



RAYMOND Industrial Ltd

利民實業有限公司

Stock Code 股份代號 : 00229

Annual Report 2008 年報

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wong, Wilson Kin Lae (*Chairman*)
Mr. Wong, John Ying Man
Mr. Wong, Raymond Man Hin
Mr. Mok, Kin Hing (appointed on 1st July 2008)

Non-Executive Directors

Dr. Wong, Philip Kin Hang
Mr. Huang, Zhouchang
Mr. Qiang, Wenyu (resigned on 4th July 2008)
Ms. Li, Yinghong (appointed on 4th July 2008)

Independent Non-Executive Directors

Mr. Leung, Michael Kai Hung
Mr. Fan, Anthony Ren Da
Mr. Ng, Yiu Ming

Alternate Directors

Mr. Xiong, Zhengfeng
(alternate to Mr. Huang, Zhouchang)
Mr. Zhang, Yuankun (appointed as alternate to
Mr. Wong, Wilson Kin Lae on 4th July 2008)
Mr. Wong, David Ying Kit (appointed as alternate to
Dr. Wong, Philip Kin Hang on 4th July 2008)

PRINCIPAL BANKERS

The Bank of East Asia, Limited
Shanghai Commercial Bank Limited

SOLICITORS

Philip K.H. Wong, Kennedy Y.H. Wong & Co.

AUDITORS

Baker Tilly Hong Kong Limited
Certified Public Accountants

COMPANY SECRETARY

Mr. Wong, Michael Sui Wah

REGISTERED OFFICE

Rooms 1801-1813, 18th Floor
Grandtech Centre
8 On Ping Street
Shatin, New Territories
Hong Kong

SHARE REGISTRARS AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
46th Floor
Hopewell Centre
183 Queen's Road East
Hong Kong

董事會

執行董事

黃乾利先生 (*主席*)
黃英敏先生
黃文顯先生
莫健興先生 (二零零八年七月一日獲委任)

非執行董事

黃乾亨博士
黃宙昌先生
強文郁先生 (二零零八年七月四日辭任)
李映紅女士 (二零零八年七月四日獲委任)

獨立非執行董事

梁啟雄先生
范仁達先生
伍耀明先生

代董事

熊正峰先生
(黃宙昌先生之代董事)
張元坤先生 (二零零八年七月四日獲委任為
黃乾利先生之代董事)
黃英傑先生 (二零零八年七月四日獲委任為
黃乾亨博士之代董事)

主要銀行

東亞銀行有限公司
上海商業銀行有限公司

律師

黃乾亨、黃英豪律師事務所

核數師

香港天華會計師事務所有限公司
執業會計師

公司秘書

黃瑞華先生

註冊辦事處

香港
新界沙田安平街8號
偉達中心18樓
1801-1813室

股票過戶登記處

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46樓

Biographical Details of Directors and Senior Management

公司董事及高級管理層簡介

Mr. Wong, Wilson Kin Lae, aged 73, is Chairman of the Company. After obtaining a Bachelor of Engineering Degree (Chemical Engineering) in Canada in 1959, he spent three years as a lecturer at the Hong Kong Technical College until 1964 when he founded the Company.

Mr. Wong, John Ying Man, aged 44, son of Dr. Wong, Philip Kin Hang, was appointed to the Board as an Executive Director on 15th September 1997. He graduated from the University of Manchester Institute of Science & Technology in 1987 and joined the Company in the same year. He worked as an engineer, project coordinator, engineering manager and then general manager for operations.

Mr. Wong, Raymond Man Hin, aged 43, son of Mr. Wong, Wilson Kin Lae, was appointed to the Board as a Non-Executive Director on 18th July 2001 and re-designated as an Executive Director on 19th April 2002. He became a Deputy Executive Chairman on 19th April 2007. Mr. Wong holds a Bachelor's Degree in Chemical Engineering and a Master Degree in Economics. He is a U.S. Certified Public Accountant (CPA), a Certified Management Accountant (CMA) and is certified in financial management (CFM). He is an independent non-executive director of Fulbond Holdings Limited, BEP International Holdings Limited and Artfield Group Limited.

Mr. Mok, Kin Hing, aged 46, was Alternate Director to Mr. Wong, Wilson Kin Lae, Chairman until 1st July 2008 when he was appointed to the Board as an Executive Director with effect from 1st July 2008. Mr. Mok joined the Company as a production planning coordinator in 1990. He was appointed as a production manager in 1993 and general manager of Raymond (Panyu Nansha) Electrical Appliances Development Co. Ltd. in 1996. Since 2005, Mr. Mok has been appointed as a member of Chinese People's Political Consultative Conference in Guangzhou City, Nansha District.

Dr. Wong, Philip Kin Hang, *GBS, JP, LLD, DH*, aged 76, brother of Mr. Wong, Wilson Kin Lae, has been a Director of the Company since 1973. Dr. Wong is a consultant of a Hong Kong firm of solicitors, a Notary Public and a China Appointed Attesting Officer. Dr. Wong was a non-executive director of K. Wah International Holdings Limited (until he retired on 27th May 2008) and is a director of Shanghai Commercial Bank Limited.

黃乾利先生，73歲，公司主席。一九五九年在加拿大大學畢業，獲化學工程學士學位。其後三年在香港理工學院任講師，於一九六四年創辦本公司。

黃英敏先生，44歲，黃乾亨博士之兒子，於一九九七年九月十五日獲委任為本公司執行董事。一九八七年畢業於英國曼徹斯特大學科技學院，並在同年加入本公司。曾任職工程師、策劃工程師、工程部經理及後成為營運總經理。

黃文顯先生，43歲，黃乾利先生之兒子，於二零零一年七月十八日獲委任為本公司非執行董事，並於二零零二年四月十九日獲委任執行董事。在二零零七年四月十九日獲委任副執行主席之職。他持有化學工程學士學位及經濟碩士學位，同時也是美國執業會計師。他同時擔任福邦控股有限公司，百靈達國際控股有限公司及雅域集團有限公司之獨立非執行董事。

莫健興先生，46歲，於二零零八年七月一日前為本公司主席兼執行董事黃乾利先生的代董事。由二零零八年七月一日起，莫先生獲委任為執行董事。莫先生於一九九零年加入本公司任職生產計劃主任。彼於一九九三年獲委任為生產經理，一九九六年出任利民（番禺南沙）電器發展有限公司總經理。自二零零五年起，莫先生獲委任為廣州市南沙區政協委員。

黃乾亨博士，*GBS, 太平紳士, LLD, DH*，76歲，黃乾利先生之兄長，於一九七三年起任本公司之董事。黃博士為本港一律師事務所之顧問律師，並為國際公證人及中國委托公證人。黃博士亦為嘉華國際集團有限公司之非執行董事（直至二零零八年五月七日退任）及上海商業銀行之董事。

Biographical Details of Directors and Senior Management

公司董事及高級管理層簡介

Mr. Huang, Zhouchang, aged 44, was appointed to the Board as a Non-Executive Directors on 1st August 2002. Mr. Huang graduated from Zhongshan University in 1987 and obtained a Master of Laws (LL.M) Degree in 1990 from China University of Political Science & Law. Mr. Huang joined China North Industries Guangzhou Corporation in 1990 and during his years with Norinco – Guangzhou, he held the positions of departmental manager, deputy general manager and general manager. Mr. Huang left Norinco – Guangzhou Branch in 2002 to take up work as the managing director of Silver City International (Holdings) Ltd.

Ms. Li, Yinghong, aged 46, was appointed to the Board as a Non-Executive Director of the Company with effect from 4th July 2008. Ms. Li is an executive director of AKM Industrial Co. Ltd. In July 1985, she obtained her Bachelor's Degree in Corporate Finance and Accounting from Jiangxi College of Finance. In May 2003, she obtained a Master Degree in International Management from Australia National University. From March 2001 to April 2003, she was a director of Norinco International Cooperation Company Limited, a company listed on the Shenzhen Stock Exchange in China. In June 2003, Ms. Li joined Silver City International (Holdings) Ltd. as a director, deputy general manager and financial controller.

Mr. Leung, Michael Kai Hung, aged 66, was appointed to the Board as an Independent Non-Executive Director in 1988. He is an entrepreneur with extensive international experience in garment manufacturing and trading. He is the founder of the Onwel Group of Companies in 1969 and has been holding the position of executive chairman since 1982.

Mr. Fan, Anthony Ren Da, aged 49, joined in 1994 as an Independent Non-Executive Director of the Company. He holds a Master Degree in Business Administration from the USA. He is the chairman and managing director of Asialink Capital Limited. Prior to that, he held senior positions with various international financial institutions and was the managing director of a company listed in Hong Kong. Mr. Fan is an independent non-executive director of Uni-President China Holdings Limited, Citic Resources Holdings Limited, Chinney Alliance Group Limited, Renhe Commercial Holdings Company Limited and Hong Kong Resources Holdings Company Limited.

Mr. Ng, Yiu Ming, aged 72, was appointed to the Board as an Independent Non-Executive Director on 2nd July 2004. Currently, Mr. Ng is a non-executive director of Dah Sing Financial Holdings Ltd. He has over 40 years of experience in hire purchase and leasing finance.

黃宙昌先生，44歲，於二零零二年八月一日擔任本公司非執行董事。一九八七年畢業於中山大學，一九九零年獲中國政法大學法學碩士學位，並於同年加入中國北方工業廣州公司。歷任部門經理，副總經理及總經理。黃先生於二零零二年離開中國北方工業廣州公司之後，擔任銀華國際（集團）有限公司董事總經理。

李映紅女士，46歲，獲委任為本公司非執行董事，由二零零八年七月四日起生效。李女士為安捷利實業有限公司的執行董事。於一九八五年七月，彼在江西財經學院取得企業財務與會計專業學士學位。於二零零三年五月，彼取得澳大利亞國立大學國際商業管理碩士學位。由二零零一年三月至二零零三年四月，彼為在中國深圳證券交易所上市之北方國際合作股份有限公司之董事。於二零零三年六月，李女士加入銀華國際（集團）有限公司擔任董事、副總經理及財務總監。

梁啟雄先生，66歲，一九八八年獲委任為本公司獨立非執行董事。作為企業家，梁先生在製衣業有豐富的製造及國際銷售經驗。一九六九年他成為惠安製衣集團的創辦人，並從一九八二年起擔任該公司執行主席。

范仁達先生，49歲，於一九九四年加入本公司，任獨立非執行董事。彼在美國取得工商管理碩士學位，現為東源資本有限公司之主席兼董事總經理。在此以前，彼曾在多間國際財務機構擔任高級管理職位，並於一間在香港聯交所上市之公司擔任董事總經理。范先生同時擔任統一企業中國控股有限公司、中信資源控股有限公司、建聯集團有限公司、人和商業控股有限公司及香港資源控股有限公司之獨立非執行董事。

伍耀明先生，72歲，於二零零四年七月二日獲委任為本公司之獨立非執行董事。現任大新金融集團有限公司之非執行董事，伍先生擁有逾四十年租購及租賃貸款業務經驗。

Chairman's Statement

主席報告

I am pleased to present the Group's annual results for the year ended 31st December 2008. During the year of 2008, the Group's electrical appliances division continued to phase out small appliances which had unfavorable gross profit margin. Although raw material costs, labor and utilities costs, and Renminbi currency exchange rate have stabilised in the 4th quarter of 2008, our export OEM business had been hit by a deteriorating consumer market due to global credit crunch.

Nevertheless, because of our healthy balance sheet and prudent cash management practice, the Group was in a better financial position compared with our peers. Despite a net loss of HK\$20.3 million, operating profit before changes in working capital remains slightly positive, and cash generated from operations was approximately HK\$23.0 million. Our cash and cash equivalents balance at the end of 2008 was HK\$215.9 million. The positive operating cash flow and substantial cash balance give the Group a good foundation to expand our business during this difficult time, while allowing the Group to continue our dividend payout policy.

Last year the Group had written down investment in the paper business and its associated related party loans, and booked a one time charge. Therefore, the Group will no longer be liable for further losses of the cigarette paper business.

For the financial year ended 31st December 2008, the Group's consolidated turnover was HK\$724.2 million compared with HK\$842.9 million in the previous year, representing a decrease of 14% in turnover.

The Group's net loss was HK\$20.3 million (mainly due to rising labor costs and Renminbi foreign exchange loss incurred in 2008; a share-based payment of HK\$5.4 million for new options issued; and a write-off of HK\$5.5 million for bad debt against two US customers), representing loss per share of 5.15 HK cents (our net loss in 2007 was HK\$45.5 million, with loss per share of 11.55 HK cents).

本人欣然提呈本集團截至二零零八年十二月三十一日止年度之年度業績。於二零零八年，集團之家庭電器業務持續淘汰低毛利的小型家庭電器生產。儘管原材料價格、人工、水電等雜費以及人民幣匯率均於二零零八年第四季穩定下來，我們之出口OEM業務仍因全球信貸危機致消費市場疲弱而下降。

然而，穩健的資產負債表以及審慎之現金管理使本集團之財政狀況比同業較優。儘管集團錄得港幣二千零三十萬元的淨虧損，營運資金變動前之經營溢利仍維持正數，經營產生之現金約港幣二千三百萬元。於二零零八年十二月三十一日之現金及現金等值項目為港幣二億一千五百九十萬元。正現金流及充足的現金餘額為本集團在這困難時期的業務發展提供了良好的基礎，亦同時使本集團可以在不會影響我們的發展計劃的前提下，繼續我們的派息政策。

本集團於去年就煙紙方面的投資以及相關貸款的投資作出一性撇賬。因此，本集團毋需為煙紙業務之進一步虧損負上任何責任。

截至二零零八年十二月三十一日止財政年度，本集團的綜合營業額為港幣七億二千四百二十萬元，與上年度的港幣八億四千二百九十萬元相比，下降了百分之十四。

本集團淨虧損港幣二千零三十萬元，主要是因為二零零八年的人工上升以及人民幣外匯兌換虧損、發行新購股權所產生之港幣五百四十萬元以股份為基礎之付款項目，以及兩名美國客戶約港幣五百五十萬元之壞帳，每股虧損港幣五點一五仙（二零零七年淨虧損為港幣四千五百五十萬元，每股虧損港幣十一點五五仙）。

Chairman's Statement

主席報告

On behalf of the Board, I would like to extend the Board's appreciation to all our staff for their hard work and dedication throughout the year.

本人謹代表董事會對所有職員在過去一年內的勤奮及所作出之貢獻深表謝意。

Wong, Wilson Kin Lae
Chairman

主席
黃乾利

Hong Kong, 22nd April 2009

香港，二零零九年四月二十二日

Management Discussion and Analysis

管理層討論及分析

FINANCIAL POSITION

The liquidity position of the Group remains sound. Its current ratio was 4.44 as of 31st December 2008, compared with 4.06 as of 31st December 2007.

During the year, the Group's trade receivables turnover stood at 35 days in year 2008, compared with 49 days of the previous year. The inventory turnover decreased from 49 days in 2007 to 47 days in 2008.

Bank balances and cash were HK\$215.9 million as of 31st December 2008 (2007: HK\$305.4 million), representing a decrease of HK\$89.5 million over that of the previous year.

There are no bank borrowings as of 31st December 2008, and the Group's debt to equity ratio is 18% as of 31st December 2008 (2007: 19%).

The Group had no contingent liabilities as of 31st December 2008 (2007: Nil).

As of 31st December 2008, the Group had commitments for capital contribution to subsidiaries (authorised but not contracted for) of HK\$47 million (2007: HK\$47 million).

CAPITAL STRUCTURE

During the year, the share capital structure of the Company has not been changed with details shown in note 25 to the financial statements.

DIVIDEND

The Board of Directors recommends the payment of a final dividend of 5 HK cent, making a total payout of 10 HK cents per share for 2008 (2007: total of 6 HK cents per share and a special dividend of 20 HK cents per share). The total amount of dividend appropriated, based on the number of shares in issue, is HK\$3.94 million (2007: HK\$102.4 million).

財政狀況

本集團的資金流動保持強勁。於二零零八年十二月三十一日，本集團之資金流動率為四點四四，二零零七年十二月三十一日為四點零六。

於二零零八年度，本集團的應收帳項周轉期為35天，上年度為49天。庫存周轉期從二零零七年的49天下降至二零零八年的47天。

於二零零八年十二月三十一日，銀行結餘及現金額為港幣二億一千五百九十萬元（二零零七年：港幣三億零五百四十萬元），比去年同期下降了港幣八千九百五十萬元。

於二零零八年十二月三十一日，本集團並無銀行貸款。本集團於二零零八年十二月三十一日之負債權益比率為百分之十八（二零零七年：百分之十九）。

於二零零八年十二月三十一日，本集團無或然負債（二零零七年：無）。

於二零零八年十二月三十一日，注資予附屬公司之資本承擔（已批准但未簽約）為港幣四千七百萬元（二零零七年：港幣四千七百萬元）。

資本結構

本年度本公司之資本結構並無變動，詳情載於財務報表附註25。

股息

董事會建議派發末期股息為每股港幣五仙，二零零八年度總股息為每股港幣十仙（二零零七年總股息為每股港幣六仙及特別股息每股港幣二十仙）。根據發行的股票數量，本年度股息總額為港幣三千九百四十萬元（二零零七年股息總額為港幣一億零二百四十萬元）。

Management Discussion and Analysis

管理層討論及分析

The book of transfers and register of member will be closed from 25th May 2009 to 3rd June 2009, both days inclusive during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, lodging of all transfers accompanied by the relevant share certificates must not be later than 4:00 p.m. on 22nd May 2009 with the Company's share registrars, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. The final dividend is payable on 16th June 2009 to members on the register of the Company on 3rd June 2009.

CHARGES ON ASSETS

The Group has no charges on assets as of 31st December 2008 and 31st December 2007.

FUTURE PROSPECTS

The core business of the Group has continued to shift from lower margin small appliances manufacturing to higher margin environmental products. We will continue to optimise manufacturing costs by means of initiating more employees champion programs (such as E-100 and C-100) and formation of strategic alliance with key suppliers and customers.

Our strategy to develop a niche market for higher margin products has resulted in close collaboration with some strategic customers, and we have recently entered an exciting business partnership with two important US customers. We are ready to introduce innovative products to the consumer market worldwide in 2009. Our medium term goal is to become a leader in the environmental and grooming product categories while developing our competence in other product categories, such as the bar equipment category, a revolutionary departure from traditional electrical appliances.

Our customer base remained relatively healthy financially (except two US customers, which we took a HK\$5.5 million write-off against bad debt). The uncertainty and market risk present us a unique opportunity to seize new businesses from our competitors. We are optimistic that new businesses will be channeled to our Group as old and new customers strive to find more reliable and financially strong manufacturing partners.

本公司將於二零零九年五月二十五日至二零零九年六月三日（包括首尾兩天）暫停辦理登記過戶手續。如欲收取建議末期股息，所有過戶文件連同有關股票須於二零零九年五月二十二日下午四時正前送抵過戶處，香港中央證券登記有限公司，地址為香港皇后大道東183號合和中心46樓。股息將於二零零九年六月十六日派發予於二零零九年六月三日登記在本公司名冊上之股東。

資產抵押

於二零零八年十二月三十一日及二零零七年十二月三十一日，本集團並無資產抵押。

前景

本集團之核心業務繼續從生產低利潤的小型家庭電器轉移至利潤較高的環境系列產品。我們將繼續以發起更多可令本集團員工參與公司發展計劃（如E-100及C-100），以及和主要供應商及客戶建立策略性合作關係使製造成本最有效益。

本集團致力開發高檔另類市場及高毛利產品的策略使我們和部份客戶建立了緊密的合作關係，我們剛和兩名重要的美國客戶成為業務伙伴，一系列創新的產品亦將於2009年於全球市場推出。我們的中期目標是既要成為環境系列產品及修飾系列產品市場的領導者，同時開發其他有別於傳統電器的創新產品（如酒吧設備）。

我們的客戶的財政狀況仍然維持穩健（除了兩名美國客戶的港幣五百五十萬元壞帳）。市場的不穩定因素和存在風險均為我們從競爭對手處奪得新業務帶來獨特的機會，因現有的客戶和新客戶都希望和可靠以及財政穩健的製造商合作，相信這會為集團帶來更多新的業務發展。

Management Discussion and Analysis

管理層討論及分析

To fulfill our goal to be a leader in our area of expertise and to execute our strategic plans successfully, our management decides to invest in new equipments in 2009 in anticipation of growth from new business. We expect to buy new injection molding machines as well as to upgrade our tooling and production equipments.

STAFF

The Group currently employs approximately 50 Hong Kong staff members and operates the Mandatory Provident Fund Scheme and defined contribution pension scheme. Our factory in Mainland China employs about 250 staffs, and workers employed directly or indirectly varied from 3,000 to 4,000 persons during the year. Remuneration is determined by reference to the qualifications, experience and performance of the staff.

FOREIGN EXCHANGE EXPOSURE

Most of the Group's transactions were conducted in US Dollars, Hong Kong Dollars and Renminbi. The Group does not foresee any substantial exposure to foreign currency fluctuations and thus use of financial instruments for exchange rate hedging purpose is not considered.

為了達到要成為我們專業範疇之領導者以及成功執行我們的策略性計劃的目標，管理層決定於二零零九年投資新的設備，以應付我們預期中新業務所帶來的發展。我們計劃購買新的注塑造型機以及提升模具及生產設備的質素。

職員

本集團現僱用香港職員約五十人，並為其提供強積金及界定供款退休計劃。我們在國內開設的廠房於年內僱用職員約二百五十人，直接或間接僱用的工人約三千人至四千人。薪酬乃根據職員之學歷、經驗及工作表現釐訂。

外匯風險

本集團大部分商業交易均以美元、港元及人民幣計算。基於本集團認為不會面對重大匯價變動風險，故並無考慮使用財務工具對沖匯率變動。

Report of the Directors

董事會報告

The Board of Directors submit herewith their annual report together with the audited financial statements for the year ended 31st December 2008.

PRINCIPAL PLACE OF BUSINESS

Raymond Industrial Limited (the “Company”) is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Rooms 1801-1813, 18th Floor, Grandtech Centre, 8 On Ping Street, Shatin, New Territories, Hong Kong.

PRINCIPAL ACTIVITIES

The principal activities of the Company are the sale of electrical home appliances. The principal activities and other particulars of the subsidiaries are set out in note 15 to the financial statements.

The analysis of the principal activities and geographical locations of the operations of the Company and its subsidiaries (the “Group”) during the financial year are set out in note 12 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of sales and purchases attributable to the Group’s major customers and suppliers during the financial year are as follows:

The largest customer	最大客戶
Five largest customers in aggregate	五大客戶合計
The largest supplier	最大供應商
Five largest suppliers in aggregate	五大供應商合計

None of the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company’s share capital) had any interest in these major customers and suppliers during the year.

董事會謹此呈交截至二零零八年十二月三十一日止年度之年報及經審核財務報表。

主要營運地區

利民實業有限公司(「本公司」)是一間香港註冊上市公司，註冊辦事處及主要業務地點設在香港新界沙田安平街8號18樓1801-1813室。

主要業務

本公司之主要業務是銷售家用電器。主要業務及其附屬公司分析載於財務報表附註15。

本公司及其附屬公司(「本集團」)之主要業務及地區業務分析載於財務報表附註12。

主要客戶及供應商

本集團之主要供應商和客戶佔本集團是年度之採購額及銷售額之百分比如下：

		Percentage of The Group’s total 本集團之合共百分率	
		Sales 銷售額	Purchases 採購額

The largest customer	最大客戶	48%	
Five largest customers in aggregate	五大客戶合計	77%	
The largest supplier	最大供應商		35%
Five largest suppliers in aggregate	五大供應商合計		45%

於年內任何時間，概無本公司董事、彼等之聯繫人士或任何股東(據董事所知持有本公司股本5%以上者)在此等重大客戶及供應商中持有任何權益。

Report of the Directors

董事會報告

FINANCIAL STATEMENTS

The loss of the Group for the year ended 31st December 2008 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 39 to 126.

TRANSFER TO RESERVES

Loss attributable to shareholders, before dividends, of HK\$20,290,259 (2007: loss of HK\$45,494,543) have been transferred to reserves. Other movements in reserves are set out in note 25 to the financial statements.

An interim dividend of 5 HK cents per share (2007: 5 HK cents per share) was paid on 22nd October 2008. The Directors recommend the payment of a final dividend of 5 HK cents per share (2007: 1 HK cent per share and a special dividend of 20 HK cents per share) in respect of the year ended 31st December 2008.

DONATIONS

Charitable donations made by the Group during the year amounted to HK\$113,350 (2007: HK\$7,800).

FIXED ASSETS

Details of the movements in fixed assets are set out in note 13 to the financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in note 25 to the financial statements. There were no movements during the year.

財務報表

本集團截至二零零八年十二月三十一日止年度之虧損，以及本公司及本集團於該日之狀況載於財務報表第39至第126頁。

轉撥至儲備

股東應佔虧損(未計股息)20,290.259港元(二零零七年：虧損45,494,543港元)已轉撥至儲備。儲備之其他變動載於財務報表附註25。

截至二零零八年十二月三十一日，中期股息每股港幣5仙(二零零七年：每股港幣5仙)，已於二零零八年十月二十二日派發。董事會現建議派發末期股息每股港幣5仙(二零零七年：每股港幣1仙及特別股息每股港幣20仙)。

捐款

本集團在本年度作出之慈善及其他捐款合共港幣113,350元(二零零七年：港幣7,800元)。

固定資產

本公司之固定資產詳情載於財務報表附註13。

股本

本公司之股本變動詳情載於財務報表附註25。本年度沒有任何變動。

Report of the Directors

董事會報告

DIRECTORS

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

Executive Directors:

Mr. Wong, Wilson Kin Lae (*Chairman*)
 Mr. Wong, John Ying Man
 Mr. Wong, Raymond Man Hin
 Mr. Mok, Kin Hing
 (resigned as alternate to Mr. Wong,
 Wilson Kin Lae and
 appointed as Executive Director on 1st July 2008)

Non-Executive Directors:

Dr. Wong, Philip Kin Hang
 Mr. Huang, Zhouchang
 Mr. Qiang, Wenyu
 (resigned on 4th July 2008)
 Ms. Li, Yinghong
 (appointed on 4th July 2008)

Independent Non-Executive Directors:

Mr. Leung, Michael Kai Hung
 Mr. Fan, Anthony Ren Da
 Mr. Ng, Yiu Ming

Alternate Directors:

Mr. Xiong, Zhengfeng
 (alternate to Mr. Huang, Zhouchang)
 Mr. Zhang, Yuankun
 (appointed as alternate to Mr. Wong,
 Wilson Kin Lae on 4th July 2008)
 Mr. Wong, David Ying Kit
 (appointed as alternate to Dr. Wong,
 Philip Kin Hang on 4th July 2008)

In accordance with Article 95 of the Company's Articles of Association, Mr. Mok, Kin Hing and Ms. Li, Yinghong who were appointed as an Executive Director on 1st July 2008 and a Non-Executive Director on 4th July 2008 respectively will hold office until the forthcoming annual general meeting, being eligible, have offered themselves for re-election.

董事

於本年內在任之董事如下：

執行董事：

黃乾利先生 (主席)
 黃英敏先生
 黃文顯先生
 莫健興先生
 (二零零八年七月一日辭任為
 黃乾利先生之代董事及
 獲委任為執行董事)

非執行董事：

黃乾亨博士
 黃宙昌先生
 強文郁先生
 (二零零八年七月四日辭任)
 李映紅女士
 (二零零八年七月四日獲委任)

獨立非執行董事：

梁啟雄先生
 范仁達先生
 伍耀明先生

代董事：

熊正峰先生
 (黃宙昌先生之代董事)
 張元坤先生
 (二零零八年七月四日獲委任為
 黃乾利先生之代董事)
 黃英傑先生
 (二零零八年七月四日獲委任為黃乾亨博士之代董事)

按照本公司組織章程第95條，莫健興先生在二零零八年七月一日獲委任為執行董事及李映紅女士在二零零八年七月四日獲委任為非執行董事，將於應屆股東週年大會輪值告休。惟他們願膺選連任。

Report of the Directors

董事會報告

DIRECTORS (Continued)

In accordance with article 112 of the Company's Articles of Association, Mr. Wong, John Ying Man; Mr. Huang, Zhouchang and Mr. Fan, Anthony Ren Da will retire from the board by rotation at the forthcoming annual general meeting and, being eligible, have offered themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or its subsidiaries which is not terminable within one year without payment of compensation other than statutory compensation.

The Non-Executive Directors do not have specific terms of appointment but are subject to retirement by rotation in accordance with the Articles of Association of the Company.

DIRECTORS' INTERESTS IN CONTRACTS

Except for the transactions disclosed in note 29 to the financial statements, no contract of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party, and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事 (續)

按照本公司組織章程第112條，黃英敏先生、黃宙昌先生和范仁達先生將於應屆股東週年大會輪值告休。惟他們願膺選連任。

董事之服務合約

有意於應屆股東週年大會上膺選連任之董事均無與本公司或其附屬公司簽訂任何不可於一年內免付賠償之服務合約（法定補償除外）而終止之服務合約。

非執行董事沒有特定的任期期限，但須根據本公司的組織章程輪值告休。

董事之合約權益

除財務報表附註29外，在年終或本年度任何時間內，均無訂立與本公司業務有關、及由本公司及其附屬公司概無簽訂任何涉及本集團之業務而本公司董事直接或間接在其中擁有重大權益之重要合約。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31st December 2008, the interests of the Directors in the shares of the Company, its subsidiaries and other associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) as recorded in the register maintained by the Company under Section 352 of the SFO or as notified to the Company are as follows:

(i) Interests in issued shares

董事於本公司之股份及相關股份權益

於二零零八年十二月三十一日，各董事於本公司、附屬公司及其相聯法團（釋義見證券及期貨條例（「證券條例」）之股份及相關股份，根據本公司依證券條例第352條而設置之登記冊所載記錄，或根據本公司接獲通知之權益如下：

(i) 發行股份權益

		Number of shares 股份數量				Total 合共	% of total issued shares 合共發行 股份百分率
		Personal interests 個人權益 (Note 1) (註1)	Family interests 家屬權益	Corporate interests 法團權益	Share options 購股權 (Note 10) (註10)		
<i>Executive Directors</i>		<i>執行董事</i>					
Mr. Wong, Wilson Kin Lae	黃乾利先生	4,576,008	150,000 (Note 2) (註2)	91,313,597 (Note 3) (註3)	3,800,088	99,839,693	25.35%
Mr. Wong, John Ying Man	黃英敏先生	7,668,448	-	-	3,800,000	11,468,448	2.91%
Mr. Wong, Raymond Man Hin	黃文顯先生	6,417,972	-	-	3,800,000	10,217,972	2.59%
Mr. Mok, Kin Hing (Note 4)	莫健興先生 (註4)	-	-	-	3,800,000	3,800,000	0.96%
<i>Non-Executive Directors</i>		<i>非執行董事</i>					
Dr. Wong, Philip Kin Hang	黃乾亨博士	-	421,000 (Note 5) (註5)	35,669,688 (Note 6) (註6)	2,243,000	38,333,688	9.73%
Mr. Huang, Zhouchang	黃宙昌先生	600,000	-	-	1,750,000	2,350,000	0.60%
Mr. Qiang, Wenyu (resigned on 4th July 2008)	強文郁先生 (二零零八年七月四日 辭任為非執行董事)	600,000	-	-	-	600,000	0.15%
Ms. Li, Yinghong (Note 7)	李映紅女士 (註7)	-	-	-	1,750,000	1,750,000	0.44%
<i>Independent Non-Executive Directors</i>		<i>獨立非執行董事</i>					
Mr. Leung, Michael Kai Hung	梁啟雄先生	3,694,300	-	-	393,800	4,088,100	1.04%
Mr. Fan, Anthony Ren Da	范仁達先生	644,300	-	-	393,800	1,038,100	0.26%
Mr. Ng, Yiu Ming	伍耀明先生	330,000	-	-	393,800	723,800	0.18%
<i>Alternate Directors</i>		<i>代董事</i>					
Mr. Xiong, Zhengfeng	熊正峰先生	-	-	-	450,000	450,000	0.11%
Mr. Wong, David Ying Kit (Note 8)	黃英傑先生 (註8)	-	-	-	450,000	450,000	0.11%
Mr. Zhang, Yuankun (Note 9)	張元坤先生 (註9)	-	-	-	930,000	930,000	0.24%

Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

董事於本公司之股份及相關股份權益 (續)

(i) Interests in issued shares (Continued)

(i) 發行股份權益 (續)

Notes:

附註：

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|--|---|
| <p>(1) The shares are registered under the names of the Directors who are the beneficial shareholders.</p> <p>(2) Ms. Sun, Amelia Kwing Hai, spouse of Mr. Wong, Wilson Kin Lae, is the beneficial shareholder.</p> <p>(3) Mr. Wong, Wilson Kin Lae is the beneficial shareholders of 50% of the issued share capital of Broadbridge Enterprises Limited and Diamond-Harvest Limited, which owned 13,431,837 and 77,881,760 shares respectively in the Company at 31st December 2008.</p> <p>(4) Mr. Mok, Kin Hing was granted 3,800,000 share options prior to his appointment as an Executive Director of the Company on 1st July 2008. As of the date of this report, none of the subject share options has been exercised.</p> <p>(5) Mrs. Wong Cheng, Gertrude Kwok Cheung, spouse of Dr. Wong, Philip Kin Hang, is the beneficial shareholder.</p> <p>(6) Dr. Wong, Philip Kin Hang is the beneficial shareholder of 50% of the issued capital of Ho Kit Man Inc., which owned 35,669,688 shares in the Company at 31st December 2008.</p> <p>(7) Ms. Li, Yinghong was granted 1,750,000 share options prior to her appointment as a Non-Executive Director of the Company on 4th July 2008. As of the date of this report, none of the subject share options has been exercised.</p> <p>(8) Mr. Wong, David Ying Kit was granted 450,000 share options prior to his appointment as alternate to Dr. Wong, Philip Kin Hang, a Non-Executive Director of the Company, on 4th July 2008. As of the date of this report, none of the subject share options has been exercised.</p> <p>(9) Mr. Zhang, Yuankun was granted 930,000 share options prior to his appointment as alternate to Mr. Wong, Wilson Kin Lae, the Chairman and an Executive Director of the Company, on 4th July 2008. As of the date of this report, none of the subject share options has been exercised.</p> | <p>(1) 登記在股份名下之董事姓名均為實益股東。</p> <p>(2) 該等股份乃透過黃乾利先生之配偶辛炯僖女士為實益股東。</p> <p>(3) 於二零零八年十二月三十一日，該等股份乃透過黃乾利先生持有50%發行股本的Broadbridge Enterprises Limited (持有13,431,837股份)及Diamond-Harvest Limited (持有77,881,760股份)為實益股東。</p> <p>(4) 莫健興先生於二零零八年七月一日獲委任為本公司執行董事前獲授3,800,000份購股權。於本報告日，概無上述購股權獲行使。</p> <p>(5) 該等股份乃透過黃乾亨博士之配偶黃鄭國璋女士為實益股東。</p> <p>(6) 於二零零八年十二月三十一日，該等股份乃透過黃乾亨博士持有50%發行股本的Ho Kit Man Inc. (持有35,669,688股份)為實益股東。</p> <p>(7) 李映紅女士於二零零八年七月四日獲委任為本公司非執行董事前獲授1,750,000份購股權。於本報告日，概無上述購股權獲行使。</p> <p>(8) 黃英傑先生於二零零八年七月四日獲委任為本公司非執行董事黃乾亨博士之代董事前獲授450,000份購股權。於本報告日，概無上述購股權獲行使。</p> <p>(9) 張元坤先生於二零零八年七月四日獲委任為本公司主席及執行董事黃乾利先生之代董事前獲授930,000份購股權。於本報告日，概無上述購股權獲行使。</p> |
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Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

(i) Interests in issued shares (Continued)

Notes: (Continued)

- (10) Share options are granted to the Directors under the Share Option Scheme (the "Scheme") approved by the shareholders at an extraordinary general meeting on 6th June 2003 and a refreshment of share option mandate limit under the Scheme was approved by shareholders at the annual general meeting on 2nd June 2006. Details of which were set out in the section "SHARE OPTION SCHEME" below.

All the interests disclosed under this section represent long positions in the shares of the Company.

(ii) Interests in underlying shares

The Directors of the Company have been granted options under the Company's share option scheme, details of which are set out in the section "SHARE OPTION SCHEME" below.

Apart from the foregoing, none of the Directors of the Company or any of their spouses or children under eighteen years of age has interests or short positions in the shares, underlying shares or debentures of the Company, or any of its holding Company, subsidiaries or other associated corporations, as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

董事於本公司之股份及相關股份權益 (續)

(i) 發行股份權益 (續)

附註：(續)

- (10) 根據本公司於二零零三年六月六日舉行之股東特別大會上批准之購股權計劃及於二零零六年六月二日舉行之股東週年大會上批准之更新認股權授權限額，董事獲授予購股權。詳情請參閱下列之「購股權」部份。

此部份所列之權益均為於本公司之股份及購股權中的好倉。

(ii) 於相關股份之權益

本公司董事已根據本公司購股權計劃授出購股權，有關詳情載於下文「購股權計劃」一節。

除上文所述者外，概無本公司董事或彼等之配偶或十八歲以下子女於本公司或其任何控股公司、附屬公司或其他相聯法團之股份、相關股份或債券中擁有須紀錄於根據證券及期貨條例第352條存置之登記冊或根據上市公司董事進行證券交易之標準守則須知會本公司之權益。

Report of the Directors

董事會報告

SHARE OPTION SCHEME

Share options are granted to directors, employees and other eligible participants specified under the Share Option Scheme (the “Scheme”) approved by shareholders of the Company at an extraordinary general meeting on 6th June 2003. Details of the Scheme are as follows:

Purpose To give eligible participants incentives or rewards for their contribution or potential contribution to the Group

Participants (i) Directors, employees of any member of the Group or any controlling shareholder of the Company (“Controlling Shareholder”) or any company controlled by a Controlling Shareholder,

(ii) Holder of any securities issued by any member of the Group or any Controlling Shareholder of the Company or any company controlled by a Controlling Shareholder,

(iii) (a) any business or joint venture partner, contractor, agent or representative of,

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

(c) any customer or distributor of goods or services of,

any member of the Group or any Controlling Shareholder or a company controlled by a Controlling Shareholder;

and for the purpose of the Scheme, shall include any company controlled by one or more persons belonging to any of the above classes of persons

購股權計劃

根據本公司股東在二零零三年六月六日舉行之特別股東大會上批准之購股權計劃（「計劃」），董事、僱員及其他合資格人士獲授予購股權。有關計劃之詳情如下：

目的 旨在讓本集團向參與者授出購股權，作為對本集團已作出或未來將作出之貢獻的激勵或獎勵

參與者 (i) 本集團任何成員公司或本公司之控股股東（「控股股東」）或控股股東所控制之公司之董事、僱員；

(ii) 持有本集團任何成員、控股股東或控股股東所控制之公司所發行之任何證券之持有人；

(iii) (a) 任何業務或合作夥伴、承包商、代理及代表；或

(b) 任何貨品或服務供應商；或

(c) 任何客戶及分銷商

乃本集團任何成員或控股股東或由控股股東控制之任何公司；

並就該計劃而言，將包括由一位或多位隸屬以上任何合資格人士所控制之公司

Report of the Directors

董事會報告

SHARE OPTION SCHEME (Continued)

購股權計劃 (續)

Total number of ordinary shares available for issue and the percentage of the issued share capital that it represents as at the date of the annual report	40,251,488 ordinary shares and 10.22% of the issued share capital	可供發行之普通股總數及於本年報之日期佔已發行股本之百分比	40,251,488股普通股，佔已發行股本10.22%
Maximum entitlement of each participant	1% of the aggregate number of ordinary shares in issue in any 12-month period up to the date of grant	每名參與者可享購股權上限	在任何十二個月期間參與者行使其所獲授之購股權，不得超過本公司已發行普通股股本之1%
Period within which the securities must be taken up under an option	Within a maximum period of 10 years commencing from the date of grant of such options	購股權必須認購普通股之期限	購股權可於授出之日行使，惟購股權之可行使期限不可超過十年
Minimum period for which an option must be held before it can be exercised	Not applicable	行使購股權前最少持有期限	不適用
Amount payable on acceptance of the option	HK\$1.00 for each lot of share options granted	接納購股權時須支付之金額	每批授出之購股權為港幣1元
Period within which payments must be made	21 days from the date of the offer	接納購股權付款期間	授出日21日內

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董事會報告

SHARE OPTION SCHEME (Continued)

Basis of determining the exercise price	The higher of (i) the closing price of the shares on the offer date or (ii) the average closing price of the shares for the 5 trading days immediately preceding the offer of the option, provided that the exercise price is not less than the nominal value of the share
The remaining life of the Scheme	The Scheme remains in force until 5 June 2013 unless otherwise terminated under terms of the Scheme

At 31st December 2008, the Directors, employees and other participants had the following interests in options to subscribe for shares of the Company (market value per share at 31st December 2008 was HK\$0.55) granted for a consideration of HK\$1 for each lot of options granted under the Scheme. The options are unlisted. Each option gives the holder the right to subscribe for one ordinary share of HK\$0.50 each of the Company.

購股權 (續)

釐定行使價之基準	以下列兩者中之較高者：(i)有關購股權授出當日之收市價或(ii)有關購股權授出日前五個營業日之平均收市價。惟每股購股權之行使價不可低於每股普通股之面值
計劃之有效期	除非在計劃之條款下另作終止，否則計劃維持有效至二零一三年六月五日

於二零零八年十二月三十一日，董事、僱員或其他參與人士於購股權中擁有以下權益，該等購股權乃根據本公司計劃以每批購股權代價1港元授出，可認購本公司股份（於二零零八年十二月三十一日每股市價為0.55港元）。購股權並無上市。每份購股權賦予持有人權利認購一股本公司每股面值0.50港元之普通股。

Report of the Directors

董事會報告

SHARE OPTION SCHEME (Continued)

購股權 (續)

	No. of options 購股權數目				Date granted 授出日期	Period during which options are exercisable 購股權可行使 之期間	Exercise price per share 每股行使價 HK\$ 港元	Market value per share at date of grant of options* 於購股權 授出日期之 每股市值* HK\$ 港元
	Held at 1st January 2008 於二零零八 年一月一日 之結餘	Granted during the year 於年內 授出之 購股權數目	Cancelled during the year 於年內 註銷之 購股權數目	Outstanding at the year end 於年終尚 未行使之 購股權數目				
Directors 董事								
<i>Executive Directors:</i> <i>執行董事:</i>								
Mr. Wong, Wilson Kin Lae 黃乾利先生	-	3,800,088	-	3,800,088	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Mr. Wong, John Ying Man 黃英敏先生	-	3,800,000	-	3,800,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Mr. Wong, Raymond Man Hin 黃文顯先生	-	3,800,000	-	3,800,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Mr. Mok, Kin Hing (Note 1) 莫健興先生 (註1)	-	3,800,000	-	3,800,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
<i>Non-Executive Directors:</i> <i>非執行董事:</i>								
Dr. Wong, Philip Kin Hang 黃乾亨博士	493,000	-	-	493,000	21st June 2005 二零零五年 六月二十一日	21st June 2005 to 5th June 2013 二零零五年六月二十一日 至二零一三年六月五日	2.425	1.736
	-	1,750,000	-	1,750,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Mr. Huang, Zhouchang 黃宙昌先生	-	1,750,000	-	1,750,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Ms. Li, Yinghong (Note 2) 李映紅女士 (註2)	-	1,750,000	-	1,750,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
<i>Independent Non-Executive Directors:</i> <i>獨立非執行董事:</i>								
Mr. Leung, Michael Kai Hung 梁啟雄先生	-	393,800	-	393,800	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Mr. Fan, Anthony Ren Da 范仁達先生	-	393,800	-	393,800	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Mr. Ng, Yiu Ming 伍耀明先生	-	393,800	-	393,800	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844

Report of the Directors

董事會報告

SHARE OPTION SCHEME (Continued)

購股權 (續)

	No. of options 購股權數目			Outstanding at the year end 於年終尚 未行使之 購股權數目	Date granted 授出日期	Period during which options are exercisable 購股權可行使 之期間	Exercise price per share 每股行使價 HK\$ 港元	Market value per share at date of grant of options* 於購股權 授出日期之 每股市值* HK\$ 港元
	Held at 1st January 2008 於二零零八 年一月一日 之結餘	Granted during the year 於年內 授出之 購股權數目	Cancelled during the year 於年內 註銷之 購股權數目					
<i>Alternate Directors:</i> 代董事:								
Mr. Xiong, Zhengfeng 熊正峰先生	-	450,000	-	450,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Mr. Wong, David Ying Kit (Note 3) 黃英傑先生 (註3)	-	450,000	-	450,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Mr. Zhang, Yuankun (Note 4) 張元坤先生 (註4)	-	930,000	-	930,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Employees (Note 5) 僱員 (註5)	552,000	-	-	552,000	21st June 2005 二零零五年 六月二十一日	21st June 2005 to 5th June 2013 二零零五年六月二十一日 至二零一三年六月五日	2.425	1.736
	-	9,830,000	(50,000)	9,780,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
Other eligible persons (Note 5) 其他合資格人士 (註5)	170,000	-	-	170,000	21st June 2005 二零零五年 六月二十一日	21st June 2005 to 5th June 2013 二零零五年六月二十一日 至二零一三年六月五日	2.425	1.736
	-	6,095,000	-	6,095,000	30th June 2008 二零零八年 六月三十日	30th June 2008 to 29th June 2018 二零零八年六月三十日 至二零一八年六月二十九日	0.910	0.844
	1,215,000	39,386,488	(50,000)	40,551,488				

Report of the Directors

董事會報告

SHARE OPTION SCHEME (Continued)

Notes:

- (1) Mr. Mok, Kin Hing was granted 3,800,000 share options prior to his appointment as an Executive Director of the Company on 1st July 2008. As of the date of this report, none of the subject share options has been exercised.
- (2) Ms. Li, Yinghong was granted 1,750,000 share options prior to her appointment as a Non-Executive Director of the Company on 4th July 2008. As of the date of this report, none of the subject share options has been exercised.
- (3) Mr. Wong, David Ying Kit was granted 450,000 share options prior to his appointment as alternate to Dr. Wong, Philip Kin Hang, a Non-Executive Director of the Company, on 4th July 2008. As of the date of this report, none of the subject share options has been exercised.
- (4) Mr. Zhang, Yuankun was granted 930,000 share options prior to his appointment as alternate to Mr. Wong, Wilson Kin Lae, the Chairman and an Executive Director of the Company, on 4th July 2008. As of the date of this report, none of the subject share options has been exercised.
- (5) Subsequent to 31st December 2008, 50,000 and 250,000 shares options, which had been granted to employees of the Group and other eligible persons respectively were cancelled as a result of termination of employment or cessation of services rendered to the Group.

The options granted to the Directors are registered under the names of the Directors who are also the beneficial owners.

- * being the weighted average closing price of the Company's ordinary shares immediately before the dates on which the options were granted or exercised, as applicable.

Information on the accounting policy for share options granted and the weighted average value per option is provided in note 2(l)(ii) and note 24 to the financial statements respectively.

Apart from the foregoing, at no time during the year was the Company, or any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

購股權 (續)

附註：

- (1) 莫健興先生於二零零八年七月一日獲委任為本公司執行董事前獲授3,800,000份購股權。於本報告日，概無上述購股權獲行使。
- (2) 李映紅女士於二零零八年七月四日獲委任為本公司非執行董事前獲授1,750,000份購股權。於本報告日，概無上述購股權獲行使。
- (3) 黃英傑先生於二零零八年七月四日獲委任為本公司非執行董事黃乾亨博士之代董事前獲授450,000份購股權。於本報告日，概無上述購股權獲行使。
- (4) 張元坤先生於二零零八年七月四日獲委任為本公司主席及執行董事黃乾利先生之代董事前獲授930,000份購股權。於本報告日，概無上述購股權獲行使。
- (5) 於二零零八年十二月三十一日結算日後，50,000股及250,000股授予集團員工及其他合資格人士的購股權因終止僱傭關係或停止服務而註銷。

授予董事之購股權乃以同時為實益擁有人之董事之名義登記。

- * 即本公司普通股於緊接購股權授出或行使（如適用）日期前之加權平均收市價。

授出購股權之會計政策及每份購股權加權平均值之資料分別載於財務報表附註2(l)(ii)及附註24。

除上文所述者外，於年內任何時間，本公司、其任何控股公司、附屬公司或同系附屬公司並非任何讓本公司董事以購買本公司或任何其他實體股份或債券之權益之方式取得利益之安排之訂約方。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

According to the register of substantial shareholders maintained under section 336 of the SFO as at 31st December 2008, the Company had been notified of the following substantial shareholders' interests being 5% or more of the Company's ordinary shares in issue. These interests are in addition to those disclosed above in relation to the Directors:

主要股東於本公司之股份及相關股份之權益

除上述董事之股份權益外，於二零零八年十二月三十一日，根據證券條例第336條而設置之主要股東登記冊，本公司已獲下列持有本公司發行股本5%或以上權益之通知：

		Number of shares 股份數量				% of total issued shares 合計發行 股份百分率
		Registered shareholders 已登記股東	Corporate interests 法團權益	Family interest 家屬權益	Total 合計普通股 股份持有數量	
Substantial shareholders	主要股東					
Ms. Sun, Amelia Kwing Hai	辛炯僖女士	150,000	91,313,597 (Note 2) (註2)	8,376,096 (Note 1) (註1)	99,839,693	25.35%
Diamond-Harvest Limited	Diamond-Harvest Limited	77,881,760 (Note 3) (註3)	–	–	77,881,760	19.77%
Silver Talent Development Limited	銀立發展有限公司	–	53,080,800	–	53,080,800	13.48%
Allianz AG	Allianz AG	–	28,864,000	–	28,864,000	7.33%
Dresdner Bank Aktiengesellschaft	Dresdner Bank Aktiengesellschaft	–	28,864,000 (Note 6) (註6)	–	28,864,000	7.33%
Dresdner VPN N.V.	Dresdner VPN N.V.	–	28,864,000 (Note 6) (註6)	–	28,864,000	7.33%
Mrs. Wong Cheng, Gertrude Kwok Cheng	黃鄭國璋女士	421,000	35,669,688	2,243,000 (Note 4) (註4)	38,333,688	9.73%
Ho Kit Man Inc.	Ho Kit Man Inc.	35,669,688 (Note 5) (註5)	–	–	35,669,688	9.05%

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

(Continued)

Notes:

- (1) These shares were held by Mr. Wong, Wilson Kin Lae, spouse of Ms. Sun, Amelia Kwing Hai, of which details are set out in the "Directors' interests in shares and underlying shares" section above.
- (2) These shares were held through Broadbridge Enterprises Limited and Diamond-Harvest Limited, companies beneficially owned by Ms. Sun, Amelia Kwing Hai and her spouse, Mr. Wong, Wilson Kin Lae.
- (3) These shares were held through Diamond-Harvest Limited, a company controlled by Ms. Sun, Amelia Kwing Hai and Mr. Wong, Wilson Kin Lae.
- (4) These shares were held by Dr. Wong, Philip Kin Hang, spouse of Mrs. Wong Cheng, Gertude Kwok Cheung, of which details are set out in the "Directors' interest in shares and underlying shares" section above.
- (5) These shares were held through Ho Kit Man Inc., a company controlled by Mrs. Wong Cheng, Gertude Kwok Cheung and Dr. Wong, Philip Kin Hang.
- (6) Subsequent to 31 December 2008, Dresdner Bank Aktiengesellschaft and Dresdner VPN N.V. ("Dresdner Bank Group") were acquired by Commerzbank AG on 12th January 2009. Commerzbank AG becomes the sole shareholder of Dresdner Bank Group and Allianz AG has no interests in the shares of the Company.

All the interests disclosed under this section represent long positions in the shares of the Company.

主要股東於本公司之股份及相關股份之權益 (續)

附註：

- (1) 該等股份乃透過辛炯僖女士之配偶黃乾利先生持有。詳情請參閱上列之「董事於本公司之股份及相關股份權益」。
- (2) 該等股份乃透過辛炯僖女士及其配偶實益擁有之 Broadbridge Enterprises Limited 及 Diamond-Harvest Limited 持有。
- (3) 該等股份乃透過由黃乾利先生及辛炯僖女士控制之 Diamond-Harvest Limited。
- (4) 該等股份乃透過黃鄭國璋女士之配偶黃乾亨博士持有。詳情請參閱上列之「董事於本公司之股份及相關股份權益」。
- (5) 該等股份乃透過由黃乾亨博士及黃鄭國璋女士控制之 Ho Kit Man Inc. 持有。
- (6) 於二零零八年十二月三十一日結算日後，Dresdner Bank Aktiengesellschaft 及 Dresdner VPN N.V. (「Dresdner Bank 集團」) 於二零零九年一月十二日被 Commerzbank AG 收購而成為該集團之唯一股東。自收購日起 Allianz AG 不再持有本公司股份之權益。

此部份所列之權益均為於本公司之股份中的好倉。

Report of the Directors

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company, as at the date of this annual report, the Company has maintained the prescribed public float under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

FIVE YEAR SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 127 and 128 of the annual report.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and there was no restriction against such rights under the laws of Hong Kong, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the year.

MANAGEMENT CONTRACTS

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

CONNECTED TRANSACTIONS

Significant related party transactions entered into by the Group during the year ended 31st December 2008, which do not constitute connected transactions under the Listing Rules, are disclosed in note 29 to the financial statements.

足夠公眾持股量

根據本公司從公開途徑取得的資料及就本公司董事所知，於本年報刊發日期，本公司維持香港聯合交易所有限公司證券上市規則（「上市規則」）之公眾持股量。

五年財政摘要

本集團過去五個財政年度之業績及資產負債摘要載於第127及128頁。

股本優先購買權

本公司之組織章程中並無優先購股權之條文，而香港之法例亦無規定公司需按比例向現有股東發售新股之類的限制。

購買、出售或贖回股份

本公司及其任何附屬公司於年內並無贖回其股份，亦無購買或出售本公司之股份。

管理合約

本集團於年內並無就整體業務或任何重要業務之管理或行政工作簽訂或存有任何重大合約。

關連交易

本集團於截至二零零八年十二月三十一日止之年內進行之重要關連交易不構成上市規則項下之關連交易載於財務報表附註29。

Report of the Directors

董事會報告

RETIREMENT SCHEMES

The Group operates two defined benefit retirement schemes which cover all of the Group's employees, and a Mandatory Provident Fund scheme. Particulars of these retirement schemes are set out in note 22 to the financial statements.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the Independent Non-Executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the Independent Non-Executive Directors to be independent.

AUDITORS

Baker Tilly Hong Kong Limited were first appointed as auditors of the Company in 2006 upon the retirement of PricewaterhouseCoopers.

Baker Tilly Hong Kong Limited will retire and, being eligible, offer themselves for reappointment. A resolution for the re-appointment of Baker Tilly Hong Kong Limited as auditors of the Company will be proposed at the forthcoming annual general meeting.

By order of the board

Wong, Wilson Kin Lae
Chairman

Hong Kong, 22nd April 2009

退休計劃

本集團設立兩項定額供款計劃予本集團全體之員工及一個強制性公積金計劃，該等退休計劃之詳情刊載於財務報表附註22。

確認獨立性

本公司已接獲各獨立非執行董事根據上市規則第3.13條作出之年度獨立性確認書，並認為全體獨立非執行董事均為獨立人士。

核數師

因羅兵咸永道會計師事務所辭任，香港天華會計師事務所有限公司在二零零六年首次被委任為本公司核數師。

香港天華會計師事務所有限公司任滿告退，但表示願意應聘連任。續聘香港天華會計師事務所有限公司為本公司核數師之決議案將呈交在即將舉行之股東週年大會。

承董事會命

主席
黃乾利

香港，二零零九年四月二十二日

Corporate Governance Report

企業管治報告

The Company puts great emphasis on corporate governance and reviews and strengthens corporate governance measures from time to time. The Board believes that shareholders can derive maximum benefits from good corporate governance.

Throughout the year, the Company was in compliance with the Code of Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), save for a deviation from code provision A.4.1 of the CG Code in respect of the service term of non-executive directors.

Under code provision A.4.1 of the CG Code, non-executive directors (including independent non-executive directors) should be appointed for a specific term and subject to re-election.

None of the existing non-executive directors of the Company is appointed for a specific term. This constitutes a deviation from code provision A.4.1 of the CG Code. However, all non-executive directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company’s Articles of Association. The Company has also received the annual confirmation of independence from each independent non-executive director and has grounds to believe that independent non-executive director continues to be independent of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the CG Code.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules (the “Model Code”) as the code of conduct for securities transactions by directors and has adopted written guidelines no less exacting than the Model Code for application to senior management and designated people who might have access to price sensitive information of the Group.

本公司對企業管治極為重視，並不時檢討及加強企業管治的措施。董事會相信股東可從良好的企業管治中獲得最大的利益。

於期內，除關於非執行董事之服務任期偏離了常規守則A.4.1項條款外，本公司一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治常規守則（「常規守則」）之規定。

根據常規守則A.4.1項條款規定，非執行董事（包括獨立非執行董事）應設有特定委任年期並須輪值告休。

本公司之現任非執行董事均不設特定委任年期，此點偏離了常規守則A.4.1項條款之規定。然而，根據本公司之公司組織章程，非執行董事均須在應屆股東週年大會輪值告休。此外，本公司已收到各獨立非執行董事之年度獨立確認，深信各獨立非執行董事將繼續保持獨立為董事會服務。因此，本公司認為已採取充份措施以確保本公司之企業管治水平並不較常規守則之要求寬鬆。

董事進行證券交易

本公司已採納上市規則附錄10所載的（「標準守則」）為董事進行證券交易的操守守則，並採納將不遜於標準守則的書面指引應用至高級管理人員及可能得悉本集團價格敏感資料的指定人士。

Corporate Governance Report

企業管治報告

Having made specific enquiries of the directors, all directors confirm that they had complied with the Model Code for the year ended 31st December 2008.

GOVERNANCE STRUCTURE

The Company's corporate governance structure includes the board and two committees under the board, namely audit committee and remuneration committee. The board stipulates the terms of reference of all committees in writing and specifies clearly the power and responsibilities of the committees.

BOARD OF DIRECTORS

Comprising four executive directors, three non-executive directors, and three independent non-executive directors (and three alternate directors), the Board has an appropriate composition of directors. The non-executive directors are each appointed for an unspecified term. Please refer to page 12 of this annual report for composition of the board of directors.

All independent non-executive directors of the Company have complied with the requirements of the Listing Rules and have submitted to the Company annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The board has assessed their independence and confirms that all independent non-executive directors are independent parties as defined in the Listing Rules. Mr. Leung, Michael Kai Hung was appointed on 16th March 1988, Mr. Fan, Anthony Ren Da was appointed on 12th December 1994 and Mr. Ng Yiu Ming was appointed on 2nd July 2004. The appointment of directors is not fixed for a specified term, but at every annual general meeting, they are subject to the retirement and re-election requirements pursuant to the Articles of Association of the Company.

經本公司查詢後，全體董事確認彼等於截至二零零八年十二月三十一日止年度一直遵守標準守則。

管治架構

本公司的公司管治架構包括董事會及董事會轄下的兩個委員會，即審核委員會及薪酬委員會，董事會以書面訂明各委員的職權範圍，清楚說明委員的職權和責任。

董事會

董事會包括四名執行董事，三名非執行董事及三名獨立非執行董事（及三名代董事），董事會由適當董事組成。每名非執行董事之委任無特定委任年期。請參閱本年報第12頁。

本公司各獨立非執行董事已符合上市規則的要求，向本公司出示根據上市規則第3.13條發出的獨立性週年確認書。董事會已評估彼等之獨立性並確認所有獨立非執行董事均屬上市規則所界定之獨立人士。梁啟雄先生於一九八八年三月十六日獲委任，范仁達先生於一九九四年十二月十二日獲委任及伍耀明先生於二零零四年七月二日獲委任。董事之委任並無固定任期，惟於每屆股東週年大會彼等須遵行本公司的組織章程有關退任及重選連任之規定。

Corporate Governance Report

企業管治報告

The family relationship among the directors are summarized as follows:

Mr. Wong, Wilson Kin Lae, Chairman and Dr. Wong, Philip Kin Hang are brothers.

Mr. Wong, Wilson Kin Lae is the father of Mr. Wong, Raymond Man Hin and uncle of Mr. Wong, John Ying Man and Mr. Wong, David Ying Kit.

Dr. Wong, Philip Kin Hang is the father of Mr. Wong, John Ying Man and Mr. Wong, David Ying Kit and uncle of Mr. Wong, Raymond Man Hin.

Mr. Wong, John Ying Man and Mr. Wong, David Ying Kit are brothers and they are cousins of Mr. Wong, Raymond Man Hin.

The directors have conducted a review of the effectiveness of the system of internal control of the Company and its subsidiaries.

The board convenes at least two regular meetings each year (approximately each six months), and will convene further meetings when necessary. When a regular board meeting is convened, the board documents will be sent to the directors for review before the meeting pursuant to the Listing Rules and the CG Code so that the directors can keep abreast of the information to perform their duties and responsibilities. The board convened 9 meetings in 2008.

董事之間的家族關係摘要如下：

主席黃乾利先生及黃乾亨博士是兄弟。

黃乾利先生是黃文顯先生的父親及黃英敏先生和黃英傑先生的叔父。

黃乾亨博士是黃英敏先生和黃英傑先生的父親及黃文顯先生的伯父。

黃英敏先生及黃英傑先生是兄弟。他們是黃文顯先生的堂兄弟。

董事已審閱本公司及其附屬公司之內部監控系統之效用。

董事會每年最少召開二次定期會議（大約六個月一次），亦會在有需要時召開會議。在召開定期董事會會議時，董事會文件乃根據上市規則及守則條文的規定於會議前送交予董事審閱，使董事能夠掌握有關資料，以便履行其職責和責任。董事會於二零零八年共召開9次會議。

Corporate Governance Report

企業管治報告

The attendance of directors is as follows:

董事出席情況如下：

Director Name 董事名稱		Attendance 出席 No. of meetings attended/ No. of meetings held during term of service 出席會議次數/ 任期內會議次數	Attendance Rate 出席率
Executive Directors 執行董事			
Mr. Wong, Wilson Kin Lae (<i>Chairman</i>)	黃乾利先生 (主席)	9/9	100%
Mr. Wong, John Ying Man	黃英敏先生	6/9	67%
Mr. Wong, Raymond Man Hin	黃文顯先生	9/9	100%
Mr. Mok, Kin Hing (appointed on 1st July 2008)	莫健興先生 (二零零八年七月一日獲委任)	1/1	100%
Non-Executive Directors 非執行董事			
Dr. Wong, Philip Kin Hang	黃乾亨博士	7/9	78%
Mr. Huang, Zhouchang	黃宙昌先生	9/9	100%
Mr. Qiang, Wenyu (resigned on 4th July 2008)	強文郁先生 (二零零八年七月四日辭任)	1/8	13%
Ms Li, Yinghong (appointed on 4th July 2008)	李映紅女士 (二零零八年七月四日獲委任)	1/1	100%
Independent Non-Executive Directors 獨立非執行董事			
Mr. Leung, Michael Kai Hung	梁啟雄先生	8/9	89%
Mr. Fan, Anthony Ren Da	范仁達先生	9/9	100%
Mr. Ng, Yiu Ming	伍耀明先生	9/9	100%

The remuneration of directors is determined with reference to their functions and responsibilities in the Company, the performance of the Company and the current market conditions. Director is not allowed to participate in determining his own remuneration. The remuneration received by directors from the Company during the year is set out in Note 7 of the financial statement. The board has set up an independent professional consulting procedure and upon reasonable request, directors are able to seek independent professional advice in appropriate circumstance at the Company's expenses.

董事的酬金乃參考彼等各自於本公司的職務及責任、本公司的表現及現時的市況而釐定，任何董事不得參與訂定本身的酬金。董事於本年度向本集團收取的酬金詳情已載於財務報表附註7。董事會已定立一套董事諮詢獨立專業意見的程序，讓董事按合理要求，可在適當的情況下尋求獨立專業意見，費用由本公司支付。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE

The audit committee comprises three independent non-executive directors and one non-executive director with extensive experience in accounting or legal matters. The audit committee established with specific written terms of reference is mainly responsible for reviewing the financial statements and annual and half-yearly reports and accounts of the Company, submitting relevant reports and recommendations to the board, reviewing the Company's financial controls, internal control and risk management systems and making recommendations on the appointment and remuneration of the auditors of the Company and any matters related to the termination of appointment. Mr. Leung, Michael Kai Hung is chairman of the audit committee and is responsible for reporting the meeting results and recommendations of the audit committee to the board after each meeting.

In 2008, the audit committee convened 2 meetings. Members of the audit committee and their attendance are as follows:

審核委員會

審核委員會由三名獨立非執行董事及一名非執行董事組成，在會計或法律方面有豐富經驗。審核委員會已成立權限範圍主要負責審閱本公司的財務報表及年度及每半年報告及賬目、向董事會提交相關報告及推薦意見、審閱本公司之財務監控、內部監控及風險管理系統及就本公司核數師的委任、薪酬及任何與終止委聘有關事宜提出建議。梁啟雄先生為審核委員會的主席，負責於每次會議後向董事會報告審核委員會的會議結果及推薦意見。

於二零零八年，審核委員會共召開2次會議。成員出席情況如下：

Member Name 成員名稱		Attendance 出席 No. of meetings attended/ No. of meetings held during the year 出席會議次數/ 年期內會議次數	Attendance Rate 出席率
Mr. Leung, Michael Kai Hung (<i>Chairman</i>)	梁啟雄先生 (主席)	2/2	100%
Mr. Fan, Anthony Ren Da	范仁達先生	2/2	100%
Mr. Ng, Yiu Ming	伍耀明先生	2/2	100%
Mr. Huang, Zhouchang	黃宙昌先生	2/2	100%

Tasks undertaken by the audit committee during the year included reviewing the 2007 audited financial statements and the annual results announcement, reviewing the interim report for the six months ended 30th June 2008 and the interim results announcement, considering the accounting standards adopted, reviewing the explanatory letter about audit submitted by the auditors to the management and the response of the management, the basis of opinion and qualified opinion (if any) made by the auditors in their report.

審核委員會在年度內所做的工作包括審閱二零零七年年報已審核財務報表及年度業績通告，審閱二零零八年六月三十日六個月的中期報告及中期業績通告，考慮所採納的會計準則，審閱核數師提交管理層的審核情況說明函件及管理層回應，核數師在其報告書所作的意見基準及保留意見（如有）等事項。

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE

The remuneration committee comprises three independent non-executive directors, two executive directors and one non-executive director. The remuneration committee established with specific written terms of reference, is principally responsible for reviewing and approving remuneration plans for directors and senior management, determining the remuneration package of executive directors and senior management, including benefits, pension interests and the payment of compensation. Mr. Leung, Michael Kai Hung is chairman of the remuneration committee and is responsible for reporting the meeting results and recommendations of the remuneration committee to the board after each meeting.

In 2008, the remuneration committee convened 1 meeting. Members of the remuneration committee and their attendance are as follow:

薪酬委員會

薪酬委員會由三名獨立非執行董事，兩名執行董事組成及一名非執行董事組成。薪酬委員會已成立權限範圍主要負責審閱及批准董事及高級管理人員的薪酬方案，釐定執行董事及高級管理層的薪酬待遇，包括利益、退休金權益及賠償支付。梁啟雄先生為薪酬委員會的主席，負責於每次會議後向董事會報告薪酬委員會的會議結果及推薦意見。

於二零零八年，薪酬委員會曾舉行1次會議。成員及出席情況如下：

Member Name 成員名稱		Attendance 出席 No. of meetings attended/ No. of meetings held during the year 出席會議次數/ 年期內會議次數	Attendance 出席率
Mr. Leung, Michael Kai Hung (<i>Chairman</i>)	梁啟雄先生 (主席)	1/1	100%
Mr. Fan, Anthony Ren Da	范仁達先生	1/1	100%
Mr. Ng, Yiu Ming	伍耀明先生	1/1	100%
Mr. Huang, Zhouchang	黃宙昌先生	1/1	100%
Mr. Wong, Raymond Man Hin	黃文顯先生	1/1	100%
Mr. Wong, John Ying Man	黃英敏先生	1/1	100%

Tasks undertaken by the remuneration committee during the year included reviewing the remuneration structure, remuneration policy and bonus system of the Group, assessing performance of executive directors, considering the salary adjustment for the year and making recommendations to the board. The remuneration committee also ensures that no director or senior management member determines his own remuneration.

薪酬委員會在年度所做的工作包括檢討集團的薪酬架構、薪酬政策、獎金制度及考慮本年度的薪金調整等，評估執行董事表現，並向董事會提出建議。薪酬委員會並確保沒有董事或高級管理人員自行釐定其本身的薪酬。

Corporate Governance Report

企業管治報告

The remuneration policy of the Group is to determine the remuneration of executive directors and senior management based on their responsibilities, qualifications and working performance. No director or any of his associates is involved in deciding his own remuneration. The Company has adopted a share option scheme as an incentive to the directors, employees and other eligible participants. Details of the share option scheme are set out in note 24 to the financial statement.

ROLES OF THE BOARD AND MANAGEMENT

The board is principally responsible for establishing the development direction of the Group, formulating targets and business development plans, approving major agreements and matters, monitoring the performance of senior management. It is also responsible for corporate governance with a view to increasing shareholders' value. Led by the three general managers, the management is responsible for implementing the strategies and plans developed by the board.

The Company has developed a schedule of matters reserved to the board for decisions and has separately identified those functions reserved to the board. The board will review those arrangements on a regular basis to ensure that the arrangements meet the needs of the Company.

ROLES AND DUTIES OF CHAIRMAN AND GENERAL MANAGER

The chairman and the general manager (equivalent to chief executive officer) have different roles. The chairman is responsible for the operation of the board and the general managers are responsible for managing the operations of the Group. Their functions have been clearly divided to ensure a balanced distribution of power and no authority will concentrate on a single individual.

本集團的薪酬政策是以執行董事及高級管理人員及員工的職責、資歷及工作表現而釐定其酬金。沒有董事或其他聯繫人士參予決定其本身的酬金。本公司採納購股權計劃以激勵董事、僱員及其他合資格人士。購股權計劃之詳情已載於財務報表附註24。

董事會及管理層的角色

董事會主要負責建立本集團的發展路向、定立目標及業務發展計劃、審批重大協議及事項，監控高級管理層的表現及為公司管治負責，目標為增加股東價值。管理層由三位總經理帶領，負責推行董事會制訂的策略及計劃。

本公司已訂立一份保留予董事會決定的事項表，將那些保留予董事會的職能分別確定，董事會會定期檢討該等安排，以確保有關安排符合本公司的需要。

主席及總經理的角色及責任

主席及總經理（等同行政總裁）的角色不同。主席負責董事會運作，而總經理負責管理本集團業務，兩者之間的職務已清楚區分，以確保權力和授權分佈均衡，不致集中在一位人士。

Corporate Governance Report

企業管治報告

Mr. Wong, Wilson Kin Lae, the chairman of the board and is principally responsible for leading the board and ensures the board to act in the best interests of the Company. The chairman shall ensure the board operates effectively and performs its proper duties and discusses all important and proper matters in a timely manner. The chairman is responsible for convening board meetings, consulting, determining and approving the agenda of each board meeting, and ensuring that directors are provided sufficient information on current matters in a timely manner. The chairman oversees the structure, number of members and composition of the board and makes recommendations to the board on any intended changes. The chairman is also responsible for ensuring that the Company formulates good corporate governance practice and procedure.

Mr. Wong, Raymond Man Hin, the deputy executive chairman, the executive director and general manager, is principally responsible for the daily operation and management of the Group's overall operations and implementing the board's operating strategy and policy and delegating tasks to all departments for implementation so as to realize the board's objectives and decisions. In addition, he is also responsible for the Group's financial reporting, internal control, material procurement and control, logistics, customs, taxes and legal matters and compliance, coordinating close cooperation among all departments, uniting efforts of staff and encouraging the initiative of staff so as to ensure smooth and effective operation of the Company's operations and systems.

Mr. Wong, John Ying Man, the executive director and general manager, is principally responsible for the daily operation and management of the Group's overall operations and implementing the board's operating strategy and policy and delegating tasks to all departments for implementation so as to realize the board's objectives and decisions. In addition, he is also responsible for research & development, production, quality assurance and new product innovations, coordinating close cooperation among all departments, uniting efforts of staff and encouraging the initiative of staff so as to ensure smooth and effective operation of the Company's operations and systems.

董事會主席為黃乾利先生，主要職責包括領導董事會，確保董事會行事符合公司最佳利益。主席須確保董事會有效地運作及履行應有職責，並及時就所有重要的、適當的事項進行討論；主席負責召開董事會會議，諮詢、釐定及批准每次董事會會議的議程，並確保董事及時獲悉當前的事項及充分的資料。主席並負責定期檢討董事會架構、人數及組成，並就任何擬作出的變動向董事會提出建議。主席同時負責確保公司制定良好的企業管治常規及程序。

副執行主席，執行董事及總經理黃文顯先生，主要職責包括負責集團整體業務日常運作的經營及管理，貫徹董事會的經營策略及方針，下達任務至各部門執行，以實現董事會的目標和決定。此外，黃先生並負責本集團財務報告，內部監控，原料採購及監控，物流，稅項，法律事項及守則，協調各部門的緊密合作關係，團結員工的力量，鼓勵員工積極性，確保公司業務及制度暢順而有效地運作。

執行董事及總經理黃英敏先生，主要職責包括負責集團整體業務日常運作的經營及管理，貫徹董事會的經營策略及方針，下達任務至各部門執行，以實現董事會的目標和決定。此外，黃先生並負責研究及發展，生產，品質保證及創新新產品，協調各部門的緊密合作關係，團結員工的力量，鼓勵員工積極性，確保公司業務及制度暢順而有效地運作。

Corporate Governance Report

企業管治報告

Mr. Mok, Kin Hing, the executive director and general manager, is principally responsible for the daily operation and management of the Group's overall operations and implementing the board's operating strategy and policy and delegating tasks to all departments for implementation so as to realize the board's objectives and decisions. In addition, he is also responsible for supervising all personnel issues at our Nansha production facilities, all capital equipments installation and disposal, and overseeing all employee champions programs to optimize costs and make sure our facilities are in full compliance with local, international and environment laws and standards.

NOMINATION OF DIRECTORS

Pursuant to Article 95 of the Company's Articles of Association, the board is entitled to appoint any person as director from time to time or at any time to fill a casual vacancy or add a new board member. For nomination, the nominee's qualifications, capabilities and potential to make contribution to the Company shall be taken into consideration. During 2008, the board had not established a nomination committee, but it will assess from time to time whether there is a need to establish the nomination committee to deal with the appointment, re-election and retirement of directors. During 2008, Mr. Qiang, Wenyu resigned as non-executive director on 4th July 2008. Mr. Mok, Kin Hing was resigned as the alternate to Mr. Wong, Wilson Kin Lae (chairman of the board) and appointed as executive director on 1st July 2008. Ms. Li, Yinghong was appointed as non-executive director on 4th July 2008. Mr. Wong, David Ying Kit was appointed as the alternate to Dr. Wong, Philip Kin Hang (non-executive director) and Mr. Zhang, Yuankun was appointed as the alternate to Mr. Wong, Wilson Kin Lae (chairman of the board) on 4th July 2008.

執行董事及總經理莫健興先生，主要職責包括負責集團整體業務日常運作的經營及管理，貫徹董事會的經營策略及方針，下達任務至各部門執行，以實現董事會的目標和決定。此外，莫先生並負責南沙生產中心之所有之人事管理，添置及出售資本設備，監督員工參與公司的發展計劃以達致成本最高效益，確保我們的設備完全符合本地、國際以及有關環境的法例及標準。

董事提名

根據本公司的組織章程第95條，董事會有權不時或於任何時間委任任何人選為董事，以填補臨時空缺或新增為董事會成員，提名須考慮被提名人士之資格、能力及對本公司作貢獻的潛力。本年度董事會並無成立提名委員會，但董事會將不時作出評閱是否有需要成立提名委員會以處理董事的委任、重選及退任的事宜。於二零零八年年度內，強文郁先生於二零零八年七月四日辭任非執行董事。莫健興先生於二零零八年七月一日辭任為黃乾利先生（董事會主席）之代董事及獲委任為執行董事。李映紅女士於二零零八年七月四日獲委任為非執行董事。黃英傑先生於二零零八年七月四日獲委任為黃乾亨博士（非執行董事）之代董事。張元坤先生於二零零八年七月四日獲委任為黃乾利先生（董事會主席）之代董事。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT

Directors acknowledge their responsibility in preparing financial statements of the Group.

The finance department of the Company is managed by a qualified staff and supervised by executive director and general manager, Mr. Wong, Raymond Man Hin, who is a U.S. certified public accountant. With the assistance of the finance department, the board will ensure the preparation of the financial statements of the Group complies with relevant regulations and applicable accounting standards.

AUDITOR'S REMUNERATION

For the year ended 31st December 2008, the audit fee was approximately HK\$768,000.

The statement of reporting responsibility issued by Baker Tilly Hong Kong Limited, the auditor of the Company, in respect of the financial statements of the Group is set out in the independent auditor's report on pages 37 to 38.

COMMUNICATION WITH SHAREHOLDERS

The Company has maintained communication with shareholders through the annual general meeting or other general meetings and encourages them to participate in general meetings. Registered shareholders receive notices of general meetings by post. The notice of general meeting contains the agenda, the proposed resolutions and the voting form. Any registered shareholder is entitled to attend the annual general meeting and special general meetings provided that their shares have been registered in the Company's register of members. Shareholders who are unable to attend the general meeting can fill in the proxy form attached with the notice of general meeting and return the same to the share registrar and transfer office of the Company so as to appoint their representatives or the chairman of the meeting as their proxies.

問責及審核

董事確認須就編制本集團財務報表承擔有關責任。

本公司財務部由合資格職員管理，並由執行董事及總經理黃文顯先生監管及負責。黃先生是美國執業會計師。在財務部的協助下，董事會確保本集團財務報表的編制符合有關法規及適用的會計準則。

核數師酬金

截至二零零八年十二月三十一日止年度，審核費用約港幣768,000元。

本公司核數師香港天華會計師事務所有限公司就本集團財務報表所發表的申報責任聲明已載於第37至38頁的獨立核數師報告中。

與股東的溝通

本公司就透過股東週年大會或其他股東大會與股東一直保持溝通並鼓勵彼等參與股東大會。登記股東以郵遞方式收取股東週年大會通告。大會通告載有議程、提呈的決議案及投票表格。任何登記股東有權出席股東週年大會，惟彼等的股份必須登記於本公司之股東名冊內。未能出席股東大會的股東可填妥隨附於大會通告的代表委任表格並交回本公司股份過戶處，以委任彼等之代表或大會主席擔任彼等的代表。有關要求以股數投票表決之程序已載於連同召開股東大會通告一併送出的致股東通函內，並由會議主席於股東大會上讀出。

Independent Auditor's Report

獨立核數師報告



BAKER TILLY
HONG KONG LIMITED
 CERTIFIED PUBLIC ACCOUNTANTS

香港天華會計師事務所有限公司

12th Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong
 香港干諾道中168-200號信德中心招商局大廈12樓

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RAYMOND INDUSTRIAL LIMITED

(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Raymond Industrial Limited (the "Company") set out on pages 39 to 126, which comprise the consolidated and company balance sheets as at 31st December 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 financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and 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 financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致利民實業有限公司全體股東

(於香港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39頁至第126頁利民實業有限公司(以下簡稱「貴公司」)的綜合財務報表,此綜合財務報表包括於二零零八年十二月三十一日的綜合和公司資產負債表與截至該日止的綜合損益表、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的責任

貴公司董事須負責根據香港會計師公會之香港財務報告準則及香港《公司條例》編制及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編制及真實而公平地列報財務報表相關的內部監控,以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見。按照香港《公司條例》第141節的規定,僅向整體股東報告,除此之外,我們的報告書不可用作其他用途。我們概不就本報告內容,對任何其他人士負責或承擔法律責任。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITY (continued)

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 the affairs of the Company and of the Group as at 31st December 2008 and of the Group's loss 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 Hong Kong Companies Ordinance.

Baker Tilly Hong Kong Limited
Certified Public Accountants

Hong Kong, 22nd April 2009

Chan Kwan Ho, Edmond
Practising certificate number P02092

核數師的責任 (續)

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

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

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為該等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十二月三十一日的財務狀況及 貴集團截至該日止年度的虧損及現金流量，並已按照香港《公司條例》妥為編制。

香港天華會計師事務所有限公司
執業會計師

香港，二零零九年四月二十二日

陳鈞浩
執業證書編號 P02092

Consolidated Income Statement (For the year ended 31st December 2008)

綜合損益表 (截至二零零八年十二月三十一日止年度)

		Note 附註	2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Turnover	營業額	3	724,191,127	842,856,069
Cost of sales	銷售成本		(682,305,902)	(769,915,516)
Gross profit	毛利		41,885,225	72,940,553
Other revenue	其他收入	4	6,019,398	17,272,437
Other net loss	其他淨虧損	4	(3,063,872)	(1,534,778)
Selling expenses	銷售費用		(15,765,821)	(10,720,276)
General and administrative expenses	行政費用		(59,694,521)	(79,174,846)
Loss from operations	經營虧損		(30,619,591)	(1,216,910)
Share of losses of associates	應佔聯營公司虧損		–	(52,868,402)
Loss before taxation	除稅前虧損	5	(30,619,591)	(54,085,312)
Income tax credit	所得稅計入	6	10,329,332	8,590,769
Loss for the year and attributable to equity shareholders of the Company	本公司股東應佔本年度虧損	9	(20,290,259)	(45,494,543)
Dividends payable to equity shareholders of the Company attributable to the year:	本公司股東應佔本年度股息：	10		
Interim dividend declared during the year	本年度已宣派中期股息		19,693,244	19,693,244
Final dividend proposed after balance sheet date	資產負債表結算日後建議宣派末期股息		19,693,244	3,938,648
Special dividend proposed after balance sheet date	資產負債表結算日後建議宣派特別股息		–	78,772,977
			39,386,488	102,404,869
Loss per share	每股虧損			
Basic, HK cents	基本，港仙	11	(5.15)	(11.55)
Diluted, HK cents	攤薄，港仙	11	(5.15)	(11.55)

The notes on pages 47 to 126 form part of these financial statements.

載於第47頁至第126頁之附註為組成此等財務報表之一部份。

Consolidated Balance Sheet (At 31st December 2008)

綜合資產負債表 (二零零八年十二月三十一日結算)

		Note	2008	2007
		附註	二零零八年 HK\$ 港幣	二零零七年 HK\$ 港幣
Non-current assets	非流動資產			
Fixed assets	固定資產	13		
– Property, plant and equipment	– 物業、廠房及設備		171,228,336	179,173,132
– Interests in leasehold land held for own use under operating leases	– 根據經營租賃持作自用之土地權益		14,383,564	14,321,284
Interests in associates	聯營公司權益	14	–	–
Deferred tax assets	遞延稅項資產	16(b)	5,727,623	4,222,780
			191,339,523	197,717,196
Current assets	流動資產			
Inventories	存貨	17	88,045,302	103,510,986
Trade and other receivables	貿易及其他應收賬項	18	76,581,163	121,299,425
Tax recoverable	可退回稅項	16(a)	7,882,898	–
Cash and cash equivalents	現金及現金等值項目	19	215,925,630	305,371,471
			388,434,993	530,181,882
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬項	20	85,917,711	115,370,456
Provision for financial loss	財務虧損撥備	21	–	7,800,000
Current taxation	本期稅項	16(a)	–	6,246,710
Dividends payable	應付股息	10(c)	1,519,973	1,298,417
			87,437,684	130,715,583
Net current assets	流動資產淨值		300,997,309	399,466,299
Total assets less current liabilities	總資產減流動負債		492,336,832	597,183,495
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	16(b)	2,411,225	3,312,680
NET ASSETS	資產淨值		489,925,607	593,870,815

Consolidated Balance Sheet (At 31st December 2008)

綜合資產負債表 (二零零八年十二月三十一日結算)

		Note 附註	2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
CAPITAL AND RESERVES	資本及儲備	25		
Share capital	股本		196,932,442	196,932,442
Reserves	儲備		292,993,165	396,938,373
TOTAL EQUITY	總權益		489,925,607	593,870,815

Approved and authorised for issue by the board of directors on 22nd April 2009.

於二零零九年四月二十二日獲董事會批准及授權刊發。

Wilson Wong Kin Lae
黃乾利
Director
董事

Raymond Wong Man Hin
黃文顯
Director
董事

The notes on pages 47 to 126 form part of these financial statements.

載於第47頁至第126頁之附註為組成此等財務報表之一部份。

Balance Sheet (At 31st December 2008)

資產負債表 (二零零八年十二月三十一日結算)

		Note	2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
		附註		
Non-current assets	非流動資產			
Fixed assets	固定資產			
– property, plant and equipment	– 物業、廠房及設備	13	11,349,481	14,912,076
Investments in subsidiaries	附屬公司投資	15	212,142,463	212,142,463
			223,491,944	227,054,539
Current assets	流動資產			
Inventories	存貨	17	11,623,040	14,214,604
Trade and other receivables	貿易及其他應收賬項	18	68,998,362	108,650,817
Amounts due from subsidiaries	應收附屬公司賬項	15	35,572,307	42,098,440
Tax recoverable	可退回稅項	16(a)	8,244,295	–
Cash and cash equivalents	現金及現金等值項目	19	154,254,913	296,261,660
			278,692,917	461,225,521
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬項	20	52,961,308	81,153,289
Amounts due to subsidiaries	應付附屬公司賬項	15	28,002,309	56,519,017
Provision for financial loss	財務虧損撥備	21	–	7,800,000
Current taxation	本期稅項	16(a)	–	4,751,059
Dividends payable	應付股息	10(c)	1,519,973	1,298,417
			82,483,590	151,521,782
Net current assets	流動資產淨值		196,209,327	309,703,739
Total assets less current liabilities	總資產減流動負債		419,701,271	536,758,278
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	16(b)	2,153,992	2,431,680
NET ASSETS	資產淨值		417,547,279	534,326,598

Balance Sheet (At 31st December 2008)

資產負債表 (二零零八年十二月三十一日結算)

		Note 附註	2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
CAPITAL AND RESERVES	資本及儲備	25		
Share capital	股本		196,932,442	196,932,442
Reserves	儲備		220,614,837	337,394,156
TOTAL EQUITY	總權益		417,547,279	534,326,598

Approved and authorised for issue by the board of directors on 22nd April 2009.

於二零零九年四月二十二日獲董事會批准及授權刊發。

Wilson Wong Kin Lae
黃乾利
Director
董事

Raymond Wong Man Hin
黃文顯
Director
董事

The notes on pages 47 to 126 form part of these financial statements.

載於第47頁至第126頁之附註為組成此等財務報表之一部份。

Consolidated Statement of Changes in Equity (For the year ended 31st December 2008)

綜合權益變動表 (截至二零零八年十二月三十一日止年度)

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
	Note 附註		
Total equity at 1st January	於一月一日之總權益	593,870,815	722,120,240
Net income recognised directly in equity:	在權益中直接入賬之收益淨值：		
Exchange differences on translation of the financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	13,366,721	19,681,316
	25(a)		
Net loss for the year	本年度淨虧損	(20,290,259)	(45,494,543)
Total recognised income and expense for the year and attributable to equity shareholders of the Company	本年度經確認之收益及費用及本公司股東應佔總額	(6,923,538)	(25,813,227)
Dividends declared and approved during the year	本年度已宣派及批准之股息	(102,404,869)	(102,404,869)
	10(c), 25(a)		
Movements in equity arising from capital transactions:	因資本項目產生之權益變動：		
Equity-settled share-based transactions	權益償付股份基礎項目	5,383,199	(31,329)
	25(a)		
Total equity at 31st December	於十二月三十一日總權益	489,925,607	593,870,815
	25(a)		

The notes on pages 47 to 126 form part of these financial statements.

載於第47頁至第126頁之附註為組成此等財務報表之一部份。

Consolidated Cash Flow Statement (For the year ended 31st December 2008)

綜合現金流量表 (截至二零零八年十二月三十一日止年度)

			2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
	Note 附註			
Operating activities	經營活動			
Loss before taxation	除稅前虧損		(30,619,591)	(54,085,312)
Adjustments for:	調整：			
– Interest income	– 利息收入	4	(5,779,398)	(17,152,437)
– Depreciation	– 折舊	5(b)	25,650,172	24,974,270
– Net gain on disposal of property, plant and equipment	– 出售物業、廠房及設備之淨收益	4	(23,582)	(736,702)
– Amortisation of interests in leasehold land held for own use under operating leases	– 攤銷經營租賃持作自用之土地權益	5(b)	484,819	465,537
– Share of losses of associates	– 佔聯營公司虧損		–	52,868,402
– Impairment loss on loan and interest receivable from an associate	– 聯營公司貸款及應收利息之減值虧損	5(b)	–	9,438,646
– Provision for financial loss	– 財務虧損撥備	5(b)	–	7,800,000
– Equity-settled share-based payment transactions	– 權益償付股本基礎項目	5(a)	5,383,199	(31,329)
– Foreign exchange loss, net	– 匯兌淨虧損		4,954,326	5,407,998
Operating profit before changes in working capital	營運資金變動前經營溢利		49,945	28,949,073
Decrease/(increase) in inventories	減少/(增加)存貨		15,465,684	(1,190,789)
Decrease in trade and other receivables	減少貿易及其他應收賬項		44,718,262	22,721,887
Decrease in trade and other payables	減少貿易及其他應付賬項		(29,452,745)	(40,473,174)
Decrease in provision for financial loss	減少財務虧損撥備		(7,800,000)	–
Cash generated from operations	經營產生之現金		22,981,146	10,006,997
Tax paid	稅項支出			
– Hong Kong profits tax paid	– 香港利得稅支出		(13,116,507)	(110,902)
– Overseas tax paid	– 海外稅項支出		(1,443,655)	(1,943,873)
Overseas tax refunded	海外稅項退回	6(a)	8,503,227	777,625
Net cash generated from operating activities	經營活動產生之現金淨值		16,924,211	8,729,847

Consolidated Cash Flow Statement (For the year ended 31st December 2008)

綜合現金流量表 (截至二零零八年十二月三十一日止年度)

		Note 附註	2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Investing activities	投資活動			
Payment for the property, plant and equipment	支付物業、廠房及設備		(9,927,085)	(8,620,807)
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款項		397,029	6,654,591
Interest received	利息收入		5,779,398	16,747,001
Net cash (used in)/generated from investing activities	投資活動(支出)/產生之現金淨值		(3,750,658)	14,780,785
Financing activities	融資活動			
Dividends paid	支付股息	10(c)	(102,183,313)	(102,209,110)
Net cash used in financing activities	融資活動支出現金淨額		(102,183,313)	(102,209,110)
Decrease in cash and cash equivalents	減少現金及現金等值項目		(89,009,760)	(78,698,478)
Cash and cash equivalents at 1st January	於一月一日之現金及現金等值項目		305,371,471	383,106,968
Effect of foreign exchange rate changes	外匯匯率變動之影響		(436,081)	962,981
Cash and cash equivalents at 31st December	於十二月三十一日之現金及現金等值項目	19	215,925,630	305,371,471

The notes on pages 47 to 126 form part of these financial statements.

載於第47頁至第126頁之附註為組成此等財務報表之一部份。

Notes to the Financial Statements

賬目附註

1 COMPANY INFORMATION

Raymond Industrial Limited (the “Company”) is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Rooms 1801-1813, 18th Floor, Grandtech Centre, 8 On Ping Street, Shatin, New Territories, Hong Kong.

2 SIGNIFICANT ACCOUNTING POLICIES**(a) Statement of compliance**

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies applied in these financial statements for the years presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 32).

A summary of significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the financial statements

The consolidated financial statements for year ended 31st December 2008 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

The measurement basis used in the preparation of the financial statements is the historical cost basis.

1 公司資料

利民實業有限公司(「本公司」)於香港註冊成立，公司註冊辦事處及主要經營地點位於香港新界沙田安平街八號偉達中心十八樓1801-1813室。

2 主要會計政策**(a) 合規聲明**

此等財務報表乃根據所有適用之香港財務報告準則(「香港財務報告準則」)編制。此統稱詞彙包括香港會計師公會(「香港會計師公會」)頒佈之所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋、香港公認會計原則及香港公司條例之披露規定。此等財務報表亦符合香港聯合交易所有限公司證券上市規則之適用披露條文。

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則，於本集團及本公司之當前會計期間首次生效或可供提前採納。採納這些新訂及經修訂的香港財務報告準則對本財務報告在呈列期間應用在本集團的會計政策沒有重大影響。

本集團在本會計年度未採納任何仍未生效的香港會計準則及詮釋(參閱附註32)。

本集團採用之重大會計政策概要載列如下。

(b) 財務報表之編制基準

截至二零零八年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司(統稱「本集團」)之賬目及本集團所持有之聯營公司權益。

編制本財務報表所採用之計算基準為歷史成本基準。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 31.

(c) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

2 主要會計政策 (續)

(b) 財務報表之編制基準 (續)

編制符合香港財務報告準則之財務報表，要求管理層就可影響政策應用以及資產及負債、收入及開支之呈報金額作出判斷、估計及假設。有關估計及相關假設乃根據過往經驗，以及多項在此情況下相信屬合理之其他因素而作出，有關結果構成對未能在其他資料來源顯示之資產及負債之賬面值作出判斷之基礎。實際結果可能與有關估計有所不同。

本公司會持續對估計及相關假設進行評估。如果會計估計之更改僅影響該期間，則有關影響會在估計變更期間確認，或如果有關更改會影響本期間及未來期間，有關影響則於更改期間及未來期間確認。

管理層採用香港財務報告準則之判斷對於下一年之財務報表及估計有重大調整之巨大風險在附註31論述。

(c) 附屬公司

附屬公司乃本集團控制之公司。當本集團有權支配該實體之財務及經營政策，並藉此從其活動中取得利益，均視為受本集團控制。於評估控制權時，現行並可予行使之潛在投票權已計算在內。

附屬公司之投資於擁有控制權日期起被合併入綜合財務報表，直至該控制權終止時止。集團內部往來之結餘和交易及其產生之任何未變現溢利，均在編制綜合財務報表時全數抵銷。在沒有證據顯示已出現減值之情況下，集團內部交易所產生之未變現虧損，會按未變現收益相同之方法抵銷。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Subsidiaries (continued)

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses (see note 2(g)(ii)).

(d) Associates

An associate is an entity in which the Group has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets. The consolidated income statement includes the Group's share of the post-acquisition and post-tax results of the associates.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. For this purpose, the Group's interest in the associate is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised in profit or loss.

2 主要會計政策 (續)

(c) 附屬公司 (續)

於本公司之資產負債表內，於附屬公司之投資按成本減去減值虧損後入賬（見附註2(g)(ii)）。

(d) 聯營公司

聯營公司為一實體由本集團對其有重大影響但沒有控制或共同控制其管理；重大影響包括參與其財務及經營決策。

聯營公司投資以權益會計法記入綜合財務報表，初始以成本確認。而收購後的變動則於本集團所佔聯營公司之資產淨值調整。綜合財務報表包括本集團應佔聯營公司收購後及除稅後之業績。

當本集團承擔的虧損大於其聯營公司所佔權益時，本集團之權益將減至零，並不再確認額外虧損，但如本集團須履行因法定或推定義務或代聯營公司作出付款則除外。因此，聯營公司投資以權益會計法入賬以及實質上構成本集團聯營公司投資淨值一部份的長期權益為準。

本集團與聯營公司之間交易所產生的未變現損益，均按本集團於聯營公司所佔的權益比率抵銷；但如有未變現虧損證明已轉讓資產出現減值，則會即時在損益中確認。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES
(continued)**(e) Property, plant and equipment**

- (i) Items of property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 2(g)(ii)).

The cost of construction in progress includes the cost of machinery, materials, construction expenditures and other costs directly attributable to bringing the assets to a working condition for its intended use.

- (ii) Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, over their estimated useful lives at the following annual rates:

Buildings held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value of the leasehold land at the inception of the lease (see note 2(f)(i))	4.0%-4.5% straight line
Plant and machinery	9.0%-18.0% straight line
Furniture, fixtures and equipment	9.0%-33.3% straight line
Moulds	10.0% reducing balance and 9.0% straight line
Motor vehicles	25.0% reducing balance and 9.0% straight line

Both the useful life of an asset and its residual value, if any, are reviewed annually.

Construction in progress is not depreciated until it is completed and ready for its intended use.

- (iii) Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

2 主要會計政策 (續)**(e) 物業、廠房及設備**

- (i) 於資產負債表內，物業、廠房及設備項目按成本減去累積折舊及減值虧損列賬（見附註2(g)(ii)）。

在建工程成本包括機器、材料、建築費用及其他直接分配至可作營運用途的資產的成本。

- (ii) 物業、廠房及設備之折舊乃在扣除其估計殘值（如有）後按下列預計可使用年限計算。

可與租約業權土地權益之 公平值在獲取時能 可攤分的建於租賃 土地上之自用房屋 (載於附註(2(f)(i))分別計算)	直線法4.0-4.5%
廠房及機器	直線法9.0-18.0%
傢俬、裝置及設備	直線法9.0-33.0%
工模	10.0%餘額遞減法及 直線法9.0%
汽車	25.0%餘額遞減法及 直線法9.0%

資產的可使用年期及剩餘價值，如有，在每年進行檢討。

在建工程將不計折舊直至工程完成及可供使用。

- (iii) 報廢或出售物業、廠房及設備所產生之損益是以資產之出售所得款項淨額與賬面值之間之差額釐定，並在報廢或出售當日在損益表內確認。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, except where the land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term of 50 years. Impairment losses are recognised in accordance with accounting policy set out in note 2(g)(ii).

2 主要會計政策 (續)

(f) 租賃資產

本集團確定協議具有在協定期限內通過支付一筆或一系列款項而使用某一特定資產或多項資產之權利，則該協議（由一宗交易或一系列交易組成）為租賃或包括租賃。該釐定乃根據對該安排之實體評估而作出，而不論該安排是否具備租約之法律形式。

(i) 租予本集團之資產分類

本集團根據租約持有之資產，如果絕大部份風險及擁有權利利益均轉移至本集團之租約，有關的資產便會劃歸為融資租賃持有。如果不會向本集團轉移絕大部份風險及擁有權利利益之租約則分類為經營租賃；以經營租賃持作自用但無法在租賃初始時將其公平價值與座落其上面之建築物之公平值分開計量時，則會按根據融資租賃持有之物業列賬，但清楚地以經營租賃持有的建築物除外。就該等項目的而言，該租賃之開始時間為最初訂立有關租約時或自前承租人接收建築物時。

(ii) 經營租賃支出

本集團是以經營租賃獲得資產的使用權，其租賃的支出根據其租賃期所涵蓋的會計期間，於損益賬中列支，除非有其他基準能更清晰地反映其租賃資產所產生的收益模式。租賃所涉及的鼓勵措施的收入均在損益賬中確認為租賃淨付款總額的組成部分。或有租金在其產生的會計期間內在損益賬中扣除。

以經營租賃持有土地的收購成本以直線法於租賃期50年內攤銷。減值虧損根據會計政策附註2(g)(ii)確認。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Impairment of assets

(i) Impairment of receivables

Receivables that are stated at cost are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

If any such evidence exists, any impairment loss is determined and recognised as follows:

For trade and other receivables, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

2 主要會計政策 (續)

(g) 資產減值

(i) 應收款項減值

按成本值列賬之應收款項均會於各結算日審閱，以確定是否有客觀減值證據，客觀減值證據包括本集團得悉的下列一項或多項虧損事項的可觀察數據：

- 債務人遭遇重大財務困難；
- 違約，譬如拖欠或無法如期償還本息；
- 債務人可能會宣告破產或進行其他財務重組；及
- 科技、市場、經濟或法律環境的重大變化而對債務人造成不利影響。

如有任何該類證據存在，便會釐定減值虧損並按以下方式確認：

就以貿易及其他應收賬項而言，減值虧損是以資產之賬面值與按財務資產原來實際利率（即於初次確認該等資產時計算之實際利率）折現（如果折現會造成重大的影響）的預計未來現金流現值之間的差額計量。如按攤銷成本列賬的金融資產具備類似的風險特徵，例如類似的逾期情況及並未單獨被評估為減值，則有關的評估會同時進行。金融資產的未來現金流量會根據與該類資產具有類似信貸風險特徵資產的過往虧損情況以一同評估減值。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Impairment of assets (continued)

(i) Impairment of receivables (continued)

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade and other receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- pre-paid interests in leasehold land classified as being held under an operating lease; and
- investments in subsidiaries and associates.

If any such indication exists, the asset's recoverable amount is estimated.

2 主要會計政策 (續)

(g) 資產減值 (續)

(i) 應收款項減值 (續)

如減值虧損於其後期間減少，而客觀上與減值虧損獲確認後發生之事件有關，則減值虧損應透過損益表撥回。撥回之減值虧損不應導致資產賬面值超過以往年度並無確認減值虧損原應釐定之金額。

減值虧損應從相應的資產中直接撤銷，但就應收貿易賬款及其他應收款項的減值虧損而言，可收回性被視為可疑並不是可能性極低則例外。在這種情況下，應以撥備賬記錄呆壞賬的減值虧損。倘本集團確認能收回應收賬款的可能性極低時，則視為不可收回金額會從應收貿易賬款及應收票據中直接撤銷，而在撥備賬中持有有關該債務的任何金額會被撥回。若之前計入撥備賬款項在其後收回，則相關的撥備會被撥回。撥備賬的其他變動及之前直接撤銷而其後收回的款項，均在損益表確認。

(ii) 其他資產減值

內部和外來之信息會在每個結算日審閱，以確定下列資產有否出現減值跡象，或以往確認之減值虧損不復存在或可能已經減少：

- 物業、廠房及設備；
- 預付租賃土地權益分類為營運租賃；及
- 於附屬公司及聯營公司之投資。

如果發現任何減值跡象，便會估計資產可收回金額。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES
(continued)**(g) Impairment of assets** (continued)*(ii) Impairment of other assets* (continued)

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

– Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

– Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2 主要會計政策 (續)**(g) 資產減值 (續)***(ii) 其他資產減值 (續)*

– 計算可收回金額

資產之可收回金額為其售價淨額與使用價值兩者中之較高者。在評估使用價值時，預期未來現金流量會按可以反映當時市場對貨幣時間值及資產特定風險之評估之稅前貼現率，貼現至其現值。如果資產所產生之現金流入基本上並非獨立於其他資產所產生之現金流入，則會以可獨立產生現金流入之最小資產類別（即現金產生單位）來釐定可收回金額。

– 確認減值虧損

減值虧損於一項資產或其所屬現金產生單位之賬面值超逾其可收回金額時，便會於損益表內確認。就現金產生單位確認之減值虧損會作出分配，首先會分攤以減低任何已分攤至現金產生單位（或一組單位）之任何商譽之賬面值，然後按比例減低單位（或一組單位）內其他資產之賬面值，但資產賬面值不得低於其個別公平值減出售成本，或其使用價值（若可確定）。

– 減值虧損轉回

倘若用以釐定可收回金額之估計數據出現有利變化，有關減值虧損便會轉回。所轉回之減值虧損限於該資產於過往年度並無確認減值虧損時所釐訂之賬面值。所轉回之減值虧損於確認轉回年度計入損益賬。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Impairment of assets (continued)

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 2(g)(i) and (ii)).

(h) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2 主要會計政策 (續)

(g) 資產減值 (續)

(iii) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須按香港會計準則第34號「中期財務報告」編製有關年度首六個月的中期財務報告。於中期期末，集團採用等同年末的減值測試、確認及轉回標準（見附註2(g)(i)及(ii)）。

(h) 存貨

存貨乃按成本與可變現淨值兩者間較低者列賬。

成本乃使用加權平均成本公式計算。成本包括所有購買成本、加工及運輸存貨到當前位置及狀況所產生的其他成本。

可變現淨值乃在日常業務過程中的估計售價減完成生產估計成本及進行銷售所需的估計成本。

在出售存貨時，該等存貨的賬面值按確認為有關收益獲確認的期間的列支。存貨撇減至可變現淨值數額及所有存貨虧損應確認為產生撇減或虧損的期間的開支。任何撥回存貨的數額應減少在有關回撥期間確認為開支的存貨數額。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts (see note 2(g)(i)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

(j) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 2(n)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and deposits with banks that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(l) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The Group operates a mandatory provident fund scheme in Hong Kong and defined contribution government pension schemes both in Hong Kong and The People's Republic of China (the "PRC").

2 主要會計政策 (續)

(i) 貿易及其他應收款項

貿易及其他應收款項初步按公平價值確認入賬，其後則按經攤銷成本扣除呆壞賬減值撥備（見附註2(g)(i)）列賬，惟倘應收款項屬於向關連人士所提供無任何固定還款期之免息貸款或其貼現並無重大影響則除外。於該等情況下，應收款項乃按成本扣除呆賬減值撥備列賬。

(j) 貿易及其他應付款項

貿易及其他應付款項初步按公平價值確認，其後按攤銷成本入賬；但如貼現影響並不重大，則按成本入賬，按（見附註2(n)(i)）計量之財務擔保負債則除外。

(k) 現金及現金等值項目

現金及現金等值項目包括銀行存款及現金。此等投資可以隨時換算為已知之現金額，而價值變動方面之風險不大，並在購入後三個月內到期。

(l) 僱員福利

(i) 短期僱員福利及向定額供款退休計劃作出之供款

薪金、年度獎金、有薪年假、定額供款退休計劃之供款及各項非貨幣福利之成本，均在本集團僱員提供相關服務之年度內累計。如延遲支付或結算會構成重大影響，則上述數額須按現值列賬。

集團在香港提供一個強積金計劃，並在香港及中華人民共和國（「中國」）提供界定供款政府退休計劃。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES
(continued)**(I) Employee benefits** (continued)*(i) Short term employee benefits and contributions to defined contribution retirement plans*
(continued)

Contributions to mandatory provident fund as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expense in profit or loss as incurred.

The employees in Hong Kong and the PRC are members of the retirement benefit scheme administrated by an independent trustee in Hong Kong and organised by the government in the PRC respectively. The Group is required to contribute, based on a certain percentage of payrolls, to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes. Contributions to this retirement benefit schemes are recognised as an expense in profit or loss as incurred except to the extent that they are included in the cost of inventories at the balance sheet date.

(ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the Black Scholes model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained earnings).

2 主要會計政策 (續)**(I) 僱員福利 (續)***(i) 短期僱員福利及向定額供款退休計劃作出之供款*
(續)

根據香港強制性公積金計劃條例規定就強積金計劃作出的供款，乃按產生時確認為開支。

香港及中國的僱員分別為獨立信託公司管理及中國政府籌辦的退休福利計劃的成員。集團須按薪金的若干百分比就退休福利計劃作出供款，以提供福利。集團就此退休福利計劃的唯一責任為根據計劃作出規定的供款。就此退休計劃作出的供款乃按產生的損益確認為開支，惟於結算日計入存貨成本的情況則除外。

(ii) 股本基礎項目

授予員工之購股權之公平值確認為員工成本，並相應於股本內增加資本儲備。公平值是在授予日期以畢蘇模式計量，並會考慮有關購股權授予之條款及條件後釐定。倘員工須符合歸屬條件方能無條件取得購股權，購股權之估計公平值總額將於歸屬期間攤分，並考慮到購股權將予歸屬之可能性。

於歸屬期間，預期歸屬之購股權數目將獲審核。對於過往年間確認之累計公平值作出之任何調整，將支取／計入審核年間之溢利或虧損，除非原來之員工開支可獲確認為資產，並於資本儲備中作出相應調整。於歸屬日，已確認為開支之金額將調整至反映歸屬之購股權數目（並於資本儲備中作出相應調整），因無法達到與本公司股份市價相關之歸屬條件而喪失者除外。股本金額將於資本儲備確認，直到購股權獲行使（轉入股份溢價賬）或購股權期屆滿（直接釋放到保留溢利）。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Income tax

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2 主要會計政策 (續)

(m) 所得稅

- (i) 本年度所得稅包括本期稅項及遞延稅項資產及負債之變動。本期稅項及遞延稅項資產及負債之變動均在損益表內確認，但與直接確認為權益項目相關者，則確認為權益。
- (ii) 本期稅項乃按本年度應課稅收入，根據已生效或在結算日實質上已生效之稅率計算而預期應付之稅項，並就過往年度應付稅項作出任何調整。
- (iii) 遞延稅項資產及負債分別由可抵扣及應課稅暫時差異產生。暫時差異是指資產及負債在就財務呈報目的之賬面值與其稅基之差異。遞延稅項資產亦可以由未利用稅項虧損及未利用稅項抵免產生。

除了某些有限之例外情況外，所有遞延稅項負債及遞延稅項資產（只以未來可能有應課稅溢利予以抵銷之資產為限）均會確認。支持確認由可抵扣暫時差異所產生遞延稅項資產之未來應課稅溢利，包括因撥回現有應課稅暫時差異而產生之數額；但有關差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差異預計撥回之同一期間或遞延稅項資產所產生之稅項虧損向後期或向前期結轉之期間內撥回。在決定現有之應課稅暫時差異是否足以支持確認由未利用稅項虧損及抵免所產生之遞延稅項資產時，亦會採用同一準則，倘涉及同一稅務機關及同一應課稅實體，而且預期在能夠使用稅項虧損及抵免之同一期間內撥回，則予以計算在內。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES
(continued)**(m) Income tax** (continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2 主要會計政策 (續)**(m) 所得稅 (續)**

遞延稅項資產及負債確認之有限例外情況包括不影響會計或應課稅溢利(如屬業務合併之一部分則除外)之資產或負債之初次確認,以及於附屬公司之投資之暫時差異(如屬應課稅差異,只限於本集團可以控制轉回之時間,而且在可預見之將來不大可能轉回之差異;或如屬可予扣減之差異,則只限於可在將來轉回之差異)。

已確認之遞延稅項數額是按照資產及負債賬面值之預期實現或清償方式,以結算日已生效或實際生效之稅率計量。遞延稅項資產及負債均不須貼現。

遞延稅項資產之賬面值,每屆結算日予以重計,並於不可能再有足夠應課稅溢利可供動用有關稅項福利予以削減。任何有關減少在可能有足夠應課稅溢利可供抵免時撥回。

源自股息分派之額外所得稅,於派付有關股息之責任獲確認時確認。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Income tax (continued)

(iv) Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2 主要會計政策 (續)

(m) 所得稅 (續)

(iv) 本期稅項結餘及遞延稅項結餘及其變動額會分開列示，並且不予抵銷。倘本公司或本集團有法定行使權以本期稅項資產抵銷本期稅項負債，並且符合以下附帶條件之情況下，本期稅項資產與遞延稅項資產始會分別與本期稅項負債及遞延稅項負債抵銷：

- 倘為本期稅項資產及負債，本公司或本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或
- 倘為遞延稅項資產及負債，而此等資產及負債與同一稅務機關就以下其中一項徵收之所得稅有關：
 - 同一應課稅實體；或
 - 不同之應課稅實體。此等實體計劃在日後每個預計有大額遞延稅項負債需要清償或大額遞延稅項資產可以收回之期間內，按淨額基準變現本期稅項資產及清償本期稅項負債，或同時變現該資產及清償該負債。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES
(continued)**(n) Financial guarantees issued, provisions and contingent liabilities***(i) Financial guarantees issued*

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(n)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

2 主要會計政策 (續)**(n) 已作出財務擔保、撥備及或然負債***(i) 已作出財務擔保*

財務擔保為要求發行人(即擔保人)支付特定金額補償受擔保的受益人(「持有人」)因指定債務人未能根據債務工具的條款在到期時付款所產生的虧損。

倘集團作出財務擔保，擔保的公平值(即交易價，除非能可靠地估計公平值)則初步確認為應付賬項及其他應付賬項內的遞延收入。倘就作出擔保的代價已收取或可收取，代價則根據適用於此類別資產的集團政策確認。倘並無收到或無可收代價，則於初步確認任何遞延收入時在損益確認為即時開支。

初步確認為遞延收入的擔保金額自作出財務擔保後在損益中按擔保的年期作為收入攤銷。此外，倘(i)擔保的持有人將可能根據擔保向公司取得款項及(ii)該筆對公司索取的金額預期超逾現時就擔保列賬為應付賬款及其他應付款項(即初步確認的金額減累計攤銷)的金額時，撥備將根據附註2(n)(ii)確認。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Financial guarantees issued, provisions and contingent liabilities (continued)

(ii) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(o) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

2 主要會計政策 (續)

(n) 已作出財務擔保、撥備及或然負債 (續)

(ii) 其他準備及或然負債

如果本集團須就已發生之事件承擔法律或推定義務，而會導致經濟利益外流及在可以作出可靠之估計時，則就該時間或數額不定之其他負債計提準備。如果貨幣時間值重大，則按履行義務預計所需支出之現值計提準備。

如果流出經濟利益之可能性較低，或無法對有關數額作出可靠之估計，則會將該義務披露為或然負債，但經濟利益外流之可能性極低則除外。如果有關義務須視乎某宗或多宗未來事件是否發生才能確定是否存在，則會披露為或然負債，除非經濟利益外流之可能性極低。

(o) 收入確認

收入是在經濟效益可能會流入本集團，以及能夠可靠地計算收入和成本（如適用）時，根據下列方法在損益表內確認：

(i) 銷售貨品

收入乃於貨品送抵客戶所在地而客戶接納貨品及相關風險及擁有權時確認入賬。收入不包括增值稅或其他銷售稅，並在扣除任何貿易折扣後入賬。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES
(continued)**(o) Revenue recognition** (continued)*(ii) Rental income from operating leases*

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method.

(p) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transactions dates.

The results of foreign currencies are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items are translated into Hong Kong dollars at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity.

On disposal of a foreign operation, the cumulative amount of the exchange differences recognised in equity which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

2 主要會計政策 (續)**(o) 收入確認 (續)***(ii) 營運租賃中租金收入*

經營租賃之應收租金收入在租賃期所涵蓋之期間內，以等額在損益表內確認；但如有其他基準能更清楚地反映使用租賃資產所產生之收益模式則除外。租賃優惠措施均在損益表內確認為應收租賃淨付款總額之組成部份。在會計期間所獲得之暫時租金確認為收入。

(iii) 利息收入

利息收入按採用實際利率法累計確認。

(p) 外幣換算

年內之外幣交易按交易日外幣兌換率換算。以外幣計值之貨幣資產及負債均按結算日之外幣兌換率換算。匯兌盈虧均於損益表內確認入賬。

以歷史成本計量之外幣非貨幣資產及負債按交易日之匯率換算。

海外業務之業績按與交易日外幣匯率相若之匯率換算為港元。資產負債表項目則按結算日之外幣率換算為港元。所產生之匯兌差額直接於權益項下列作獨立項目。

於出售外國業務時，與外國業務有關並於股本確認之累計匯兌差額於計算出售之利益或虧損時計入。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Product development costs

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Development expenditure is recognised in the profit or loss as an expense as incurred.

(r) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

2 主要會計政策 (續)

(q) 產品開發成本

在開發活動中研究成果乃應用於新或大有改進的產品或程序的生產計劃或設計上。開發活動的開支乃在產品或程序在技術上及商業上切實可行時及集團有充裕資源完成開發時列作資本。列作資本的開支包括物料、直接勞力及適合比例的人手的成本。開發開支乃於產生時在損益確認為開支。

(r) 關連人士

就此等財務報表而言，倘為下列人士，則將被視為與本集團有關連：

- (i) 該人士能夠直接或間接透過一間或多間中介公司控制本集團或可以對本集團之財務及經營決策發揮重大影響力，或於本集團有共同控制權；
- (ii) 倘本集團與該人士同時受到共同控制；
- (iii) 該人士為本集團之聯繫人士或本集團為合營方之合營公司；
- (iv) 該人士為本集團或本集團母公司主要管理人員之成員，或有關人士之近親家族成員，或為受有關人士控制、共同控制或重大影響之實體；
- (v) 該人士為於第(i)段所述人士之近親家族成員或為受有關人士控制、共同控制或重大影響之實體；或
- (vi) 該人士為就本公司僱員或屬於本公司關連人士之任何實體之僱員利益而設之受僱後福利計劃。

有關人士之近親家族成員為預期於買賣實體時將影響該人士或受該人士影響之該等家族成員。

Notes to the Financial Statements

賬目附註

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen geographical segment information as the primary reporting format and business segment as the secondary reporting format for the purposes of these financial statements.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, tax balances and corporate expenses.

2 主要會計政策 (續)

(s) 分部報告

分部是指本集團內可明顯區分之組成部分，並且負責提供產品或服務（業務分部），或在一個特定之經濟環境中提供產品或服務（地區分部）。分部之間涉及之風險及回報亦有異。

按照本集團之內部財務報告模式，本集團已就此等財務報表選擇以地區分部為報告分部信息之主要形式，而業務分部則是次要之分部報告形式。

分部收入、支出、業績、資產及負債包含直接歸屬某一分部，以及可按合理基準分配至該分部之項目數額。分部收入、支出、資產及負債包含須在編制綜合財務報表時抵銷之集團內部往來之餘額和集團內部交易；但同屬一個分部之集團企業之間之集團內部往來之餘額和交易除外。分部間之轉移事項定價按與其他外界人士相若之條款計算。

分部資本開支是指購入預計可於超過一個期間使用之分部資產（包括有形和無形資產）之期內產生之成本總額。

未分配項目主要包括財務及企業資產、稅項餘額及企業支出。

Notes to the Financial Statements

賬目附註

3 TURNOVER

The principal activities of the Group are the manufacture and sale of electrical home appliances.

Turnover represents the sales value of goods supplied to customers, net of discounts, returns and value added tax or other sales taxes.

3 營業額

本集團主要業務是製造及銷售家用電器。

營業額是銷售與客戶之銷貨值、扣除折扣、退貨及增值稅或其他銷售稅。

4 OTHER REVENUE AND NET LOSS

4 其他收入及淨虧損

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Other revenue	其他收入		
Bank interest income	銀行利息收入	5,779,398	16,747,001
Interest income receivable from loan to an associate (note 29(c)(i))	聯營公司應收貸款利息 (附註29(c)(i))	-	405,436
		5,779,398	17,152,437
Rentals receivable from operating leases (note 29(c)(ii))	從營運租約中之租賃收入 (附註29(c)(ii))	240,000	120,000
		6,019,398	17,272,437
Other net loss	其他淨虧損		
Net gain on disposal of property, plant and equipment	出售物業、廠房及設備淨收益	23,582	736,702
Net exchange loss	匯兌淨虧損	(4,112,914)	(2,405,969)
Write-back of other payables	其他應付賬回撥	510,752	-
Sundry income	其他收益	514,708	134,489
		(3,063,872)	(1,534,778)

Notes to the Financial Statements

賬目附註

5 LOSS BEFORE TAXATION

5 除稅前虧損

Loss before taxation is arrived after charging/ (crediting):

除稅前虧損乃經扣除／(計入)下列各項後達致：

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
(a) Staff costs	(a) 員工成本		
Salaries, wages and other benefits	薪金、工資及其他福利	100,996,925	111,907,338
Discretionary bonuses	酌情發放花紅	1,100,000	2,314,440
Contributions to defined contribution retirement plans	退休金計劃供款	10,584,209	8,972,305
Equity-settled share-based payment transactions (note)	權益償付股本基礎項目 (附註)	4,603,838	(31,329)
		117,284,972	123,162,754

Note: During the year ended 31st December 2008, the Group recognised an aggregated fair value of equity-settled share-based payment transactions amounting to HK\$5,383,199 (2007: HK\$Nil) in the consolidated income statement (see also note 25(a)), of which HK\$4,603,838 had been included in staff costs as the share options were granted to the employees (including the directors) during the year.

附註：在截至二零零八年十二月三十一日止年度，集團在綜合損益表中已確認權益償付股本基礎項目之公平價值是港幣5,383,199元（二零零七年：無）（見附註25(a)），其中港幣4,603,838元於本年度授予僱員（包括董事）之購股權已包括在員工成本內。

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
(b) Other items	(b) 其他項目		
Cost of inventories sold [#]	銷售存貨成本 [#]	682,305,902	769,915,516
Amortisation	攤銷		
– land lease premium	– 租用土地	484,819	465,537
Depreciation	折舊		
– property, plant and equipment	– 物業、廠房及設備	25,650,172	24,974,270
Impairment losses	減值虧損		
– trade and other receivables (note 18)	– 貿易及其他應收賬項 (附註18)	5,486,835	–
– loan and interest receivable from an associate (note 14)	– 聯營公司貸款及應收利息 (附註14)	–	9,438,646
Provision for financial loss (note 21)	財務虧損撥備 (附註21)	–	7,800,000
Auditors' remuneration	核數師酬金	838,000	885,447
Product development costs	產品發展成本	938,627	235,352

[#] Cost of inventories includes HK\$108,476,000 (2007: HK\$105,060,000) relating to staff costs and depreciation, which amount is also included in the respective total amounts disclosed separately above or in note 5(a) for each type of expense.

[#] 銷售存貨成本有關員工成本及折舊之支出為港幣108,476,000元（二零零七年：港幣105,060,000元），該金額亦包括於附註5(a)披露各項費用總金額。

Notes to the Financial Statements

賬目附註

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT 6 綜合損益表之所得稅

(a) Taxation in the consolidated income statement represents: (a) 於綜合損益表呈列之稅項：

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Current tax – Hong Kong Profits Tax (note 16(a))	本期稅項 – 香港所得稅 (附註16(a))		
Provision for the year	本年撥備	144,906	107,055
(Over)/under-provision in respect of prior years	往年度撥備 (剩餘)/過少	(1)	149,910
		144,905	256,965
Current tax – PRC Enterprise Income Tax (note 16(a))	本年度稅項 – 中國企業所得稅 (附註16(a))		
Provision for the year	本年撥備	340,999	1,556,394
PRC Enterprise Income Tax refund	中國企業所得稅退回	(8,503,227)	(777,625)
(Over)/under-provision in respect of prior years	往年度撥備 (剩餘)/過少	(55,350)	8,448
		(8,217,578)	787,217
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	遞延稅項暫時差異的產生及轉回	(2,256,659)	(9,634,951)
Income tax credit	利得稅計入	(10,329,332)	(8,590,769)

(i) On 27th February 2008, the Financial Secretary of the Hong Kong Special Administrative Region Government announced a decrease in the Profits Tax rate from 17.5% to 16.5% which is applicable to the Group's operations in Hong Kong as from the year ended 31st December 2008. This decrease is taken into account in the preparation of the Group's and Company's financial statements. Accordingly, the provision for Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) of the estimated assessable profits for the year.

(i) 於二零零八年二月二十七日，香港特別行政區政府財政司宣佈利得稅稅率由17.5%下調至16.5%，此適用於集團由截至二零零八年十二月三十一日年度起在香港之營運。此稅率下調已在編制本集團及本公司之財務報表中入賬。因此，香港利得稅乃按照本年度估計應課稅盈利依稅率16.5%（二零零七年：17.5%）提撥準備。

Notes to the Financial Statements

賬目附註

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (continued)

- (a) Taxation in the consolidated income statement represents: (continued)
- (ii) Taxation for subsidiaries outside Hong Kong is charged at the appropriate current rate of taxation ruling at the relevant tax jurisdictions.

During the year, certain subsidiaries in the PRC are entitled to preferential tax treatments and they are taxed ranging from 9% to 18% (2007: 7.5% to 10%). They are entitled to tax concessions whereby (i) the profit for the first two financial years beginning with the first profit-making year is exempted from income tax in the PRC and the profit for each of the subsequent three years is taxed at 50% of the applicable tax rate ("Five-year tax holiday"); and/or (ii) the tax rates are reduced.

On 16th March 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Enterprise Income Tax Law of the PRC ("the New Tax Law") which has taken effect on 1st January 2008. The PRC enterprise income tax rate is unified to 25%.

The State Council of the PRC passed an implementation guidance note ("Implementation Guidance") on 26th December 2007, which sets out details of how existing preferential income tax rates will be adjusted to the standard rate of 25%. According to the Implementation Guidance, certain PRC enterprises of the Group which have not fully utilised their Five-year tax holiday are allowed to continue to receive benefits of the full exemption from a reduction in income tax rate up to the end of the benefit period, after which, the 25% standard rate will apply. The PRC subsidiaries of the Group that enjoyed a preferential rate of 15% prior to 1st January 2008 are subject to a tax rate of 18% in 2008, 20% in 2009, 22% in 2010, 24% in 2011 and will be subject to the standard tax rate of 25% in 2012.

The change in the carrying amount of the deferred tax assets and liabilities, as a result of the change in tax rate, was recognised in the consolidated income statement of the Group for the year ended 31st December 2007.

6 綜合損益表之所得稅 (續)

- (a) 於綜合損益表呈列之稅項：(續)
- (ii) 香港以外之附屬公司稅項按所屬地區稅務條例之現行稅率計算。

於本年度，在中國之某些附屬公司享有稅務優惠，其稅率是9%至18%（二零零七年：7.5%至10%）。附屬公司享有稅務優惠(i)在其首兩個獲利年度享有企業所得稅豁免優惠，並於其後三個年度享有企業所得稅稅率減半優惠（五年稅務假期）及／或(ii)稅率降低。

於二零零七年三月十六日，第十屆中國人民代表大會第五次會議通過中華人民共和國企業所得稅法（「新稅法」），並於二零零八年一月一日生效。中國實體採納之法定所得稅稅率將更改為25%。

於二零零七年十二月二十六日中國國務院通過之實施企業所得稅過度優惠政策的通知（「實施政策」）已詳列現有之優惠利得稅稅率如何調整至標準稅率25%。根據該實施政策，本集團某些中國企業仍有未完成之五年稅務假期可繼續獲得利得稅減免直至優惠期屆滿，其後標準稅率25%將適用。於二零零八年一月一日前享有15%之優惠稅率之本集團之中國附屬公司於二零零八年之稅率為18%，於二零零九年之稅率為20%，於二零一零年之稅率為22%，於二零一一年之稅率為24%及於二零一二年之稅率為25%。

因稅率變動導致遞延稅項資產及負債之賬面值出現之變動，已於截至二零零七年十二月三十一日止年度在本集團綜合損益表內確認。

Notes to the Financial Statements

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6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (continued) **6 綜合損益表之所得稅 (續)**

(b) Reconciliation between income tax credit and accounting loss at the applicable tax rates: (b) 按稅率調整利得稅計入及會計虧損

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Loss before taxation	除稅前虧損	(30,619,591)	(54,085,312)
Notional tax on loss before taxation, calculated at the rates applicable to profits in the countries concerned	按有關地區適用稅率計算之除稅前虧損名義稅項	(5,621,549)	(10,163,824)
Tax effect of non-taxable income	非應課稅收入之稅務影響	(2,991,028)	(13,362,043)
Tax effect of non-deductible expenses	不可扣除支出之稅務影響	5,153,083	17,844,741
Tax effect of unused tax losses not recognised	未確認未用稅務虧損之稅務影響	2,606,024	797,726
Tax concession	稅務減免	-	(25,000)
PRC Enterprise Income Tax refunded (Over)/under-provision in prior years	中國企業利得稅退回 往年度撥備(剩餘)/少計	(8,503,227) (55,351)	(777,625) 158,358
Effect of changes in tax rates	稅率變化之稅務影響	-	(1,462,384)
Effect of temporary difference not recognised	未確認之暫時差異之影響	121,052	-
Effect of tax relief granted to PRC subsidiaries	中國附屬公司稅務減免之影響	-	395,328
Others	其他	(1,038,336)	(1,996,046)
Actual tax credit	實際稅項計入	(10,329,332)	(8,590,769)

Notes to the Financial Statements

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7 DIRECTORS' REMUNERATION

7 董事酬金

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

董事酬金根據香港公司條例第161節披露如下：

		Salaries, allowances and benefits	Discretionary bonuses	Retirement scheme contributions	Share-based payments (note)	2008 Total		
	Directors' fees	in kind	in kind	in kind	(note)	2008 Total		
	袍金	薪金、 津貼及福利	酌情 發放之花紅	退休金 供款	股本 基礎項目 (附註)	二零零八年 合計		
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$		
	港幣	港幣	港幣	港幣	港幣	港幣		
<i>Chairman</i>	<i>主席</i>							
Mr. Wong, Wilson Kin Lae	黃乾利先生	120,000	17,800	50,000	-	187,800	520,042	707,842
<i>Executive directors</i>	<i>執行董事</i>							
Mr. Wong, John Ying Man	黃英敏先生	140,000	2,776,600	270,000	144,000	3,330,600	520,030	3,850,630
Mr. Wong, Raymond Man Hin	黃文顯先生	140,000	2,057,800	370,000	108,000	2,675,800	520,030	3,195,830
Mr. Mok, Kin Hing (appointed on 1st July 2008)	莫健興先生 (二零零八年七月一日獲委任)	120,000	427,200	-	18,000	565,200	520,030	1,085,230
<i>Non-executive directors</i>	<i>非執行董事</i>							
Dr. Wong, Philip Kin Hang	黃乾亨博士	120,000	-	-	-	120,000	239,487	359,487
Mr. Huang, Zhouchang	黃宙昌先生	160,000	-	-	-	160,000	239,487	399,487
Mr. Qiang, Wenyu (resigned on 4th July 2008)	強文郁先生 (二零零八年七月四日辭任)	-	-	-	-	-	-	-
Ms. Li, Yinghong (appointed on 4th July 2008)	李映紅小姐 (二零零八年七月四日獲委任)	120,000	-	-	-	120,000	239,487	359,487
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>							
Mr. Leung, Michael Kai Hung	梁啟雄先生	160,000	-	-	-	160,000	53,892	213,892
Mr. Fan, Anthony Ren Da	范仁達先生	160,000	-	-	-	160,000	53,892	213,892
Mr. Ng, Yiu Ming	伍耀明先生	160,000	-	-	-	160,000	53,892	213,892
<i>Alternate directors</i>	<i>代董事</i>							
Mr. Xiong, Zhengfeng	熊正峰先生	-	-	-	-	-	61,583	61,583
Mr. Mok, Kin Hing (resigned on 1st July 2008)	莫健興先生 (二零零八年七月一日辭任)	-	-	-	-	-	-	-
Mr. Zhang, Yuankun (appointed on 4th July 2008)	張元坤先生 (二零零八年七月四日獲委任)	-	-	-	-	-	127,270	127,270
Mr. Wong, David Ying Kit (appointed on 4th July 2008)	黃英傑先生 (二零零八年七月四日獲委任)	-	-	-	-	-	61,583	61,583
		1,400,000	5,279,400	690,000	270,000	7,639,400	3,210,705	10,850,105

Notes to the Financial Statements

賬目附註

7 DIRECTORS' REMUNERATION
(continued)

7 董事酬金 (續)

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

董事酬金根據香港公司條例第161節披露如下：

		Salaries, allowances and benefits	Discretionary bonuses	Retirement scheme contributions	Share-based payments (note)	2007 Total
	Directors' fees	in kind 薪金、 津貼及福利	酌情 發放之花紅	退休金 供款	股本 基礎項目 (附註)	二零零七年 合計
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港幣	港幣	港幣	港幣	港幣	港幣
<i>Chairman</i>						
Mr. Wong, Wilson Kin Lae	主席 黃乾利先生	120,000	11,950	80,000	-	211,950
<i>Executive directors</i>						
Mr. Wong, John Ying Man	執行董事 黃英敏先生	140,000	2,780,983	280,000	144,000	3,344,983
Mr. Wong, Kennedy Ying Ho (resigned on 13th April 2007)	黃英豪先生 (二零零七年四月十三日辭任)	-	-	-	-	(23,564)
Mr. Wong, Raymond Man Hin	黃文顯先生	140,000	2,051,950	390,000	99,000	2,680,950
<i>Non-executive directors</i>						
Dr. Wong, Philip Kin Hang	非執行董事 黃乾亨博士	120,000	-	-	-	120,000
Mr. Huang, Zhouchang	黃宙昌先生	160,000	-	-	-	160,000
Mr. Qiang, Wenyu	強文郁先生	120,000	-	-	-	120,000
<i>Independent non-executive directors</i>						
Mr. Leung, Michael Kai Hung	獨立非執行董事 梁啟雄先生	160,000	-	-	-	160,000
Mr. Fan, Anthony Ren Da	范仁達先生	160,000	-	-	-	160,000
Mr. Ng, Yiu Ming	伍耀明先生	160,000	-	-	-	160,000
<i>Alternate directors</i>						
Mr. Xiong, Zhengfeng	代董事 熊正峰先生	-	-	-	-	-
Mr. Mok, Kin Hing (appointed on 14th September 2007)	莫健興先生 (二零零七年 九月十四日獲委任)	-	246,000	-	21,000	267,000
		1,280,000	5,090,883	750,000	264,000	7,384,883
					(23,564)	7,361,319

Note: These represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 2(l)(ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited.

附註： 這些呈列是根據本公司之購股權計劃授予股東之購股權的估值。購股權價值是根據本集團的會計政策中以股本為基礎項目載於附註2(l)(ii)及按此政策計量，並已包括因權益工具失效而回撥之應計值。

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "Share option scheme" in the directors' report and note 24.

福利詳情，包括主要條例及購股權授予股數，在董事報告書中購股權計劃及附註24披露。

Notes to the Financial Statements

賬目附註

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2007: three) are directors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other two (2007: two) individuals are as follows:

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Salaries and other emoluments	薪金及其他福利	1,145,150	1,451,317
Discretionary bonuses	酌情發放花紅	141,050	295,000
Retirement scheme contributions	退休金供款	75,600	60,000
Share-based payments	股本基礎項目	95,795	-
		1,457,595	1,806,317

8 個別最高酬金

本集團五位最高薪酬人士中包括三位(二零零七年:三位)董事,彼等之酬金已載於附註7,餘下二位(二零零七年:二位)最高薪人士之酬金分析如下:

The emoluments of the two (2007: two) individuals with the highest emoluments are within the following band:

		2008 二零零八年 Number of individuals 人數	2007 二零零七年 Number of individuals 人數
HK\$ Nil – HK\$1,000,000	由港幣零元至港幣1,000,000元	2	2

個別最高薪酬人士二位(二零零七年:二位)酬金組別分析如下:

9 LOSS ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated loss attributable to equity shareholders of the Company includes a loss of HK\$19,757,649 (2007: HK\$21,355,814) which has been dealt with in the financial statements of the Company.

9 股東應佔虧損

本公司股東應佔之綜合虧損包括虧損港幣19,757,649元(二零零七年:港幣21,355,814元),其已於本公司財務報表內反映。

Notes to the Financial Statements

賬目附註

10 DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the year

10 股息

(a) 本年度應付股息與本公司股東應佔

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Interim dividend declared and paid of 5 HK cents per ordinary share (2007: 5 HK cents per ordinary share)	已宣派之中期股息 每股普通股港幣5仙 (二零零七年：每股普通股港幣5仙)	19,693,244	19,693,244
Final dividend proposed after the balance sheet date of 5 HK cents per ordinary share (2007: 1 HK cent per ordinary share)	於資產負債表結算日後 建議宣派末期股息 每股普通股港幣5仙 (二零零七年：每股普通股港幣1仙)	19,693,244	3,938,648
Special dividend proposed after the balance sheet date of Nil HK cent per ordinary share (2007: 20 HK cents per ordinary share)	於資產負債表結算日後 建議宣派特別股息 每股普通股港幣零仙 (二零零七年：每股普通股港幣20仙)	-	78,772,977
		39,386,488	102,404,869

The final and special dividends proposed after the balance sheet date have not been recognised as liabilities at the balance sheet date.

於資產負債表結算日後建議宣派末期股息及特別股息於資產負債表結算日未確認為負債。

Notes to the Financial Statements

賬目附註

10 DIVIDENDS (continued)

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

10 股息 (續)

(b) 於往年度應付股息與本公司股東應佔及在本年度已批准及支付

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Final dividend in respect of the previous financial year, approved and paid during the year, of 1 HK cent per ordinary share (2007: 11 HK cents per ordinary share)	往年度末期息 在本年度已批准及 支付每股普通股港幣1仙 (二零零七年： 每股普通股港幣11仙)	3,938,648	43,325,137
Special dividend in respect of the previous financial year, approved and paid during the year, of 20 HK cents per ordinary share (2007: 10 HK cents per ordinary share)	往年度特別股息 在本年度已批准及 支付每股普通股港幣20仙 (二零零七年： 每股普通股港幣10仙)	78,772,977	39,386,488
		82,711,625	82,711,625

(c) Dividends payable in the balance sheet

(c) 於資產負債表之應付股息

		The Group and the Company 本集團及本公司	
		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
At 1st January	於一月一日	1,298,417	1,102,658
Dividend declared and approved during the year	本年度已宣派及 批准股息		
– in respect of the previous financial year	– 往年度	82,711,625	82,711,625
– in respect of the current financial year	– 本年度	19,693,244	19,693,244
		102,404,869	102,404,869
Dividends paid	支付股息	(102,183,313)	(102,209,110)
At 31st December	於十二月三十一日	1,519,973	1,298,417

Notes to the Financial Statements

賬目附註

11 LOSS PER SHARE

- (a) The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of HK\$20,290,259 (2007: HK\$45,494,543) and the weighted average number of 393,864,884 (2007: 393,864,884) ordinary shares in issue during the year.
- (b) The calculation of diluted loss per share is based on the loss attributable to ordinary equity shareholders of the Company of HK\$20,290,259 (2007: HK\$45,494,543) and the weighted average number of 393,864,884 (2007: 393,864,884) ordinary shares.

The diluted loss per share calculations have not included the outstanding share options as at 31st December 2008 and 2007 since the effect is anti-dilutive.

12 SEGMENT REPORTING

Segment information is presented in respect of the Group's business and geographical segments. Geographical segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

Geographical segments

The Group's business is managed on a worldwide basis, but participates in four principal economic environments. The PRC, Japan, Europe and North America are the major markets for all of the Group's electrical appliances business.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

11 每股虧損

- (a) 每股基本虧損之計算是以本集團股東應佔經營業務虧損港幣20,290,259元(二零零七年:港幣45,494,543元)及根據年內之已發行加權平均股數393,864,884(二零零七年:393,864,884)普通股計算。
- (b) 每股攤薄虧損之計算是以本集團股東應佔經營業務虧損港幣20,290,259元(二零零七年:港幣45,494,543元)及加權平均股數393,864,884(二零零七年:393,864,884)普通股計算。

每股攤薄虧損之計算因沒有攤薄效應而不包括於二零零八年及二零零七年十二月三十一日仍未行使之購股權。

12 分部報告

分部資料按集團之業務及地區分部呈列。因應本集團之內部相關財務報告以地區分部資料為主要報告。

地區分部資料

本集團的業務是世界性但主要銷售四個地區。中國、日本、歐洲及北美是本集團主要家用電器市場。

呈列資料基本按地區分部，分部收益按客戶地區分佈。分部資產及資本性支出按資產所在地區分佈。

Notes to the Financial Statements

賬目附註

12 SEGMENT REPORTING (continued)

12 分部報告 (續)

Geographical segments (continued)

地區分部資料 (續)

		United States		The PRC		Japan		Europe		Others		Inter-segment elimination		Unallocated		Total	
		美國		中國		日本		歐洲		其他		內部分部抵銷		未分配		總合計	
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
Revenues	收入																
External sales	對外銷售	205,542	283,699	22,862	21,459	341,180	337,128	107,995	141,959	46,612	58,611	-	-	-	-	724,191	842,856
Inter-segment sales	內部銷售	-	-	414,863	518,543	-	-	-	-	642,644	742,736	(1,057,507)	(1,261,279)	-	-	-	-
Other revenue	其他收入	-	-	-	-	-	-	-	-	-	-	-	-	240	120	240	120
		205,542	283,699	437,725	540,002	341,180	337,128	107,995	141,959	689,256	801,347	(1,057,507)	(1,261,279)	240	120	724,431	842,976
Segment result	分部業績	(9,182)	(150)	(1,129)	(131)	(18,937)	(1,194)	(1,727)	514	(2,600)	(289)	-	-	240	120	(33,335)	(1,130)
Interest income	利息收入															5,779	17,152
Unallocated cost	未分配成本															(3,063)	(17,239)
Loss from operations	經營虧損															(30,619)	(1,217)
Share of losses of associates	佔聯營公司虧損															-	(52,868)
Loss before taxation	除稅前虧損															(30,619)	(54,085)
Income tax credit	所得稅計入															10,329	8,591
Loss for the year	本年度虧損															(20,290)	(45,494)

Notes to the Financial Statements

賬目附註

12 SEGMENT REPORTING (continued)

12 分部報告 (續)

Geographical segments (continued)

地區分部資料 (續)

	United States		The PRC		Japan		Europe		Others		Inter-segment elimination		Unallocated		Total	
	美國		中國		日本		歐洲		其他		內部分部抵銷		未分配		總合計	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Depreciation and amortisation for the year	-	-	24,877	24,294	-	-	-	-	1,257	1,146	-	-	-	-	26,134	25,440
Impairment of																
- loan and interest receivable from an associate	-	-	-	-	-	-	-	-	-	9,439	-	-	-	-	-	9,439
- trade and other receivables	4,967	-	520	-	-	-	-	-	-	-	-	-	-	-	5,487	-
Provision for financial loss	-	-	-	-	-	-	-	-	-	7,800	-	-	-	-	-	7,800
Segment assets	-	-	304,522	272,656	-	-	-	-	261,642	451,020	-	-	-	-	566,164	723,676
Unallocated assets															13,611	4,223
Total assets															579,775	727,899
Segment liabilities	(255)	(9,501)	(32,702)	(24,716)	-	-	-	-	(52,961)	(88,953)	-	-	-	-	(85,918)	(123,170)
Unallocated liabilities															(3,931)	(10,858)
Total liabilities															(89,849)	(134,028)
Capital expenditure incurred during the year	-	-	9,167	4,734	-	-	-	-	760	3,887	-	-	-	-	9,927	8,621

Business segments

業務分部資料

The Group operates as a single business segment for the manufacture and sale of electrical home appliances.

本集團只營運製造及銷售家用電器業務分部。

		Electrical home appliances		Others		Total operations	
		家用電器		其他		總營運	
		2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue from external customers	對外客戶之收入	724,191	842,856	240	120	724,431	842,976
Segment assets	分部資產	566,164	723,676	-	-	566,164	723,676
Capital expenditure incurred during the year	本年度資本性支出	9,927	8,621	-	-	9,927	8,621

Notes to the Financial Statements

賬目附註

13 FIXED ASSETS

(a) The Group

13 固定資產

(a) 本集團

		Buildings held for own use	Plant and machinery	Furniture, fixtures and equipment	Moulds	Motor vehicles	Sub-total	Interests in leasehold land held for own use under operating leases	Total fixed assets	
	Construction in progress	持有自用 之建築物	廠房及機器	傢私、裝置 及設備	工模	汽車	小計	經營租賃 持作自用之 土地權益	總固定 資產合計	
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	
	港幣	港幣	港幣	港幣	港幣	港幣	港幣	港幣	港幣	
Cost:	成本：									
At 1st January 2007	於二零零七年一月一日	7,442,443	155,002,778	143,454,198	37,526,954	438,105	9,971,941	353,836,419	18,663,329	372,499,748
Exchange adjustments	兌換調整	392,698	9,917,110	6,963,643	4,039,537	27,911	546,233	21,887,132	1,049,499	22,936,631
Additions	增加	3,884,479	-	3,811,744	540,818	-	383,766	8,620,807	-	8,620,807
Transfers	轉移	(7,343,332)	5,308,680	869,817	1,164,835	-	-	-	-	-
Disposals	出售	-	-	(9,269,285)	(18,395,518)	-	(1,170,247)	(28,835,050)	-	(28,835,050)
At 31st December 2007	於二零零七年 十二月三十一日	4,376,288	170,228,568	145,830,117	24,876,626	466,016	9,731,693	355,509,308	19,712,828	375,222,136
At 1st January 2008	於二零零八年一月一日	4,376,288	170,228,568	145,830,117	24,876,626	466,016	9,731,693	355,509,308	19,712,828	375,222,136
Exchange adjustments	兌換調整	104,653	7,594,379	4,700,884	2,085,984	20,574	381,633	14,888,107	773,669	15,661,776
Additions	增加	6,594,876	-	1,778,868	793,668	-	759,673	9,927,085	-	9,927,085
Transfers	轉移	(8,159,797)	290,176	2,720,397	5,143,216	-	6,008	-	-	-
Disposals	出售	-	-	(1,338,761)	(282,843)	-	(1,550,058)	(3,171,662)	-	(3,171,662)
At 31st December 2008	於二零零八年 十二月三十一日	2,916,020	178,113,123	153,691,505	32,616,651	486,590	9,328,949	377,152,838	20,486,497	397,639,335

Notes to the Financial Statements

賬目附註

13 FIXED ASSETS (continued)

(a) The Group (continued)

13 固定資產 (續)

(a) 本集團 (續)

		Buildings held for own use	Plant and machinery	Furniture, fixtures and equipment	Moulds	Motor vehicles	Sub-total	Interests in leasehold land held for own use under operating leases	Total fixed assets	
	Construction in progress	持有自用 之建築物	廠房及機器	傢私、裝置 及設備	工模	汽車	小計	經營租賃 持作自用之 土地權益	總固定 資產合計	
	在建工程									
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	
	港幣	港幣	港幣	港幣	港幣	港幣	港幣	港幣	港幣	
Accumulated amortisation and depreciation:	累計攤銷及折舊：									
At 1st January 2007	於二零零七年一月一日	-	67,886,458	68,629,328	20,485,509	383,060	7,563,970	164,948,325	4,644,816	169,593,141
Exchange adjustments	兌換調整	-	4,080,142	2,463,248	2,344,137	-	443,215	9,330,742	281,191	9,611,933
Charge for the year	本年度折舊	-	6,966,579	12,638,074	4,695,170	-	674,447	24,974,270	465,537	25,439,807
Written back on disposals	出售撥回	-	-	(5,734,857)	(16,542,751)	-	(639,553)	(22,917,161)	-	(22,917,161)
At 31st December 2007	於二零零七年 十二月三十一日	-	78,933,179	77,995,793	10,982,065	383,060	8,042,079	176,336,176	5,391,544	181,727,720
At 1st January 2008	於二零零八年一月一日	-	78,933,179	77,995,793	10,982,065	383,060	8,042,079	176,336,176	5,391,544	181,727,720
Exchange adjustments	兌換調整	-	3,338,086	1,906,026	1,161,928	-	330,329	6,736,369	226,570	6,962,939
Charge for the year	本年度折舊	-	7,548,523	12,375,401	5,034,317	-	691,931	25,650,172	484,819	26,134,991
Written back on disposals	出售撥回	-	-	(1,165,124)	(251,266)	-	(1,381,825)	(2,798,215)	-	(2,798,215)
At 31st December 2008	於二零零八年 十二月三十一日	-	89,819,788	91,112,096	16,927,044	383,060	7,682,514	205,924,502	6,102,933	212,027,435
Carrying value:	賬面淨值：									
At 31st December 2008	於二零零八年 十二月三十一日	2,916,020	88,293,335	62,579,409	15,689,607	103,530	1,646,435	171,228,336	14,383,564	185,611,900
At 31st December 2007	於二零零七年 十二月三十一日	4,376,288	91,295,389	67,834,324	13,894,561	82,956	1,689,614	179,173,132	14,321,284	193,494,416

Notes to the Financial Statements

賬目附註

13 FIXED ASSETS (continued)

13 固定資產 (續)

(b) The Company

(b) 本公司

		Plant and machinery 廠房及機器 HK\$ 港幣	Furniture, fixtures and equipment 傢私、裝置 及設備 HK\$ 港幣	Motor vehicles 汽車 HK\$ 港幣	Total 合計 HK\$ 港幣
Cost:	成本：				
At 1st January 2007	於二零零七年一月一日	23,620,205	62,600	2,057,120	25,739,925
Additions	增加	3,506,956	–	380,000	3,886,956
Disposals	出售	–	–	(772,800)	(772,800)
At 31st December 2007	於二零零七年 十二月三十一日	27,127,161	62,600	1,664,320	28,854,081
At 1st January 2008	於二零零八年一月一日	27,127,161	62,600	1,664,320	28,854,081
Additions	增加	–	–	759,673	759,673
Disposals	出售	–	–	(447,260)	(447,260)
At 31st December 2008	於二零零八年 十二月三十一日	27,127,161	62,600	1,976,733	29,166,494
Accumulated depreciation:	累計折舊：				
At 1st January 2007	於二零零七年一月一日	8,796,033	33,440	1,260,994	10,090,467
Charge for the year	本年度折舊	3,955,834	6,260	171,294	4,133,388
Written back on disposals	出售撥回	–	–	(281,850)	(281,850)
At 31st December 2007	於二零零七年 十二月三十一日	12,751,867	39,700	1,150,438	13,942,005
At 1st January 2008	於二零零八年一月一日	12,751,867	39,700	1,150,438	13,942,005
Charge for the year	本年度折舊	3,955,834	4,580	303,901	4,264,315
Written back on disposals	出售撥回	–	–	(389,307)	(389,307)
At 31st December 2008	於二零零八年 十二月三十一日	16,707,701	44,280	1,065,032	17,817,013
Carrying value:	賬面淨值：				
At 31st December 2008	於二零零八年 十二月三十一日	10,419,460	18,320	911,701	11,349,481
At 31st December 2007	於二零零七年 十二月三十一日	14,375,294	22,900	513,882	14,912,076

Notes to the Financial Statements

賬目附註

13 FIXED ASSETS (continued)

(c) The analysis of carrying value of properties is as follows:

13 固定資產 (續)

(c) 物業賬面分析如下：

		The Group 本集團	
		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Medium-term leases	中期租賃		
– in Hong Kong	– 香港	15,190,556	16,081,148
– outside Hong Kong	– 香港以外	87,486,343	89,535,525
		102,676,899	105,616,673
Representing:	組成：		
Buildings held for own use	持有自用建築物	88,293,335	91,295,389
Interests in leasehold land held for own use under operating leases	經營租賃持作自用之土地權益	14,383,564	14,321,284
		102,676,899	105,616,673

(d) Fixed assets leased out under operating leases

The Group leases out a part of an office premises under an operating lease. The lease typically runs for an initial period of one year, with an option to renew the lease after that date at which time all terms are renegotiated. The lease does not include any contingent rentals.

The Group's total future minimum lease payments under a non-cancellable operating lease are receivable as follows:

(d) 從營運租約之固定資產租賃

本集團從營運租約之寫字樓租賃。租約為期一年，到期日有優先權商議條件更新租約。該租約不包括或然租金。

本集團應收不可撤銷之經營租賃而於未來支付之最低總額如下：

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Within 1 year	一年內	60,000	60,000

Notes to the Financial Statements

賬目附註

14 INTERESTS IN ASSOCIATES

14 聯營公司權益

		The Group 本集團	
		2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣
Share of net assets	應佔資產淨值	-	-

		The Group and the Company 本集團及本公司	
		2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣
Loan and interest receivable from an associate	應收聯營公司之貸款及利息	9,438,646	9,438,646
Less: impairment losses	減：虧損減值	(9,438,646)	(9,438,646)
		-	-

The loan to a principal associate was interest bearing at HIBOR plus 1% per annum and repayable on 24th November 2007. It was secured by all equity interests in (i) this associate; and (ii) a subsidiary of this associate, which is a minority shareholder of this associate. At 31st December 2007, the loan and related interest receivable amounting to HK\$9,439,000 was considered irrecoverable and, accordingly, a full impairment loss was recognised in the financial statements for the year ended 31st December 2007.

主要聯營公司之貸款按年息率HIBOR加1%，已抵押及應在二零零七年十一月二十四日付還。貸款的抵押是(i)該聯營公司，及(ii)該聯營公司之一附屬公司為該聯營公司之少數股東之全部股權權益。於二零零七年十二月三十一日，貸款及其有關應收利息金額為港幣9,439,000元被視為不能收回，因此於二零零七年十二月三十一日年度之財務報告已全數確認為減值虧損。

Notes to the Financial Statements

賬目附註

14 INTERESTS IN ASSOCIATES
(continued)

14 聯營公司權益 (續)

The following are particulars of the associates, which are unlisted corporate entities and principally affected the results or assets of the Group:

聯營公司是非上市企業，主要影響本集團之業績及資產，其詳情如下：

Name of associate 聯營公司名稱	Form of business structure 企業架構類別	Place of incorporation and operation 註冊及經營地點	Particulars of issued and paid up capital 已發行及繳足股本之詳情	Proportion of ownership interest 所有權權益比率			Principal activities 主要業務
				Group's effective interest 本集團有效權益	Held by the Company 公司持有	Held by a subsidiary 附屬公司持有	
Cheung Fung Technology (Holdings) Limited ("Cheung Fung") 祥豐科技(集團)有限公司	Incorporated 註冊	Hong Kong 香港	100,000,000 Class A (non-voting) shares of HK\$0.50 each and 200,000,000 Class B shares of HK\$0.50 each 100,000,000股A股(無投票權)每股港幣5角及二億股B股每股港幣5角	45.75%	–	45.75%	Investment holding 投資控股
Sichuan Jinfeng Paper Company Limited ("Jinfeng") 四川錦豐紙業有限公司	Incorporated 註冊	The PRC 中國	Capital of RMB208,000,000 資本人民幣208,000,000元	27.42%	–	45.75%	Manufacture and sale of cigarette paper 製造及銷售煙紙
Victory Will Limited ("Victory Will") 凱心有限公司	Incorporated 註冊	Hong Kong 香港	12,000,000 Class A (non-voting) shares of US\$1 each and 2 Class B shares of US\$1 each 12,000,000股A股(無投票權)每股美元1元及2股B股每股美元1元	45.75%	–	45.75%	Investment holding 投資控股

Notes to the Financial Statements

賬目附註

14 INTERESTS IN ASSOCIATES

(continued)

Summary financial information on associates

14 聯營公司權益 (續)

聯營公司財務資料摘要

		Assets 資產 HK\$'000 港幣千元	Liabilities 負債 HK\$'000 港幣千元	Deficit 負權益 HK\$'000 港幣千元	Revenues 收入 HK\$'000 港幣千元	Loss 虧損 HK\$'000 港幣千元
2008	二零零八年					
100 per cent	100百分比	4,479	(882,182)	(877,703)	36,346	(62,541)
Group's effective interest	本集團之有效權益	2,049	(403,598)	(401,549)	16,628	(28,613)
2007	二零零七年					
100 per cent	100百分比	48,805	(794,888)	(746,083)	127,319	(853,668)
Group's effective interest	本集團之有效權益	22,328	(370,351)	(348,023)	58,248	(397,243)

At 31st December 2008, bank loans totalling HK\$728 million (2007: HK\$646 million) were granted to Jinfeng, a subsidiary of Cheung Fung, and Sichuan Jinfeng Innovation Industry Company Limited ("Innovation"), a subsidiary of Jinfeng. These bank loans are secured by certain land and buildings and machinery of Jinfeng and corporate guarantees from Cheung Fung, Victory Will and a minority shareholder of Jinfeng.

During the year ended 31st December 2008, Jinfeng and Innovation defaulted on repayment of these bank loans. The relevant banks had commenced legal proceedings against Jinfeng, Innovation, Victory Will and the minority shareholder of Jinfeng to seek repayment of the bank loans together with the related interest and penalties amounting to approximately HK\$301 million. In addition, other banks and financial institutions had demanded repayment of loans amounting to approximately HK\$380 million. The management of Cheung Fung and its subsidiaries ("Cheung Fung group") had negotiated with the relevant banks regarding restructuring of the terms and conditions of the bank loans. However, the Cheung Fung group continues to be in breach of the bank loans and the negotiations with the banks have come to a halt. Subsequent to 31st December 2008 and up to the date of these financial statements, the legal proceedings remain unresolved and one of the banks further filed an execution proceeding against the pledged assets of Jinfeng.

於二零零八年十二月三十一日，某些銀行授予祥豐之附屬公司錦豐及錦豐之附屬公司四川錦豐創新實業有限公司（「創新」）之銀行貸款合共為港幣728百萬元（二零零七年：港幣646百萬元）。銀行貸款以錦豐之某些土地及樓宇及機器，以及祥豐、凱心及錦豐之少數權益股東之公司擔保作抵押。

截至二零零八年十二月三十一日止年度，錦豐及創新未有償還銀行貸款。若干銀行已向錦豐、創新、凱心及錦豐一少數股東展開法律訴訟程序，以追討該等銀行貸款還款及有關利息及罰款，金額約為港幣301百萬元。另外，其他銀行及財務機構亦尋求追討貸款還款約港幣380百萬元。祥豐及其附屬公司（「祥豐集團」）之管理層正與有關銀行磋商，務求重整銀行貸款之條款及條件。但是因祥豐集團繼續違反銀行貸款之財務契諾，和銀行之磋商已終止。二零零八年十二月三十一日後至此財務報表之日，有關法律訴訟程序仍未解決及其中一銀行更展開訴訟程序凍結錦豐之抵押資產。

Notes to the Financial Statements

賬目附註

14 INTERESTS IN ASSOCIATES

(continued)

Summary financial information on associates

(continued)

The audited consolidated financial statements of the Cheung Fung group for the year ended 31st December 2007 were prepared under a net realisable value basis as the Cheung Fung group did not have sufficient funds to continue its operations as a going concern and to enable the Cheung Fung group to meet its liabilities as and when they fall due. The Group's share of losses in 2007 exceeded its interests in the Cheung Fung group and, accordingly, the interests in associates were reduced to zero as at 31st December 2007.

The audited consolidated financial statements of the Cheung Fung group for the year ended 31st December 2008 were also prepared under a net realisable value basis. As noted in the auditors' report on the consolidated financial statements of the Cheung Fung group for the year ended 31st December 2008, the auditors of the Cheung Fung had stated that they were unable to form an opinion as to whether the consolidated financial statements of Cheung Fung group give a true and fair view of the state of affairs of Cheung Fung and of the Cheung Fung group as at 31st December 2008 and of the Cheung Fung group's loss and cash flows for the year then ended because of a limitation of scope relating to the Cheung Fung group's books and records and the availability of information on contingent liabilities.

The directors of the Company consider that recognition of further losses is discontinued as the interests in associates were reduced to zero as at 31st December 2007 and the Group has not incurred any legal or constructive obligations nor to make payments on behalf of the Cheung Fung group as at 31st December 2008 and 2007.

14 聯營公司權益 (續)

聯營公司財務資料摘要 (續)

由於祥豐集團並無充裕財務資金以繼續按持續經營基準營運及為使祥豐集團可於其債務到期時償還，祥豐集團截至二零零七年十二月三十一日止年度經審核之財務報表已按可變現淨值之基準編製。本集團於二零零七年應佔虧損超逾其於祥豐集團之權益，因此，於聯營公司之權益在二零零七年十二月三十一日減至零。

截至二零零八年十二月三十一日止年度祥豐集團經審核之綜合財務報表仍按可變現淨值之基準編製。截至二零零八年十二月三十一日止年度之祥豐集團綜合財務報表，祥豐集團會計師因只能對有限之賬目、記錄及或然負債資料作出審閱所以未能就綜合財務報表是否真實而公平地反映祥豐集團於二零零八年十二月三十一日之財政狀況及截至該年度的虧損及現金流量發表意見。

因聯營公司之權益在二零零七年十二月三十一日已減至零及本集團於二零零八年十二月三十一日及二零零七年十二月三十一日並無代表祥豐集團產生任何法律或推定責任或支付款項，本公司董事認為無須確認進一步虧損。

Notes to the Financial Statements

賬目附註

15 INVESTMENTS IN AND AMOUNTS
DUE FROM/TO SUBSIDIARIES

15 附屬公司投資及應收／付附屬公司賬項

		The Company	
		本公司	
		2008	2007
		二零零八年	二零零七年
		HK\$	HK\$
		港幣	港幣
Unlisted shares, at cost	非上市股份，按成本入賬	212,923,030	212,923,030
Less: impairment loss (note)	減：減值虧損 (附註)	(780,567)	(780,567)
		212,142,463	212,142,463
Amounts due from subsidiaries	應收附屬公司賬款	85,169,757	79,832,976
Less: impairment losses	減：減值虧損	(49,597,450)	(37,734,536)
		35,572,307	42,098,440
Amounts due to subsidiaries	應付附屬公司賬款	(28,002,309)	(56,519,017)

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

應收及應付附屬公司賬款均無抵押、免息及按需要償還。

Note: The Company recognised an impairment loss on investment in a subsidiary amounted to HK\$780,567 in previous year, whereas the subsidiary is in the process of applying for deregistration.

附註：本公司年前就附屬公司投資確認減值虧損為港幣780,567元，該附屬公司正在申請註銷進行中。

Notes to the Financial Statements

賬目附註

15 INVESTMENTS IN AND AMOUNTS DUE FROM/TO SUBSIDIARIES
 (continued)

15 附屬公司投資及應收／付附屬公司賬項
 (續)

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

影響本集團之業績、資產及負債之附屬公司詳情如下。除特別列出，所持有之股權為普通股。

Name of company 公司名稱	Place of incorporation 註冊地點	Place of operation 經營地點	Particulars of issued and paid up capital 已發行及繳足股本之詳情	Proportion of ownership interest 所有權權益比率			Principal activities 主要業務
				Group's effective interest 本集團有效權益	Held by the Company 公司持有	Held by a subsidiary 附屬公司持有	
Airborne Holdings Limited	British Virgin Islands 英屬處女島	Hong Kong 香港	1 share of US\$1 1股普通股每股1美元	100%	100%	–	Investment holding 投資控股
Appliance Science Corporation	United States of America 美國	United States of America 美國	958,500 shares of US\$0.01 each 958,500股普通股每股1美仙	83.51%	–	83.51%	Inactive 無營業
Good Nature Company Limited 海雲有限公司	Hong Kong 香港	Hong Kong 香港	2 shares of HK\$10 each 2股普通股每股10港元	100%	50%	50%	Inactive 無營業
Good Nature International Limited	Cook Islands 科克群島	Hong Kong 香港	8 shares of US\$1 each 8股普通股每股1美元	100%	100%	–	Investment holding 投資控股
Guangzhou Conquest Electric Company Limited (note (i)) 廣州民凱家用電器有限公司 (附註(i))	The PRC 中國	The PRC 中國	Registered capital US\$7,390,000 註冊資本 7,390,000美元	100%	100%	–	Manufacture and sale of electrical home appliances 製造及銷售家用電器
Mass Top Corporation	British Virgin Islands 英屬處女島	Hong Kong 香港	1 share of US\$1 1股普通股每股1美元	100%	100%	–	Property holding 投資物業

Notes to the Financial Statements

賬目附註

15 INVESTMENTS IN AND AMOUNTS DUE FROM/TO SUBSIDIARIES
 (continued)

15 附屬公司投資及應收／付附屬公司賬項
 (續)

Name of company 公司名稱	Place of incorporation 註冊地點	Place of operation 經營地點	Particulars of issued and paid up capital 已發行及繳足股本之詳情	Proportion of ownership interest 所有權權益比率			Principal activities 主要業務
				Group's effective interest 本集團有效權益	Held by the Company 公司持有	Held by a subsidiary 附屬公司持有	
Raymond Electric (China) Limited 利民電機製造(中國)有限公司	Hong Kong 香港	Hong Kong 香港	2 shares of HK\$10 2股普通股每股10港元	100%	100%	–	Trading of electrical home appliances 家用電器貿易
Raymond International Marketing Corporation (note (ii)) (附註(ii))	British Virgin Islands 英屬處女島	The PRC 中國	10 shares of US\$1 each 10股普通股每股1美元	100%	100%	–	Inactive 無營業
Raymond Marketing Corporation of North America	United States of America 美國	United States of America 美國	1,000 shares of US\$1 each 1,000股普通股每股1美元	100%	100%	–	Inactive 無營業
Raymond (Panyu Nansha) Electrical Appliances Development Company Limited (note (i)) 利民(番禺南沙)電器發展有限公司 (附註(i))	The PRC 中國	The PRC 中國	Registered capital US\$22,000,000 註冊資本 22,000,000美元	100%	100%	–	Manufacture and sale of electrical home appliances 製造及銷售家用電器
Raymond Nansha Development Co. Ltd.	British Virgin Islands 英屬處女島	The PRC 中國	2 shares of US\$1 each 2股普通股每股1美元	100%	100%	–	Property holding 投資物業

Notes to the Financial Statements

賬目附註

15 INVESTMENTS IN AND AMOUNTS DUE FROM/TO SUBSIDIARIES
(continued)

Notes:

- (i) The financial statements of Guangzhou Conquest Electric Company Limited and Raymond (Panyu Nansha) Electrical Appliances Development Company Limited for the financial year ended 31st December 2008, prepared under generally accepted accounting principles applicable in the PRC, have been audited by 廣州業勤會計師事務所有限公司.
- (ii) Raymond International Marketing Corporation has ceased business operations and is in the process of applying for deregistration. Up to the date of these financial statements, the deregistration has not been completed.

16 INCOME TAX IN THE BALANCE SHEET

(a) Current taxation in the balance sheet represents:

15 附屬公司投資及應收／付附屬公司賬項
(續)

附註：

- (i) 廣州民凱家用電器有限公司及利民(番禺南沙)電器發展有限公司截至二零零八年十二月三十一日止之年度財務報表按中國會計守則編制，已經由廣州業勤會計師事務所有限公司審核。
- (ii) Raymond International Marketing Corporation已結束經營業務及申請撤銷註冊在進行中。在此財務報告日，撤銷註冊仍未完成。

16 於資產負債表的所得稅

(a) 資產負債表之所得稅

		The Group 本集團		The Company 本公司	
		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣	2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Provision for the year (note 6(a))	本年度撥備 (附註6(a))				
- Hong Kong Profits Tax	- 香港所得稅	144,906	107,055	-	-
- PRC Enterprise Income Tax	- 中國所得稅	340,999	1,556,394	-	-
		485,905	1,663,449	-	-
Under-provision in prior years (note 6(a))	往年度撥備過少 (附註6(a))				
- Hong Kong Profits Tax	- 香港所得稅	-	149,910	-	149,910
- PRC Enterprise Income Tax	- 中國所得稅	-	8,448	-	-
		-	158,358	-	149,910
Provisional tax paid	預繳稅支出				
- Hong Kong Profits Tax	- 香港所得稅	(8,368,803)	(110,409)	(8,244,295)	-
- PRC Enterprise Income Tax	- 中國所得稅	-	(65,837)	-	-
		(8,368,803)	(176,246)	(8,244,295)	-
		(7,882,898)	1,645,561	(8,244,295)	149,910
Balance of profits tax provision relating to prior years	往年度所得稅 撥備餘額	-	4,601,149	-	4,601,149
Tax (recoverable)/payable	(可退回)／應付稅項	(7,882,898)	6,246,710	(8,244,295)	4,751,059

Notes to the Financial Statements

賬目附註

16 INCOME TAX IN THE BALANCE SHEET
(continued)

(b) Deferred tax assets and liabilities recognised:

16 於資產負債表的所得稅 (續)

(b) 已確認遞延稅項資產及負債：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣	2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Net deferred tax assets recognised on the balance sheet	於資產負債表已確認之遞延稅項資產	(5,727,623)	(4,222,780)	-	-
Net deferred tax liabilities recognised on the balance sheet	於資產負債表已確認之遞延稅項負債	2,411,225	3,312,680	2,153,992	2,431,680
		(3,316,398)	(910,100)	2,153,992	2,431,680

Notes to the Financial Statements

賬目附註

16 INCOME TAX IN THE BALANCE SHEET
(continued)**(b) Deferred tax assets and liabilities recognised:** (continued)*(i) The Group*

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

16 於資產負債表的所得稅 (續)**(b) 已確認遞延稅項資產及負債：**(續)*(i) 本集團*

本年度於綜合資產負債報告中已確認之遞延稅項(資產)/負債的組成及其變動之詳情如下：

Deferred tax arising from:		Tax loss	Depreciation allowances in excess of the related depreciation	Other temporary differences	Total
遞延稅之產生由：		稅項虧損	折舊準備多於有關折舊	其他短暫差異	合計
		HK\$	HK\$	HK\$	HK\$
		港幣	港幣	港幣	港幣
At 1st January 2007	於二零零七年一月一日	-	2,649,739	6,060,751	8,710,490
Effect of a change in exchange rate	兌換變動之影響	-	-	14,361	14,361
Charged/(credited) to profit or loss	在溢利或虧損之扣除/(計入)	53,681	(77,619)	(6,547,911)	(6,571,849)
Effect of changes in tax rates	稅率變動之影響	21,687	(134,488)	(1,349,583)	(1,462,384)
Effect of tax relief granted to PRC subsidiaries	中國附屬公司稅收減除之影響	-	-	395,328	395,328
Over-provision in prior years	往年度之剩餘撥備	(433,170)	(218,601)	(1,344,275)	(1,996,046)
At 31st December 2007	於二零零七年十二月三十一日	(357,802)	2,219,031	(2,771,329)	(910,100)
At 1st January 2008	於二零零八年一月一日	(357,802)	2,219,031	(2,771,329)	(910,100)
Effect of a change in exchange rate	兌換變動之影響	-	-	(149,639)	(149,639)
Credited to profit or loss	在溢利或虧損之計入	(169,154)	(263,072)	(1,824,433)	(2,256,659)
At 31st December 2008	於二零零八年十二月三十一日	(526,956)	1,955,959	(4,745,401)	(3,316,398)

Notes to the Financial Statements

賬目附註

16 INCOME TAX IN THE BALANCE SHEET
(continued)**(b) Deferred tax assets and liabilities recognised:** (continued)*(i) The Group* (continued)

Deferred tax assets not recognised:

At 31st December 2008, the Group has not recognised deferred tax assets in respect of cumulative tax losses of HK\$20,380,000 (2007: HK\$4,586,000) as they are (i) subject to the approval of the Hong Kong Inland Revenue Department; and/or (ii) it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses have no expiry date under the current tax legislation.

Deferred tax liabilities not recognised:

At 31st December 2008, the Group has not recognised insignificant net deferred tax liabilities relating to temporary differences of HK\$307,000 (2007: HK\$Nil).

(ii) The Company

The components of deferred tax liabilities recognised in the balance sheet arise from depreciation allowances in excess of the related depreciation. The movements during the year are as follows:

16 於資產負債表的所得稅 (續)**(b) 已確認遞延稅項資產及負債：(續)***(i) 本集團 (續)*

未確認之遞延稅項資產：

於二零零八年十二月三十一日，本集團因(i)須經香港稅務局批准或(ii)未能確定將來是否有應課溢利予以抵銷相關稅務機關及應課稅實體之稅務虧損，故未有確認稅務虧損港幣20,380,000元(二零零七年：港幣4,586,000元)之遞延稅資產。目前稅法該未確認稅務虧損無期限。

未確認之遞延稅項負債：

於二零零八年十二月三十一日，本集團因短暫差異而未確認無重大影響之遞延稅項負債淨值是港幣307,000元(二零零七年：無)。

(ii) 本公司

本年度於綜合資產負債報告中已確認之遞延稅項負債的組成是來自折舊津貼大於相關折舊及其變動之詳情如下：

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
At 1st January	於一月一日	2,431,680	2,673,903
Credited to profit or loss	在溢利或虧損中計入	(277,688)	(93,276)
Effect of a change in tax rate	兌換變動之影響	-	(147,375)
Over-provision in prior years	往年度之剩餘撥備	-	(1,572)
At 31st December	於十二月三十一日	2,153,992	2,431,680

Notes to the Financial Statements

賬目附註

16 INCOME TAX IN THE BALANCE SHEET
(continued)**(b) Deferred tax assets and liabilities recognised:** (continued)*(ii) The Company* (continued)

Deferred tax assets not recognised:

At 31st December 2008, the Company has not recognised deferred tax assets in respect of cumulative tax losses of HK\$20,346,000 (2007: HK\$4,554,000) as they are subject to the approval of the Hong Kong Inland Revenue Department.

Deferred tax liabilities not reversed:

At 31st December 2008, the Company has not reversed deferred tax liabilities in respect of temporary differences of HK\$1,928,000 (2007: HK\$Nil) as it is probable that these taxable differences will not reverse in the foreseeable future.

17 INVENTORIES**16 於資產負債表的所得稅 (續)****(b) 已確認遞延稅項資產及負債：(續)***(ii) 本公司 (續)*

未確認之遞延稅項資產：

於二零零八年十二月三十一日，本公司未確認之遞延稅資產是因須經香港稅務局批准相關稅務虧損港幣20,346,000元（二零零七年：港幣4,554,000元）。

未回撥之遞延稅項負債：

於二零零八年十二月三十一日，本公司因短暫差異而未回撥遞延稅項負債是港幣1,928,000元（二零零七年：無）而在可見將來此稅項差異仍未能回撥。

17 存貨

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣	HK\$ 港幣	HK\$ 港幣
Raw materials	原材料	55,252,204	61,987,998	8,227,217	10,920,422
Work in progress	半成品	32,793,045	37,713,705	3,395,823	3,221,913
Finished goods	產成品	53	3,809,283	-	72,269
		88,045,302	103,510,986	11,623,040	14,214,604

Notes to the Financial Statements

賬目附註

17 INVENTORIES (continued)

The analysis of the amount of inventories recognised as an expense is as follows:

17 存貨 (續)

存貨金額之分析已確認為費用如下：

		The Group 本集團	
		2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣
Carrying amount of inventories sold	存貨銷售賬面值	676,638,402	762,742,127
Write down of inventories	存貨減值	6,748,226	7,565,551
Reversal of write-down of inventories	存貨減值回撥	(1,080,726)	(392,162)
		682,305,902	769,915,516

18 TRADE AND OTHER RECEIVABLES

18 貿易及其他應收賬項

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣	HK\$ 港幣	HK\$ 港幣
Trade debtors	貿易債務人	70,120,027	113,066,088	66,198,701	104,498,596
Other debtors	其他債務人	4,487,807	4,771,273	2,757,761	2,732,726
Deposits and prepayments	訂金及預付款項	1,973,329	3,462,064	41,900	1,419,495
		76,581,163	121,299,425	68,998,362	108,650,817

All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

所有貿易及其他應收賬項期於一年內可收回或確認為費用。

Notes to the Financial Statements

賬目附註

18 TRADE AND OTHER RECEIVABLES
(continued)**(a) Ageing analysis**

Included in trade and other receivables are trade debtors with the following ageing analysis as of the balance sheet date:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣	2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Current	本期	47,252,346	66,077,377	43,331,020	57,721,442
Less than one month past due	逾期少於一個月	15,172,592	29,377,902	15,172,592	29,377,902
1 to 3 months past due	逾期一個月至三個月	6,007,829	15,624,185	6,007,829	15,624,185
More than 3 months but less than 12 months past due	逾期超過三個月但少於十二個月	1,286,106	1,806,988	1,286,106	1,595,431
Over 12 months past due	逾期超過十二個月	401,154	179,636	401,154	179,636
Amounts past due	逾期金額	22,867,681	46,988,711	22,867,681	46,777,154
		70,120,027	113,066,088	66,198,701	104,498,596

Trade debtors are due within 30 to 60 days from the date of billing. Further details on the Group's credit policy are set out in note 27(a).

(b) Impairment of trade and other receivables

Impairment losses are written off against trade and other receivables when recovery of the amount is remote (see note 2(g)(i)). At 31st December 2008, the Group's trade and other receivables of HK\$5,486,835 (2007: HK\$Nil) were determined to be impaired. The impairment is written off directly against the trade and other receivables.

18 貿易及其他應收賬項 (續)**(a) 賬齡分析**

於資產負債表結算日包括貿易及其他應收賬項是貿易債務人賬項之賬齡分析如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣	2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Current	本期	47,252,346	66,077,377	43,331,020	57,721,442
Less than one month past due	逾期少於一個月	15,172,592	29,377,902	15,172,592	29,377,902
1 to 3 months past due	逾期一個月至三個月	6,007,829	15,624,185	6,007,829	15,624,185
More than 3 months but less than 12 months past due	逾期超過三個月但少於十二個月	1,286,106	1,806,988	1,286,106	1,595,431
Over 12 months past due	逾期超過十二個月	401,154	179,636	401,154	179,636
Amounts past due	逾期金額	22,867,681	46,988,711	22,867,681	46,777,154
		70,120,027	113,066,088	66,198,701	104,498,596

貿易債務人賬項由票據日起30至60天內到期。本集團之信貸政策詳載於附註27(a)。

(b) 已減值之貿易債務人及其他應收賬項

當可收回賬項及其他應收賬項極微時，貿易及其他應收賬項會減值撇賬（見附註2(g)(i)）。於二零零八年十二月三十一日本集團之貿易及其他應收賬項減值為港幣5,486,835元（二零零七年：無）。減值直接在貿易及其他應收賬項中撇賬。

Notes to the Financial Statements

賬目附註

18 TRADE AND OTHER RECEIVABLES
(continued)
(c) Trade debtors that are not impaired

The ageing analysis of trade debtors that are neither individually nor collectively considered to be impaired are as follows:

18 貿易及其他應收賬項 (續)
(c) 沒有減值之貿易債務人

貿易債務人之賬齡分析並沒有部份或全部減值如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣	2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Neither past due nor impaired	沒有逾期或減值	47,252,346	66,077,377	43,331,020	57,721,442
Less than 1 month past due	逾期少於一個月	15,172,592	29,377,902	15,172,592	29,377,902
1 to 3 months past due	逾期一個月至三個月	6,007,829	15,624,185	6,007,829	15,624,185
More than 3 months but less than 12 months past due	逾期超過三個月但 少於十二個月	1,286,106	1,806,988	1,286,106	1,595,431
Over 12 months past due	逾期超過十二個月	401,154	179,636	401,154	179,636
Amounts past due	逾期金額	22,867,681	46,988,711	22,867,681	46,777,154
		70,120,027	113,066,088	66,198,701	104,498,596

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are considered fully recoverable. The Group does not hold any collateral over these balances.

應收賬項沒有逾期或減值因大部份客戶沒有拖欠記錄。

已逾期應收賬項但沒有減值的數位客戶在集團及公司有良好記錄。根據過去經驗，管理層相信此等結餘對信貸質素無重大變化及結餘應可全數收回所以沒有作出減值準備。本集團沒有持有此等結餘任何附屬擔保物。

Notes to the Financial Statements

賬目附註

19 CASH AND CASH EQUIVALENTS

19 現金及現金等值項目

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣	HK\$ 港幣	HK\$ 港幣
Bank deposits	銀行定期存款	128,539,570	275,482,903	117,204,570	275,482,903
Cash at bank and in hand	銀行存款及現金	87,386,060	29,888,568	37,050,343	20,778,757
		215,925,630	305,371,471	154,254,913	296,261,660

20 TRADE AND OTHER PAYABLES

20 貿易及其他應付賬項

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣	HK\$ 港幣	HK\$ 港幣
Trade creditors	貿易債權人	54,457,870	81,568,173	41,121,319	67,495,482
Accrued charges and other payables	應付費用及 其他應付賬項	31,459,841	33,802,283	11,839,989	13,657,807
		85,917,711	115,370,456	52,961,308	81,153,289

All of the trade and other payables are expected to be settled within one year or are repayable on demand. Included in trade and other payables are trade creditors with the following ageing analysis as of the balance sheet date:

所有貿易及其他應付賬項於一年內支付或按要求付還。於資產負債表結算日，包括貿易及其他應付賬項中的貿易債權人之賬齡分析如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣	HK\$ 港幣	HK\$ 港幣
Due within 1 month or on demand	一個月內到期 或按要求	53,466,992	77,995,438	41,017,150	67,410,467
Due after 1 month but within 3 months	一個月後但 三個月內到期	603,844	3,199,032	6,137	85,015
Due after 3 months but within 12 months	三個月後但 十二個月內到期	131,420	118,089	98,032	—
Due after 12 months	十二個月後到期	255,614	255,614	—	—
		54,457,870	81,568,173	41,121,319	67,495,482

Notes to the Financial Statements

賬目附註

21 PROVISION FOR FINANCIAL LOSS

21 財務虧損撥備

The Group and the Company

本集團及本公司

		2008	2007
		二零零八年	二零零七年
		HK\$	HK\$
		港幣	港幣
At 1st January	於一月一日	7,800,000	—
Provision (utilised)/made	本年度(已使用)/撥備	(7,800,000)	7,800,000
At 31st December	於十二月三十一日	—	7,800,000

At 31st December 2007, the Company issued a corporate guarantee to the extent of US\$1,000,000 in favour of a bank in order for Cheung Fung to provide security in respect of a bank loan made to Jinfeng, a subsidiary of Cheung Fung. During the year ended 31st December 2008, Jinfeng defaulted on the repayment of the bank loan and the bank demanded the execution of this corporate guarantee. A provision for financial loss of HK\$7,800,000 (approximately equivalent to US\$1,000,000) was recognised in the financial statements for the year ended 31st December 2007 as the financial loss was considered by the directors of the Company to have incurred prior to 31st December 2007 in light of the deterioration of the Cheung Fung group's financial position during the year ended 31st December 2007 (see note 14).

於二零零七年十二月三十一日，本公司就銀行給予錦豐（本公司之聯營公司及祥豐之附屬公司）之銀行貸款作出金額達1,000,000美元之公司擔保。於截至二零零八年十二月三十一日止年度，錦豐未能償還銀行貸款，銀行因此要求簽訂公司擔保。於截至二零零七年十二月三十一日止年度財務報表確認金額為港幣7,800,000元（約相等於1,000,000美元）之財務虧損之撥備，因為本公司董事認為於二零零七年十二月三十一日前產生之財務虧損乃因祥豐集團之財務狀況在二零零七年轉差而引起（見附註14）。

22 DEFINED CONTRIBUTION RETIREMENT PLANS

22 界定供款退休計劃

The Group operates the Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The scheme is administered by an independent trustee.

本集團按香港強制性公積金計劃條例為根據香港僱傭條例司法權利保障之香港僱員提供強制性公積金計劃（「強積金計劃」）。該強積金計劃由獨立信託基金管理。

Under the MPF Scheme, each of the Group and the eligible employees make monthly mandatory contributions to the scheme at 5% of the employees' relevant income as defined under the Mandatory Provident Fund Schemes Ordinance. The mandatory contributions by each party are subject to a maximum of HK\$1,000 per month. Contributions to the scheme vest immediately upon the completion of service in the relevant service period.

根據強積金計劃，本集團及其合資格僱員均須根據強制性公積金計劃條例之規定，每月按僱員有關薪金5%為強積金計劃供款，有關薪金之定義乃根據強制性公積金計劃條例而計算。雙方的供款上限為每月港幣1,000元。所有供款按服務提供期間完成後繳付。

Notes to the Financial Statements

賬目附註

22 DEFINED CONTRIBUTION RETIREMENT PLANS (continued)

In addition to the MPF Scheme, the employees of the Group's subsidiaries in Hong Kong, after completing half a year of service, have the option to join the Group's defined contribution provident fund scheme which is managed by an independent trustee. The Group makes monthly contributions of 5%-10% of the employees' basic salaries to the scheme depending on the employees' years of service with the Group. The employees also make monthly contributions of 5% of the employees' basic salaries to the scheme. The employees are entitled to receive their entire contributions together with accrued interest thereon at any time upon leaving the Group, and 100% of the employer's contributions and the accrued interest upon retirement or leaving the Group after completing sixteen years of service or at a reducing scale of between 5% to 90% after completing three to fifteen years of service. The forfeited contributions made by the Group and related accrued interest can be used to reduce the employer's contributions. During the year, the aggregate amount of employer's contributions made by the Group to this scheme was approximately HK\$450,870 (2007: HK\$1,014,610). During the year, the total amount of forfeited contributions, which are available to reduce the contributions payable by the Group in future years, was approximately HK\$669,000 (2007: HK\$289,000). At 31st December 2008, the Group's contributions to the provident fund scheme and the interest accrued thereon amounted to approximately HK\$11,038,000 (2007: HK\$24,053,000).

At 31st December 2008, certain employees of the Group had completed the required number of years of service under the Hong Kong Employment Ordinance (the "Ordinance") and are eligible for long service payments on termination of their employment. The Group is only liable to make such payments when the termination meets the required circumstances specified in the Ordinance and the employees' entitlement is not covered by the aforesaid provident funds. At 31st December 2008, the Group's contributions to the provident funds and the accrued interest thereon exceeded the potential liabilities should the required circumstances specified in the Ordinance be met.

22 界定供款退休計劃 (續)

除上述強積金計劃，本集團香港附屬公司員工在替本集團工作滿六個月後，可選擇加入本集團委托之獨立信託公司管理之公積金計劃。本集團按員工年資及薪金計提5%至10%作為公司供款，而員工則按其薪金計提5%作為員工供款。當員工離職時，該員工將可取回其全數員工供款連應計利息及按年資計算取回公司供款連利息。凡工作滿十六年者，均可取回全數公司供款，而工作滿三年至十五年者，可取回之公司供款則按5%至90%計算。員工離職後被沒收之公司供款及利息可用作抵扣公司之供款。本年度本集團之供款約港幣450,870元（二零零七年：港幣1,014,610元）。本年度沒收供款連利息而可在來年之本集團供款中扣除之數額約為港幣669,000元（二零零七年：港幣289,000元）。於二零零八年十二月三十一日本集團對公積金計劃作出之供款及利息滾存約為港幣11,038,000元（二零零七年：港幣24,053,000元）。

在二零零八年十二月三十一日，本集團的部份員工的服務年期已達至香港僱傭條例（「條例」）的規定，在其聘用期完結時可享有長期服務金，然而在此條例指定之情形下，本集團須付之數額僅為該員工可得之退休金不足支付其長期服務金的差額。若所有符合此條例之員工離職，本集團於二零零八年十二月三十一日在公積金計劃中滾存之款項多於條例規定之潛在負債。

Notes to the Financial Statements

賬目附註

**22 DEFINED CONTRIBUTION
RETIREMENT PLANS** (continued)

The Group's subsidiaries in the PRC also participate in defined contribution retirement schemes covering its full-time PRC employees. The schemes are administered by the relevant government authorities in the PRC. The Group and the PRC employees are required to make contributions based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC and the relevant government authorities undertake to assume the retirement benefit obligations of all existing and future retired employees of the Group's subsidiaries in the PRC.

23 BANKING FACILITIES

As at 31st December 2008, the Group had unsecured revolving banking facilities of HK\$160,150,000 (2007: HK\$185,150,000). The banking facilities include documentary letters of credit, trust receipt, bill payables, trade loans, trade guarantee and overdraft. The amount utilised by the Group as at 31st December 2008 under the above facilities was HK\$593,820 (2007: HK\$139,910).

**24 EQUITY-SETTLED SHARE-BASED
TRANSACTIONS**

The Company has a share option scheme which was adopted on 6 June 2003 whereby the directors of the Company are authorised, at their discretion, to invite (i) directors, employees of any member of the Group or any controlling shareholder of the Company ("Controlling Shareholder") or any company controlled by a Controlling Shareholder; (ii) holder of any securities issued by any member of the Group or any Controlling Shareholder of the Company or any company controlled by a Controlling Shareholder; and (iii) (a) any business or joint venture partner, contractor, agent or representative of, (b) any supplier of goods or services to, or (c) any customer or distributor of goods or service of, any member of the Group or any Controlling Shareholder or a company controlled by a Controlling Shareholder; to take up options to subscribe for shares of the Company. A nominal consideration of HK\$1.00 was paid by these participants for each lot of share options granted. The options are exercisable from the date of grant within a period of eight to ten years. Each option gives the holder the right to subscribe for one ordinary share in the Company.

22 界定供款退休計劃 (續)

本集團在中國的附屬公司需要為中國國內全職員工設立退休供款計劃。此計劃受中國政府有關部門監管。本集團及員工需按此計劃規定各按有關薪金之一定百分比作出供款，而有關政府承諾承擔本集團在中國的附屬公司全體現有及未來退休員工之退休福利責任。

23 銀行信貸額度

在二零零八年十二月三十一日，本集團向銀行獲得之無須抵押信貸額度約為港幣160,150,000元（二零零七年：港幣185,150,000元）。銀行之信貸額度以用於信用証、信託收據、應付票據、貿易貸款、貿易擔保及透支。同時期已用信貸額度約為港幣593,820元（二零零七年：港幣139,910元）。

24 權益償付以股份為基礎項目

本公司於二零零三年六月六日設立購股權計劃，本公司董事獲授權按其決定授予(i)本集團任何成員公司或本公司之控股股東（「控股股東」）或控股股東所控制之公司之董事、僱員；(ii)持有本集團任何成員、控股股東或控股股東所控制之公司所發行之任何證券之持有人；及(iii)(a)任何業務或合作夥伴、承包商、代理及代表；或(b)任何貨品或服務供應商；或(c)任何客戶及分銷商，乃本集團任何成員或控股股東或由控股股東控制之任何公司；行使購股權認購本公司股權。參予人士以港幣1元之代價以支付認購每一批購股權。購股權行使期限是授出日起計八至十年內。每一購股授予持有人之權利認購本公司一股普通股股權。

Notes to the Financial Statements

賬目附註

24 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (continued)

- (a) The terms and conditions of the grants that existed during the year are as follows, whereby all options are settled by physical delivery of shares:

24 權益償付以股份為基礎項目 (續)

- (a) 在本年度授予之情況如下，因此所有購股權以法規交付之股權償付。

		Number of instruments 工具數量	Contractual life of options 購股權 契約年期
Options granted to directors:	購股權授予董事：		
– on 21st June 2005	– 於二零零五年六月二十一日	10,660,000	8 years年
– on 30th June 2008	– 於二零零八年六月三十日	23,461,488	10 years年
Options granted to employees:	購股權授予僱員：		
– on 21st June 2005	– 於二零零五年六月二十一日	6,371,000	8 years年
– on 30th June 2008	– 於二零零八年六月三十日	9,830,000	10 years年
Options granted to other eligible persons:	購股權授予合資格人士：		
– on 21st June 2005	– 於二零零五年六月二十一日	770,000	8 years年
– on 30th June 2008	– 於二零零八年六月三十日	6,095,000	10 years年
Total share options	總購股權	57,187,488	

- (b) The number and weighted average exercise prices of share options are as follows:

- (b) 購股權之數量及加權平均行使價如下：

		2008 二零零八年		2007 二零零七年	
		Weighted average exercise price 加權平均 行使價 HK\$ 港幣	Number of options 購股權 之數量 '000 千股	Weighted average exercise price 加權平均 行使價 HK\$ 港幣	Number of options 購股權 之數量 '000 千股
Outstanding at the beginning of the year	年初未行使	2.425	1,215	2.425	1,852
Granted during the year	本年度授予	0.910	39,386	–	–
Forfeited during the year	本年度失效	0.910	(50)	2.425	(637)
Outstanding at the end of the year	本年度止未行使	0.955	40,551	2.425	1,215
Exercisable at the end of the year	本年度止可行使	0.955	40,551	2.425	1,215

Notes to the Financial Statements

賬目附註

24 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (continued)

- (b) The number and weighted average exercise prices of share options are as follows:
(continued)

The options outstanding at 31st December 2008 had an exercise price of HK\$0.910 and HK\$2.425 (2007: HK\$2.425) and a weighted average remaining contractual life of 9.4 years (2007: 5.5 years).

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a Black Scholes model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the Black Scholes model.

Fair value of share options and assumptions

24 權益償付以股份為基礎項目 (續)

- (b) 購股權之數量及加權平均行使價如下：(續)

於二零零八年十二月三十一日未行使購股權之行使價為港幣0.910元及港幣2.425元(二零零七年：港幣2.425元)及加權平均餘下契約年期是9.4年(二零零七年：5.5年)。

(c) 購股權之公平值及假設

就授出購股權而接受之服務之公平值乃參考所授出購股權公平值而計量。所授出購股權之估計公平值乃按畢蘇模式計量。購股權之合約年期乃作為此項模式之輸入項。預期提早行使亦套用於畢蘇模式。

購股權之公平值及假設

		Date of grant	
		授予日期	
		21st June 2005 二零零五年 六月二十一日	30th June 2008 二零零八年 六月三十日
Fair value at measurement date	於計量日期之公平值	HK\$0.3884港元	HK\$0.13685港元
Share price	股價	HK\$2.4000港元	HK\$0.90000港元
Exercise price	行使價	HK\$2.4250港元	HK\$0.91000港元
Expected volatility (expressed as weighted average volatility used in the modelling under Black Scholes model)	預期波幅(以畢蘇模式項下設定所用加權平均波幅表示)	8.46%	36.94%
Option life (expressed as weighted average volatility used in the modelling under Black Scholes model)	購股權年期(以畢蘇模式項下設定所用加權平均波幅表示)	2 years年	3 years年
Expected dividends	預期股息	6.80%	6.67%
Risk-free interest rate	無風險利率	3.28%	2.87%

Notes to the Financial Statements

賬目附註

24 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (continued)**(c) Fair value of share options and assumptions** (continued)

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

There were no market conditions associated with the share option grants.

24 權益償付以股份為基礎項目 (續)**(c) 購股權之公平值及假設 (續)**

預期波幅乃按過往波幅(按購股權之加權平均剩餘年期計算)計算,並就根據公開可得資料預期日後波幅的任何變動作出調整。預期股息乃按過往之股息計算。主輸入假設項目之變動可對公平值之估計造成重大影響。

購股權之授出與市場狀況並無聯繫。

25 CAPITAL AND RESERVES**(a) The Group****25 資本及儲備****(a) 本集團**

			Share capital	Share premium	Exchange reserve	Capital reserve	Retained earnings	The PRC statutory reserve	Other reserve	Total equity
		Note	股本	股本溢價	匯兌儲備	資本儲備	滾存盈利	中國法定儲備	其他設備	合計權益
		附註	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
			港幣	港幣	港幣	港幣	港幣	港幣	港幣	港幣
At 1st January 2007	於二零零七年一月一日		196,932,442	179,749,234	18,054,885	3,158,469	301,206,804	23,775,802	(757,396)	722,120,240
Appropriation to the PRC statutory reserve	中國法定儲備撥款	25(d)(iv)	-	-	-	-	(2,102,554)	2,102,554	-	-
Dividends approved in respect of the	批准股息									
- previous year	- 往年	10(c)	-	-	-	-	(82,711,625)	-	-	(82,711,625)
- current year	- 本年	10(c)	-	-	-	-	(19,693,244)	-	-	(19,693,244)
Exchange differences on translation of financial statements of overseas subsidiaries	因轉化海外附屬公司的財務報表之匯兌差異		-	-	19,681,316	-	-	-	-	19,681,316
Realisation of capital reserve upon deregistration of subsidiaries	因附屬公司撤銷註冊而實現資本儲備		-	-	-	(3,079,972)	3,079,972	-	-	-
Realisation of exchange reserve upon written off of interests in associates	因附屬公司減值而實現匯兌儲備		-	-	(2,549,073)	-	1,791,677	-	757,396	-
Cancellation of share options	取消購股權		-	-	-	(31,329)	-	-	-	(31,329)
Loss for the year	本年虧損		-	-	-	-	(45,494,543)	-	-	(45,494,543)
At 31st December 2007	於二零零七年十二月三十一日		196,932,442	179,749,234	35,187,128	47,168	156,076,487	25,878,356	-	593,870,815

Notes to the Financial Statements

賬目附註

25 CAPITAL AND RESERVES (continued)

25 資本及儲備 (續)

(a) The Group (continued)

(a) 本集團 (續)

			Share capital	Share premium	Exchange reserve	Capital reserve	Retained earnings	The PRC statutory reserve 中國 法定儲備	Total equity 合計權益
		Note	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		附註	港幣	港幣	港幣	港幣	港幣	港幣	港幣
At 1st January 2008	於二零零八年一月一日		196,932,442	179,749,234	35,187,128	47,168	156,076,487	25,878,356	593,870,815
Appropriation to the PRC statutory reserve	中國法定儲備撥款	25(d)(iv)	-	-	-	-	(1,626,101)	1,626,101	-
Dividends approved in respect of the	批准股息								
- previous year	- 往年	10(c)	-	-	-	-	(82,711,625)	-	(82,711,625)
- current year	- 本年	10(c)	-	-	-	-	(19,693,244)	-	(19,693,244)
Exchange differences on translation of financial statements of overseas subsidiaries	因轉化海外附屬公司的 財務報表之匯兌差異		-	-	13,366,721	-	-	-	13,366,721
Equity-settled share-based transactions	權益償付以股份為 基礎項目		-	-	-	5,390,041	-	-	5,390,041
Cancellation of share options	取消購股權		-	-	-	(6,842)	-	-	(6,842)
Loss for the year	本年虧損		-	-	-	-	(20,290,259)	-	(20,290,259)
At 31st December 2008	於二零零八年 十二月三十一日		196,932,442	179,749,234	48,553,849	5,430,367	31,755,258	27,504,457	489,925,607

Notes to the Financial Statements

賬目附註

25 CAPITAL AND RESERVES (continued)

(b) The Company

25 資本及儲備 (續)

(b) 本公司

			Share capital 股本 HK\$ 港幣	Share premium 股本溢價 HK\$ 港幣	Retained earnings 滾存盈利 HK\$ 港幣	Capital reserve 資本儲備 HK\$ 港幣	Total equity 合計權益 HK\$ 港幣
		Note 附註					
At 1st January 2007	於二零零七年一月一日		196,932,442	179,749,234	281,358,437	78,497	658,118,610
Dividends approved in respect of the	批准股息						
– previous year	– 往年	10(c)	–	–	(82,711,625)	–	(82,711,625)
– current year	– 本年	10(c)	–	–	(19,693,244)	–	(19,693,244)
Cancellation of share options	取消購股權		–	–	–	(31,329)	(31,329)
Loss for the year	本年虧損		–	–	(21,355,814)	–	(21,355,814)
At 31st December 2007	於二零零七年十二月三十一日		196,932,442	179,749,234	157,597,754	47,168	534,326,598
At 1st January 2008	於二零零八年一月一日		196,932,442	179,749,234	157,597,754	47,168	534,326,598
Dividends approved in respect of the	批准股息						
– previous year	– 往年	10(c)	–	–	(82,711,625)	–	(82,711,625)
– current year	– 本年	10(c)	–	–	(19,693,244)	–	(19,693,244)
Equity-settled share-based transactions	權益償付以股份為基礎項目		–	–	–	5,390,041	5,390,041
Cancellation of share options	取消購股權		–	–	–	(6,842)	(6,842)
Loss for the year	本年虧損		–	–	(19,757,649)	–	(19,757,649)
At 31st December 2008	於二零零八年十二月三十一日		196,932,442	179,749,234	35,435,236	5,430,367	417,547,279

Notes to the Financial Statements

賬目附註

25 CAPITAL AND RESERVES (continued) **25 資本及儲備 (續)****(c) Share capital****(c) 股本****(i) Authorised and issued share capital****(i) 法定及已發行股本**

		2008 二零零八年		2007 二零零七年	
		Number of shares 股權數量	HK\$ 港幣	Number of shares 股權數量	HK\$ 港幣
Authorised:	法定：				
Ordinary shares of HK\$0.50 each	每股港幣五角普通股	1,000,000,000	500,000,000	1,000,000,000	500,000,000
Ordinary shares, issued and fully paid:	普通股，已發行 及繳足：				
At 1st January and at 31st December	於一月一日及 於十二月三十一日	393,864,884	196,932,442	393,864,884	196,932,442

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權不時收取所宣派的股息，並有權於本集團會議上按每股一票投票表決。所有普通股在本集團剩餘資產方面具同等地位。

(ii) Terms of unexpired and unexercised share options at balance sheet date**(ii) 於資產負債表結算日之未到期及未行使的購股權**

Exercise period 行使期		Exercise price 行使價	2008 Number 二零零八年 數量	2007 Number 二零零七年 數量
21st June 2005 to 5th June 2013	二零零五年六月二十一日 至二零一三年六月五日	HK\$2.425 港幣2.425元	1,215,000	1,215,000
30th June 2008 to 29th June 2018	二零零八年六月三十日至 二零一八年六月二十九日	HK\$0.910 港幣0.910元	39,336,488	—
			40,551,488	1,215,000

Each option entitles the holder to subscribe for one ordinary share in the Company. Further details of these options are set out in note 24.

持有人有權以每一股購股權認購一股本公司普通股。有關這購股權詳情載於本財務報告附註24。

Notes to the Financial Statements

賬目附註

25 CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves

(i) Share premium reserve

The application of the share premium account is governed by Section 48B of the Hong Kong Companies Ordinance.

(ii) Exchange reserve

The exchange reserve comprise of all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with accounting policies set out in note 2(p).

(iii) Capital reserve

The capital reserve comprises the fair value of the actual or estimated number of unexercised share options granted to employees of the Company and other eligible persons recognised in accordance with the accounting policy adopted for share-based payments in note 2(l)(ii).

(iv) PRC statutory reserve

Pursuant to the laws and regulations governing the PRC enterprises, certain of the Group's PRC subsidiaries, which are wholly foreign-owned enterprises, are required to allocate at least 10% of their after-tax profit but before dividend distribution to a general reserve until the reserve has reached 50% of their registered capital. The general reserve can only be used, upon approval by the relevant authority, to offset accumulated losses or increase capital. Appropriation to general reserve during the year amounted to approximately HK\$1,626,000 (2007: HK\$2,103,000).

The enterprise expansion fund can only be used to increase capital upon approval by the relevant authority. Appropriation to enterprise expansion fund is at the discretion of the board of directors of the PRC subsidiaries. There was no appropriation during the year (2007: HK\$Nil).

The staff welfare and bonus fund can only be used for the welfare of the PRC subsidiaries' employees. Appropriation to the staff welfare and bonus fund is at the discretion of the board of directors of the PRC subsidiaries. For Hong Kong reporting purposes, this appropriation is charged to expenses and included in creditors and accrued charges in the consolidated financial statements.

25 資本及儲備 (續)

(d) 儲備之性質及目的

(i) 股本溢價儲備

受香港公司條例第48節B監管而應用之股本溢價賬目。

(ii) 匯兌儲備

匯兌儲備包括來自轉化海外業務之財務報告的外幣匯兌差異。儲備根據載於會計政策附註2(p)處理。

(iii) 資本儲備

股本儲備包括根據會計政策附註2(l)(ii)採納以股本為基礎授予公司僱員之真實或估計未行使購股權數量的公平值確認。

(iv) 中國法定儲備

依照中華人民共和國之法律及規定對企業之要求，本集團之中國附屬公司屬外商獨資企業，須把最少10%分之稅後盈利分配到普通儲備，直至該儲備達註冊資本的50%為止。普通儲備只可經有關當局批准用於抵銷累積虧損或增加資本。本年度分配至普通儲備之數額約為港幣1,626,000元（二零零七年：港幣2,103,000元）。

企業發展基金只可經有關當局批准用以增加資本。分配到企業發展基金之撥款由該等中國附屬公司之董事局自行決定。本年度沒有分配（二零零七年：無）。

職工福利及花紅基金只可作該中國附屬公司員工之福利之用。分配到職工福利及花紅基金之撥款由該等中國附屬公司之董事局自行決定。為香港報告所需，該撥款會於綜合財務報表中支銷費用，並列作應付賬項及應計項目。

Notes to the Financial Statements

賬目附註

25 CAPITAL AND RESERVES (continued)**(e) Distributability of reserves**

At 31st December 2008, the aggregate amount of reserves available for distribution to equity shareholders of the Company was HK\$35,435,236 (2007: HK\$157,597,754). After the balance sheet date the directors proposed a final dividend of 5 HK cents per ordinary share (2007: a final dividend of 1 HK cent per ordinary share and a special dividend of 20 HK cents per ordinary share) amounting to HK\$19,693,244 (2007: final dividend of HK\$3,938,648 and special dividend of HK\$78,772,977). This dividend has not been recognised as a liability at the balance sheet date.

(f) Capital management

The Group's primarily objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns and the advantages and security afforded by a sound capital position, and makes judgements to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the Group monitors its capital structure on the basis of a net debt-to-adjusted capital ratio. For this purpose the Group defines net debt as total debt (which includes trade and other payables) plus unaccrued proposed dividends. Adjusted capital comprises all components of equity less unaccrued proposed dividends.

During 2008, the Group's strategy, which was unchanged from 2007, was to maintain the net debt-to-adjusted capital ratio of no more than 22% (2007: 40%). In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

25 資本及儲備 (續)**(e) 可分配儲備**

於二零零八年十二月三十一日累計可分配與本公司股東之儲備金額為港幣35,435,236元(二零零七年:港幣157,597,754元)。於資產負債表結算日後,董事建議宣派末期息每股普通股港幣5仙(二零零七年:末期息每股普通股港幣1仙及特別股息每股普通股港幣20仙),合計港幣19,693,244元(二零零七年:末期息為港幣3,938,648元及特別股息港幣78,772,977元)。於資產負債表結算日這些股息未確認為負債。

(f) 資本管理

本集團之基本目標為管理股本以保障本集團之繼續營運之能力,以使其能持續向股東提供回報及向其他相關人士提供利益,以產品價格及在風險水平內之相應服務及以合理成本安全運用資金。

本集團主動及定期檢討其資本結構以維持平衡高回報股東、良好及安全提供合理資本狀況,及在經濟情況下作出對資本結構最少變動之判斷。

與行業慣例一致,本集團會以淨負債對經調整資本比率為基準監察其資本架構。就此,本集團按總負債(包括貿易及其他應付賬項及財務損失撥備)加不應計建議派發股息。經調整資本包括所有權益減不應計建議派發股息。

於二零零八年,本集團之策略如同二零零七年一樣,是維持其淨負債與調整股本的比例不超過22%(二零零七年:40%)。為了維持或調整比例,本集團可能調整應派付予股東之股息、發行新股、退回股本予股東、籌集新之債項融資或出售資產以減少債項。

Notes to the Financial Statements

賬目附註

25 CAPITAL AND RESERVES (continued)

(f) Capital management (continued)

The net debt-to-adjusted capital ratio at 31st December 2008 and 2007 was as follows:

25 資本及儲備 (續)

(f) 資本管理 (續)

於二零零八年及二零零七年十二月三十一日之淨負債與經調整股本的比例如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣	HK\$ 港幣	HK\$ 港幣
Current liabilities:	流動負債：				
Trade and other payables	貿易及其他應付賬項	85,917,711	115,370,456	52,961,308	81,153,289
Provision for financial loss	財務虧損撥備	–	7,800,000	–	7,800,000
Add: Proposed dividends	加：建議派發股息	19,693,244	82,711,625	19,693,244	82,711,625
Net debt	負債淨值	105,610,955	205,882,081	72,654,552	171,664,914
Total equity	總權益	489,925,607	593,870,815	417,547,279	534,326,598
Less: Proposed dividends	減：建議派發股息	(19,693,244)	(82,711,625)	(19,693,244)	(82,711,625)
Adjusted capital	經調整資本	470,232,363	511,159,190	397,854,035	451,614,973
Net debt-to-adjusted capital ratio	淨負債與調整股本的比例	22%	40%	18%	38%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

本公司及其附屬公司都不會受外來徵收資本要求的影響。

Notes to the Financial Statements

賬目附註

26 COMMITMENTS

- (a) Capital commitment outstanding at 31st December 2008 not provided for in the financial statements were as follows:

26 承擔

- (a) 於二零零八年十二月三十一日財務報告沒有提撥的未付資本承擔如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣	HK\$ 港幣	HK\$ 港幣
Contracted for:	已簽約：				
– Construction work	– 建築工程	680,825	–	–	–
– Purchase of equipment and moulds	– 購買設備及模具	113,350	–	–	–
		794,175	–	–	–
Authorised but not contracted for:	已批准但未簽約：				
– Capital injection into a subsidiary	– 注資至附屬公司	46,800,000	46,800,000	46,800,000	46,800,000
		47,594,175	46,800,000	46,800,000	46,800,000

Notes to the Financial Statements

賬目附註

26 COMMITMENTS (continued)

- (b) At 31st December 2008, the total future minimum lease payments under a non-cancellable operating lease are payable as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣	HK\$ 港幣	HK\$ 港幣
Within 1 year	一年內	-	-	300,000	300,000

Significant leasing arrangements in respect of land held under operating leases are described in note 13(c).

Apart from these leases, the Company was the lessee in respect of a property held under an operating lease. The lease typically runs for an initial period of one year, with an option to renew the lease when all terms were renegotiated. The lease does not include any contingent rentals.

- (c) At 31st December 2008, the total future minimum royalty payments under a license agreement are payable as follows:

26 承擔

- (b) 於二零零八年十二月三十一日，應付不可撤消之經營租賃而於未來支付之最低總額如下：

主要租賃協議關於經營租賃持作之土地已詳列於附註13(c)。

除上述租賃，本公司是營租賃持作之物業的租戶。租約已運作有效期之首年，有權在更新租約時再高討租賃條款。租約不包括任何或然租金。

- (c) 於二零零八年十二月三十一日，因特許協議而應付之未來最低支付專利費如下：

		The Group and the Company 本集團及本公司	
		2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣
Within 1 year	一年內	390,000	780,000

Notes to the Financial Statements

賬目附註

27 FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and foreign currency risks arises in the normal course of the Group's business. The Group's exposure to risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk and concentration risk

The Group's credit risk is primarily attributable to cash and cash equivalents and trade debtors. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Substantially all the Group's cash and cash equivalents are deposited in financial institutions in Hong Kong and the PRC. The credit risk on liquid funds is limited as the majority of counterparties are financial institutions with high credit ratings assigned by international credit rating agencies and stated-controlled financial institutions with good reputations.

In respect of trade debtors, management has a credit policy in place and the exposure to the credit risk is monitored on an ongoing basis. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade debtors are due within 30 to 60 days from the date of billing. Normally, the Group and the Company does not obtain collateral from customers. As such, management considers the aggregate risks arising from the possibility of credit losses are limited and to be acceptable.

27 金融工具

信貸、資金流動性、利率及外幣風險會於本集團的一般業務進程中產生。這些風險及財務風險會受本集團的財務管理政策及常規見下文。

(a) 信貸風險及集中風險

本集團的信貸風險主要來自現金及現金等值項目及貿易債務人。最大信貸風險之產生呈列於資產負債表中每項財務資產賬面值。

本集團主要現金及現金等值項目一般存放於信譽良好之香港及中國金融機構。資金流動性之信貸風險是有限是因大多數貿易伙伴是獲國際信譽評級機構評為信貸良好之財務機構及國家控制之良好信譽的財務機構。

就貿易債務人而言，管理層有既定的信貸政策，並會持續監控所承受的信貸風險。對於所有要求超過若干信貸金額之顧客均會進行個別信貸評估。此等評估主要針對顧客過到期時之還款紀錄及現時的還付能力，並考慮顧客的個別資料及顧客所處的經濟環境的資料。貿易應收款項由發出賬單當日起計30-60日內到期。超逾一月之應收賬款結餘，均需全數清償方可獲授予任何其他信貸。本集團一般不會向客戶收取抵押品。就其本身而論，管理層認為由潛在之信貸風險產生之累計風險有限及可接受。

Notes to the Financial Statements

賬目附註

27 FINANCIAL INSTRUMENTS (continued)

(a) Credit risk and concentration risk (continued)

The Group's and the Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the balance sheet date, the Group and the Company have a certain concentration of credit risk as 27% (2007: 21%) and 28% (2007: 23%); and 71% (2007: 72%) and 73% (2007: 78%) of the trade debtors was due from the largest customer and the five largest customers respectively. Management does not expect any significant losses from trade debtors that have not been provided for other than the impairment loss on bad and doubtful debt as set out in note 18.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses. The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

27 金融工具 (續)

(a) 信貸風險及集中風險 (續)

本集團及本公司所面臨之信貸風險，主要受各客戶之個別特色所影響。客戶經營所在之行業及國家之隱含風險亦影響信貸風險，惟影響相對較少。於結算日，本集團及本公司的五大客戶佔貿易債務人款項27% (二零零七年：21%) 及28% (二零零七年：23%)；及71% (二零零七年：72%) 及73% (二零零七年：78%)，故承受一定程度的信貸集中風險。管理層不期望貿易債務人中有任何重大虧損而需撥備除了在附註18中之壞賬減值虧損。

(b) 資金流動性風險

本集團旗下之個別業務實體須為其各自現金管理負責，包括短期現金盈餘投資及增加貸款以應付現金需求。本集團之政策為定期管理現時及預期之流動性需求，以確保其維持足夠現金儲備及可即時出售變現之證券，以達到其短期及長期流動性需求。

Notes to the Financial Statements

賬目附註

27 FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk (continued)

The following table details the remaining contractual maturities at the balance sheet date of the Group's and the Company's financial liabilities which are based on the contractual undiscounted cash flows (including interest payments, computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group and the Company can be required to pay:

(i) The Group

27 金融工具 (續)

(b) 資金流動性風險 (續)

下表列出本集團及本公司之非衍生性金融負債於結算日之餘下合約期限詳情。這是基於合約上的沒有貼現之現金流（包括根據約定之利率，或如是浮動利率時其於結算日，計算之利息）及本集團及本公司最早需要還款之日期計算：

(i) 本集團

	2008 二零零八年			2007 二零零七年		
	Total contractual as discounted cash flow Carrying amount 賬面值 HK\$'000 港幣千元	Within 6 months or on demand 總計按合約 的沒有貼現 之現金流 HK\$'000 港幣千元	Within 6 months or on demand 六個月內或 要求還款時 HK\$'000 港幣千元	Total contractual as discounted cash flow Carrying amount 賬面值 HK\$'000 港幣千元	Within 6 months or on demand 總計按合約 的沒有貼現 之現金流 HK\$'000 港幣千元	Within 6 months or on demand 六個月內或 要求還款時 HK\$'000 港幣千元
Trade and other payables 貿易及其他應付賬項	85,918	85,918	85,918	115,370	115,370	115,370
Provision for financial loss 財務虧損撥備	-	-	-	7,800	7,800	7,800
	85,918	85,918	85,918	123,170	123,170	123,170

Notes to the Financial Statements

賬目附註

27 FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk (continued)

(ii) The Company

27 金融工具 (續)

(b) 資金流動性風險 (續)

(ii) 本公司

		2008 二零零八年			2007 二零零七年		
		Total	Within		Total	Within	
		contractual as	6 months		contractual as	6 months	
		discounted	or on		discounted	or on	
		cash flow	demand		cash flow	demand	
		總計按合約	六個月內或		總計按合約	六個月內或	
		的沒有貼現	要求還款時		的沒有貼現	要求還款時	
		之現金流			之現金流		
Carrying amount		賬面值	賬面值	賬面值	賬面值	賬面值	
HK\$'000		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
港幣千元		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
Trade and other payables	貿易及其他應付賬項	52,961	52,961	52,961	81,153	81,153	81,153
Amounts due to subsidiaries	應付附屬公司賬款	28,002	28,002	28,002	56,519	56,519	56,519
Provision for financial loss	財務虧損撥備	-	-	-	7,800	7,800	7,800
		80,963	80,963	80,963	145,472	145,472	145,472

In order to manage the above liquidity demands, at 31st December 2008, HK\$215,925,630 (2007: HK\$305,371,471) and HK\$154,254,913 (2007: HK\$296,261,660) of the Group's and the Company's assets respectively were held as cash that are considered readily realisable.

有秩序管理上述資金流動需求，於二零零八年十二月三十一日，本集團及本公司分別持有可輕易地實現之現金為港幣215,925,630元（二零零七年：港幣305,371,471元）及港幣154,254,913元（二零零七年：港幣296,261,660元）。

Notes to the Financial Statements

賬目附註

27 FINANCIAL INSTRUMENTS (continued)

(c) Interest rate risk

The Group's and the Company's interest rate risk arises primarily from cash and cash equivalents which were contracted at short-term variable rates and expose the Group and the Company to cash flow interest rate risk. The Group's and the Company's interest rate profile as monitored by management is set out in (i) below.

(i) Interest rate risk

27 金融工具 (續)

(c) 利率風險

本集團及本公司之利率風險主要現金及現金等值項目之約定短期浮動利率及引致本集團及本公司在現金流有利率風險。本集團及本公司之利率概況由管理層管理並載列(i)如下：

(i) 利率風險

	The Group 本集團				The Company 本公司			
	2008 二零零八年		2007 二零零七年		2008 二零零八年		2007 二零零七年	
	Effective interest rate 實際利率	Effective interest rate 實際利率	Effective interest rate 實際利率	Effective interest rate 實際利率	Effective interest rate 實際利率	Effective interest rate 實際利率	Effective interest rate 實際利率	Effective interest rate 實際利率
	%	HK\$'000 港幣千元	%	HK\$'000 港幣千元	%	HK\$'000 港幣千元	%	HK\$'000 港幣千元
Variable rate bank deposits 銀行定期存款浮息	2.2	204,944	4.9	305,371	2.3	150,425	5.0	296,262

(ii) Sensitivity analysis

At 31st December 2008, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would decrease/increase the Group's and the Company's loss after tax and retained profits by approximately HK\$2,049,000 (2007: HK\$3,054,000) and HK\$1,504,000 (2007: HK\$2,963,000) respectively. Other components of equity would not be affected (2007: HK\$Nil) by the changes in interest rates.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for 2007.

(ii) 敏感度分析

於二零零八年十二月三十一日在所有其他變化因素維持不變的情況下，估計一般於利率中增加／減少100點子，將分別減少／增加本集團及本公司之除稅後虧損及未分配利潤約分別港幣2,049,000元（二零零七年：港幣3,054,000元）及港幣1,504,000元（二零零七年：港幣2,963,000元）。其他權益不受利率變動影響影響（二零零七年：港幣零元）。

以上的敏感度分析已假設利率變動已於結算日發生而釐訂，並已應用於就於該日所面對來自衍生及非衍生財務工具之利率風險。100點子增加或減少指管理層對直至下一個年度結算日期間之利率可能合理變動之評估。分析按二零零七年相同之基準進行。

Notes to the Financial Statements

賬目附註

27 FINANCIAL INSTRUMENTS (continued)**(d) Foreign currency risk***(i) Foreign currency transactions*

The Group is exposed to currency risk primarily through sales and expense transactions that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily United States dollars and British Pounds.

(ii) Recognised assets and liabilities

In respect of other trade receivables and payables held in currencies other than the functional currency of the operations to which they relate, the Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

(iii) The following table details the Group's and the Company's exposure at the balance sheet date to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

27 金融工具 (續)**(d) 外幣風險***(i) 外幣交易*

本集團主要由於以該等經營業務功能貨幣以外之貨幣列值之租金收入而須承擔外匯風險。構成是項風險之貨幣主要為美元及英鎊。

(ii) 已確認資產及負債

至於以有關之功能貨幣以外之貨幣持有之其他貿易應收及應付款項，本集團會在必要應付短期的不平衡時，以現貨匯率買入或賣出外匯，確保淨影響會維持在一個可接受的程度。

(iii) 下表列示本集團及本公司於結算日因預計兌換或確認以功能貨幣以外的一種貨幣列值的資產或負債而須面對的貨幣風險。

		The Group 本集團				The Company 本公司			
		2008 二零零八年		2007 二零零七年		2008 二零零八年		2007 二零零七年	
		United States dollars '000 美元千元	British Pounds '000 英鎊千鎊	United States dollars '000 美元千元	British Pounds '000 英鎊千鎊	United States dollars '000 美元千元	British Pounds '000 英鎊千鎊	United States dollars '000 美元千元	British Pounds '000 英鎊千鎊
Trade and other receivables	貿易及其他應收賬項	8,267	112	12,966	305	8,267	112	12,837	305
Cash and cash equivalents	現金及現金等值項目	18,550	556	36,730	211	18,550	556	36,730	211
Trade and other payables	貿易及其他應付賬項	(2,619)	-	(4,072)	-	(2,619)	-	(4,071)	-
Amounts due from subsidiaries	應收附屬公司賬款	-	-	-	-	2,051	-	6	-
Amounts due to subsidiaries	應付附屬公司賬款	-	-	-	-	(405)	-	(2,584)	-
Net exposure arising from recognised assets and liabilities	由確認之資產及負債所致淨值	24,198	668	45,624	516	25,844	668	42,918	516

Notes to the Financial Statements

賬目附註

27 FINANCIAL INSTRUMENTS (continued)**(d) Foreign currency risk** (continued)*(iv) Sensitivity analysis*

The following table indicates the approximate change in the Group's and the Company's loss after tax and retained earnings in response to reasonably possible changes in the foreign exchange rates to which the Group and the Company has significant exposure at the balance sheet date.

27 金融工具 (續)**(d) 外幣風險** (續)*(iv) 敏感度分析*

下表闡釋本集團及本公司於結算日所承受重大風險之匯率之合理可能變動對除稅後虧損及保留盈利造成之概約變動。

		The Group 本集團				The Company 本公司			
		2008 二零零八年		2007 二零零七年		2008 二零零八年		2007 二零零七年	
		Effect on loss after tax and retained profits		Effect on loss after tax and retained profits		Effect on loss after tax and retained profits		Effect on loss after tax and retained profits	
		Increase/ (decrease) in foreign exchange rate	Increase/ (decrease) in foreign exchange rate	Increase/ (decrease) in foreign exchange rate	Increase/ (decrease) in foreign exchange rate	Increase/ (decrease) in foreign exchange rate	Increase/ (decrease) in foreign exchange rate	Increase/ (decrease) in foreign exchange rate	Increase/ (decrease) in foreign exchange rate
		匯率增加/ (減少)	匯率增加/ (減少)	匯率增加/ (減少)	匯率增加/ (減少)	匯率增加/ (減少)	匯率增加/ (減少)	匯率增加/ (減少)	匯率增加/ (減少)
		對除稅後 虧損及保留 溢利之影響	對除稅後 虧損及保留 溢利之影響	對除稅後 虧損及保留 溢利之影響	對除稅後 虧損及保留 溢利之影響	對除稅後 虧損及保留 溢利之影響	對除稅後 虧損及保留 溢利之影響	對除稅後 虧損及保留 溢利之影響	對除稅後 虧損及保留 溢利之影響
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
United States dollars	美元	5% (5%)	7,880 (7,880)	5% (5%)	14,680 (14,680)	5% (5%)	8,416 (8,416)	5% (5%)	13,809 (13,809)
British Pounds	英鎊	5% (5%)	335 (335)	5% (5%)	328 (328)	5% (5%)	335 (335)	5% (5%)	328 (328)

Notes to the Financial Statements

賬目附註

27 FINANCIAL INSTRUMENTS (continued)

(d) Foreign currency risk (continued)

(iv) Sensitivity analysis (continued)

Sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the balance sheet date and had been applied to the Company and each of the Group entities' exposure to currency risk for non-derivative financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual balance sheet date. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in movement in value of the United States dollars against other currencies. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the Company and the Group entities' loss after tax and equity measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the balance sheet date for presentation purposes. The analysis is performed on the same basis for 2007.

(e) Fair values

All financial instruments are carried at amounts not materially different from their fair value as at 31st December 2008 and 2007.

28 CONTINGENT ASSETS AND LIABILITIES

At 31st December 2008 and 2007, the Group and the Company had no contingent assets and or liabilities.

27 金融工具 (續)

(d) 外幣風險 (續)

(iv) 敏感度分析 (續)

敏感度分析乃假設匯率變動於結算日發生，並應用於本公司及集團各實體就於該日仍存在之非衍生金融工具所承受之貨幣風險，而所有其他可變因素（尤其利率）保持不變。

所呈列之變動指管理層估計匯率於直至下一個年度結算日止期間之合理可能變動。就此，假設港元兌美元之掛勾匯率將不會因美元兌換其他貨幣之變動而受重大影響。上表所列示之分析結果指各集團及公司實體之除稅後溢利及有關功能貨幣按結算日之匯率（就呈報而言）兌換為港元計算之股本之總計。進行分析之基礎與二零零七年所依據之基礎相同。

(e) 公平值

所有金融工具之入賬金額與其於二零零八年及二零零七年十二月三十一日之公平值無重大不同。

28 或然資產及負債

於二零零八年及二零零七年十二月三十一日，本集團及本公司沒有或然資產及負債。

Notes to the Financial Statements

賬目附註

29 MATERIAL RELATED PARTY
TRANSACTIONS AND BALANCES

29 關聯方之重大交易及結餘

(a) Key management personnel remuneration

(a) 主要管理層人員酬金

Remuneration for key management personnel of the Group represents amounts paid to the Company's executive directors as disclosed in note 7.

主要管理層人員酬金包括支付本公司執行董事於附註7披露。

		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Short-term employee benefits	短期僱員福利	6,489,400	5,994,883
Post-employment benefits	後僱用福利	270,000	243,000
Share-based payments	以股份為基礎支出	2,080,132	—
		8,839,532	6,237,883

Total remuneration is included in "staff costs" (see note 5(a)).

總薪酬包括在員工成本載於附註5(a)。

(b) Financing arrangement

(b) 財務安排

		The Group and the Company 本集團及本公司	
		2008 二零零八年 HK\$ 港幣	2007 二零零七年 HK\$ 港幣
Loan to an associate (note 14)	貸款與聯營公司(附註14)		
– Principal	– 本金	—	8,500,000
– Interest receivable	– 應收利息	—	938,646
		—	9,438,646

Notes to the Financial Statements

賬目附註

29 MATERIAL RELATED PARTY TRANSACTIONS AND BALANCES

(continued)

(c) Other related party transactions

During the year ended 31st December 2008, the Group entered into the following material related party transactions:

29 關聯方之重大交易及結餘 (續)

(c) 其他關聯方項目

在二零零八年十二月三十一日止，本集團與關聯方有以下交易：

		The Group 本集團	
		2008 二零零八年	2007 二零零七年
		HK\$ 港幣	HK\$ 港幣
		Notes 附註	
Interest income from an associate (note 4)	來自於聯營公司之利息收入 (附註4)	(i)	405,436
Rental income from a related company (note 4)	來自於關聯方之租金收入 (附註4)	(ii)	120,000
Secretarial fees paid to a related company	支付關聯公司秘書費用	(ii)	-
			264,000

Notes:

- (i) Interest income was received by the Group in connection with the loan to an associate (note 14).
- (ii) Rental income is received from and secretarial fees are paid to a related company, in which Dr. Wong, Philip Kin Hang, and Mr. Wong, Kennedy Ying Ho, have beneficial interests. Dr. Wong, Philip Kin Hang is a director of the Company and Mr. Wong, Kennedy Ying Ho is a close family member of certain directors of the Company.

Balances with related parties are disclosed in the balance sheet and in notes 14 and 15.

附註：

- (i) 本集團借款與聯營公司之利息收入 (附註14)。
- (ii) 來自於關聯方之租金收入及支付關聯方之秘書費用，黃乾亨博士及黃英豪先生持有該關聯公司之實質權益。黃乾亨博士是本公司董事及黃英豪先生是本公司某些董事之家族成員。

與關聯方之結餘已在資產負債表之附註14及15中披露。

30 POST BALANCE SHEET EVENTS

After the balance sheet date, the directors proposed a final dividend. Further details are disclosed in note 10.

30 資產負債表後事項

資產負債表結算日後，董事建議派發之末期息。詳情於附註10披露。

Notes to the Financial Statements

賬目附註

31 ACCOUNTING ESTIMATES AND JUDGEMENTS

The methods, estimates and judgements the directors used in applying the Group's accounting policies have a significant impact on the Group's financial position and operating results. Some of the accounting policies require the Group to apply estimates and judgements, on matters that are inherently uncertain. The critical accounting judgements in applying the Group's accounting policies are described below.

(a) Depreciation

Property, plant and equipment are depreciated on a straight-line basis or reducing balance basis over the estimated useful lives. The Group reviews annually the useful life of an asset and its residual value, if any. The depreciation expense for future periods is adjusted if there are significant changes from previous estimation.

(b) Impairments

In considering the impairment loss that may be required for certain property, plant and equipment, investments in subsidiaries and interests in associates, recoverable amount of the asset needs to be determined. The recoverable amount is the greater of the net selling price and the value in use. It is difficult to precisely estimate selling price because quoted market prices for these assets may not be readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to items such as level of turnover and amount of operating costs. The Group uses all readily available information in determining an amount that is reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as turnover and operating costs.

Impairment losses for bad and doubtful debts are assessed and provided based on the directors' regular review of ageing analysis and evaluation of collectability. A considerable level of judgement is exercised by the directors when assessing the credit worthiness and past collection history of each individual customer.

An increase or decrease in the above impairment loss would affect the operating results in the year and in future years.

31 會計估計及判斷

董事應用於本集團之會計政策的方法、估算及判斷對本集團之財務狀況及營運業績有重大影響。某些會計政策要求本集團應用估計及判斷在不確定事件上。關鍵會計判斷應用在本集團之會計政策詳列如下：

(a) 折舊

固定資產以直線法或餘額遞減法按資產的估計可使用年期折舊。集團會每年檢討對該等資產的可使用年期的及餘值估計，如有，未來的折舊開支會因應過往估計數字的重大變化而調整。

(b) 減值

考慮到若干物業、廠房及設備、於附屬公司之投資及於聯營公司之權益可能出現減值虧損，須釐定資產之可收回金額。可收回金額為淨售價與使用價值兩者之較高者。由於此等資產之所報市價不能可靠地獲取，故難以準確地估計售價。在釐定使用價值時，資產所產生之預期現金流量乃折讓至其現有價值，而須就營業額水平及營運成本金額等項目作出重要評估。本集團在釐定金額時使用所有可靠取得之資料，而金額為可收回金額之合理概約金額，包括根據合理及有支持之假設及預測項目如營業額及營運成本等估計數據。

本集團根據管理層定期進行之賬齡分析及可收回評估對呆壞賬減值虧損進行測試。董事於評估每名客戶之信貸質素及過往溢利記錄時行使一定程度之判斷。

上述減值虧損增加或減少均會影響未來之溢利淨額。

Notes to the Financial Statements

賬目附註

31 ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(c) Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions and interpretation of tax rules. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation.

Deferred tax assets are recognised for tax losses not yet used and temporary deduction differences. As those deferred tax assets can only be recognised to the extent that it is probable that future profit will be available against which the unused tax credit can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is constantly reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

(d) Inventory provision

The Group performs regular reviews of the carrying amounts of inventories with reference to aged inventories analyses, projections of expected future saleability of goods and management experience and judgement. Based on this review, write-down of inventories will be made when the carrying amounts of inventories decline below their estimated net realisable value. Due to changes in customers' performance, actual saleability of goods may be different from estimation and profit or loss could be affected by differences in this estimation.

(e) Share-based payments

The estimate of the fair value of the share options granted to employees and other eligible persons measured by professional values based on the Black Scholes model with modification to reflect the impact of vesting periods and exercise patterns on the option value. The accuracy of the above estimations could affect the amount of share-based payments transactions recognised in the income statement.

31 會計估計及判斷 (續)

(c) 所得稅

釐定所得稅撥備涉及對若干交易未來稅項處理之評估及稅務規則之詮釋。本集團審慎地評估交易之隱含稅項，並據此提撥稅項撥備。該等交易之稅項處理乃定期檢討，以計及稅項法例之所有變動。

遞延稅項資產乃就未動用但臨時扣減差額之稅項虧損確認。由於該等遞延稅項資產僅於未來溢利將可用作抵銷而未動用抵減稅額可動用時方會確認，管理層須評估未來應課稅溢利之可能性。管理層之評估乃定期檢討，倘未來應課稅溢利將允許收回遞延稅項資產，則會確認額外遞延稅項資產。

(d) 存貨撥備

本集團執行定期檢討按存貨賬齡分析、預期未來銷售、管理經驗及判斷之存貨賬面值。基於此檢討，已因存貨賬面值下跌低於其估算計現價值淨值而作存貨減值。因客戶表現的變動、實際銷售將與此估計有差異及此計亦可能影響溢利或虧損。

(e) 以股份為基礎項目

授予僱員之購股權之公平值估計乃由專業估值師按畢蘇模式計算，並作出修訂以反映購股權價值對歸屬期及行使模式之影響。上述估計值準確性可影響以股份為基礎項目交易在損益表確認之金額。

Notes to the Financial Statements

賬目附註

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31ST DECEMBER 2008

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31st December 2008 and which have not been adopted in these financial statements.

Of these developments, the following relate to matters that may be relevant to the Group's operations and financial statements:

32 截至二零零八年十二月三十一日止年度已頒佈但未生效之修訂、新準則及詮釋之潛在影響

截至此等財務報表刊發之日，香港會計師公會已頒佈多項修訂、新準則及詮釋，但於截至二零零八年十二月三十一日止年度仍未生效，且仍未於此等財務報表採納。

在這些條文中，以下為可能有關本集團之經營及財務報表：

				Effective for accounting periods beginning on or after 於以下日期開始 或以後之會計 期間生效
HKAS 1 (Revised)	Presentation of financial statements	香港會計準則第1號(經修訂)	財務報表之呈報	1st January 2009 二零零九年一月一日
Amendment to HKAS 27	Consolidated and separate financial statements: Cost of an investment in a subsidiary, jointly controlled entity or associate	香港會計準則第27號，修訂	綜合及各別之財務報表： 於附屬公司、共同控制實體或 聯營公司之投資成本	1st January 2009 二零零九年一月一日
HKAS 27 (Revised)	Consolidated and separate financial statements	香港會計準則第27號(經修訂)	綜合及各別之財務報表	1st July 2009 二零零九年七月一日
Amendment to HKFRS 2	Share-based payment: Vesting conditions and cancellations	香港財務報告準則第2號，修訂	以股份為基礎支出： 有關歸屬條件及註銷	1st January 2009 二零零九年一月一日
HKFRS 3 (Revised)	Business combinations	香港財務報告準則第3號(經修訂)	業務合併	1st July 2009 二零零九年七月一日
Amendments to HKFRS 7	Improving disclosures about financial instruments	香港財務報告準則第7號，修訂	改善有關金融工具之披露	1st January 2009 二零零九年一月一日
HKFRS 8	Operating segments	香港財務報告準則第8號	營運分部	1st January 2009 二零零九年一月一日

Notes to the Financial Statements

賬目附註

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31ST DECEMBER 2008 (continued)

The directors have confirmed that the Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

32 截至二零零八年十二月三十一日止年度已頒佈但未生效之修訂、新準則及詮釋之潛在影響 (續)

董事已確認本集團正評估預期此等修訂、新準則及新詮釋在初始應用期間之影響。迄今之結論為採納此等修訂、新準則及新詮釋將不會對本集團之營運業績及財務狀況造成重大影響。

Five Years Financial Summary

五年財務摘要

CONSOLIDATED INCOME STATEMENTS

綜合損益表

		2004 二零零四年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元
Continuing operations	持續經營業務					
Turnover	營業額	1,055,482	1,008,712	954,572	842,856	724,191
Profit/(loss) before taxation and share of losses of jointly controlled entities and associates	除稅及共同控制實體及佔聯營公司虧損前溢利/(虧損)	76,787	23,366	51,552	(1,217)	(30,619)
Share of losses of jointly controlled entities	所佔共同控制實體虧損	(9,001)	(3,299)	-	-	-
Share of losses of associates	所佔聯營公司虧損	-	(12,645)	(1,137)	(52,868)	-
Profit/(loss) before taxation	除稅前盈利/(虧損)	67,786	7,422	50,415	(54,085)	(30,619)
Income tax (expense)/credit	所得稅(支出)/計入	(12,583)	(2,056)	(5,567)	8,591	10,329
Profit/(loss) from continuing operations	持續經營業務之溢利/(虧損)	55,203	5,366	44,848	(45,494)	(20,290)
Discontinued operations	已終止經營業務					
Profit from discontinued operations, net of tax	已終止經營業務之除稅後溢利	74,195	157,648	3,386	-	-
Profit/(loss) for the year	本年度溢利/(虧損)	129,398	163,014	48,234	(45,494)	(20,290)
Attributable to:	可歸屬於:					
Equity shareholders of the Company	本公司股東	123,546	161,018	48,234	(45,494)	(20,290)
Minority interests	少數股東權益	5,852	1,996	-	-	-
		129,398	163,014	48,234	(45,494)	(20,290)

Five Years Financial Summary

五年財務摘要

CONSOLIDATED BALANCE SHEET

綜合資產負債表

		2004	2005	2006	2007	2008
		二零零四年	二零零五年	二零零六年	二零零七年	二零零八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Property, plant and equipment	物業、廠房及設備	514,012	195,110	188,888	179,173	171,228
Interests in leasehold land held for own use under operating leases	根據經營租賃持作自用之土地權益	14,326	14,133	14,019	14,321	14,384
Investment properties	投資物業	385,762	–	–	–	–
Interests in jointly controlled entities	共同控制實體權益	28,116	–	–	–	–
Interests in associates	聯營公司權益	–	53,222	52,868	–	–
Deferred tax assets	遞延稅項資產	152	152	100	4,223	5,727
Net current assets	流動資產淨值	7,523	147,733	475,055	399,466	300,997
Non-current rental deposit payables	應付非流動現金訂金	(1,078)	–	–	–	–
Long-term bank loans	長期銀行貸款	(50,188)	–	–	–	–
Deferred tax liabilities	遞延稅項負債	(48,325)	(8,865)	(8,810)	(3,313)	(2,411)
Net assets directly associated with discontinued operations	直接與已終止業務有關之淨資產	–	480,274	–	–	–
Net assets	資產淨值	850,300	881,759	722,120	593,870	489,925
Share capital	股本	185,347	189,040	196,932	196,932	196,932
Reserves	儲備	574,130	692,719	525,188	396,938	292,993
Total equity attributable to equity shareholders of the Company	本公司股東應佔權益	759,477	881,759	722,120	593,870	489,925
Minority interests	少數股東權益	90,823	–	–	–	–
Total equity	總權益	850,300	881,759	722,120	593,870	488,925



RAYMOND Industrial Ltd
利民實業有限公司