本公司及其所有附屬公司截至三月三十一日止之財務報表。

##### (a) 附屬公司

附屬公司指本集團有權管控其財政及營運政策之所有實體，一般附帶超過半數投票權之股權。在評定本集團是否控制另一實體時，目前可行使或可兌換之潛在投票權之存在及影響均予考慮。

附屬公司在控制權轉移至本集團之日全面綜合入帳。附屬公司在控制權終止之日起停止綜合入帳。

會計收購法乃用作本集團收購附屬公司之入帳方法。收購之成本根據於交易日期所給予資產、所發行之股本工具及所產生或承擔之負責之公平值計算，另加該收購直接應佔之成本。在企業合併中所收購可識辨之資產以及所承擔之負責及或然負責，首先以彼等於收購日期之公平值計算，而不論任何少數股東權益之數額。收購成本超過本集團應佔所收購可識辨資產淨值公平值之數額記錄為商譽。若收購成本低於所購入附屬公司資產淨值之公平值，該差額直接在損益表確認。

集團內公司之間之交易、結存及未實現收益予以對銷。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。附屬公司之會計政策已按需要作出改變，以確保與本集團採用之政策符合一致。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### 2.2 Consolidation (Cont'd)

##### (a) Subsidiaries (Cont'd)

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses (Note 2.7). The results of subsidiaries are accounted by the Company on the basis of dividend received and receivable.

##### (b) Transactions and minority interests

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.

##### (c) Associates

Associates are 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.

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 重要會計政策摘要 (續)

#### 2.2 綜合帳目 (續)

##### (a) 附屬公司 (續)

在本公司之資產負債表內，於附屬公司之投資按成本值扣除減值虧損準備列帳(附註2.7)。附屬公司之業績由本公司按已收及應收股息入帳。

##### (b) 交易及少數股東權益

本集團採納了一項政策，將其與少數股東進行之交易視為與本集團以外之交易。向少數股東進行之出售而導致本集團之盈虧於綜合損益表記帳。向少數股東進行購置而導致之商譽，相當於所支付之任何代價與相關應佔所收購附屬公司淨資產之帳面值之差額。

##### (c) 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權之實體，通常附帶有20%—50%投票權之股權。聯營公司之投資以權益會計法入帳，初始以成本確認。本集團於聯營公司之投資包括收購時已識別之商譽(扣除任何累計減值虧損)。

本集團應佔收購後聯營公司之溢利或虧損於損益表內確認，而應佔收購後儲備之變動則於儲備帳內確認。投資帳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。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### 2.2 Consolidation (Cont'd)

#### (c) Associates (Cont'd)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have 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.

In the Company's balance sheet the investments in associated companies are stated at cost less provision for impairment losses (Note 2.7). The results of associated companies are accounted for by the Company on the basis of dividend received and receivable.

### 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.

### 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 HK dollars, which is the Company's functional and presentation currency.

## 2 重要會計政策摘要 (續)

### 2.2 綜合帳目 (續)

#### (c) 聯營公司 (續)

本集團與其聯營公司之間交易之未實現收益按集團在聯營公司權益之數額對銷。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。聯營公司之會計政策已按需要作出改變，以確保與本集團採用之政策符合一致。

在聯營公司之攤薄盈虧於綜合損益表確認。

在本公司之資產負債表內，於聯營公司之投資按成本值扣除減值虧損準備列帳(附註2.7)。聯營公司之業績由本公司按已收及應收股息入帳。

### 2.3 分部報告

業務分部指從事提供產品或服務之一組資產和業務，而產品或服務之風險和回報與其他業務分部之不同。地區分部指在某個特定經濟環境中從事提供產品或服務，其產品或服務之風險和回報與在其他經濟環境中營運之分部之不同。

### 2.4 外幣換算

#### (a) 功能和列帳貨幣

本集團各個實體之財務報表所列項目均以該實體營運所在之主要經濟環境之貨幣計量(「功能貨幣」)。綜合財務報表以港幣呈報，港幣為本公司之功能及列帳貨幣。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### 2.4 Foreign currency translation (Cont'd)

##### (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 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 related to changes in the amortised cost are recognised in profit or loss, and other changes in the carrying amount are recognised in equity.

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

### 2 重要會計政策摘要 (續)

#### 2.4 外幣換算 (續)

##### (b) 交易及結餘

外幣交易採用交易日之匯率換算為功能貨幣。結算此等交易產生之匯兌盈虧以及將外幣計值之貨幣資產和負債以年終匯率換算產生之匯兌盈虧在損益表確認。

以外幣為單位被分類為可供出售之貨幣性證券的公平值變動，按照證券之攤銷成本變動與該證券帳面值之其他變動所產生之匯兌差額進行分析。與攤銷成本變動有關之換算差額確認為盈利或虧損，帳面值之其他變動則於權益中確認。

非貨幣性財務資產及負債之換算差額呈報為公平值盈虧之一部份。非貨幣性財務資產及負債例如按公平值持有透過損益記帳之權益工具之換算差額在損益表中呈報為公平值盈虧之一部份。非貨幣性財務資產例如分類為可供出售之權益之換算差額包括在權益中可供出售儲備內。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### 2.4 Foreign currency translation (Cont'd)

###### (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 follows:

- (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 (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

##### 2.5 Property, plant and equipment

The property, plant and equipment are stated at historical cost less 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 period in which they are incurred.

#### 2 重要會計政策摘要 (續)

##### 2.4 外幣換算 (續)

###### (c) 集團公司

功能貨幣與列帳貨幣不同之所有集團實體 (各實體均無極高通脹經濟地區之貨幣) 之業績和財務狀況按如下方法換算為列帳貨幣：

- (i) 每份呈報之資產負債表內之資產和負債按該資產負債表日期之收市匯率換算；
- (ii) 每份損益表內之收入和費用按平均匯率換算 (除非此匯率並不代表交易日期匯率之累計影響之合理約數；在此情況下，收支項目按交易日期之匯率換算)；及
- (iii) 所有由此產生之匯兌差額確認為權益之獨立組成項目。

在綜合帳目時，換算海外業務之淨投資，以及換算借貸及其他指定作為該等投資對沖之貨幣工具所產生之匯兌差額列入股東權益。當售出或清理部份海外業務時，該等匯兌差額在損益表確認為出售盈虧之一部份。

##### 2.5 物業、廠房及設備

物業、廠房及設備按歷史成本減折舊和減值虧損列帳。歷史成本包括收購該項目直接應佔之費用。

其後成本只有在與該項目有關之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量時，才包括在資產之帳面值或確認為獨立資產 (按適用)。所有其他維修及保養在產生之財政期間內於損益表支銷。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### 2.5 Property, plant and equipment (Cont'd)

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

Buildings	2% to 4%
Fixtures and leasehold improvements	8% to 12%
Machinery	10% to 15%
Moulds and tooling	15%
Furniture and computer equipment	15% to 33.33%

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 (Note 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

#### 2.6 Construction-in-progress

Construction-in-progress represents buildings, plants and machinery under construction and pending installation and is stated at cost. Cost includes the costs of construction of buildings and the costs of plant and machinery. 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 other property, plant and equipment and depreciated in accordance with the policy as stated in Note 2.5 in this Section.

### 2 重要會計政策摘要 (續)

#### 2.5 物業、廠房及設備 (續)

物業、廠房及設備之折舊採用以下之估計可使用年期將成本按直線法分攤至剩餘價值計算：

樓宇	2% to 4%
物業裝修	8% to 12%
機器	10% to 15%
模具及工具	15%
傢俬及電腦設備	15% to 33.33%

資產之剩餘價值及可使用年期在每個結算日進行檢討，及在適當時調整。

若資產之帳面值高於其估計可收回價值，其帳面值即時撇減至可收回金額（附註 2.7）。

出售盈虧按所得款與帳面值之差額釐定，並在損益表中確認。

#### 2.6 在建工程

在建工程指在建樓宇、廠房及有待安裝之機器，並按成本入帳。成本包括於建築或安裝及測試（如有）期內之樓宇建築成本以及廠房及機器成本。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準備。當有關資產投入運作時，將成本轉撥至其他物業、廠房及設備，並按本節附註 2.5 所述之政策折舊。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

Assets that have an indefinite useful life or not yet 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.

##### 2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

#### 2 重要會計政策摘要 (續)

##### 2.7 投資於附屬公司、聯營公司及非財務資產之減值

沒有確定使用年期或尚未可供使用之資產無需攤銷，但最少每年就減值進行測試，及當有事件出現或情況改變顯示帳面值可能無法收回時就減值進行檢討。須作攤銷之資產，當有事件出現或情況改變顯示帳面值可能無法收回時就減值進行檢討。減值虧損按資產之帳面值超出其可收回金額之差額確認。可收回金額以資產之公平值扣除銷售成本或使用價值兩者之間較高者為準。於評估減值時，資產按可分開識辨現金流量（現金產生單位）之最低層次組合。除商譽外，已蒙受減值之資產在每個報告日期均就減值是否可以回撥進行檢討。

##### 2.8 存貨

存貨按成本及可變現淨值兩者之較低者列帳。成本利用先進先出法釐定。製成品及在製品之成本包括設計成本、原材料、直接勞工、其他直接成本和相關之生產經常性開支（依據正常營運能力）。這不包括借貸成本。可變現淨值為在通常業務過程中之估計銷售價，減適用之變動銷售費用。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### 2.9 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 the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. 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 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. 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 to the income statement.

#### 2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

#### 2.11 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.

#### 2.12 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; 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.

### 2 重要會計政策摘要 (續)

#### 2.9 貿易及其他應收帳款

貿易及其他應收帳款初步以公平值確認，其後利用實際利息法按攤銷成本扣除減值準備計量。當有客觀證據證明本集團將無法按應收款之原有條款收回所有款項時，即就貿易及其他應收帳款設定減值準備。債務人之重大財務困難、債務人可能破產或進行財務重組，以及拖欠或逾期付款，均被視為是貿易應收帳款已減值之跡象。準備金額為資產之帳面值與按原實際利率折現之估計未來現金流量之現值之差額。資產之帳面值透過使用備付帳戶削減，而有關之虧損數額則在損益表內確認。如一項貿易應收帳款無法收回，其會與貿易應收帳款內之備付帳戶撇銷。之前已撇銷之款項如其後收回，將計入損益表內。

#### 2.10 現金及現金等值物

現金及現金等值物包括手頭現金、銀行通知存款、原到期日為三個月或以下之其他短期高流動性投資，以及銀行透支。銀行透支在資產負債表之流動負債中借貸款內列示。

#### 2.11 股本

普通股被列為權益。

直接歸屬於發行新股或認股權之新增成本在權益中列為所得款之減少(扣除稅項)。

#### 2.12 借貸

借貸初步按公平值並扣除產生之交易成本確認。借貸其後按攤銷成本列帳；所得款(扣除交易成本)與贖回價值之任何差額利用實際利息法於借貸期間內在損益表確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### 2.12 Borrowings (Cont'd)

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.

##### 2.13 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.

##### 2.14 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's 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. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income 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 重要會計政策摘要 (續)

##### 2.12 借貸 (續)

除非本集團有權無條件地延遲清償債項最少至結算日後十二個月，借貸一概分類為流動負責。

##### 2.13 貿易及其他應付帳款

貿易及其他應付帳款初步以公平值確認，其後利用實際利息法按攤銷成本計量。

##### 2.14 當期及遞延所得稅

當期所得稅支出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全釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定準備。

遞延所得稅利用負債法就資產和負債之稅基與資產和負債在綜合財務報表之帳面值之差額產生之暫時差異全數準備。然而，若遞延所得稅來自在交易（不包括企業合併）中對資產或負債之初步確認，而在交易時不影響會計損益或應課稅盈虧，則不作記帳。遞延稅項採用在結算日前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率（及法例）而釐定。

遞延所得稅資產是就可能有未來應課稅盈利而就此可使用暫時差異而確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### 2.14 Current and deferred income tax (Cont'd)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates, 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.

#### 2.15 Employee benefits

##### (a) Employee leave entitlement

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service 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.

##### (b) Bonus plans

The expected cost of bonus payments wholly due within 12 months after the balance sheet date are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

### 2 重要會計政策摘要 (續)

#### 2.14 當期及遞延所得稅 (續)

遞延稅項就附屬公司、聯營公司投資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回撥時間，而暫時差異在可預見將來有可能不會回撥則除外。

#### 2.15 僱員福利

##### (a) 僱員應享假期之權利

僱員享有之年假和長期服務休假於僱員應享有時確認。截至結算日止為僱員已提供之服務而產生之年假及長期服務休假之估計負責作出準備。僱員享有之病假及產假不作確認，直至僱員正式休假為止。

##### (b) 獎金計劃

當本集團因為僱員已提供之服務而產生現有法律或推定性責任，而責任金額能可靠估計時，則在結算日後十二個月內結欠之獎金預計成本確認為負責入帳。獎金計劃之負責預期須在十二個月內償付，並根據在償付時預期會支付之金額計算。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### 2.15 Employee benefits (Cont'd)

###### (c) Pension obligations

Group companies operate several pension schemes. The plans are generally funded through payments to trustee administered funds. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity on a mandatory, contractual or voluntary basis. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due and are not reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

###### (d) Long service payments

The Group's net obligation in respect of long service payments to its employees upon the termination of their employment or retirement when the employee fulfils certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

The obligation is calculated using the projected unit credit method, discounted to its present value and reduced by entitlements accrued under the Group's retirement plans that are attributable to contributions made by the Group. The discount rate is the yield at the balance sheet date on high quality corporate bonds which have terms to maturity approximating the terms of the related liability.

#### 2 重要會計政策摘要 (續)

##### 2.15 僱員福利 (續)

###### (c) 退休金責任

本集團公司營運多個退休金計劃。此等計劃一般透過向受託管理基金付款而注資。定額供款計劃指本集團以強制、合約或自願基準向獨立實體作出定額供款之退休金計劃。倘基金並無持有足夠資產向所有僱員就當期及以往期間之僱員服務支付福利，本集團並無定期或推定責任作出進一步供款。供款將會於到期支付時確認為僱員福利費用，且不會全數歸屬供款前離開計劃之僱員所放棄之供款扣減。預付供款按照現金退還或扣減未來付款時確認為資產。

###### (d) 長期服務金

本集團根據香港《僱員條例》在若干情況下終止聘用僱員或退休而支付之長期服務金所衍生之責任淨額是指僱員現時及以往提供服務所賺取之未來福利。

該責任以預計單位信貸法計算其貼現值，並扣除本集團退休計劃下本集團供款所佔之應計權益。貼現率為到期日與本集團負債期相若之優質企業債券於結算日之孳息率。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### 2.15 Employee benefits (Cont'd)

#### (e) Share-based compensation

The Group operates a 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 (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the estimates of the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. 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.

### 2.16 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## 2 重要會計政策摘要 (續)

### 2.15 僱員福利 (續)

#### (e) 以股份支付報酬

本集團設有一項以股份支付報酬之計劃。僱員為獲取授予購股權而提供之服務之公平值確認為費用。在歸屬期間內將予支銷之總金額參考授予之購股權之公平值釐定，不包括任何非市場既定條件(例如盈利能力和銷售增長目標)之影響。非市場既定條件包括在有關預期可予以行使之認股權數目之假設中。在每個結算日，本集團修訂其對預期可予以行使認股權數目之估計。本集團在損益表確認對原估計修訂(如有)之影響，並對權益作出相應調整。

在購股權行使時，收取之所得款扣除任何直接應佔之交易成本後，撥入股本(面值)和股本溢價。

### 2.16 準備

在出現以下情況時確認準備：本集團因已發生之事件而產生現有之法律或推定責任；可能需要資源流出以償付責任；金額已被可靠估計。重組撥備包括租賃終止罰款和僱員離職付款。不就未來營運虧損確認準備。

如有多項類似責任，其需要在償付中流出資源之可能性，根據責任之類別整體考慮。即使在同一責任類別所包含之任何一個項目相關之資源流出之可能性極低，仍須確認準備。

準備採用稅前利率按照預期需償付有關責任之開支之現值計量，該利率反映當時市場對金錢時間值和有關責任固有風險之評估。隨著時間過去而增加之準備確認為利息開支。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### 2.17 Leases

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 charged to the income statement on a straight-line basis over the period of the lease.

##### 2.18 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised as follows:

###### (a) Sales of goods

Sales of goods are recognised when a Group entity has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assured.

Advance payments received from customers prior to delivery of goods are recorded as receipts in advance.

###### (b) Rental income

Rental income is recognised on a straight-line basis.

###### (c) Management income

Revenue from the provision of management service is recognised when the service is rendered.

#### 2 重要會計政策摘要 (續)

##### 2.17 租賃

如租賃擁有權之重大部份風險和回報由出租人保留，分類為營運租賃。根據營運租賃支付之款項(扣除自出租人收取之任何獎勵金後)於租賃期內以直線法在損益表支銷。

##### 2.18 收入確認

收入指本集團在通常活動過程中出售貨品及服務之已收或應收代價的公平值。收入在扣除增值稅、退貨、回扣和折扣，以及對銷集團內部銷售後列帳。

當收入之數額能夠可靠計量、未來經濟利益有可能流入有關實體，而本集團每項活動均符合具體條件時(如下文所述)，本集團便會將收入確認。除非與銷售有關之所有或然事項均已解決，否則收入之數額不被視為能夠可靠計量。本集團會根據其往績並考慮客戶類別、交易種類和每項安排之特點作出估計。

收入確認如下：

###### (a) 貨品銷售

貨品銷售在本集團實體已將貨品交付予顧客，顧客接收產品後，以及有關應收款之收回可合理確保時確認。

當貨物還未運送給客戶，客戶之預付款被記錄在預收款帳目中。

###### (b) 租金收入

租金收入以直線法確認。

###### (c) 管理費收入

提供管理服務之收入於服務提供時確認。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### 2.18 Revenue recognition (Cont'd)

#### (d) Interest income

Interest income is recognised on a time proportion basis, using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

### 2.19 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period 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: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk, and liquidity risk. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury management (Group Treasury) under policies approved by the board of directors. Group Treasury identifies and evaluates financial risks in close co-operation with the Group's operating units.

## 2 重要會計政策摘要 (續)

### 2.18 收入確認 (續)

#### (d) 利息收入

利息收入採用實際利息法按時間比例基準確認。倘應收帳款出現減值，本集團會將帳面值減至可收回款額，即估計的未來現金流量按該工具之原有效利率貼現值，並繼續將貼現計算並確認為利息收入。已減值貸款之利息收入利用原實際利率確認。

### 2.19 股息分派

向本公司股東分派之股息在股息獲本公司股東批准之期間內於本集團之財務報表內列為負債。

## 3 財務風險管理

### 3.1 財務風險因素

本集團業務承受多種財務風險：市場風險（包括外幣風險、公平值利率風險，現金流量利率風險及價格風險）、信貸風險及流動資金風險。管理層管理及監控該等風險，以確保及時與有效地採取適當措施。本集團整體風險管理計劃專注於金融市場之不可預知性及尋求盡量減低其對本集團財務表現之潛在不利影響。

風險管理由中央司庫部（集團司庫）按照董事會批准之政策執行。集團司庫透過與集團營運單位之緊密合作，負責確定及評估財務風險。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3 FINANCIAL RISK MANAGEMENT (Cont'd)

##### 3.1 Financial risk factors (Cont'd)

(a) Market risk

(i) Foreign exchange risk

The Group operates primarily in Hong Kong and the PRC. It is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Renminbi and United States dollars. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure by using foreign exchange forward contracts when the need arises. As at 31 March 2008, the Group has not entered into significant forward foreign exchange contracts to mitigate the currency exposure.

At 31 March 2008, if Hong Kong dollars had weakened by 5% against the Renminbi with all other variables held constant, post-tax profit for the year would have been HK\$936,965 (2007: HK\$7,738,000) lower, mainly as a result of the net foreign exchange losses on translation of Renminbi-denominated other receivables, cash and cash equivalents and trade and other payables.

At 31 March 2008, if Hong Kong dollars had weakened by 2% against the United States dollars with all other variables held constant, post-tax profit for the year would have been HK\$9,782,000 (2007: HK\$10,914,000) higher, mainly as a result of net foreign exchange gains on translation of United States dollars-denominated trade receivables, cash and cash equivalents and trade payables. The Group considers the risk of movements in exchange rates between the Hong Kong dollars and the United States dollars to be insignificant as Hong Kong dollars and United States dollars are pegged.

(ii) Cash flow and fair value interest rate risk

As the Group has no other significant interest bearing assets, except for certain bank deposits, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

#### 3 財務風險管理 (續)

##### 3.1 財務風險因素 (續)

(a) 市場風險

(i) 外匯風險

本集團在香港及中國經營，故此承受多種因不同貨幣而產生之外匯風險。本集團主要承受人民幣及美元風險。外匯風險來自未來商業交易、已確認之資產和負債及在國外經營之投資淨額。

管理層監控外匯風險，並在需要時考慮使用遠期外匯合約對沖重大外幣風險。於二零零八年三月三十一日，本集團並未訂立重大遠期外匯合約以減輕貨幣風險。

於二零零八年三月三十一日，倘其他變動因素維持不變，港元兌人民幣貶值5%，年內稅後溢利將減少936,965港元（二零零七年：7,738,000港元）。此乃主要由於因換算以人民幣計值之其他應收帳款、現金及現金等價物及貿易及其他應付帳款而產生之淨外匯虧損所致。

於二零零八年三月三十一日，倘其他變動因素維持不變，港元兌美元貶值2%，年內稅後溢利將增加9,782,000港元（二零零七年：10,914,000港元）。此乃主要由於因換算以美元計值之貿易及其他應收帳款、及現金及現金等價物及貿易應付帳款而產生之淨外匯美元收益所致。由於港元與美元掛鈎，本集團認為港幣與美元之匯率波動風險不重大。

(ii) 現金流量及公平值利率風險

由於本集團並無重大計息資產，故本集團之收入和營運現金流量基本上不受市場利率之波動所影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (Cont'd)

#### 3.1 Financial risk factors (Cont'd)

##### (a) Market risk (Cont'd)

##### (ii) Cash flow and fair value interest rate risk (Cont'd)

The Group's interest rate risk arises from bank borrowings which are primarily issued at variable rates. Therefore, the Group is exposed to cash flow interest rate risk.

At 31 March 2008, with all other variables held constant, if the interest rate had increased/decreased by 50 basis-point, the corresponding increase/decrease in interest expenses on bank borrowings will result in a net decrease/increase in the Group's post-tax profit by approximately HK\$1,672,000 (2007: HK\$1,685,000).

##### (iii) Price risk

The Group has no significant investments classified as available for sales or at fair value through profit and loss, and thus is not exposed to any significant price risk.

##### (b) Credit risk

Credit risk is managed on a group basis. Credit risk mainly arises from financial assets and deposits with bank and financial institutions, as well as credit exposures to the customers, including outstanding trade and other receivables. For banks and financial institutions, only independent parties with high credit rating are accepted. Customers are assessed and rated based on the credit quality of the customers, taking into account their financial position, past experience and other factors. Trade and other receivables are assessed by reference to the historical information about counterparty default rates. Individual risk limits are set by management and the utilisation of credit limits is regularly monitored. No credit limit was exceeded during the year, and management does not expect any significant losses from non-performance by these relevant parties.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (a) 市場風險 (續)

##### (ii) 現金流量及公平值利率風險 (續)

本集團利率風險亦來自銀行借貸，部份以浮動利率發行，因而使本集團承受現金流量利率風險。

於二零零八年三月三十一日，其他所有變動因素維持不變，倘利率上調／下調50個基點，相應增加／減少之銀行借貸利息支出將使本集團稅後溢利淨減少／增加約1,672,000港元(二零零七年：1,685,000港元)。

##### (iii) 價格風險

本集團沒有重大投資分類為可供出售或按公平值透過損益記帳，因此沒有重大價格風險。

##### (b) 信貸風險

信貸風險是按照組合方式管理。信貸風險主要來自衍生金融工具，和銀行與財務機構之存款，亦有來自客戶之信貸風險，包括未償付之貿易及其他應收帳款。對於銀行和財務機構，只會接納信用評級良好之獨立方。若客戶沒有獨立評級，風險控制會評估客戶之信貸質素，並考慮其財務狀況、過往狀況和其他因素。評估貿易及其他應收帳款是參考過往拖欠比率之資料。個別風險限額會根據管理層所設定之限額依據內部或外部之評級制訂。信貸限額之使用會定期監察。在報告期內，並無信貸超出所定限額，而管理層亦不預期因此等對方任何不履約之行為而產生虧損。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3 FINANCIAL RISK MANAGEMENT (Cont'd)

##### 3.1 Financial risk factors (Cont'd)

###### (c) Liquidity risk

The Group adopts prudent liquidity risk management which includes maintaining sufficient bank balances and cash, having available funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

The table below analyses the Group's and the Company's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

#### 3 財務風險管理 (續)

##### 3.1 財務風險因素 (續)

###### (c) 流動資金風險

本集團採用審慎之流動資金風險管理，包括維持充足銀行結存及現金、透過取得充裕之承諾信貸融資獲得可動用資金以及平倉之能力。由於相關業務之多變性質，本集團致力保持承諾信貸可動用額度以維持資金供應之靈活性。

下表顯示本集團及本公司之財務負債，按照相關之到期組別，根據由結算日至合約到期日之剩餘期間進行分析。在表內披露之金額為合約性未貼現之現金流量。由於貼現之影響不大，故此在十二個月內到期之結存相等於其帳面值。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (Cont'd)

#### 3.1 Financial risk factors (Cont'd)

##### (c) Liquidity risk (Cont'd)

		Less than 1 year 少於一年 HK\$'000 千港元	Between 1 and 2 years 一至兩年 HK\$'000 千港元	Between 2 and 5 years 二至五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元
<b>Group</b>	<b>本集團</b>				
At 31 March 2008	於二零零八年 三月三十一日				
Trade and bills payables	貿易應付帳款及票據	351,379	-	-	-
Accrual and other payables	應計費用及其他應付 帳款	151,513	-	-	-
Bank borrowings	銀行借貸	216,561	70,000	118,700	-
Interest payables	應付利息	11,418	4,839	5,361	-
At 31 March 2007	於二零零七年 三月三十一日				
Trade and bills payables	貿易應付帳款及票據	451,605	-	-	-
Accrual and other payables	應計費用及其他應付 帳款	137,626	-	-	-
Bank borrowings	銀行借貸	317,702	45,875	45,000	-
Interest payables	應付利息	20,826	4,443	2,908	-

#### 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 equity holders 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 equity holders, or issue new shares.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (c) 流動資金風險 (續)

#### 3.2 資本風險管理

本集團資金管理之目標為保障本集團按持續經營基準繼續營運之能力，以為權益持有人帶來回報，同時兼顧其他利益相關者之利益，並維持最佳之資本結構以減低資金成本。

為維持或調整資本結構，本集團或會調整支予權益持有人之股息，或發行新股。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3 FINANCIAL RISK MANAGEMENT (Cont'd)

##### 3.2 Capital risk management (Cont'd)

Consistent with others in the industry, the Group monitors capital on the basis of the net gearing ratio. This ratio is calculated as net bank borrowings divided by total equity. Net bank borrowings are calculated as total bank borrowings less cash and cash equivalents.

The Group's strategy, which was unchanged from prior year, was to maintain an acceptable net gearing ratio. The net gearing ratios at 31 March 2008 and 2007 were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Total borrowings (Note 17)	總借貸(附註17)	405,261	408,577
Less: Cash and cash equivalents (Note 12)	減：現金及現金等值物 (附註12)	(353,140)	(267,280)
Net bank borrowings	銀行借貸淨值	52,121	141,297
Total equity	權益總值	675,841	556,622
Net gearing ratio	淨銀行借貸比率	8%	25%

##### 3.3 Fair value estimation

The carrying value less impairment provision (as applicable) 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)

##### 3.2 資本風險管理 (續)

與行業內其他公司一致，本集團根據淨銀行借貸比率監控資本。該比率按銀行借貸淨值除以權益總值。計算銀行借貸淨值為總借貸減去現金及現金等值物。

本集團之策略與往年不變，即秉承維持可接受之淨銀行借貸比率之策略。於二零零八年及二零零七年三月三十一日之淨銀行借貸比率如下：

##### 3.3 公平值估計

貿易應收帳款及應付帳款之帳面值扣除減值準備(如適用)被假定接近其公平值。作為披露目的之財務負債公平值之估計按未來合約現金流量以本集團類似金融工具可得當時市場利率貼現計算。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 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.

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) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation for its property, plant and equipment. The estimates are based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Management will increase the depreciation where useful lives are less than previously estimated lives. It will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable lives and therefore depreciation expense in future periods.

#### (b) Estimated impairment of receivables

The Group makes provision for impairment of receivables based on an assessment of the recoverability of the receivables. Provisions are applied to receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of impairment of receivables requires the use of judgment and estimates. Where the expectations are different from the original estimates, such differences will impact the carrying value of receivables and loss for the impairment of receivable is recognised in the years in which such estimates have been changed.

### 4 關鍵性之會計估計及判斷

估計和判斷會被持續評估，並根據過往經驗和其他因素進行評價，包括在有關情況下相信對未來事件之合理預測。

本集團對未來作出估計和假設。所得之會計估計如其定義，很少會與其實際結果相同。很大機會導致下個財政年度之資產和負債之帳面值作出重大調整之估計和假設討論如下。

#### (a) 物業、廠房及設備之使用年期

本集團管理層就其物業、廠房及設備釐定估計可使用年期及折舊費用。此估計是根據過往經驗於相同性質及功能之物業、廠房及設備之實際使用年期釐定。當早期估計之使用年期較寬多，管理層會增加折舊費用。已廢棄或售出之非策略性資產會被註銷或撇減。實際之經濟年期可能與估計之使用年期有差異。週期之檢討可能會對將來之年度折舊年期及折舊使用作出調整。

#### (b) 應收帳款之估計減值

本集團根據應收帳款之估計可收回程度就該等應收帳款計提減值準備。當事件發生或情況改變顯示不可能收回餘款時，則會就應收帳款計提準備。識別應收帳款減值需要作出判斷及估計。當預期金額與原定估計有差異時，則該差異將於估計出現變動期間內影響應收帳款之帳面值及減值虧損準備。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

##### (c) Estimated provision for inventories

Inventories are written down to net realisable value based on an assessment of the realisability of inventories. Write-downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

##### (d) Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. 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 關鍵性之會計估算及判斷 (續)

##### (c) 撇減存貨

根據存貨變現性之評估撇減存貨至可變現淨值。一旦事件發生或情況改變顯示存貨結餘可能未能變現時將被記錄為撇減。識別撇減需要作出判斷及估計。當預期之金額與原定估計有差異時則該差異將會於估計改變之期間內影響存貨之帳面值及存貨之撇減。

##### (d) 所得稅

本集團需要在多個司法權區繳納所得稅。在釐定全球所得稅準備時，需要作出重大判斷。在一般業務過程中，許多交易和計算所涉及之最終稅務釐定都不確定。本集團根據對是否需要繳付額外稅款之估計，就預期稅務審計項目確認負債。如此等事件之最終稅後果與最初記錄之金額不同，此等差額將影響作出此等釐定期間之所得稅和遞延稅準備。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 5 SEGMENT INFORMATION

##### (a) Primary reporting format – business segments

At 31 March 2008, the Group is principally engaged in the manufacture and sale of computer casings, office automation products, moulds, plastic and metal parts (together referred to as “Metal and Plastic Business”) and provision of electronic manufacturing services (“EMS Business”).

In accordance with the Group’s internal financial reporting, the Group has determined that major product segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

The segment results for the year ended 31 March 2008 are as follows:

#### 5 分部資料

##### (a) 基本報告形式 – 業務分部

於二零零八年三月三十一日本集團主要從事製造及銷售電腦外殼、辦公室文儀產品、模具、塑膠及金屬部件(統稱「五金塑膠業務」)及提供電子專業代工服務(「電子專業代工業務」)。

依據本集團之內部財務報告，本集團決定以主要產品分部為基本報告形式及以地區分部為次要報告形式呈列。

截至二零零八年三月三十一日年度止之分部業績如下：

		2008 二零零八年			
		Metal and plastic business 五金塑膠 業務 HK\$'000 千港元	Electronic manufacturing services business 電子專業 代工業務 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Segment revenues	分部收入				
Total segment revenue	分部收入總額	1,419,684	1,478,407	3,007	2,901,098
Inter-segment revenue	分部間收入	(98,124)	-	-	(98,124)
Revenue	收入	1,321,560	1,478,407	3,007	2,802,974
Segment results	分部業績	48,127	(24,264)	3,007	26,870
Finance income	財務收入				14,853
Finance costs	財務成本				(20,071)
Profit before taxation	除稅前溢利				21,652
Taxation	稅項				(8,504)
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利				13,148

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 5 SEGMENT INFORMATION (Cont'd)

##### (a) Primary reporting format – business segments (Cont'd)

#### 5 分部資料 (續)

##### (a) 基本報告形式 – 業務分部 (續)

		2007 二零零七年			
		Metal and plastic business 五金塑膠 業務 HK\$'000 千港元	Electronic manufacturing services business 電子專業 代工業務 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Segment revenues	分部收入				
Total segment revenue	分部收入總額	1,605,146	1,839,112	8,067	3,452,325
Inter-segment revenue	分部間收入	(124,228)	–	–	(124,228)
Revenue	收入	1,480,918	1,839,112	8,067	3,328,097
Segment results	分部業績	132,270	10,057	8,067	150,394
Finance income	財務收入				11,104
Finance costs	財務成本				(23,764)
Profit before taxation	除稅前溢利				137,734
Taxation	稅項				(12,806)
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利				124,928

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 5 SEGMENT INFORMATION (Cont'd)

#### (a) Primary reporting format – business segments (Cont'd)

Other segment items included in the consolidated income statement are as follows:

		2008 二零零八年		
		Metal and plastic business 五金塑膠 業務 HK\$'000 千港元	Electronic manufacturing services business 電子專業 代工業務 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Depreciation	折舊	40,534	18,860	59,394
Amortisation	攤銷	557	497	1,054
Provision for impairment of trade and other receivables	貿易及其他應收帳減值 準備	774	1,821	2,595
Write-back of provision for obsolete and slow- moving inventories	陳舊及滯銷存貨準備 之回撥	(5,193)	(6,277)	(11,470)

		2007 二零零七年		
		Metal and plastic business 五金塑膠 業務 HK\$'000 千港元	Electronic manufacturing services business 電子專業 代工業務 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Depreciation	折舊	36,865	16,113	52,978
Amortisation	攤銷	515	535	1,050
Provision for/(write-back of provision for) impairment of trade and other receivables	貿易及其他應收帳減值 準備/(準備之回撥)	548	(22)	526
(Write-back of provision)/provision for obsolete and slow-moving inventories	陳舊及滯銷存貨(準備 之回撥)/準備	(15)	15	-

### 5 分部資料 (續)

#### (a) 基本報告形式 – 業務分部 (續)

其他分部項目包括在綜合損益表內如下：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 5 SEGMENT INFORMATION (Cont'd)

##### (a) Primary reporting format – business segments (Cont'd)

The segment assets and liabilities at 31 March 2008 and capital expenditure for the year ended are as follows:

		2008 二零零八年		
		Metal and plastic business 五金塑膠 業務 HK\$'000 千港元	Electronic manufacturing services business 電子專業 代工業務 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Segment assets	分部資產	827,892	484,307	1,312,199
Unallocated assets	未攤分資產			344,618
Total assets	資產總值			1,656,817
Segment liabilities	分部負債	367,767	259,133	626,900
Unallocated liabilities	未攤分負債			354,076
Total liabilities	負債總值			980,976
Capital expenditures	資本費用	107,668	64,461	172,129

		2007 二零零七年		
		Metal and plastic business 五金塑膠 業務 HK\$'000 千港元	Electronic manufacturing services business 電子專業 代工業務 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Segment assets	分部資產	810,922	693,229	1,504,151
Unallocated assets	未攤分資產			117,216
Total assets	資產總值			1,621,367
Segment liabilities	分部負債	343,308	408,351	751,659
Unallocated liabilities	未攤分負債			313,086
Total liabilities	負債總值			1,064,745
Capital expenditures	資本費用	53,173	38,452	91,625

#### 5 分部資料 (續)

##### (a) 基本報告形式 – 業務分部 (續)

於二零零八年三月三十一日之分部資產和負債以及截至該日止年度之資產費用如下：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 5 SEGMENT INFORMATION (Cont'd)

#### (a) Primary reporting format – business segments (Cont'd)

Segment assets consist primarily of property, plant and equipment, inventories, trade and other receivables, and cash and bank balances. Unallocated assets include prepaid tax, deferred tax assets and interest in associated companies.

Segment liabilities comprise operating liabilities. Unallocated liabilities include items such as taxation payable and deferred tax liabilities.

Capital expenditure comprises additions to leasehold land and land use rights (Note 6) and property, plant and equipment (Note 7).

#### (b) Secondary reporting segments – geographical segments

The Group's revenues are mainly derived from customers located in Japan, Hong Kong, China, Asia (excluding Japan, Hong Kong and China), North America and Western Europe.

### 5 分部資料 (續)

#### (a) 基本報告形式 – 業務分部 (續)

分部資產主要包括物業、機器及設備、存貨、貿易及其他應收帳、及現金及銀行結存。未分配資產包括預付稅項、遞延稅項資產及於聯營公司之權益。

分部負債包括經營負債。未分配負債包括應付稅項及遞延稅項負債。

資本費用包括添置租賃土地及土地使用權(附註6)及物業、廠房及設備(附註7)。

#### (b) 次要報告形式 – 地區分部

本集團之收入地點／國家主要為日本、香港、中國、亞洲(不包括日本、香港及中國)、北美及西歐。

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Revenue	收入		
Japan	日本	<b>252,894</b>	259,253
Hong Kong	香港	<b>84,018</b>	83,788
China	中國	<b>741,178</b>	745,730
Asia (excluding Japan, Hong Kong, China)	亞洲(不包括日本、香港及中國)	<b>636,698</b>	591,082
North America	北美洲	<b>284,213</b>	477,525
Western Europe	西歐	<b>803,973</b>	1,170,719
Total	總值	<b>2,802,974</b>	3,328,097

Revenue is allocated based on the country in which the final destination of shipment is located.

收入根據最終付運目的地所在國家分配。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 5 SEGMENT INFORMATION (Cont'd)

##### (b) Secondary reporting segments – geographical segments (Cont'd)

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Segment assets	分部資產		
Japan	日本	1,251	–
Hong Kong	香港	787,331	821,951
China	中國	819,189	725,647
North America	北美洲	25,912	25,799
Western Europe	西歐	23,134	47,970
Total	總值	<b>1,656,817</b>	1,621,367

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

#### 5 分部資料 (續)

##### (b) 次要報告形式 – 地區分部 (續)

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Segment assets	分部資產		
Japan	日本	1,251	–
Hong Kong	香港	787,331	821,951
China	中國	819,189	725,647
North America	北美洲	25,912	25,799
Western Europe	西歐	23,134	47,970
Total	總值	<b>1,656,817</b>	1,621,367

分部資產根據資產所在地點分配。

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Capital expenditure	資本費用		
Hong Kong	香港	3,139	2,351
China	中國	168,974	89,245
North America	北美洲	2	3
Western Europe	西歐	14	26
Total	總值	<b>172,129</b>	91,625

Capital expenditure is allocated based on where the assets are located.

資本費用根據資產所在地點分配。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 6 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:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Net book amount at beginning of the year	年初帳面淨值	47,927	48,560
Addition	添置	-	417
Amortisation	攤銷	(1,054)	(1,050)
Net book amount at end of the year	年底帳面淨值	46,873	47,927
Cost	成本	52,187	52,187
Accumulated amortisation	累積攤銷	(5,314)	(4,260)
Net book amount at end of the year	年底帳面淨值	46,873	47,927
Leases of 10 to 50 years in Hong Kong	香港－租賃由10至50年	1,063	1,091
Leases of 10 to 50 years in Mainland China	中國－租賃由10至50年	44,841	45,850
Leases of over 50 years in Mainland China	中國－租賃由50年以上	969	986
		<b>46,873</b>	47,927

The leasehold land located in Hong Kong are held under medium-term leases expiring in June 2047. The leasehold land located in Mainland China are held under land use rights of 45 to 57 years expiring in April 2043 to October 2062.

#### 6 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指預付經營租賃款項，按其帳面淨值分析如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Net book amount at beginning of the year	年初帳面淨值	47,927	48,560
Addition	添置	-	417
Amortisation	攤銷	(1,054)	(1,050)
Net book amount at end of the year	年底帳面淨值	46,873	47,927
Cost	成本	52,187	52,187
Accumulated amortisation	累積攤銷	(5,314)	(4,260)
Net book amount at end of the year	年底帳面淨值	46,873	47,927
Leases of 10 to 50 years in Hong Kong	香港－租賃由10至50年	1,063	1,091
Leases of 10 to 50 years in Mainland China	中國－租賃由10至50年	44,841	45,850
Leases of over 50 years in Mainland China	中國－租賃由50年以上	969	986
		<b>46,873</b>	47,927

在香港之租賃土地乃根據至二零四七年六月約滿之中期租賃而持有。在中國之租賃土地乃根據為期四十五至五十七年（即延至二零四三年四月至二零六二年十月止）之土地使用權而持有。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 7 PROPERTY, PLANT AND EQUIPMENT

#### 7 物業、廠房及設備

##### (a) Group

##### (a) 本集團

		Buildings	Construction- in-progress	Leasehold improvements and fixtures	Machinery	Moulds and tooling	Furniture and computer equipment	Total
		樓宇	在建工程	物業裝修	機器	模具及工具	傢俬及 電腦設備	合共
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>At 31 March 2006</b>	<b>二零零六年三月三十一日</b>							
Cost	成本	102,539	29,138	53,397	326,650	21,641	36,587	569,952
Accumulated depreciation	累積折舊	(19,429)	-	(27,269)	(244,559)	(17,082)	(29,575)	(337,914)
Net book amount	帳面淨值	83,110	29,138	26,128	82,091	4,559	7,012	232,038
<b>Year ended 31 March 2007</b>	<b>截至二零零七年 三月三十一日止年度</b>							
Opening net book amount	期初帳面淨值	83,110	29,138	26,128	82,091	4,559	7,012	232,038
Additions	添置	25,045	14,172	8,362	33,741	3,529	6,359	91,208
Transfer in/(out)	轉入/(出)	30,555	(30,614)	-	-	-	59	-
Disposals	出售	-	-	-	(1,112)	(1)	(5)	(1,118)
Depreciation	折舊	(9,885)	-	(6,473)	(30,460)	(1,550)	(4,610)	(52,978)
Closing net book amount	期末帳面淨值	128,825	12,696	28,017	84,260	6,537	8,815	269,150
<b>At 31 March 2007</b>	<b>二零零七年三月三十一日</b>							
Cost	成本	158,139	12,696	61,759	355,981	24,900	41,880	655,355
Accumulated depreciation	累積折舊	(29,314)	-	(33,742)	(271,721)	(18,363)	(33,065)	(386,205)
Net book amount	帳面淨值	128,825	12,696	28,017	84,260	6,537	8,815	269,150
<b>Year ended 31 March 2008</b>	<b>截至二零零八年 三月三十一日止年度</b>							
Opening net book amount	期初帳面淨值	128,825	12,696	28,017	84,260	6,537	8,815	269,150
Additions	添置	54,359	30,671	18,738	56,093	3,602	8,666	172,129
Transfer in/(out)	轉入/(出)	11,714	(13,757)	2,043	-	-	-	-
Disposals	出售	-	(2,944)	(116)	(484)	-	(13)	(3,557)
Depreciation	折舊	(11,332)	-	(7,716)	(32,299)	(1,985)	(6,062)	(59,394)
Closing net book amount	期末帳面淨值	183,566	26,666	40,966	107,570	8,154	11,406	378,328
<b>At 31 March 2008</b>	<b>二零零八年三月三十一日</b>							
Cost	成本	224,212	26,666	82,424	407,518	28,383	50,135	819,338
Accumulated depreciation	累積折舊	(40,646)	-	(41,458)	(299,948)	(20,229)	(38,729)	(441,010)
Net book amount	帳面淨值	183,566	26,666	40,966	107,570	8,154	11,406	378,328



## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 7 PROPERTY, PLANT AND EQUIPMENT

(Cont'd)

#### (a) Group (Cont'd)

Depreciation expense of HK\$56,893,000 (2007: HK\$50,964,000) has been taken to cost of sales, and HK\$2,501,000 (2007: HK\$2,014,000) to general and administrative expenses.

(b) The Group's interests in buildings at their net book values are analysed as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Buildings in Hong Kong, held on leases of between 10 to 50 years	於香港持有樓宇10至50年期之租賃	2,173	2,251
Buildings in Mainland China, held on leases of between 10 to 50 years	於中國持有樓宇10至50年期之租賃	178,866	123,994
Buildings in Mainland China, held on leases over 50 years	於中國持有樓宇多過50年期之租賃	2,527	2,580
		<b>183,566</b>	128,825

### 8 INVESTMENT IN SUBSIDIARIES

### 7 物業、廠房及設備 (續)

#### (a) 本集團 (續)

折舊中56,893,000港元(二零零七年: 50,964,000港元)已在銷售成本支銷及2,501,000港元(二零零七年: 2,014,000港元)計入一般及行政費用。

(b) 本集團在樓宇之權益按其帳面淨值分析如下:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份之成本值	193,285	193,285
Less: Provision for impairment of investment in subsidiaries	減: 於附屬公司之投資減值準備	(3,087)	(3,087)
Amounts due from subsidiaries	應收附屬公司帳款	190,198 <b>310,328</b>	190,198 213,297
		<b>500,526</b>	403,495

### 8 於附屬公司之投資

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份之成本值	193,285	193,285
Less: Provision for impairment of investment in subsidiaries	減: 於附屬公司之投資減值準備	(3,087)	(3,087)
Amounts due from subsidiaries	應收附屬公司帳款	190,198 <b>310,328</b>	190,198 213,297
		<b>500,526</b>	403,495

Amounts due from subsidiaries represent funding by the Company to the respective subsidiaries and are denominated in HK dollars.

應收附屬公司帳款代表本公司注資於各附屬公司及以港幣為單位。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 8 INVESTMENT IN SUBSIDIARIES (Cont'd)

Particulars of the principal subsidiaries as at 31 March 2008 are:

#### 8 於附屬公司之投資 (續)

於二零零八年三月三十一日主要附屬公司之資料：

Name	Place of incorporation/ establishment and types of legal entity	Principal activities and place of operation	Particulars of issued/registered share capital	Interest held
名稱	註冊成立地點及法定實體類別	主要業務及營運地點	已發行及註冊股本	權益持有
Karrie International (B.V.I.) Limited	The British Virgin Islands, limited liability company 英屬處女群島有限責任公司	Investment holding in the British Virgin Islands 投資控股，英屬處女群島	Ordinary(i) US\$100 普通股(i) 100美元	100%
Castfast Industrial Company Limited 嘉輝塑膠五金有限公司	Hong Kong, limited liability company 香港有限責任公司	Plastic injection moulding operations in Hong Kong 塑膠注模經營，香港	Ordinary HK\$100 普通股100港元 Non-voting deferred (ii) HK\$990,200 無投票權遞延股(ii) 990,200港元	100% -
Castfast Industrial (Yan Tien) Limited 雁田嘉輝塑膠五金廠有限公司	Hong Kong, limited liability company 香港有限責任公司	Manufacture of computer casings, office automation products, moulds and plastic and metal parts; provision of electronic manufacturing services, property holding and investment holding in Mainland China 製造電腦外殼、辦公室文儀產品、模具及塑膠與金屬部件；提供電子專業代工服務，持有物業及投資控股，中國	Ordinary HK\$100 普通股100港元 Non-voting deferred (ii) HK\$10,000 無投票權遞延股(ii) 10,000港元	100% -

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 8 INVESTMENT IN SUBSIDIARIES (Cont'd)

### 8 於附屬公司之投資 (續)

Name 名稱	Place of incorporation/ establishment and types of legal entity 註冊成立地點及 法定實體類別	Principal activities and place of operation 主要業務及營運地點	Particulars of issued/registered share capital 已發行及註冊股本	Interest held 權益持有
Castfast Magnetics Moulding Limited 嘉輝磁電工模廠 有限公司	Hong Kong, limited liability company 香港有限責任公司	Manufacture of plastic injection moulds and metal stamping dies in Hong Kong 製造注塑模具及金屬沖壓 模具，香港	Ordinary HK\$10 普通股10港元 Non-voting deferred (ii) HK\$30,000 無投票權遞延股(ii) 30,000港元	100%  -
Dongguan Yanxun Electronics Company Limited 東莞雁訊電子有限公司	Mainland China, sino-foreign joint venture 中國中外合資企業	Manufacture of computer casings, video cassette housings, office automation products and plastic and metal parts in Mainland China 製造電腦外殼、錄影帶外殼 、辦公室文儀產品及塑膠及 金屬部件，中國	Registered capital HK\$4,500,000 註冊資本 4,500,000港元	85%
Grandway Investment (Group) Limited 嘉惠投資(集團)有限 公司	Hong Kong, limited liability company 香港有限責任公司	Investment Holding in Mainland China 投資控股，中國	Ordinary HK\$1 普通股1港元	100%
Hong Kong Hung Hing Metal Manufacturing Company Limited 香港雄興金屬製品 有限公司	Hong Kong, limited liability company 香港有限責任公司	Manufacture and sale of metal parts in Hong Kong 製造及銷售金屬部件，香港	Ordinary HK\$100 普通股100港元 Non-voting deferred (ii) HK\$250,000 無投票權遞延股(ii) 250,000港元	100%  -
Jiang Su Castfast Electronic Technologies Company Limited 江蘇嘉輝電子科技 有限公司	Mainland China, wholly-owned foreign enterprise 中國全資擁有外國企業	Property holding in Mainland China 持有物業，中國	Registered capital US\$20,000,000 註冊資本20,000,000美元 Paid in capital US\$12,000,000 已繳資本12,000,000美元	100%

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 8 INVESTMENT IN SUBSIDIARIES (Cont'd)

#### 8 於附屬公司之投資 (續)

Name	Place of incorporation/ establishment and types of legal entity	Principal activities and place of operation	Particulars of issued/registered share capital	Interest held
名稱	註冊成立地點及法定實體類別	主要業務及營運地點	已發行及註冊股本	權益持有
Karrie Creation Limited (Formerly known as Karrie (Video) Industrial Company Limited) 嘉利創建有限公司(前名為嘉利工業有限公司)	Hong Kong, limited liability company 香港有限責任公司	Inactive 暫無營業	Ordinary HK\$1,000 普通股1,000港元 Non-voting deferred (ii) HK\$1,000,000 無投票權遞延股(ii) 1,000,000港元	100% -
Karrie Industrial Company Limited 嘉利產品有限公司	Hong Kong, limited liability company 香港有限責任公司	Manufacture and sale of video cassette housings, sale of computer casings and office automation products, plastic and metal parts, and sales of moulds in Hong Kong 製造及銷售錄影帶外殼；銷售電腦外殼、辦公室文儀產品、塑膠及金屬部件及銷售模具，香港	Ordinary HK\$1,000 普通股1,000港元 Non-voting deferred (ii) HK\$5,000,000 無投票權遞延股(ii) 5,000,000港元	100% -
Karrie Investment Holdings Limited (Formerly known as Karrie Industrial Holdings Limited) 嘉利投資控股有限公司 (前名為Karrie Industrial Holdings Limited)	Hong Kong, limited liability company 香港有限責任公司	Inactive 暫無營業	Ordinary HK\$10 普通股10港元 Non-voting deferred (ii) HK\$2 無投票權遞延股(ii) 2港元	100% -
Karrie Logistic Company Limited 嘉利物流有限公司	Hong Kong, limited liability company 香港有限責任公司	Investment holding in Mainland China 投資控股，中國	Ordinary HK\$2 普通股2港元	100%

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 8 INVESTMENT IN SUBSIDIARIES (Cont'd)

### 8 於附屬公司之投資 (續)

Name 名稱	Place of incorporation/ establishment and types of legal entity 註冊成立地點及 法定實體類別	Principal activities and place of operation 主要業務及營運地點	Particulars of issued/registered share capital 已發行及註冊股本	Interest held 權益持有
Karrie Technologies Company Limited 嘉利環球科技有限公司	Hong Kong, limited liability company 香港有限責任公司	Provision of electronic manufacturing services and sales of moulds in Hong Kong 提供電子專業代工服務及 銷售模具，香港	Ordinary HK\$30,000,000 普通股30,000,000港元	100%
Karpo Technologies Limited 嘉寶科技有限公司	Hong Kong, limited liability company 香港有限責任公司	Investment holding in Mainland China 投資控股，中國	Ordinary HK\$1,000 普通股1,000港元 Non-voting deferred (ii) HK\$1,000,000 無投票權遞延股(ii) 1,000,000港元	100%  -
Kartech Investment Group Limited 嘉達投資集團 有限公司	Hong Kong, limited liability company 香港有限責任公司	Inactive 暫無營業	Ordinary HK\$1 普通股1港元	100%
Karwin Electronic Technologies (Suzhou) Company Limited 嘉運電子科技(蘇州) 有限公司	Mainland China, wholly-owned foreign enterprise 中國全資擁有外國企業	Inactive 暫無營業	Registered capital US\$3,000,000 註冊資本 3,000,000美元	100%
Karwin Engineering Company Limited 嘉運機械工程有限公司	Hong Kong, limited liability company 香港有限責任公司	Design, manufacture and sale of computer casings, office automation products; manufacture and sale of plastic and metal parts and sale of moulds in Hong Kong 設計、製造及銷售電腦外殼、 辦公室文儀產品；製造及銷售塑膠 及金屬部件及銷售模具，香港	Ordinary HK\$10 普通股10港元 Non-voting deferred (ii) HK\$100 無投票權遞延股(ii) 100港元	100%  -

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 8 INVESTMENT IN SUBSIDIARIES (Cont'd)

#### 8 於附屬公司之投資 (續)

Name	Place of incorporation/ establishment and types of legal entity	Principal activities and place of operation	Particulars of issued/registered share capital	Interest held
名稱	註冊成立地點及法定實體類別	主要業務及營運地點	已發行及註冊股本	權益持有
Karwin Technologies Incorporation	The United States of America, limited liability company 美國有限責任公司	Provision of consultancy services to group companies in the United States of America 提供顧問服務予本集團公司，美國	Ordinary US\$100 普通股100美元	100%
Kings Dragon Investment (HK) Limited 勁龍投資(香港)有限公司	Hong Kong, limited liability company 香港有限責任公司	Investment holding in Hong Kong 投資控股，香港	Ordinary HK\$2 普通股2港元	100%
Kings Horse Investment Limited 勁馬投資有限公司	Hong Kong, limited liability company 香港有限責任公司	Property holding in Hong Kong 持有物業，香港	Ordinary HK\$10 普通股10港元 Non-voting deferred (ii) HK\$10,000 無投票權遞延股(ii) 10,000港元	100% —
Kwong Hing Computer Metallic Components Limited 廣興電腦金屬配件有限公司	Hong Kong, limited liability company 香港有限責任公司	Property holding in Mainland China 持有物業，中國	Ordinary HK\$100 普通股100港元 Non-voting deferred (ii) HK\$1,250,010 無投票權遞延股(ii) 1,250,010港元	100% —
東莞嘉寶電子實業有限公司	Mainland China, wholly-owned foreign enterprise 中國全資擁有外國企業	Property holding in Mainland China 投資控股，中國	Registered capital HK\$24,000,000/ paid in capital HK\$24,000,0000 註冊資本24,000,000港元/ 已繳資本24,000,000港元	100%

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 8 INVESTMENT IN SUBSIDIARIES (Cont'd)

Note:

- (i) The shares of Karrie International (B.V.I.) Limited are held directly by the Company. The shares of other subsidiaries are held indirectly.
- (ii) The non-voting deferred shares are not owned by the Group. These shares have no voting rights, are not entitled to dividends, and are not entitled to distributions upon winding up unless a sum of HK\$200,000,000,000 has been distributed by the relevant companies to holders of the ordinary shares.
- (iii) Dongguan Yanxun Electronics Company Limited ("DYECL") is a co-operative joint venture established in Mainland China with an operating period of 15 years up to May 2010. Pursuant to an agreement dated 24 October 1995, the Mainland China joint venture partner of DYECL (the "joint venture partner") has agreed to waive its entitlement to share the profit of DYECL in return for a pre-determined annual fee. Upon expiry of the operating period, the Group and the joint venture partner are entitled to a distribution of assets in accordance with their respective equity interests.

None of the subsidiaries had any loan capital in issue at any time during the year ended 31 March 2008.

#### 9 INVESTMENTS IN ASSOCIATED COMPANIES – GROUP

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份之成本值	12,400	12,000
Share of net assets	分攤資產淨值		
Beginning of the year	年初	–	–
Investment in an associated company	於聯營公司之投資	400	–
Share of loss of associated companies	分攤於聯營公司之虧損	–	–
End of the year	年底	400	–
Due (to)/from associated companies	(應付) / 應收聯營公司帳款	(811)	8,770

The outstanding balances with the associated companies are unsecured, non-interest bearing and repayable on demand, and are denominated in HK dollars.

#### 8 於附屬公司之投資 (續)

附註:

- (i) Karrie International (B.V.I.) Limited 之股份乃本公司直接持有。其他附屬公司之股份乃本公司間接持有。
- (ii) 無投票權遞延股份並非由本集團所擁有。這些股份無投票權，亦無權分享股息。除非相關公司在清盤時向其普通股股東派發之總額超過200,000,000,000港元；否則該等股份無權分享任何分派。
- (iii) 東莞雁訊電子有限公司(「東莞雁訊」)乃於中國成立之合資企業，其合營期為十五年，於二零一零年五月屆滿。根據一份於一九九五年十月二十四日簽定之協議，東莞雁訊之中方合夥人同意放棄其分享東莞雁訊溢利之權益，以換取一項預定之年費。到合營期終止時，本集團與中方合夥人可獲得按各權益而分攤之資產。

於截至二零零八年三月三十一日止年度內各附屬公司均無任何已發行之借貸資本。

#### 9 於聯營公司之權益 – 本集團

該些聯營公司尚未償還之帳款為無抵押，不計利息，並在要求時償還，及以港幣為單位。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 9 INVESTMENTS IN ASSOCIATED COMPANIES – GROUP (Cont'd)

Particulars of the associated companies held by the Group at 31 March 2008 are as follows:

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊／成立地點及 法定實體類別	Principal activities and place of operation 主要業務 及紅營地點	Particulars of issued/registered share capital 已發行及／ 註冊股本	Interest held 權益持有
NEC Nagano Karrie Electronics Limited(i) 長野日本電氣嘉利電子有限公司(i)	Hong Kong limited liability company 香港有限責任公司	Inactive 暫無營業	Ordinary HK\$20,000,000 普通股20,000,000港元	30%
Dongguan Naganichi Karrie Electronics Limited(i) 東莞長嘉電子有限公司(i)	Mainland China, sino-foreign joint venture 中國中外合資企業	Inactive 暫無營業	Registered capital HK\$29,600,000 註冊資本29,600,000港元	30%
Xiongguan Precision Metal Product Company Limited(ii) 雄冠精密五金製品有限公司(ii)	Hong Kong, limited liability company 香港有限責任公司	Trading of metal product 經營五金製品貿易	Ordinary HK\$1,000,000 普通股1,000,000港元	40%

i The shares of NEC Nagano Karrie Electronics Limited are indirectly held by the Group. Dongguan Naganichi Karrie Electronics Limited is a wholly owned subsidiary of NEC Nagano Karrie Electronics Limited.

ii The shares of Xiongguan Precision Metal Product Company Limited are indirectly held by the Group.

#### 9 於聯營公司之權益－本集團 (續)

於二零零八年三月三十一日本集團間接持有之聯營公司之資料：

i 長野日本電氣嘉利電子有限公司之股份乃本公司間接持有。東莞長嘉電子有限公司乃長野日本電氣嘉利電子有限公司之全資附屬公司。

ii 雄冠精密五金製品有限公司之股份乃本公司間接持有。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 10 TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 10 貿易應收帳款、預付款、按金及其他應收帳款

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade receivables	貿易應收帳款	441,839	619,352
Other receivables	其他應收帳款	122,796	21,599
		<b>564,635</b>	640,951
Less: Provision for impairment of trade and other receivables	減：貿易應收帳款減值準備	<b>(11,097)</b>	(8,502)
		<b>553,538</b>	632,449
Prepayments	預付款	4,598	10,295
Deposits	按金	24,018	3,121
		<b>28,616</b>	13,416
		<b>582,154</b>	645,865

The Group generally grants credit periods ranging from 30 to 120 days. Aging analysis of trade and other receivables is as follows:

本集團一般給予客戶之數期由30日至120日。貿易應收帳帳齡分析如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
0 to 90 days	0至90日	547,193	565,628
91 to 180 days	91至180日	11,236	20,699
181 to 360 days	181至360日	3,479	51,388
Over 360 days	360日以上	2,727	3,236
		<b>564,635</b>	640,951

The carrying amounts of trade receivables, prepayments, deposits and other receivables approximate their fair values due to their short term maturities.

由於到期日較短，貿易應收帳款之帳面價值與其公平價值相近。

There is a concentration of credit risk with respect to trade receivables as the Group's sales are made primarily to few key customers. As at 31 March 2008, the trade receivables from five largest customers accounted for approximately 83% (2007: 85%) of the above total trade receivables.

因本集團業務集中在數個主要之客戶，故本集團需要面對集中信貸之風險。於二零零八年三月三十一日，五大客戶之貿易應收帳款佔以上總貿易應收帳款約83%（二零零七年：85%）。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 10 TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(Cont'd)

The Group has made a provision for impairment of trade and other receivables of HK\$2,595,000 during the year ended 31 March 2008 (2007: HK\$526,000). Such provision was included in general and administration expenses in the consolidated income statement.

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

#### 10 貿易應收帳款、預付款、按金及其他應收帳款(續)

截止二零零八年三月三十一日止年度內，本集團貿易及其他應收帳款減值準備為2,595,000港元(二零零七年：526,000港元)，該減值準備已包括一般及行政費用，並在綜合損益表支銷。

本集團之貿易及其他應收帳款面值以下列貨幣為單位：

		<b>2008</b>	2007
		<b>二零零八年</b>	二零零七年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Trade and other receivables	貿易及其他應收帳款		
– HK dollar	– 港幣	<b>18,002</b>	20,775
– US dollar	– 美元	<b>427,954</b>	602,594
– Singapore dollar	– 星加坡幣	<b>1,304</b>	8,000
– Renminbi	– 人民幣	<b>117,375</b>	9,582
		<b>564,635</b>	640,951

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 10 TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(Cont'd)

Movement in the provision for impairment of trade and other receivables is as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Beginning of the year	年初	8,502	8,011
Provision for receivable impairment (included in general and administrative expenses)	應收帳款 減值準備(包 括一般及行政 費用)	2,595	526
Unused amounts reversed	未用金額轉回	-	(35)
End of the year	年底	11,097	8,502

The creation and release of provision for impairment receivables have been included in general and administrative expense in the income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. The directors are of the opinion that adequate provision for uncollectible trade receivables has been made in the consolidated financial statements.

Trade receivables that are less than three months past due are not considered as impaired except for customers which are in unexpected difficult economic situations.

As of 31 March, 2008, trade receivables of HK\$45,865,000 (2007: HK\$96,199,000) were past due but not impaired. These relates to a number of independent customers for whom there is no recent history of default. The aging of these trade receivables are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
0 to 90 days	0至90日	43,191	47,885
91 to 180 days	91至180日	1,983	40,247
181 to 360 days	181至360日	201	7,301
Over 360 days	360日以上	490	766
		45,865	96,199

### 10 貿易應收帳款、預付款、按金及其他應收帳款(續)

貿易及其他應收帳款減值準備之變動如下：

對已減值應收帳款之設立和回撥已包括在損益表中一般及行政費用。在準備帳戶中扣除之數額一般會在預期無法收回額外現金時撇銷。董事之意見，不能收回之貿易應收帳款已在綜合財務報表作出足夠準備。

逾期少於三個月之貿易應收帳款不被視為經已減值，除非個別減值之應收帳款主要與陷入無法預期之經營困境情況之客戶有關。

於二零零八年三月三十一日，貿易應收帳款45,865,000港元(2007：96,199,000港元)經已逾期但並無減值。此等款項涉及多個最近沒有拖欠還款記錄之獨立客戶。此等貿易應收帳款之帳齡分析如下：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 10 TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(Cont'd)

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables, prepayments, deposits and other receivables stated above. The Group did not hold any collateral as security.

The credit quality of trade receivables, prepayments, deposits and other receivables that are neither past due nor impaired has been assessed by reference to the historical information about counterparty default rates. The existing counterparties do not have significant defaults in the past.

#### 11 INVENTORIES

Raw materials	原材料
Work-in-progress	半製成品
Finished goods	製成品

The cost of inventories recognised as expense and included in cost of sales amounted to HK\$2,256,203,000 (2007: HK\$2,689,656,000).

During the year, the Group has written-back the provision for slow-moving inventories for an amount of approximately HK\$11,470,000 (2007: Nil).

#### 10 貿易應收帳款、預付款、按金及其他應收帳款(續)

於報告日，信貸風險之最高承擔為上述應收帳款、預付款、按金及其他應收帳款之帳面值。本集團沒有持有任何作為質押之抵押品。

根據過往客戶拖欠率對貿易應收帳款、預付款、按金及其他應收帳款之信貸質素作出評估，現時之客戶在過去沒有重大之拖欠記錄。

#### 11 存貨

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Raw materials	原材料	128,689	190,776
Work-in-progress	半製成品	38,586	39,472
Finished goods	製成品	97,077	144,726
		<b>264,352</b>	374,974

存貨成本確認為費用並列入銷售成本之金額為2,256,203,000港元(二零零七年：2,689,656,000港元)。

本集團於本年度回撥陳舊及滯銷存貨準備為之金額約為11,470,000港元(二零零七年：無)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 12 CASH AND BANK BALANCES

### 12 現金及銀行結存

		Group 本集團		Company 本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cash at bank and on hand	銀行存款及現金	73,880	52,308	428	118
Short-term bank deposits	短期銀行存款	279,260	214,972	-	-
		<b>353,140</b>	267,280	<b>428</b>	118
Maximum exposure to credit risk	信貸風險之最高承擔	<b>351,804</b>	266,387	<b>428</b>	118

Cash and bank balances were denominated in the following currencies:

現金及銀行結存以下列貨幣為單位：

		Group 本集團		Company 本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
HK dollar	港幣	14,519	6,666	428	118
US dollar	美元	303,693	246,417	-	-
Renminbi	人民幣	13,922	2,819	-	-
Singapore dollar	星加坡幣	20,697	10,096	-	-
Others	其他貨幣	309	1,282	-	-
		<b>353,140</b>	267,280	<b>428</b>	118

The effective interest rate on short-term bank deposits, with maturity within 3 months, was 2.56% (2007: 4.45%) per annum during the year ended 31 March 2008. Cash at bank earns interest at floating rates based on daily bank deposit rates.

截至二零零八年三月三十一日止年度內，到期日為三個月內之短期銀行存款之實際年利率為2.56% (二零零七年：4.45%)。銀行存款利息收入以每日銀行存款利率浮息計算。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 12 CASH AND BANK BALANCES (Cont'd)

For the purposes of the cash flow statement, cash and cash equivalent and bank overdrafts comprise the followings:

		Group 本集團		Company 本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cash and bank balances	現金及銀行結存	353,140	267,280	428	118
Bank overdrafts	銀行透支	(183)	(135)	-	-
		<b>352,957</b>	267,145	<b>428</b>	118

#### 12 現金及銀行結存 (續)

就現金流量表而言，現金及現金等值物及銀行透支包括下列項目：

#### 13 SHARE CAPITAL

#### 13 股本

		2008 二零零八年		2007 二零零七年	
		Number of shares 股份數目 '000 千	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目 '000 千	Nominal value 面值 HK\$'000 千港元
Authorised:	法定股本：				
Ordinary shares of HK\$0.1 each	普通股每股面值 10港仙	800,000	80,000	800,000	80,000
Issued and fully paid:	已發行及已繳足 股本：				
Ordinary shares of HK\$0.1 each	普通股每股面值 10港仙				
Beginning of the year	年初	412,284	41,228	410,512	41,051
Issued of share upon exercise of share options (Note 14)	由於行使購股權 而發行之股份 (附註14)	-	-	1,772	177
Rights issue of shares	發行供股之股份	164,914	16,492	-	-
End of the year	年底	<b>577,198</b>	<b>57,720</b>	412,284	41,228

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 13 SHARE CAPITAL (Cont'd)

In November 2007, the Company issued 164,913,600 shares at HK\$0.75 each for a gross amount of HK\$123,685,000 pursuant to a rights issue of 4 rights share for 10 shares held. The net proceeds amounted to approximately HK\$121,690,000. The rights shares issued rank pari passu in all respects with the then ordinary shares.

### 14 SHARE OPTIONS

With effect from May 2002, the Company has adopted a new share option scheme, under which it may grant options to employees of the Group (including executive directors of the Company) and other third parties (as stipulated in the agreement of the Share Option Agreement as dated 21 May 2002) to subscribe for shares in the Company, subject to a maximum of 30% of the nominal value of the issued share capital of the Company from time to time excluding for this purpose any shares issued on the exercise of options. The exercise price will be determined by the Company's board of directors and shall at least be the highest of (i) the closing price of the Company's shares on the date of grant of the options, (ii) an average closing price of the Company's shares for the five trading days immediately preceding the date of grant of the options, and (iii) the nominal value of the Company's shares of HK\$0.1 each.

No options have been granted to employees and directors of the Company during the year ended 31 March 2008 (2007: Nil).

### 13 股本 (續)

於二零零七年十一月，本公司發行164,913,600股每股面值75港仙總額約123,685,000港元，根據每持十股股份供四股股份。所籌集之資金淨額合共約121,690,000港元。發行之供股股份各方面跟現有普通股相同。

### 14 購股權

本公司於二零零二年五月採用一項新購股權計劃，可據此向本集團之僱員（包括本公司之執行董事）及第三者（於二零零二年五月二十一日之購股權計劃之規定）授出購股權以便認購本公司之股份，惟最多以本公司當時已發行股本面值（不包括因行使購股權而發行之股份）30%為限。該購股權行使價將由本公司之董事會釐定，以(i)本公司股份於購股權授予日之收市價；(ii)緊接授予購股權日前五個交易日本公司股份之平均收市價；及(iii)本公司股份之面值每股10港仙，三者以較高者為準。

本公司截至二零零八年三月三十一日止年度內並無向僱員及董事授出購股權（二零零七：無）。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 14 SHARE OPTIONS (Cont'd)

Details of movement of share options under the new share option schemes during the year ended 31 March 2008 were:

#### 14 購股權 (續)

新購股權計劃之購股權於截至二零零八年三月三十一日止年度之變動詳情：

Date of grant	Exercise period	Exercise price (note 1) 行使價格 (附註1) HK\$ 港元	Beginning of year		Granted during the year	Adjustment (note 1) 調整 (附註1)	Exercised during the year	Lapsed as a result of termination of employment	End of year
			'000	'000					
授出日期	行使期限		年初	本年度已授出				由於終止聘用而失效	年底
			'000	'000		'000	'000	'000	'000
			千	千		千	千	千	千
<b>New share option scheme</b>									
<b>新購股權計劃</b>									
22 May 2002 二零零二年五月二十二日	22 May 2002 to 21 May 2012 二零零二年五月二十二日至 二零一二年五月三十一日	1,230	100	-	5.85	-	-	-	105.85
1 November 2002 二零零二年十一月一日	1 January 2003 to 31 October 2012 二零零三年一月一日至 二零一二年十月三十一日	1,560	3,020	-	150.345	-	(450)	2,720.345	
1 December 2003 二零零三年十二月一日	1 January 2006 to 30 November 2013 二零零六年一月一日至 二零一三年十一月三十日	2,340	7,716	-	418.626	-	(560)	7,574.626	
27 April 2004 二零零四年四月二十七日	1 January 2005 to 26 April 2014 二零零五年一月一日至 二零一四年四月二十六日	1,790	2,896	-	116.766	-	(900)	2,112.766	
1 February 2005 二零零五年二月一日	1 January 2006 to 31 January 2015 二零零六年一月一日至 二零一五年一月三十一日	2,980	4,620	-	270.27	-	(42.34)	4,847.93	
7 February 2005 二零零五年二月七日	1 July 2005 to 6 February 2015 二零零五年七月一日至 二零一五年二月六日	3,160	11,400	-	549.90	-	(2,000)	9,949.90	
			29,752	-	1,511.757	-	(3,952.34)	27,311.417	

Note:

- (i) Represented the adjusted exercise price and the adjustment of the number of the outstanding share options following the rights issue on 28 November 2007.

附註:

- (i) 代表於二零零七年十一月二十八日供股後經調整之行使價格及經調整之未行使購股權之數目。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 14 SHARE OPTIONS (Cont'd)

Details of movement of share options under the old and new share option schemes during the year ended 31 March 2007 were:

#### 14 購股權 (續)

新舊購股權計劃之購股權於截至二零零七年三月三十一日止年度之變動詳情：

Date of grant	Exercise period	Exercise price	Number of shares				End of year
			Beginning of year	Granted during the year	Exercised during the year	Lapsed as a result of termination of employment	
授出日期	行使期限	行使價格 HK\$ 港元	年初 '000 千	本年度已授出 '000 千	本年度已行使 '000 千	由於終止 聘用而失效 '000 千	年底 '000 千
<b>Old share option scheme</b>							
<b>舊購股權計劃</b>							
20 September 2000 二零零零年九月二十日	20 September 2000 to 30 November 2006 二零零零年九月二十日至 二零零六年十一月三十日	0.300	820	-	(500)	(320)	-
<b>New share option scheme</b>							
<b>新購股權計劃</b>							
22 May 2002 二零零二年五月二十二日	22 May 2002 to 21 May 2012 二零零二年五月二十二日至 二零一二年五月三十一日	1.300	200	-	-	(100)	100
1 November 2002 二零零二年十一月一日	1 January 2003 to 31 October 2012 二零零三年一月一日至 二零一二年十月三十一日	1.650	3,570	-	(550)	-	3,020
1 December 2003 二零零三年十二月一日	1 January 2006 to 30 November 2013 二零零六年一月一日至 二零一三年十一月三十日	2.475	8,678	-	(562)	(400)	7,716
27 April 2004 二零零四年四月二十七日	1 January 2005 to 26 April 2014 二零零五年一月一日至 二零一四年四月二十六日	1.900	3,136	-	(160)	(80)	2,896
1 February 2005 二零零五年二月一日	1 January 2006 to 31 January 2015 二零零六年一月一日至 二零一五年一月三十一日	3.150	4,890	-	-	(270)	4,620
7 February 2005 二零零五年二月七日	1 July 2005 to 6 February 2015 二零零五年七月一日至 二零一五年二月六日	3.350	11,400	-	-	-	11,400
			32,694	-	(1,772)	(1,170)	29,752

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 14 SHARE OPTIONS (Cont'd)

Out of the 27,311,417 outstanding options (2007: 29,752,000), 24,432,297 options (2007: 20,864,000) were exercisable. No options were exercised in 2008 (2007: 1,772,000 shares being issued at an average exercise price of HK\$1.55). The related weighted average share price at the time of exercise was HK\$NIL (2007: HK\$2.94) per share.

#### 15 OTHER RESERVES

##### (a) Group

		Share premium	Capital reserve	Capital redemption reserve	Share-based compensation reserve	Total
		股份溢價	資本儲備	資本贖回儲備	以股權支付之酬金儲備	合共
		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
Balance at 1 April 2006	二零零六年四月一日之結餘	84,915	5,900	449	10,658	101,922
Employee share option scheme	僱員購股權計劃					
– value of employee services	– 僱員服務之價值	–	–	–	3,328	3,328
Transfer to retained earnings upon lapse of share options	購股權失效而轉至保留溢利	–	–	–	(321)	(321)
Issue of shares upon exercise of share options	行使購股權而發行之股份	2,576	–	–	–	2,576
Transfer to share premium upon exercise of share options	行使購股權而轉至股份溢價	325	–	–	(325)	–
Balance as at 31 March 2007	二零零七年三月三十一日之結餘	87,816	5,900	449	13,340	107,505
Balance at 1 April 2007	二零零七年四月一日之結餘	87,816	5,900	449	13,340	107,505
Rights issue of shares	發行供股之股份	105,198	–	–	–	105,198
Employee share option scheme	僱員購股權計劃					
– value of employee services	– 僱員服務之價值	–	–	–	1,079	1,079
Transfer to retained earnings upon lapse of share options	購股權失效而轉至保留溢利	–	–	–	(1,456)	(1,456)
Balance as at 31 March 2008	二零零八年三月三十一日之結餘	193,014	5,900	449	12,963	212,326

#### 14 購股權 (續)

在27,311,417未行使之購股權中(二零零七年: 29,752,000), 有24,432,297(二零零七年: 20,864,000)購股權可予行使。在二零零八年沒有購股權被行使(二零零七年: 1,772,000股以平均行使價1.55港元發行)。在行使時有關之加權平均股價為每股無港元(二零零七年: 2.94港元)。

#### 15 其他儲備

##### (a) 本集團

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 15 OTHER RESERVES (Cont'd)

#### (b) Company

		Share premium 股份溢價 HK\$'000 千港元	Capital redemption reserve 資本 贖回儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Share-based compensation reserve 以股權支付之 酬金儲備 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Balance at 1 April 2006	二零零六年四月一日 之結餘	84,915	449	193,185	10,658	289,207
Employee share option scheme – value of employee services	僱員購股權計劃 – 僱員服務之價值	–	–	–	3,328	3,328
Transfer to retained earnings upon lapse of share options	購股權失效而轉至保留 溢利	–	–	–	(321)	(321)
Issue of shares upon exercise of share options	行使購股權而發行之 股份	2,576	–	–	–	2,576
Transfer to share premium upon exercise of share options	行使購股權而轉至股份 溢價	325	–	–	(325)	–
Balance as at 31 March 2007	二零零七年三月三十一日 之結餘	87,816	449	193,185	13,340	294,790
Balance at 1 April 2007	二零零七年四月一日 之結餘	87,816	449	193,185	13,340	294,790
Rights issue of shares	發行供股之股份	105,198	–	–	–	105,198
Employee share option scheme – value of employee services	僱員購股權計劃 – 僱員服務之價值	–	–	–	1,079	1,079
Transfer to retained earnings upon lapse of share options	購股權失效而轉至保留 溢利	–	–	–	(1,456)	(1,456)
Balance as at 31 March 2008	二零零八年三月三十一日 之結餘	193,014	449	193,185	12,963	399,611

Under the Companies Act 1981 of Bermuda (as amended), contributed surplus is distributable to shareholders, subject to the condition that the company cannot declare or pay a dividend, or make a distribution out of contributed surplus if (i) it is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

根據百慕達一九八一年公司法案(修定)，繳入盈餘可供分派予股東，但如果支付股息後(i)本公司不能支付到期負債，或(ii)其資產之可變現價值將會因而少於其債項及其已發行股本以及股份溢價之合計總額，則本公司不可宣佈、支付或分派，或從繳入盈餘作出分派。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 16 TRADE AND BILLS PAYABLES

Aging analysis of trade and bills payables is as follows:

		<b>2008</b> 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
0 to 90 days	0 至 90 日	<b>323,818</b>	416,870
91 to 180 days	91 至 180 日	<b>20,993</b>	20,046
181 to 360 days	181 至 360 日	<b>4,150</b>	10,914
Over 360 days	360 日以上	<b>2,418</b>	3,775
		<b>351,379</b>	451,605

The carrying amounts of the Group's trade and bills payables are denominated in the following currencies:

		<b>2008</b> 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
HK dollar	港幣	<b>79,093</b>	97,043
US dollar	美元	<b>232,654</b>	299,067
Renminbi	人民幣	<b>34,959</b>	52,571
Euro	歐羅	<b>3,066</b>	2,043
Japanese Yen	日元	<b>692</b>	531
Others	其他	<b>915</b>	350
		<b>351,379</b>	451,605

#### 16 貿易應付帳款及票據

貿易應付帳款及票據之帳齡分析如下：

本集團之貿易應付帳款及票據之帳面值以下列貨幣為單位：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 17 BORROWINGS

### 17 借貸

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Non-current	非流動		
Long-term bank borrowings, secured	長期銀行借貸，有抵押	<b>188,700</b>	90,875
Current	流動		
Bank overdrafts	銀行透支	<b>183</b>	135
Trust receipt loans	信託收據貸款	<b>76,503</b>	142,210
Short-term bank borrowings	短期銀行借貸	<b>54,000</b>	117,607
Current portion of long-term bank borrowings, secured	長期銀行借貸之即期部份，有抵押	<b>85,875</b>	57,750
		<b>216,561</b>	317,702
Total borrowings	總借貸	<b>405,261</b>	408,577

(a) The maturity of the Group's borrowings is as follows:

(a) 本集團借貸之到期日如下：

		Long-term bank borrowings		Short-term bank borrowings and bank overdrafts		Trust receipt loans	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within 1 year	一年內	<b>85,875</b>	57,750	<b>54,183</b>	117,742	<b>76,503</b>	142,210
Between 1 and 2 years	一年至兩年	<b>70,000</b>	45,875	-	-	-	-
Between 2 and 5 years	兩年至五年	<b>118,700</b>	45,000	-	-	-	-
Wholly repayable within 5 years	於五年內全數償還	<b>274,575</b>	148,625	<b>54,183</b>	117,742	<b>76,503</b>	142,210

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 17 BORROWINGS (Cont'd)

(b) The average effective interest rates of the Group's bank borrowings at the balance sheet date are as follows:

		2008 二零零八年	2007 二零零七年
Long-term bank borrowings, at floating rate	長期銀行借貸， 浮息率	2.55%	4.92%
Short-term bank borrowings, at fixed rate	短期銀行借貸， 定息率	-	5.94%
Short-term bank borrowings, at floating rate	短期銀行借貸， 浮息率	2.93%	5.24%
Trust receipt loans	信託收據貸款	3.68%	5.13%
Bank overdrafts	銀行透支	5.61%	7.96%

(c) The carrying amounts of the borrowings are denominated in the following currencies:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
HK dollar	港幣	405,261	401,470
Renminbi	人民幣	-	7,107
		<b>405,261</b>	<b>408,577</b>

The carrying amounts of the borrowings approximate their fair values.

#### 17 借貸 (續)

(b) 本集團於結算日之銀行借貸平均實際利率如下：

(c) 借貸之帳面金額以下列貨幣為單位：

借貸之帳面金額與其公平值相近。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 18 DEFERRED TAXATION

Deferred taxation is calculated in full on temporary differences under the liability method using a principal taxation rate of 17.5% (2007: 17.5%).

The deferred tax assets and liabilities are offset when there is a legally enforceable right to set off and when the deferred income taxes relate to the same tax jurisdiction. The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	(387)	(1,042)
Deferred tax liabilities	遞延稅項負債	8,753	7,536
		<b>8,366</b>	6,494

As at 31 March 2008, the Group had unprovided deferred tax assets of approximately HK\$4,022,124 (2007: HK\$114,000) primarily representing the tax effect of cumulative tax losses (subject to agreement by relevant tax authorities) which can be carried forward indefinitely.

The movement of the deferred tax assets and liabilities prior to offsetting of balances within the same taxation jurisdiction is as follows:

#### Deferred tax liabilities

		Accelerated depreciation and total 加速折舊及總計 HK\$'000 千港元
As at 31 March 2006	二零零六年三月三十一日	9,946
Credited to income statement	在損益表計入	(996)
As at 31 March 2007	二零零七年三月三十一日	8,950
Credited to income statement	在損益表計入	(197)
As at 31 March 2008	二零零八年三月三十一日	8,753

#### 18 遞延稅項

遞延稅項採用負債法就暫時差異按主要稅率17.5% (二零零七年：17.5%) 作全數準備。

當有法定權利可將遞延稅項資產與遞延稅項負債抵銷，而遞延所得稅涉及同一稅務機關，則可將遞延稅項資產與遞延稅項負債互相抵銷。在計入適當抵銷後，下列金額在綜合資產負債表內列帳：

於二零零八年三月三十一日，本集團仍未作遞延稅項之準備資產約4,022,124港元(二零零七年：114,000港元)，其主要代表累計稅項虧損之稅項影響(須受有關稅務機關同意)，該金額可以無限期地結存。

同一徵稅地區之結餘互相抵銷前，遞延稅項資產及負債之變動如下：

#### 遞延稅項負債

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 18 DEFERRED TAXATION (Cont'd)

##### Deferred tax assets

		Tax losses 稅損 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2006	二零零六年三月三十一日	(439)	(478)	(917)
(Credited)/charged to the income statement	在損益表(計入)/扣除	(1,731)	192	(1,539)
As at 31 March 2007	二零零七年三月三十一日	(2,170)	(286)	(2,456)
Charged/(credited) to the income statement	在損益表扣除/(計入)	2,170	(101)	2,069
As at 31 March 2008	二零零八年三月三十一日	-	(387)	(387)

A summary of deferred tax (assets) and liabilities prior to offsetting of balances within the same taxation jurisdiction is as follows:

#### 18 遞延稅項(續)

##### 遞延稅項資產

同一徵稅地區之結餘互相抵銷前，遞延稅項(資產)及負債之摘要如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	(387)	(2,456)
Deferred tax liabilities	遞延稅項負債	8,753	8,950
		8,366	6,494



## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 19 RETIREMENT BENEFITS OBLIGATIONS – GROUP

#### (a) Defined contribution plans

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the “MPF Scheme”), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Group and its employees makes monthly contributions to the scheme at 5% of the employees’ earnings as defined under the Mandatory Provident Fund legislation. Both the Group’s and the employees’ contributions are subject to a cap of HK\$1,000 per month and thereafter contributions are voluntary.

As stipulated by rules and regulations in Mainland China, the Group contributes to state-sponsored retirement plans for its employees in Mainland China. The Group contributes approximately 10% (2007: 10%) of the basic salaries of its employees, and has no further obligations for the actual payment of pensions or post-retirement benefits beyond the annual contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees.

During the year, the aggregate amount of the Group’s contributions to the aforementioned pension schemes was approximately HK\$3,859,000 (2007: HK\$3,269,000).

#### (b) Provision for long service payments

Provision for long service payments represents the Group’s obligations for long service payments to its employees in Hong Kong on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance.

The obligation is calculated using the projected unit credit method, discounted to its present value and reduced by entitlements accrued under the Group’s retirement plans that are attributable to contributions made by the Group. Such long service payment obligations are valued by Mercer Human Resource Consulting Ltd, an independent qualified actuary valuer.

### 19 退休福利責任 – 本集團

#### (a) 界定供款計劃

本集團已安排香港僱員參與強制性公積金計劃（「強積金計劃」）。強積金計劃屬於定額供款計劃，由獨立授託人管理。根據強積金計劃，本集團及僱員每月均按有關僱員之盈利（定義見強制性公積金法例）5%對該計劃作出供款。僱主與僱員之每月供款以1,000港元為上限，其後之供款則屬自願性質。

根據中國法律規定，本集團須向為中國僱員而設置之國家資助退休計劃作出供款。本集團須就其中國僱員基本薪金約10%（二零零七年：10%）作出供款，而對其任何實際退休金支出或退休後福利則毋須作出任何承擔。退休僱員之所有退休金支出一概由國家資助之退休計劃承擔。

於本年度內本集團就上述退休計劃作出之供款約為3,859,000港元（二零零七年：3,269,000港元）。

#### (b) 長期服務金準備

長期服務金準備為本集團根據香港《僱傭條例》在若干情況下終止聘用僱員而支付之長期服務金所衍生之責任。

該責任額是以預計單位信貸法計算，並會計算貼現值及扣除本集團退休計劃下本集團供款所佔之應計權益。該長期服務金責任由獨立合資格精算師美世人力資源顧問有限公司估值。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 19 RETIREMENT BENEFITS OBLIGATIONS – GROUP (Cont'd)

##### (b) Provision for long service payments (Cont'd)

The amounts recognised in the consolidated balance sheet are determined as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Present value of unfunded obligations and liability in the consolidated balance sheet	在綜合資產負債表內未注資責任及負債之現值	<b>9,793</b>	6,053

The amounts recognised in the consolidated income statement are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest cost	利息成本	<b>287</b>	279
Net actuarial losses recognised	已確認之精算虧損	<b>3,453</b>	80
Total, included in employee benefit expenses (Note 22)	合計(列於僱員福利開支內)(附註22)	<b>3,740</b>	359

The above charges were included in general and administrative expenses.

#### 19 退休福利責任 – 本集團 (續)

##### (b) 長期服務金準備 (續)

在綜合資產負債表確認之金額按下列方式釐定：

在綜合損益表確認之金額如下：

以上支出包括在一般及行政費用內。

Movements of the provision for long service payments of the Group are as follows:

本集團長期服務金準備變動如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Beginning of the year	年初	<b>6,053</b>	5,977
Provision for current year (Note 22)	本年度準備(附註22)	<b>3,740</b>	359
Payments made during the year	本年已付供款	–	(283)
End of the year	年底	<b>9,793</b>	6,053

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 19 RETIREMENT BENEFITS OBLIGATIONS – GROUP (Cont'd)

### 19 退休福利責任 – 本集團 (續)

#### (b) Provision for long service payments (Cont'd)

#### (b) 長期服務金準備 (續)

The principal actuarial assumptions used were as follows:

所用之主要精算假設如下：

		<b>2008</b> 二零零八年 Per annum 每年	2007 二零零七年 Per annum 每年
Discount rate	貼現率	<b>2.70%</b>	4.30%
Expected rate of future salary increases	未來薪酬之預期增長率	<b>3.00%</b>	3.00%

### 20 REVENUE

### 20 收入

		<b>2008</b> 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Turnover	營業額		
Sales of merchandise from	銷售		
– Metal and plastic business	– 五金塑膠業務	<b>1,321,560</b>	1,480,918
– Electronic manufacturing services business	– 電子專業代工業務	<b>1,478,407</b>	1,839,112
		<b>2,799,967</b>	3,320,030
Other gains	其他收益		
Rental income	租金收入	<b>3,007</b>	3,176
Management service fee income (Note 31)	管理費收入 (附註31)	–	4,891
		<b>3,007</b>	8,067
Total revenue	合共收入	<b>2,802,974</b>	3,328,097

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 21 EXPENSES BY NATURE

#### 21 按性質分類之費用

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cost of inventories	存貨成本	<b>2,256,203</b>	2,689,656
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備之折舊 (附註7)	<b>59,394</b>	52,978
Amortisation of leasehold land and land use rights (Note 6)	租賃土地及土地使用權之攤銷 (附註6)	<b>1,054</b>	1,050
Employee benefit expenses (including Directors' emoluments) (Note 22)	僱員福利開支(包括董事酬金) (附註22)	<b>234,207</b>	215,375
Operating lease rental of premises	物業之經營租賃租金	<b>14,707</b>	20,666
Net exchange gain	匯兌收益淨額	<b>(8,889)</b>	(2,296)
Auditors' remuneration	核數師酬金	<b>1,650</b>	1,598
Provision for impairment of trade and other receivables (Note 10)	貿易及其他應收帳款減值準備 (附註10)	<b>2,595</b>	526
Write-back of provision for amount due from associated companies	應收聯營公司帳款準備之回撥	-	(1,874)
Write-off of other receivables	其他應收帳款之撇銷	<b>918</b>	-
Write-back of provision for obsolete and slow-moving inventories (Note 11)	陳舊及滯銷存貨準備之回撥 (附註11)	<b>(11,470)</b>	-
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之 虧損淨額	<b>3,192</b>	367
Other expenses	其他開支	<b>222,543</b>	199,657
		<b>2,776,104</b>	3,177,703
Representing:	代表：		
Cost of sales	銷售成本	<b>2,623,931</b>	3,024,002
Distribution and selling expenses	分銷及銷售費用	<b>34,948</b>	40,343
General and administrative expenses	一般及行政費用	<b>117,225</b>	113,358
		<b>2,776,104</b>	3,177,703

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 22 EMPLOYEE BENEFIT EXPENSES – INCLUDING DIRECTORS' EMOLUMENTS

### 22 僱員福利支出—包括董事酬金

(a) Employee benefit expenses during the year are as follows:

(a) 本年度僱員福利支出如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Wages and salaries	薪酬、工資	225,529	208,419
Pension costs – defined contribution plans	退休成本—界定供款計劃	3,859	3,269
Provision for long service payment	長期服務金準備	3,740	359
Share option expenses for options granted to Directors and employees	授予董事及僱員購股權之費用	1,079	3,328
		<b>234,207</b>	<b>215,375</b>

#### (b) Directors and senior management

#### (b) 董事及高級管理人員

The remuneration of every Director for the year ended 31 March 2008 is set out below:

截至二零零八年三月三十一日止各董事之酬金列表如下：

Name of Director	Fees	Salary <sup>1</sup>	Discretionary bonuses	Employer's contribution to pension scheme	Total
董事名稱	袍金	薪金 <sup>1</sup>	酌情發放之花紅	僱主退休金計劃之供款	合共
	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
<i>Executive director</i>					
Mr. Ho Cheuk Fai	–	4,770	398	12	5,180
Mr. Kwok Wing Kin, Francis	–	1,034	395	12	1,441
Mr. Lee Shu Ki	–	971	250	12	1,233
Mr. Wong Shun Pang <sup>2</sup>	–	650	–	8	658
<i>Non-executive director</i>					
Mr. Ho Cheuk Ming <sup>2</sup>	233	333	–	2	568
<i>Independent non-executive director</i>					
Mr. So Wai Chun	100	–	–	–	100
Mr. Chan Shui Sum, Raymond	100	–	–	–	100
Mr. Fong Hoi Shing	60	–	–	–	60

<sup>1</sup> Included the amounts of share-based compensation, which are determined based on the fair value of the share options granted to the relevant Directors at the date of grant and recognised over the vesting period.

<sup>1</sup> 這金額包括以股份為基礎之補償，該補償根據授予有關董事購股權時之公平值釐定及在歸屬期內入帳。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 22 EMPLOYEE BENEFIT EXPENSES – INCLUDING DIRECTORS' EMOLUMENTS (Cont'd)

##### (b) Directors and senior management (Cont'd)

<sup>2</sup> Mr. Ho Cheuk Ming resigned as executive director and re-designated as non-executive director with effective from 1 June 2007 and Mr. Wong Shun Pang resigned as executive director with effective from 1 December 2007.

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

Name of Director	Fees	Salary <sup>1</sup>	Discretionary bonuses	Employer's contribution to pension scheme	Total
董事名稱	袍金	薪金 <sup>1</sup>	酌情發放之花紅	僱主退休金計劃之供款	合共
	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
<i>Executive director</i> 執行董事					
Mr. Ho Cheuk Fai	–	4,770	3,901	12	8,683
Mr. Ho Cheuk Ming	–	1,156	73	12	1,241
Mr. Kwok Wing Kin, Francis	–	1,146	1,748	12	2,906
Mr. Lee Shu Ki	–	1,066	661	12	1,739
Mr. Wong Shun Pang	–	1,174	465	12	1,651
<i>Independent non-executive director</i> 獨立非執行董事					
Mr. So Wai Chun	100	–	–	–	100
Mr. Chan Shui Sum, Raymond	100	–	–	–	100
Mr. Fong Hoi Shing	60	–	–	–	60

<sup>1</sup> Included the amounts of share-based compensation, which are determined based on the fair value of the share options granted to the relevant Directors at the date of grant and recognised over the vesting period.

No directors waived any emoluments during the year (2007: Nil). No incentive payment for joining the Group or compensation for loss of office was paid/payable to any director during the year (2007: Nil).

#### 22 僱員福利支出—包括董事酬金 (續)

##### (b) 董事及高級管理人員 (續)

<sup>2</sup> 於二零零七年六月一日，何卓明先生辭任執行董事並重新委任為非執行董事及於二零零七年十二月一日黃順鵬先生辭任執行董事。

截至二零零七年三月三十一日止各董事之酬金列表如下：

Name of Director	Fees	Salary <sup>1</sup>	Discretionary bonuses	Employer's contribution to pension scheme	Total
董事名稱	袍金	薪金 <sup>1</sup>	酌情發放之花紅	僱主退休金計劃之供款	合共
	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
<i>Executive director</i> 執行董事					
Mr. Ho Cheuk Fai	–	4,770	3,901	12	8,683
Mr. Ho Cheuk Ming	–	1,156	73	12	1,241
Mr. Kwok Wing Kin, Francis	–	1,146	1,748	12	2,906
Mr. Lee Shu Ki	–	1,066	661	12	1,739
Mr. Wong Shun Pang	–	1,174	465	12	1,651
<i>Independent non-executive director</i> 獨立非執行董事					
Mr. So Wai Chun	100	–	–	–	100
Mr. Chan Shui Sum, Raymond	100	–	–	–	100
Mr. Fong Hoi Shing	60	–	–	–	60

<sup>1</sup> 這金額包括以股份為基礎之補償，該補償根據授予有關董事購股權時之公平值釐定及在歸屬期內入帳。

本年度無董事放棄酬金（二零零七年：無），亦無已付或應付款項給予任何董事以吸引其加盟本集團或失去職位之補償（二零零七年：無）。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 22 EMPLOYEE BENEFIT EXPENSES – INCLUDING DIRECTORS' EMOLUMENTS (Cont'd)

##### (c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three (2007: three) Directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2007: two) individual during the year are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Basic salaries and allowances <sup>1</sup>	基本薪金及津貼 <sup>1</sup>	1,660	1,873
Discretionary bonus	酌情發放之花紅	279	1,779
Pension costs – defined contribution plans	退休金成本 – 界定供款計劃	24	24
		<b>1,963</b>	3,676

The emoluments fell within the following band:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
HK\$500,001 to HK\$1,000,000	500,001港元至1,000,000港元	1	–
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	–	2

<sup>1</sup> Included the amounts of share-based compensation, which are determined based on the fair value of the share options granted to the relevant employees at the date of grant and recognised over the vesting period.

No emolument was paid to the five highest paid individuals (including Directors and other employees) as compensation for loss of office during the year (2007: Nil).

#### 22 僱員福利支出—包括董事酬金 (續)

##### (c) 五名最高薪酬人士

本年度集團內五名最高薪酬人士包括三名(二零零七年：三名)董事，其酬金已載於上文分析。於本年內其餘二名(二零零七年：二名)最高薪人士之應付酬金如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Basic salaries and allowances <sup>1</sup>	基本薪金及津貼 <sup>1</sup>	1,660	1,873
Discretionary bonus	酌情發放之花紅	279	1,779
Pension costs – defined contribution plans	退休金成本 – 界定供款計劃	24	24
		<b>1,963</b>	3,676

該等酬金在下列組合範圍內：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
HK\$500,001 to HK\$1,000,000	500,001港元至1,000,000港元	1	–
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	–	2

<sup>1</sup> 這金額包括以股份為基礎之補償，該補償根據授予有關僱員購股權時之公平值釐定及在歸屬期內入帳。

本年度五名最高薪人士(包括董事及其他職員)並無獲付任何酬金作為失去職位之補償(二零零七年：無)。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 23 FINANCE INCOME AND COSTS

#### 23 財務收入及成本

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest expense on:	利息開支：		
– bank borrowings wholly repayable within five years	– 於五年內全數償還之銀行借貸	20,071	23,670
– others	– 其他	–	94
Finance costs	財務成本	20,071	23,764
Finance income – Interest income	財務收入 – 利息收入	(14,853)	(11,104)
Net finance costs	財務成本淨額	5,218	12,660

#### 24 TAXATION

#### 24 稅項

The Company is exempted from Bermuda taxation until 2016. Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profit for the year.

本公司獲豁免百慕達稅項至二零一六年止。香港利得稅乃根據本年之估計應課稅溢利按17.5% (二零零七年：17.5%) 之稅率計提準備。

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

在綜合損益表支銷之稅項如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current taxation: Hong Kong profits tax	現行稅項：香港利得稅		
– current year	– 本年度	5,146	14,586
– under-provision in prior years	– 往年之不足準備	1,486	755
Deferred taxation (Note 18)	遞延稅項 (附註18)	1,872	(2,535)
Taxation charge	稅項支出	8,504	12,806



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 24 TAXATION (Cont'd)

The tax on the Group's profit before taxation differs from the theoretical amount that would arise using the profits tax rate in Hong Kong, the Group's home country, as follows:

#### 24 稅項 (續)

本集團有關除稅前溢利之稅項與假若採用香港之利得稅率(本集團本土國家)而計算之理論稅額之差額如下:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit before taxation	除稅前溢利	21,652	137,734
Calculated at a taxation rate of 17.5% (2007: 17.5%)	按稅率 17.5% (二零零七年: 17.5%) 計算	3,789	24,103
Income not subject to taxation	無須課稅之收入	(15,406)	(15,606)
Expenses not deductible for taxation purposes	不可扣稅之支出	18,061	4,156
Under provision in prior years	往年之不足準備	1,486	755
Utilisation of previously unrecognised tax losses	使用往年未確認稅務虧損	(1,596)	(602)
Reversal of previously recognised deferred tax assets on tax losses	早前已確認遞延所得稅資產之稅損之回撥	2,170	-
Taxation charge	稅項支出	8,504	12,806

With the new PRC Enterprise Income Tax Law becoming effective on 1 January 2008, the income tax rate of all the Group's subsidiaries in PRC are subject to Mainland China Enterprise income tax at a rate of 25%

新中國企業所得稅法於二零零八年一月一日起生效，本集團所有於中國之附屬公司之企業所得稅率調整至25%

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 25 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of approximately HK\$1,869,000 (2007: profit of HK\$87,293,000).

#### 26 EARNINGS PER SHARE

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.

#### 25 本公司股權持有人應佔溢利

本公司股權持有人應佔虧損中包括一筆已撥入本公司帳目之虧損約 1,869,000 港元 (二零零七年：溢利87,293,000港元)。

#### 26 每股溢利

每股基本溢利乃根據本公司權益持有人應佔溢利除以年內已發行之普通股加權平均數計算。

		2008 二零零八年	2007 二零零七年
Profit attributable to equity holders of the Company (in HK\$'000)	本公司權益持有人應佔溢利(千港元計)	<b>13,148</b>	124,928
Weighted average number of ordinary shares in issue (in thousand shares)	已發行普通股之加權平均數(千股計)	<b>474,971</b>	422,319
Basic earnings per share (HK cents per share)	每股基本溢利(每股以港仙計)	<b>2.8</b>	29.6

Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares.

The Company has outstanding share options, which have a dilutive effect on the ordinary shares. A calculation has been performed 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.

每股攤薄溢利乃假設所有可攤薄之潛在普通股被兌換後，根據已調整普通股之加權平均股數計算。

本公司仍有攤薄普通股之購股權。根據未行使購股權所附之認購權之貨幣價值，釐定按公平值(釐定為本公司股份之平均年度市價)可購入之股份數目。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 26 EARNINGS PER SHARE (Cont'd)

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.

		2008 二零零八年	2007 二零零七年
Profit attributable to equity holders of the Company (in HK\$'000)	本公司股權持有人應佔溢利(千港元計)	<b>13,148</b>	124,928
Weighted average number of ordinary share in issue (in thousand shares)	已發行普通股之加權平均數(千股計)	<b>474,971</b>	422,319
Adjustment for share options (in thousand shares)	購股權之調整(千股計)	<b>41</b>	2,091
Weighted average number of ordinary shares for diluted earnings per share (in thousand shares)	計算每股攤薄溢利之普通股之加權平均數(千股計)	<b>475,012</b>	424,410
Diluted earnings per share (HK cents per share)	每股攤薄溢利(每股以港仙計)	<b>2.8</b>	29.4

The weighted average number of ordinary shares for the calculation of the 2007 basic and diluted earnings per share has been adjusted for the effect of rights issue in November 2007.

#### 26 每股溢利(續)

按以上方式計算之股份數目，與假設購股權行使而應已發行之股份數目作出比較。

為計算二零零七年度每股基本及攤薄溢利，普通股之加權平均數已對於二零零七年十一月供股之影響作出調整。

#### 27 DIVIDENDS

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interim dividend paid, of HK0.75 cents (2007: HK8.5 cents) per ordinary share	已付中期股息 — 每普通股0.75港仙 (二零零七年: 8.5 港仙)	<b>4,329</b>	35,044
Final dividend, proposed, of NIL (2007: HK3.0 cents) per ordinary share	擬派末期股息 — 每普通股無 (二零零七年: 3.0港仙)	-	12,369
		<b>4,329</b>	47,413

The directors do not recommend the payment of a final dividend in respect of 2007/08.

#### 27 股息

董事建議不擬派發二零零七／二零零八年度之末期股息。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 28 CONSOLIDATED CASH FLOW STATEMENT

Analysis of changes in financing is as follows:

#### 28 綜合現金流量表

融資項目變更之分析如下：

		Share capital and share premium 股本及 股份溢價 HK\$'000 千港元	Short-term bank borrowings 短期 銀行借貸 HK\$'000 千港元	Long-term bank borrowings 長期 銀行借貸 HK\$'000 千港元	Trust receipt loans 信託 收據借貸 HK\$'000 千港元
As at 31 March 2006	二零零六年 三月三十一日	125,966	47,491	206,375	181,084
Issue of shares upon exercise of share options	行使購股權 而發行之股份	2,753	–	–	–
Transfer to share premium upon exercise of share options	行使購股權 而轉至 股份溢價	325	–	–	–
New bank loans	新銀行借貸	–	802,560	–	577,625
Repayment of bank loans	償還銀行借貸	–	(732,444)	(57,750)	(616,499)
As at 31 March 2007	二零零七年 三月三十一日	129,044	117,607	148,625	142,210
Net proceeds from rights issue of shares	發行供股之 股份淨所得款	121,690	–	–	–
New bank loans	新銀行借貸	–	439,680	200,000	336,751
Repayment of bank loans	償還銀行借貸	–	(503,287)	(74,050)	(402,458)
As at 31 March 2008	二零零八年 三月三十一日	<b>250,734</b>	<b>54,000</b>	<b>274,575</b>	<b>76,503</b>

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 29 COMMITMENTS AND CONTINGENT LIABILITIES

The Group and the Company had the following significant commitments and contingent liabilities which were not provided for in the financial statements:

##### (a) Capital commitments

The Group had the following authorised and contracted capital commitments:

		Group 本集團		Company 本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Investment in a subsidiary	於附屬公司之投資	62,400	19,000	-	-
Construction of factory premises in Mainland China	於中國興建廠房樓宇	28,930	23,845	-	-
Purchase of property, plant and equipment	購買物業、廠房及設備	20,128	6,030	-	-
		<b>111,458</b>	48,875	-	-

##### (b) Operating lease commitments

The Group had lease commitments in respect of land and buildings under various non-cancellable operating lease agreements extending to October 2055. The total commitments payable are analysed as follows:

		Group 本集團		Company 本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Amounts payable	應付金額				
Not later than one year	不超過一年	9,947	9,007	-	-
Later than one year and not later than five years	超過一年及不超過五年	27,775	23,940	-	-
More than five years	超過五年	258,461	241,447	-	-
		<b>296,183</b>	274,394	-	-

#### 29 承擔及或然負債

本集團及本公司有以下未有在本財務報表上計提準備之重要承擔及或然負債：

##### (a) 資本承擔

本集團有以下已授權及簽約之資本承擔：

##### (b) 經營租賃承擔

本集團有多項期限至二零五五年十月有關不可撤銷之房地產租賃之經營租賃協議。總應付承擔分析如下：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 29 COMMITMENTS AND CONTINGENT LIABILITIES (Cont'd)

##### (b) Operating lease commitments (Cont'd)

The Group had future minimum lease rental receivable under non-cancellable operating leases as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Not later than one year	不超過一年	1,415	721
Later than one year but not later than five years	超過一年 但不超過五年	2,494	1,965
More than five years	超過五年	399	860
		<b>4,308</b>	<b>3,546</b>

##### (c) Guarantees

As at 31 March 2008, the Company has given guarantees totalling approximately HK\$1,340,249,000 (2007: HK\$824,750,000) to financial institutions in connection with the banking facilities granted to its subsidiaries. Such banking facilities utilised as at 31 March 2008 amounted to HK\$405,261,000 (2007: HK\$408,577,000).

#### 30 BANKING FACILITIES

As at 31 March 2008, the Group's banking facilities were secured by corporate guarantees provided by the Company and certain of its subsidiaries.

#### 29 承擔及或然負債 (續)

##### (b) 經營租賃承擔 (續)

本集團未來之不可撤銷之經營租賃之最低應收租賃收款如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Not later than one year	不超過一年	1,415	721
Later than one year but not later than five years	超過一年 但不超過五年	2,494	1,965
More than five years	超過五年	399	860
		<b>4,308</b>	<b>3,546</b>

##### (c) 擔保

於二零零八年三月三十一日，本公司給予財務機構有關提供銀行融資予其他附屬公司之總擔保金額為1,340,249,000港元(二零零七年：824,750,000港元)。於二零零八年三月三十一日，已使用之銀行融資為405,261,000港元(二零零七年：408,577,000港元)。

#### 30 銀行融資

於二零零八年三月三十一日，本集團銀行融資以本公司及若干附屬公司之公司擔保作抵押。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 31 RELATED PARTY TRANSACTIONS

The directors regard Pearl Court Company Limited, which owns 42.24% in the Company's shares, to be the ultimate controlling party of the Company.

#### (a) Transactions with related parties

### 31 關連人士交易

董事認為 Pearl Court Company Limited，持有本公司42.24%股份，擁有公司最終控制權。

#### (a) 與關連人士之交易：

			2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>Sales of goods and services:</b>	<b>銷售貨物及服務：</b>			
Sales to associated companies	銷售予聯營公司	(i)	-	1,519
<b>Purchase of goods and services:</b>	<b>購買貨物及服務：</b>			
Purchase of raw materials from associated companies	向聯營公司 購買物料	(i)	<b>2,514</b>	17
Purchase of machinery from associated companies	向聯營公司 購買機器	(ii)	-	462
			<b>2,514</b>	479
<b>Others:</b>	<b>其他：</b>			
Rental charged by Kings Lion Development Limited	支付租金予勁獅 發展有限公司	(ii), (iii)	<b>1,434</b>	1,339
Management service fee income earned from associated companies	向聯營公司收取 管理費收入	(ii)	-	4,891
			<b>1,434</b>	6,230

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 31 RELATED PARTY TRANSACTIONS

(Cont'd)

##### (a) Transactions with related parties (Cont'd)

Notes:

- (i) Sales to and purchase from associated companies were conducted at prices and terms mutually agreed by the respective parties.
- (ii) These related party transactions were conducted in accordance with the terms of the agreements.
- (iii) Kings Lion Development Limited is beneficially owned and controlled by Mr. Ho Cheuk Fai, a director of the Company and his family members.

##### (b) Key management compensation

#### 31 關連人士交易 (續)

##### (a) 與關連人士之交易：(續)

附註：

- (i) 與聯營公司之銷售及購買是依據有關人士互相同意之價格及條款進行。
- (ii) 與關連人士交易均以各自商議之條款執行。
- (iii) 勁獅發展有限公司由本公司董事何焯輝先生家族實益擁有及控制。

##### (b) 主要管理層酬金

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Wages, salaries, allowances and bonuses	薪酬、工資、津貼及花紅	18,692	28,430
Pension costs – defined contribution plan	退休成本 – 界定供款計劃	159	192
		<b>18,851</b>	<b>28,622</b>

##### (c) Balance with related parties

Saved as disclosed in Note 9 to the consolidated financial statements, the Group had no balance with related parties as at 31 March 2008 (2007: Nil).

##### (c) 與關聯人士之結餘

於二零零八年三月三十一日除披露於綜合財務報表附註9外，本集團並無與關連人士之結餘(二零零七年：無)。



## Ten-Year Financial Summary 十年財務摘要

The results of the Group for the last ten financial years ended 31 March 2008 and the assets and liabilities of the Group as at 31 March 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007 and 2008 are as follows:

本集團截至二零零八年三月三十一日止十個財政年度之業績，及於一九九九年、二零零零年、二零零一年、二零零二年、二零零三年、二零零四年、二零零五年、二零零六年、二零零七年和二零零八年三月三十一日之資產及負債如下：

### RESULTS

### 業績

		Year ended 31 March 截至三月三十一日止年度									
		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
		二零零八年	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	二零零二年	二零零一年	二零零零年	一九九九年
		HK\$'000	HK\$'000	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	千港元	千港元
		(Restated) (重列)									
Revenue	收入	<b>2,802,974</b>	3,328,097	3,597,242	2,571,537	1,697,925	1,743,768	1,162,395	898,322	663,189	593,343
Operating profit	經營溢利	<b>26,870</b>	150,394	218,540	174,766	104,907	140,374	90,587	43,556	30,699	25,362
Share of loss of an associated company	應佔聯營公司虧損	-	-	-	(10,234)	(1,766)	-	-	-	-	-
Finance income	財務收入	<b>14,853</b>	11,104	10,127	3,964	1,620	3,101	4,095	2,857	2,939	2,913
Finance costs	財務成本	<b>(20,071)</b>	(23,764)	(24,531)	(8,720)	(6,145)	(10,401)	(9,244)	(15,981)	(9,239)	(6,716)
Profit before taxation	除稅前溢利	<b>21,652</b>	137,734	204,136	159,776	98,616	133,074	85,438	30,432	24,399	21,559
Taxation	稅項	<b>(8,504)</b>	(12,806)	(17,757)	(13,203)	(8,176)	(13,266)	(7,068)	(4,064)	(3,783)	3,603
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利	<b>13,148</b>	124,928	186,379	146,573	90,440	119,808	78,370	26,368	20,616	25,162

The Group adopted the new/revised standards and interpretations of Hong Kong Financial Reporting Standards for the year ended 31 March 2006. Figures as at and for the year ended 31 March 2005 have been restated as required. Figures as at and for each of the previous years ended have not been adjusted as it is not practicable to restate earlier years for comparison purposes.

本集團截至二零零六年三月三十一日止之年結已採納新增／經修訂香港財務報告準則，截至二零零五年三月三十一日止之數字已根據要求重列，於及截至以前每年年末之數字並無作出調整，因重列往年之數字以作比較並不可行。

# Ten-Year Financial Summary 十年財務摘要

## ASSETS AND LIABILITIES (CONSOLIDATED)

## 綜合資產負債

		Year ended 31 March 截至三月三十一日止年度									
		2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
		二零零八年	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	二零零二年	二零零一年	二零零零年	一九九九年
		HK\$'000	HK\$'000	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	千港元	千港元
		(Restated) (重列)									
<b>ASSETS</b>	<b>資產</b>										
Non-current assets	非流動資產	<b>452,388</b>	318,119	281,445	242,556	260,677	236,549	237,463	285,632	276,352	257,806
Current assets	流動資產	<b>1,204,429</b>	1,303,248	1,291,113	1,375,377	722,880	711,911	567,501	424,625	313,015	275,035
Total assets	資產總值	<b>1,656,817</b>	1,621,367	1,572,558	1,617,933	983,557	948,460	804,964	710,257	589,367	532,841
<b>EQUITY</b>	<b>權益</b>										
Share capital	股本	<b>57,720</b>	41,228	41,051	40,777	40,076	38,150	37,694	37,374	36,195	36,000
Reserves	儲備	<b>617,697</b>	514,970	485,147	375,154	334,963	326,168	309,709	319,103	302,333	296,381
		<b>675,417</b>	556,198	526,198	415,931	375,039	364,318	347,403	356,477	338,528	332,381
Minority interest	少數股東權益	<b>424</b>	424	424	424	424	424	424	424	424	424
		<b>675,841</b>	556,622	526,622	416,355	375,463	364,742	347,827	356,901	338,952	332,805
<b>LIABILITIES</b>	<b>負債</b>										
Non-current liabilities	非流動負債	<b>207,246</b>	104,464	164,478	106,744	75,324	35,972	44,064	37,778	18,231	19,428
Current liabilities	流動負債	<b>773,730</b>	960,281	881,458	1,094,834	532,770	547,746	413,073	315,578	232,184	180,608
Total liabilities	負債總值	<b>980,976</b>	1,064,745	1,045,936	1,201,578	608,094	583,718	457,137	353,356	250,415	200,036
Total equity and liabilities	權益及負債總值	<b>1,656,817</b>	1,621,367	1,572,558	1,617,933	983,557	948,460	804,964	710,257	589,367	532,841

The Group adopted the new/revised standards and interpretations of Hong Kong Financial Reporting Standards for the year ended 31 March 2006. Figures as at and for the year ended 31 March 2005 have been restated as required. Figures as at and for each of the previous years ended have not been adjusted as it is not practicable to restate earlier years for comparison purposes.

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