



Value Innovation
價值創新

2009 Annual Report 年報



大洋集團控股有限公司
Ta Yang Group Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 1991)

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CORPORATE GOVERNANCE
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Competing in overcrowded industries is no way to sustain high performance. The real opportunity is to create blue oceans of uncontested market space. Blue oceans are defined by untapped market space, demand creation, and the opportunity for highly profitable growth.

The corner-stone of Blue Ocean Strategy is 'Value Innovation'. A blue ocean is created when Ta Yang achieves value innovation that creates value simultaneously for both the customers and Ta Yang. The innovation (including product, service, or delivery) must raise and create value for the market, while simultaneously reducing or eliminating features or services that are less valued by the current or future market.

在飽和市場上競爭絕不能維持優越表現，唯一的機會就是要締造藍海，開拓未開墾市場。所謂「藍海」，就是開發未開墾市場、創造需求和實現高利潤增長。

藍海策略的基石就是「價值創新」。大洋要是能達到價值創新，同時為客戶與大洋本身締造價值，也就是創造了藍海。創新(包括產品、服務或送貨方式)必然會創造和提高市場價值，同時減少或淘汰在現有或未來市場上價值較低的產品或服務。



Our mission

is to consolidate the leading market position by providing a wide range of value-added silicone rubber products.

大洋集團的使命

是藉著提供一系列高增值矽膠產品來鞏固市場上的翹楚地位。

Mission Statement 使命



Corporate Information 公司資料

EXECUTIVE DIRECTORS

Huang Sheng-Shun (*Chairman*)
Wu Ih Chen (*Chief Executive Officer*)
Lin Hung-Ming
Wong Tak Leung
Huang Te-Wei

NON-EXECUTIVE DIRECTOR

Kirk Yang

INDEPENDENT NON-EXECUTIVE DIRECTORS

Chuang Hong-Jen
Hsieh Yu
Yeung Chi Tat

EXECUTIVE COMMITTEE

Huang Shen-Shun*
Wu Ih Chen
Huang Te-Wei
Chan Oi Fat
Wu Pei Min

REMUNERATION COMMITTEE

Yeung Chi Tat*
Chuang Hong-Jen
Hsieh Yu

NOMINATION COMMITTEE

Yeung Chi Tat*
Chuang Hong-Jen
Hsieh Yu

AUDIT COMMITTEE

Yeung Chi Tat*
Chuang Hong-Jen
Hsieh Yu

執行董事

黃勝舜(主席)
吳意誠(行政總裁)
林宏明
黃德良
黃德威

非執行董事

楊應超

獨立非執行董事

莊宏仁
謝裕
楊志達

執行委員會

黃勝舜*
吳意誠
黃德威
陳愛發
吳沛珉

薪酬委員會

楊志達*
莊宏仁
謝裕

提名委員會

楊志達*
莊宏仁
謝裕

審核委員會

楊志達*
莊宏仁
謝裕

Corporate Information

公司資料

COMPLIANCE COMMITTEE

Yeung Chi Tat*
Wu Ih Chen
Huang Te-Wei
Chan Oi Fat

合規委員會

楊志達*
吳意誠
黃德威
陳愛發

AUTHORISED REPRESENTATIVES

Wu Ih Chen
Huang Te-Wei

法定代表

吳意誠
黃德威

FINANCIAL CONTROLLER

Chan Oi Fat

財務總監

陳愛發

COMPANY SECRETARY

Chan Oi Fat

公司秘書

陳愛發

AUDITORS

SHINEWING (HK) CPA Limited

核數師

信永中和(香港)會計師事務所有限公司

INTERNAL CONTROL REVIEW ADVISOR

SHINEWING Risk Services Limited

內部監控審閱顧問

信永方略風險管理有限公司

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681 GT
Grand Cayman KY1-1111
Cayman Islands

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681 GT
Grand Cayman KY1-1111
Cayman Islands

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street, P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands

主要股份過戶及登記總處

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street, P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands

Corporate Information 公司資料

PRINCIPAL BANKERS

Hang Seng Bank Limited
BNP Paribas Hong Kong Branch

LEGAL ADVISORS

Hong Kong
Kirkpatrick & Lockhart Preston Gates Ellis

Cayman Islands
Conyers Dill & Pearman

PRINCIPLE PLACE OF BUSINESS IN HONG KONG

Flat 28, 23rd Floor, Metro Centre II
21 Lam Hing Street
Kowloon Bay, Kowloon
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26/F, Tesbury Centre
28 Queen's Road East
Hong Kong

COMPANY WEBSITE

<http://www.tayang.com>

主要往來銀行

恒生銀行有限公司
法國巴黎銀行香港分行

法律顧問

香港
高蓋茨律師事務所

開曼群島
Conyers Dill & Pearman

香港主要營業地點

香港
九龍九龍灣
臨興街21號
美羅中心2期23樓28室

香港股份過戶及登記分處

卓佳證券登記有限公司
香港
灣仔皇后大道東28號
金鐘匯中心26樓

公司網站

<http://www.tayang.com>

* *Committee chairman* 委員會主席

Corporate Information

公司資料

SHARE INFORMATION

Listing date	:	8th June 2007
Stock Name	:	Ta Yang Group
Stock Code	:	1991
Nominal Value	:	HK\$0.10
Number of issued share	:	As at 31st July 2009 800,000,000 shares
Board Lot	:	2,000 shares

INVESTOR RELATIONS

Ms. Jenny Wu
Ta Yang Group Holdings Limited
Flat 28, 23/F., Metro Centre II
21 Lam Hing Street, Kowloon Bay
Kowloon
Hong Kong
Telephone: (852) 3678 5088
Facsimile: (852) 3678 5099

FINANCIAL YEAR-END DATE

31st July

股份資料

上市日期	:	二零零七年六月八日
股份名稱	:	大洋集團
股份代號	:	1991
面值	:	0.10港元
已發行股份數目	:	截至二零零九年七月 三十一日為800,000,000股
每手買賣單位	:	2,000股

投資者關係

吳沛珉小姐
大洋集團控股有限公司
香港
九龍
九龍灣臨興街21號
美羅中心二期23樓28室
電話：(852) 3678 5088
傳真：(852) 3678 5099

財政年度年結日

七月三十一日

Directors' Profile

董事簡介



Huang Sheng-Shun

Chairman and Executive Director

Mr. Huang Sheng-Shun, aged 55, is the Chairman and Executive Director of the Company. He is responsible for the development of our general corporate strategy, operation management, planning and decision making. Mr. Huang, together with Mr. Wu Ih Chen, founded the Group on 7th May 1991. Prior to the establishment of the Group, he was the operation manager of a chemical company between June 1978 and May 1982. Afterwards, he worked at Ta Yang Oil N Fat Industrial Co., Ltd. (大洋油脂工業股份有限公司), a private company, and since 1986 became the company's general manager until 2005. Mr. Huang and his family members have been the shareholders of Ta Yang Oil N Fat Industrial Co., Ltd. until Ta Yang Oil N Fat Industrial Co., Ltd., ceased operations and was wound up in April 2006. Save as disclosed above, there is no relationship between Ta Yang Oil N Fat Industrial Co., Ltd. and each of the Group's companies, its directors, its substantial shareholders and their respective associates. Mr. Huang is also the father of Mr. Huang Te-Wei, an Executive Director of the Company.

Mr. Huang has also been a non-executive director of Formosan Union Chemical Corp., a company listed on the Taiwan Stock Exchange Corporation, from 1st July 1987 to 30th June 1996 and from 1st July 2002 to present. He has over 30 years of experience in management positions in the chemical manufacturing industry. Mr. Huang graduated from the Faculty of Law, National Taiwan University in 1976. Mr. Huang is also a director of various subsidiaries of the Group.

黃勝舜

主席兼執行董事

黃勝舜先生，55歲，本公司主席兼執行董事。彼負責公司整體策略發展、營運管理、策劃及決策事宜。黃先生與吳意誠先生於一九九一年五月七日共同創辦本集團。成立本集團前，彼於一九七八年六月至一九八二年五月擔任一間化工公司的業務經理一職。其後，彼任職於一家私人公司，即大洋油脂工業股份有限公司，並由一九八六年至二零零五年擔任該公司總經理。大洋油脂工業股份有限公司於二零零六年四月停業並清盤前，黃先生及其家庭成員一直是大洋油脂工業股份有限公司的股東。除上文所披露者外，大洋油脂工業股份有限公司與本集團旗下各公司、其董事、其主要股東及彼等各自的聯繫人概無關係。黃先生亦為本公司執行董事黃德威先生的父親。

由一九八七年七月一日至一九九六年六月三十日及二零零二年七月一日迄今，黃先生亦擔任臺灣證券交易所上市公司和益化學工業股份有限公司的非執行董事。彼於化工製造業擔任管理職位逾三十年。黃先生於一九七六年畢業於國立台灣大學法律系。黃先生亦為本集團若干附屬公司的董事。

Directors' Profile

董事簡介



Wu Ih Chen

Executive Director and Chief Executive Officer

Mr. Wu Ih Chen, aged 58 is the Executive Director and Chief Executive Officer of the Company. Mr. Wu has over 22 years of experience in the silicone rubber industry. Mr. Wu, together with Mr. Huang Sheng-Shun founded the Group on 7th May 1991. He is currently mainly responsible for the marketing, administration and financial planning of the Group. He is also devoted to the development of the core techniques and has personally developed various patented keypads. Mr. Wu graduated from the Aletheia University in 1971 and completed the studying program for Hong Kong Senior Management in Business organised by the Peking University in the PRC. Mr. Wu is a director for the Eleventh Board of Directors of International Association of Chinese Traders. Mr. Wu is also a director of various subsidiaries of the Group.

Mr. Wu is the elder brother of Mr. Wu Tien-Tao, the associate general manager of the Group and the father of Mr. Wu Chung-chieh, Jack and Ms. Wu Pei Min who are the corporate development manager and the corporate relations manager of the Group.



Wong Tak Leung

Executive Director and Deputy General Manager

Mr. Wong Tak Leung, aged 48 is an Executive Director and Deputy General Manager. Mr. Wong joined the Group in May 1993 and was subsequently promoted to deputy managing director in 2001. Mr. Wong is responsible for the sales and marketing functions of the Group. During 1981 to 1989, Mr. Wong served in the Strategic Planning Department of Hong Kong Aircraft Engineering Company Limited. Mr. Wong is also a director of certain subsidiaries of the Group.

吳意誠

執行董事兼行政總裁

吳意誠先生，58歲，本公司執行董事兼行政總裁。吳先生於矽膠業累積逾二十二年經驗。吳先生與黃勝舜先生於一九九一年五月七日共同創辦本集團。目前，彼主要負責本集團的行銷推廣、行政管理及財務規劃。彼亦致力開發本集團的核心技術，並曾親自研發各類專利按鍵。吳先生於一九七一年畢業於真理大學，並已完成北京大學香港工商界高層管理人員研修班。吳先生為國際華商協進會第十一屆理事會的理事。吳先生亦為本集團若干附屬公司的董事。

吳先生為本集團副總經理吳添濤先生的胞兄。吳先生亦為本集團企業發展經理吳中傑先生及企業關係經理吳沛珉小姐的父親。

黃德良

執行董事兼副總經理

黃德良先生，48歲，執行董事兼副總經理。黃先生於一九九三年五月加入本集團，其後於二零零一年晉升為副總經理。黃先生現負責本集團的銷售及行銷工作。於一九八一年至一九八九年，黃先生曾任職於香港飛機工程有限公司策略規劃部。黃先生亦為本集團若干附屬公司的董事。

Directors' Profile

董事簡介



Lin Hung-Ming

Executive Director and Research & Development Director

Mr. Lin Hung-Ming, aged 45, is an Executive Director and the research and development director of the Group. Mr. Lin joined the Group in 1993 and is currently responsible for research and development of the Group. Mr. Lin graduated from the Department of Mechanics, Private Chih-Kwang Vocational High School of Business and Technology. He has over 21 years of experience in the silicone rubber industry. Prior to joining the Group, Mr. Lin was a factory manager of an electronics company in Taiwan.



Huang Te-Wei

Executive Director and the General Manager

Mr. Huang Te-Wei, aged 29, is an Executive Director and the general manager of the Group. He is the head of our control department with responsibilities to overseeing the Group's compliance and internal control matters. From 2008 onwards, Mr. Huang was also responsible for the supervision of the daily operation of the Group factories in PRC and strategic planning. Mr. Huang graduated from the Industrial Administration stream, Department of Business Administration, National Taiwan University and has undergone military training in Taiwan. Mr. Huang is also a director of various subsidiaries of the Group.

Mr. Huang is the eldest son of Mr. Huang Sheng-Shun, the Chairman and the Executive Director of the Group.

林宏明

執行董事兼開發及發展部主管

林宏明先生，45歲，本集團執行董事兼開發及發展部主管。林先生於一九九三年加入本集團，目前負責本集團的研發事宜。林先生畢業於私立智光高級商工職業學校機械科。彼於矽膠業累積逾二十一年經驗。加入本集團前，林先生曾擔任一家台灣電子公司的廠長。

黃德威

執行董事兼總經理

黃德威先生，29歲，執行董事兼本集團總經理。彼為本集團監控部門主管，負責監督本集團的合規及內部監控事宜。自二零零八年起，黃先生亦負責監督本集團中國廠房的日常營運及策略規劃。黃先生畢業於國立台灣大學工商管理學系工業管理組，並曾於台灣服兵役。黃先生亦為本集團若干附屬公司的董事。

黃先生為本集團主席兼執行董事黃勝舜先生的長子。

Directors' Profile

董事簡介

Kirk Yang

Non-executive Director

Mr. Kirk Yang, aged 42, is a Non-executive Director of the Company. He holds Bachelor (with distinction) and Master of Science degrees in Electrical Engineering from Purdue University and Master of Business Administration (Finance, Accounting and Marketing concentrations) from University of Chicago.

Prior to joining the Company, Mr. Yang was a managing director and head of Asia Technology Research of Citi Investment Research of Citigroup Global Markets Asia Limited based in Hong Kong ("Citi"). He was also awarded the No.1 analyst by Institutional Investors, Financial Times and Greenwich in 2004, 2006 and 2007 respectively in recognition of his accomplishment in investment equity research industry. Before joining Citi, Mr. Yang served as the director and head of Asia Technology Hardware Research at Credit Suisse and No. 1 analyst. Mr. Yang has more than eight years of experience in investment equity research industry including worked at Goldman Sachs and BNP Paribas respectively. Mr. Yang also has more than seven years experience in management consulting, sales/marketing and engineering operation in various corporations such as A.T. Kearney, Accenture, EDS, Emerson Electric, IBM, and AT&T. Mr. Yang did not hold any position in the Group since 1st February 2009.

Chuang Hong-Jen

Independent Non-executive Director

Mr. Chuang Hong-Jen, aged 55 was an Independent Non-executive Director of the Company. Mr. Chuang has experience in the financial services industry as he acted as a deputy general manager in a securities company in Taiwan from 1989 to 1996. Mr. Chuang also has experience in the display devices industry. Mr. Chuang graduated from the Tamsui Institute of Business Administration of Taiwan in June 1975. He obtained bachelor degree from Feng Chia University in June 1980, and was awarded a master's degree from the Department of Accounting, Soochow University in June 1984. For the last three years, Mr. Chuang was the chairman of Innolux Display Corporation, a company listed in the Taiwan Stock Exchange Corporation which engage in the production of liquid crystal display devices.

楊應超

非執行董事

楊應超先生，42歲，本公司非執行董事。彼持有美國普渡大學電機工程學士(優異)學位及碩士學位，以及芝加哥大學工商管理碩士(主修財務、會計及市場營銷)。

於加盟本公司前，楊先生為香港花旗環球金融亞洲有限公司(「花旗」)之董事總經理兼投資研究部亞太區高科技部門研究主管。彼分別於二零零四年、二零零六年及二零零七年榮獲《機構投資者》、《金融時報》及《Greenwich》評為第一分析師，表揚彼於投資證券研究界的成就。於加入花旗前，楊先生曾經出任瑞士信貸亞太區科技硬件研究部總監兼首席分析師。楊先生於投資證券研究業擁有逾八年經驗，包括曾任職於高盛及法國巴黎銀行。楊先生亦曾於多家企業工作，包括A.T. Kearney、Accenture、EDS、艾默生電器、IBM及AT&T等，於管理顧問、銷售／市場營銷及工程業務方面累積逾七年經驗。楊先生自二零零九年二月一日起並無於本集團出任任何職位。

莊宏仁

獨立非執行董事

莊宏仁先生，55歲，為本公司獨立非執行董事。莊先生於一九八九年至一九九六年在台灣一家證券公司擔任副總經理，因此於金融服務業具有經驗。莊先生於顯示器行業亦擁有經驗。莊先生於一九七五年六月畢業於台灣私立淡水工商專科學校。一九八零年六月，彼獲頒發逢甲大學學士學位，並於一九八四年六月獲頒東吳大學會計學系碩士學位。於過去三年，莊先生曾擔任群創光電股份有限公司主席，該公司從事液晶顯示器生產，且為台灣證券交易所的上市公司。

Directors' Profile

董事簡介

Hsieh Yu

Independent Non-executive Director

Mr. Hsieh Yu, aged 61, was an Independent Non-Executive Director of the Company. He obtained a certificate for solicitor in Taiwan in 1977 and joined the Taipei Bar Association immediately as a practicing Attorney-at-Law. He is the responsible officer of 聯德法律事務所. He had been the legal consultant for various corporations and organizations. Mr. Hsieh graduated from the Faculty of Law, National Taiwan University in 1976.

Yeung Chi Tat

Independent Non-executive Director

Mr. Yeung Chi Tat, aged 40, was an Independent Non-executive Director of the Company. He holds a bachelor's degree in business administration from The University of Hong Kong and a master's degree in professional accounting from Hong Kong Polytechnic University. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of the Institute of Chartered Accountants in England and Wales and the president of the International Financial Management Association Hong Kong headquarters. He is currently the financial controller and company secretary of Dynasty Fine Wines Group Limited (Stock Code: 828) and an independent non-executive director of ANTA Sports Products Limited (Stock Code: 2020), both of which are listed on the Main Board of the Stock Exchange in Hong Kong. Mr. Yeung is also an independent non-executive director of Linefan Technology Holdings Limited (Stock Code: 8166) which is listed on the GEM Board of the Stock Exchange in Hong Kong. Mr. Yeung has previously worked at a major international accounting firm for over ten years. He possesses experience in auditing, corporate restructuring and corporate financial services.

謝裕

獨立非執行董事

謝裕先生，61歲，為本公司獨立非執行董事。彼於一九七七年在台灣獲取律師證書，並隨即加入台北律師公會為執業律師。彼現為聯德法律事務所負責人。彼曾任多家企業及組織的法律顧問。謝先生於一九七六年於國立台灣大學法律學系畢業。

楊志達

獨立非執行董事

楊志達先生，40歲，為本公司獨立非執行董事。彼持有香港大學工商管理學士學位及香港理工大學專業會計碩士學位。彼為香港會計師公會資深會員、英格蘭及威爾斯特許會計師公會會員及國際財務管理協會香港總部的會長。彼現為香港聯交所主板上市的王朝酒業集團有限公司(股份代號：828)的財務總監兼公司秘書及安踏體育用品有限公司(股份代號：2020)的獨立非執行董事。楊先生亦是一家於香港創業板上市的藍帆科技控股有限公司(股份代號：8166)的獨立非執行董事。楊先生曾於一家主要的國際會計師行任職逾十年，彼具備核數、企業重組及企業融資服務方面的經驗。

Directors' Profile

董事簡介

Notes:

1. The Directors' interests in shares of the Company, if any, within the meaning of Part XV of the SFO as at 31st July 2009 are disclosed in the section headed "Directors' and Chief Executive's Interests" in this Annual Report.
2. Save as disclosed in the Directors' respective biographical details under "Biographical Details of Directors" section, the Directors (a) have not held any directorships in other publicly listed companies, whether in Hong Kong or overseas, during the last three years; and (b) do not have any other relationships with any Directors, senior management or substantial or controlling shareholders of the Company.
3. The Directors (except Executive Directors) will receive Directors' fee in the amounts approved from time to time by shareholders at the Annual General Meeting of the Company. The current amount of Directors fees have been determined by reference to directors' experience, duties and responsibilities. The details of the emoluments of Directors on a named basis are disclosed in Note 17 to the consolidated financial statements.
4. All the Executive Directors had respectively entered into directors' service contracts with the Company, all of which will expire on 15th May 2010. Mr. Kirk Yang had entered into appointment letter with the Company commencing on 1st February 2009 for a term of three years. Mr. Chuang Hong-Jen, Mr. Hsieh Yu and Mr. Yeung Chi Tat had respectively entered into appointment letter, all of which commenced on 15th May 2008 for a term of three years. All Directors are subject to retire by rotation in accordance with the Company's Articles of Association. Accordingly, each Directors is required to retire by rotation once every three years and that no less than one-third (or the number nearest to one-third) of the existing Directors shall retire from office every year at the Company's Annual General Meeting. A Director's specific term of appointment, therefore, cannot exceed three years. Every retiring Director shall be eligible for re-election at the Annual General Meeting of the Company.

附註：

1. 本公司董事於截至二零零九年七月三十一日止持有證券及期貨條例第XV部所指的本公司權益(如有)，現披露於本年報的「董事及主要行政人員的權益」一節。
2. 除各董事於「董事履歷詳情」一節內所披露的有關履歷詳情外，各董事(a)於過去三年並無在香港或海外的其他公眾上市公司擔任任何董事職務；及(b)與本公司的任何董事、高級管理人員、主要股東或控股股東並無任何其他關係。
3. 各董事(執行董事除外)將收取不時由本公司股東於股東週年大會上議決的董事袍金。現時各董事的袍金乃參考各董事的經驗、職責及責任而釐定。各董事的酬金詳情乃以具名方式披露於綜合財務報表附註17。
4. 所有執行董事已分別與本公司訂立服務合約，並將於二零一零年五月十五日屆滿。楊應超先生已與本公司訂立委任書，為期三年，自二零零九年二月一日起生效。莊宏仁先生、謝裕先生及楊志達先生已分別與本公司訂立委任書，為期三年，自二零零八年五月十五日起生效。根據本公司的組織章程，所有董事須輪值退任。據此，每名董事須每三年輪值退任一次，及於每年本公司股東週年大會上將有不少於三分之一(或最接近三分之一的數字)的現任董事退任。因此，一名董事的明確任期不得超過三年。每名退任董事可於本公司股東週年大會膺選連任。

Senior Management Profile

高級管理人員簡介

Chan Oi Fat

Financial Controller & Company Secretary

Mr. Chan Oi Fat, aged 31, joined the Group in January 2008 as the financial controller and the company secretary of the Company. Mr. Chan is mainly responsible for the financial and accounting management and secretarial affairs of the Group. Prior to joining the Group, Mr. Chan was an audit manager in an international accounting firm. Mr. Chan has over 9 years of experience in professional accounting and auditing experience. Mr. Chan graduated from The City University of Hong Kong with a bachelor in accountancy. He is a member of the Hong Kong Institute of Certified Public Accountants.

Chih Hai-Pin

Associate General Manager (Dongguang office)

Mr. Chih Hai-Pin, aged 50, the associate general manager of the subsidiary company of the Group. He has over 19 years of experience in the silicone rubber industry and is currently responsible for research and development of the Group. Mr. Chih graduated from the Department of Japanese, Soochow University, Taiwan and holds a ISO9000 External Auditing Qualification Certificate issued by the American Quality System Registrar.

Luo Bao Dong

Financial Manager (Dongguang office)

Mr. Luo Bao Dong, aged 36, the financial manager of the subsidiary company of the Group. Mr. Luo is responsible for the daily operations of our financial and control department, taxation and internal control of the PRC subsidiaries of the Group. He also provides assistance to the management in administration and personnel management. Mr. Luo has obtained the accountant professional qualification and the certificates of the PRC certified public accountant and the certificate of PRC registered tax agent.

Wu Tien-Tao

Associate General Manager (Huzhou office)

Mr. Wu Tien-Tao, aged 51, is the associate general manager of the subsidiary company of the Group. He oversees the operation of Huzhou Factory. Mr. Wu joined our Group in August 2003 and has been responsible for the operation of the Huzhou factory of the Group since then. Mr. Wu has over 11 years of experience in the production of silicone rubber and multiple layered and soft printed circuit boards. Mr. Wu is the younger brother of Mr. Wu Ih Chen, an executive Director of the Company.

陳愛發

財務總監兼公司秘書

陳愛發先生，31歲，於二零零八年一月加入本集團擔任本公司的財務總監兼公司秘書。陳先生主要負責本集團財務及會計管理及秘書事宜。加入本集團前，陳先生曾擔任一間國際會計師行的核數經理。陳先生擁有逾九年的專業會計及核數經驗。陳先生畢業於香港城市大學並持有會計系學士學位。彼為香港會計師公會會員。

遲海屏

副總經理(東莞辦事處)

遲海屏先生，50歲，本集團附屬公司的副總經理。彼於矽膠行業擁有逾十九年經驗，現負責管理本集團研發事宜。遲先生畢業於台灣東吳大學日本語文系，並持有American Quality System Registrar發出的ISO9000外部稽核認證證書。

羅堡冬

財務經理(東莞辦事處)

羅堡冬先生，36歲，本集團附屬公司的財務經理。羅先生負責本集團中國附屬公司財務及合規部門、稅務及內部控制的日常營運。彼亦為行政及人事管理事宜提供協助。羅先生擁有會計專業技術資格及中國註冊會計師證書及中國註冊稅務師證書。

吳添濤

副總經理(湖州辦事處)

吳添濤先生，51歲，本集團附屬公司的副總經理，負責監督湖州廠房的營運。吳先生於二零零三年八月加入本集團後，一直負責本集團湖州廠房的營運。吳先生在生產矽膠、多層印刷電路板及軟印刷電路板方面擁有逾十一年經驗。吳先生為本公司執行董事吳意誠先生的胞弟。



Reconstruct
Market Boundaries
改造市場疆界

Chairman's Statement

主席報告

Huang Sheng-Shun
黃勝舜
Chairman 主席



Increasing cost efficiency
marks the start of an upward trend.

成本效益不斷提升，顯現步入良性循環跡象。

Dear Shareholders

On behalf of the board of directors of Ta Yang Group Holdings Limited, I herewith present to all our shareholders the annual report of the Group for the year ended 31st July 2009.

Due to the global financial tsunami in the last quarter of 2008, the world economy has undergone significant changes and the Company has also encountered tough challenges. As the business environment is gradually deteriorating, our customers strategically adjusted their orders which led to an adverse effect on our business. To mitigate such negative impact as a result of the unfavorable sentiment, the Group proactively adopted countermeasures to enhance our existing product mix and expand our income streams.

FINANCIAL RESULTS

For the financial year ended, the Group's turnover decreased 16.7% to HK\$620,251,000.

The Group's loss for the year was HK\$38,893,000, representing a decrease of 138.7% as compared to profit of HK\$100,383,000 last year. Loss per share for the year were HK4.86 cents (2008: earnings of HK12.55 cents per share).

各位股東：

本人謹代表大洋集團控股有限公司董事會向各股東提呈本集團截至二零零九年七月三十一日止年度的年報。

二零零八年度最後一季爆發全球金融海嘯，全球經濟經歷重大改變，本公司亦面臨嚴峻挑戰。隨著經營環境逐漸惡化，客戶策略性地調節訂單，對本集團業務構成不利影響。為紓緩景氣欠佳對業務造成的負面影響，本集團積極採取應對措施改善現有產品組合及增加收入來源。

財務業績

本集團截至本財政年度止營業額下跌16.7%至620,251,000港元。

本集團年內虧損為38,893,000港元，較去年的溢利100,383,000港元下跌138.7%。本年度的每股虧損為4.86港仙（二零零八年：每股盈利12.55港仙）。

Chairman's Statement

主席報告

BUSINESS REVIEW

During the year, the Group optimized its product structure by integrating our production facilities in Dongguan and Huzhou. The Group flexibly utilized advanced technology to upgrade its existing products. Such enhancement process will inevitably lead to higher costs at the beginning stage. However, we are confident that the efforts we made will result in lower production costs and higher production capability in future.

In light of the adjustment of market demand in consumer products, the Group also strengthened our product development ability by upgrading customized services and expanding the industry niche so as to keep in line with our business development.

Keypads for consumer electronic devices and computers were our core businesses which had suffered major setbacks in the financial crisis. Though the demand for various kinds of consumer electronic devices had decreased sharply, demand for the relevant innovative computer products such as Netbook and Ultra-Mobile PC (UMPC) remained strong. Since the Group had strived to capture relevant opportunities in bid to seek new customers by various measures such as lowering the average selling prices, we achieved an outstanding result in computer keypad business which contributed to the Group's overall revenue.

We have continued to produce quality products with advanced technological features to meet the need of the customers. Besides, thanks to the dedicated efforts of our management and staff in exploring new markets, the Group has managed to acquire new sizeable customers. In 2009, the global economy remained volatile, we changed our business strategies from aggressive to prudent and pragmatic to optimize our product portfolio and volume. We believe that these forward looking initiatives can consolidate our ongoing management and provide us leverage for encountering the tough business environment.

Despite the business slowdown, the newly launched brand "SIPALS" still maintained a steady growth in 2008 and was recognized by more customers. Although its contribution is still not material to the Group, we have confidence that "SIPALS" will become our driving force in the future.

業務回顧

年內，本集團正在整合東莞及湖州生產設施以優化產品結構。本集團靈活運用最新科技使現有產品更趨完善。在剛開始的過程中難免會令成本增加。然而，我們深信此舉日後能定減低生產成本及彈性地提升產量。

面對消費品市場需求調整，本集團亦透過提升客制化服務及擴展產業利基強化產品開發能力，以配合業務發展。

電子消費品按鍵及電腦按鍵均為本集團的核心業務，在金融危機中嚴重受挫。雖然各類電子消費品的需求銳減，但電腦相關革新產品（如輕省小筆電(Netbook)及超級行動電腦(UMPC)）的強勁需求不減。本集團積極把握相關商機，透過下調平均售價等多項措施爭取新客戶，是故電腦按鍵業務表現優異，為本集團整體收益帶來貢獻。

本集團繼續致力推出結合先進科技的優質產品，以迎合客戶需求。此外，全賴管理層及員工致力開拓新市場，本集團方可爭取數目可觀的新客戶。二零零九年，全球經濟仍然波動，本集團的業務策略從積極進取轉為謹慎務實，以優化產品組合及產量。本集團相信，此等前瞻性措施可加強現行管理，並為我們提供足夠籌碼安度逆境。

儘管經營環境放慢，新推出品牌「SIPALS」於二零零八年仍維持穩定增長及獲得更多客戶支持。雖然對本集團貢獻並不重大，本集團有信心「SIPALS」將成為日後重要的推動力。

Chairman's Statement

主席報告

OUTLOOK

It is anticipated that the tough business environment will linger on for a considerable period. Although the global economy shows signs of recovery, the business environment remains difficult. To embrace the upcoming challenges, the Group will continue to implement a number of stringent cost optimization measures to reduce its operating cost in order to maintain our competitiveness and to capitalize on new business opportunities.

The Directors are optimistic about the future development of the Group's business and will continue to implement the well-established business strategies so as to enhance the Company's value and to bring outstanding return to the shareholders.

APPRECIATION

Last but not least, I would like to take this opportunity to thank the management and staff for their dedication and hard work during these challenging times. The Group will strive to strengthen our leading position in the industry.

Huang Sheng-Shun

Chairman and Executive Director

展望

營商環境預期於相當時間內仍然嚴峻。儘管全球經濟有復蘇跡象，惟經營環境依然艱困。為日後的挑戰作好準備面對，本集團將繼續實施多項嚴格控制成本措施，以減少營運成本，維持競爭力及把握新商機。

董事對本集團業務的未來發展表示樂觀，並將繼續實行之有效的業務策略，提升本公司價值及為股東帶來可觀回報。

致謝

最後，本人藉此感謝管理層及全體員工與本集團共渡時艱，為本集團作出貢獻及努力。本集團將致力鞏固於業內的領先地位。

黃勝舜

主席兼執行董事

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業務回顧與展望

MARKET REVIEW

The unprecedented global economic crisis changed the macro-economic environment substantially beginning from second half of 2008. It led global gross domestic product (GDP) growth to drop significantly from 5.2% in 2007 to 3.4% in 2008.

Due to the outbreak of financial tsunami, the global demand for consumer products was slowed down during the year 2009. Consequently, public enthusiasm for the 4C products, including consumer electronic devices, mobile phones, computers and automotive peripheral products, was quickly dampened. However, market demand for innovative consumer electronic products that offer significant value remained relatively steady, i.e. 3G smartphones, laptops and sub-notebooks (netbooks). As a result, it brought both huge challenges and opportunities to the industry at the same time. Moreover, amid the challenging operating environment, competition in the industry remained severe as most industry players adopted aggressive pricing strategies to attract more customers. It led the average selling price to unavoidably decrease during the year. Normally, the second half of the year was the slack reason of our business, the financial tsunami further caused our sales to decrease during this period.

During the year, the Group's performance was directly affected by the decrease in production volume and the average selling price. In addition, the decrease in gross profit margin was primarily due to the increase in the rate of labour cost, other manufacturing

市場回顧

前所未有的全球經濟危機使宏觀經濟局勢自二零零八年下半年起出現重大扭轉，引致全球本地生產總值增長由二零零七年的5.2%大幅回落至二零零八年的3.4%。

由於爆發金融海嘯，於二零零九年，全球對消費品的需求放緩。因此，公眾追捧4C產品(包括電子消費品、手機、電腦及汽車週邊產品)的熱潮瞬間退卻。然而，市場對具有顯著價值的創新電子消費品(如3G智能手機、手提電腦及小型筆記本電腦)的需求仍相對穩定。因此，業內既面對重大挑戰，同時亦展現龐大商機。此外，在艱困的經營環境下，業內競爭依然激烈，業內對手紛紛採用進取的定價策略以吸引更多客戶。此舉令年內的平均售價無可避免下跌。在正常情況下，下半年度是我們的業務淡季，而遇上金融海嘯更令我們的銷售在期內進一步下跌。

年內，本集團表現直接受產量及平均售價下跌而影響。此外，毛利率下跌主要因擴建中國廠房而令勞工成本及其他間接製造費用增加以及折舊費用增加所致。在本年度第二季，由於產



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overhead expenses and depreciation as a result of expansion of factory in the PRC. In second half of the year, because the product volumes were much lower and most of production expansions were completed, a mismatch between production level and capacity was formed. Such issue resulted in a decrease in utilisation rate.

量減及大部分廠房擴建項目已完成，因此形成生產水平及產能錯配的情況，使用率亦因而下跌。

BUSINESS REVIEW

Company's Overall Performance

Amid the global financial turmoil, the operating environment was exceptionally challenging during the year and had resulted in unprecedented difficulties to the Group. The turnover for the financial year ended 31st July 2009 declined approximately 16.7% as compared to last year. The primary source of income of the Group was still derived from sales of consumer electronic devices, but its percentage to total turnover decreased from 54.4% to 47.6%. Sales of keypads for computers and notebooks which increased by 6.8% partly offset the decrease in total turnover and its percentage to total turnover increased from 27.3% to 35.1%.

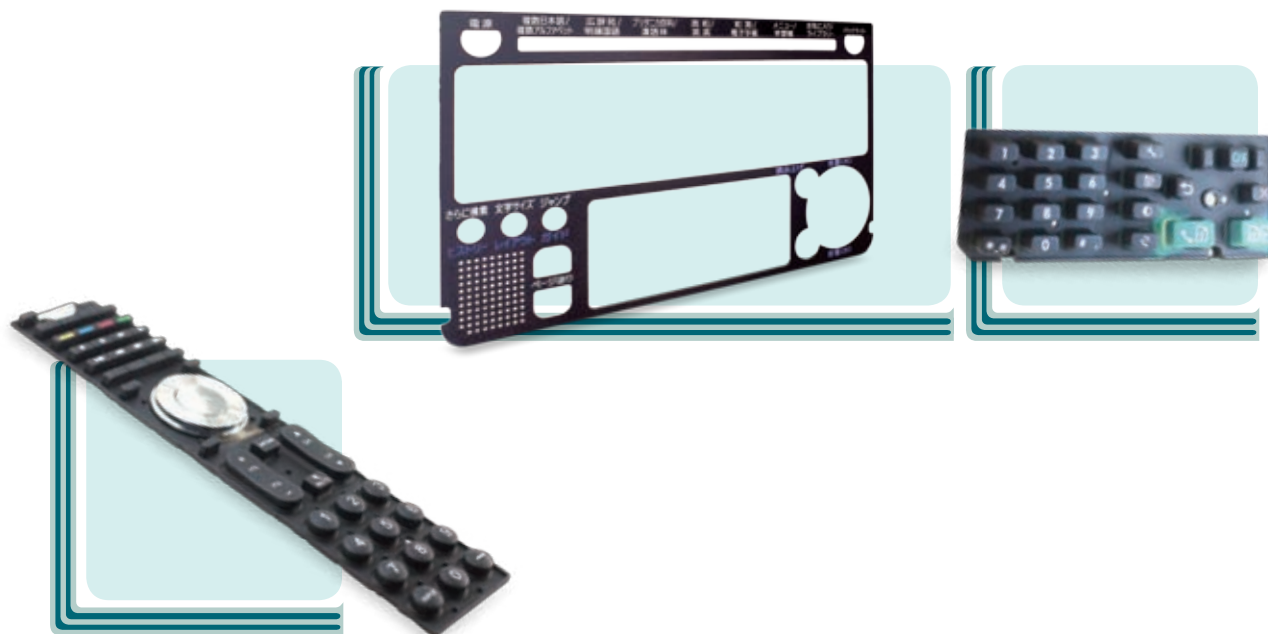
Under the current global economic slowdown, customers are less willing to accept the increase in selling price. Therefore, it was difficult for us to transfer the cost increments to customers. In addition, in order to attract new customers, we even have to strategically lower the selling price. Along with the high level of

業務回顧

公司整體表現

面對全球金融海嘯，年內經營環境異常艱難，本集團亦因此面臨前所未見的困境。截至二零零九年七月三十一日止財政年度的營業額較去年下降約16.7%。本集團的收入仍主要來自銷售電子消費品，但所佔總營業額百分比已由54.4%減少至47.6%。電腦及筆記本電腦鍵盤的銷量增加6.8%，抵銷總營業額的部分跌幅，而所佔總營業額百分比亦由27.3%增加至35.1%。

面對近期全球經濟下滑，客戶不願意接受售價上漲。因此，成本增幅難以轉嫁予客戶。此外，為吸引新客戶，我們甚至策略性地降低售



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operation cost in the PRC and the unexpected decline in sales orders, there was a significant decline in gross profit margin during the year.

In order to strengthen the Group's competitive edges, we have continued to focus on optimizing our product mix with advanced technological features to meet the needs of customers.

The expansion in Huzhou plant commenced production for laptops and netbooks in succession. However, the outbreak of financial tsunami caused a decrease in demand. The utilization rate of the plant and machineries decreased dramatically and hence deteriorated the gross profit. Therefore, the Group has adjusted its business strategies from aggressive to prudent and pragmatic including progressively passing on the increase in raw materials costs to other parties, optimizing product portfolio, adjusting operating strategy, tightening cost control, postponing the commencement of new production base. These forward-looking initiatives have consolidated our ongoing policies and provided strong protection against the bleak winter.

In addition, the defect rate of our production in the second half of the year unexpectedly increased and hence our performance was further affected. This was mainly due to our reorganisation of production process to which the staff was not accustomed at the beginning. Moreover, the highly volatile market and a large number of urgent sales orders also caused the defect rate to increase significantly.

During the year, despite the deteriorating business environment, the newly launched brand "SIPALS" was able to maintain steady growth by providing a wide range of new lifestyle products with environmental friendly features and cultural concepts. During the year, the new brand was introduced to Taiwan and has increasingly gaining consumer supports. Although the revenue from SIPALS was insignificant during the year, we believe these products will contribute profit in future. To sustain its growth, the Group will continue to maintain high-margin products and focus on marketing these products to broaden its customer base and explore business opportunities.

Consumers are expecting more sophisticated and integrated products and services nowadays, and hence we will strengthen our research and development capabilities, so as to introduce the most attractive and innovative products to customers and differentiate us from our competitors.

價。隨著經濟增長放緩及銷售訂單數目出乎意料的減少，年內毛利率亦因而大幅下跌。

為了加強本集團的競爭優勢，我們繼續致力優化具備先進技術功能的產品組合，以迎合客戶需要。

湖州廠房的擴建部分已陸續開始生產手提電腦及小型筆記本電腦。然而，金融海嘯爆發導致需求下降。廠房及機器的使用率急劇下跌，進一步削減毛利。因此，本集團已將其商業策略由進取調整為審慎務實，當中包括逐步將原材料漲幅轉嫁他人、優化產品組合、調整經營策略、收緊成本控制及延遲新生產基地的施工。該等高瞻遠矚的進取精神整合成為我們不斷邁進的策略，並提供更強保護以抵禦寒冬。

此外，本年度下半年我們的生產不良品率意外地增加，進一步影響我們的表現。該增幅主要是由於員工初時仍未習慣重組生產程序。再者，由於市場動盪，加上有大量緊急銷售訂單，故亦令不良品率飆升。

年內，儘管營商環境日趨惡化，新推出的品牌「SIPALS」藉提供揉合環保特色及文化概念的多元化時尚產品，而錄得穩定增長。年內，我們將新品牌引入台灣，並日漸獲得更多客戶支持。雖然SIPALS於年內的收益不多，但我們相信該等產品日後定會帶來利潤。為維持增長，本集團將會繼續保留高利潤的產品，並集中推廣該等產品以擴大客戶群及拓展商機。

由於現今客戶期待享有更細緻及全面的產品及服務，因此，我們將加強研發能力，為客戶引入具備吸引力的創新產品，使我們在競爭對手脫穎而出。

Business Review & Outlook

業務回顧與展望

OUTLOOK

As aftershocks of the financial tsunami are expected to remain, the global economy will stay dim for a period of time, resulting in an extremely difficult business environment for enterprises.

To overcome the adversities, we will continue to tighten the operating cost control, stringently manage and economize on expenses and adjust our production deployment according to the demand and orders from our customers. In addition, the Group will continue to put more efforts on research and development, aiming to enhance its product standards, product efficiency and variety. We will also continue to diversify our revenue mix through strengthening existing businesses, enriching product offerings and sourcing new income streams in concert with the future business development of the Group.

In light of the difficult business environment, the Group will adopt a prudent approach on capital expenditure to maintain the healthy cash position. Besides, the Group will adjust our investment portfolio in order to sustain stable and healthy development of the Group. Moreover, we will seek acquisition opportunities to expand the scale of existing businesses and to broaden our scope of businesses as and when appropriate.

Lastly, we will continue to explore new business opportunities through strengthening its self-development capabilities and enhancing its product quality and technology standards to cater the needs of targeted customers, with an aim to support the sustainable development of the Group.

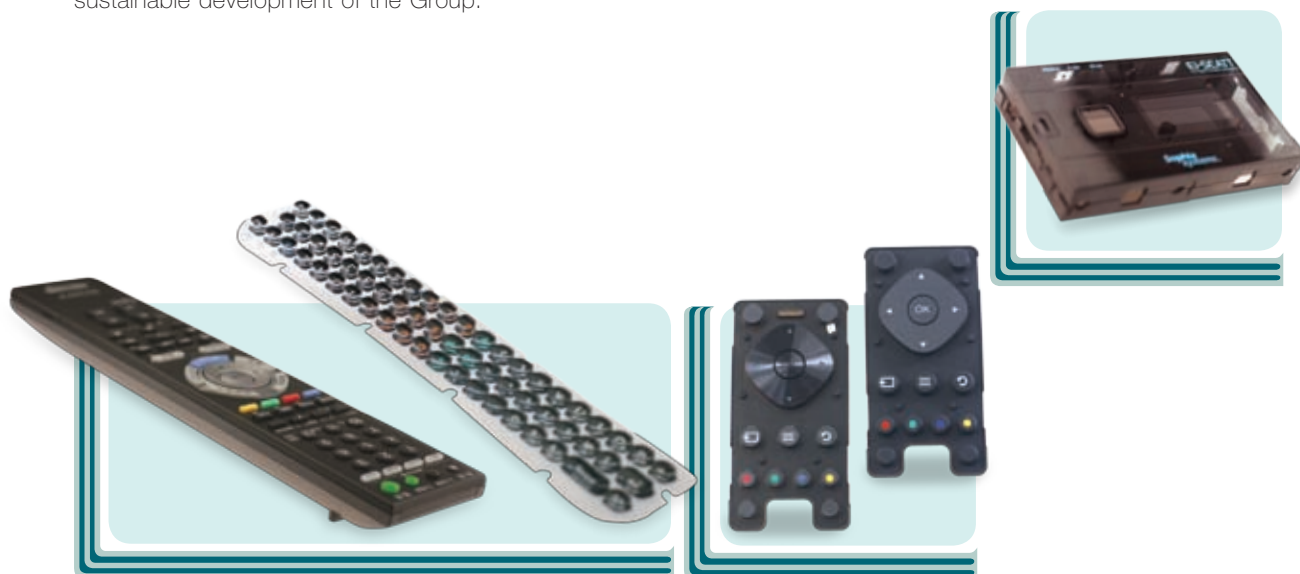
展望

由於預料金融海嘯餘波未了，全球經濟在未來一段日子仍會維持黯淡，導致企業面對甚為艱困的營商環境。

為克服逆境，我們將繼續加強控制經營成本，嚴格管理及節省開支，並根據客戶的需求及訂單調整生產部署。此外，本集團亦會繼續投放更多資源加強研發，以提升產品規格、效用及種類。而我們亦會透過鞏固現有業務、豐富產品類別及開拓新收入來源等方法來增加收益，以配合本集團日後的業務發展。

鑑於營商環境艱困，本集團會審慎管理資本開支以維持穩健的現金水平。此外，本集團會調整投資組合，以確保本集團可繼續穩健發展。我們亦會物色合適的收購機會，以擴大現有業務規模及拓展業務範疇。

最後，我們會透過加強內部發展能力、提升產品質素及技術水平以迎合目標客戶需要，從而發掘新商機，以望支持本集團日後的持續發展。



Surpass Current Expectations

超越現有需求



Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

The key financial figures for the year ended 31st July 2009 are extracted as follows:

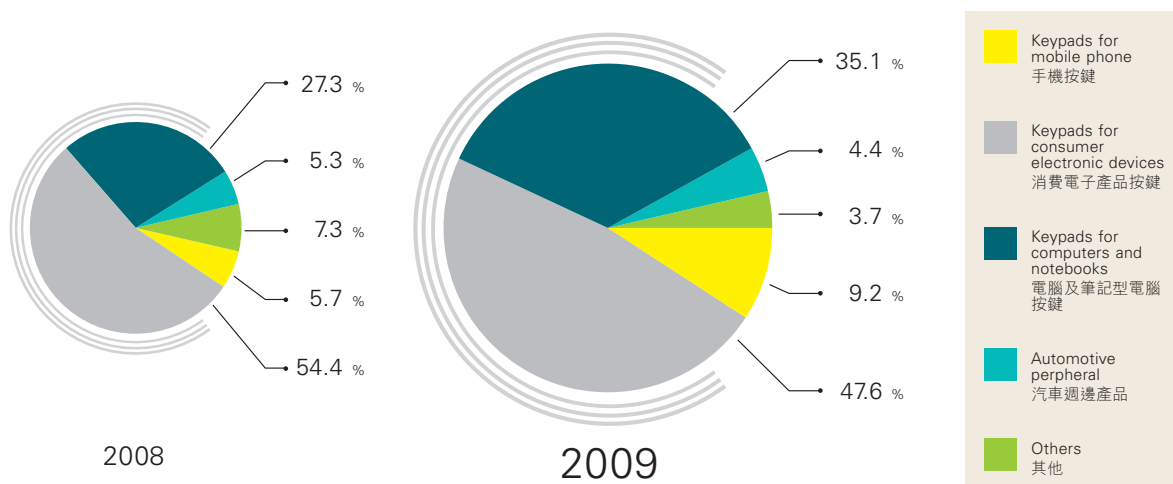
財務回顧

截至二零零九年七月三十一日止年度的主要財務數字摘要如下：

		2009 HK\$'000 二零零九年 千港元	2008 HK\$'000 二零零八年 千港元
Turnover	營業額	620,251	744,908
Gross profit	毛利	101,058	213,489
Selling and distribution expenses	銷售及分銷開支	(28,269)	(28,988)
Administrative expenses	行政開支	(94,706)	(94,863)
(Loss) profit before interest and taxes	息稅前(虧損)溢利	(36,773)	103,234
Finance costs	融資成本	-	(1,875)
Income tax expenses	所得稅開支	(2,120)	(976)
(Loss) profit for the year	年內(虧損)溢利	(38,893)	100,383

SALES BY PRODUCT

按產品分類的銷售



Management Discussion and Analysis

管理層討論與分析

TURNOVER

Turnover represents gross revenue generated from the sales of our products, net of sales tax and other similar taxes. Our turnover is affected by the volume of total products sold and the product mix because our product lines have different selling prices.

The consolidated turnover for the year ended 31st July 2009 was decreased by 16.7% to HK\$620.3 million (2008: HK\$744.9 million) while our loss attributable to equity shareholders was HK\$38.9 million (2008: profit of HK\$100.4 million).

Basic loss per share of the Company was HK4.86 cents per share based on the weighted average number of 800,000,000 shares in issue during the year (2008: basis earnings of HK12.55 cents per share based on weighted average number of 800,000,000 shares).

Keypads for consumer electronic devices

Turnover for the sales of keypads for consumer electronics devices decreased by approximately 27.2% to HK\$295.2 million in 2009 from HK\$405.3 million in 2008.

Due to the global financial crisis, the demand for consumer electronics devices is inevitably declining as a result of the fall in consumer confidence. The continuous industry in 4C products also has the adverse effect on our turnover. In addition, the demand for one of the Group's product, silicone protective cover for Wii console handheld devices "Wii Jacket" has obvious decrease for the year. Furthermore, with a will to increase the market share, it is strategically to lower the selling price to attract new customers. This also led the turnover to decrease accordingly.

Keypads for mobile phone

Turnover for the sales of mobile phone keypads increased by approximately 34.6% to HK\$56.7 million in 2009 from HK\$42.2 million in 2008. In the second half of 2008, there is still strong demand for the sales of advanced mobile phone keypads. However, beginning from 2009, the financial turmoil started to spread to mobile phone market which resulted in a significant decrease in the turnover. Nevertheless, the Group still record a growth of 34.6% for the full year.

營業額

營業額指本集團銷售產品所得總收益扣除銷售稅及其他類似稅項。由於本集團的產品售價各異，故營業額受產品總銷量及產品組合所影響。

截至二零零九年七月三十一日止年度的綜合營業額減少16.7%至620,300,000港元(二零零八年：744,900,000港元)，而本集團的權益持有人應佔虧損為38,900,000港元(二零零八年：溢利100,400,000港元)。

根據年內已發行股份的加權平均數800,000,000股計算，本公司的每股基本虧損為4.86港仙(二零零八年：根據加權平均數800,000,000股計算每股基本盈利為12.55港仙)。

電子消費品按鍵

銷售電子消費品按鍵所得營業額由二零零八年的405,300,000港元減少約27.2%至二零零九年的295,200,000港元。

由於全球金融危機引致消費者信心下跌，電子消費品需求難免有所減少。持續從事4C產品行業亦對本集團營業額有負面影響。此外，本集團其中一種產品Wii主機手提裝置[Wii Jacket]矽膠防護套的需求於年內顯著下滑。再者，為了增加市場份額，本集團策略性地調低售價以吸引新客戶。此舉亦令營業額相應減少。

手機按鍵

銷售手機按鍵所得營業額由二零零八年的42,200,000港元增加約34.6%至二零零九年的56,700,000港元。於二零零八年下半年，先進手機按鍵銷售需求仍然強勁。但是，自二零零九年起，金融海嘯開始波及手機市場，導致營業額大幅下降。然而，本集團仍錄得全年增長34.6%。

Management Discussion and Analysis

管理層討論與分析

Keypads for computers and notebooks

Turnover for the sales of keypads for computers and notebooks increased by approximately 6.8% to HK\$217.4 million in 2009 from HK\$203.6 million in 2008. Although the sales in the first quarter of the year has remained strong, due to the impact from financial tsunami, the demand for innovative electronic products decreased significantly in the second half of the year. In addition, due to the keen competition, the selling prices for the of new products model have been decreased in order to retain the customers. The overall amounts still have an increase by approximately 6.8% during the year.

Automotive peripheral products

Turnover for the sales of automotive peripheral products decreased by approximately 29.6% to HK\$27.5 million in 2009 from HK\$39.1 million in 2008. The decrease was resulted from weak demand for the automotive market in overseas market especially for the US market during the year.

COST OF SALES

Cost structure

The overall cost of sales decreased by approximately 2.3% from HK\$531.4 million in 2008 to HK\$519.2 million in 2009 which was in line with turnover.

However, the rate of decrease in cost of sales is lower than that of turnover due to the significant increase in production costs in the PRC. It was due to a tough operation environment to the industry in the PRC.

In addition, as the Huzhou plant has completed the expansion which increase the production capacity while sales orders still remain weak, the utilization rate for the plant and machineries drop significantly. Moreover, the unexpectedly increase in defect rate in the production in the second half of the year. All these factors cause the average cost of sales to increase significantly during the year.

Gross profit

The gross profit of the Group for the year 2009 was HK\$101.1 million, which represented a decrease of approximately 52.7% from that of HK\$213.5 million for the year 2008. Apart from shrink in turnover, the gross profit decrease was also due to that the production cost in the PRC maintained at a very high level.

電腦及筆記型電腦按鍵

銷售電腦及筆記型電腦按鍵所得營業額由二零零八年的203,600,000港元增加約6.8%至二零零九年的217,400,000港元。儘管本年度首季的銷量仍然強勁，但由於受到金融海嘯影響，創新電子產品的需求於本年度第二季大幅減少。此外，由於競爭激烈，為了挽留客戶，本集團已調低新產品模型的售價。整體營業額於年內仍有約6.8%的增長。

汽車週邊產品

銷售汽車週邊產品所得營業額由二零零八年的39,100,000港元減少約29.6%至二零零九年的27,500,000港元。是項減少乃由於年內海外汽車市場(特別是美國市場)需求疲弱所致。

銷售成本

成本結構

整體銷售成本由二零零八年的531,400,000港元減少約2.3%至二零零九年的519,200,000港元，與營業額一致。

然而，由於中國的生產成本大幅增加，銷售成本減少的速度較營業額的減少為慢。出現此情況乃由於中國的業內經營環境甚為嚴峻。

此外，由於湖州廠房於完成擴展工程後的產能有所增加，但有關訂單仍然疲弱，導致廠房及機器的使用率大幅下跌。再者，於本年度第二季，生產壞件率出乎意料地增加。上述所有因素均導致銷售平均成本於年內大幅上升。

毛利

本集團於二零零九年的毛利為101,100,000港元，較二零零八年的213,500,000港元減少約52.7%。除營業額萎縮外，毛利減少亦由於中國的生產成本持續高企。

Management Discussion and Analysis

管理層討論與分析

In addition, as the Huzhou plant has completed the expansion which increase the production capacity while sales orders still remain weak, the utilization rate for the plant and machineries drop significantly. Moreover, the defect rate unexpectedly increased in the production in the second half of the year. All these factors cause the unit cost to increase significantly during the year.

Under the current global economic slowdown, customers have strong inertia in accepting the Group's product selling price adjustments. Hence a substantial portion of cost increment was unable to shelf to the customers. In addition, competition in the industry remained severe as most competitors have adopted aggressive pricing strategies. As a result, in order to capture the market share, the Group has to unavoidably follow such strategies and hence causes to a lower gross profit margin.

Other Revenue

Other revenue decreased by approximately 21.1% to HK\$17.5 million in 2009 from HK\$22.2 million in 2008, primarily due to the decrease in interest income from bank deposits which was partly offset by the compensation from insurance due to the fire accident in the PRC factory.

Selling and Distribution expenses

Selling and distribution expenses decreased by approximately 2.5% to HK\$28.3 million in 2009 from HK\$29.0 million in 2008. The slightly decrease was due to lower sales volume but partly offset by the continuous increase in costs.

Administrative expenses

Administrative expenses slightly decreased by approximately 0.2% to HK\$94.7 million in 2009 from HK\$94.9 million in 2008. Although the operating costs in the PRC remained high, we implemented a tighter cost control on daily administration. This led to a decrease in the amount of administrative expenses in the year.

Bad debts written off

The increase of bad debt expenses is due to that under the current financial tsunami, some of customers that had long outstanding receivables were under financial difficulties. Therefore, the receivables from them have to be written off.

此外，由於湖州廠房於完成擴展工程後的產能有所增加，但有關訂單仍然疲弱，導致廠房及機器的使用率大幅下跌。再者，於本年度第二季，生產壞件率出乎意料地增加。上述所有因素均導致單位成本於年內大幅上升。

現時全球經濟減慢，客戶抗拒本集團產品作售價調整。因此，大部分成本漲幅未能轉嫁予客戶。此外，由於大部分競爭對手採納進取的售價策略，業內競爭仍然激烈。因此，為爭取市佔率，本集團無可避免地採取類似策略，因而令毛利率下降。

其他收益

其他收益由二零零八年的22,200,000港元減少約21.1%至二零零九年的17,500,000港元，主要由於銀行存款的利息收入減少所致，部分減幅被中國廠房火災的保險賠償抵銷。

銷售及分銷開支

銷售及分銷開支由二零零八年的29,000,000港元減少約2.5%至二零零九年的28,300,000港元。銷售及分銷開支輕微減少乃由於銷售量下跌所致，但部分被持續增加的成本抵銷。

行政開支

行政開支由二零零八年的94,900,000港元輕微減少約0.2%至二零零九年的94,700,000港元。儘管於中國的經營成本持續高企，本集團於日常行政方面實行更嚴謹的成本控制措施。此舉令年內的行政開支有所減少。

已撇銷壞賬

年內壞賬開支大幅增加。乃由於在金融海嘯下，部分有長期未償還款項的客戶出現財務困難。因此，應收彼等的款項必須撇銷。

Management Discussion and Analysis

管理層討論與分析

(Loss) profit for the year

Loss for the year ended 31st July 2009 was HK\$38.9 million while profit for the year ended 31st July 2008 was HK\$100.4 million, representing a decrease of approximately 138.7%. The net profit margin of our Group decreased from 13.5% for the year ended 31st July 2008 to the net loss margin of 6.3% for the year ended 31st July 2009.

DIVIDEND POLICY

Our Directors expect that dividends will be paid as interim and/or final dividends. We currently intend to pay annual cash dividends of not less than 30% of our Group's audited consolidated profits after taxation to our shareholders for the applicable year. However, the determination to pay such dividends will be made at the discretion of our Board and will be based upon our operating results, cash flows, financial positions, capital requirements and other relevant circumstances that the Board deems relevant. The payment of dividends may be limited by legal restrictions and by agreements that we may enter into in the future. Our Directors are of the views that our dividend policy will not affect the sufficiency of our working capital in the coming years.

年內(虧損)溢利

截至二零零九年七月三十一日止年度的年內虧損為38,900,000港元，而截至二零零八年七月三十一日止年度的年內溢利則為100,400,000港元，減幅約138.7%。本集團的純利率由截至二零零八年七月三十一日止年度的13.5%減少至截至二零零九年七月三十一日止年度的淨虧損率6.3%。

股息政策

董事預期將以中期及／或末期股息方式派付股息。本集團目前計劃於合適年度向股東派付不少於本集團經審核綜合除稅後溢利30%的年度現金股息。然而，派付該等股息將由董事會酌情決定，並根據本集團經營業績、現金流量、財務狀況、資本需求及其他董事會視為相關的有關情況釐定。派付股息或受法律規限及本集團日後可能訂立的協議所限制。董事認為，本集團的股息政策將不會影響本集團日後年度的營運資金的充裕程度。



Management Discussion and Analysis

管理層討論與分析

FINANCIAL MANAGEMENT AND TREASURY POLICY

The Group adopts a conservative approach for cash management and investment on uncommitted funds. The net proceeds from the international offering (as defined in the Prospectus) have mainly been placed on short-term deposits with authorized financial institutions in Hong Kong.

During the year, the Group's receipts were mainly denominated in US dollars, Hong Kong dollars and RMB. Payments were mainly made in US dollars and RMB.

In respect of the US dollar, the management regards that the foreign exchange risk for Hong Kong dollar to US dollar is not material because (i) Hong Kong dollar remains pegged to the US dollar and (ii) most of the Group's purchases are denominated in US dollars, which are to be settled by sales receipts in US dollars.

In respect of the RMB, as the Group's production plants are located in the PRC, most of our labour costs, manufacturing overheads, selling and administrative expenses were denominated in RMB. Therefore, the appreciation of RMB will adversely affect the Group's profitability. The Group will closely monitors foreign exchange exposure for RMB and consider hedging significant exposure should the need arise.

LIQUIDITY AND FINANCIAL RESOURCES

During the year, the Group's source of fund was cash generated from net proceeds of the international offering, operating activities.

財務管理及庫務政策

本集團對無指定用途的資金採取保守的現金管理及投資策略。國際發售(定義見售股章程)所得款項淨額已存放於香港認可財務機構作短期存款。

年內，本集團所得款項主要以美元、港元及人民幣列值。付款則主要以美元及人民幣支付。

就美元而言，管理層認為港元兌美元的外匯風險並不重大，因為(i)港元仍與美元掛鈎及(ii)本集團大部分採購均以美元列值，且以美元銷售收益結算。

就人民幣而言，由於本集團的生產廠房均位於中國，故大部分勞工成本、生產間接成本、銷售及行政開支均以人民幣列值。因此，人民幣升值將對本集團的盈利能力帶來不利影響。本集團將密切監察人民幣的外匯風險並於有需要時考慮對沖重大外幣風險。

現金流量及財務資源

年內，本集團的資金來源主要為國際發售的所得款項淨額及經營活動的現金。

		As at 31st July 2009 HK\$'000 於二零零九年 七月三十一日 千港元	As at 31st July 2008 HK\$'000 於二零零八年 七月三十一日 千港元
Cash and cash equivalents	現金及現金等價物	458,000	487,429
Net cash outflow	現金流出淨額	(29,275)	(123,939)
Current ratio	流動比率	6.6	6.1
Quick ratio	速動比率	5.7	5.2

Management Discussion and Analysis

管理層討論與分析

With our strong financial background upon Listing on the Stock Exchange, we expect we will have sufficient cash to cover future capital expenditure requirements.

憑藉本集團在聯交所上市的強健財務背景，預期本集團將擁有充裕現金以應付日後的資本開支。

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

The Group had no material acquisition or disposal of any subsidiaries and associated companies for the year ended 31st July 2009.

重大收購及出售附屬公司及聯營公司

本集團在截至二零零九年七月三十一日止年度內並無重大收購或出售任何附屬公司及聯營公司。

USE OF PROCEEDS

The net proceeds raised from the international offering received by the Company was approximately HK\$635 million.

所得款項用途

本公司在國際發售中籌集所得款項淨額約635,000,000港元。

The usage of net proceeds until 31st July 2009 are as follows:

截至二零零九年七月三十一日，所得款項淨額的用途如下：

Particular 項目		Planned amount	Utilised amount
		計劃用款 HK\$ million 百萬港元	已使用款 HK\$ million 百萬港元
Expansion of production facilities for silicone rubber based products	擴充矽膠產品生產設施	468	(169)
Upgrade and expansion of upstream production facilities	提升及擴充上游生產設施	56	-
Strengthening research and development capabilities	加強研發能力	39	(16)
Implementation of resources planning system	執行資源規劃系統	22	(1)
General working capital	一般營運資金	50	(50)
Total	總計	635	(236)

The remaining net proceeds have been deposited on short-term basis in licensed financial institutions in Hong Kong and the PRC.

所得款項淨額餘款已存放於香港及中國持牌財務機構作短期存款。

Management Discussion and Analysis

管理層討論與分析

CAPITAL STRUCTURE AND GEARING RATIO

As at 31st July 2009, the amount of bank borrowing due within one year was nil. The amount was fully repaid in year 2008.

As at 31st July 2009, the Group had no long-term debts.

As at 31st July 2009, the gearing ratio, representing interest bearing bank borrowing to total equity, was 0% (2008: 4.9%).

CAPITAL COMMITMENTS, CONTINGENCIES AND CHARGES ON ASSETS

Capital commitments contracted by the Group but not yet provided for in the financial statements as at 31st July 2009 were approximately HK\$11.7 million, which was mainly related to the expansion of production capacity in Dongguan and Huzhou in the PRC and acquisition of available-for-sale investments.

As at 31st July 2009, the Group had no material contingent liabilities and the Group's assets were free from any charge.

HUMAN RESOURCES AND REMUNERATION POLICIES

As the Group is committed to expand our production capacity and develop high value-added products, such as mobile phone keypads, experienced workers, engineers and professionals are the most important assets to the Group. We offer on-the-job training and encourage staff to attend continuous professional training in order to update their skills and knowledge.

資本結構及資產負債比率

於二零零九年七月三十一日，於一年內到期的銀行借款為零。有關金額已於二零零八年悉數償還。

於二零零九年七月三十一日，本集團並無長期債項。

於二零零九年七月三十一日，資產負債比率（帶息銀行借款比權益總值）為0%（二零零八年：4.9%）。

資本承擔、或有事項及資產抵押

於二零零九年七月三十一日，本集團已訂約但未於財務報表撥備的資本承擔約為11,700,000港元，主要與擴充中國東莞及湖州產能以及收購可供出售投資有關。

於二零零九年七月三十一日，本集團並無重大或然負債，且本集團的資產亦無用作任何抵押。

人力資源及薪酬政策

由於本集團致力擴充產能以及開發高增值產品，例如手機按鍵，故饒富經驗的工人、工程師及專業人士乃本集團的最重要資產。我們提供在職培訓，並鼓勵員工參加持續專業培訓，以增進彼等的技能及知識。

Management Discussion and Analysis

管理層討論與分析

We offer competitive remuneration package, including quality staff quarters, trainings, medical, insurance coverage and retirement benefits, to the employees in Hong Kong and in the PRC. As at 31st July 2009, the Group has 8,123 permanent and temporary employees (2008: 9,097). The total salaries and related costs for the year ended 31st July 2009 amounted to approximately HK\$225.1 million (2008: HK\$227.0 million).

The Group adopted a Pre-IPO Share Option Scheme on 16th May 2007 for the purpose of recognition of employees' contribution before the Listing. As at 31st July 2009, 7,085,000 share options were still outstanding under the Pre-IPO Share Option Scheme, of which 5,255,000 options are held by employees of the Group. The Company also adopted a Post-IPO Share Option Scheme on 16th May 2007. No option has been granted under the Post-IPO Share Option Scheme.

我們向香港及中國僱員提供具競爭力的薪酬方案，包括優質的員工宿舍、培訓、醫療、保險及退休福利。於二零零九年七月三十一日，本集團合共聘用全職及臨時僱員8,123名（二零零八年：9,097名）。於截至二零零九年七月三十一日止年度，薪酬及有關成本開支總額約為225,100,000港元（二零零八年：227,000,000港元）。

本集團於二零零七年五月十六日採納首次公開發售前購股權計劃，以對僱員於上市前的貢獻表示認同。於二零零九年七月三十一日，首次公開發售前購股權計劃項下仍有7,085,000份購股權尚未行使，其中5,255,000份購股權由本集團僱員持有。本公司亦於二零零七年五月十六日採納首次公開發售後購股權計劃。首次公開發售後購股權計劃並未授出任何購股權。



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Focus on
Vision

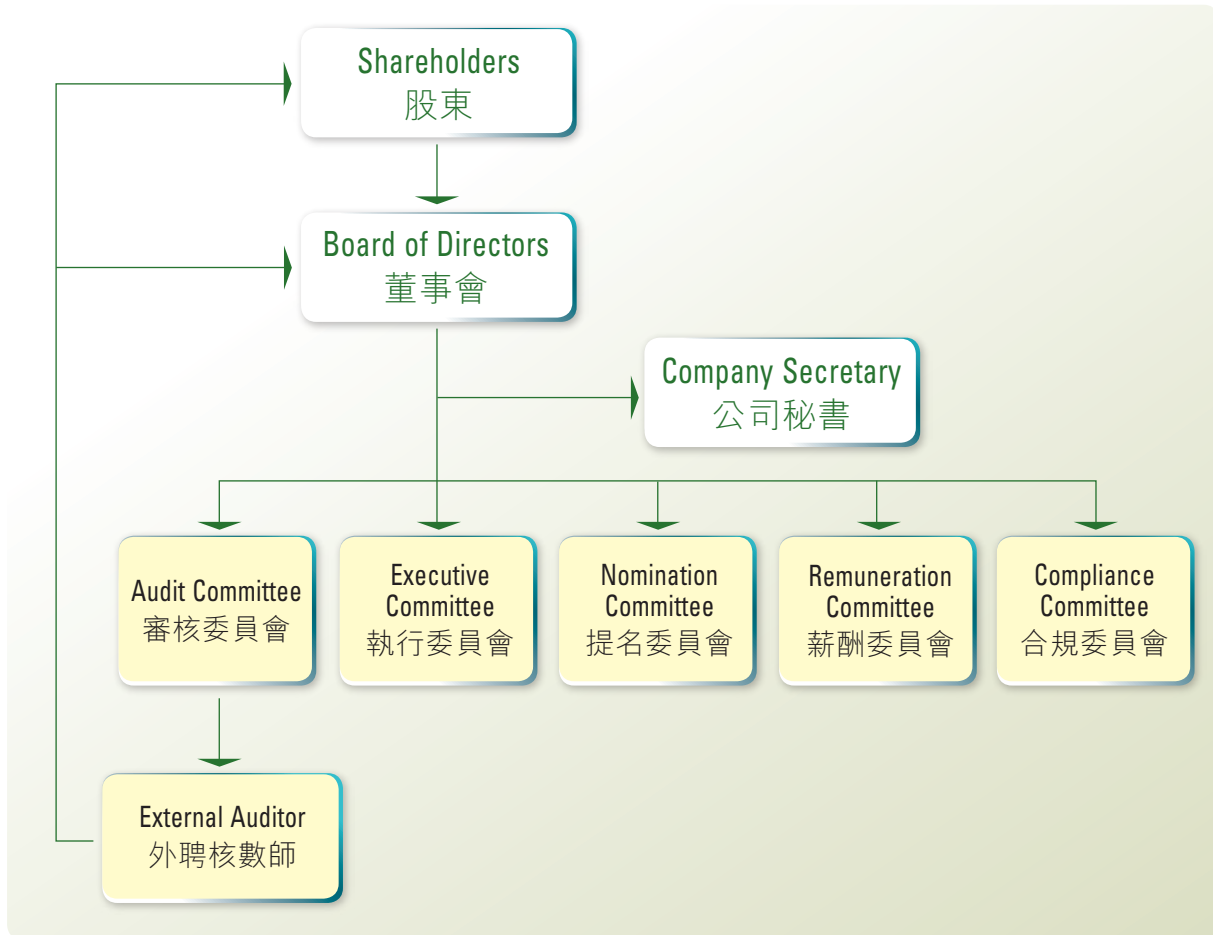
聚焦願景

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE STRUCTURE

企業管治架構



Corporate Governance Practices Enhancements

- Group policy and procedures for seeking independent professional advice was established by the Company
- Revised Terms of Reference of the Audit Committee was adopted by the Company
- "Share Repurchase Policy" was established by the Company
- "Code of Ethics and Securities Transaction" was adopted by the Company
- Each of the Executive Directors of the Company attained at least 10 hours continuing professional training



exceed the Code on Corporate Governance practices.

企業管治常規改進事項

- 本公司已制訂有關尋求獨立專業意見的集團政策及程序
- 本公司已採納審核委員會的經修訂職權範圍
- 本公司已制訂「股份購回政策」
- 本公司已採納「操守及證券交易守則」
- 本公司各執行董事已出席至少十小時的持續專業訓練

超過企業管治常規守則。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company has adopted its own code on corporate governance practices (“the CG Code”) which is not less than the code provisions as set out in the Code on Corporate Governance Practices (the “HKEX Code”) contained in Appendix 14 of the Rules of Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Company has applied all the principles in the HKEX Code. This report is prepared with reference to the HKEX Code. Throughout 2008/2009, the Group has complied with the provision set out in HKEX Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors (the “Model Code”). Having made specific enquiry of all Directors of the Company (the “Directors”), the Company confirmed that all Directors have complied with the required standard set out in the Model Code throughout the year.

During the year, the Company adopted the “Code of Ethics and Securities Transaction” to regulate the Directors and employees of the Group in dealing shares of the Company and provide guidelines and procedures on handling the conflict of interests of Directors.

BOARD OF DIRECTORS

Composition of the Board of Directors

The board of Directors (the “Board”) of the Company comprises five Executive Directors, one Non-executive Director and three Independent Non-executive Directors. The function of the Board is to guide the management to ensure the interests of the shareholders of the Company are safeguard.

企業管治常規

本公司已採納其企業管治常規守則(「企業管治守則」)，而該守則並不遜於香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「聯交所守則」)的守則條文。本公司已應用聯交所守則的所有原則。本報告乃根據聯交所守則而編製。本集團於二零零八年／二零零九年整個年度一直遵守聯交所守則載列的條文。

董事的證券交易

本公司已採納上市規則附錄十所載標準守則作為有關董事進行證券交易的操守守則(「標準守則」)。經向本公司全體董事(「董事」)作出特定查詢後，本公司確認彼等於整個年度一直遵守標準守則所載的規定標準。

年內，本公司採納「操守及證券交易守則」以規管本集團董事及僱員買賣本公司股份，並提供有關處理董事利益衝突的指引及程序。

董事會

董事會的組成

本公司董事會(「董事會」)由五名執行董事、一名非執行董事及三名獨立非執行董事組成。董事會的職責為引導管理層確保本公司股東的權益受到保障。

Corporate Governance Report

企業管治報告

As at 31st July 2009, the Board comprises the following members:

於二零零九年七月三十一日，董事會由以下成員組成：

Name of Director 董事姓名	Position 職位	Date of first appointment to the Board 首次獲委任為董事會成員的日期	Date of last re-election as Director 最近一次膺選連任為董事的日期
Huang Sheng-Shun 黃勝舜	Executive Director & Chairman 執行董事兼主席	23/2/2006	27/11/2007
Wu Ih Chen 吳意誠	Executive Director & Chief Executive Officer 執行董事兼行政總裁	23/2/2006	27/11/2007
Lin Hung-Ming 林宏明	Executive Director & Research & Development Director 執行董事兼開發及發展部主管	14/12/2006	10/12/2008
Wong Tak Leung 黃德良	Executive Director & Deputy General Manager 執行董事兼副總經理	23/2/2006	10/12/2008
Huang Te-Wei 黃德威	Executive Director & General Manager 執行董事兼總經理	23/2/2006	10/12/2008
Kirk Yang* 楊應超*	Non-Executive Director 非執行董事	18/4/2008	10/12/2008
Chuang Hong-Jen 莊宏仁	Independent Non-Executive Director 獨立非執行董事	16/5/2007	27/11/2007
Hsieh Yu 謝裕	Independent Non-Executive Director 獨立非執行董事	16/5/2007	27/11/2007
Yeung Chi Tat 楊志達	Independent Non-Executive Director 獨立非執行董事	16/5/2007	27/11/2007

* Mr. Kirk Yang re-designated into Non-executive Director on 1st February 2009

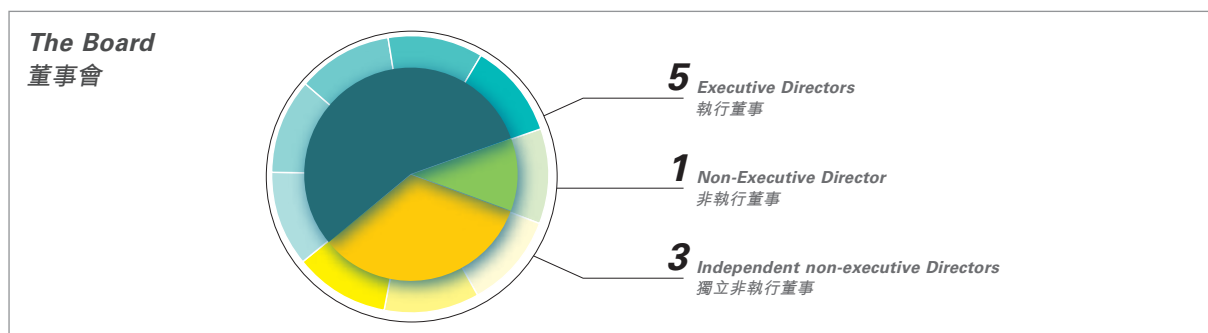
* 楊應超先生於二零零九年二月一日調任為非執行董事

Corporate Governance Report

企業管治報告

The size and composition of the Board are reviewed from time to time, taking into account the scope and nature of operations of the Company, to ensure that the size of the Board is adequate to provide for a diversity of views and to facilitate effective decision-making. The Directors come from diverse background with varied expertise in finance, legal industry and business fields. The biographical details of all Directors and the relationships among them are set out in the "Directors' Profile" on pages 7 to 12 of this annual report and the Company's website. Save as disclosed in the section of "Directors' Profile", none of the Directors has any financial, business, family or other material or relevant relationships among members of the Board.

本集團會不時檢討董事會的規模及組成，當中會考慮本公司的業務範疇及性質，以確保董事會的規模足以提供不同的觀點，並作出有效決策。董事擁有不同背景，具備金融、法律及商業領域的專業知識。所有董事的履歷詳情及彼等之間的關係載於本年報第7頁至第12頁「董事簡介」及本公司網站。除「董事簡介」一節所披露者外，概無董事與董事會成員間有任何財務、商業、家族或其他重大或相關關係。



The composition of the Board is well balanced with each Director having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. All Directors bring a variety of experience and expertise to the Company.

董事會的成員各有所長，而每名董事對於本集團所從事業務均具備充分行業知識、豐富的企業及策略規劃經驗及／或專門技術。所有董事均能為本公司帶來各種經驗及專門技術。

Executive Directors

執行董事

Name 姓名	Position 職位	Current Function/Experience 目前職責／經驗
Huang Sheng-Shun 黃勝舜	Executive Director & Chairman 執行董事兼主席	<ul style="list-style-type: none"> development of corporate operation and strategies 企業營運及策略的發展
Wu Ih Chen 吳意誠	Executive Director & Chief Executive Officer 執行董事兼行政總裁	<ul style="list-style-type: none"> marketing, administration and financial planning 行銷推廣、行政管理及財務規劃

Corporate Governance Report

企業管治報告

Name 姓名	Position 職位	Current Function/Experience 目前職責／經驗
Wong Tak Leung 黃德良	Executive Director & Deputy General Manager 執行董事兼副總經理	<ul style="list-style-type: none"> sales and marketing 銷售及行銷推廣
Lin Hung-Ming 林宏明	Executive Director & Research & Development Director 執行董事兼開發及發展部主管	<ul style="list-style-type: none"> research and development 研究及發展
Huang Te-Wei 黃德威	Executive Director & General Manager 執行董事兼總經理	<ul style="list-style-type: none"> daily operation of the Group and strategic planning 本集團的日常營運及策略規劃 overseeing the Group's compliance and internal control matters 監督本集團的合規及內部監控事宜

Non-Executive Director 非執行董事

Name 姓名	Position 職位	Experience/Skill 經驗／技能
Kirk Yang 楊應超	Non-executive Director 非執行董事	<ul style="list-style-type: none"> corporate finance, investment, merger and acquisition, public relations and institutional investors relations 企業財務、投資、合併與收購、 公共關係及機構投資者關係

Independent Non-Executive Directors 獨立非執行董事

Name 姓名	Independence ¹ 獨立性 ¹	Experience/Skill 經驗／技能
Yeung Chi Tat 楊志達	✓	<ul style="list-style-type: none"> auditing and corporate restructuring 審計及企業重組
Chuang Hong-Jen 莊宏仁	✓	<ul style="list-style-type: none"> financial and investment 財務及投資
Hsieh Yu 謝裕	✓	<ul style="list-style-type: none"> legal and compliance 法律及合規

Note 1 : all Independent Non-executive Directors are free from any business and relationships that could materially interference with the exercise of their independent judgement.

附註1 : 所有獨立非執行董事概無涉及任何業務及關係可嚴重干預其作出獨立判斷。

Corporate Governance Report

企業管治報告

Chairman and Chief Executive Officer

According to the code provision A.2.1 of the CG Code, the roles of the Chairman, Mr. Huang Sheng-Shun and the Chief Executive Officer (the "CEO"), Mr. Wu Ih Chen are segregated in order to ensure a clear distinction between the responsibilities of the Chairman and the CEO.

There are clear demarcations of responsibility and authority between the Chairman and the CEO which ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

The Chairman focuses on the Group's business and strategic matters to ensure the Board is operated effectively. In addition, the Chairman will lead the Board to establish good corporate governance practices and procedures for the Group.

The CEO is responsible for the marketing, administration and financial operation and to ensure the approved Group's strategies are effectively implemented to achieve the goals of the Group.

Functions of the Board of Directors

The Board is responsible for the oversight of the management of the Company's business and affairs with the goal of maximizing the long-term shareholder's value, while balancing broader stakeholder interests. The Board has the following main duties:

- determine all the corporate matters;
- be responsible for the management, direction and supervision of the businesses of the Group; and
- be responsible to ensure the effectiveness on Group's financial reporting and compliance.

主席及行政總裁

根據企業管治守則第A.2.1條守則條文規定，主席黃勝舜先生及行政總裁（「行政總裁」）吳意誠先生的職位的職責須作區分，藉以確保主席與行政總裁的責任明確劃分。

主席及行政總裁的職責及權限有明確區分，可確保權力均衡，加強問責性，以及提高董事會作出獨立決策的能力。

主席致力於本集團的業務及策略事務以確保董事會有效運作。此外，主席將引領董事會為本集團建立良好的企業管治常規及程序。

行政總裁負責行銷推廣、行政管理及財務營運，確保本集團通過的策略能有效地執行，以達到本集團的目標。

董事會的職責

董事會負責監督本公司對業務及事務的管理，目標為盡量提升長期股東價值，同時均衡更廣泛的股東權益。董事會的主要職責如下：

- 決定所有企業事宜；
- 負責本集團業務管理、方向及監督；及
- 負責確保本集團的財務申報及合規的有效性。

Corporate Governance Report

企業管治報告

The Board has matters reserved for its decisions and these include:

- the Group's long-term strategy and business plan;
- major capital projects, acquisitions or divestments;
- funding decision of the Group;
- internal control, risk management and compliance; and
- annual and interim financial results and shareholder communications.

The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the Executive Directors, senior management and certain specific responsibilities to the Board committees.

When the Board delegates aspects of its management and administration functions to the management, it has given clear directions as to the powers of management, in particular, with respect to the circumstances. While allowing management substantial autonomy to run and develop the business, the Board plays a key role in structuring and monitoring the reporting systems and internal controls. The composition, functions of each Board committee and their major role and function are described below. The final decision still rests with the Board unless otherwise provide for in the terms of reference of relevant committees.

Independent Non-executive Directors

The Independent Non-executive Directors bring a wide range of skills and business experience to the Group. They also bring independent judgment on issues of strategy, performance and risk through their contribution to Board meetings and to the Board's committee meetings.

In compliance with Rule 3.10(1) of the Listing Rules, there are three Independent Non-executive Directors representing one-third of the Board. Among the three Independent Non-executive Directors, one of them have appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

董事會有待決定的事宜包括：

- 本集團的長遠策略及業務計劃；
- 主要資本項目、收購或分拆出售；
- 本集團的融資決策；
- 內部監控、風險管理及合規；及
- 全年及中期財務業績及股東交流。

董事會將實行日常營運、業務策略及本集團業務管理的授權及責任委派給執行董事、高級管理層，並將若干特定責任指派予董事委員會。

當董事會將管理及行政功能方面的權力轉授予管理層時，已同時就有關管理層的權力，給予清晰的指引，特別是在何種情況下施行權力。雖然允許管理層在充分自治的前提下經營及發展業務，惟董事會在架構及監察申報制度與內部監控方面仍扮演關鍵角色。每個董事委員會的組成、職責及其主要作用及職責載列如下。除非相關委員會的職權範圍另有規定，否則董事會仍保留最終決策權。

獨立非執行董事

獨立非執行董事為本集團帶來各方面的技術及業務經驗。彼等亦通過董事會會議及董事委員會會議，對策略問題、表現及風險作出獨立評估。

根據上市規則第3.10(1)條，三名獨立非執行董事代表董事會的三分之一。三名獨立非執行董事中，其中一名擁有上市規則第3.10(2)條所規定的會計或相關財務管理專門技術的適當專業資格。

Corporate Governance Report

企業管治報告

The Company has received from each of its Independent Non-executive Directors the written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company, based on such confirmation, considers Mr. Chuang Hong-Jen, Mr. Yeung Chi Tat and Mr. Hsieh Yu to be independent.

The independence of each Director is reviewed annually by the Nomination Committee based on the definition of independence defined in the HKEX Code. The Nomination Committee is satisfied as to the independence of Mr. Yeung Chi Tat, Mr. Chuang Hong-Jen and Mr. Hsieh Yu, all of whom do not have any relationship perceived to interfere with the exercise of their independent business judgement with a view to the best interest of the Company.

Directors' Appointment, Re-election and Removal

Each of Executive Directors has entered into a service contract with the Company for a period of three years commencing from 16th May 2007 and subject to a termination by the Company giving not less than 3 months' prior written notice.

Mr. Kirk Yang has re-designated from Executive Director and chief financial officer to Non-executive Director on 1st February 2009. He has entered into a formal appointment letter with the Company for a term of three years commencing from 1st February 2009, subject to a termination by either party giving not less than one month's prior written notice.

Each of the Independent Non-executive Directors has entered into a formal appointment letter with the Company for a term of three years commencing from 16th May 2008, subject to a termination by either party giving not less than one month's prior written notice.

In accordance with the Company's articles of association, all Directors (including Executive Directors, Non-executive Director and Independent Non-executive Directors) are subject to retirement by rotation at least once every three years.

根據上市規則第3.13條，本公司已收到每名獨立非執行董事有關其獨立性的書面確認函。基於該等確認函，本公司認為莊宏仁先生、楊志達先生及謝裕先生為獨立人士。

提名委員會根據聯交所守則所界定的獨立性的定義每年審查每名董事的獨立性。提名委員會信納楊志達先生、莊宏仁先生及謝裕先生均為獨立人士，彼等概無任何關係而被視為可干涉作出符合本公司最佳利益的獨立商業判斷。

董事的委任、重選及罷免

每名執行董事已與本公司訂立服務合約，自二零零七年五月十六日起計為期三年，並且本公司可給予不少於三個月的事先書面通知而終止。

楊應超先生於二零零九年二月一日由執行董事兼財務總裁調任為非執行董事。彼已與本公司訂立正式委任書，自二零零九年二月一日起計為期三年，可由任何一方給予不少於三個月的事先書面通知而終止。

每名獨立非執行董事已與本公司訂立正式委任書，自二零零八年五月十六日起計為期三年，可由任何一方給予不少於一個月的事先書面通知而終止。

根據本公司的組織章程，所有董事(包括執行董事、非執行董事及獨立非執行董事)須每三年至少輪值退任一次。

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企業管治報告

Board meetings and Board Practices

The Board has scheduled to meet at least four times a year, and the Board will also meet on other occasions when a board-level decision on a particular matter is required. The meetings are structured to allow open discussion. All Directors participate in discussing the strategy, operational and financial performance and internal control of the Group.

The company secretary of the Company (the “Company Secretary”) assists the Chairman to prepare the agenda of the meeting and each Director may request to include any matters in the agenda. Generally, at least 14 days’ notice is given for the regular meetings by the Company. All substantive agenda items have comprehensive briefing papers, which are circulated at least 3 days before each Board meeting.

The Company Secretary is responsible for distributing detailed documents to Directors prior to the Board meetings to ensure that the Directors are able to make informed decisions regarding the matters discussed in the meetings so that they may receive accurate, timely and clear information.

All Directors may access to the advice and services of the Company Secretary who regularly updates the Board on governance and regulatory matters. The Company Secretary is also responsible for ensuring the procedures of the Board meetings are observed and providing the Board opinions on matters in relation to the compliance with the procedures of the Board meetings.

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board, the Company will not deal with the matter by way of written resolution or by a Board committee (except if that Board committee was specifically established for such purpose). The Independent Non-executive Director with no material interest in the matter will attend the meeting to deal with the matter if it is considered appropriate. Other than the exceptional allowed under the Listing Rules, any Director who or whose associates have any material interest in any proposed Board resolutions will not be counted as a quorum in the relevant Board meeting or no vote for the Board resolutions.

All the Board committees adopted the same principles and procedures used in the Board meetings.

董事會會議及董事會常規

董事會每年召開至少四次會議，於需要就某事項作出董事會決議時董事會亦將於其他情況下召開會議。會議的形式有利於進行坦誠討論。所有董事參與討論本集團的策略、營運及財務表現以及內部監控。

本公司公司秘書（「公司秘書」）協助主席編製會議議程，每名董事可要求將任何事項列入議程。一般而言，本公司舉行定期會議前需要發出至少十四天的通知。所有主要議程項目有全面簡介文件，於每次董事會會議前至少三天傳閱。

公司秘書負責於董事會會議前分派詳細文件予董事，以確保董事能夠就會議上討論的事項作出知情決定，以便彼等可獲得準確、及時及清晰的資料。

所有董事可獲得公司秘書的建議及服務，公司秘書將就管治及監管事項定期向董事會提供更新資料。公司秘書亦負責確保董事會會議依程序進行，並就有關遵守董事會會議程序的事項向董事會提供意見。

倘若主要股東或董事在董事會將予考慮的事項中存在利益衝突，本公司不得透過書面決議案或經由董事委員會（特別為此目的而組建的董事委員會除外）處理該事項。倘認為適當，於該事項中無重大權益的獨立非執行董事將出席處理該事項的會議。除上市規則准許的例外情況外，在所提呈的任何董事會決議案中擁有任何重大權益的任何董事或其聯繫人，均不得計入有關董事會會議的法定人數內，亦不得就有關董事會決議案投贊成票。

所有董事委員會均採納董事會會議中所採用的相同原則及程序。

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The following table shows the number and the attendance records of the regular Board meetings held during the year:

下表顯示於年內召開定期董事會會議的數目及出席紀錄：

		Directors' Attendance 董事出席次數
Executive Directors 執行董事		
Mr. Huang Sheng-Shun	黃勝舜先生	4/4
Mr. Wu Ih Chen	吳意誠先生	4/4
Mr. Lin Hung-Ming	林宏明先生	4/4
Mr. Wong Tak Leung	黃德良先生	4/4
Mr. Huang Te-Wei	黃德威先生	3/4
Non-executive Director 非執行董事		
Mr. Kirk Yang*	楊應超先生*	4/4
Independent Non-executive Directors 獨立非執行董事		
Mr. Yeung Chi Tat	楊志達先生	4/4
Mr. Chuang Hong-Jen	莊宏仁先生	2/4
Mr. Hsieh Yu	謝裕先生	4/4

* Mr. Kirk Yang re-designated as Non-executive Director on 1st February 2009.

* 楊應超先生於二零零九年二月一日調任為非執行董事。

Access to Information

The management will provide the Board with appropriate and sufficient information through financial reports, business and operational reports and budget statements in a timely manner to keep them informed the latest development of the Company.

The Directors are also provided with names and contact details of the Company's senior management and the Company to facilitate director access to senior management and the Company Secretary.

資料提供

管理層將透過財務報告、業務及營運報告以及預算報表及時向董事會提供適當及充分的資料，以使彼等知悉本公司的最新發展。

此外，董事亦獲提供本公司高級管理層的姓名以及彼等與本公司的聯絡詳情，以便董事聯絡高級管理層及公司秘書。



Continuing Professional Development

The Directors are provided with continuing training in areas such as corporate governance, financial reporting, the PRC tax updating, changes in Listing Rules so as to update and refresh them on matters that affect or may enhance their performance.

持續專業發展

董事獲提供例如企業管治、財務申報、中國稅務更新、上市規則變動等方面的持續培訓課程，以更新彼等有關影響或可能有助提升其表現的資訊。

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企業管治報告

Any Director may request the Company to provide independent professional advice at the expense of the Company to discharge his duties to the Company.

Introduction tailored kit will be given to a newly appointed Director to his individual needs. This includes meetings with senior management to enable him to have better understanding of the Group's business and strategy and the key risks and issues.

Directors' and Officers' Liability Insurance

The Company has renewed Directors' and Officers' liabilities insurance for all the Directors and the senior management of the Company for the year 2009/2010. The insurance covers them against costs, charges, expenses and liabilities incurred arising out of the corporate activities.

BOARD COMMITTEES

To assist the Board in the execution of its duties, the Board has delegated specific functions to five Board Committees. The principal committees of the Board are the Audit Committee, Remuneration Committee, Nomination Committee, Compliance Committee and Executive Committee, details of which are as follows:

Name 姓名	Committee membership 委員會成員				
	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Compliance Committee 合規委員會	Executive Committee 執行委員會
Huang Sheng-Shun* 黃勝舜*					○
Chuang Hong-Jen 莊宏仁	○	○	○		
Hsieh Yu 謝裕	○	○	○		
Huang Te-Wei 黃德威				○	○
Yeung Chi Tat 楊志達	○	○	○	○	
Chan Oi Fat 陳愛發				○	○
Wu Ih Chen* 吳意誠*				○	○
Wu Pei Min 吳沛珉					○

* Wu Ih Chen was appointed as member of Compliance Committee on 1st August 2009.

任何董事均可要求本公司提供獨立專業意見，而開支會由本公司承擔，以履行董事對本公司的職責。

新委任董事將獲給予符合其個人需要的簡介方案，包括與高級管理層會面，以確保其對本集團的業務及策略，以及對主要風險與問題有更深入了解。

董事及高級職員的責任保險

於二零零九年／二零一零年年度，本公司已為其所有董事及高級管理層更新董事及高級職員的責任保險。該等保險為企業活動上所產生的成本、費用、開支及責任提供保障。

董事委員會

董事會向五個董事委員會委派指定職責，以便董事會執行其職務。主要董事委員會為審核委員會、薪酬委員會、提名委員會、合規委員會及執行委員會，詳情載列如下：

* 吳意誠先生於二零零九年八月一日獲委任為合規委員會成員。

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A copy of each Committee's terms of reference is available from the company secretary of the Company.

* Mr. Huang Sheng-Shun was replaced by Mr. Wu Ih Chen as a member of Compliance Committee on 1st August 2009.

每個委員會的職權範圍複本可向本公司的公司秘書索取。

* 於二零零九年八月一日，吳意誠先生接替黃勝舜先生成為合規委員會成員。

Audit Committee

Composition

The Audit Committee was established on 16th May 2007 and comprises three members, all are Independent Non-executive Directors namely Mr. Yeung Chi Tat (Chairman), Mr. Chuang Hong-Jen and Mr. Hsieh Yu. During the year, the role of the members remains unchanged. The Financial Controller also attended meetings by invitation.

The Audit Committee met two times during the year, the attendance of the committee members are shown as the following table:

Name 姓名	Attendance/Total Meetings 出席紀錄／會議總數
Yeung Chi Tat 楊志達	2/2
Chuang Hong-Jen 莊宏仁	0/2
Hsieh Yu 謝裕	2/2

The Audit Committee's responsibilities include the following:

- review the integrity of financial reports;
- monitor the effectiveness of the Group's internal control and risk management system; and
- consider the independence of the external auditors.

Further details on the work of the Audit Committee for the year 2008/2009 could be found under "Audit Committee Report".

審核委員會

組成

審核委員會於二零零七年五月十六日成立，由三名成員組成，彼等均為獨立非執行董事，即楊志達先生(主席)、莊宏仁先生及謝裕先生。年內，成員的職責保持不變。財務總監亦獲邀出席會議。

審核委員會於年內召開兩次會議，下表顯示委員會成員的出席紀錄：

審核委員會的職責包括如下：

- 審閱財務報告的完整性；
- 監察本集團的內部監控及風險管理系統的有效性；及
- 考慮外聘核數師的獨立性。

審核委員會於二零零八年／二零零九年度工作的進一步詳情可於「審核委員會報告」中查閱。

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企業管治報告

Remuneration Committee

Composition

The members of the Remuneration Committee are Mr. Yeung Chi Tat (Chairman), Mr. Chuang Hong-Jen and Mr. Hsieh Yu, of whom are all Independent Non-executive Directors.

The Remuneration Committee met two times during the year, the attendance of the committee members are shown as following table:

Name 姓名	Attendance/Total Meetings 出席紀錄／會議總數
Yeung Chi Tat 楊志達	2/2
Chuang Hong-Jen 莊宏仁	1/2
Hsieh Yu 謝裕	2/2

The responsibilities of the Remuneration Committee include the following:

- determine on behalf of Board, the Group's remuneration policy for the Executive Directors and the senior management team of the Company;
- consider and advise on the terms of any contract to be offered to a director; and
- monitor the remuneration package of senior management team and make recommendation.

Further information of the Remuneration Committee's activities is contained in "Remuneration Committee Report".

Nomination Committee

Composition

The Nomination Committee comprises three members, all are Independent Non-executive Directors, namely Mr. Yeung Chi Tat (Chairman), Mr. Chuang Hong-Jen and Mr. Hsieh Yu.

The key objective of the Nomination Committee is to ensure the Board comprises individuals with requisite skills, experience to ensure that it is effective in discharging its responsibilities.

薪酬委員會

組成

薪酬委員會成員為楊志達先生(主席)、莊宏仁先生及謝裕先生，全部均為獨立非執行董事。

薪酬委員會於年內召開兩次會議，下表顯示該委員會成員的出席紀錄：

薪酬委員會的職責包括如下：

- 代表董事會釐定有關本公司執行董事及高級管理層團隊的集團薪酬政策；
- 省覽及建議向董事提供的任何合約條款；及
- 監察高級管理層團隊的薪酬組合並作出建議。

薪酬委員會的活動的進一步詳情載於「薪酬委員會報告」。

提名委員會

組成

提名委員會由三名成員組成，彼等均為獨立非執行董事，即楊志達先生(主席)、莊宏仁先生及謝裕先生。

提名委員會的主要目標乃確保董事會由擁有所需技能及經驗的個體組成，以確保其有效執行職責。

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Attendance at Nomination Committee Meeting is as follows: 提名委員會會議的出席紀錄如下：

Name 姓名		Attendance/Total Meetings 出席紀錄／會議總數
Yeung Chi Tat	楊志達	1/1
Chuang Hong-Jen	莊宏仁	0/1
Hsieh Yu	謝裕	1/1

The criteria for appointment of a new director are set out herein below: 委任新董事的準則載列如下：

- | | |
|---|--|
| <ul style="list-style-type: none"> i) assess the independence in case of an Independent Non-executive Director; ii) possess core competencies that meet the needs of the Company; and iii) be able to commit time and carry out duties and responsibilities. | <ul style="list-style-type: none"> i) 評估其獨立性(倘為獨立非執行董事)； ii) 擁有本公司所需的核心技能；及 iii) 能夠投放時間履行職務及職責。 |
|---|--|

During the year, no new director has been appointed by the Company. 年內，本公司並無委任新董事。

The Nomination Committee leads the process and makes recommendations of the appointment of a new director to the Board as follows: 提名委員會引領及建議董事會委任新董事，程序如下：

- | | |
|---|--|
| <ul style="list-style-type: none"> i. evaluates the balance of skills, knowledge and experience on the board and determine the role and desirable competencies for a particular appointment in consultation with the management; ii. conducts a review with the potential candidate to assess suitability and to ensure that the candidates are aware of the expectations and the level of commitment required. | <ul style="list-style-type: none"> i. 評核董事會於技能、知識及經驗等方面是否均衡，並在諮詢管理層後釐定該特定委任的職務及所需技能； ii. 與候選人進行檢閱以評估其適合程度，並確保候選人知悉有關期望及所需投入程度。 |
|---|--|

Corporate Governance Report

企業管治報告

Nomination Committee Activities during the year

Significant matters discussed by the Nomination Committee are summarized as follows:

- To assess the re-designation of Mr. Kirk Yang from an Executive Director and chief financial officer to Non-executive Director;
- To review nominations for re-appointed of director having regard to his contribution and performance;
- To review and determine whether a Director is independent on an annual basis; and
- To assess effectiveness of the Board.



Compliance Committee

The Compliance Committee currently comprises Mr. Yeung Chi Tat (Chairman), Mr. Wu Ih Chen, Mr. Huang Te-Wei and Mr. Chan Oi Fat.

Mr. Huang Sheng-Shun ceased as a member of the Compliance Committee and Mr. Wu Ih Chen was elected a member of Compliance Committee, all with effect as of 1st August 2009.

The overall responsibility of the Compliance Committee is to ensure that the Group comply with all the relevant rules, laws and regulation as set in different jurisdiction and Listing Rules of Hong Kong.

Compliance Committee Activities during the year

The Compliance Committee met four times during the year, The major activities undertaken by the Compliance Committee are as follows:

- oversee the financial, legal, statutory and listing requirement, internal control and corporate governance practices of the Group;
- establish the Group policy and procedures for independent professional advice;
- approve and adopt the "Share Repurchase Policy"; and
- approve and adopt the "Code of Ethics and Securities Transaction".

提名委員會年內的活動

提名委員會討論的重大事項簡述如下：

- 評核楊應超先生由執行董事兼財務總裁調任為非執行董事；
- 根據重選董事的貢獻及表現審閱其提名；
- 每年審閱並釐定董事的獨立性；及
- 評核董事會的績效。

合規委員會

合規委員會目前由楊志達先生(主席)、吳意誠先生、黃德威先生及陳愛發先生組成。

黃勝舜先生不再擔任合規委員會的成員，而吳意誠先生獲選為合規委員會成員，兩者均於二零零九年八月一日起生效。

合規委員會的整體職責乃確保本集團遵守載於不同司法管轄區及香港上市規則的所有有關規則、法律及法規。

合規委員會年內的活動

合規委員會於年內召開四次會議，合規委員會進行的主要活動如下：

- 監察財務、法律、法定要求及上市要求，以及本集團的內部監控及企業管治常規；
- 制訂有關獨立專業意見的本集團政策及程序；
- 批准及採納「股份購回政策」；及
- 批准及採納「操守及證券交易守則」。

Corporate Governance Report

企業管治報告

Executive Committee

An Executive Committee was established on 3rd September 2007 (the “Executive Committee”) with specific written terms of reference and comprises five members, by whom three are Executive Directors, namely Mr. Huang Sheng-Shun, Mr. Wu Ih Chen, Mr. Huang Te-Wei, Mr. Chan Oi Fat and Ms. Wu Pei Min.

The Executive Committee is responsible for the day-to-day management of the Group’s businesses, the overall financial performance of the Group in fulfillment of strategy, plans and budgets and the Group capital expenditures as defined in the terms of reference.

The Committee reports on these topics on its own conclusions and recommendation to the full Board.

執行委員會

執行委員會於二零零七年九月三日成立（「執行委員會」），以書面列明職權範圍，並由五名成員組成，其中三名為執行董事，即黃勝舜先生、吳意誠先生、黃德威先生、陳愛發先生及吳沛珉小姐。

執行委員會負責本集團日常的業務管理，確保本集團的整體財務表現可滿足其策略、計劃及預算以及本集團的資本開支，詳情於職權範圍內闡述。

委員會就以上項目向全體董事委員會匯報其結論及提出建議。

ACCOUNTABILITY AND AUDIT

Directors’ and Auditors’ Acknowledgement

The Audit Committee and the Board have reviewed the Group’s consolidated financial statements for the year ended 31st July 2009. The Directors acknowledge their responsibilities for preparing the accounts and presenting a balanced, clear and comprehensive assessment for the Company’s performance, position and prospects. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern.

Messrs. SHINEWING (HK) CPA Limited acknowledged their reporting responsibilities in the auditors’ report on the consolidated financial statements for the year ended 31st July 2009.

Auditors’ Remuneration

During the year, SHINEWING (HK) CPA Limited (“SHINEWING”) was appointed as the Group’s auditors until the conclusion of next annual general meeting.

問責性及審計

董事及核數師的承擔

審核委員會及董事會已審議本集團截至二零零九年七月三十一日止年度的綜合財務報表。董事承認彼等有責任編製賬目及就本公司的表現、狀況及前景呈呈均衡、清晰及全面的評估。董事並不知悉可能令本公司持續經營能力備受嚴重質疑的事件或情況涉及任何重大不明朗因素。

信永中和(香港)會計師事務所有限公司承認彼等在有關截至二零零九年七月三十一日止年度綜合財務報表的核數師報告中的申報責任。

核數師薪酬

年內，信永中和(香港)會計師事務所有限公司（「信永」）獲委任為本集團的核數師，直至下一屆股東週年大會結束。

Corporate Governance Report

企業管治報告

During the year ended 31st July 2009, the remuneration paid or payable to SHINEWING in respect of their audit and non-audit services were as follows:

截至二零零九年七月三十一日止年度內，就審計及非審計服務已付或應付予信永的薪酬如下：

		2009 二零零九年 HK\$'000 千港元
Audit services	審計服務	835
Non-audit services	非審計服務	293
Taxation advisory services	稅務顧問服務	18
Other advisory services	其他顧問服務	275
Total:	總計：	1,128

INTERNAL CONTROL

The Board is responsible for the effectiveness of the Group's internal control systems. The internal control systems are designed to meet the Group's particular needs and the risks to which it is exposed, and by their nature can only provide reasonable, but not absolute assurance against misstatement or loss.

Procedures have been set up for safeguarding assets against unauthorized use or disposition, controlling over capital expenditure, maintaining proper accounting records and ensuring the reliability of financial information used for business and publication. Qualified management throughout the Group maintains and monitors the internal control systems on an ongoing basis.

內部監控

董事會負責本集團內部監控系統的有效性。內部監控系統旨在滿足本集團的特定需要及應付其面臨的風險，但因其性質所限，對於錯誤陳述或失誤僅能提供合理而非絕對的保障。

系統內已建立程序保護資產免遭擅自使用或處置、控制資本支出、維持適當的會計紀錄及確保用於業務及公佈的財務資料的可靠性。本集團的合資格管理層會持續維護及監控內部監控系統。

Corporate Governance Report

企業管治報告

The Company has engaged SHINEWING Risk Services Limited (“SHINEWING Risk”) to conduct an annual review of the effectiveness of the Group’s material internal controls, including financial, operational and compliance controls and risk management. Audits were carried out on all significant business units of the Group. The internal control report is submitted and reviewed by the Audit Committee. In addition, internal audit’s summary of findings and recommendations are discussed at the Audit Committee meeting with a view to improve the Group’s operations.

To further strengthen the internal control of the Group, control department is established to provide day-to-day management of the compliance and control of the Group in order to eliminate risks of failure of operational systems and the achievement of the Group’s objectives. The control department is currently headed by Mr. Huang Te-Wei, the Executive Director.

Control department will conduct meeting regularly and work closely with SHINEWING Risk to monitor the internal control systems within the Group in order to provide reasonable assurance as to the effectiveness and efficiency of operations, integrity and reliability of financial information and to safeguard and maintain accountability of its assets. Additionally, the various divisions’ head of the Group met with the head of Control Department each month to ensure a sound internal control system is in place and maintained. To enhance the knowledge of relevant staffs of the Group, training will be provided to them in the matter of relevant rules and applicable laws as when appropriate.

本公司已聘任信永方略風險管理有限公司（「信永方略」）對本集團重大內部監控（包括財務、經營、合規監控及風險管理等）的有效性進行年度檢討。審核範圍涵蓋本集團所有重大業務單位。內部監控報告會呈交予審核委員會以供審閱。此外，於審核委員會會議上會討論內部審核結果概要及建議，以改善本集團的營運。

為了進一步加強本集團的內部監控，本集團已成立監控部門負責本集團合規及監控事宜的日常管理，以確保消除經營系統失效的風險及確保達到本集團的目標。監控部門現時由執行董事黃德威先生領導。

監控部門將定期召開會議，並與信永方略密切合作以監察本集團的內部監控系統，以合理確保營運成效及效率、財務資料完整及可信，以及保障並維護有關資產的財務責任。此外，本集團不同部門的主管每月與監控部門主管舉行會議，以確保建立並維持完善的內部監控系統。為了增進本集團相關員工的知識，會於適當時就相關規則及適用的法律為彼等提供培訓。

Corporate Governance Report

企業管治報告

Based on the internal report, the Board is of the view that the internal controls of the Group are adequate and complied with the code provision on internal control as set out in the Listing Rules.

根據內部報告，董事會認為本集團的內部監控充足並符合載於上市規則的內部監控守則條文。

RISK MANAGEMENT

The Group manages risk under an overall strategy determined by the Board. The framework of the risk management comprises of the following key elements:

- identify and assess of all the risks;
- formulate the risk management strategies;
- design and implement of risk management and plan;
- monitor and report the risk management performance; and
- continuous improvement of risk management and mitigation action plans.

風險管理

本集團根據董事會釐定的整體策略管理風險。風險管理架構由下列主要元素組成：

- 識別並評核所有風險；
- 制定風險管理策略；
- 設計並實施風險管理及計劃；
- 監控並匯報風險管理表現；及
- 持續改善風險管理及減低風險應對計劃。



Corporate Governance Report

企業管治報告

The major risk factors assessed by the Group are listed as follows:

本集團評估的主要風險因素表列如下：

Risk Factors 風險因素	Impact 影響	Mitigation 應對
Strategic 策略		
Global economic downturn and market volatility 全球經濟衰退及市場動盪	<ul style="list-style-type: none"> The Group's products could be curtailed which resulted in the risk of the operating performance and financial stability of the Group 本集團可能縮減產品，因而對本集團的營運表現及財政穩健構成風險 	The management worked closely with the business units to help them to pre-empt emerging risks and prompt proactive actions to mitigate any adverse impact 管理層與業務單位緊密合作，以助洞察新興風險，並迅速採取積極行動以減低任何不利影響
Increasing competition 競爭加劇	<ul style="list-style-type: none"> Significant product innovations, technical advances or the intensification of competition could adversely affect the Group 重大產品創新、科技改進或激烈競爭均可對本集團造成不利影響 	The Group enhanced its research and development to ensure the introduction of new products 本集團加強研發，以確保推出新產品
Integration of acquisition 收購整合	<ul style="list-style-type: none"> We may not be successful acquired business and not reach the full synergy effects 本集團或不能成功收購業務，並無法產生最大的協同效益 	The management adopted risk assessment includes macro and project specific risks analysis encompassing due diligence, financial modeling and sensitivity analysis on key investment assumptions and variables 管理層採納風險評估，包括宏觀及專案風險分析，涵蓋盡職審查、財務結構及針對主要投資假設及可變因素的敏感度分析 The management is monitoring the progress of strategic plan and modify the plan from time to time 管理層正監察策略計劃的進度並不時修改計劃

Corporate Governance Report

企業管治報告

Risk Factors 風險因素	Impact 影響	Mitigation 應對
Operational Risk 營運風險		
Product liabilities 產品責任	Product liabilities claims could adversely affect our Company's business 產品責任索償可對本公司的業務造成不利影響	The company has arranged insurance to cover product liability 本公司已投資保險以保障產品責任
Raw material 原材料	Growth in cost and expense in raw materials changes may adversely influence the future results of the Company 成本及原材料開支增幅變動可能會對本公司未來業績造成不利影響	The company aims to maintain long-terms business relationships with suppliers to acquire raw material 本公司的目標是與供應商維持長期業務關係，以取得原材料
Customer 客戶	Loss of customers could adversely affect our business 客戶流失可能對我們的業務造成不利影響	The Company keep in close touch with our customers and markets and focus effort on delivery high quality products to them 本公司與客戶及市場建立緊密關係，並致力為客戶提供優質產品
Financial 財務		
Exchange Rate Fluctuation 匯率波動	Exchange rate fluctuation can have harmful impact on company 匯率波動會對本公司造成不良影響	The Company will closely monitor the exchange rate risks from time to time 本公司將不時密切監察匯率風險
Financing and liquidity constraints 融資及流動資金限制	Lack of financial capacity could affect the Group's ability to conduct its business and maintain its capital investment or dividend payments 財政能力不足可能會影響本集團進行業務及維持其資本投資或派發股息的能力	The Company adopts prudent financing treasury policy and strict cash management policy to maintain stable cash position 本公司採取審慎的融資庫務政策及嚴謹的現金管理政策，以維持穩健的現金狀況
Legal and Compliance 法例及監察		
Law and regulations 法例及規例	The Group may suffer as a results of its failure to comply with all applicable laws and regulations 本集團或會因未能遵守所有適用法例及規例而蒙受損失	The control department assists in identifying, monitoring and providing support to identify and manage legal risks across the legal and seek external legal advisers as and when appropriate 控制部協助識別、監察及提供支援以識別及管理有關法律的法律風險，以及在合適的時候聘請外聘法律顧問

Corporate Governance Report

企業管治報告

Benefits of Risk Management



Please refer to the Audit Committee Report for the committee's activities in 2008/2009.

有關委員會於二零零八年／二零零九年的活動，請參閱審核委員會報告。

Corporate Social Responsibility

Environmental Protection & Safety Measures

To support the good environment support, the Group continues to pursue a proactive policy in environmental protection and have implemented a series of environmental protection practices, details of which are as follows:-

- Dongguan Ta Yang factory and Huzhou factory obtained ISO 4001 certification;
- Install a discharge and sedimentation tank in our plants to treat domestic sewage before discharging to the sewage before discharging to the sewage drains in the neighbourhood;
- Install noise-barriers in our electricity general rooms and in the plants with air compression equipment respectively; and
- install ventilating ducts to collect exhausted gases generated during production processes before emitting to the atmosphere.

In addition, the Group emphasizes on safe production measures. These measures include safely tips which set out certain guidelines on occupational safety such as safely production measures and procedures for handling emergency. In order to promote the safety awareness, the Group also organizes induction training and occupational safety training for our staff. The Group has regularly checked the equipments to ensure the staff is working at safety place.

企業社會責任

環境保護及安全措施

為支持保護良好環境，本集團繼續推行積極參與環境保護活動的政策及引入一系列環境保護措施，詳情如下：-

- 東莞大洋廠房及湖州廠房取得ISO 4001認證；
- 本公司在廠房裝置排水沉澱槽，以於排放污水至鄰近的污水渠前處理當地的污水；
- 在本公司的發電房及裝有氣壓設備的廠房分別裝置隔音牆；及
- 安裝設有通風輸送管以收集生產過程中產生的廢氣，然後再排出戶外。

此外，本集團大力推行安全生產措施，包括作出安全提示，載列安全生產措施及處理緊急事故的程序等若干職業安全指引。為宣揚安全意識，本集團亦為員工舉辦入門訓練及職業安全培訓。本集團已定期檢查設備，以確保員工在安全環境下工作。

Corporate Governance Report

企業管治報告

Green Policies

We implement paper recycling policy for papers in Hong Kong and the PRC offices. Staff are also encouraged to practice energy saving habits, such as setting their computers to sleep mode when not in use and using internal communication in the form of electronic direct mail.

Employee and Social Welfare

The Group places emphasis to retain talent staff by providing annual bonus and annual dinner in Chinese Lunar Year. Besides, the Group organize basketball and Tug-of-war sports competition in October each year to promote the mutual cooperation and understanding among the staff. There are also corporate orientation programmes to enable the Mainland staff to better understand the Group's culture.

環保政策

我們在香港及中國的辦公室實施紙張循環再用政策。我們亦鼓勵員工奉行節能習慣，例如在不用電腦時設為休眠模式，以及使用電子直郵的形式進行內部溝通。

員工及社會福利

本集團透過提供年終花紅及農曆新年的團年晚宴，積極挽留有才能的員工。此外，本集團每年十月均會舉辦籃球及拔河比賽，提倡互相合作及加深員工彼此之間的認識。公司亦會舉辦企業迎新計劃，使內地員工更加了解本集團的文化。



Corporate Governance Report

企業管治報告

Learning and Development

During the year, the Group organized a training programme to the staff in the PRC office focusing on the production management areas. The programme gave them an excellent opportunity to strengthen their understanding of the functional areas within the factory in the PRC and strategic direction of the Group to improve and enhance the efficiency of the Group.

In addition, the Company provides financial subsidies to employees to attend seminar organized by different professional bodies with the aims to enhance their technical skills, business skills and personal strengths.

學習與發展

年內，本集團向中國辦事處的員工籌劃培訓計劃，集中培訓有關生產管理方面的能力。是項計劃為員工提供良機，可藉以加強其對中國廠房職能事務以及本集團策略決策的了解，以提升本集團效率。

此外，本公司向僱員提供財務補貼，資助其參加由不同專業團體組織的研討會，以提升其技術技能、商業技能以及個人專長。



Corporate Governance Report

企業管治報告

INVESTOR AND SHAREHOLDER RELATIONS

The Board recognizes the importance of maintaining clear, timely and effective communication with shareholders of the Company and investors. The Board also recognizes that effective communication with investors is the key to establish investor confidence and to attract new investors. Therefore, the Group is committed to maintain high degree of transparency to ensure the investors and the shareholders are receiving accurate, clear, comprehensive and timely information of the Group via the publication of annual reports, interim reports, press announcements, and also the Company's website at www.tayang.com.

The Board continues to maintain regular dialogue with institutional investors and analysts to keep them informed the Group's strategy, operations, management and plans.

The Company's website is also a source of information for its shareholders and prospective shareholders. All materials on annual reports, interim reports and announcements are available on our website immediately following confirmation of their release. The contact details of the investor relations are also available on the Company's website which allows shareholders to contact the Company easily.

The Directors and the committee members are available to answer the questions through the annual general meeting. External auditors are also available at the annual general meeting to address shareholders' queries. Separate resolutions are proposed at general meeting on each substantially separate issue.

Our investor relations activities include:

- face to face meeting with analysts and fund managers;
- teleconferences with analysts and fund managers;
- financial results briefings with analysts and the media to coincide with the press release;
- update the Company's website regularly;
- broadcasting relevant information to investors through the Group's mailing lists;
- holding annual general meetings with shareholders;
- providing disclosed information on a time basis via the Company and Stock Exchange's website

投資者及股東關係

董事會確認與本公司股東及投資者維持清晰、及時及有效溝通的重要性。董事會亦確認與投資者的有效溝通乃建立投資者信心及吸引新投資者的關鍵。因此，本集團致力維持較高透明度以確保投資者及股東透過年報、中期報告、新聞公告的公佈及本公司的網站www.tayang.com獲取準確、清晰、全面與及時的資料。

董事會繼續維持與機構投資者及分析師作定期溝通，讓彼等知悉本集團的策略、經營、管理及計劃。

本公司網站亦為向股東及準股東提供資料的渠道。年報、中期報告及公佈的所有資料一經確認發佈，隨即可在本公司網站閱覽。有關投資者關係的聯絡詳情亦可在本公司網站查閱，以方便股東與本公司聯絡。

董事及委員會成員會透過股東週年大會回答問題。外聘核數師亦會在股東週年大會上回答股東的提問。股東大會上會就各個別議題提呈單獨決議案。

本集團年內的投資者關係活動包括：

- 與分析師和基金經理作面對面會議；
- 與分析師和基金經理作電話會議；
- 與分析師和傳媒作財務業績簡報，使新聞稿和財務業績保持一致；
- 定期更新本公司網站；
- 透過本集團郵寄名單向投資者發佈相關資訊；
- 與股東舉行股東週年大會；
- 適時透過本公司及聯交所的網站提供已披露資料

Corporate Governance Report

企業管治報告

Shareholders' Right

The Annual General Meeting of the Company (the "AGM") provides opportunities for the shareholders to meet and raise questions to our Directors, the management and the external auditors. At 2008 AGM, we have separated resolutions on each substantially separate issue including election of individual Directors. The matters resolved at 2008 AGM are summarized below:

- receipt of the audited accounts for the year ended 31st July 2008 together with the Reports of the Directors and the Auditors;
- payment of final dividend for the year ended 31st July 2008;
- election of Mr. Lin Hung Ming, Mr. Wong Tak Leung, Mr. Huang Te-Wei and Mr. Kirk Yang as Directors;
- re-appointment of SHINEWING (HK) CPA Limited as auditor of the Company and authorization of the Board of Directors to fix their remuneration;
- approval of granting the general mandate to the Director to allot, issue and deal with the Company's shares;
- approval of granting the general mandate to the Board to repurchase the Company's shares; and
- approval of authorization to Directors to extend the general mandate to issue new shares by adding the number of shares repurchased.

In 2009 AGM, all the resolutions will be conducted by poll so as to allow shareholders to have one vote for every share held. The results of the voting by poll will be declared at the meeting and published on the websites of the Stock Exchange and the Company respectively.

Shareholders may put forward their proposals or inquiries to the Board of the Company by sending their written request to the Company's correspondence address in Hong Kong.

Articles of Association

During the year, there is no significant change to the Company's Articles of Association.

股東的權利

本公司股東週年大會(「股東週年大會」)給予股東機會，與董事、管理層及外聘核數師會面及提問。於二零零八年股東週年大會上，我們會就各個別議題(包括選任個別董事)提呈單獨決議案。於二零零八年股東週年大會上決議的事項概述如下：

- 接獲截至二零零八年七月三十一日止年度的經審核賬目，連同董事及核數師報告；
- 派付截至二零零八年七月三十一日止年度的末期股息；
- 選任林宏明先生、黃德良先生、黃德威先生及楊應超先生為董事；
- 續聘信永中和(香港)會計師事務所有限公司作為本公司核數師，以及授權董事會釐定其薪酬；
- 批准授予董事配發、發行及處理本公司股份的一般授權；
- 批准授予董事會購回本公司股份的一般授權；及
- 批准授權董事藉加入購回股份的數目，擴大發行新股份的一般授權。

於二零零九年股東週年大會上，所有決議案將會以投票方式表決，以使股東能獲得一股一票的投票權。投票結果將於會上宣佈，並於聯交所及本公司的網站內刊登。

股東可將其書面要求寄發至本公司在香港的通信地址，藉此向本公司董事會提出其建議或質詢。

組織章程

年內，本公司的組織章程並無任何重大變動。

Corporate Governance Report

企業管治報告

Shareholdings Information

As at 31st July 2009

Authorised Capital : HK\$2,000,000,000 divided into 20,000,000,000 shares of HK\$0.1 each

Issued and fully-paid up capital : HK\$80,000,000 divided into 800,000,000 shares of HK\$0.1 each

The following table summarized the existing shareholding structure of the Company as at 31st July 2009:

持股資料

於二零零九年七月三十一日

法定股本 : 2,000,000,000港元，分為20,000,000,000股每股0.1港元的股份

已發行及繳足股本 : 80,000,000港元，分為800,000,000股每股0.1港元的股份

下表概列本公司截至二零零九年七月三十一日止現有的持股架構：

Category 類別	No. of Shares 股份數目	% of issued capital of the Company 本公司 已發行股本的 百分比
Controlling shareholders & Directors 控股股東及董事	437,840,000	54.73%
Strategic Investors ¹ 策略投資者 ¹	24,180,000	3.02%
Public & connected persons ² 公眾及關連人士 ²	337,980,000	42.25%
Total 總計	800,000,000	100%

Notes:

- Strategic investors represented Mitsubishi and Shin-Etsu, which held 12,180,000 shares and 12,000,000 shares respectively.
- 65,796,000 shares out of 337,980,000 shares are held by certain connected persons of the Group.

附註：

- 策略投資者指分別持有12,180,000股及12,000,000股股份的三菱及信越。
- 337,980,000股股份中的65,796,000股股份由本集團若干關連人士持有。

Remuneration Committee Report

薪酬委員會報告

This report provides the details of work undertaken by the Remuneration Committee (the "RC" or "Committee") during the year.

本報告提供有關薪酬委員會(「薪酬委員會」或「委員會」)年內所進行工作的詳情。

MEMBERSHIP OF THE REMUNERATION COMMITTEE

During the year, the directors who served on the RC were Mr. Yeung Chi Tat (Chairman), Mr. Chuang Hong-Jen and Mr. Hsieh Yu. All of them are independent non-executive directors.

Members of the RC have no personal interest in the Committee's decisions and they have no conflict of interest arising from cross directorship.

薪酬委員會成員

年內出任委員會成員的董事為楊志達先生(主席)、莊宏仁先生及謝裕先生。彼等均為獨立非執行董事。

薪酬委員會成員在委員會決策時並無牽涉個人利益，且亦無因其兼任董事而產生任何利益衝突。

ACTIVITIES OF THE REMUNERATION COMMITTEE

During the year, the RC met two times and the major business of those meetings included the following activities:

- conducting the annual review of annual salaries and bonus (if any) for all executive directors and making appropriate recommendation to the Board;
- consider and determine the remuneration package of Non-executive Director and making appropriate recommendation to the Board;
- recommend the pay adjustment for the year 2009 in accordance with the remuneration policy of the Group.

薪酬委員會活動

年內，薪酬委員會召開兩次會議，而會上主要商討的事宜包括以下各項：

- 為所有執行董事的年度薪金及花紅(如有)進行年度檢討，並向董事會作出適當建議；
- 省覽及釐定非執行董事的薪酬組合，以及向董事會作出適當建議；
- 根據本集團的薪酬政策，建議二零零九年的薪酬調整。

Remuneration Committee Report

薪酬委員會報告

REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

The remuneration for the executive directors comprises basic salary, bonus, share options and pensions.

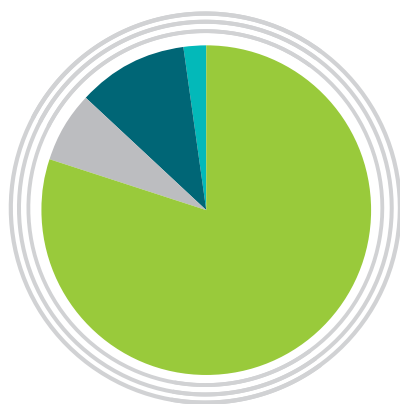
Salary adjustments are made where the Remuneration Committee takes into account performance of the individual, contribution, responsibilities and reference to comparable listed companies in Hong Kong.

The remuneration of Independent Non-executive Director is reviewed annually with reference to the salary research survey, comparable companies and market condition.

Apart from basic salary, executive directors and employees are eligible to receive a discretionary bonus taking into account factors such as market conditions as well as corporate and individual's performance during the year.

In order to attract, retain and motivate talented eligible staff, including the Directors, the Company has adopted a Share Option Scheme. The scheme enables the eligible persons to obtain an ownership interest in the Company and thus will motivate them to optimize their continuing contributions to the Group.

ELEMENTS OF REMUNERATION



董事及高級管理層的薪酬政策

執行董事的薪酬包括基本薪金、花紅、購股權及退休金。

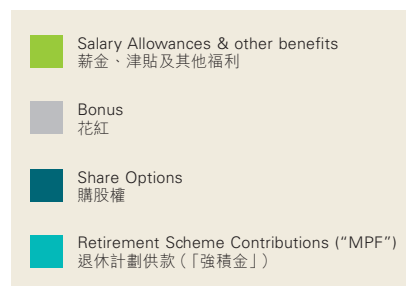
薪酬委員會在作出薪金調整時，會考慮個別人士的工作表現、貢獻、職責及參考可資比較的香港上市公司。

獨立非執行董事的薪酬乃參考薪金研究調查、可資比較公司及市場狀況作每年檢討。

除基本薪金外，執行董事及僱員均合資格獲取酌情花紅，惟須根據市場狀況、年內企業及個人表現等因素而定。

本公司已採納購股權計劃以吸引、挽留及激勵有才能的合資格人員(包括董事)。該計劃確保合資格人士可獲得本公司擁有權權益，從而激勵彼等繼續為本集團竭盡所能。

薪酬包含的元素



Remuneration Committee Report

薪酬委員會報告

The following table illustrates the elements of remuneration of Executive Directors and Senior Management 下表說明執行董事及高級管理層薪酬包含的元素

Remuneration 薪酬	Purpose 目的	Delivery 派付方式	Policy Details 政策詳情
Basic Salary 基本薪金	To reflect the market value of each individual 反映每名人士的市場價值	<ul style="list-style-type: none"> Cash payment 現金付款 Monthly 每月 	<ul style="list-style-type: none"> Reviewed annually 每年檢討 Compare against selected comparable companies 與選定的可資比較公司比較 Market practices 市場慣例
Discretionary Bonus 酌情花紅	To motivate employees to deliver the high levels performance of the Company and individual performance goals 鼓勵僱員使本公司達致高水平表現及達成個人表現目標	<ul style="list-style-type: none"> Cash Payment 現金付款 Annual 每年 	<ul style="list-style-type: none"> Individual performance 個人表現 Market condition 市場狀況 The Group performance relative to corporate targets 集團表現（與企業目標相對）
Share Option 購股權	<ul style="list-style-type: none"> to motivate the participants 鼓勵參與者 to attract and retain the employees 吸引及挽留僱員 	<ul style="list-style-type: none"> Share Option 購股權 	<ul style="list-style-type: none"> Eligible participants are awarded in accordance with the Share Option Scheme 根據購股權計劃獎勵合資格參與者
Pension 退休金	<ul style="list-style-type: none"> To provide appropriate and competitive post retirement benefits 提供適當及具競爭力的退休後福利 	<ul style="list-style-type: none"> Cash contribution 現金供款 Monthly 每月 	<ul style="list-style-type: none"> MPF scheme 強積金計劃

Remuneration Committee Report

薪酬委員會報告

The following table shows the breakdown of Directors' remuneration (in percentage terms) for the year ended 31st July 2009:

下表呈列於截至二零零九年七月三十一日止年度董事酬金的明細(以百分比表示):

Name	姓名	Salary Allowances & other benefits		Bonus	Retirement Scheme Contributions	Share-based payments	Total
		Fees	benefits				
		袍金	薪金、津貼及其他福利	花紅	退休計劃供款	以股份為基礎的付款	總計
		%	%	%	%	%	%
Huang Sheng-Shun	黃勝舜	-	80.61%	5.89%	0.71%	12.79%	100%
Wu Ih Chen	吳意誠	-	80.12%	5.85%	0.88%	13.15%	100%
Huang Te-Wei	黃德威	-	79.23%	8.82%	1.39%	10.56%	100%
Lin Hung-Ming	林宏明	-	80.90%	6.37%	1.11%	11.62%	100%
Wong Tak Leung	黃德良	-	79.04%	6.47%	1.44%	13.05%	100%
Kirk Yang ¹	楊應超 ¹	8.19%	86.08%	5.18%	0.55%	-	100%
Chuang Hong-Jen	莊宏仁	100%	-	-	-	-	100%
Hsieh Yu	謝裕	100%	-	-	-	-	100%
Yeung Chi Tat	楊志達	100%	-	-	-	-	100%

Note:

- Mr. Kirk Yang re-designated from Executive Director and chief financial officer to Non-executive Director with effect from 1st February 2009.

附註:

- 楊應超先生由執行董事兼財務總裁調任為非執行董事，自二零零九年二月一日起生效。

Details of the amount of Directors' remuneration during the year ended 31st July 2009 are set out in note 17 to the financial statements and details of the Share Option Scheme and grant of options by the Company during the year are set out in Report of the Directors and note 33 to the financial statements.

截至二零零九年七月三十一日止年度的董事薪酬金額詳情載列於財務報表附註17，而購股權計劃及本公司年內授出購股權的詳情載列於董事會報告及財務報表附註33。

Members of the Remuneration Committee

Yeung Chi Tat (Chairman)

Chuang Hong-Jen

Hsieh Yu

薪酬委員會成員

楊志達(主席)

莊宏仁

謝裕

Hong Kong 26th November 2009

香港二零零九年十一月二十六日

Audit Committee Report

審核委員會報告

This report provides details of the role of the Audit Committee (the “AC”) and the work it has undertaken by them during the year. The main role of the AC mainly assist the Board in discharging its responsibilities for the integrity of the Group’s consolidated financial statements, the assessment of the effectiveness of the systems of internal financial controls and monitoring the effectiveness of internal control the external auditors.

The members of the AC during the year were:

Mr. Yeung Chi Tat (*Chairman*)
Mr. Chuang Hong-Jen
Mr. Hsieh Yu

MEETINGS AND ATTENDANCE

The Committee met two times during the year. Members’ attendance at the meetings held during the year is set out on page 44. The financial controller and the external auditors normally attended the meeting by invitation.

SUMMARY OF MAJOR WORKS DONE DURING THE YEAR

During the year, the major works done by AC were summarized as follows:

- reviewed with the management and the external auditors on the interim results and annual consolidated financial statements and related announcement including the related disclosures, integrity of financial reporting and the accounting policies adopted by the Company prior to the submission to the Board’s approval;
- considered the external auditors’ audit plan and any significant areas of judgement;
- reviewed the pre-approved internal audit activities of the Group;
- considered and pre-approved the resignation and re-appointment of auditors and their audit fee accordingly;

本報告提供有關審核委員會(「審核委員會」)職責及年內彼所進行工作的詳情。審核委員會的主要職責是協助董事會履行職責，包括監察本集團綜合財務報表的完整性、評估內部財務監控系統的有效性，以及監察內部監控的有效性，以及監察外聘核數師的有效性。

於年內，審核委員會的成員為：

楊志達先生(主席)
莊宏仁先生
謝裕先生

會議及出席紀錄

委員會於年內召開兩次會議，成員於年內的會議出席紀錄載於第44頁。財務總監及外聘核數師通常獲邀出席會議。

年內完成的主要工作概要

年內，審核委員會完成的主要工作概述如下：

- 與管理層及外聘核數師在提交董事會批准前審閱中期業績及全年綜合財務報表以及有關公告(包括有關披露事宜、財務報告完整性及本公司採納的會計政策)；
- 考慮外聘核數師的審計計劃以及任何重要判斷；
- 審閱及預先審批本集團的內部審計活動；
- 考慮及預先審批辭任及重新委任核數師及其審計費用；

Audit Committee Report

審核委員會報告

- reviewed, assessed the adequacy and effectiveness of the Company's internal control and risk management; and
 - reviewed and monitored the external auditor's independence and objectivity and the effectiveness during the audit process.
- 審閱及評估本公司的內部監控及風險管理是否足夠及其有效性；及
 - 審閱及監察外聘核數師的獨立性及客觀性以及審核程序的有效性。

FINANCIAL REPORTING

The AC has reviewed with the management the accounting principles and practices adopted by the Group and the financial reporting matters including a review of the audited financial statements for the year ended 31st July 2009.

財務報告

審計委員會已與管理層已審閱本集團採納的會計準則及慣例以及財務報告事項，包括審閱截至二零零九年七月三十一日止年度的經審核財務報表。

INTERNAL CONTROL

During the year, the AC engaged SHINEWING Risk Services Limited (the "SHINEWING Risk") to conduct the internal control review of the Group's operation and made recommendation to the Board accordingly. Based on the report issued by SHINEWING Risk, the AC considered that the key areas of the Group's internal control systems are reasonably implemented and the Group has complied with the requirements of the CG code as set out in the Listing Rules in respect of internal control.

內部監控

年內，審核委員會聘任信永方略風險管理有限公司(「信永方略」)對本集團的營運進行內部監控檢討，並向本集團作出相應建議。根據信永方略發出的報告，審核委員會認為本集團內部監控系統的主要方面已合理地實行，且本集團已遵守上市規則所載有關內部監控的企業管治守則規定。

EXTERNAL AUDITORS

The AC reviewed the independence of SHINEWING (HK) CPA Limited and recommended their re-appointment as auditors of the Group for the financial year 2009/2010 in the forthcoming annual general meeting.

外聘核數師

審核委員會已審核信永中和(香港)會計師事務所有限公司的獨立性，並建議在應屆股東週年大會續聘其出任本集團於二零零九年／二零一零年財政年度的核數師。

Members of Audit Committee

Yeung Chi Tat (Chairman)

Chuang Hong-Jen

Hsieh Yu

Hong Kong 26th November 2009

審核委員會成員

楊志達(主席)

莊宏仁

謝裕

香港二零零九年十一月二十六日

Report of the Directors

董事會報告

The Directors have pleasure in presenting their annual report and the audited consolidated financial statements for the year ended 31st July 2009.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's principal subsidiaries are design and manufacture of silicone rubber input devices which are mainly used in 4Cs (i) Consumer (consumer electronic devices), (ii) Computers (keypads for computers and notebooks) (iii) Communications (mobile phone handsets) and (iv) Cars (automotive peripheral products). Particulars of the Company's subsidiaries are set out in note 38 to the consolidated financial statements. The nature of the principal activities of the Group has not changed during the year.

RESULTS AND APPROPRIATION

The results of the Group for the year ended 31st July 2009 are set out in the consolidated income statement on page 95.

The Directors recommend the payment of a final dividend of HK\$0.06 per ordinary share, totally HK\$48 million. The final dividend is expected to be paid to those shareholders whose name appear on the register of members of the Company on 23rd December 2009.

SHARE CAPITAL

Details of movements of the share capital of the Company during the year are set out in note 30 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately HK\$14,091,000 on additions to property, plant and equipment mainly for the expansion and enhancement of its production capability.

Details of movements in the Group's property, plant and equipment during the year are set out in note 18 to the consolidated financial statements.

董事欣然提呈其年度報告及截至二零零九年七月三十一日止年度的經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司主要附屬公司的主要業務為設計及製造矽膠輸入裝置，而該等裝置主要用於4C(i)消費品(電子消費品)、(ii)電腦(電腦與筆記型電腦按鍵)、(iii)通訊設備(手機)及(iv)汽車(汽車週邊產品)。有關本公司附屬公司的詳情載於綜合財務報表附註38。年內，本集團主要業務的性質並無變動。

業績及撥用

本集團截至二零零九年七月三十一日止年度的業績載於第95頁的綜合損益表。

董事建議派付每股普通股0.06港元的末期股息，合共48,000,000港元。預期末期股息將派付予於二零零九年十二月二十三日名列本公司股東名冊的股東。

股本

年內，本公司股本變動的詳情載於綜合財務報表附註30中。

物業、廠房及設備

年內，本集團動用約14,091,000港元添置物業、廠房及設備，主要用以擴充及提升生產產能。

年內，本集團物業、廠房及設備變動的詳情載於綜合財務報表附註18。

Report of the Directors 董事會報告

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 172. This summary does not form part of the audited financial statements.

DISTRIBUTABLE RESERVES

As at 31st July 2009, the Company's reserve available for distribution amounted to HK\$661,944,000. Movements in reserves of the Company during the year and the distributable reserves of the Company as at 31st July 2009 are set out in note 37 to the consolidated financial statements of the Group.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for about 60.4% of the total revenue of the Group and the largest customer accounted for about 28.6% of the total revenue.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers taken together accounted for approximately 10.4% and 28.3% of the Group's total purchase for the year.

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

財務資料概要

本集團最近五個財政年度公佈的業績、資產與負債概要載於第172頁。該概要並不構成經審核財務報表的一部分。

可分派儲備

於二零零九年七月三十一日，本集團可供分派的儲備為661,944,000港元。本公司於年內的儲備變動及本公司於二零零九年七月三十一日的可分派儲備分別載於本集團的綜合財務報表附註37中。

主要客戶及供應商

於年內，本集團五大客戶佔本集團總收益約60.4%，而最大客戶則佔總收益約28.6%。

本集團最大供應商及五大供應商合共佔本集團於年內的總採購額約10.4%及28.3%。

各董事、彼等的聯繫人或任何本公司股東(就董事所知，擁有本公司已發行股本5%以上)概無在本集團五大供應商及客戶中擁有任何權益。

Report of the Directors

董事會報告

DIRECTORS

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

Executive Directors

Mr. Huang Sheng-Shun (*Chairman*)
Mr. Wu Ih Chen (*Chief Executive Officer*)
Mr. Lin Hung-Ming
Mr. Wong Tak Leung
Mr. Huang Te-Wei

Non-Executive Director

Mr. Kirk Yang (re-designated on 1st February 2009)

Independent Non-Executive Directors

Mr. Chuang Hong-Jen
Mr. Hsieh Yu
Mr. Yeung Chi Tat

Pursuant to Article 87 of the Company's Articles of Association, Mr. Chuang Hong-Jen, Mr. Wu Ih Chen and Mr. Yeung Chi Tat will retire by rotation at the AGM. Being eligible, Mr. Wu Ih Chen and Mr. Yeung Chi Tat, will offer themselves for re-election at the forthcoming annual general meeting. Mr. Chuang Hong-Jen has informed the Board of his intention of not seeking re-election and will retire from the Board with effect from the conclusion of the forthcoming annual general meeting.

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION

The Company has received from each of the Independent non-executive Directors an annual confirmation of his independence to Rule 3.13 of The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rule") and as at the date of this report still considers that all of the independent non-executive Directors to be independent.

董事

年內及截至本報告日期，本公司董事為：

執行董事

黃勝舜先生(主席)
吳意誠先生(行政總裁)
林宏明先生
黃德良先生
黃德威先生

非執行董事

楊應超先生(於二零零九年二月一日調任)

獨立非執行董事

莊宏仁先生
謝裕先生
楊志達先生

根據本公司的組織章程第87條，莊宏仁先生、吳意誠先生及楊志達先生將於股東週年大會上輪值退任。吳意誠先生及楊志達先生將符合資格並願意於應屆股東週年大會上膺選連任。莊宏仁先生已知會董事會，彼無意膺選連任，且將退任董事會職務，由應屆股東週年大會結束時生效。

獨立非執行董事的確認書

本公司已收到獨立非執行董事各自按照聯交所證券上市規則(「上市規則」)第3.13條發出有關其獨立性的年度確認書，於本報告日期，本公司對全體獨立非執行董事的獨立性仍表示認同。

Report of the Directors 董事會報告

DIRECTORS' SERVICE CONTRACTS

As at 31st July 2009, none of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

EMOLUMENT POLICY

The emoluments of the Directors of the Company are recommended by the Remuneration Committee, and decided by the Board, as authorized by shareholders in the annual general meeting, having regard to the Company's operating results, individual performance, experience, responsibility, workload and comparable market securities. No Director is involved in deciding their own remuneration.

The Company has adopted a pre-IPO share option scheme and a post-IPO share option scheme as an incentive to the Directors and eligible employees, details of the scheme is set out under the heading "Share Option Schemes".

Details of the remuneration policy for the Directors and senior management of the Group are set out in Remuneration Report under the heading "Remuneration Policy".

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors of the Company and the five highest paid individuals of the Group during the year under review are set out in note 17 to the consolidated financial statements.

董事服務合約

於二零零九年七月三十一日，概無擬於應屆股東週年大會上膺選連任的董事與本公司訂立任何本公司不可於一年內免付賠償(法定賠償除外)而終止的服務合約。

酬金政策

本公司董事的酬金乃由薪酬委員會建議，並遵照股東於股東週年大會上的授權，由董事會按本公司的經營業績、個人表現、經驗、責任、工作量及可供比較市場證券而釐定。董事概無參與決定彼等各自的酬金。

本公司已採用首次公開發售前購股權計劃及首次公開發售後購股權計劃作為對董事及合資格僱員的一項鼓勵，有關計劃詳情載於「購股權計劃」一節。

有關董事及本集團高級管理層的薪酬政策詳情載於薪酬報告「薪酬政策」一節。

董事及五名最高薪酬人士的酬金

有關於回顧年度，本公司董事及本集團五名最高薪酬人士的酬金詳情載於綜合財務報表附註17。

Report of the Directors

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE' INTERESTS

Directors' Interests

As at 31st July 2009, the interests and short positions of the Directors and the Chief Executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the laws of Hong Kong ("SFO")) as recorded in the register kept by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed issuer (the "Model Code") contained in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"), were as follows:

董事及主要行政人員的權益

董事權益

於二零零九年七月三十一日，各董事及本公司主要行政人員於本公司或及其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第352條登記於該條規定本公司存置的登記冊內，或根據香港聯合交易所有限公司證券上市規則(「上市規則」)上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

Report of the Directors

董事會報告

(A) Long positions in Shares and underlying Shares in the Company

於本公司股份及相關股份的好倉

Name of Director 董事姓名	Capacity in which interests are held 持有權益的身份	Number of shares/underlying shares held in the Company 於本公司持有的股份／相關股份數目			Approximate percentage of issued share capital of the Company 佔本公司 已發行股本的 概約百分比	Note(s) 附註
		Interests in shares 股份權益	Equity derivatives (Share Options) 股本衍生工具 (購股權)	Total interests 權益總額		
Huang Sheng-Shun 黃勝舜	Settlor of Huang Trust/ Beneficial Owner 黃氏信託委託人／ 實益擁有人	413,940,000 7,500,000	– 550,000	421,990,000	52.75%	1 to 3
Wu Ih Chen 吳意誠	Beneficial Owner 實益擁有人	1,000,000	455,000	1,455,000	0.18%	4
Lin Hung-Ming 林宏明	Beneficial Owner 實益擁有人	9,640,000	320,000	9,960,000	1.25%	5
Wong Tak Leung 黃德良	Beneficial Owner 實益擁有人	5,760,000	275,000	6,035,000	0.75%	5
Huang Te-Wei 黃德威	Beneficiary of Huang Trust/ Beneficial Owner 黃氏信託受益人／ 實益擁有人	413,940,000 –	– 230,000	414,170,000	51.77%	6&7

Report of the Directors

董事會報告

Notes:

- Huang Trust is a discretionary trust, of which Mr. Huang Sheng-Shun is the settlor, Homelink Venture Corp. ("Homelink") is the trustee and family members of Mr. Huang Sheng-Shun (including Mr. Huang Te-Wei) are beneficiaries.
- The 413,940,000 shares, representing approximately 51.74% shareholding of the Company, are directly held by the following seven British Virgin Islands companies ("7 BVI Companies") in aggregate as follows:

附註：

- 黃氏信託為全權信託，黃勝舜先生為委託人，Homelink Venture Corp. (「Homelink」)為信託人，而黃勝舜先生的家族成員(包括黃德威先生)為受益人。
- 該413,940,000股股份，即本公司約51.74%的股權，由以下七家英屬處女群島公司(「7家英屬處女群島公司」)合計直接持有，詳情如下。

Name of the 7 BVI Companies 7家英屬處女群島公司名稱	No. of Shares held 持有股份數目	Approximate percentage of issued share capital of the Company 佔本公司已發行 股本的概約百分比
Ace Chain Investments Corporation ("Ace Chain")	149,100,000	18.64%
China Gain Holdings Limited ("China Gain")	103,560,000	12.94%
Highwise Investment Group Corporation ("Highwise")	57,600,000	7.20%
Join Success Business Inc. ("Join Success")	34,560,000	4.32%
Jumbo Regent Investment Limited ("Jumbo Regent")	34,560,000	4.32%
Master Rich Business Limited ("Master Rich")	28,800,000	3.60%
Million Era Holding Corporation ("Million Era")	5,760,000	0.72%
Total 總計	413,940,000	51.74%

The 7 BVI Companies are respectively 100% owned subsidiaries of Acuwake Enterprises Limited ("Acuwake"). Acuwake is 100% owned by Homelink as trustee of Huang Trust. Mr. Huang Sheng-Shun is the settlor of Huang Trust and accordingly is taken to be interested in such shares. Mr. Huang Sheng-Shun is also a director of each of the 7 BVI Companies.

7家英屬處女群島公司各為Acuwake Enterprises Limited (「Acuwake」) 擁有100%權益的附屬公司。Homelink作為黃氏信託的信託人擁有 Acuwake 100%權益。黃勝舜先生為黃氏信託的委託人，因此被視作於該等股份中擁有權益。黃勝舜先生亦為7家英屬處女群島公司各公司的董事。

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3. The 550,000 shares represent shares exercisable pursuant to options granted to Mr. Huang Sheng-Shun on 16th May 2007 under the Pre-IPO Share Option Scheme of the Company and which is exercisable at a price of HK\$2.20 per share during the period from 8th June 2008 to 15th May 2017.
 4. The 455,000 shares represent shares exercisable pursuant to the options granted to Mr. Wu Ih Chen on 16th May 2007 under the Pre-IPO Share Option Scheme of the Company and which is exercisable at a price of HK\$2.20 per share during the period from 8th June 2008 to 15th May 2017.
 5. 320,000 shares and 275,000 shares are shares exercisable pursuant to the options granted to Mr. Lin Hung-Ming and Mr. Wong Tak Leung, directors of the Company respectively on 16th May 2007 under the Pre-IPO Share Option Scheme of the Company and which is exercisable at a price of HK\$2.20 per share during the period from 8th June 2008 to 15th May 2017.
 6. Mr. Huang Te-Wei is a son of Mr. Huang Sheng-Shun and a beneficiary of Huang Trust. As such, Mr. Huang Te-Wei is taken to be interested in the same block of 413,940,000 shares held by the 7 BVI Companies.
 7. The 230,000 shares represent shares exercisable pursuant to the options granted to Mr. Huang Te-Wei on 16th May 2007 under the Pre-IPO Share Option Scheme of the Company and which is exercisable at a price of HK\$2.20 per share during the period from 8th June 2008 to 15th May 2017.
3. 該550,000股指可行使股份，即根據本公司首次公開發售前購股權計劃於二零零七年五月十六日授予黃勝舜先生的購股權而得的股份，有關購股權可於二零零八年六月八日至二零一七年五月十五日期間按每股2.20港元的價格行使。
 4. 該455,000股指可行使股份，即根據本公司首次公開發售前購股權計劃於二零零七年五月十六日授予吳意誠先生的購股權而得的股份，有關購股權可於二零零八年六月八日至二零一七年五月十五日期間按每股2.20港元的價格行使。
 5. 該320,000股及275,000股指可行使股份，即根據本公司首次公開發售前購股權計劃於二零零七年五月十六日分別授予林宏明先生及黃德良先生的購股權而得的股份，有關購股權可於二零零八年六月八日至二零一七年五月十五日期間按每股2.20港元的價格行使。
 6. 黃德威先生為黃勝舜先生的兒子，並為黃氏信託的受益人。因此，黃德威先生被視為於由7家英屬處女群島公司持有的同一批413,940,000股股份中擁有權益。
 7. 該230,000股指可行使股份，即根據本公司首次公開發售前購股權計劃於二零零七年五月十六日授予黃德威先生的購股權而得的股份，有關購股權可於二零零八年六月八日至二零一七年五月十五日期間按每股股份2.20港元的價格行使。

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(B) Interest in associated corporations of the Company

於本公司相聯法團擁有的權益

Name of Director 董事姓名	Name of associated corporation* 相聯法團名稱*	Capacity in which interests are held 持有權益的身份	Class of shares 股份類別	Number of shares interested 擁有權益的股份數目	Percentage of the relevant associated corporation's share capital issued 佔有關相聯法團已發行股本的百分比
Huang Sheng-Shun 黃勝舜	Homelink as trustee of Huang Trust Homelink作為黃氏信託的信託人	Settlor of Huang Trust 黃氏信託的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Acuwake	Settlor of Huang Trust 黃氏信託的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Ace Chain	Settlor of Huang Trust 黃氏信託的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	China Gain	Settlor of Huang Trust 黃氏信託的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%

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Name of Director 董事姓名	Name of associated corporation* 相聯法團名稱*	Capacity in which interests are held 持有權益的身份	Class of shares 股份類別	Number of shares interested 擁有權益的股份數目	Percentage of the relevant associated corporation's issued share capital 佔有關相聯法團已發行股本的百分比
Huang Sheng-Shun 黃勝舜	Highwise	Settlor of Huang Trust 黃氏信託的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Join Success	Settlor of Huang Trust 黃氏信託的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Jumbo Regent	Settlor of Huang Trust 黃氏信託的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Master Rich	Settlor of Huang Trust 黃氏信託的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Million Era	Settlor of Huang Trust 黃氏信託的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%

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Name of Director 董事姓名	Name of associated corporation* 相聯法團名稱*	Capacity in which interests are held 持有權益的身份	Class of shares 股份類別	Number of shares interested 擁有權益的股份數目	Percentage of the relevant associated corporation's issued share capital 佔有關相聯法團已發行股本的百分比
Huang Te-Wei 黃德威	Homelink as trustee of Huang Trust Homelink作為黃氏信託的信託人	Beneficiary of Huang Trust 黃氏信託的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Acuwake	Beneficiary of Huang Trust 黃氏信託的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Ace Chain	Beneficiary of Huang Trust 黃氏信託的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	China Gain	Beneficiary of Huang Trust 黃氏信託的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Highwise	Beneficiary of Huang Trust 黃氏信託的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%

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董事會報告

Name of Director 董事姓名	Name of associated corporation* 相聯法團名稱*	Capacity in which interests are held 持有權益的身份	Class of shares 股份類別	Number of shares interested 擁有權益的股份數目	Percentage of the relevant associated corporation's issued share capital 佔有關相聯法團已發行股本的百分比
Huang Te-Wei 黃德威	Join Success	Beneficiary of Huang Trust 黃氏信託的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Jumbo Regent	Beneficiary of Huang Trust 黃氏信託的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Master Rich	Beneficiary of Huang Trust 黃氏信託的受益人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%
	Million Era	Settlor of Huang Trust 黃氏信託的委託人	Ordinary shares of US\$1.00 each 每股1.00美元的普通股	1	100%

* Note:

For details of the corporate structure of each of the associated companies, please see notes 1 to 2 of the sub-section headed "(A) Long positions in Shares and underlying Shares in the Company" under the section headed "Directors' and Chief Executive's Interests" in above.

*附註：

有關各聯營公司的企業架構詳情，請參閱上文「董事及主要行政人員的權益」一節項下「(A) 於本公司股份及相關股份的好倉」分節的附註1至2。

Report of the Directors

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Save as disclosed above, as at 31st July 2009, none of the Directors and the Chief Executive of the Company nor their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEMES

The Company maintains two share option schemes, namely the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme for the purpose of recognising the contribution of certain executive directors and employees of the Group and retaining them for the continual operation and development of the Group. Both schemes were approved by the written resolutions of the sole shareholder passed on 16th May 2007 and had a life of 10 years from its adoption.

Under the Share Option Scheme, the Board may at its discretion, offer any employee (including any Executive Director) of the Group, options to subscribe for shares in the Company subject to the terms and conditions stipulated in the two schemes.

The Pre-IPO Share Options

(a) Purpose of the Scheme

The Company adopted the Pre-IPO share option scheme on 16th May 2007 ("**Pre-IPO Share Option Scheme**"). The purpose of the Pre-IPO Share Option Plan is to recognise the contribution made by the executive directors and the employees of the Company prior to the listing of shares of the Company on Stock Exchange.

除上文所披露者外，於二零零九年七月三十一日，概無董事及本公司主要行政人員及彼等各自的聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所(包括根據上述證券及期貨條例規定被視為或當作擁有的權益或淡倉)；或(b)根據證券及期貨條例第352條須登記於該條所述的登記冊；或(c)根據標準守則須知會本公司及聯交所的權益或淡倉。

購股權計劃

本公司維持兩項購股權計劃，分別為首次公開發售前購股權計劃及首次公開發售後購股權計劃，旨在認可本集團若干執行董事及僱員的貢獻，並挽留人才以令本集團繼續營運及發展。兩項計劃均已於二零零七年五月十六日獲唯一股東以書面決議案批准，有效期為採納當日起計十年。

根據購股權計劃，董事會可酌情向本集團任何僱員(包括任何執行董事)授出購股權，以根據兩項計劃所規定的條款及條件認購本公司股份。

首次公開發售前購股權

(a) 計劃的目的

本公司於二零零七年五月十六日採納首次公開發售前購股權計劃(「**首次公開發售前購股權計劃**」)。首次公開發售前購股權計劃的目的旨在認可本公司執行董事及僱員在本公司股份於聯交所上市前的貢獻。

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(b) *Participants of the Scheme*

Pursuant to the Pre-IPO Share Option Scheme, the Company may grant options to any full-time or part-time employee of the Company and/or any its subsidiaries, including any Executive Director of the Company or any of its subsidiaries but excluding any Non-executive director of the Company or any of its subsidiaries.

(c) *Total number of shares available for issue under the Scheme*

The total number of shares in respect of the Scheme may be granted under the Pre-IPO Share Option Scheme is 9,070,000 shares.

The maximum number of shares of the Company which may be issued upon exercise of outstanding options granted and yet to be exercised under the Scheme of the Company shall not exceed 30% of the total number of shares of the Company in issue from time to time.

(d) *Maximum entitlement of each participant*

The maximum entitlement for any one participant is that the total number of shares issued and to be issued upon exercise of the options granted and to be granted to each participant (including both exercised and outstanding options) in any 12 months period must not exceed 1% of the total number of shares of the Company in issue.

(e) *Time of exercise of options*

An option granted under the Pre-IPO Share Option Scheme is exercisable at the subscription price of HK\$2.20 per Share (subject to adjustment and vesting period). If a grantee does not cease to be Participant from the date of grant of options (i.e. 16th May 2007) to him up to the business date immediately prior to the date of the 1st anniversary (“**Anniversary**”) of the Listing Date, the grantee may exercise up to 1/5 of the options granted to him on or after the date of the 1st Anniversary. In the event that the grantee does not cease to be a Participant up to the business day prior to the date of the 2nd, 3rd, 4th and 5th Anniversary, he is entitled to exercise an addition of up to 1/5 of the options granted to him on or after the relevant date of Anniversary respectively.

(b) *計劃的參與者*

根據首次公開發售前購股權計劃，本公司將向本公司及／或其任何附屬公司的任何全職或兼職僱員(包括本公司或其任何附屬公司的任何執行董事，但本公司或其任何附屬公司的任何非執行董事則除外)授出購股權。

(c) *根據計劃可發行的股份總數*

根據首次公開發售前購股權計劃可授出的股份總數為9,070,000股股份。

因行使根據本公司計劃授出但尚未行使的購股權而可予發行的股份數目上限不得超過本公司不時已發行股份總數的30%。

(d) *每位參與者獲授購股權的上限*

於任何十二個月期間內，每位參與者因行使獲授及將獲授的購股權(包括已行使及尚未行使的購股權)而發行及將予發行的股份總數上限，不得超過本公司已發行股份總數的1%。

(e) *行使購股權時間*

根據首次公開發售前購股權計劃授出的購股權可按每股股份2.20港元的認購價行使(可予調整及受歸屬期所限)。倘承授人自獲授出購股權當日(即二零零七年五月十六日)起至緊接上市日期第一個周年日(「周年日」)的前一個營業日止期間並無終止作為參與者，則承授人可於第一個周年日或之後行使其獲授的購股權最多達五分之一。倘承授人於第二、第三、第四及第五個周年日的前一個營業日並無終止作為參與者，則承授人有權分別於有關周年日或之後額外行使其獲授的購股權最多達五分之一。

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(f) The subscription price per share

The subscription price per share under the Pre-IPO Share Option Scheme is HK\$2.20 per share representing approximately 37.1% discount to the international offering price (assuming the offer price is the maximum of HK\$3.5 per share).

(g) Payment on acceptance of option

A non-refundable sum of HK\$1.00 by way of consideration for the grant of an option is required to be paid by each of the grantee upon acceptance of the granted option.

(h) Remaining life of the Scheme

The Pre-IPO Share Option Plan have no remaining life as no further options may be granted but the provisions of the Pre-IPO Share Option Scheme shall in all other respects remain in force and effect and options which are granted during the life on the Pre-IPO Share Option Scheme may continue to exercise in accordance with the respective terms of issue.

On 16th May 2007, the Company granted 9,070,000 options under the Pre-IPO Share Option Scheme. No further options would be granted under the Pre-IPO Option Scheme on or after the listing date of the Company i.e. 8th June 2007.

(f) 每股認購價

根據首次公開發售前購股權計劃，股份認購價為每股2.20港元，較國際發售價折讓約37.1%（假設發售價上限為每股3.5港元）。

(g) 接納購股權所支付的金額

當接納所獲授的購股權時，每名承授人須支付不可退回款項1.00港元作為接納購股權的代價。

(h) 計劃有效期

由於不會額外授出購股權，故首次公開發售前購股權計劃已告屆滿。然而，首次公開發售前購股權計劃的條文在所有其他方面均一直有效及生效，而於首次公開發售前購股權計劃有效期內授出的購股權可繼續根據各發行條款行使。

於二零零七年五月十六日，本公司根據首次公開發售前購股權計劃授出9,070,000份購股權。於本公司上市日期（即二零零七年六月八日）或之後，再無根據首次公開發售前購股權計劃授出購股權。

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Further details of the Pre-IPO Share Option Scheme are set out in note 33 to the consolidated accounts of this annual report. The movement in such options granted under Pre-IPO Share Option Scheme during the year were as follows:

首次公開發售前購股權計劃的進一步詳情載於本年度報告的綜合賬目附註33。年內，根據首次公開發售前購股權計劃授出的購股權的變動詳情如下：

Category or name of grantees 承授人的身份或姓名	Options to subscribe for shares of the Company 可認購本公司股份的購股權				Balance as at 31.7.2009 於二零零九年七月三十一日的結餘	Exercise period (subject to vesting period) 行使期限 (受歸屬期所規限)	Exercise price per share 每股行使價 HK\$ 港元
	Balance as at 1.8.2008 於二零零八年八月一日的結餘	Granted during the period 期內已授出	Lapsed during the period 期內已失效	Exercised during the period 期內已行使			
Directors 董事							
Huang Sheng-Shun 黃勝舜	550,000	-	-	-	550,000	08-06.2008 – 15.05.2017	\$2.20
Wu Ih Chen 吳意誠	455,000	-	-	-	455,000	08-06.2008 – 15.05.2017	\$2.20
Lin Hung-Ming 林宏明	320,000	-	-	-	320,000	08-06.2008 – 15.05.2017	\$2.20
Wong Tak Leung 黃德良	275,000	-	-	-	275,000	08-06.2008 – 15.05.2017	\$2.20
Huang Te-Wei 黃德威	230,000	-	-	-	230,000	08-06.2008 – 15.05.2017	\$2.20
Employees other participants 僱員及其他參與者							
	5,595,000	-	(340,000) ¹	-	5,255,000	08-06.2008 – 15.05.2017	\$2.20
Total 總計	7,425,000	-	(340,000)	-	7,085,000		

Notes:

- The share options were held by certain grantees who ceased to be the employees of the Group during the year.
- No share option was granted, exercised or cancelled in accordance with the terms of the Pre-IPO Scheme during the year.

附註：

- 若干承授人持有，該等承授人於年內不再為本集團僱員。
- 年內，概無根據首次公開發售前購股權計劃的條款授出、行使或註銷任何購股權。

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Post-IPO Share Option Scheme

The major terms of the Post-IPO Share Option Scheme adopted on 16th May 2007 (“**Post-IPO Share Option Scheme**”) were summarised as follows:

(a) Purpose of the Scheme

The Post-IPO Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contribution of the participants. The Post-IPO Share Option Scheme will provide the participants an opportunity to have a personal stake in the company with the view to achieving the following objectives:

- motivate the participants to optimise their performance efficiency for the benefit of the Group; and
- attract and retain or otherwise maintain on-going business relationship with the participants whose contributions are or will be beneficial to the long-term growth of the Group.

(b) Participants of the Scheme

Participants of Post-IPO Share Option Scheme include (i) eligible employees (whether full time or part time employee including any executive director) of the Group and any invested entity; (ii) any Non-executive director (including Independent Non-executive directors) of the Company, any of its subsidiaries or any invested entity; (iii) any suppliers of goods or services to any member of the Group or any invested entity; (iv) any customer of the Group or any member of the Group; (v) any consultant, advisor, manager, officer or entity that provides research, development or other technological support to the Group or any invested entity.

首次公開發售後購股權計劃

於二零零七年五月十六日獲採納的首次公開發售後購股權計劃(「**首次公開發售後購股權計劃**」)的主要條款概述如下：

(a) 計劃的目的

首次公開發售後購股權計劃為股份獎勵計劃，設立該計劃旨在認可及表揚參與者的貢獻。首次公開發售後購股權計劃將令參與者有機會在本公司持有個人股權，以達致以下目的：

- 鼓勵參與者達致最佳表現效率，使本集團獲益；及
- 吸引及挽留或以其他方式維持與參與者的持續業務關係，而彼等的貢獻有利或將有利於本集團的長遠發展。

(b) 計劃的參與者

首次公開發售後購股權計劃的參與者包括(i)本集團及任何被投資實體的合資格僱員(不論全職或兼職僱員，包括任何執行董事)；(ii)本公司、其任何附屬公司或任何被投資實體的任何非執行董事(包括獨立非執行董事)；(iii)向本集團任何成員公司或任何被投資實體提供貨品或服務的任何供應商；(iv)本集團或本集團任何成員公司的任何客戶；及(v)為本集團或任何被投資實體提供研發或其他技術支援的諮詢人員、顧問、經理、高級職員或實體。

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(c) *Total number of shares available for issue under the Scheme*

The total number of shares of the Company which may be issued upon exercise of all options to be granted under the Post-IPO Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares of the Company in issue at the date of approval of the Post-IPO Share Option Scheme (i.e. 16th May 2007). The Company may seek approval of the shareholders in general meeting to renew the said 10% limit such that the total number of shares in respect of options that may be granted under the Post-IPO Share Option Scheme or any other share option schemes of the Company shall not exceed 10% of the total number of shares of the Company in issue as at the date of approval to renew the limit. Notwithstanding the above, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Post-IPO Share Option Scheme and any other share options schemes of the Company shall not exceed 30% of total number of shares of the Company in issue from time to time.

(d) *Maximum entitlement of each participant*

The maximum entitlement for any one participant is that the total number of shares issued and to be issued upon exercise of the options granted and to be granted to each participant (including both exercised and outstanding options) in any 12 months period must not exceed 1% of the total number of shares of the Company in issue. Any further grant of options in excess of the said 1% limit shall be subject to shareholders' approval in general meeting with such participant and his or her associates abstaining from voting.

(e) *Timing of exercise of options*

The period during which an option may be exercised will be determined by the Board in its absolute discretion and in any event such period shall not be longer than 10 years after the date of grant of the option.

(c) *根據計劃可發行的股份總數*

本公司因行使根據首次公開發售後購股權計劃及本公司任何其他購股權計劃可授出的所有購股權而可予發行的本公司股份總數不得超過本公司於首次公開發售後購股權計劃獲批准當日(即二零零七年五月十六日)已發行股份總數的10%。本公司可尋求股東在股東大會上批准更新該10%的上限，致使根據首次公開發售後購股權計劃或本公司任何其他購股權計劃授出的購股權而可予發行的股份總數不得超過於批准更新上限當日本公司已發行股份總數的10%。儘管如上文所述，因行使根據首次公開發售後購股權計劃及本公司任何其他購股權計劃而授出但尚未行使的所有購股權而可予發行的股份數目上限不得超過本公司不時已發行股份總數的30%。

(d) *每位參與者獲授購股權的上限*

於任何十二個月期間內，任何一位參與者因行使獲授或將獲授的購股權(包括已行使及尚未行使的購股權)而發行及將予發行的股份總數上限，不得超過本公司已發行股份總數的1%。授出超過上述1%上限的購股權須待股東於股東大會上批准後方可作實，而該參與者及其聯繫人須在會上放棄投票。

(e) *行使購股權時間*

購股權可予行使的期限由董事會全權酌情決定，惟無論如何不得超過購股權授出日期起計10年。

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(f) *The subscription price per share*

The subscription price per share in respect of an option granted under the Post-IPO Share Option Scheme is such price as determined by the board of directors of the Company at the time of the grant of the option, but in any case the subscription price shall not be lower than the higher of:

- the closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange on the date on which the option is offered, which must be a business day;
- the price being the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of the option; and
- the nominal value of a share of the Company on the date of offer.

(g) *Payment on acceptance of option*

A non-refundable sum of HK\$1.00 by way of consideration for the grant of an option is required to be paid by each of the grantee upon acceptance of the granted option.

(h) *Duration of the Scheme*

The Post-IPO Share Option Scheme will remain in force for a period of 10 years from its adoption date (i.e. 16th May 2007). However, the Company may terminate the Post-IPO Share Option Scheme prior to such period and in such event no further option may be granted but options granted prior to such termination shall continue to be valid and exercisable in accordance with the terms of Post-IPO Share Option Scheme.

As at 31st July 2009, no share options have been granted under the Post-IPO Scheme of the Company.

The other principal terms of the Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme are set out in the Prospectus of the Company.

(f) *每股認購價*

根據首次公開發售後購股權計劃授出的購股權的每股認購價由本公司董事會於授出購股權時釐定，惟於任何情況下，該認購價不得低於下列最高者：

- 於提呈購股權當日聯交所每日報價表所列本公司股份的收市價，而該日必須為營業日；
- 緊接提呈購股權當日前五個營業日聯交所每日報價表所列本公司股份的平均收市價；及
- 於提呈當日本公司股份的面值。

(g) *接納購股權所支付的金額*

當接納所獲授的購股權時，每名承授人須支付不可退回款項1.00港元作為接納購股權的代價。

(h) *計劃有效期*

首次公開發售後購股權計劃由採納日期（即二零零七年五月十六日）起計十年內有效。然而，本公司或會於該期間之前終止首次公開發售後購股權計劃，而於該情況下，將不會再授出購股權，惟於終止前授出的購股權將依據首次公開發售後購股權計劃的條款而繼續有效及可予行使。

於二零零九年七月三十一日，概無根據本公司的首次公開發售後購股權計劃授出購股權。

首次公開發售前購股權計劃及首次公開發售後購股權計劃的其他主要條款載於本公司的售股章程內。

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INTERESTS OF THE SUBSTANTIAL SHAREHOLDERS

主要股東的權益

As at 31st July 2009, so far as is known to the Directors, the following persons have an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO and are recorded in the register kept by the Company under section 336 of the SFO:

於二零零九年七月三十一日，就董事所知，以下人士於本公司股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司披露及根據證券及期貨條例第336條須記錄於本公司存置的登記冊中的權益或淡倉：

Long positions in the Shares and underlying Shares 於股份及相關股份的好倉

Name of shareholder 股東名稱/姓名	Nature of interests 權益性質	Number of shares held in the Company 持有本公司股份數目	Number of shares subject to options* 購股權涉及的股份數目*	Total 總數	Percentage of interests as to the issued share capital of the Company 佔本公司已發行股本的權益百分比	Note(s) 附註
Acuwake	Controlled corporation of Huang Trust 黃氏信託控制公司	413,940,000	-	413,940,000	51.74%	1
Homelink	Trustee of Huang Trust 黃氏信託的信託人	413,940,000	-	413,940,000	51.74%	1
Ace Chain	Beneficial interests 實益權益	149,100,000	-	149,100,000	18.64%	1
China Gain	Beneficial interests 實益權益	103,560,000	-	103,560,000	12.94%	1
Highwise	Beneficial interests 實益權益	57,600,000	-	57,600,000	7.20%	1
Huang Sheng-Shun 黃勝舜	Settlor of Huang Trust/ Beneficial interest 黃氏信託的委託人/ 實益權益	413,940,000 7,500,000	- 550,000	421,990,000	52.75%	1

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Name of shareholder 股東名稱/姓名	Nature of interests 權益性質	Number of shares held in the Company 持有本公司股份數目	Number of shares subject to options* 購股權涉及 的股份數目*	Total 總數	Percentage of interest as to the issued share capital of the Company 佔本公司已發行 股本的權益百分比	Note(s) 附註
Tong Mei-Jen 董美珍	Spouse interests 配偶權益	413,940,000 7,500,000	- 550,000	421,990,000	52.75%	1
Huang Te-Wei 黃德威	Beneficiary of Huang Trust/ Beneficial interest 黃氏信託的受益人/ 實益權益	413,940,000 -	- 230,000	414,170,000	51.77%	6
Chao Yu Ting 趙昱婷	Spouse interest 配偶權益	413,940,000	230,000	414,170,000	51.77%	6
Wu Pei Min 吳沛珉	Corporate Interests 公司權益	60,120,000 -	- 95,000	60,215,000	7.53%	2
	Beneficial Interests 實益權益					3
Wu Chung-chieh, Jack 吳中傑	Corporate Interests 公司權益	57,600,000 36,000	- -	57,636,000	7.2%	4
	Beneficial Interest 實益權益					
Lo Wah Wai 盧華威	Interest in controlled corporation of Homelink 於Homelink控制公司 擁有權益	413,940,000	-	413,940,000	51.74%	1&5
Tsang Kwan Li 曾君莉	Spouse Interests 配偶權益	413,940,000	-	413,940,000	51.74%	5

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- (1) The reference to 413,940,000 shares relates to the same block of shares directly held by the 7 BVI companies in aggregates as controlled companies of Huang Trust. For details, please see notes 1 and 2 of the sub-section headed “(A) Long positions in Shares and underlying Shares in the Company” under the section headed “Directors’ Interests” in above. Ace Chain, China Gain and Highwise are three of the 7 BVI Companies directly holding such respective shareholding of the Company as disclosed in above.

Accordingly, Acuwake being the 100% holding company of the 7 BVI Companies, Homelink as trustee of Huang Trust and Mr. Huang Sheng-Shun as a settlor of Huang Trust are taken to have an interest in such shares. Mr. Huang Sheng-Shun is also beneficially interested in 550,000 shares exercisable pursuant to options granted to him on 16th May 2007 under Pre-IPO Share Option Scheme. Ms. Tong Mei-Jen, the spouse of Mr. Huang Sheng-Shun, is also deemed to be interested in such shares which Mr. Huang Sheng-Shun is interested in.

- (2) 57,600,000 shares out of 60,120,000 shares are beneficially-owned by Golden King Holdings Business Limited and Joint Kingdom International Holding Limited which were 50% held by Ms. Wu Pei Min and 50% held by Mr. Wu Chung-chieh, Jack. Accordingly, Ms. Wu Pei Min is deemed to have beneficial interests in all these shares by virtue of SFO.
- (3) 2,520,000 shares out of 60,120,000 shares were held by Kingstex Universal Investment Limited, a company wholly owned by Ms. Wu Pei Min. Therefore, Ms. Wu is deemed to be interest in all these shares. 95,000 shares represent shares exercisable pursuant to the options granted to her on 16th May 2007 under the Pre-IPO Share Option Scheme and which is exercisable at a price of HK\$2.20 per share during the period from 8th June 2008 to 15th May 2017.

- (1) 該413,940,000股股份指同由7家英屬處女群島公司作為黃氏信託控制公司合計直接持有的同一批股份。有關詳情請參閱上文「董事權益」一節項下「(A)於本公司股份及相關股份的好倉」分節的附註1及2。Ace Chain、China Gain及Highwise為7家英屬處女群島公司的其中三家，各自直接持有上文所披露的本公司股權。

因此，Acuwake作為7家英屬處女群島公司的100%控股公司，Homelink作為黃氏信託的信託人及黃勝舜先生作為黃氏信託的委託人，均被視為於有關股份擁有權益。黃勝舜先生同時於其因行使根據首次公開發售前購股權計劃於二零零七年五月十六日獲授的購股權而得的550,000股股份中擁有實益權益。黃勝舜先生的配偶董美珍女士亦視為於黃勝舜先生擁有權益的該等股份中擁有權益。

- (2) 60,120,000股股份中的57,600,000股股份由Golden King Holdings Business Limited及Joint Kingdom International Holding Limited實益擁有。該兩家公司由吳沛珉小姐及吳中傑先生各自擁有50%。因此，根據證券及期貨條例，吳沛珉小姐被視為於全部該等股份中擁有實益權益。
- (3) 60,120,000股股份中的2,520,000股股份由吳沛珉小姐全資擁有的Kingstex Universal Investment Limited持有。因此，吳小姐被視為於全部該等股份中擁有權益。95,000股指可行使股份，即根據本公司首次公開發售前購股權計劃於二零零七年五月十六日授予黃勝舜先生的購股權而得的股份。該等購股權可於二零零八年六月八日至二零一七年五月十五日期間以每股股份2.20港元的價格行使。

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- (4) The reference to 57,600,000 shares related to the same block of shares directly held by Golden King Holdings Business Limited and Joint Kingdom International Holding Limited which were 50% held by Ms. Wu Pei Min and 50% held by Mr. Wu Chung-chieh, Jack respectively. Accordingly, Mr. Wu Chung-chieh, Jack is deemed to have beneficial interests in all these shares by virtue of SFO.
- (4) 該57,600,000股股份指由Golden King Holdings Business Limited及Joint Kingdom International Holding Limited直接持有的同一批股份。該兩家公司由吳沛珉小姐及吳中傑先生各自擁有50%。因此，根據證券及期貨條例，吳中傑先生被視為於全部該等股份中擁有實益權益。
- (5) The entire issued share capital of Homelink is beneficially owned by Mr. Lo Wah Wai. Ms. Tsang Kwan Li is the spouse of Mr. Lo Wah Wai. Accordingly, Mr. Lo Wah Wai and Ms. Tsang Kwai Li are deemed to be interested in the shares which Homelink as a trustee of Huang Trust is taken be interested in.
- (5) Homelink的全部已發行股本由盧華威先生實益擁有。曾君莉女士為盧華威先生的配偶。因此，盧華威先生及曾君莉女士均被視為於Homelink作為黃氏信託的信託人而被視作擁有權益的股份中擁有權益。
- (6) Mr. Huang Te-Wei is the son of Mr. Huang Sheng-Shun and a beneficiary of Huang Trust. As such, Mr. Huang Te-Wei is taken to be interested in the 413,940,000 Shares directly held by the 7 BVI Companies as controlled companies of Huang Trust. Mr. Huang Te-Wei is also beneficially interested in 230,000 shares exercisable pursuant to options granted to him on 16th May 2007 under Pre-IPO Share Option Scheme. Ms. Chao Yu Ting is the spouse of Mr. Huang Te-Wei and accordingly is deemed to be interested in all the Shares which Mr. Huang Te-Wei is interested in.
- (6) 黃德威先生為黃勝舜先生的兒子及黃氏信託的受益人。因此，黃德威先生被視作於413,940,000股由7家英屬處女群島公司作為黃氏信託控制公司直接持有的股份中擁有權益。黃德威先生同時於其行使根據首次公開發售前購股權計劃於二零零七年五月十六日獲授的購股權而得的230,000股股份中擁有權益。趙昱婷女士為黃德威先生的配偶，因此亦被視為於黃德威先生擁有權益的所有股份中擁有權益。

Save as disclosed above, as at 31st July 2009, the Directors and the Chief Executive of the Company were not aware of any person who has an interest or short position in the Shares, or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

除上文所披露者外，於二零零九年七月三十一日，據董事及本公司主要行政人員所知，並無任何人士於股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露的權益或淡倉，或直接或間接擁有附有權利可於任何情況下在本集團任何其他成員公司股東大會投票的任何類別股本面值10%或以上。

Report of the Directors 董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the year was the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors or the Chief executives of the Company or any of their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTEREST IN CONTRACTS

No contract of significance, to which the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party and in which a Director of the Company had material interest, whether directly or indirectly, subsisted at the end of or at any time during the year, nor had there been any contract of significance entered into between the Group and a controlling shareholder of the Company during the year ended 31st July 2009.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

There was no purchase, sale or redemption by the Company or any of its subsidiaries, of the Company's listed securities during the year ended 31st July 2009.

COMPETING INTERESTS

As at 31st July 2009, in so far as the Directors were aware, none of the Directors or their respective associates had any interest in a business that competed or was likely to compete with the business of the Group.

董事收購股份或債券的權利

除上文所披露者外，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概無參與任何安排，使董事或本公司主要行政人員或任何彼等各自的配偶或18歲以下子女能透過收購本公司或任何其他法團的股份或債券而獲益。

董事於合約的權益

本公司、其任何控股公司、附屬公司或同系附屬公司於年結時或年內任何時間，概無訂立任何本公司董事直接或間接擁有重大權益的重要合約，且亦無於截至二零零九年七月三十一日止年度內與本集團及本公司控股股東訂立任何重要合約。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於截至二零零九年七月三十一日止年度概無購買、出售或贖回本公司上市證券。

競爭性權益

於二零零九年七月三十一日，就董事所知，概無董事或彼等各自的聯繫人於與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益。

Report of the Directors

董事會報告

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

AUDIT COMMITTEE

The Company has established an audit committee in compliance with the Listing Rules. The audit committee comprises of Mr. Yeung Chi Tat (chairman), Mr. Chuang Hong-Jen and Mr. Hsieh Yu, all of whom are Independent Non-executive Directors.

The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group, and to review the Company's annual report and half-yearly reports and to provide advices and comments thereon to the Board.

The audit committee has reviewed the Group's annual results for the year ended 31st July 2009, including the accounting principles and practices adopted by the Group.

優先購股權

根據本公司的組織章程或開曼群島法律，並無優先購股權的規定要求本公司須按比例向現有股東發售新股份。

公眾持股量

根據本公司以公開途徑取得的資料及據董事所知，於本報告日期，公眾持股量維持在上市規則所規定不少於本公司已發行股份25%的足夠水平。

審核委員會

本公司已遵照上市規則成立審核委員會。審核委員會由楊志達先生(主席)、莊宏仁先生及謝裕先生組成，彼等均為獨立非執行董事。

審核委員會的主要職責為審閱及監督本集團財務申報過程及內部控制系統，並審閱本公司年報及半年度報告，並就此向董事會提出建議及意見。

審核委員會已審閱本集團截至二零零九年七月三十一日止年度的全年業績，包括本集團採納的會計原則及慣例。

Report of the Directors 董事會報告

CORPORATE GOVERNANCE

During the year, the Directors are of the opinion that the Company has complied with the code provision as set out in the Code on Corporate Governance Practices in Appendix 14 to the Listing Rules.

The Company's corporate governance practices are set out in Corporate Governance Report of this annual report.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 23rd December 2009 to 29th December 2009, both days inclusive, during which period no transfer of Shares will be effected. The record date for final dividend is 23rd December 2009.

In order to qualify for the final dividend and to attend the annual general meeting of the Company, the shareholders of the Company should ensure that all transfers, accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 22nd December 2009.

FINAL DIVIDEND

The Board are pleased to recommend the payment of a final dividend of HK6 cents (2008: HK6 cents) per share for the year ended 31st July 2009, totalling HK\$48,000,000 (2008: HK\$48,000,000) which is expected to be paid on or before 13th January 2010 to its shareholders whose names appear on the register of members on 23rd December 2009 subject to the final approval in the annual general meeting to be held on 29th December 2009.

企業管治

年內，董事認為本公司已遵守上市規則附錄十四企業管治常規守則所載的守則條文。

本公司採用的企業管治常規載於本年報的企業管治報告。

暫停辦理股份過戶登記手續

本公司將自二零零九年十二月二十三日至二零零九年十二月二十九日(包括首尾兩天)暫停股份過戶登記手續，期間概不會辦理股份過戶登記手續。末期股息的記錄日期為二零零九年十二月二十三日。

本公司股東如欲符合資格獲派末期股息及出席本公司的股東週年大會，最遲必須於二零零九年十二月二十二日下午四時三十分前，將所有過戶登記文件連同有關股票，送達本公司的股份過戶登記處卓佳證券登記有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

末期股息

董事會欣然建議派付截至二零零九年七月三十一日止年度末期股息每股6港仙(二零零八年：6港仙)，合共48,000,000港元(二零零八年：48,000,000港元)，預期於二零一零年一月十三日或之前派付予於二零零九年十二月二十三日名列股東名冊的股東，惟須待於二零零九年十二月二十九日舉行的股東週年大會上獲最終批准始行作實。

Report of the Directors

董事會報告

AUDITORS

The accounts for the year ended 31st July 2009 have been audited by Messrs. SHINEWING (HK) CPA Limited, who retire and, being eligible, offer themselves for re-appointment at the 2009 AGM. A resolution will be proposed at the forthcoming annual general meeting of the Company for the re-appointment of Messrs. SHINEWING (HK) CPA Limited as auditors of the Company.

On behalf of the Board

Huang Sheng-Shun

CHAIRMAN

Hong Kong

26th November 2009

核數師

截至二零零九年七月三十一日止年度的賬目已經由信永中和(香港)會計師事務所有限公司審核，該公司即將告退，惟符合資格且願意於二零零九年股東週年大會上膺選續聘。在本公司應屆股東週年大會上，將提呈決議案以續聘信永中和(香港)會計師事務所有限公司出任本公司的核數師。

代表董事會

黃勝舜

主席

香港

二零零九年十一月二十六日



SHINEWING (HK) CPA Limited
16/F., United Centre
95 Queensway, Hong Kong

TO THE SHAREHOLDERS OF TA YANG GROUP HOLDINGS LIMITED (incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Ta Yang Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 95 to 171, which comprise the consolidated balance sheet as at 31st July 2009, 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 CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the

致大洋集團控股有限公司各股東 (於開曼群島註冊成立的有限公司)

我們已審核列載於第95頁至第171頁大洋集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，當中包括於二零零九年七月三十一日的綜合資產負債表、截至該日止年度的綜合損益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他說明附註。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露規定編製及真實而公平地呈列該等綜合財務報表。這項責任包括設計、實施及維護與編製及真實而公平地呈列綜合財務報表相關的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況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綜合財務報表發表意見，並僅向整體股東報告，不應作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。我們已根據

Independent Auditor's Report

獨立核數師報告

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

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st July 2009 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 disclosure requirements of the Hong Kong Companies Ordinance.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Ip Yu Chak

Practising Certificate Number: P04798

Hong Kong

26th November 2009

香港會計師公會頒佈的香港核數準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確保此等綜合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綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地呈列綜合財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的成效發表意見。審核亦包括評估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，以及評估綜合財務報表的整體呈列方式。

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，綜合財務報表已根據香港財務報告準則真實而公平地反映貴集團於二零零九年七月三十一日的財務狀況及貴集團截至該日止年度的溢利及現金流量，並根據香港《公司條例》的披露規定妥為編製。

信永中和(香港)會計師事務所有限公司

執業會計師

葉汝澤

執業證書編號：P04798

香港

二零零九年十一月二十六日

Consolidated Income Statement

綜合損益表

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

		NOTES 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Turnover	營業額	8	620,251	744,908
Cost of sales	銷售成本		(519,193)	(531,419)
Gross profit	毛利		101,058	213,489
Other operating income	其他經營收入	8	17,537	22,224
Selling and distribution expenses	銷售及分銷開支		(28,269)	(28,988)
Administrative expenses	行政開支		(94,706)	(94,863)
Other net expenses	其他開支淨額	10	(8,414)	(9,944)
Bad debts written off	已撇銷壞賬		(23,742)	(82)
Finance costs	融資成本	11	-	(1,875)
Share of results of an associate	分佔聯營公司業績		(237)	1,398
(Loss) profit before taxation	除稅前(虧損)溢利		(36,773)	101,359
Income tax expenses	所得稅開支	12	(2,120)	(976)
(Loss) profit for the year	年內(虧損)溢利	13	(38,893)	100,383
Dividends recognised as distribution during the year	年內確認為 分派的股息	14	48,000	48,000
Basic (loss) earnings per share (HK cents)	每股基本(虧損)盈利(港仙)	15	(4.86)	12.55

Consolidated Balance Sheet

綜合資產負債表

As at 31st July 2009 於二零零九年七月三十一日

		NOTES 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	303,717	302,885
Construction in progress	在建工程	19	18,740	12,110
Prepaid lease payments	預付租賃款項	20	58,057	59,854
Available-for-sale investments	可供出售投資	21	17,086	–
Held-to-maturity investment	持有至到期投資	22	11,610	–
Interest in an associate	聯營公司權益	23	1,652	2,643
Deferred tax assets	遞延稅項資產	32	888	556
			411,750	378,048
Current assets	流動資產			
Inventories	存貨	24	108,989	137,921
Trade and other receivables	應收貿易賬款及 其他應收款項	25	205,331	292,904
Prepaid lease payments	預付租賃款項	20	1,298	1,312
Income tax recoverable	可收回所得稅		3,066	1,588
Held-for-trading investments	持作買賣投資	26	598	–
Derivative financial instrument	衍生金融工具	29	115	–
Deposits with bank	銀行存款	27	1,026	–
Bank balances and cash	銀行結餘及現金	27	458,000	487,429
			778,423	921,154
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及 其他應付款項	28	68,139	99,182
Derivative financial instrument	衍生金融工具	29	–	827
Income tax payable	應付所得稅		50,083	51,065
			118,222	151,074
Net current assets	流動資產淨值		660,201	770,080
			1,071,951	1,148,128
Capital and reserves	資本及儲備			
Share capital	股本	30	80,000	80,000
Reserves	儲備		990,925	1,068,128
Total equity	權益總值		1,070,925	1,148,128
Non-current liability	非流動負債			
Deferred income	遞延收入	31	1,026	–
			1,071,951	1,148,128

The consolidated financial statements on pages 95 to 171 were approved and authorised for issue by the board of directors on 26th November 2009 and are signed on its behalf by:

第95至171頁的綜合財務報表乃經董事會於二零零九年十一月二十六日批准及授權刊發，並由下列董事代表簽署：

Director
董事

Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

		Share capital 股本	Share premium 股份溢價	Share options reserve 股份認購 權儲備	Retained profits 保留溢利	Exchange reserve 匯兌儲備	Statutory surplus reserve 法定盈 餘公積金	Legal reserve 法定儲備	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note 1) (附註1)	HK\$'000 千港元 (Note 2) (附註2)	HK\$'000 千港元
At 1st August 2007	於二零零七年八月一日	80,000	659,945	1,400	240,854	18,631	21,123	49	1,022,002
Exchange difference on translation of financial statements of subsidiaries	換算附屬 公司 財務報表 所產生的 匯兌差額	-	-	-	-	68,021	-	-	68,021
Share of exchange reserve of an associate	分佔聯營公司 匯兌儲備	-	-	-	-	238	-	-	238
Net income recognised directly in equity	直接於權益 確認的收入淨額	-	-	-	-	68,259	-	-	68,259
Profit for the year and total recognised income and expenses for the year	年內溢利及年內 已確認收入 及開支 總額	-	-	-	100,383	-	-	-	100,383
Appropriation to reserves	撥款至儲備	-	-	-	(416)	-	416	-	-
Equity-settled share-based transactions	權益價付的 股份基礎交易	-	-	5,484	-	-	-	-	5,484
Transfer to reserve for value of share option lapsed	就失效購股權 的價值 轉撥至儲備	-	-	(698)	698	-	-	-	-
Dividend declared and paid during the year	年內宣派及已 派付股息	-	-	-	(48,000)	-	-	-	(48,000)
At 31st July 2008	於二零零八年 七月三十一日	80,000	659,945	6,186	293,519	86,890	21,539	49	1,148,128

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

		Share capital 股本	Share premium 股份溢價	Share options reserve 股份認購 權儲備	Retained profits 保留溢利	Exchange reserve 匯兌儲備	Investments revaluation reserve 投資重估 儲備	Statutory surplus reserve 法定盈 餘公積金	Legal reserve 法定儲備	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note 1) (附註1)	HK\$'000 千港元 (Note 2) (附註2)	HK\$'000 千港元
At 1st August 2008	於二零零八年八月一日	80,000	659,945	6,186	293,519	86,890	-	21,539	49	1,148,128
Exchange difference on translation of financial statements of subsidiaries	換算附屬公司財務報表所產生的匯兌差額	-	-	-	-	(154)	-	-	-	(154)
Increase in fair value of available-for-sale investments	可供出售投資公平值增加	-	-	-	-	-	7,380	-	-	7,380
Share of exchange reserve of an associate	分佔聯營公司匯兌儲備	-	-	-	-	(427)	-	-	-	(427)
Net income recognised directly in equity	直接於權益確認的收入淨額	-	-	-	-	(581)	7,380	-	-	6,799
Loss for the year and total recognised income and expenses for the year	年內虧損及年內已確認收入及開支總額	-	-	-	(38,893)	-	-	-	-	(38,893)
Appropriation to reserves	撥款至儲備	-	-	-	(3,333)	-	-	3,333	-	-
Equity-settled share-based transactions	權益償付的股份基礎交易	-	-	2,891	-	-	-	-	-	2,891
Transfer to reserve for value of share option lapsed	就失效購股權的價值轉撥至儲備	-	-	(375)	375	-	-	-	-	-
Dividend declared and paid during the year	年內宣派及已派付股息	-	-	-	(48,000)	-	-	-	-	(48,000)
At 31st July 2009	於二零零九年七月三十一日	80,000	659,945	8,702	203,668	86,309	7,380	24,872	49	1,070,925

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

Notes:

1. Statutory surplus reserve

As stipulated by regulations in the People's Republic of China (the "PRC") the Company's subsidiaries established and operated in the PRC are required to appropriate 10% of their after-tax-profit (after offsetting prior year losses) as determined in accordance with the PRC accounting rules and regulations, to statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to equity owners.

2. Legal reserve

In accordance with Macau Commercial Code, the Company's subsidiary incorporated in Macau is required to appropriate 25% of its net profit to a legal reserve until the balance of the reserve reaches 50% of the subsidiary's registered capital. Legal reserve is not distributable to shareholders.

3. Profit attributable to equity shareholders of the Company

The consolidated loss/profit attributable to equity shareholders of the Company includes a profit of HK\$47,365,000 (2008: HK\$45,482,000) which has been dealt with in the financial statements of the Company.

附註：

1. 法定盈餘公積金

根據中華人民共和國(「中國」)法規規定，本公司在中國成立及經營的附屬公司須將其根據中國會計規則及法規釐定的除稅後溢利(對銷過往年度虧損後)的10%轉撥至法定盈餘公積金，直至該儲備的結餘達到半數註冊資本為止，且須於向權益擁有人分派股息前轉撥至該儲備。

2. 法定儲備

根據澳門商業法，本公司於澳門註冊成立的附屬公司須撥出其純利的25%至法定儲備，直至該儲備的結餘達至附屬公司註冊資本的50%。法定儲備不得分派予股東。

3. 本公司權益持有人應佔溢利

本公司權益持有人應佔綜合虧損／溢利包括已於本公司財務報表中處理的溢利47,365,000港元(二零零八年：45,482,000港元)。

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
(Loss) profit before taxation	除稅前（虧損）溢利	(36,773)	101,359
Adjustments for:	就以下各項作出調整：		
Finance costs	融資成本	-	1,875
Interest income	利息收入	(7,800)	(16,601)
Decrease in fair value of derivative financial instrument	衍生金融工具 公平值減少	-	827
Loss on derivative financial instrument	衍生金融工具虧損	3,566	1,272
Gain on disposal of held-for-trading investments	出售持作買賣 投資收益	(1,296)	(1,149)
Decrease in fair value of held for trading investments	持作買賣投資 公平值減少	24	-
Amortisation of prepaid lease payments	預付租賃款項攤銷	1,300	455
Amortisation of deferred income	遞延收入攤銷	(23)	-
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	40,360	35,224
Share of results of an associate	分佔聯營公司業績	237	(1,398)
Gain on disposal of prepaid lease payments	出售預付租賃款項收益	(1,025)	-
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備虧損	53	1,178
Impairment losses recognised in respect of trade receivables	就應收貿易賬款 確認減值虧損	127	552
Bad debts directly written off	直接撇銷壞賬	23,742	82
Reversal of impairment loss recognised in respect of trade receivables	撥回就應收貿易賬款 確認的減值虧損	(43)	-
Allowance for inventories	存貨撥備	4,437	-
Inventories lost in fire	於火災損失的存貨	998	-
Government grants	政府補助	(312)	(264)
Equity-settled share-base payment expenses	權益償付的股份基礎付款開支	2,891	5,484
Operating cash flows before movements in working capital	營運資金變動前的 經營現金流量	30,463	128,896
Decrease (increase) in inventories	存貨減少（增加）	23,497	(8,594)
Decrease (increase) in trade and other receivables	應收貿易賬款及其他 應收款項減少（增加）	66,313	(38,101)
(Decrease) increase in trade and other payables	應付貿易賬款及其他 應付款項（減少）增加	(32,034)	568
Cash generated from operations	來自經營活動的現金	88,239	82,769
Hong Kong Profits Tax paid	已付香港利得稅	(317)	(3,396)
PRC income tax (paid) refund	（已付）退回中國所得稅	(4,595)	52
NET CASH GENERATED FROM OPERATING ACTIVITIES	來自經營活動的 現金淨額	83,327	79,425

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Payment for construction in progress	在建工程付款	(34,348)	(22,914)
Payment for derivative financial instrument	衍生金融工具付款	(22,440)	(1,272)
Purchase of property, plant and equipment	購買物業、廠房及設備	(13,100)	(49,397)
Purchase of held-to-maturity investment	購買持有至到期投資	(11,610)	-
Purchase of available-for-sale investments	購買可供出售投資	(9,706)	-
Purchase of held-for-trading investments	購買持作買賣投資	(6,928)	(53,910)
Increase in deposits with bank	銀行存款增加	(1,026)	-
Proceeds from disposal of derivative financial instrument	出售衍生金融工具的所得款項	17,932	-
Proceeds from disposal of held-for-trading investments	出售持作買賣投資的所得款項	7,602	55,059
Interest received	已收利息	6,770	16,024
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	564	136
Dividends received from an associate	已收聯營公司股息	327	321
Purchase of prepaid lease payments	購買預付租賃款項	-	(47,800)
NET CASH USED IN INVESTING ACTIVITIES	用於投資活動的現金淨額	(65,963)	(103,753)
FINANCING ACTIVITIES	融資活動		
Dividends paid	已付股息	(48,000)	(48,000)
Cash received from government grants	已收政府補助現金	1,361	264
Repayment of bank borrowings	償還銀行借款	-	(50,000)
Interest paid	已付利息	-	(1,875)
NET CASH USED IN FINANCING ACTIVITIES	用於融資活動的現金淨額	(46,639)	(99,611)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(29,275)	(123,939)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初的現金及現金等價物	487,429	609,255
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動影響	(154)	2,113
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	年終的現金及現金等價物，指銀行結餘及現金	458,000	487,429

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

1. GENERAL

Ta Yang Group Holdings Limited (the “Company”) is incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the Annual Report. The Company and its subsidiaries (the “Group”) are principally engaged in manufacturing and sale of silicone rubber related products.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”). Other than those subsidiaries established in the People’s Republic of China (“the PRC”) whose functional currency is Renminbi (“RMB”), the functional currency of the Company and its subsidiaries are HK\$.

As the Company is listed in Hong Kong, the directors consider that it is appropriate to present the consolidated financial statements in HK\$.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied the following amendments and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are or have become effective.

1. 一般資料

大洋集團控股有限公司(「本公司」)為於開曼群島註冊成立的有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。本公司的註冊辦事處及主要營業地點地址已於本年報「公司資料」一節披露。本公司及其附屬公司(「本集團」)主要從事矽膠相關產品的製造及銷售。

綜合財務報表乃以港元(「港元」)呈列。除於中華人民共和國(「中國」)成立的該等附屬公司的功能貨幣為人民幣(「人民幣」)外，本公司及其附屬公司的功能貨幣均為港元。

由於本公司於香港上市，故董事認為綜合財務報表適宜以港元呈列。

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已採用香港會計師公會(「香港會計師公會」)頒佈的以下已生效修訂及詮釋(「新香港財務報告準則」)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HK(IFRIC)-Interpretations (“Int”) 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 13	Customer Loyalty Programmes
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
HK(IFRIC)-Int 18	Transfers of Assets from Customers

The application of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

香港(國際財務報告 詮釋委員會) — 詮釋(「詮釋」) 第9號及香港會計 準則 第39號(修訂版)	嵌入式衍生工具
香港(國際財務報告 詮釋委員會) — 詮釋第12號	服務經營權安排
香港(國際財務報告 詮釋委員會) — 詮釋第13號	客戶忠誠計劃
香港(國際財務報告 詮釋委員會) — 詮釋第14號	香港會計準則第19號 — 界定福利資產的 限額、最低資本規定 及相互之間的關係
香港(國際財務報告 詮釋委員會) — 詮釋第18號	來自客戶轉讓的資產

應用該等新香港財務報告準則對編製及呈示於目前或過往會計期間的業績及財務狀況並無重大影響。因此，並無必要作出過往期間的調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2009 ²
HKAS 1 (Revised)	Presentation of Financial Statements ³
HKAS 23 (Revised)	Borrowing Costs ³
HKAS 24 (Revised)	Related Party Disclosures ⁴
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ⁵
HKAS 32 (Amendments)	Financial Instruments: Presentation – Classification of Right Issues ⁶
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ³
HKAS 39 (Amendment)	Eligible Hedged Items ⁵
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards ⁴
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters ⁷
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate ³
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ³
HKFRS 2 (Amendment)	Group Cash-Settled Share-based Payment Transactions ⁶
HKFRS 3 (Revised)	Business Combinations ⁵
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments ³
HKFRS 8	Operating Segments ³
HKFRS 9	Financial Instruments ⁸
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate ³
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation ⁹
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners ⁵

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

本集團並無提早採納下列已頒佈但仍未生效的新訂及經修訂準則、修訂及詮釋。

香港財務報告準則 (修訂版)	香港財務報告準則的改進 ¹
香港財務報告準則 (修訂版)	二零零九年香港財務報告準則的改進 ²
香港會計準則第1號 (經修訂)	財務報表的呈報 ³
香港會計準則第23號 (經修訂)	借貸成本 ³
香港會計準則第24號 (經修訂)	關連方披露 ⁴
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 ⁵
香港會計準則第32號 (修訂版)	金融工具：呈報一供股的分類 ⁶
香港會計準則第32號及第1號(修訂版)	可沽售金融工具及清盤時產生的責任 ³
香港會計準則第39號 (修訂版)	合資格對沖項目 ⁵
香港財務報告準則第1號(經修訂)	首次採納香港財務報告準則 ⁴
香港財務報告準則第1號(修訂版)	首次採用者的額外豁免 ⁷
香港財務報告準則第1號及香港會計準則第27號(修訂版)	於附屬公司、共同控制實體或聯營公司的投資成本 ³
香港財務報告準則第2號(修訂版)	歸屬條件及註銷 ³
香港財務報告準則第2號(修訂版)	集團以現金償付的股份基礎交易 ⁶
香港財務報告準則第3號(經修訂)	業務合併 ⁵
香港財務報告準則第7號(修訂版)	有關金融工具披露的改進 ³
香港財務報告準則第8號	經營分部 ³
香港財務報告準則第9號	金融工具 ⁸
香港(國際財務報告詮釋委員會) – 詮釋第15號	房地產建造協議 ³
香港(國際財務報告詮釋委員會) – 詮釋第16號	外國業務投資淨額對沖 ⁹
香港(國際財務報告詮釋委員會) – 詮釋第17號	向擁有人分派非現金資產 ⁵

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

- 1 Effective for accounting periods beginning on or after 1st January 2009 except the amendments to HKFRS 5, effective for accounting periods beginning on or after 1st July 2009.
- 2 Effective for accounting periods beginning on or after 1st January 2009, 1st July 2009 and 1st January 2010, as appropriate.
- 3 Effective for accounting periods beginning on or after 1st January 2009.
- 4 Effective for accounting periods beginning on or after 1st January 2011.
- 5 Effective for accounting periods beginning on or after 1st July 2009.
- 6 Effective for accounting periods beginning on or after 1st February 2010.
- 7 Effective for accounting periods beginning on or after 1st January 2010.
- 8 Effective for accounting periods beginning on or after 1st January 2013.
- 9 Effective for accounting periods beginning on or after 1st October 2008.

The directors of the Company anticipate the application of these revised standards, amendments or interpretations will have no material impact on the results and financial position of the Group except for the adoption of HKFRS 3 (Revised) and HKAS 27 (Revised). The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

2. 應用新訂及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

- 1 於二零零九年一月一日開始或之後的會計期間生效，惟香港財務報告準則第5號的修訂版於二零零九年七月一日開始或之後的會計期間生效除外。
- 2 於二零零九年一月一日、二零零九年七月一日及二零一零年一月一日(視情況而定)開始或之後的會計期間生效。
- 3 於二零零九年一月一日開始或之後的會計期間生效。
- 4 於二零一一年一月一日開始或之後的會計期間生效。
- 5 於二零零九年七月一日開始或之後的會計期間生效。
- 6 於二零一零年二月一日開始或之後的會計期間生效。
- 7 於二零一零年一月一日開始或之後的會計期間生效。
- 8 於二零一三年一月一日開始或之後的會計期間失效。
- 9 於二零零八年十月一日開始或之後的會計期間生效。

除採納香港財務報告準則第3號(經修訂)及香港會計準則第27號(經修訂)外，本公司董事預期應用該等準則、修訂或詮釋將不會對本集團的業績及財務狀況帶來重大的影響。採納香港財務報告準則第3號(經修訂)可能影響收購日期於二零零九年七月一日或之後開始的首個年度報告期間的業務合併的會計處理方法。若母公司於附屬公司的擁有權變動並無導致失去控制權，則香港會計準則第27號(經修訂)將影響有關擁有權變動的會計處理方法，並將之以股權交易入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

(a) Basis of consolidation

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

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

(b) Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss.

3. 主要會計政策

綜合財務報表乃以過往成本基準編撰，惟若干金融工具如下文載列的會計政策所述以公平值計量除外。

綜合財務報表乃根據香港會計師公會所頒佈的香港財務報告準則編撰。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例規定的適用披露。

(a) 綜合基準

綜合財務報表包括本公司及本公司控制的實體（其附屬公司）的財務報表。當本公司有權決定一間實體的財務及經營政策，藉以從其活動獲益時，則被視為擁有該實體的控制權。

年內收購或出售的附屬公司的業績乃由實際收購日期起或至實際出售日期（如適用）止計入綜合損益表中。

如需要，將會就附屬公司的財務報表作出調整，使其會計政策與本集團其他成員公司所用者貫徹一致。

所有集團內公司間的交易、結餘、收入及費用均在綜合賬目中對銷。

(b) 於附屬公司的投資

附屬公司的投資乃以成本值減去任何已識別的減值虧損列於本公司的資產負債表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

(c) Interest in an associate

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

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

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

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

(c) 於聯營公司的投資

聯營公司是一個投資者具有重大影響力的實體，其既不是附屬公司，亦並非於合資企業的權益。

聯營公司的業績、資產及負債乃以會計權益法納入該等綜合財務報表。根據權益法，於聯營公司的投資乃按成本於綜合資產負債表中列賬，並就本集團分佔該聯營公司的資產淨值的收購後變動作出調整，以及減去任何已識別的減值虧損。當本集團分佔某聯營公司的虧損相等於或超出其於該聯營公司的權益（包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司的投資淨額的一部分），則本集團不再繼續確認其分佔的進一步虧損。額外分佔的虧損獲作出撥備，而負債僅以本集團已產生法定或推定責任或代表該聯營公司作出付款者為限被確認。

本集團分佔已識別資產、負債及或然負債公平淨值超出收購成本的任何數額，經重估後立即計入損益。

當集團實體與本集團聯營公司進行交易時，有關損益以本集團於相關聯營公司的權益為限對銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Property, plant and equipment

Property, plant and equipment including land and buildings held for use in the production, supply of goods and administrative purposes (other than construction in progress) are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account their estimated residual value, using the straight-line method.

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purpose. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

(e) Land use rights

Payment for obtaining land use rights is considered as operating lease payments. Land use rights are stated at cost less accumulated amortisation and accumulated impairment losses, amortisation is charged to consolidated income statement over the period of the rights using the straight-line method.

3. 主要會計政策(續)

(d) 物業、廠房及設備

物業、廠房及設備包括持作生產用途的土地及樓宇、貨品供應及行政用途(在建工程除外)按成本值減其後累計折舊及累計減值虧損列賬。

物業、廠房及設備項目的折舊按其估計可使用年期並計及其估計剩餘價值以直線法計提，以撇銷其成本值。

在建工程包括生產建設過程中或供自用的物業、廠房及設備。在建工程乃按成本減任何已確認的減值虧損列賬。在建工程會於完成及可作擬定用途時分類為適當類別的物業、廠房及設備。此等資產會於可作擬定用途時按與其他物業資產相同的基準開始計算折舊。

物業、廠房及設備項目於出售時或於預計不會從持續使用該項資產中獲得未來經濟利益時終止確認。任何因終止確認資產而產生的收益或虧損(按出售所得款項淨額與該項目的賬面值兩者的差額計算)，於終止確認該項目的年度計入綜合損益表。

(e) 土地使用權

取得土地使用權而支付的款項被視為經營租賃付款。土地使用權乃按成本減累計攤銷及累計減值虧損列賬，攤銷於土地使用權的有效期內以直線法自綜合損益表內扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(f) Financial instruments

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

Financial assets

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Interest income is recognised on an effective basis for debt instrument.

3. 主要會計政策(續)

(f) 金融工具

金融資產及金融負債乃於某集團實體成為工具合約條文的訂約方時在綜合資產負債表確認。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債直接應佔的交易成本乃於初步確認時加入金融資產或金融負債的公平值或自金融資產或金融負債的公平值內扣除(如適用)。收購按公平值列賬並在損益內處理的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

金融資產

本集團的金融資產分類為四個類別(包括按公平值列賬並在損益內處理的金融資產、貸款及應收款項、持有至到期及可供出售投資)之一。所有定期購買或出售金融資產乃按交易日基準確認及終止確認。定期購買或出售乃購買或銷售金融資產，並要求於市場規則或慣例設定的時間框架內交付資產。就各類金融資產採納的會計政策載於下文。

實際利率法

實際利率法乃計量金融資產的攤銷成本及分配相關期間利息收入的方法。實際利率乃按金融資產的預計年期或適用的較短期間，準確折讓估計未來現金收入(包括構成實際利率不可或缺部分的一切已付或已收利率差價費用、交易成本及其他溢價或折讓)的利率。

債務工具的利息收入乃按實際利率基準確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

(f) Financial instruments (Continued)

Financial assets (Continued)

Financial assets at fair value through profit or loss

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designed and effective as a hedging instrument.

At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, deposits with bank and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

(f) 金融工具(續)

金融資產(續)

按公平值列賬並在損益內處理的金融資產

倘屬下列情況，金融資產會分類為持作買賣：

- 其乃主要收購作於不久將來的出售用途；或
- 構成本集團合併管理的金融工具的確定組合的一部分及具有最近實際短期獲利模式；或
- 金融資產為未被指定的衍生工具及可有效作為對沖工具。

於初步確認後的各結算日，按公平值列賬並在損益內處理的金融資產將按公平值計量，而公平值的變動將在其產生期間直接在損益中確認。於損益確認的收益或虧損淨額包括金融資產賺取的任何股息或利息。

貸款及應收款項

貸款及應收款項指並非於活躍市場報價而具備固定或可釐定款項的非衍生工具金融資產。於初步確認後各結算日，貸款及應收款項(包括應收貿易賬款及其他應收款項、銀行存款以及銀行結餘及現金)均按採用實際利率法計算的已攤銷成本減任何已識別減值虧損入賬(見下文有關金融資產減值虧損的會計政策)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

(f) Financial instruments (Continued)

Financial assets (Continued)

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. At each balance sheet date subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Available-for-sale investments

Available-for-sale investments are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss and loans and receivables or held-to-maturity investments.

At each balance sheet date subsequent to initial recognition, available-for-sale investments are measured at fair value. Changes in fair value are recognised in equity, until the investment is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss (see accounting policy on impairment loss on financial assets below).

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition (see accounting policy on impairment loss on financial assets below).

(f) 金融工具(續)

金融資產(續)

持有至到期投資

持有至到期投資乃本集團管理層有肯定意向及能力持有至期滿的固定或可確定付款金額及有固定年期的非衍生金融資產。於初始確認後的各結算日，持有至到期投資以實際利率法按攤銷成本減任何已識別減值虧損計量(見下文金融資產減值虧損的會計政策)。

可供出售投資

可供出售投資為指定為或非分類為按公平值列賬並在損益內處理的金融資產以及貸款及應收款項或持有至到期投資的非衍生工具。

於初始確認後的各結算日，可供出售投資按公平值計量。公平值變動於權益確認，直至投資已出售或釐定為已減值，而每當出現有關情況，先前於權益確認的累計收益或虧損會自權益中剔除，並於損益中確認(見下文金融資產減值虧損的會計政策)。

在任何活躍市場並無市場報價及無法可靠地計量公平值的可供出售股本投資，及與該等無報價股本工具掛鉤及必須透過交付該等工具進行結算的衍生工具，於初步確認後的各結算日按成本減任何已識別減值虧損計量(見下文金融資產減值虧損的會計政策)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(f) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade and other receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collective payments, an increase in the number of delayed payments in the portfolio past the credit period, observable changes in national or local economic conditions that correlate with default on receivables.

3. 主要會計政策 (續)

(f) 金融工具 (續)

金融資產 (續)

金融資產的減值

金融資產(按公平值列賬並在損益內處理的金融資產除外)於各結算日評定有否減值跡象。倘有客觀證據顯示，金融資產的估計未來現金流量因一項或多項於初步確認金融資產後發生的事件而受到影響，則金融資產出現減值。

就可供出售股本投資而言，該投資的客觀減值證據為其公平值大幅或持續下跌至低於其成本。

就所有金融資產而言，客觀的減值證據包括：

- 發行人或交易對手出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

應收貿易賬款及其他應收款項等被評估為非個別減值的若干金融資產類別，其後按整體基準進行減值評估。應收款項組合的客觀減值證據可包括本集團的過往收款經驗、組合內延遲還款至超逾平均信貸期的次數增加，以及與應收款項逾期有關的全國或地方經濟狀況明顯改變。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

(f) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When trade and other receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(f) 金融工具(續)

金融資產(續)

金融資產的減值(續)

就按已攤銷成本列賬的金融資產而言，倘有客觀跡象顯示資產出現減值則於損益確認減值虧損，並按資產的賬面值及估計未來現金流量按初始實際利率貼現的現值的差額計量。

就按成本列賬的金融資產而言，減值虧損金額按資產的賬面值與以同類金融資產當前市場回報率貼現的估計未來現金流量現值之間的差額計算。有關減值虧損將不會於其後撥回。

除應收貿易賬款及其他應收款項外，所有金融資產的減值虧損會直接於金融資產的賬面值中扣減，而金融資產的賬面值會透過撥備賬作出扣減。撥備賬的賬面值變動於損益內確認。倘應收貿易賬款及其他應收款項被視為無法收回，則於撥備賬撇銷。其後收回過往撇銷的款項計入損益內。

就按已攤銷成本計量的金融資產而言，倘減值虧損金額於往後期間有所減少，而有關減少在客觀上與確認減值虧損後發生的事件有關，則先前已確認的減值虧損將透過損益撥回，惟該資產於減值被撥回當日的賬面值不得超過未確認減值時的已攤銷成本。

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Impairment losses on available-for-sales equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The Group's financial liabilities are generally classified as other financial liabilities and derivative financial instruments.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

Other financial liabilities

Other financial liabilities including trade and other payables are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策(續)

(f) 金融工具(續)

金融資產(續)

金融資產的減值(續)

可供出售股本投資的減值虧損並不會在其後於損益撥回。於減值虧損出現後的任何公平值增加將直接於權益中確認。就可供出售債務投資而言，倘該投資的公平值增加客觀地與減值虧損確認後發生的事件相關，則減值虧損於其後可予撥回。

金融負債及股權

集團實體發行的金融負債及股權工具乃根據所訂立的合約安排的性質以及金融負債及股權工具的定義而分類。

股權工具為證明於集團經扣除其所有負債後的資產中所剩餘權益的任何合約。本集團的金融負債一般分類為其他金融負債及衍生金融工具。

實際利率法

實際利率法乃計算金融負債的攤銷成本及分配相關期間利息開支的方法。實際利率乃按金融負債的預計年期或適用的較短期間，準確貼現估計未來現金付款的利率。

利息開支乃按實際利率基準確認。

其他金融負債

其他金融負債包括應付貿易賬款及其他應付款項，乃隨後採用實際利率法按已攤銷成本計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

(f) Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

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

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derecognition

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

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

(f) 金融工具(續)

金融負債及股權(續)

股權工具

本公司發行的股權工具乃按已收所得款項(扣除直接發行成本)入賬。

衍生金融工具

衍生工具於訂立衍生工具合約日期初步以公平值確認，隨後於各結算日按其公平值重新計量。所得的收益或虧損即時於損益內確認，除非該衍生工具被指定且可有效作為對沖工具，在此情況下，於損益內確認的時間將取決於對沖關係的性質。

終止確認

當從資產收取現金流量的權利屆滿，或金融資產被轉讓而本集團已轉讓金融資產擁有權的絕大部分風險及回報時，則會終止確認該等金融資產。於終止確認金融資產時，該項資產賬面值與已收及應收代價及於股權直接確認的累計盈虧兩者的差額會於損益內確認。

當有關合約訂明的責任獲解除、獲註銷或屆滿時，則會終止確認金融負債。被終止確認的金融負債的賬面值與已付及應付代價兩者的差額於損益內確認。

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

(h) Impairment losses

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

(i) Revenue recognition

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

i) Sale of goods

Revenue from sales of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed.

3. 主要會計政策 (續)

(g) 存貨

存貨按成本值與可變現淨值之間的較低者列賬。成本值乃按加權平均法計算。

(h) 減值虧損

本集團會於各結算日檢討其資產的賬面值，以確定該等資產有否出現減值虧損的任何跡象。倘估計資產的可收回數額低於其賬面值，則該資產的賬面值將減至其可收回數額的水平，並會即時將減值虧損確認為開支。

倘其後撥回減值虧損，則有關資產的賬面值將增至重新估計的可收回數額，惟增加後的賬面值不得超過假設該資產於過往年度並無確認減值虧損時釐定的賬面值。減值虧損撥回會即時確認為收入。

(i) 收益確認

收益按日常業務過程中就銷售貨品已收或應收的代價，減去折扣及相關銷售稅項後的公平值計量。

i) 銷售貨品

銷售貨品的收益於所有權的風險及回報轉移時確認，一般與貨品交付客戶及所有權轉移的時間相同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

(i) Revenue recognition (Continued)

ii) Interest income

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

iii) Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

(j) Equity settled share-based payment transactions

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss, with a corresponding adjustment to share options reserve.

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

(i) 收益確認(續)

ii) 利息收入

金融資產的利息收入乃按時間基準，並參照未償還本金及適用的實際利率計算，而該利率為準確將金融資產的預計年期的估計未來現金收入貼現至該資產的賬面淨值的貼現率。

iii) 股息收入

投資所得的股息收入於確立收取款項的股東權利後確認。

(j) 權益償付的股份基礎付款交易

授予僱員的購股權

已收取服務的公平值參照於授出日期授出的購股權的公平值釐定，並於歸屬期間以直線法支銷，股權亦會相應增加(股份認購權儲備)。

本集團會於各結算日修訂其對預期最終歸屬的購股權數目的估計。對估算修訂(如有)的影響會在損益內確認，股份認購權儲備亦會作出相應調整。

於行使購股權時，以往於股份認購權儲備確認的金額，將撥入股份溢價。當購股權於歸屬日期後失效或於屆滿日期時仍未獲行使，則先前於股份認購權儲備確認的金額將轉撥至保留溢利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(k) Taxation

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

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

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

3. 主要會計政策 (續)

(k) 稅項

所得稅開支指現時應付稅項及遞延稅項總額。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利不包括其他年度的應課稅或應扣減收入及開支項目，亦不包括可作無須課稅或不作扣稅的項目，故與綜合損益表所列溢利不同。本集團現行稅項責任乃按照結算日訂立或實際上訂立的稅率計算。

遞延稅項乃按綜合財務報表中資產及負債的賬面值與計算應課稅溢利所用相應稅基的差額確認，並以資產負債表負債法處理。遞延稅項負債一般就所有應課稅暫時差額確認，而遞延稅項資產則於很可能有可扣減暫時差額可對銷應課稅溢利時確認。

本集團會就於附屬公司及聯營公司的投資所產生的應課稅暫時差額確認遞延稅項負債，惟本集團能夠控制暫時差額的撥回及暫時差額不大可能於可見將來撥回則除外。

遞延稅項資產的賬面值會於各結算日檢討，並相應扣減，直至並無足夠應課稅溢利可供收回全部或部分資產為止。

遞延稅項按預期適用於負債清償或資產變現期間的稅率計算。遞延稅項從損益扣除或計入損益，惟倘遞延稅項關乎直接從股權扣除或直接計入股權的項目，則遞延稅項亦於股權中處理。

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(I) Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

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

3. 主要會計政策(續)

(I) 外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣（外幣）進行的交易乃按於交易日期的通行匯率換算成的功能貨幣（即該實體經營所在的主要經濟環境的貨幣）記錄。於各結算日，以外幣定值的貨幣項目乃按結算日的通行匯率重新換算。按公平值列賬並以外幣定值的非貨幣項目乃按其公平值釐定當日的通行匯率重新換算。按外幣歷史成本計量的非貨幣項目無須重新換算。

於結算及重新換算貨幣項目時產生的匯兌差額，乃於產生的期間在損益表內確認，惟倘匯兌差額乃因換算構成本公司於海外營運的淨投資額一部分的貨幣項目而產生者則除外，在此情況下有關匯兌差額於綜合財務報表的權益中確認。重新換算以公平值列賬的非貨幣項目所產生匯兌差額乃計入產生期間的損益表，惟倘差額乃因重新換算盈虧直接於權益確認的非貨幣項目而產生，在此情況下有關匯兌差額亦直接於權益確認。

就呈列綜合財務報表而言，本集團海外營運的資產及負債乃按結算日的通行匯率換算為本集團的呈列貨幣（即港元），而其收入及支出乃按該年度的平均匯率換算，惟倘匯率於該期間內出現大幅波動，則採用交易日期的通行匯率換算。所產生的匯兌差額（如有）乃確認為權益的獨立部分（匯兌儲備）。該等匯兌差額乃於海外營運出售期間內於損益內確認。

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Leasing

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

The Group as lessee

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

(n) Government grants

Government grants are recognised as income over the periods necessary to match them with the related costs. Grants related to depreciable assets are presented as deferred income and are released to income over the useful lives of the assets. Grants related to expense items are recognised in the same period as those expenses are charged in the consolidated income statement and are reported separately as "other operating income".

(o) Retirement benefit costs

Payments to state-managed retirement benefit scheme and mandatory provident fund defined contribution schemes are charged as an expense when employees have rendered service entitling them to the contributions.

(p) Borrowing costs

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

(q) Research and development expenditure

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

3. 主要會計政策 (續)

(m) 租賃

當租賃條款將擁有權的絕大部分風險及回報轉讓予承租人時，租賃乃分類為融資租賃。所有其他租約均分類為經營租賃。

本公司作為承租人

根據經營租賃應付的租金以直線法按有關租賃年期自損益扣除。作為吸引訂立經營租賃的已收及應收利益，於租賃年期以直線法確認為租金開支的扣減。

(n) 政府補助

政府補助於需要與有關的成本相配合的期間內確認為收入。與須予折舊資產有關的補助呈列為遞延收入，並於有關資產的可使用年期內撥入收入。與開支項目有關的補助於此等開支於綜合損益表內扣除的同一期間內確認，並獨立呈報為「其他經營收入」。

(o) 退休福利成本

向國家管理的退休福利計劃及強制性公積金定額供款計劃支付的款項於僱員提供服務而使其享有供款時作為開支扣除。

(p) 借款成本

所有借款成本均予確認，並於其產生年度記入綜合損益表作為融資成本。

(q) 研究及開發開支

研究活動的開支於其產生的期間確認為開支。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimate and underlying assumptions are reviewed on an ongoing basis. Revision 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 affect both current and future periods.

Critical judgements in applying the entity's accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Held-to-maturity investment

The directors of the Company have reviewed the Group's held-to-maturity investment in the light of its capital maintenance and liquidity requirements and have confirmed the Group's positive intention and ability to hold those assets to maturity.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. 重要會計判斷及估計不明朗因素的主要來源

於應用附註3所述本集團的會計政策時，本公司董事須對不能從其他資料來源得知的資產負債賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往的經驗及其他被認為有關的因素作出。實際結果可能有別於此等估計。該等估計及相關假設會持續檢討。如修訂會計估計只影響修訂期間，則該等估計在該期間確認，如有關修訂影響現時及未來期間，則在修訂期間及未來期間確認。

應用實體會計政策的重要判斷

以下為董事於應用實體會計政策過程中所作並對在財務報表中確認的金額具有重大影響的重要判斷(涉及估計者(見下文)除外)。

持有至到期投資

本公司董事已就維持其資本水平及符合流動資金規定審閱本集團的持有至到期投資，並確認本集團有肯定意圖及能力將該等資產持有至到期日。

估計不明朗因素的主要來源

以下為有關未來的主要假設及於結算日估計不明朗因素的其他主要來源，可能導致對下一財政年度資產負債賬面值作出重大調整。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

(Continued)

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values. The determination of the useful lives and residual values involve management's estimation. The Group assesses annually the residual value and the useful life of the property, plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year and the estimate will be changed in the future period.

During the year, the directors have reassessed the estimated useful lives of certain property, plant and equipment and concluded that the following useful life of leasehold improvement should be adjusted to reflect the current condition.

Useful life	<u>Before 1st July 2008</u>	<u>After 1st July 2008</u>
	Shorter of the lease term and 5 years	Shorter of the lease term and 5 – 10 years

The change in accounting estimate decreased the depreciation charge and loss before taxation for the year ended 31st July 2009 by approximately HK\$2,169,000.

Impairment of property, plant and equipment

The Group assesses annually whether property, plant and equipment have any indication of impairment, in accordance with relevant accounting policies. The recoverable amounts of property, plant and equipment have been determined based on value-in-use calculations. These calculations and valuations require the use of judgment and estimates on future operating cash flows and discount rates adopted. As at 31st July 2009, the carrying value of property, plant and equipment is HK\$303,717,000 (2008: HK\$302,885,000).

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源(續)

物業、廠房及設備的折舊

物業、廠房及設備均按其估計可使用年期並經計及其估計剩餘價值，採用直線法進行折舊。釐定可使用年期及剩餘價值涉及管理層的估計。本集團每年估計物業、廠房及設備的剩餘價值及可使用年期，倘預期與原先估計有分別，則該差異可能對年內的折舊造成影響，而估計亦將會於未來期間改變。

年內，董事已重估若干物業、廠房及設備的估計可使用年期，並認為應對以下租賃物業裝修的可使用年期作出調整，以反映現時狀況。

可使用年期	<u>二零零八年 七月一日前</u>	<u>二零零八年 七月一日後</u>
	租賃期及5年， 以較短者為準	租賃期及 5至10年， 以較短者為準

會計估算變動使截至二零零九年七月三十一日止年度的折舊開支減少及除稅前虧損約2,169,000港元。

物業、廠房及設備減值

本集團每年均根據有關會計政策就物業、廠房及設備有否出現任何減值跡象進行評估。物業、廠房及設備的可收回金額根據使用價值計算釐定。這些計算及估值需要利用對未來營運現金流量和所採用的貼現率作出的判斷及估計。於二零零九年七月三十一日，物業、廠房及設備的賬面值為303,717,000港元(二零零八年：302,885,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment of construction in progress

Provision for impairment on construction in progress is made when the construction project is suspended for a long period; the construction project is technically and physically obsolete and its economic benefits to the Group is uncertain; or other evidences can prove the existence of the decline in value of construction project. An impairment loss is recognised individually for the shortfall of the recoverable amount of construction in progress below its carrying amount. As at 31st July 2009, the carrying value of construction in progress is HK\$18,740,000 (2008: HK\$12,110,000).

Impairment of prepaid lease payments

The recoverability of the carrying amounts of prepaid lease payments is assessed annually by independent qualified valuer. In determining fair values, the valuer has based on valuation method which involves certain estimates. In relying on the valuation report, the management has exercised their judgment and is satisfied that the method of valuation is reflective of the current market conditions.

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源(續)

在建工程減值

當建築項目長期停工；建築項目無論在技術上，還是在性能上已經落後，且其對本集團的經濟利益並不明確；或有其他證據證明建築項目的價值出現下跌時，本集團會對在建工程計提減值撥備。本集團就在建工程可收回金額低於其賬面值的差額個別確認減值虧損。於二零零九年七月三十一日，在建工程的賬面值為18,740,000港元(二零零八年：12,110,000港元)。

預付租賃款項減值

獨立合資格估值師每年就預付租賃款項賬面值的可收回程度進行評估。於釐定公平值時，估值師乃根據涉及若干估算的估值法進行。於倚賴估值報告時，管理層已作出判斷，並信納估值法能反映目前市況。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment of available-for-sale investments

The Group classifies certain assets as available-for-sale and recognised movements of its fair value in equity. When the fair value declines, management makes assumptions about the decline in value to determine whether there is an impairment that should be recognised in the income statement.

For the available-for-sale investment not quoted in an active market, the management use their judgment in selecting an appropriate valuation technique. Valuation techniques commonly used by the market practitioners are applied. The Group's unlisted equity instruments with carrying amount of HK\$5,356,000 (2008: Nil) are valued using a discounted cash flow analysis based on the assumptions supported, where possible, by observable market prices or rates. The estimation of fair value of these equity instruments also includes some assumptions not supported by observable market prices or rates.

Allowance for inventories

The Group makes the allowance for inventories based on assessments of the net realisable value of inventories. An allowance is applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than the costs of inventories. The identification of obsolete inventories required the use of judgment and estimates on the conditions and usefulness of the inventories.

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源(續)

可供出售投資減值

本集團將若干資產分類為可供出售資產，並將其公平值變動確認於權益。當公平值下跌時，管理層對有關價值下跌作出假設，以釐定有否出現須於損益表中確認的減值。

就於活躍市場中並無報價的可供出售投資而言，管理層就選擇適當的估值方法作出判斷。本集團應用市場人士一般使用的估值方法。本集團賬面值為5,356,000港元(二零零八年：無)的非上市股權工具在可能的情况下根據可觀察市場價格或比率支持的假設使用貼現現金流量分析進行估值。該等股權工具的公平值估算亦包括一些並無可觀察市場價格或比率支持的假設。

存貨撥備

本集團根據對存貨的未變現淨值進行的評估對存貨計提撥備。如發生任何事件或情況轉變顯示存貨的可變現淨值低於成本時，本集團將對存貨計提撥備。識別滯銷存貨需利用對存貨的狀況及有用性作出的判斷及估計。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment loss recognised in respect of trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables with the accounting policy stated in note 3. Such provision for impairment is established if there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Management reassesses the adequacy of any such provision on a regular basis.

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源(續)

就應收貿易賬款及其他應收款項確認減值虧損

本集團利用附註3所述的會計政策釐定對應收貿易賬款及其他應收款項計提的減值撥備。有關減值撥備於客觀證據顯示本集團將無法按照應收款項原先期限收回所有款項時計提。管理層定期對任何有關撥備是否充足進行重估。

所得稅

本集團須繳納若干司法權區的所得稅。在釐定所得稅的撥備時須作出重大估計。在日常業務過程中，有許多交易及計算均難以明確作出最終的稅務釐定。倘該等事宜的最終稅務結果與最初入賬的金額不同，該等差額將影響稅務釐定期內的所得稅及遞延稅項撥備。

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5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through optimisation of the debt and equity balance.

The capital structure of the Group consists of bank balances and cash and equity attributable to equity holders of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure on a regular basis. As a part of this review, the directors of the Company consider the cost of capital and the associated risks and take appropriate actions to adjust the Group's capital structure. The overall strategy of the Group remained unchanged during the two years ended 31st July 2009 and 2008.

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

	金融資產		
Financial Assets	金融資產		
At fair value through profit or loss	按公平值列賬並在損益內處理	713	–
Held-to-maturity investment	持有至到期投資	11,610	–
Loans and receivables (including deposits with bank and bank balances and cash)	貸款及應收款項 (包括銀行存款以及 銀行結餘及現金)	654,529	739,640
Available-for-sale investments	可供出售投資	17,086	–
Financial Liabilities	金融負債		
At amortised cost	按攤銷成本	65,513	94,198
Derivatives financial instrument	衍生金融工具	–	827

5. 資本風險管理

本集團的資本管理旨在透過在債務與權益間作出最佳平衡，確保本集團的實體可持續經營之餘，亦為股東締造最大回報。

本集團的資本架構包括銀行結餘及現金以及本公司權益持有人應佔權益(包括已發行股本及儲備)。本公司董事定期檢討資本架構。作為檢討一部分，本公司董事考慮資本成本及相關風險，並採取適當行動調整本集團的資本架構。截至二零零九年及二零零八年七月三十一日止兩個年度，本集團的整體策略維持不變。

6. 金融工具

金融工具的類別

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	713	–
	11,610	–
	654,529	739,640
	17,086	–
	65,513	94,198
	–	827

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include held-to-maturity investment, available-for-sale investments, trade and other receivables, held-for-trading investments, deposits with bank, bank balances and cash, trade and other payables, and derivative financial instrument. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by several subsidiaries of the Company in currencies other than those subsidiaries' functional currencies. In addition, certain portion of the trade receivables, bank balances and cash and trade payables are denominated in currencies other than the functional currency of the entity to which they relate.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

		As at 31st July 2009 於二零零九年七月三十一日			As at 31st July 2008 於二零零八年七月三十一日		
		United States Dollars ("USD")'000 千美元	Euro ("EUR")'000 千歐元	New Taiwan Dollars ("NTD")'000 新台幣千元	USD'000 千美元	EUR'000 千歐元	NTD'000 新台幣千元
Assets	資產	47,738	2,571	5,374	32,880	1,913	799
Liabilities	負債	750	-	150	2,806	-	150

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

7. 財務風險管理目標及政策

本集團的主要金融工具包括持有至到期投資、可供出售投資、應收貿易賬款及其他應收款項、持作買賣投資、銀行存款、銀行結餘及現金、應付貿易賬款及其他應付款項，以及衍生金融工具。該等金融工具詳情於各相關附註披露。下文載列與該等金融工具有關的風險及如何降低該等風險的政策。管理層管理及監控該等風險，以確保及時和有效地採取適當措施。

貨幣風險

本集團面對交易貨幣風險。有關風險源自本公司若干附屬公司以彼等的功能貨幣以外貨幣進行銷售或採購。此外，若干應收貿易賬款、銀行結餘及現金以及應付貿易賬款乃以相關功能貨幣以外的貨幣計值。

本集團以外幣計值的貨幣資產及貨幣負債於報告日期的賬面值如下：

本集團現時並無外幣對沖政策。然而，管理層監察外匯風險並於有需要時考慮對沖重大外幣風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Sensitivity analysis

The Group is mainly exposed to the currency of USD, EUR and NTD.

The following table details the Group's sensitivity to a 5% increase and decrease in HK\$ against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A negative number below indicates an increase in loss where HK\$ strengthen 5% against the relevant currency. For a 5% weakening of HK\$ against the relevant currency, there would be an equal and opposite impact on the loss, and the balances below would be positive. The analysis is performed on the same basis for 2008.

		USD 美元		EUR 歐元		NTD 新台幣	
		2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Profit or loss	溢利或虧損	(18,192)	(11,639)	(1,349)	(1,172)	(60)	(8)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange as the year end exposures do not reflect the exposure during the year.

7. 財務風險管理目標及政策(續)

敏感度分析

本集團主要承受美元、歐元及新台幣的貨幣風險。

下表詳列本集團對港元兌相關外幣的匯率升跌5%的敏感度。敏感度分析僅包括以外幣定值的未償還貨幣項目，並就外幣匯率的5%變動調整於年終的換算。下表的負數數字顯示虧損增加，即港元兌相關貨幣的匯率上升5%。倘港元兌相關貨幣的匯率下跌5%，則虧損將會減少，而下文的結餘則為正數。本集團並以相同基準就二零零八年進行分析。

管理層認為，由於年終風險並不反映年內風險，故敏感度分析未能代表固有外匯風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its variable-rate bank deposits and a held-to-maturity investment and is also exposed to fair value interest rate risk in relation to fixed-rate bank deposits for the year ended 31st July 2009. To mitigate the impact of interest rate fluctuations, the Group continually assesses and monitors the exposure to interest rate risk.

The Group's exposure to interest rates on financial assets and liabilities are detailed in the liquidity risk management section of this note.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivate instruments at the balance sheet date. The analysis is prepared assuming the financial instruments outstanding at the balance sheet date were outstanding for the whole year.

If interest rates have been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 31st July 2009 would decrease/increase by approximately HK\$542,000 (2008: HK\$165,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate short term bank deposits and held-to-maturity investment.

7. 財務風險管理目標及政策(續)

利率風險

截至二零零九年七月三十一日止年度，本集團承受浮動利率銀行存款及持有至到期投資的現金流量利率風險，並亦須承受固定利率銀行存款的公平值利率風險。為減低利率波動的影響，本集團持續評估及監察所承受的利率風險。

本集團的金融資產及負債利率風險於本附註流動資金風險管理一節詳述。

敏感度分析

下文的敏感度分析乃根據非衍生工具於結算日的利率風險釐定。編製分析時會假設於結算日的未償還金融工具於整個年度均未償還。

倘利率上調／下滑50個基點，而所有其他變數維持不變，則本集團截至二零零九年七月三十一日止年度的虧損將會減少／增加約542,000港元(二零零八年：165,000港元)，主要因為本集團承擔其浮動利率短期銀行存款及持有至到期投資利率的風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Other price risk

The Group is exposed to price risk through its investments in listed equity securities and derivative financial instrument. The management manages this exposure by maintaining a portfolio of investments with different risks.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to price risks at the reporting date.

If the prices of the respective equity securities and derivatives had been 5% (2008: Nil) higher/lower:

- post-tax loss for the year ended 31st July 2009 would decrease/increase by HK\$36,000 (2008: Nil) as a result of the changes in fair values of held-for-trading investments and derivative financial instrument; and
- investments revaluation reserve would increase/decrease by HK\$587,000 (2008: Nil) for the Group as a result of the changes in fair value of listed available-for-sale investments.

7. 財務風險管理目標及政策(續)

其他價格風險

本集團因投資於上市股本證券及衍生金融工具而需承受價格風險。管理層透過持有風險程度不同的投資組合管理此風險。

敏感度分析

以下敏感度分析乃根據於報告日期需承受的價格風險釐定。

倘有關股本證券及衍生工具的價格上升/下跌5%(二零零八年:無):

- 截至二零零九年七月三十一日止年度的年內除稅後虧損將因持作買賣投資及衍生金融工具的公平值變動而減少/增加36,000港元(二零零八年:無);及
- 本集團的投資重估儲備將因已上市可供出售投資的公平值變動而增加/減少587,000港元(二零零八年:無)。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

Credit risk refers to the risk that debtors, financial institution and investment counterparties will default on their obligations to repay the amounts owing to the Group, resulting in a loss to the Group. The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations at end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet.

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

The Group does not have any other significant concentration of credit risk. Trade receivables consist of a large number of customers, spreading across diverse industries and geographical areas.

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

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of deposits with bank and bank balances and cash deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

7. 財務風險管理目標及政策(續)

信貸風險

信貸風險指債務人、金融機構及投資對手不履行償還其欠本集團款項的責任而令本集團虧損的風險。倘對手方於財政年度結束時未能履行有關各類已確認金融資產的責任，則信貸風險將以綜合資產負債表所列的該等資產賬面值為限。

為盡量降低信貸風險，本集團管理層已指定團隊負責決定信貸額度、信貸批核及其他監管程序，確保採取跟進措施以收回逾期債項。此外，本集團於各結算日審核各個別貿易債項的可收回金額，確保為不可收回款項作出充分的減值虧損。就此而言，本公司董事認為本集團的信貸風險已大幅降低。

本集團並無任何其他高度集中的信貸風險。應收貿易賬款源自遍布各行各業及不同地區的眾多客戶。

由於對手方均為具備國際信貸評級機構高信貸評級的銀行，故此流動資金及持有至到期風險的信貸風險有限。

流動資金風險

就管理流動資金風險而言，本集團監察銀行存款以及銀行結餘及現金並維持於管理層認為合適的水平，為本集團業務提供資金，並減低現金流量波動的影響。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its financial liabilities. For non-derivatives financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Liquidity risk tables

		Within one year or on demand 一年內或 按要求 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount at 31st July 於七月三十一日 的賬面值 HK\$'000 千港元
2009	二零零九年			
Non-derivative financial liabilities	非衍生工具金融負債			
Trade and other payables	應付貿易賬款及其他應付款項	65,513	65,513	65,513
2008	二零零八年			
Non-derivative financial liabilities	非衍生工具金融負債			
Trade and other payables	應付貿易賬款及其他應付款項	94,198	94,198	94,198

7. 財務風險管理目標及政策(續)

流動資金風險(續)

下表載列本集團金融負債的剩餘合約年期詳情。就非衍生工具金融負債而言，有關列表乃根據於本集團可能被要求付款的最早日期的金融負債未貼現現金流量編製。

流動資金風險列表

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Fair value

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

- i) the fair value of financial assets and financial liabilities (including derivative financial instrument) with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- ii) the fair value of other financial assets and financial liabilities (excluding derivative financial instrument) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments; and
- iii) the fair value of derivative financial instrument is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values due to their immediate or short-term maturities.

7. 財務風險管理目標及政策(續)

公平值

金融資產及金融負債的公平值按以下方式釐定：

- i) 具有標準條款及條件並於活躍流動市場買賣的金融資產及金融負債(包括衍生金融工具)，其公平值分別經參照市場的買賣盤報價釐定；
- ii) 其他金融資產及金融負債的公平值(不包括衍生金融工具)乃根據普遍採納的定價模型按以可得當前市場交易價格及交易商就相類工具的報價進行的貼現現金流量分析釐定；及
- iii) 衍生金融工具的公平值按報價計算。倘無該等價格，則非期權衍生工具將以其有效期適用的孳息曲線進行貼現現金流量分析釐定，而期權衍生工具則採用期權定價模型進行貼現現金流量分析釐定。

董事認為於綜合財務報表按攤銷成本入賬的金融資產及金融負債的賬面值，由於即時或於短期內到期，因而與彼等的公平值相若。

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8. TURNOVER AND OTHER OPERATING INCOME

Turnover represents sales value of goods sold to customers net of sales tax and value added tax.

Revenues recognised during the year are as follows:

8. 營業額及其他經營收入

營業額指售予客戶的貨品銷售價值減銷售稅及增值稅。

年內已確認收益如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Turnover	營業額		
Sale of goods	銷售貨品	620,251	744,908
Other operating income	其他經營收入		
Interest income	利息收入		
– Bank deposits	– 銀行存款	7,762	16,601
– Held-to-maturity investment	– 持有至到期投資	38	–
Total interest income	利息收入總額	7,800	16,601
Compensation received from an insurance company	已收保險公司賠償	1,891	–
Gain on disposal of held-for-trading investments	出售持作買賣投資收益	1,296	1,149
Gain on disposal of prepaid lease payments	出售預付租賃款項收益	1,025	–
Government grants	政府補助		
– Amortisation of deferred income for the year (Note 31)	– 一年內遞延收入攤銷(附註31)	23	–
– Grants related to expenses recognised as other operating income (Note)	– 確認為其他經營收入的開支相關補助(附註)	312	264
Reversal of impairment loss recognised in respect of trade receivables	撥回就應收貿易賬款確認的減值虧損	43	–
Sundry income	雜項收入	5,147	4,210
		17,537	22,224
Total revenues	收益總額	637,788	767,132

Note: For the years ended 31st July 2009 and 2008, the amounts represented unconditional grants from the PRC government specifically for encouraging the Group's technology development in the PRC.

附註：截至二零零九年及二零零八年七月三十一日止年度，有關款項指中國政府特意為鼓勵本集團在中國進行技術開發而給予的無條件補助金。

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

9. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segment

The Group principally operated in a single business segment: the manufacturing and sale of silicone rubber and related products. Accordingly, no business segment information is presented.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

9. 業務及地區分部

業務分部

本集團主要經營單一業務分部：製造及銷售矽膠及相關產品。因此，概無呈列業務分部資料。

地區分部

按地區分部基準呈列資料時，分部收益乃按客戶所在地區為基準。

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Turnover based on geographical locations: 按地理位置分類的營業額：			
The PRC (excluding Hong Kong)	中國（香港除外）	306,665	342,283
Hong Kong	香港	116,686	130,742
Other Asian countries	其他亞洲國家	129,661	188,792
The Americas	美洲	48,058	51,687
Europe	歐洲	19,181	31,404
		620,251	744,908

An analysis of segment assets and capital expenditure by geographical area in which the assets are located has not been presented as the Group's assets are substantially located in the PRC.

由於本集團大部分資產均位於中國，故並無呈列按資產所在地分類的分部資產及資本開支分析。

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10. OTHER NET EXPENSES

10. 其他開支淨額

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Exchange losses	匯兌虧損	3,773	6,667
Loss on disposal of property, plant and equipment	出售物業、廠房 及設備虧損	53	1,178
Decrease in fair value of held-for- trading investments	持作買賣投資公平值減少	24	-
Inventories lost in fire	於火災損失的存貨	998	-
Decrease in fair value of derivative financial instrument	衍生金融工具公平值減少	-	827
Loss on derivative financial instrument	衍生金融工具虧損	3,566	1,272
		8,414	9,944

11. FINANCE COSTS

11. 融資成本

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interest on bank borrowings wholly repayable within five years	須於五年內悉數償還的 銀行借款利息	-	1,875

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12. INCOME TAX EXPENSES

12. 所得稅開支

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Hong Kong Profits Tax	香港利得稅		
– current year	– 本年度	211	91
– overprovision in prior years	– 過往年度超額撥備	–	(8)
		211	83
PRC Enterprise Income Tax	中國企業所得稅		
– current year	– 本年度	6,478	3,530
– overprovision in prior years (Note)	– 過往年度超額撥備 (附註)	(4,237)	(2,823)
		2,241	707
Deferred taxation	遞延稅項		
– current year	– 本年度	(332)	194
– attributable to a change in tax rate	– 稅率變動的影響	–	(8)
		(332)	186
		2,120	976

Note: Overprovision of PRC Enterprise Income Tax expenses credited to profit or loss during 2009 and 2008 represents the tax effect on tax benefits available to the Group in respect of certain purchases of equipment produced in the PRC pertained for the year 2008 and 2007 but approved in 2009 and 2008, respectively, and the agreement of the tax authorities on deductibility of certain expenses.

附註：於二零零九年及二零零八年計入損益的中國企業所得稅開支超額撥備指本集團就屬二零零八年及二零零七年惟分別於二零零九年及二零零八年批准購買若干中國製造的設備，以及稅務機關就削減若干開支的協議而獲得的稅務優惠的影響。

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

12. INCOME TAX EXPENSES (Continued)

Hong Kong Profits Tax was calculated at 16.5% on the estimated assessable profit for both years.

Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and BVI.

Ta Yang Group (Macao Commercial Offshore) Limited ("MCO") was incorporated as a commercial offshore entity in Macau and is exempt from Macau Complementary Tax.

Pursuant to the income tax rules and regulations of the PRC, the companies comprising the Group in the PRC are liable to PRC Enterprise Income Tax as follows:

- Dongguan Ta Yang Silicone Rubber Industrial Company Limited ("Dongguan Ta Yang") is an approved foreign investment product export oriented enterprise during the years ended 2008 and 2009 and eligible to a preferential tax rate of 12% up to 31st December 2007. From 1st January 2008 onwards, Dongguan Ta Yang applied the unified tax rate of 25%.
- Dongguan Tay Yang Rubber Plastic Industrial Company Limited ("Dongguan Tay Yang"), Huzhou Ta Yang Electronic Technology Company Limited ("Huzhou Ta Yang") and Dongguan Tai Yang Rubber Plastic Industrial Company Limited ("Dongguan Tai Yang") are foreign investment enterprises and are entitled to tax concessions whereby 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 prevailing tax rate.
- Dongguan Tay Yang is entitled to a preferential tax rate of 24% up to 31st December 2007. From 1st January 2008 onwards, Dongguan Tay Yang applied the unified tax rate of 25%. The first profit-making year of Dongguan Tay Yang is 2005. Accordingly, Dongguan Tay Yang is exempted from PRC Enterprise Income Tax from 1st January 2005 to 31st December 2006 and is entitled to a 50% exemption of income tax from 1st January 2007 to 31st December 2009.

12. 所得稅開支(續)

兩年的香港利得稅均按年內的估計應課稅溢利的16.5%計算。

根據開曼群島及英屬處女群島的規則及法規，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。

大洋集團(澳門離岸商業服務)有限公司(「大洋澳門」)在澳門註冊成立為離岸商業服務機構，獲豁免繳納澳門所得補充稅。

根據中國所得稅規則及法規，組成本集團的各家中國公司須繳納中國企業所得稅如下：

- 東莞大洋硅膠製品有限公司(「東莞大洋」)於截至二零零八年及二零零九年止年度內乃核准外資產品出口企業，直至二零零七年十二月三十一日可享有12%優惠稅率。自二零零八年一月一日起，東莞大洋適用25%統一稅率。
- 東莞泰洋橡膠製品有限公司(「東莞泰洋」)、湖州大洋電子科技有限公司(「湖州大洋」)與東莞大洋橡膠製品有限公司(「東莞大洋」)為外資企業，可享有稅項減免，據此，首個獲利年度起計首兩個財政年度的溢利可豁免繳納中國所得稅，其後三年各年的溢利按適用稅率減半納稅。
- 東莞泰洋直至二零零七年十二月三十一日可享有24%的優惠稅率。自二零零八年一月一日起，東莞泰洋適用25%統一稅率。東莞泰洋的首個獲利年度為二零零五年。因此，東莞泰洋自二零零五年一月一日起至二零零六年十二月三十一日期間豁免繳納中國企業所得稅，自二零零七年一月一日起至二零零九年十二月三十一日期間享有50%的所得稅減免。

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12. INCOME TAX EXPENSES (Continued)

- Huzhou Ta Yang is entitled to a preferential tax rate of 26.4% up to 31st December 2007 and applied the unified tax rate of 25% from 1st January 2008 to 31st December 2008. The first profit-making year of Huzhou Ta Yang is 2004. Accordingly, Huzhou Ta Yang is exempted from PRC Enterprise Income Tax from 1st January 2004 to 31st December 2005 and is entitled to a 50% exemption of income tax from 1st January 2006 to 31st December 2008.

Huzhou Ta Yang is an approved advanced technology enterprise during the year ended 2009 and eligible to a preferential tax rate of 15% from 1st January 2009 to 31st December 2010.

- Dongguan Tai Yang is entitled to a preferential tax rate of 24% up to 31st December 2007. From 1st January 2008 onwards, Dongguan Tai Yang applied the unified tax rate of 25%. The first profit-making year of Dongguan Tai Yang is 2008. Accordingly, Dongguan Tai Yang is exempted from PRC Enterprise Income Tax from 1st January 2008 to 31st December 2009 and is entitled to a 50% exemption of income tax from 1st January 2010 to 31st December 2012.

On 16th March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 issued by the Tenth National People's Congress. On 6th December 2007, the State Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations changed the tax rate from 1st January 2008 onwards. The New Law provided a five-year transition period from 1st January 2008 for those subsidiaries which were established before the promulgation date of the New Law and which are entitled to a preferential lower tax rate under the effective tax laws or regulations and hence the 25% tax rate will only be applicable to certain subsidiaries after the expiry of tax holidays and concessions.

12. 所得稅開支(續)

- 湖州大洋直至二零零七年十二月三十一日可享有26.4%的優惠稅率，並自二零零八年一月一日起至二零零八年十二月三十一日間適用25%統一稅率。湖州大洋的首個獲利年度為二零零四年。因此，湖州大洋自二零零四年一月一日起至二零零五年十二月三十一日間豁免繳納中國企業所得稅，自二零零六年一月一日起至二零零八年十二月三十一日間享有50%的所得稅減免。

湖州大洋於截至二零零九年止年度內乃核准先進科技企業，並自二零零九年一月一日起至二零一零年十二月三十一日間享有15%優惠稅率。

- 東莞太洋直至二零零七年十二月三十一日可享有24%的優惠稅率。自二零零八年一月一日起，東莞太洋適用25%統一稅率。東莞太洋的首個獲利年度為二零零八年。因此，東莞太洋自二零零八年一月一日起至二零零九年十二月三十一日間豁免繳納中國企業所得稅，自二零一零年一月一日起至二零一二年十二月三十一日間享有50%的所得稅減免。

於二零零七年三月十六日，中國根據第十屆全國人民代表大會上發出的第63號令頒佈中國企業所得稅法(「新稅法」)。於二零零七年十二月六日，中國國務院頒佈新稅法的實施規例。自二零零八年一月一日起，新稅法及實施規例更改稅率。新稅法為於新稅法頒佈日期前成立及根據有效稅務法例或規定可享有較低優惠稅率的該等附屬公司提供自二零零八年一月一日起的五年過渡期，因此，25%稅率僅於稅務優惠及減免屆滿後適用於若干附屬公司。

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

12. INCOME TAX EXPENSES (Continued)

The income tax expenses for the year can be reconciled to the (loss) profit before taxation per the consolidated income statement as follows:

12. 所得稅開支(續)

年內所得稅開支與綜合損益表的除稅前(虧損)溢利對賬如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
(Loss) profit before taxation	除稅前(虧損)溢利	(36,773)	101,359
Tax expense at rates applicable to profits in the countries concerned	按適用於相關國家溢利的稅率計算的稅項開支	2,511	16,182
Tax effect of income not subject to tax	毋須課稅收入的稅務影響	(307)	(861)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	4,122	633
Overprovision in prior years	過往年度超額撥備	(4,237)	(2,831)
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	3,981	1,171
Effect of tax exemptions granted to PRC subsidiaries	中國附屬公司獲稅項減免的影響	(3,455)	(3,748)
Utilisation of previously unrecognised tax losses	動用過往未確認稅項虧損	-	(5,942)
Decrease in opening deferred tax liability resulting from a decrease in applicable tax rate	適用稅率減少以致年初遞延稅項負債減少	-	(8)
Tax credit	稅項抵免	(495)	(3,620)
Income tax expenses for the year	年內所得稅開支	2,120	976

Details of deferred taxation are in Note 32.

有關遞延稅項的詳情載於附註32。

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

13. LOSS (PROFIT) FOR THE YEAR

13. 年內虧損(溢利)

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Loss (profit) for the year has been arrived at after charging (crediting):	年內虧損(溢利)乃經扣除(計入)以下各項：		
Auditor's remuneration	核數師酬金		
– current year	– 本年度	874	1,000
– over-provision in prior year	– 過往年度超額撥備	–	(175)
Amortisation of prepaid lease payments	預付租賃款項攤銷	1,300	455
Bad debts directly written off	直接撇銷壞賬	23,742	82
Cost of inventories sold (Note i)	已售存貨成本(附註i)	514,756	531,419
Allowance for inventories (included in cost of sales)	存貨撥備(包括銷售成本)	4,437	–
Share of taxation of an associate	分佔聯營公司稅項	163	412
Depreciation of property, plant and equipment	物業、廠房及設備折舊	40,360	35,224
Directors' emoluments (Note 17)	董事酬金(附註17)	7,365	11,468
Impairment loss recognised in respect of trade receivables	就應收貿易賬款確認減值虧損	127	552
Research and development costs (Note ii)	研發成本(附註ii)	10,080	5,869
Payments under operating leases in respect of land and buildings	就土地及樓宇經營租賃項下的付款	8,677	8,473
Staff costs (excluding directors' emoluments) (Note 16)	員工成本(不包括董事酬金)(附註16)	225,110	226,966

Note i: Cost of inventories sold includes HK\$208,343,000 (2008: HK\$207,628,000) relating to staff costs, depreciation expenses and operating lease charges which amount is also included in the respective total amounts disclosed separately above.

附註i：已售存貨成本包括與員工成本、折舊開支及經營租賃費用(有關金額亦已包含在上文獨立披露的有關總額內)有關的金額208,343,000港元(二零零八年：207,628,000港元)。

Note ii: During the year ended 31st July 2009, research and development costs included staff costs of approximately HK\$5,632,000 (2008: HK\$4,030,000) for the Group's employees engaged in research and development activities, which are also included in staff costs as disclosed in Note 16.

附註ii：截至二零零九年七月三十一日止年度，研發成本包括從事研發活動的本集團僱員的員工成本約5,632,000港元(二零零八年：4,030,000港元)，亦包含在附註16所披露的員工成本內。

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

14. DIVIDENDS RECOGNISED AS DISTRIBUTION DURING THE YEAR

14. 年內確認為分派的股息

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Dividend recognised as distribution during the year: 2008 final dividend declared and paid of HK\$0.06 (2007: HK\$0.06) per share	年內確認為分派的股息： 宣派及已派付的二零零八年末期股息 每股0.06港元 (二零零七年：0.06港元)	48,000	48,000

The directors recommend the payment of a final dividend of HK\$0.06 per share for the year ended 31st July 2009. The proposed final dividend will be paid on or before 13th January 2010 to those shareholders whose names appear on the Company's register of members on 23rd December 2009.

This proposed dividend is subject to approval by the shareholder at the forthcoming annual general meeting.

董事建議就截至二零零九年七月三十一日止年度派付末期股息每股0.06港元。擬派末期股息將於二零一零年一月十三日或之前派付予於二零零九年十二月二十三日名列本公司股東名冊的股東。

本擬派股息須待股東於應屆股東週年大會上批准，方告落實。

15. (LOSS) EARNINGS PER SHARE

15. 每股(虧損)盈利

The calculations of the basic and diluted (loss) earnings per share are based on the Group's loss attributable to equity holders of the Company of approximately HK\$38,893,000 (2008: profit of HK\$100,383,000).

The basic (loss) earnings per share is based on the weighted average number of 800,000,000 (2008: 800,000,000) ordinary shares in issue during the year.

No diluted (loss) earnings per share has been presented because the exercise price of the Company's share options was higher than the average market price of the Company's shares for the years ended 31st July 2009 and 2008.

每股基本及攤薄(虧損)盈利乃按本公司權益持有人應佔本集團虧損約38,893,000港元(二零零八年：溢利100,383,000港元)計算。

每股基本(虧損)盈利乃按年內800,000,000股(二零零八年：800,000,000股)已發行普通股的加權平均數計算。

由於本公司購股權的行使價高於本公司股份截至二零零九年及二零零八年七月三十一日止年度的平均市價，因此並無呈列每股攤薄(虧損)盈利。

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16. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS)

16. 員工成本(不包括董事酬金)

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	211,892	212,597
Retirement benefit schemes contribution	退休福利計劃供款	11,050	10,193
Share-based payments	以股份為基礎的付款	2,168	4,176
		225,110	226,966

The subsidiaries in Hong Kong operate defined contribution schemes under the Hong Kong Mandatory Provident Fund Schemes Ordinance which are available to qualified employees. The assets of the schemes are held separately from those of the subsidiaries in independently administered funds. Monthly contributions made by the subsidiaries are calculated based on certain percentages of the applicable payroll costs or fixed sums as stipulated under the relevant requirements, as appropriate.

Pursuant to the regulations of the relevant authorities in the PRC, the subsidiaries of the Group in this country participate in respective government retirement benefit schemes (the "Schemes") whereby the subsidiaries are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

The retirement benefit schemes contribution represent gross contributions by the Group to the Schemes operated by the relevant authorities of the PRC and the defined contribution schemes operated in Hong Kong.

Details of the Company's share options granted to the employees of the Group are set out in Note 33.

香港的附屬公司根據香港強制性公積金計劃條例為合資格僱員設立定額供款計劃。該等計劃的資產由獨立管理基金持有，故與附屬公司的資產分開。附屬公司每月按適用薪酬成本的若干百分比作出供款或按相關規定訂明的固定款額供款(如適用)。

根據中國有關當局的規例，本集團的國內附屬公司須參與相關政府的退休福利計劃(「該等計劃」)，附屬公司須就此向該等計劃作出供款，為合資格僱員的退休福利提供資金。向該等計劃作出的供款乃按中國法例訂明的適用薪酬成本的若干百分比計算。中國有關當局負責向退休僱員支付整筆退休金責任。本集團就該等計劃的唯一責任是持續支付該等計劃所規定的供款。

退休福利計劃供款指本集團向中國有關當局營辦的該等計劃及於香港營辦的定額供款計劃作出的供款總額。

本公司授予本集團僱員購股權的詳情載於附註33。

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For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

17. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of the nine (2008: ten) directors were as follows:

For the year ended 31st July 2009

		Salaries, allowances and other benefits		Discretionary bonus	Retirement benefit schemes		Share-based payments	Total
		Fees	and other benefits		contributions	Share-based payments		
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事							
Huang Sheng-Shun	黃勝舜	-	1,368	100	12	217	1,697	
Huang Te-Wei	黃德威	-	683	76	12	91	862	
Lin Hung-Ming	林宏明	-	877	69	12	126	1,084	
Wong Tak Leung	黃德良	-	660	54	12	109	835	
Wu Ih Chen	吳意誠	-	1,096	80	12	180	1,368	
Kirk Yang (Note)	楊應超 (附註)	-	946	57	6	-	1,009	
Non-executive directors	非執行董事							
Kirk Yang (Note)	楊應超 (附註)	90	-	-	-	-	90	
Independent non-executive directors	獨立非執行董事							
Chuang Hong-Jen	莊宏仁	120	-	-	-	-	120	
Yeung Chi Tat	楊志達	180	-	-	-	-	180	
Hsieh Yu	謝裕	120	-	-	-	-	120	
		510	5,630	436	66	723	7,365	

Note: Mr. Kirk Yang ceased to be the executive director and chief financial officer of the Company and was re-designated as a non-executive director with effect from 1st February 2009 for a term of three years.

附註：楊應超先生由二零零九年二月一日起不再擔任本公司的執行董事及財務總裁職務，並調任為非執行董事，為期三年。

17. 董事及高級管理層酬金

(a) 董事酬金

已付或應付九名(二零零八年：十名)董事各自的酬金載列如下：

截至二零零九年七月三十一日止年度

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

17. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

(a) Directors' emoluments (Continued)

For the year ended 31st July 2008

		Fees	Salaries, allowances and other benefits and other	Discretionary bonus	Retirement benefit schemes contributions	Share-based payments	Total
		袍金	薪金、津貼及其他福利	酌情花紅	退休福利計劃供款	以股份為基礎的付款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事						
Huang Chi-Wei (resigned on 27th November 2007)	黃琦偉 (於二零零七年十一月二十七日辭任)	-	240	20	4	70	334
Huang Sheng-Shun	黃勝舜	-	1,432	1,500	82	372	3,386
Huang Te-Wei	黃德威	-	520	288	13	156	977
Lin Hung-Ming	林宏明	-	892	759	44	216	1,911
Wong Tak Leung	黃德良	-	640	298	12	186	1,136
Wu Ih Chen	吳意誠	-	1,104	980	68	308	2,460
Kirk Yang (appointed on 18th April 2008)	楊應超 (於二零零八年四月十八日獲委任)	-	786	53	5	-	844
Independent non-executive directors	獨立非執行董事						
Chuang Hong-Jen	莊宏仁	120	-	-	-	-	120
Yeung Chi Tat	楊志達	180	-	-	-	-	180
Hsieh Yu	謝裕	120	-	-	-	-	120
		420	5,614	3,898	228	1,308	11,468

No directors waived or agreed to waive any emoluments during the two years ended 31st July 2009 and 2008.

概無董事於截至二零零九年及二零零八年七月三十一日止兩個年度放棄或同意放棄任何酬金。

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For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

17. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

(b) Senior management's emoluments

All of the five individuals with the highest emoluments in the Group for the years ended 31st July 2009 and 2008 were directors of the Company whose emoluments are set out above.

No emoluments have been paid by the Group to the directors and senior management as an inducement to join or upon joining the Group or as compensation for loss of office during the two years ended 31st July 2009 and 2008.

17. 董事及高級管理層酬金 (續)

(b) 高級管理層酬金

截至二零零九年及二零零八年七月三十一日止年度，本集團五名最高薪人士全部為本公司董事，彼等的薪酬如上文所列。

截至二零零九年及二零零八年七月三十一日止兩個年度，本集團並無向董事及高級管理層支付酬金，作為彼等加入或將加入本集團時的獎勵或其因失去職位的賠償。

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For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Properties held for own use 持作自用物業	Motor vehicles 汽車	Plant and fixtures and machinery 廠房及機器	Furniture, equipment 傢俬、裝置 及設備	Leasehold improve- ments 租賃物業 裝修	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
COST	成本值						
At 1st August 2007	於二零零七年八月一日	67,891	4,864	205,877	36,588	45,000	360,220
Exchange realignment	匯兌調整	7,414	689	28,983	5,396	6,038	48,520
Additions	添置	2,775	1,502	24,280	16,844	3,996	49,397
Transfer from construction in progress (Note 19)	轉撥自在建工程 (附註19)	1,878	-	8,919	412	1,099	12,308
Disposals	出售	(1,233)	(605)	-	(4)	-	(1,842)
At 31st July 2008	於二零零八年七月三十一日	78,725	6,450	268,059	59,236	56,133	468,603
Additions	添置	1,563	419	5,451	4,306	2,352	14,091
Transfer from construction in progress (Note 19)	轉撥自在建工程 (附註19)	22,685	-	4,690	343	-	27,718
Disposals	出售	-	(750)	(1,914)	(358)	-	(3,022)
At 31st July 2009	於二零零九年七月三十一日	102,973	6,119	276,286	63,527	58,485	507,390
ACCUMULATED DEPRECIATION	累計折舊						
At 1st August 2007	於二零零七年八月一日	3,131	3,137	72,606	17,691	18,288	114,853
Exchange realignment	匯兌調整	264	423	10,365	2,536	2,581	16,169
Provided for the year	年內撥備	3,335	285	20,592	5,816	5,196	35,224
Eliminated on disposals	出售時對銷	(91)	(435)	-	(2)	-	(528)
At 31st July 2008	於二零零八年七月三十一日	6,639	3,410	103,563	26,041	26,065	165,718
Provided for the year	年內撥備	4,112	564	22,435	8,050	5,199	40,360
Eliminated on disposals	出售時對銷	-	(675)	(1,692)	(38)	-	(2,405)
At 31st July 2009	於二零零九年七月三十一日	10,751	3,299	124,306	34,053	31,264	203,673
CARRYING VALUES	賬面值						
At 31st July 2009	於二零零九年七月三十一日	92,222	2,820	151,980	29,474	27,221	303,717
At 31st July 2008	於二零零八年七月三十一日	72,086	3,040	164,496	33,195	30,068	302,885

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綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives less residual value as follows:

Properties held for own use situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.

	Estimated useful life 估計可使用年期	Residual value 剩餘價值
Motor vehicles 汽車	5 years 5年	10%
Plant and machinery 廠房及機器	10 years 10年	10%
Furniture, fixtures and equipment 傢俬、裝置及設備	5 years 5年	10%
Leasehold improvements 租賃物業裝修	Shorter of the lease term and 5 to 10 years 租賃期及5至10年，以較短者為準	—

The carrying value of properties held for own use shown above comprises of:

18. 物業、廠房及設備(續)

以上物業、廠房及設備項目以直線法按以下估計可使用年期減剩餘價值計算折舊：

租賃土地上的持作自用物業按未屆滿的租賃期及其估計可使用年期(完成日期後50年內)中較短者折舊。

上述持作自用物業的賬面值包括：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Medium-term lease — in Hong Kong	中期租賃 — 位於香港	9,522	9,757
— outside Hong Kong	— 香港以外地區	82,700	62,329
		92,222	72,086

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19. CONSTRUCTION IN PROGRESS

19. 在建工程

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At 1st August	於八月一日	12,110	1,001
Exchange realignment	匯兌調整	-	503
Additions	添置	34,348	22,914
Transfer to property, plant and equipment (Note 18)	轉撥至物業、廠房 及設備(附註18)	(27,718)	(12,308)
At 31st July	於七月三十一日	18,740	12,110

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20. PREPAID LEASE PAYMENTS

The prepaid lease payments consist of cost of land use rights in respect of land located in the PRC held under medium term leases, on which the Group's factory plants and staff quarters are built. The remaining period of the land use rights of the Group ranges from 42 to 47 years.

Analysed for reporting purposes as:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Current asset	流動資產	1,298	1,312
Non-current asset	非流動資產	58,057	59,854
		59,355	61,166

20. 預付租賃款項

預付租賃款項包括有關位於中國並按中期租約持有的土地(本集團在該幅土地上建有廠房及員工宿舍)的土地使用權的成本值。本集團土地使用權的剩餘期限介乎42至47年不等。

就申報目的進行的分析如下：

21. AVAILABLE-FOR-SALE INVESTMENTS 21. 可供出售投資

Available-for-sale investments comprise:

可供出售投資包括：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Listed securities:	上市證券：		
– Equity securities listed outside Hong Kong, at fair value	– 在香港以外地區上市的股本證券，按公平值	11,730	–
Unlisted securities:	非上市證券：		
– Equity securities, at cost	– 股本證券，按成本	5,356	–
		17,086	–

The fair value of the above listed securities is determined based on the quoted market bid prices available on the relevant stock exchange.

上述上市證券的公平值乃按於相關交易所可得的市場所報買入價釐定。

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21. AVAILABLE-FOR-SALE INVESTMENTS

(Continued)

The unlisted equity securities are measured at cost less impairment at each balance sheet date because the range of reasonable fair value estimate is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

22. HELD-TO-MATURITY INVESTMENT

Held-to-maturity investment comprises:

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Unlisted debt securities	11,610	-

The unlisted debt securities carry variable interest at three-month LIBOR plus 0.95% per annum, payable quarterly, and will mature in May 2012.

23. INTEREST IN AN ASSOCIATE

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Unlisted shares, at cost	1,278	1,278
Share of post-acquisition profit and exchange reserve less distribution of profit	374	1,365
	1,652	2,643

非上市股份，按成本值
分佔收購後溢利
及匯兌儲備減
溢利分派

21. 可供出售投資(續)

非上市股本證券於各結算日按成本減減值計量，此乃由於該等證券的合理公平值估計範圍甚大，本公司董事認為其公平值無法可靠地計量。

22. 持有至到期投資

持有至到期投資包括：

非上市債務證券的可變利率為三個月倫敦銀行同業拆息加年利率0.95厘，有關利息將每季支付，而有關證券則將於二零一二年五月到期。

23. 聯營公司權益

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23. INTEREST IN AN ASSOCIATE (Continued)

Details of the associate at 31st July 2009 are as follows:

Name of company 公司名稱	Form of business structure 業務架構形式	Place of incorporation/ operation 註冊成立及 經營地點	Registered paid up capital 註冊繳足股本	Proportion of ownership interest directly held 直接持有的 擁有權益比例	Principal activity 主要業務
SiTY Silcum & Ta Yang International GmbH ("SiTY")	Incorporated	Germany	EUR250,000	50%	Trading of silicone tiles and electrical switching systems and related items
SiTY Silcum & Ta Yang International GmbH ("SiTY")	註冊成立	德國	250,000歐元	50%	矽膠瓷磚及電掣系統及相關項目貿易

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

於二零零九年七月三十一日，該聯營公司的詳情如下：

有關本集團聯營公司的未經審核財務資料概要載列如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total assets	資產總值	5,404	10,326
Total liabilities	負債總額	(2,100)	(5,039)
Net assets	資產淨值	3,304	5,287
Group's share of net assets of an associate	本集團分佔聯營公司的資產淨值	1,652	2,643
Revenue	收益	20,763	31,442
(Loss) profit for the year	年內(虧損)溢利	(473)	2,796
Group's share of results of an associate for the year	年內本集團分佔聯營公司的業績	(237)	1,398

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24. INVENTORIES

24. 存貨

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Raw materials	原材料	49,992	81,489
Work-in-progress	在製品	30,091	25,909
Finished goods	製成品	28,906	30,523
		108,989	137,921

25. TRADE AND OTHER RECEIVABLES

25. 應收貿易賬款及其他應收款項

(a)		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Trade receivables	應收貿易賬款		
– from third parties	– 應收第三方	191,435	242,625
– from an associate	– 應收聯營公司	843	2,500
Less: Impairment losses recognised in respect of trade receivables	減：就應收貿易賬款 確認減值虧損	(406)	(322)
		191,872	244,803
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	13,459	48,101
		205,331	292,904

The Group normally grants to its customers credit periods ranging from 30 days to 135 days which are subject to periodic review by the management.

本集團一般給予其客戶介乎30日至135日的信貸期，並由管理層定期作檢討。

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25. TRADE AND OTHER RECEIVABLES

(Continued)

(a) (Continued)

An aged analysis of trade receivables, net of impairment losses recognised, is as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Within 1 month or on demand	一個月內或按要求償還	67,950	111,220
More than 1 month but less than 3 months	一個月以上但少於三個月	86,965	95,600
More than 3 months but less than 12 months	三個月以上但少於十二個月	36,882	36,795
More than 12 months	十二個月以上	75	1,188
		191,872	244,803

(b) The movement on impairment losses of trade receivables is as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At 1st August	於八月一日	322	913
Exchange realignment	匯兌調整	-	61
Impairment losses recognised	已確認減值虧損	127	552
Impairment losses reversed	撥回減值虧損	(43)	-
Receivables written off as uncollectible	不可收回而撇銷的 應收款項	-	(1,204)
At 31st July	於七月三十一日	406	322

25. 應收貿易賬款及其他應收款項(續)

(a) (續)

扣除已確認減值虧損後的應收貿易賬款賬齡分析如下：

(b) 應收貿易賬款減值虧損變動如下：

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25. TRADE AND OTHER RECEIVABLES

(Continued)

(b) (Continued)

Included in the impairment losses recognised are individually impaired trade receivables with an aggregate balance of HK\$406,000 (2008: HK\$322,000) over which the Group does not hold any collateral. The individually impaired receivables mainly relates to customers that are in unexpected financial difficulty or of poor credit history.

(c) At 31st July 2009 and 2008, the analysis of trade receivables that were past due but not impaired are as follows:

	Total 總額	Neither past due nor impaired 未逾期 亦未減值	Past due but not impaired 已逾期但未減值		
			<90 days <90日	Over 90 days but less than 1 year 90日以上 但少於一年	Over 1 year but less than 2 years 一年以上但 少於兩年
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31st July 2009 二零零九年七月三十一日	191,872	179,067	11,752	978	75
31st July 2008 二零零八年七月三十一日	244,803	212,944	23,976	6,695	1,188

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

Trade 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 still considered fully recoverable. The Group does not hold any collateral over these balances.

25. 應收貿易賬款及其他應收款項(續)

(b) (續)

計入已確認減值虧損的為個別已減值的應收賬款，合共結餘為406,000港元(二零零八年：322,000港元)，本集團並無對該等應收賬款持有任何抵押品。個別已減值應收賬款主要與陷於意料之外的財政困難或信貸記錄不良的客戶有關。

(c) 於二零零九年及二零零八年七月三十一日，已逾期但未減值的應收貿易賬款分析如下：

未逾期亦未減值的應收貿易賬款乃與眾多並無近期欠款記錄的客戶有關。

已逾期但未減值的應收貿易賬款乃與多名在本集團擁有良好記錄的獨立客戶有關。根據過往經驗，由於信貸質素並無重大變動且認為結餘仍可以全數收回，故管理層相信該等結餘並無必要作出減值撥備。本集團並無就該等結餘持有任何抵押品。

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25. TRADE AND OTHER RECEIVABLES

(Continued)

- (d) Included in trade receivables are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		2009 二零零九年 '000 千元	2008 二零零八年 '000 千元
USD	美元	19,058	21,546
EUR	歐元	472	825
NTD	新台幣	3,011	10

26. HELD-FOR-TRADING INVESTMENTS

Held-for-trading investments of the Group at 31st July 2009 represent equity securities listed in Hong Kong at quoted market price.

27. DEPOSITS WITH BANK AND BANK BALANCES AND CASH

At 31st July 2009, the fixed interest rate on deposits with bank, with maturity within six months, was 0.20% (2008: Nil) per annum.

At 31st July 2009, bank balances and cash comprise of cash held by the Group and short-term bank deposits of approximately HK\$261,712,000 (2008: HK\$446,780,000) at prevailing market rate. The maturities of bank balances were within three months.

Bank balances and bank deposits with maturity within three months carried interest at average market rates of 1.29% (2008: 2.63%).

25. 應收貿易賬款及其他應收款項(續)

- (d) 應收貿易賬款內包括下列以相關實體的功能貨幣以外的貨幣列值的金額：

26. 持作買賣投資

本集團於二零零九年七月三十一日的持作買賣投資指於香港按所報市價上市的股本證券。

27. 銀行存款以及銀行結餘及現金

於二零零九年七月三十一日，六個月內到期銀行存款的固定年利率為0.20厘(二零零八年：無)。

於二零零九年七月三十一日，銀行結餘及現金包括本集團持有的現金以及按當前市場利率計息的短期銀行存款約261,712,000港元(二零零八年：446,780,000港元)。該等銀行結餘的到期日為三個月內。

三個月內到期的銀行結餘及銀行存款按1.29厘(二零零八年：2.63厘)的平均市場利率計息。

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27. DEPOSITS WITH BANK AND BANK BALANCES AND CASH (Continued)

At 31st July 2009, the Group's bank balances and cash denominated in RMB amounted to approximately RMB142,205,000 (2008: RMB189,205,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

Included in bank balances and cash are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		2009 二零零九年 '000 千元	2008 二零零八年 '000 千元
USD	美元	28,680	11,334
EUR	歐元	2,099	1,088
NTD	新台幣	2,363	789

The fair values of the Group's bank balances and cash at the balance sheet date approximated to the corresponding carrying amounts due to their short-term maturities.

28. TRADE AND OTHER PAYABLES

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Trade payables	應付貿易賬款	31,822	56,803
Other payables	其他應付款項	36,317	42,379
		68,139	99,182

27. 銀行存款以及銀行結餘及現金(續)

於二零零九年七月三十一日，本集團以人民幣計值的銀行結餘及現金約為人民幣142,205,000元(二零零八年：人民幣189,205,000元)。兌換人民幣為外幣須受中國外匯管理條例及結餘、售匯及付匯管理規定所限。

銀行結餘及現金包括下列以相關實體的功能貨幣以外貨幣計值的款項：

由於本集團的銀行存款、銀行結餘及現金均於短期內到期，故其於結算日的公平值與相應賬面值相若。

28. 應付貿易賬款及其他應付款項

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For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

28. TRADE AND OTHER PAYABLES (Continued)

An aged analysis of trade payables is as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Within 1 month or on demand	一個月內到期或按要求償還	20,969	22,144
Due after 1 month but less than 3 months	一個月後但三個月內到期	8,477	26,333
Due after 3 months but within 12 months	三個月後但十二個月內到期	1,887	8,170
Due after 12 months	十二個月後到期	489	156
		31,822	56,803

Included in other payables, there are no accrued directors' emoluments due to the Company's directors (2008: HK\$4,060,000).

Included in trade payables are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		2009 二零零九年 '000 千港元	2008 二零零八年 '000 千港元
USD	美元	750	2,806
NTD	新台幣	150	150

28. 應付貿易賬款及其他應付款項(續)

應付貿易賬款的賬齡分析如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Within 1 month or on demand	一個月內到期或按要求償還	20,969	22,144
Due after 1 month but less than 3 months	一個月後但三個月內到期	8,477	26,333
Due after 3 months but within 12 months	三個月後但十二個月內到期	1,887	8,170
Due after 12 months	十二個月後到期	489	156
		31,822	56,803

其他應付款項內並無應付本公司董事的應計董事酬金(二零零八年：4,060,000港元)。

應付貿易賬款內包括下列以相關實體的功能貨幣以外的貨幣列值的金額：

		2009 二零零九年 '000 千港元	2008 二零零八年 '000 千港元
USD	美元	750	2,806
NTD	新台幣	150	150

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29. DERIVATIVE FINANCIAL INSTRUMENT 29. 衍生金融工具

Derivatives not under hedge accounting:

非對沖會計處理的衍生工具：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Derivative financial asset	衍生金融資產		
Investment in warrant	於權證的投資	115	-
Derivative financial liability	衍生金融負債		
Commodity future contract	商品期貨合約	-	827

The commodity future contract represents the trading of silver with maturity date on 30th September 2008. The commodity contract is normally settled other than by physical delivery of the underlying commodity and hence is classified as derivative financial instrument. On maturity, the contracted price is compared to the spot price and the differential is applied to the contracted quantity. A net amount is paid or received by the Group. The derivative is measured at fair value at the balance sheet date. The fair value is determined based on the quoted market prices of equivalent instruments at the balance sheet date.

The Group's derivative financial liability is denominated in USD.

The commodity future contract has been settled during the year ended 31st July 2009 at loss of approximately HK\$1,549,000. The loss arising from changes in fair value of commodity future contract for the year ended 31st July 2008 is approximately HK\$827,000.

商品期貨合約指於二零零八年九月三十日到期的銀期貨交易。商品合約一般並非以有關商品的實物交收方式結算，因而分類為衍生金融工具。於到期時，訂約價與現貨價相比，以差價乘以合約數量，由本集團支付或收取淨額。衍生工具於結算日按公平值計算。其公平值按等同工具於結算日的市場報價釐定。

本集團的衍生金融負債以美元計值。

商品期貨合約已於截至二零零九年七月三十一日止年度期間結算，虧損約1,549,000港元。截至二零零八年七月三十一日止年度，商品期貨合約公平值變動所帶來的虧損約為827,000港元。

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30. SHARE CAPITAL

30. 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary share of HK\$0.1 each	每股面值0.1港元的普通股		
At 31st July 2007, 2008 and 2009	於二零零七年、二零零八年 及二零零九年七月三十一日	20,000,000	2,000,000
Issued and fully paid:	已發行及繳足		
Ordinary share of HK\$0.1 each	每股面值0.1港元的普通股		
At 31st July 2007, 2008 and 2009	於二零零七年、二零零八年 及二零零九年七月三十一日	800,000	80,000

31. DEFERRED INCOME

31. 遞延收入

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Granted during the year	年內授予	1,049	-
Credited to consolidated income statement	計入綜合損益表	(23)	-
At 31st July	於七月三十一日	1,026	-

During the year ended 31st July 2009, the Group received a government grant of approximately HK\$1,049,000 from 浙江湖州經濟開發區管理委員會 for the acquisition of prepaid lease payments. The amount will be recognised as other operating income over the unexpired lease term of prepaid lease payments. During the year, deferred income of approximately HK\$23,000 has been recognised in the consolidated income statement.

於截至二零零九年七月三十一日止年度期間，本集團收到浙江湖州經濟開發區管理委員會就購入預付租賃款項而給予的政府補助約1,049,000港元。該金額將於預付租賃款項有效租賃期內確認為其他經營收入。年內，遞延收入約23,000港元已於綜合損益表內確認。

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32. DEFERRED TAXATION

The following are the major deferred tax (assets) liabilities recognised and movements thereof during the current and prior years:

32. 遞延稅項

本年度及過往年度已確認的主要遞延稅項(資產)負債及其變動如下：

		Unrealised profits on inventories 存貨的未變現溢利 HK\$'000 千港元	Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Estimated tax losses 估計稅項虧損 HK\$'000 千港元	Deferred income arising from government grant 政府補助產生的遞延收入 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st August 2007	於二零零七年八月一日	(885)	143	-	-	(742)
Charged (credited) to consolidated income statement	於綜合損益表扣除(計入)稅率變動的影響	329	88	(223)	-	194
Effect of change in tax rate	稅率變動的影響	-	(8)	-	-	(8)
At 31st July 2008	於二零零八年七月三十一日	(556)	223	(223)	-	(556)
(Credited) charged to consolidated income statement	於綜合損益表(計入)扣除	(75)	(78)	78	(257)	(332)
At 31st July 2009	於二零零九年七月三十一日	(631)	145	(145)	(257)	(888)

Under the New Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1st January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to the profits earned by the PRC subsidiaries as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

根據中國新稅法，中國附屬公司由二零零八年一月一日起須就所賺溢利宣派的股息繳納預扣稅。本集團於綜合財務報表中並無就中國附屬公司所賺溢利產生的暫時性差異計提遞延稅項撥備，原因為本集團能夠控制撥回暫時性差異的時間，且該等暫時性差異有可能不會於可見將來撥回。

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32. DEFERRED TAXATION (Continued)

At 31st July 2009, the Group has unused estimated tax losses of approximately HK\$34,415,000 (2008: HK\$18,109,000) available for offsetting against future profits. A deferred tax asset has been recognised in respect of such losses of approximately HK\$885,000 (2008: HK\$1,355,000). No deferred tax asset has been recognised in respect of the remaining losses of approximately HK\$33,530,000 (2008: HK\$16,754,000) due to the unpredictability of future profit streams. At 31st July 2009, HK\$23,927,000 (2008: approximately HK\$9,656,000) included in the above unused tax losses will expire after five years from the year of assessment to which they relate to. Other estimated tax losses may be carried forward indefinitely.

33. SHARE OPTION SCHEME

Pursuant to the shareholders' written resolution passed on 16th May 2007, the Company adopted a Pre-IPO share option scheme ("the Pre-IPO Option Scheme") whereby the directors and eligible employees of the Group were given the rights to subscribe for shares of the Company, the subscription price per share pursuant to the Pre-IPO Option Scheme is HK\$2.20 representing a 37.1% discount to the international offering price.

The total number of shares which may be issued upon the exercise of all options granted under the Pre-IPO Option Scheme is 9,070,000 shares which were fully granted on 16th May 2007. No further options would be granted under the Pre-IPO Option Scheme on or after the listing on 8th June 2007.

32. 遞延稅項(續)

於二零零九年七月三十一日，本集團有尚未動用估計稅項虧損約34,415,000港元(二零零八年：18,109,000港元)，可供對銷未來溢利。已就有關虧損約885,000港元(二零零八年：1,355,000港元)確認遞延稅項資產。由於未能預計未來溢利流量，概無就餘下虧損約33,530,000港元(二零零八年：16,754,000港元)確認遞延稅項資產。於二零零九年七月三十一日，上述尚未動用稅項虧損中23,927,000港元(二零零八年：約9,656,000港元)將於其相關的評估年度起計五年後到期。其他估計稅項虧損可無限期結轉。

33. 購股權計劃

根據於二零零七年五月十六日通過的股東書面決議案，本公司採納首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)。據此，本集團的董事以及合資格僱員獲授權認購本公司的股份，根據首次公開發售前購股權計劃每股認購價為2.20港元，較國際發售價折讓37.1%。

因行使根據首次公開發售前購股權計劃授出的所有購股權可予發行的股份總數合共為9,070,000股，而有關購股權已於二零零七年五月十六日悉數授出。本公司於二零零七年六月八日上市或之後，不會再根據首次公開發售前購股權計劃進一步授出購股權。

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33. SHARE OPTION SCHEME (Continued)

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

Options granted under the Pre-IPO Option Scheme have a vesting period of one to five years commencing from the Listing Date and the options are exercisable for a period of ten years. The Group has no legal or constructive obligation to repurchase or settle the option in cash.

Vesting conditions 歸屬條件		Number of options granted to directors 授予董事的購股權數目	Number of options granted to employees 授予僱員的購股權數目	Total 總計
1st anniversary of the Listing Date	上市日期後一週年	430,000	1,384,000	1,814,000
2nd anniversary of the Listing Date	上市日期後兩週年	430,000	1,384,000	1,814,000
3rd anniversary of the Listing Date	上市日期後三週年	430,000	1,384,000	1,814,000
4th anniversary of the Listing Date	上市日期後四週年	430,000	1,384,000	1,814,000
5th anniversary of the Listing Date	上市日期後五週年	430,000	1,384,000	1,814,000
		2,150,000	6,920,000	9,070,000

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

		Exercise price 行使價	Number of options 購股權數目
Outstanding at 1st August 2007	於二零零七年八月一日尚未行使	HK\$2.20	8,935,000
Lapsed during the year	年內失效	HK\$2.20	(1,510,000)
Outstanding at 31st July 2008	於二零零八年七月三十一日尚未行使	HK\$2.20	7,425,000
Lapsed during the year	年內失效	HK\$2.20	(340,000)
Outstanding at 31st July 2009	於二零零九年七月三十一日尚未行使		7,085,000

33. 購股權計劃(續)

- (a) 以下為期內授出購股權的條款及條件，而所有購股權均透過實物交付股份結算：

根據首次公開發售前購股權計劃所授出購股權的歸屬期由上市日期起計為期一至五年，行使期為十年。本集團並無法律或推定責任以現金購回或結算購股權。

Number of options granted to directors 授予董事的購股權數目	Number of options granted to employees 授予僱員的購股權數目	Total 總計
2,150,000	6,920,000	9,070,000

- (b) 購股權的數目及行使價如下：

		Exercise price 行使價	Number of options 購股權數目
Outstanding at 1st August 2007	於二零零七年八月一日尚未行使	HK\$2.20	8,935,000
Lapsed during the year	年內失效	HK\$2.20	(1,510,000)
Outstanding at 31st July 2008	於二零零八年七月三十一日尚未行使	HK\$2.20	7,425,000
Lapsed during the year	年內失效	HK\$2.20	(340,000)
Outstanding at 31st July 2009	於二零零九年七月三十一日尚未行使		7,085,000

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33. SHARE OPTION SCHEME (Continued)

(c) Fair value of share options and assumptions

The fair value of services received in return for the 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 the Black-Scholes Option Pricing model. The contractual life of the share option is used as an input into this model. Expectation of early exercise is incorporated into the valuation model.

Fair value at measurement date	HK\$1.66
於計量日期的公平值	1.66港元
Share price	HK\$3.11
股份價格	3.11港元
Exercise price	HK\$2.20
行使價	2.20港元
Expected volatility	56.65%
預期波幅	
Option life	10 years
購股權的年期	10年
Expected dividends	2.5%
預期股息	
Risk-free interest rate	
(based on Exchange Fund Notes)	4.1%
無風險利率（根據外匯基金票據）	

34. RELATED PARTY TRANSACTIONS

(a) Other than disclosed elsewhere in the consolidated financial statements, during the year, the Group entered into the following transactions with the related party:

Name of company 公司名稱	Nature of transactions 交易性質	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
SiTY	Sales of silicone rubber keypads	6,082	8,535
SiTY	銷售矽膠按鍵		

33. 購股權計劃(續)

(c) 購股權的公平值和假設

就授出購股權所獲得服務的公平值是參照所授出購股權的公平值計算。所授出購股權的公平值估計是以「柏力克—舒爾斯」期權定價模式計量。購股權的合約年期用作該模式的一項輸入參數。提早行使的預期乃計入估價模式。

34. 關連方交易

(a) 除於綜合財務報表另行披露者外，於年內，本集團與關連方訂立以下交易：

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34. RELATED PARTY TRANSACTIONS

(Continued)

(b) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year were as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Short-term benefits	短期福利	8,052	11,377
Post-employment benefits	離職後福利	123	330
Share-based payments	以股份為基礎的付款	1,146	1,673
		9,321	13,380

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

34. 關連方交易 (續)

(b) 主要管理層人員報酬

年內，本公司董事及其他主要管理層成員的薪酬如下：

本公司董事及主要行政人員的薪酬乃由薪酬委員會經考慮個別人士的表現及市場趨勢而釐定。

35. CAPITAL COMMITMENTS

35. 資本承擔

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of the acquisition of:	就收購下列各項的已訂約但尚未於綜合財務報表撥備的資本開支：		
– Property, plant and equipment	– 物業、廠房及設備	5,034	13,236
– Available-for-sale investments (Note)	– 可供出售投資(附註)	6,676	–
		11,710	13,236

Note: At 31st July 2009, the Group has committed to acquire unlisted equity securities outside Hong Kong.

附註：於二零零九年七月三十一日，本集團已承諾在香港境外收購非上市股本證券。

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36. COMMITMENTS UNDER OPERATING LEASES

The Group as lessee

The Group leases a number of properties under operating leases for its factories, offices and staff quarters. The leases were negotiated for terms ranging from one to five years, with the options to renew the leases when all terms are renegotiated. None of the leases includes contingent rentals.

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

36. 經營租賃承擔

本集團作為承租人

本集團根據經營租賃租賃若干物業用作廠房、辦公室及員工宿舍。該等租賃為期介乎一至五年，並且有權選擇續租，屆時所有條款均可重新商定。該等租賃概無包括或然租金。

於結算日，本集團根據不可撤銷經營租賃須於日後支付的最低租賃款項承擔根據到期情況分析如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Land and buildings:	土地及樓宇：		
Within one year	一年內	7,083	7,931
In the second to fifth year inclusive	第二至五年（包括首尾兩年）	10,922	12,781
		18,005	20,712

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37. BALANCE SHEET INFORMATION OF THE COMPANY

37. 本公司的資產負債表資料

		NOTES 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Non-current asset	非流動資產			
Investments in subsidiaries	於附屬公司的投資		104,149	104,149
Current assets	流動資產			
Other receivables	其他應收款項		228	—
Amounts due from subsidiaries	應收附屬公司款項	(a)	658,627	477,192
Bank balances and cash	銀行結餘及現金		113,940	181,353
			772,795	658,545
Current liabilities	流動負債			
Other payables	其他應付款項		1,091	258
Amounts due to subsidiaries	應付附屬公司款項	(a)	125,207	14,046
			126,298	14,304
Net current assets	流動資產淨值		646,497	644,241
Total assets less current liabilities	總資產減流動負債		750,646	748,390
Capital and reserves	資本及儲備			
Share capital	股本		80,000	80,000
Reserves	儲備	(b)	670,646	668,390
Total equity	權益總值		750,646	748,390

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For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

37. BALANCE SHEET INFORMATION OF THE COMPANY (Continued)

(a) Amounts due from/to subsidiaries

The amounts are unsecured, non-interest bearing and repayable on demand. The fair values of the amounts at the balance sheet date approximated to the corresponding carrying amounts due to their short-term maturities.

(b) Reserves

37. 本公司的資產負債表資料(續)

(a) 應收／應付附屬公司款項

有關款項為無抵押、免息及按要求償還。由於有關款項均於短期內到期，故其於結算日的公平值與相應賬面值相若。

(b) 儲備

		Share premium 股份溢價	Share option reserve 股份認購權儲備	Retained profits 保留溢利	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st August 2007	於二零零七年八月一日	659,945	1,400	4,079	665,424
Profit for the year	年內溢利	–	–	45,482	45,482
Equity-settled share-based transactions	權益償付的股份基礎交易	–	5,484	–	5,484
Transfer to reserve for value of share option lapsed	就失效購股權的價值轉撥至儲備	–	(698)	698	–
Dividend declared and paid during the year	年內宣派及已派付股息	–	–	(48,000)	(48,000)
At 31st July 2008	於二零零八年七月三十一日	659,945	6,186	2,259	668,390
Profit for the year	年內溢利	–	–	47,365	47,365
Equity-settled share-based transactions	權益償付的股份基礎交易	–	2,891	–	2,891
Transfer to reserve for value of share option lapsed	就失效購股權的價值轉撥至儲備	–	(375)	375	–
Dividend declared and paid during the year	年內宣派及已派付股息	–	–	(48,000)	(48,000)
At 31st July 2009	於二零零九年七月三十一日	659,945	8,702	1,999	670,646

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38. INVESTMENTS IN SUBSIDIARIES

Details of the principal subsidiaries held by the Company as at 31st July 2009 are as follows:

38. 於附屬公司的投資

於二零零九年七月三十一日，本公司持有的主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 建立地點	Class of shares held 所持股份類別	Issued share capital/ registered capital 已發行股本/ 註冊資本	Attributable equity interest of the Group 本集團 應佔股本權益	Principal activities 主要業務
Ta Yang Silicone Rubber Industrial Company Limited 大洋矽橡膠工業有限公司	Hong Kong 香港	Ordinary shares 普通股	1,000,000 shares of HK\$1 each 1,000,000股每股 面值1港元的股份	100%	Trading of silicone rubber 買賣矽膠
Chief Ocean Limited 致洋有限公司	Hong Kong 香港	Ordinary shares 普通股	1 share of HK\$1 each 1股面值 1港元的股份	100%	Provision of management services 提供管理服務
Ta Yang Group Limited 大洋集團有限公司	BVI 英屬處女群島	Ordinary shares 普通股	11,930,811 shares of US\$1 each 11,930,811股 每股面值1美元的股份	100%	Investment holding 投資控股
Top View Investment Holdings Limited Top View Investment Holdings Limited	BVI 英屬處女群島	Ordinary shares 普通股	1 share of US\$1 each 1股面值1美元的股份	100%	Investment holding 投資控股
Ta Yang Group (Macao Commercial Offshore) Limited 大洋集團(澳門離岸商業服務)有限公司	Macau 澳門	Ordinary shares 普通股	1 share of MOP100,000 each 1股面值 100,000澳門元的股份	100%	Trading of silicone rubber 買賣矽膠
Dongguan Ta Yang Silicone Rubber Industrial Company Limited 東莞大洋矽膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$86,000,000 86,000,000港元	100%	Manufacturing of silicone rubber 製造矽膠
Huzhou Ta Yang Electronic Technology Company Limited 湖州大洋電子科技有限公司	PRC 中國	Contributed capital 繳入資本	US\$38,000,000 38,000,000美元	100%	Manufacturing of silicone rubber 製造矽膠

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38. INVESTMENTS IN SUBSIDIARIES

(Continued)

38. 於附屬公司的投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 建立地點	Class of shares held 所持股份類別	Issued share capital/ registered capital 已發行股本/ 註冊資本	Attributable equity interest of the Group 本集團 應佔股本權益	Principal activities 主要業務
Dongguan Tay Yang Rubber Plastic Industrial Company Limited 東莞泰洋橡膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$5,000,000 5,000,000港元	100%	Manufacturing of silicone rubber 製造矽膠
Dongguan Tai Yang Rubber Plastic Industrial Company Limited 東莞大洋橡膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$43,323,394 43,323,394港元	100%	Manufacturing of silicone rubber 製造矽膠
Huizhou Fu Ying Rubber Plastic Industrial Co., Ltd 惠州福盈橡膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$12,800,000 12,800,000港元	100%	Property holding 物業控股
Huizhou Rui Mei Silicone Rubber Industrial Co., Ltd 惠州瑞美矽膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$12,800,000 12,800,000港元	100%	Property holding 物業控股
Huizhou Shuo Ying Silicone Rubber Industrial Co., Ltd 惠州碩盈矽膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$12,800,000 12,800,000港元	100%	Property holding 物業控股
Huizhou Fu Mei Silicone Rubber Industrial Co., Ltd 惠州福美矽膠製品有限公司	PRC 中國	Contributed capital 繳入資本	HK\$12,800,000 12,800,000港元	100%	Property holding 物業控股

Note: All entities established in the PRC are wholly foreign owned enterprises.

附註：所有在中國成立的實體均為外商獨資企業。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

38. INVESTMENTS IN SUBSIDIARIES

(Continued)

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding as at the end of the year or at any time during the year.

39. MAJOR NON-CASH TRANSACTIONS

The Group has undertaken the following non-cash transactions during the year ended 31st July 2009:

- (a) The Group has disposed certain prepaid lease payments for the consideration of HK\$1,536,000 which has not yet been received at year end date.
- (b) The Group has acquired certain property, plant and equipment for the consideration of HK\$14,091,000 of which HK\$991,000 has not yet been settled at year end date.

40. COMPARATIVE FIGURES

Certain comparative amounts have been reclassified to conform with the current year's presentation.

41. ULTIMATE CONTROLLING PARTY

At 31st July 2009, the directors consider the ultimate controlling party of the Company to be Homelink Venture Corp., which is incorporated in the BVI. This entity does not produce financial statements available for public use.

38. 於附屬公司的投資(續)

上表列示本公司董事認為主要影響本集團業績或資產的本集團附屬公司，而本公司董事認為詳列其他附屬公司資料會導致篇幅過於冗長。

於年終或年內任何時間，概無附屬公司擁有任何已發行的債務證券。

39. 主要非現金交易

本集團於截至二零零九年七月三十一日止年度期間所進行的非現金交易如下：

- (a) 本集團以代價1,536,000港元出售若干預付租賃款項，有關代價於年結日尚未收到。
- (b) 本集團以代價14,091,000港元收購若干物業、廠房及設備，當中991,000港元於年結日尚未支付。

40. 比較數字

若干比較數額已予重新分類，以與本年度呈列方式貫徹一致。

41. 最終控股方

於二零零九年七月三十一日，董事認為本公司的最終控股方為於英屬處女群島註冊成立的Homelink Venture Corp.。該企業並無編製供公眾閱覽的財務報表。

Five Years Financial Summary

五年財務概要

For the year ended 31st July 2009 截至二零零九年七月三十一日止年度

CONSOLIDATED RESULTS

綜合業績

		Year ended 31st July 截至七月三十一日止年度				2009
		2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	二零零九年 HK\$'000 千港元
Turnover	營業額	523,932	579,556	629,839	744,908	620,251
Profit (loss) for the year	年內溢利(虧損)	127,597	144,123	159,589	100,383	(38,893)

CONSOLIDATED ASSETS AND LIABILITIES

綜合資產及負債

		As at 31st July 於七月三十一日				2009
		2005 二零零五年 HK\$'000 千港元 (Note) (附註)	2006 二零零六年 HK\$'000 千港元 (Note) (附註)	2007 二零零七年 HK\$'000 千港元 (Note) (附註)	2008 二零零八年 HK\$'000 千港元	二零零九年 HK\$'000 千港元
Total assets	資產總值	421,339	491,727	1,213,553	1,299,202	1,190,173
Total liabilities	負債總值	(157,373)	(242,351)	(191,551)	(151,074)	(119,248)
		263,966	249,376	1,022,002	1,148,128	1,070,925
Total equity	權益總值	263,966	249,376	1,022,002	1,148,128	1,070,925

Note:

The Company was incorporated in the Cayman Islands on 23rd February 2006 and became the holding company of the Group with effect from 17th May 2007 as a result of a reorganisation scheme as set out in the Prospectus dated 28th May 2007 issued by the Company. Accordingly, the consolidated financial statements of the Group for the year ended 31st July 2007 and the comparatives have been prepared as if the current group structure had been in existence throughout the years presented.

附註：

本公司於二零零六年二月二十三日在開曼群島註冊成立，並因實行重組計劃(詳情載於本公司於二零零七年五月二十八日刊發的售股章程)由二零零七年五月十七日起成為本集團的控股公司。因此，本集團截至二零零七年七月三十一日止年度的綜合財務報表及比較數字乃按猶如現時之集團架構於所呈報年度一直存在的基準編製而成。

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