



K & P INTERNATIONAL HOLDINGS LIMITED

堅寶國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 675)

Annual
Report
2010

* For identification purpose only 僅供識別

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公司資料

Corporate Information

BOARD OF DIRECTORS

Executive directors

Lai Pei Wor (*Chairman*)
Chan Yau Wah (*Deputy Chairman*)

Independent non-executive directors

Kung Fan Cheong
Leung Man Kay
Li Yuen Kwan, Joseph

COMPANY SECRETARY

Ng Kwong Kui

AUDITORS

Ernst & Young
Certified Public Accountants

PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited
DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Industrial and Commercial Bank of China (Asia) Limited
Dah Sing Bank, Limited
Agricultural Bank of China

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

Butterfield Corporate Services Limited
Rosebank Centre
14 Bermudiana Road
Pembroke
Bermuda

董事會

執行董事

賴培和(*主席*)
陳友華(*副主席*)

獨立非執行董事

孔蕃昌
梁文基
李沅鈞

公司秘書

吳光僑

核數師

安永會計師事務所
執業會計師

主要往來銀行

渣打銀行(香港)有限公司
星展銀行(香港)有限公司
恒生銀行有限公司
香港上海滙豐銀行有限公司
中國工商銀行(亞洲)有限公司
大新銀行有限公司
中國農業銀行

主要股份過戶登記處

Butterfield Corporate Services Limited
Rosebank Centre
14 Bermudiana Road
Pembroke
Bermuda

公司資料

Corporate Information

HONG KONG BRANCH SHARE REGISTRARS AND TRANSFER OFFICE

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

HONG KONG LEGAL ADVISER

Reed Smith Richards Butler

BERMUDA LEGAL ADVISER

Conyers Dill & Pearman

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Units 2304-06
23rd Floor
Riley House
88 Lei Muk Road
Kwai Chung
New Territories
Hong Kong

WEBSITE

www.kpihl.com

STOCK CODE

675

股份過戶登記處香港分處

卓佳登捷時有限公司
香港
皇后大道東28號
金鐘匯中心26樓

香港法律顧問

禮德齊伯禮律師行

百慕達法律顧問

Conyers Dill & Pearman

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
新界
葵涌
梨木道88號
達利中心23樓
2304-06室

網址

www.kpihl.com

股份代號

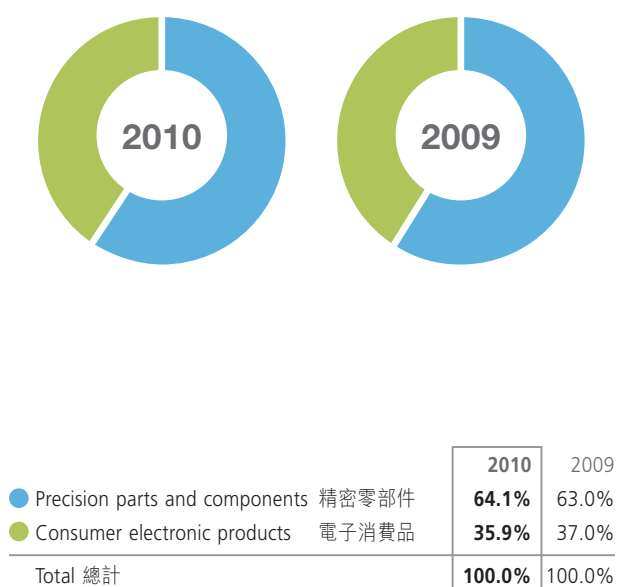
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財務摘要

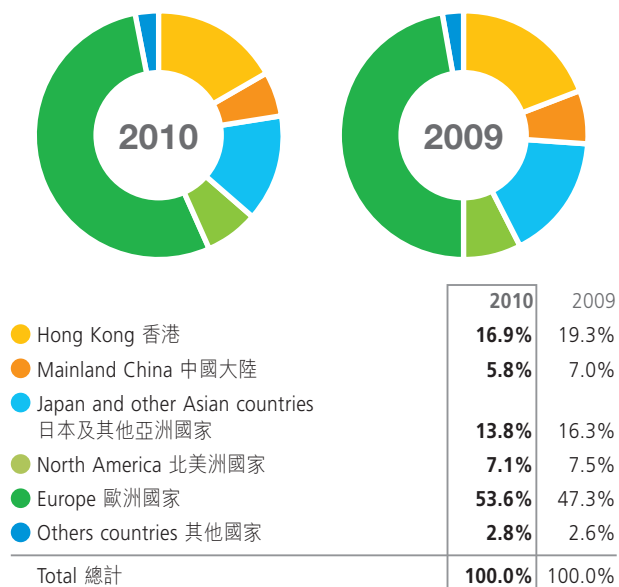
Financial Highlights

		2010 二零一零年 HK\$ million 百萬港元	2009 二零零九年 HK\$ million 百萬港元 (Restated) (重列)
Revenue	收入	384.6	322.9
Profit attributable to owners of the Company	本公司擁有人所佔溢利	25.2	5.8
Property, plant and equipment	物業、廠房及設備	140.5	147.4
Equity	權益	186.1	157.2
Basic earnings per share	每股基本盈利	9.48 cents 港仙	2.18 cents港仙

REVENUE BY OPERATING SEGMENT 按業務劃分之營業額

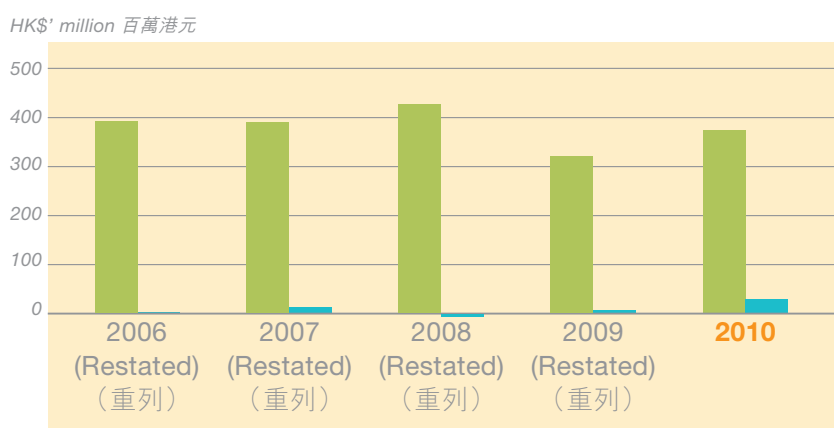


REVENUE BY GEOGRAPHICAL INFORMATION 按地區劃分之營業額



REVENUE/PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY 營業額／本公司擁有人 所佔溢利／(虧損)

- Revenue 收入
- Profit/(Loss) attributable to owners of the Company 本公司擁有人所佔溢利／(虧損)



主席報告

Chairman's Statement

On behalf of the Board of Directors (the "Board"), I am pleased to report the annual audited results of the Company together with the subsidiaries (collectively the "Group") for the year ended 31 December 2010.

FINANCIAL RESULTS

The Group turnover for the year ended 31 December 2010 amounted to approximately HK\$384.6 million representing a 19.1% increase from the previous year. Overall gross profit increased by 28.9% to approximately HK\$79.9 million this year. Profit attributable to owners of the Company was approximately HK\$25.2 million (2009: HK\$5.8 million).

Basic earnings per share for the year ended 31 December 2010 was HK9.48 cents (2009: HK2.18 cents) per share.

BUSINESS REVIEW

The sales turnover of the precision parts and components segment had increased by 21.2% to approximately HK\$246.5 million in 2010. The operating profit increased by 91.3% to approximately HK\$40.8 million.

The sales turnover of the consumer products segment had increased by 15.6% to approximately HK\$138.1 million. The operating loss of this segment had decreased by 81.7% to approximately HK\$2.4 million. This segment of business has gradually improved, and the loss included the provision for one-time write-off of inventories.

As the global economy for 2010 had been continuously recovering, the group had recorded a strong business growth due to the increase in market demand. On the other hand, we were successful in enhancing the production efficiency and controlling costs, so the gross profit margin could be increased by 1.6% from last year to 20.8%. At the same time, we also reduced the operation costs, this led to the reduction of selling and distribution expenses by HK\$1.4 million and administrative expenses by HK\$3.9 million, which decreased by 4.6% and 15.1% respectively. Furthermore, as we reduced our usage of bank loans tremendously, finance costs also decreased by HK\$1.5 million, which dropped by 44.7%. Due to the increase in sales turnover and the success in controlling production and operation costs, the Group had resulted in a strong increase in profitability.

本人欣然代表董事會(「董事會」)提呈本公司及其附屬公司(統稱「本集團」)截至二零一零年十二月三十一日止年度之全年業績。

財務業績

截至二零一零年十二月三十一日止年度，本集團之營業額約384,600,000港元，較去年上升19.1%。本年整體毛利約79,900,000港元，較去年上升28.9%。本公司擁有人應佔溢利約為25,200,000港元(二零零九年：5,800,000港元)。

截至二零一零年十二月三十一日止年度，每股基本盈利為9.48港仙(二零零九年：2.18港仙)。

業務回顧

精密零部件於二零一零年度之營業額持續錄得增長至約246,500,000港元，較去年增加21.2%，業績溢利增長至約40,800,000港元，較去年增加91.3%。

電子消費品分類業務的營業額錄得增長至約138,100,000港元，較去年增加15.6%。業績虧損減少至約2,400,000港元，較去年減少81.7%。此分類業務已逐漸得到改善，虧損包括一次性存貨減值撥備。

由於二零一零年經濟持續改善，在市場需求增長的帶動下，集團的業績出現強勁增長。另一方面，我們成功提升生產效率及控制成本，全年整體的毛利率較去年上升1.6%至20.8%。同時成功降低營運成本，銷售及經銷成本減少約1,400,000港元及行政費用減少約3,900,000港元，較去年同期分別下降4.6%及15.1%。此外，由於大幅減少銀行借貸，融資成本亦減少約1,500,000港元，下降44.7%。由於銷售額上升，成功降低生產成本及降低營運成本，使集團本年度的盈利錄得強勁增長。

主席報告

Chairman's Statement

FUTURE PLANS AND PROSPECTS

As the products from the Group are mainly sold to Europe and the Americas, our business does benefit from the continuous growth of the retail market from these countries. However, the recent political instability in certain countries triggers the fluctuation on the price of different commodities in the market. This adds uncertainties to the global economic recovery and so we are cautiously optimistic in regard to the business prospect of this year.

Shortage of labor has become a long term problem in Mainland China. In order to solve this issue and also to maintain the punctual delivery for the increase in sales, we have substantially increased the labor wages of our workers. In addition, the continuous increase in the raw material price and appreciation of Renminbi ("RMB") has imposed huge pressure on the costs. To cope with this situation, we have already negotiated with our customers for adjusting our price to offset the increase in cost. At the same time, we also work closely with our suppliers to minimise impact of the cost fluctuation of raw material and components on our products. We have strengthened in automation on production and to look for improvement of our production process to lower our production costs so as to improve our profitability.

In 2006, the Group had signed a land purchase agreement with a third party to purchase the right to use of a land in Qingyuan. However, as the third party could not complete the corresponding legal document, that particular agreement was void with the mutual consent in July 2010. The Group had collected back all the deposits RMB5.1 million for the land in September 2010. At present, the Group does not have any plan on any other land purchase.

The Group had successfully gone through the challenges of the economic turmoil caused from the financial tsunami. With the stable financial support, the Group will continue to expand from our current business, to strengthen the management of the current business operation model and to further enhance our sales force so as to ensure our business growth continuously.

未來計劃及展望

集團的產品主要銷往歐洲及美洲等國家，這些國家的零售市場持續錄得增長。最近在某些國家所發生的政治問題，引致商品價格的大幅波動，使環球經濟復蘇帶來一些不明朗的因素，我們對今年的展望仍持審慎樂觀的態度。

國內勞工短缺將會是一個長期性的問題，為了解決勞工短缺的問題及應付增加的訂單及交貨期，我們已經大幅上調工人的工資。另外，原材料的價格上漲及人民幣持續的升值，對成本造成壓力。集團已經與客戶商討調整價格以應付成本的上漲，以及透過與供應商的緊密合作，以減少價格的波動，並將加強自動化作業及改善生產流程以降低生產成本，從而改善盈利率。

集團於二零零六年與第三方訂立一份購地協議，收購一幅位於清遠之土地使用權，由於第三方未能辦好相關的法律文件，已於二零一零年七月雙方簽署同意終止該購地協議，集團亦於二零一零年九月全數收回已付的5,100,000人民幣訂金。集團暫時沒有再購買其他土地的計劃。

集團成功渡過金融海嘯後的經濟衰退環境，在穩健的財政支持下，集團將繼續擴展現有的業務，繼續深化管理現有的營運模式及加強營銷能力，促進集團的業務持續增長。

主席報告

Chairman's Statement

APPRECIATION

I would like to thank our board of directors, our management team and all our staffs for their continuous commitment and effort, and all the support from our shareholders and business partners.

Lai Pei Wor
Chairman

Hong Kong, 23 March 2011

致謝

本人藉此衷心多謝董事會成員、管理人員及全體員工所作出的貢獻，多謝各股東及商業伙伴多年來對我們的支持。

主席
賴培和

香港，二零一一年三月二十三日

管理層之討論及分析

Management Discussion and Analysis

OPERATIONS REVIEW

The following highlights the Group's results for the year ended 31 December 2010.

- Turnover increased by 19.1% from the prior year to HK\$384.6 million for the year.
- Gross profit increased by approximately HK\$17.9 million from 2009 to approximately HK\$79.9 million in 2010.
- Profit from operating activities before finance costs was HK\$34.2 million, an increase of HK\$21.8 million from the last financial year.
- Finance costs decreased by HK\$1.5 million from last year to HK\$1.8 million.
- Profit for the year was approximately HK\$25.2 million.

In the year under review, turnover of the precision parts and components segment has increased by approximately 21.2% as compared with the previous financial year. Turnover of the consumer electronic products segment has increased by approximately 15.6%.

The Group's overall gross profit has increased by approximately 28.9% from the previous year.

The Group's finance costs have decreased to HK\$1.8 million for the year due to the decrease in bank borrowings.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flow and banking facilities provided by its principal bankers and other financial institutions in Hong Kong and Mainland China.

The total borrowings from banks and financial institutions include all term loans, finance leases, import and export loans, which amounted to approximately HK\$28.7 million as at 31 December 2010.

營運回顧

以下是本集團於截至二零一零年十二月三十一日止年度主要業績概況。

- 營業額比去年上升19.1%至本年之384,600,000港元。
- 毛利相比二零零九年增加約17,900,000港元至本年約79,900,000港元。
- 經營業務溢利於未計及融資成本為34,200,000港元，較上財政年度增加21,800,000港元。
- 融資成本比去年減少約1,500,000港元至1,800,000港元。
- 本年度溢利約為25,200,000港元。

回顧本年度，精密零部件分類業務之銷售營業額與上財政年度相比增加約21.2%，電子消費品業務之銷售營業額與去年相比增加約15.6%。

本集團整體毛利較去年上升約28.9%。

本集團融資成本較去年減少至1,800,000港元原因是減低銀行貸款。

流動資金及資金來源

本集團一般以內部產生之現金流量及其香港及中國大陸之主要往來銀行及其它財務機構所提供之銀行備用信貸作為其營運資金。

於二零一零年十二月三十一日，銀行及財務機構借款總額，包括銀行所有定期貸款、融資租賃及進出口貸款約為28,700,000港元。

管理層之討論及分析

Management Discussion and Analysis

LIQUIDITY AND FINANCIAL RESOURCES (continued)

The Group's financial position remains healthy. At the end of the reporting period, the aggregate balance of cash and cash equivalents of the Group amounted to approximately HK\$42.8 million.

The Group's borrowings are on a floating rate basis and are mainly denominated in Hong Kong dollars, Renminbi or United States dollars. These match with the principal currencies in which the Group conducts its business. Currently, the Group has Renminbi-denominated loans amounting to approximately RMB7.2 million that are used by the Group's Zhongshan plants for working capital purposes.

The gearing ratio on the basis of total debts to total assets as at 31 December 2010 is 38.7% (2009: 50.1%).

CHARGE ON THE GROUP ASSETS

As at 31 December 2010, certain of the Group's buildings with a net carrying value of approximately HK\$49,900,000 (2009: HK\$49,500,000) and one of the Group's land with a net book value of approximately HK\$10,500,000 (2009: HK\$10,300,000) were pledged to secure instalment loans to the Group.

CONTINGENT LIABILITIES

Except for corporate guarantees given to banks and other financial institutions in relation to facilities granted to the subsidiaries, the Company has no other contingent liabilities as at the end of the reporting period.

CAPITAL STRUCTURE

As at 31 December 2010, the Company had 265,504,800 shares in issue with total shareholders' funds of the Group amounting to approximately HK\$186.1 million.

Pursuant to the share option scheme, the Board granted share options to certain senior executives and employees of the Group. The exercise in full of those share options granted but remaining not exercised would result in the issue of 1,500,000 additional shares and proceeds of approximately HK\$0.39 million.

流動資金及資金來源(續)

本集團之財務狀況維持健康。於報告期末，本集團之現金及現金等值項目之總額約42,800,000港元。

本集團之貸款按浮動息率並以港元、人民幣或美元結算為主，而名下之業務營運亦以該等貨幣為主，現時，本集團約有7,200,000人民幣銀行貸款，乃為集團位於中山的生產基地提供營運資金。

於二零一零年十二月三十一日，根據總債項相對總資產基礎計算之負債率為38.7%（二零零九年：50.1%）。

本集團已抵押資產

於二零一零年十二月三十一日，本集團部份樓宇賬面淨值約為49,900,000港元（二零零九年：49,500,000港元）及其中一幅的土地賬面淨值約為10,500,000港元（二零零九年：10,300,000港元）已作為本集團分期貸款的抵押擔保。

或然負債

於報告期末，除了本公司給予銀行及其它財務機構有關附屬公司的貸款擔保外，並無其他或然負債。

資本結構

本公司於二零一零年十二月三十一日之已發行股份為265,504,800股，本集團之總股東權益約為186,100,000港元。

按本公司購股權計劃，董事會授予本集團部份高級行政人員及僱員購股權。全面行使已授出但未獲行使之購股權將會導致1,500,000股額外股份之發行以及約390,000港元之收入。

管理層之討論及分析

Management Discussion and Analysis

FUND RAISING

Other than obtaining additional general banking facilities to finance the Group's trading requirements, the Group did not have any special fund raising activities in 2010.

EMPLOYEES

As at 31 December 2010, the Group had a total workforce of approximately 1,888 of which approximately 54 were based in Hong Kong, approximately 5 were based overseas and approximately 1,829 were based in Mainland China.

The Group remunerates its employees largely based on the prevailing industry practice and labor laws. Since December 1996, the Company has adopted a share option scheme for the purpose of providing incentives and rewards to the employees of the Group.

Moreover, under the Mandatory Provident Fund Scheme Ordinance of Hong Kong, the Group has operated a defined contribution Mandatory Provident Fund retirement benefits scheme for all its Hong Kong employees. For overseas and Mainland China employees, the Group is required to contribute a certain percentage of its payroll costs to the central pension scheme operated by the respective local government.

籌集資金

除了取得額外一般銀行備用信貸以支付本集團之買賣要求外，本集團於二零一零年概無特別籌集資金。

僱員

本集團於二零一零年十二月三十一日共有約1,888名僱員，其中約54名駐香港，5名駐海外及約1,829名駐中國大陸。

本集團主要根據目前業內慣例及勞工法例釐定僱員酬金。本集團自一九九六年十二月以來已實行一項購股權計劃，目的是提供獎勵及報酬予本集團僱員。

此外，本集團根據香港強制性公積金計劃條例，為於香港之所有僱員實施一項定額供款強制性公積金計劃。至於海外及中國大陸的僱員，本集團須要按照其當地政府所營辦的中央公積金，以僱員薪金的若干百分比作供款。

企業管治報告

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Board of the Company believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure that a high standard of corporate governance is maintained. The Company has applied the principles as set out in the Code on Corporate Governance Practices (“CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) (“Listing Rules”) and regularly reviews its corporate governance practices to ensure compliance with the CG Code. In the opinion of the directors, the Company has complied with all the code provisions as set out in the CG Code throughout the year ended 31 December 2010, except for the deviation in respect of the separation of the roles of Chairman and Chief Executive Officer. Considered reasons are provided in the section of Chairman and Chief Executive Officer.

BOARD OF DIRECTORS

The Board of the Company currently comprises the following directors:

Executive Directors

Lai Pei Wor (*Chairman*)
Chan Yau Wah (*Deputy Chairman*)

Independent Non-Executive Directors

Kung Fan Cheong
Leung Man Kay
Li Yuen Kwan, Joseph

The list of directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules.

None of the members of the Board is related to one another. During the year ended 31 December 2010, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

企業管治常規

本公司董事會(「董事會」)相信企業管治對本公司之成功至為重要，並已採納多項措施以確保維持高標準的企業管治。本公司應用香港聯合交易所有限公司證券上市規則(「聯交所」)(「上市規則」)附錄十四所載的企業管治常規守則(「企業管治守則」)之原則及定期檢討企業管治常規，以確保其遵守企業管治守則。董事認為，惟當中有關主席及行政總裁之角色區分是偏離外，本公司於截至二零一零年十二月三十一日止整個年度均遵守載於企業管治守則之所有守則條文。經考慮的理由列於「主席及行政總裁」章節內。

董事會

本公司董事會目前由以下董事組成：

執行董事

賴培和(*主席*)
陳友華(*副主席*)

獨立非執行董事

孔蕃昌
梁文基
李沅鈞

董事名錄(按類別)亦於本公司根據上市規則不時刊發之所有公司通訊內予以披露。

董事會成員之間概無任何關連。截至二零一零年十二月三十一日止年度期間，董事會一直符合上市規則有關委任最少三名獨立非執行董事的規定，其中至少一名獨立非執行董事具有適合專業資格或會計或相關財務管理專業的規定。

企業管治報告

Corporate Governance Report

Responsibilities and delegation of functions

The Board of the Company is collectively responsible for the oversight of the management of the business and affairs of the Group with the objective of enhancing shareholders' value. The overall management of the Company's business is vested in the Board. The Board has delegated the day-to-day management of the Company's business to the executive directors. In addition, the Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

The Board focuses its attention on matters affecting the Company's overall strategic policies, finances and shareholders. These include financial statements, dividend policy, significant changes in accounting policy, the annual operating budget, certain material contracts, strategies for future growth, major financing arrangements and major investments, risk management strategies, treasury policies and group structure.

The Board formulates overall strategy of the Group, monitors its financial performance and maintains effective oversight over the management. The Board members are fully committed to their roles and have acted in good faith to maximise the shareholders' value in the long run, and has aligned the Group's goals and directions with the prevailing economic and market conditions. Daily operations and administration are delegated to the management.

BOARD MEETINGS

Number of Meetings and Directors' Attendance

During the year ended 31 December 2010, five regular board meetings were held at approximately quarterly intervals for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company. The attendance record of each director is set out below:

Name of director	董事姓名	Attendance of Board meetings in 2010 二零一零年出席董事會會議次數	Attendance rate 出席率
Lai Pei Wor	賴培和	5/5	100%
Chan Yau Wah	陳友華	5/5	100%
Kung Fan Cheong	孔蕃昌	5/5	100%
Leung Man Kay	梁文基	5/5	100%
Li Yuen Kwan, Joseph	李沅鈞	5/5	100%

責任及授權之職能

本公司董事會共同負責監管本集團業務及各項事務的管理工作，並以提升股東之價值為目標。本公司之整體業務由董事會負責管理。董事會授權執行董事管理本公司之日常業務。另外，董事會已設立委員會，及其之各種職責授權，分別載於職權範圍內。

董事會本身則專注處理可影響本公司整體策略方針、財務及股東的事項。其中包括財務報告、股息政策、會計政策之重大修改、每年經營預算、若干重大合約、未來發展策略、主要融資安排及重大投資、風險管理策略、庫務政策及集團結構。

董事會制定集團整體發展策略、監管其財務表現及對管理層維持有效監督。董事會成員均盡忠職守，並真誠行事，以盡量提升長遠股東價值，且將本集團之目標及方向，與當時經濟及市場狀況配合。日常營運及管理工

董事會會議

會議數目及董事出席記錄

截至二零一零年十二月三十一日止年度期間，董事會已舉行五次定期會議，約每季度舉行以檢討及批准本集團之財務及經營表現，並考慮及批准本公司之整體策略及政策。各董事之出席記錄如下：

企業管治報告

Corporate Governance Report

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

The roles of the Chairman and the Chief Executive Officer are not separate and are performed by Mr. Lai Pei Wor. Since the Board will meet regularly to consider major matters affecting the operations of the Company, the Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company and believes that this structure will enable the Company to make and implement decisions promptly and efficiently.

INDEPENDENT NON-EXECUTIVE DIRECTORS

All the independent non-executive directors have contracts with the Company for a specified period of two years and are appointed subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-laws and the CG Code.

Each independent non-executive director has made an annual confirmation of independence to the Company and the Company considers these directors to be independent under Rule 3.13 of the Listing Rules. None of the directors is related to each other.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding directors' securities transactions as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of Appendix 10 of the Listing Rules. Based on specific enquiry of the Company's directors, all directors have complied with the required standard set out in the Model Code throughout the year.

The Company has also established written guidelines on no less exacting terms than the Model Code (the "Employees Written Guidelines") for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company.

No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

主席及行政總裁

守則條文第A.2.1條規定，主席及行政總裁之角色應有區分，而且不應由一人同時兼任。

主席及行政總裁之角色並未區分，並由賴培和先生擔任。由於董事會將定期舉行會議，以考慮影響本公司營運之重大事宜，因此董事會認為此架構不會影響董事會與本公司管理層之間的權力和授權失衡，並相信此架構能使本公司快速及有效制訂及推行決策。

獨立非執行董事

所有獨立非執行董事均與本公司簽訂兩年年期之合約，並須按本公司之公司細則及企業管治守則，於本公司之股東週年大會上輪席退任和接受重選。

各獨立非執行董事已根據上市規則第3.13條規定，就其獨立性每年向本公司發出確認書，而本公司認為該等董事均屬獨立人士。董事之間互相概無任何關連。

董事之證券交易

本公司已採納一套就董事進行證券交易的守則，其載於上市規則附錄十的上市發行人董事進行證券交易的標準守則（「標準守則」）。根據本公司向董事作出特定查詢後，全體董事於整個年度均遵守標準守則所載之規定。

本公司亦就可能擁有本公司尚未公開而引致股價波動的資料的僱員進行買賣證券事宜，以不比標準守則寬鬆的條款制定書面指引（「僱員書面指引」）。

本公司並不知悉有任何僱員違反僱員書面指引的情況。

企業管治報告

Corporate Governance Report

BOARD COMMITTEES

The Board has established two committees, namely, the Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company's website and are available to shareholders upon request.

All of the current members of each Board committee are independent non-executive directors.

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expense.

REMUNERATION COMMITTEE

The Remuneration Committee currently comprises of two members, both of them are independent non-executive directors. The members of the Remuneration Committee are Mr. Kung Fan Cheong (*Chairman*) and Mr. Leung Man Kay.

During the year 2010, the Remuneration Committee held one meeting. The attendance record of each Remuneration Committee member is set out below:

Name of director	董事姓名	Attendance of Remuneration Committee meeting in 2010 二零一零年出席 薪酬委員會會議次數	Attendance rate 出席率
Kung Fan Cheong (<i>Chairman</i>)	孔蕃昌 (主席)	1/1	100%
Leung Man Kay	梁文基	1/1	100%

The major roles and functions of the Remuneration Committee are as follows:

- to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- to have the delegated responsibility to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive directors. The remuneration committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the group and desirability of performance-based remuneration;

董事會委員會

董事會已設立兩個委員會，即薪酬委員會及審核委員會，以監督本公司事務之特定方面。本公司所有董事會委員會均按書面界定之職權範圍成立。董事會委員會之職權範圍已於本公司網站刊登及可應要求向股東提供。

目前董事會委員會之所有成員均為獨立非執行董事。

董事會委員會獲提供足夠資源履行其職務，並可應彼等提出之合理要求，於適當情況下尋求獨立專業意見，費用由本公司負責。

薪酬委員會

薪酬委員會目前由兩名成員組成，其成員均為獨立非執行董事。薪酬委員會成員為孔蕃昌先生(主席)及梁文基先生。

於二零一零年，薪酬委員會已舉行一次會議。薪酬委員會各成員之出席紀錄如下：

薪酬委員會之主要角色及功能如下：

- 就本公司董事及高級管理人員的全體薪酬政策及結構，以及就此制訂正規及具透明度之政策程序向董事會作出建議；
- 獲授權給全體執行董事及高級管理人員釐定具體薪酬福利，包括非金錢利益、退休金權益及補償金額(包括任何因彼等喪失或終止聘用或委任之賠償)以及就非執行董事之酬金向董事會作出建議。委員會應考慮的因素包括同類公司所支付之薪酬、董事所付出之時間及職責、本集團其他職位之僱用條件，以及是否應按表現釐定薪酬等；

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Corporate Governance Report

REMUNERATION COMMITTEE (continued)

- (c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
- (d) to review and approve compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- (e) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- (f) to ensure that no director or any of his associates is involved in deciding his own remuneration;
- (g) to review and sanction new or amended salary, incentive bonus and retirement benefit policies for the Company and its subsidiaries which are substantial in their cost and impact on a significant proportion of employees; and
- (h) to review the Remuneration Committee's terms of reference and its own effectiveness and recommend to the Board from time to time any necessary changes.

During the year 2010, the Remuneration Committee made recommendations to the Board on executive directors' remuneration packages and terms of employment. The Remuneration Committee also formulated and evaluated the remuneration policy and structure for the directors and senior management of the Company.

NOMINATION AND RE-ELECTION OF DIRECTORS

The Board has not set up a Nomination Committee in relation to the appointment of directors. The executive directors of the Company are responsible for making recommendations to the Board for consideration and approval on nominations, appointment of directors and board succession, with a view to appoint individuals to the Board with relevant experience and capabilities so as to maintain and improve the competitiveness of the Company.

The Board formulates the policy, reviews the size, structure and composition of the Board, and assesses the independence of its independent non-executive directors in accordance with the criteria prescribed under the Listing Rules and the CG Code.

薪酬委員會(續)

- (c) 透過經參考董事會不時釐定之公司目標，檢討及批准按表現釐定之薪酬；
- (d) 檢討及批准就離職或終止聘用或委任而應付任何執行董事及高級管理層之補償金額，以確保該等補償金乃按有關合約條款釐定，而該補償金金額屬公平且不會對本公司造成過重負擔；
- (e) 檢討及批准就因董事行為失當而遭撤職或罷免而作出之賠償安排，以確保該等安排乃按有關合約條款釐定，若未能按有關合約條款釐定，有關賠償亦須合理適當；
- (f) 確保任何董事或其任何聯連人士不得自行釐定酬金；
- (g) 檢討及批准本公司及其附屬公司牽涉龐大成本及影響大部份僱員之新或經修訂薪酬、獎勵花紅及退休福利政策；及
- (h) 檢討薪酬委員會之職權範圍及其本身效能，並不時就所須作出之改變向董事會提出建議。

於二零一零年，薪酬委員會就執行董事之薪酬福利及聘用條款向董事會提出建議。薪酬委員會亦制訂及評估本公司董事及高級管理人員之薪酬政策及結構。

提名及重選董事

董事會並未就有關董事委任事宜成立提名委員會。本公司執行董事負責就董事提名及委任以及董事會延續事宜向董事會提出建議，以供考慮及批准，目的是委任具有相關經驗及能力的人士加入董事會，以維持及改善本公司的競爭力。

董事會制訂政策，檢討董事會規模、結構及組成，並根據上市規則及企業管治守則所指明的準則評估其獨立非執行董事的獨立性。

企業管治報告

Corporate Governance Report

NOMINATION AND RE-ELECTION OF DIRECTORS (continued)

The appointment of new directors will be considered and approved by the Board and all new directors are subject to re-election by shareholders at the first general meeting after their appointment and subject to retirement by rotation at least once every three years pursuant to the CG Code.

Mr. Lai Pei Wor and Mr. Li Yuen Kwan, Joseph shall retire by rotation and being eligible, offer themselves for re-election at the next forthcoming annual general meeting pursuant to the Company's Bye-laws 87(1) and 87(2).

The Board recommended the re-appointment of the directors standing for re-election at the next forthcoming annual general meeting of the Company.

The Company's circular dated 7 April 2011 contains detailed information of the directors standing for re-election.

AUDITORS' REMUNERATION

During the year under review, the remuneration paid/payable to the Company's auditors, Messrs. Ernst & Young, is set out as follows:

Services rendered	所提供之服務
Audit services	核數服務
Non-audit services i.e. taxation	非核數服務 (即稅務)

提名及重選董事(續)

新董事之委任須經董事會考慮及批准，所有新董事須按企業管治守則於獲委任後的首次股東大會內接受股東重選並至少三年一次輪席退任。

根據本公司之公司細則第87(1)及87(2)條，賴培和先生及李沅鈞先生將輪席退任即將舉行之股東週年大會，但彼等均符合資格並願意於即將舉行之股東週年大會上膺選連任。

董事會建議於即將舉行之本公司股東週年大會上重新委任該重選之董事。

本公司二零一一年四月七日之通函內載有重選董事之詳情。

核數師酬金

回顧年內，本公司已付予／應付予核數師安永會計師事務所之酬金如下：

		Fees paid/payable HK\$ 已付／應付費用 港元
		980,000
		98,000
		<hr/>
		1,078,000

企業管治報告

Corporate Governance Report

AUDIT COMMITTEE

The Company has complied with Rule 3.21 of the Listing Rules in relation to the composition of the Audit Committee. The Audit Committee of the Company comprises three independent non-executive directors. The current members of the Audit Committee are Mr. Leung Man Kay, Mr. Kung Fan Cheong and Mr. Li Yuen Kwan, Joseph. The Audit Committee is chaired by Mr. Leung Man Kay who has appropriate accounting professional qualifications. The Audit Committee shall meet at least twice a year. During the year 2010, the Audit Committee held three meetings. The attendance record of each Audit Committee member is set out below:

Name of director	董事姓名	Attendance of Audit Committee meetings in 2010 二零一零年出席 審核委員會會議次數	Attendance rate 出席率
Leung Man Kay (Chairman)	梁文基 (主席)	3/3	100%
Kung Fan Cheong	孔蕃昌	3/3	100%
Li Yuen Kwan, Joseph	李沅鈞	3/3	100%

The principal roles and functions of the Audit Committee include the review of the Group's financial statements and internal control procedures. It also acts as an important link between the Board and the Company's auditors in matters within the scope of the group audit. During the meetings held in 2010, the Audit Committee had performed the following works:

- (i) reviewed the directors' report and audited financial statements for the year ended 31 December 2009 and consider any significant or unusual items, internal auditor or external auditors before submission to the Board;
- (ii) reviewed the interim financial statements for the six months ended 30 June 2010;
- (iii) reviewed the re-appointment of the external auditors and the nature and scope of audits;
- (iv) reviewed and recommended for approval by the board the 2010 audit scope and fees;
- (v) reviewed and monitored the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standard;
- (vi) reviewed the effectiveness of internal control system; and
- (vii) reviewed the group's financial and accounting policies and practices.

審核委員會

本公司就審核委員會之組成已遵守上市規則第3.21條規定。本公司審核委員會成員由三名獨立非執行董事組成。目前審核委員之成員包括梁文基先生、孔蕃昌先生及李沅鈞先生。審核委員會主席梁文基先生擁有適當之會計專業資格。審核委員會每年至少舉行兩次會議。於二零一零年，審核委員會已舉行三次會議。審核委員會各成員之出席紀錄如下：

審核委員會之主要角色及功能包括檢討本集團之財務報告及內部監控程序。委員會亦會就集團審計範圍內的事項擔任董事會與公司核數師之間的重要橋樑。審核委員會於二零一零年舉行之會議完成以下工作：

- (i) 向董事會提交由內部核數師或外聘核數師提交之董事會報告及經審核財務報告前，審閱截至二零零九年十二月三十一日止年度之董事會報告及經審核財務報告及考慮彼等所提出之任何重大或不尋常事項；
- (ii) 審閱截至二零一零年六月三十日止六個月之中期財務報告；
- (iii) 檢討外聘核數師之續聘及審核性質和範圍；
- (iv) 檢討二零一零年之審核範圍及核數費用並就此提出建議供董事會批准；
- (v) 檢討及監督外聘核數師之獨立性及客觀性，並按照適用標準檢討審核程序之效率；
- (vi) 檢討內部監控系統之效率；及
- (vii) 檢討本集團之財務及會計政策及常規。

企業管治報告

Corporate Governance Report

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for preparing the financial statements of the Group for the year ended 31 December 2010. The directors ensure the preparation of the financial statements of the Group are in accordance with statutory requirements and applicable accounting standards. The directors also ensure the publication of the financial statements of the Group is in a timely manner.

The statement of the Auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditors' Report on pages 30 and 31.

INTERNAL CONTROL

The Board has overall responsibility for maintaining a sound and effective internal control system of the Group. The Group's internal control system includes a well defined management structure with limits of authority which is designed to help the Group to achieve its business objectives, safeguard its assets against unauthorised use or disposition, ensure proper maintenance of books and records for the provision of reliable financial information for internal use or publication, and ensure compliance with relevant legislations and regulations. Such procedures are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risk of failure in the Group's operational systems and in the achievement of the Group's business objectives.

During the year, the effectiveness of the internal control system and risk management system of the Group were reviewed. The review has covered the financial, operational, compliance and risk management aspects of the Group including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget. Both the Audit Committee and the Board were satisfied that the internal control system of the Group has been functioned effectively during the year and no material internal control aspects of any significant problems were noted.

董事及核數師就財務報告所承擔之責任

董事確認就編製本集團截至二零一零年十二月三十一日止年度之財務報告承擔責任。董事須確保本集團財務報告的編製符合有關法規及適用之會計準則。董事並確保本集團財務報告適時予以刊發。

本公司核數師就本集團財務報告所作之申報責任聲明列載於第30及31頁之獨立核數師報告內。

內部監控

董事會全權負責維持本集團的內部監控系統達致穩健妥善而且有效率，包括制訂管理架構及其相關權限以協助本集團達致業務目標、保管其資產以防未經授權使用或處理、確保妥善保存賬冊紀錄以提供可靠的財務資料供內部使用或對外發放，並確保遵守有關法例與規則。上述的程序皆在合理地(惟並非絕對地)保證並無重大失實陳述或損失，並管理(惟並非完全消除)本集團營運系統的失誤及未能達標的風險。

年內，本集團已檢討其內部監控系統及風險管理系統之有效性。檢討範圍已涉及本集團之財務、營運、監控及風險管理各方面，包括公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足。審核委員會及董事會已滿意本集團之內部監控系統於回顧年度內有效運作，並無發現實質內部監控方面出現任何重大問題。

企業管治報告

Corporate Governance Report

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The general meetings of the Company provide a forum for communication between the Board and the shareholders. The Chairman of the Board as well as chairmen of the Remuneration Committee and Audit Committee and, in their absence, other members of the respective committees are available to answer questions at shareholder meetings.

The 2011 Annual General Meeting (“AGM”) will be held on 17 May 2011. The notice of AGM will be sent to shareholders at least 20 clear business days before the AGM.

To promote effective communication, the Company maintains a website at www.kpihl.com, where extensive information and updates on the Company’s financial information, corporate governance practices and other information are posted and available for public access.

SHAREHOLDER RIGHTS

To safeguard shareholder interests and rights, separate resolutions are proposed at shareholder meetings on each substantial issue, including the election of individual directors.

All resolutions put forward at a shareholder meeting will be taken by poll pursuant to the Listing Rules and the poll results will be posted on the websites of the Company and of the Stock Exchange after the shareholder meeting.

與股東及投資者之溝通

本公司股東大會為董事與股東提供交換意見的機會。董事會主席以及薪酬委員會及審核委員會之主席，在該委員會主席缺席時，其委員會之另一名成員可於股東大會上回答提問。

二零一一年之股東週年大會（「股東大會」）將於二零一一年五月十七日舉行。股東大會通告將於股東大會舉行前至少足二十個營業日向股東發送通知。

為使本公司與股東有效聯繫，本公司設有網站 www.kpihl.com，讓公眾人士得悉有關本公司刊登之財務資料、企業管治常規及其他資料以及最新資訊。

股東權利

以保障股東之利益及權益，就股東大會上之每項實際事宜個別提出決議案，包括選舉個別董事。

根據上市規則，於股東大會上提呈之所有決議案，將以投票方式表決，投票方式表決之結果將於會後在本公司網站及聯交所網站上刊登。

董事及高級管理人員簡歷詳情

Biographical Details of Directors and Senior Management

Biographical details of the directors and senior management of the Group are set out as follows:

EXECUTIVE DIRECTORS

Mr. Lai Pei Wor, aged 54, is the Chairman and Managing Director of the Company. He is also a director of various subsidiaries of the Group. He is the founder of the Group and has over 29 years of experience in the industry. He is responsible for the Group's overall strategic planning, policy making and financial management.

Mr. Chan Yau Wah, aged 52, is the Deputy Chairman of the Company. He is also a director of various subsidiaries of the Group. Mr. Chan joined the Group in December 1990. He is responsible for the planning and management in production activities. He holds a higher diploma in production and industrial engineering from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) and a diploma in management studies from the Hong Kong Management Association. He has over 29 years of experience in the industry.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kung Fan Cheong, aged 56, is a partner in the law firm of Pang, Kung & Co. and is a member of The Law Society of Hong Kong. He is an Independent Non-executive Director of Tack Hsin Holdings Limited.

Mr. Leung Man Kay, aged 59, is currently a financial and management consultant. He has over 26 years' experience in corporate restructuring, auditing and accounting and financial management and is currently the Managing Director of China Pith Consulting Limited and a director of Tai Kong Corporate Advisory Limited. He is a fellow member of Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants, U.K. and The Hong Kong Institute of Directors. He is also a member of Hong Kong Securities Institute.

Mr. Li Yuen Kwan, Joseph, aged 58, graduated from State University of New York at Buffalo in the United States of America and holds a bachelor of science in business administration degree. After working in the business sector for nine years, he joined the Secretariat of Federation of Hong Kong Industries in 1985 as an assistant director and in 1992 he was appointed as a director of the Secretariat of Federation of Hong Kong Industries from which post he retired in January 2005. He has over 22 years' experience in serving the manufacturing industry of Hong Kong.

本集團之董事及高級管理人員之簡介如下：

執行董事

賴培和先生，54歲，本公司主席兼董事總經理。彼亦為本集團其他附屬公司之董事，並為本集團之創辦人，擁有29年以上業內經驗。彼負責本集團之整體策劃、決策及財務之管理工作。

陳友華先生，52歲，本公司副主席。彼亦為本集團其他附屬公司之董事。陳先生於一九九零年十二月加入本集團。彼負責本集團生產之規劃及管理。彼持有香港理工學院（現稱香港理工大學）生產及工業工程高級文憑，並持有香港管理專業協會管理學文憑。彼在業內累積逾29年以上的工作經驗。

獨立非執行董事

孔蕃昌先生，56歲，為彭孔律師行之合夥人，並為香港律師公會會員。彼為德興集團有限公司之獨立非執行董事。

梁文基先生，59歲，現為財務及管理顧問。彼於公司重組、核數、會計及財務管理方面具26年以上經驗，現為中沛顧問有限公司之董事總經理及戴江企業顧問有限公司之董事。彼為香港會計師公會、英國特許公認會計師公會及香港董事學會之資深會員，亦為香港證券學會之會員。

李沅鈞先生，58歲，畢業於美國水牛城紐約州立大學並持有工商管理學士學位。經過九年於商界工作後，彼於一九八五年獲委任為香港工業總會秘書處之助理幹事及於一九九二年被委任為香港工業總會秘書處之幹事，直至二零零五年一月退任。彼擁有超過22年服務香港製造業之經驗。

董事及高級管理人員簡歷詳情

Biographical Details of Directors and Senior Management

SENIOR MANAGEMENT

Mr. Tam Ho Chuen, Thomas, aged 43, is the Marketing Director of consumer electronic products segment of the Group. Mr. Tam joined the Group in July 2002. He is responsible for the marketing and development. He holds a bachelor of electronic engineering from Columbia University, U.S.A., a master degree of electronic engineering from University of New South Wales, Australia and a master degree of business administration from City University of Hong Kong. He has over 18 years of experience in the industry.

Mr. Wong Man Kit, aged 51, is the Marketing Director of precision parts and components segment of the Group. Mr. Wong joined the Group in 1984. He is responsible for the marketing and sales. He has over 27 years of experience in the industry.

Mr. Li Kam Keung, aged 50, is the Production Manager of the precision parts and components segment in Kong Hau Factory, Zhongshan. Mr. Li joined the Group in 1985. He is responsible for the operation and management in production segment. He has over 24 years of experience in the industry.

高級管理人員

譚浩泉先生，43歲，本集團電子消費品之市場總監。譚先生於二零零二年七月加入本集團，負責市場推廣及發展。彼持有美國哥倫比亞大學電子工程學士，澳洲新南威爾斯大學電子工程碩士及香港城市大學工商管理碩士學位。彼在業內累積逾18年以上的工作經驗。

黃文傑先生，51歲，本集團精密零部件之市場總監。黃先生於一九八四年加入本集團，負責市場推廣及銷售。彼在業內累積逾27年以上的工作經驗。

李錦強先生，50歲，本集團精密零部件中山市港口分廠之生產部主管。李先生於一九八五年加入本集團，負責生產部之營運及管理。彼在業內累積逾24年以上的工作經驗。

董事會報告

Report of the Directors

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2010.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries comprise the manufacture and sale of precision parts and components (comprising keypads, synthetic rubber and plastic components and parts, and liquid crystal displays ("LCDs")), and the design, manufacture and sale of consumer electronic products (comprising time, weather forecasting and other products). There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2010 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 32 to 131.

The directors recommend the payment of a final dividend of HK3 cents per ordinary share and a special dividend of HK2 cents per ordinary share (2009: Nil) on Thursday, 16 June 2011 to the shareholders whose names appear on the Register of Members of the Company on Tuesday, 17 May 2011. This recommendation has been incorporated in the financial statements as an allocation of retained profit within the equity section of the statement of financial position.

CLOSURE OF REGISTERS

The Register of Members of the Company will be closed from Thursday, 12 May 2011 to Tuesday, 17 May 2011, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for the above dividends and for attending and voting at the annual general meeting of the Company, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 11 May 2011.

董事會提呈本公司及本集團截至二零一零年十二月三十一日止年度之董事會報告及經審核財務報告。

主要業務

本公司之主要業務為投資控股。

各附屬公司主要業務包括製造及銷售精密零部件(其中包括按鍵、合成橡膠及塑膠零部件、及液晶體顯示器),及設計、製造及銷售電子消費品(包括時計、天氣預測及其他產品)。本集團之主要業務於年內並無重大改變。

業績及股息

本集團截至二零一零年十二月三十一日止年度之溢利及本公司與本集團於該日之財政狀況載於第32頁至第131頁之財務報告。

董事建議於二零一一年六月十六日(星期四)派發末期股息每股普通股3港仙及特別股息每股普通股2港仙(二零零九年:無)於二零一一年五月十七日(星期二)名列本公司股東名冊之股東。此項建議已載入財務報告內,作為財務狀況表內權益項目下保留溢利分配。

暫停辦理股份過戶手續

本公司將於二零一一年五月十二日(星期四)至二零一一年五月十七日(星期二)期間(包括首尾兩天)暫停辦理股份過戶登記手續,期間內將不會進行任何股份之過戶登記。為確保符合資格之股東獲派上述股息及出席股東週年大會及於會上表決,所有過戶文件連同有關股票,必須於二零一一年五月十一日(星期三)下午四時三十分前,送交本公司在香港之股份過戶登記分處,卓佳登捷時有限公司,地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

董事會報告

Report of the Directors

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, is set out on page 132. This summary does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 15 to the financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year are set out in notes 34 and 35 to the financial statements, respectively.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities during the year.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 36 to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2010, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted to HK\$64,012,180 (2009: HK\$50,540,907) of which HK\$13,275,240 has been proposed as final/special dividends for the year. In addition, the Company's share premium account, in the amount of HK\$50,541,281 (2009: HK\$50,541,281) may be distributed in the form of fully paid bonus shares.

財務資料概要

本集團於過往五個財政年度之業績及資產與負債概要載於第132頁，該概要乃節錄自經審核財務報告。該概要並不是經審核財務報告之部份。

物業、廠房及設備

有關本集團於本年度之物業、廠房及設備之變動詳情載於財務報告附註15。

股本及購股權

本公司的股本及購股權之詳情分別載於財務報告附註34及35。

優先購買權

本公司之公司細則或百慕達之法例並無有關優先購買權條文，規定本公司須按比例提呈發售新股予現有股東。

購買、贖回或出售本公司之上市證券

本公司或其任何附屬公司概無於年內購買、贖回或出售任何本公司之上市證券。

儲備

本年度內本公司及本集團儲備變動之詳情分別載於財務報告附註36及綜合權益變動表。

可分派儲備

於二零一零年十二月三十一日，根據百慕達一九八一年公司法(經修訂)計算，可供本公司以分派之儲備為64,012,180港元(二零零九年：50,540,907港元)，其中13,275,240港元已建議作本年度之末期／特別股息。此外，本公司之股份溢價賬50,541,281港元(二零零九年：50,541,281港元)可以以繳足紅股方式分派。

董事會報告

Report of the Directors

MAJOR CUSTOMERS AND MAJOR SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for approximately 34.3% of the Group's total sales for the year and sales to the largest customer included therein amounted to approximately 20.5%. Purchases from the Group's five largest suppliers accounted for less than 30.0% of the total purchases for the year.

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

DIRECTORS

The directors of the Company during the year were:

Executive directors

Lai Pei Wor
Chan Yau Wah

Independent non-executive directors

Kung Fan Cheong
Leung Man Kay
Li Yuen Kwan, Joseph

In accordance with bye-laws 87(1) and 87(2) of the Company's bye-laws, Messrs. Lai Pei Wor and Li Yuen Kwan, Joseph shall retire by rotation and being eligible, offer themselves for re-election at the next forthcoming annual general meeting.

Messrs. Kung Fan Cheong, Leung Man Kay and Li Yuen Kwan, Joseph, the independent non-executive directors, are appointed for a period of two years. The Company has received annual confirmations of independence from Messrs. Kung Fan Cheong, Leung Man Kay and Li Yuen Kwan, Joseph and as at the date of this report still considers them to be independent.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 20 to 21 of the annual report.

主要客戶及供應商

於本回顧年度，本集團五位最大客戶佔有關年度之本集團總銷售額約34.3%，而其中最大客戶之銷售額約佔20.5%。本集團五位最大供應商佔有關年度之總採購額約少於30.0%。

本公司董事或其任何聯繫人或任何股東(據董事所知，擁有本公司已發行股本逾5%權益)於本集團五大客戶或供應商中並無擁有任何實益權益。

董事

本公司於本年度之董事如下：

執行董事

賴培和
陳友華

獨立非執行董事

孔蕃昌
梁文基
李沅鈞

根據本公司之公司細則第87(1)及87(2)條，賴培和先生及李沅鈞先生將於即將舉行之股東週年大會輪席退任，但彼等均合符資格並願意於即將舉行之股東週年大會上膺選連任。

獨立非執行董事孔蕃昌先生、梁文基先生及李沅鈞先生任期為兩年。本公司已收到孔蕃昌先生、梁文基先生及李沅鈞先生就其獨立性每年向本公司所發出的確認書，於本年報刊發日期，本公司一直認為彼等均屬獨立人士。

董事及高級管理人員之簡歷

本公司董事及本集團高級管理人員之簡歷詳情載於本年報第20至21頁。

董事會報告

Report of the Directors

DIRECTORS' SERVICE CONTRACTS

Each of the executive directors has entered into a service contract with the Company for a term of three years commencing from 1 January 2009, and the contract can be terminated by either party giving to the other not less than six months' nor more than seven months' prior notice in writing.

Apart from foregoing, no director proposed for re-election at the next forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board of the Company with reference to directors' duties, responsibilities and performance and the results of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

No director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Further details of the Scheme are disclosed in note 35 to the financial statements.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2010, the interests of the directors in the share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

董事之服務合約

每位執行董事均與本公司訂立服務合約，由二零零九年一月一日起計，為期三年，合約可於其中一方給予不少於六個月但不多於七個月之預先書面通知後予以終止。

除上述外，於即將舉行之股東週年大會上重選連任之董事概無與本公司訂立不可於一年內終止而毋須支付賠償(法定賠償除外)之服務合約。

董事酬金

董事之袍金須待股東於股東大會上批准。其他酬金由本公司董事會經參考董事之職務、責任及表現，以及本集團業績後釐定。

董事之合約權益

各董事概無於年內之任何於本公司或其任何附屬公司為其中一方且對本集團業務重大之合約中直接或間接擁有重大實益權益。

購股權計劃

本公司設立一項購股權計劃(「購股權計劃」)作為給予為本集團業務成功作出貢獻的合資格參與者的激勵及獎勵。有關購股權計劃之詳細見財務報告附註35。

董事於股份及相關股份之權益及短倉

於二零一零年十二月三十一日，根據證券及期貨條例(「證券及期貨條例」)第352條之規定而存置之登記冊所記錄或按董事根據標準守則知會本公司及聯交所，董事於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份權益如下：

董事會報告

Report of the Directors

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Long positions in ordinary shares of the Company:

Name of director	董事姓名	Number of shares held, capacity and nature of interest 所持股份數目，身份及權益性質			Percentage of the Company's issued share capital 佔本公司已發行股份之百分比
		Directly beneficially owned 直接實益持有	Founder of a discretionary trust 全權信託之創辦人	Total 總數	
Lai Pei Wor	賴培和	7,654,000	97,242,000*	104,896,000	39.51
Chan Yau Wah	陳友華	7,700,000	-	7,700,000	2.90
		15,354,000	97,242,000	112,596,000	42.41

Note:

* Details of Mr. Lai Pei Wor's other interests are set out in the section headed "Substantial shareholders' and other persons' interests and short positions in shares and underlying shares" below.

Save as disclosed above, as at 31 December 2010, none of the directors had registered an interest or short position in the shares or underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors' interests and short positions in shares and underlying shares" above and in the share option scheme disclosures in note 35 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

董事於股份及相關股份之權益及短倉(續)

本公司普通股之長倉：

Number of shares held, capacity and nature of interest
所持股份數目，身份及權益性質

Name of director	董事姓名	Number of shares held, capacity and nature of interest 所持股份數目，身份及權益性質			Percentage of the Company's issued share capital 佔本公司已發行股份之百分比
		Directly beneficially owned 直接實益持有	Founder of a discretionary trust 全權信託之創辦人	Total 總數	
Lai Pei Wor	賴培和	7,654,000	97,242,000*	104,896,000	39.51
Chan Yau Wah	陳友華	7,700,000	-	7,700,000	2.90
		15,354,000	97,242,000	112,596,000	42.41

附註：

* 賴培和先生之其他權益詳載於下文之「主要股東及其他人士於股份及相關股份之權益及短倉」。

除上文所披露者外，於二零一零年十二月三十一日，根據證券及期貨條例第352條之規定而存置之本公司登記冊所記錄，或根據標準守則知會本公司及聯交所，各董事在本公司或其任何相聯法團之股份或相關股份概無擁有任何權益或短倉。

董事認購股份或債券之權利

除於上述「董事於股份及相關股份之權益及短倉」及財務報告附註35購股權計劃之披露事項所披露者外，本公司於年內任何時間概無授予任何董事或彼等各自之配偶或未成年子女藉收購本公司之股份或債券而取得利益之權利，而彼等亦無行使任何該等權利；本公司或其任何附屬公司於年內概無參與訂立任何安排，致使董事可於任何其他法人團體獲得此等權利。

董事會報告 Report of the Directors

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2010, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions:

主要股東及其他人士於股份及相關股份之權益及短倉

於二零一零年十二月三十一日，按照本公司根據證券及期貨條例第336條之規定須予存置之權益登記冊所載，以下股東擁有本公司已發行股本5%或以上之權益：

長倉：

Name	姓名	Number of shares held, capacity and nature of interest			Total	Percentage of the Company's issued share capital 佔本公司已發行股本百分比
		Directly beneficially owned 直接實益持有人	Through spouse or minor children 配偶或未成年子女	Beneficiary of a trust 信託之受益人		
Chan Yuk Lin (Note a)	陳玉蓮 (附註a)	-	7,654,000	97,242,000	104,896,000	39.51
Celaya (PTC) Limited (Note b)	Celaya (PTC) Limited (附註b)	-	-	97,242,000	97,242,000	36.63
Trident Corporate Services (B.V.I.) Limited (Note c)	Trident Corporate Services (B.V.I.) Limited (附註c)	-	-	97,242,000	97,242,000	36.63
Lai Yiu Chun (Note d)	賴耀鎮 (附註d)	1,866,000	21,450,000	-	23,316,000	8.78
Lam Lin Chu, Winnie (Note d)	林蓮珠 (附註d)	23,116,000	200,000	-	23,316,000	8.78

董事會報告

Report of the Directors

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Notes:

- (a) Ms. Chan Yuk Lin, spouse of Mr. Lai Pei Wor, was deemed to be interested in the shares.
- (b) Celaya (PTC) Limited holds 97,242,000 shares in its capacity as trustee of The Lai Family Unit Trust, of which all units are held by Trident Corporate Services (B.V.I.) Limited in its capacity as trustee of The Lai Family Trust, a discretionary trust of which the spouse and issue of Mr. Lai Pei Wor are discretionary objects.
- (c) The shares referred to herein relate to the same parcel of shares referred to in note (b) above.
- (d) Ms. Lam Lin Chu, Winnie is the wife of Mr. Lai Yiu Chun, who is a brother of Mr. Lai Pei Wor. Both Ms. Lam Lin Chu, Winnie and Mr. Lai Yiu Chun are declaring interests in the same parcel of shares.

Save as disclosed above, as at 31 December 2010, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

主要股東及其他人士於股份及相關股份之權益及短倉(續)

附註：

- (a) 陳玉蓮女士為賴培和先生之配偶，因而被當作持有該等股份權益。
- (b) Celaya (PTC) Limited以賴氏家族單位信託之受託人身份持有97,242,000股股份。賴氏家族單位信託所有已發行單位由Trident Corporate Services (B.V.I.) Limited以賴氏家族信託(一全權信託，而賴培和先生之配偶及子女乃全權信託受益人)之受託人身份持有。
- (c) 此欄所指之股份與附註(b)所指之同一批股份有關。
- (d) 林蓮珠女士為賴耀鎮先生之妻子，而賴耀鎮先生與賴培和先生則屬兄弟關係。林蓮珠女士及賴耀鎮先生申報同一批股份之權益。

除上文所披露者外，於二零一零年十二月三十一日，本公司概無獲知會有任何人士(不包括本公司董事之權益，載於上文「董事於股份及相關股份之權益及短倉」)在本公司股份及相關股份中擁有任何根據證券及期貨條例第336條之規定而須記錄於本公司存置之登記冊之權益或短倉。

公眾持股量充足

根據本公司獲得的已公開之資料及就董事所知，於本年報刊發日期，本公司之全部已發行股本中有至少25%由公眾人士持有。

董事會報告

Report of the Directors

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

On 22 December 2008, an interest-free and unsecured loan of HK\$12,000,000 was provided by a director of the Company to the Group. The loan was repaid in two installments of HK\$6,000,000 each on 9 March and 29 April 2010.

Save as disclosed above, during the year, the Group had no other connected transactions and continuing connected transactions as defined under the Listing Rules.

AUDITORS

Ernst & Young will retire as auditors of the Company at the conclusion of the forthcoming annual general meeting, and a resolution to appoint auditors of the Company (further details of which will be announced separately) will be considered at such annual general meeting.

ON BEHALF OF THE BOARD

Lai Pei Wor
Chairman

Hong Kong, 23 March 2011

關連交易及持續關連交易

於二零零八年十二月二十二日，本公司一位董事向本集團提供12,000,000港元之免息及無抵押貸款。該貸款已於二零一零年三月九日及四月二十九日，合共兩期，每期6,000,000港元償還給有關董事。

除上文所披露者外，本集團於本年度並沒有進行由上市規則定義之其他關連交易及持續關連交易。

核數師

安永會計師事務所將於即將舉行之股東週年大會結束後退任，一項委任本公司核數師之決議案(有關詳情將另行公佈)將於股東週年大會上提呈以供考慮。

代表董事會

主席
賴培和

香港，二零一一年三月二十三日

獨立核數師報告

Independent Auditors' Report



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To the shareholders of K & P International Holdings Limited
(Incorporated in Bermuda with limited liability)

致堅寶國際控股有限公司全體股東
(於百慕達註冊成立之有限公司)

We have audited the consolidated financial statements of K & P International Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 32 to 131, which comprise the consolidated and company statements of financial position as at 31 December 2010, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

我們已審核載於第32頁至131頁的堅寶國際控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)綜合財務報告，此綜合財務報告包括二零一零年十二月三十一日的綜合財務狀況表和公司財務狀況表，與截至該日止年度的綜合利潤表、綜合全面收入表、綜合權益變動表、綜合現金流量表以及主要會計政策和其他附註解釋。

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view 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, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

董事就綜合財務報告須承擔的責任

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和香港公司法例的披露規定編製綜合財務報告，使其真實而公允地列報，以及制定董事認為必要的相關的內部控制，以使綜合財務報告不存在由於欺詐或錯誤而導致的重大錯誤陳述。

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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告作出意見。我們的報告依據百慕達一九八一年公司法第90條僅為全體股東編製，而並不可作其他目的。我們概不就本報告的內容對其他任何人士負責或承擔責任。

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 about whether the consolidated financial statements are free from material misstatement.

我們已根據香港會計師公會頒佈的香港審核準則的規定執行審核。這些準則要求我們遵守職業道德規範，並規劃及執行審核，從而獲得合理確定此等綜合財務報告是否不存有任何重大錯誤陳述。

獨立核數師報告

Independent Auditors' Report

AUDITORS' RESPONSIBILITY (continued)

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 auditors' judgement, 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 auditors consider internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 Company and of the Group as at 31 December 2010, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of Hong Kong Companies Ordinance.

Ernst & Young
Certified Public Accountants

Hong Kong, 23 March 2011

核數師的責任(續)

審核涉及執行程式以獲取有關綜合財務報告所載金額和披露資料的審核證據。所選定的程式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告存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編制及真實而公允地列報綜合財務報告相關的內部控制，以設計適當的審核程式，但並非對公司的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的合適性及作出的會計估計的合理性，以及評價綜合財務報告的整體列報方式。

我們相信，我們所獲得的審核證據充足且適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報告已根據香港財務報告準則真實而公允地反映 貴公司和 貴集團於二零一零年十二月三十一日的財務狀況及 貴集團截至該日止年度的溢利和現金流量，並已按照香港公司法例的披露規定妥為編製。

安永會計師事務所
執業會計師

香港，二零一一年三月二十三日

綜合利潤表

Consolidated Income Statement

截至二零一零年十二月三十一日止年度
Year ended 31 December 2010

		Notes 附註	2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
REVENUE	收入	5	384,638,630	322,867,274
Cost of sales	銷售成本		(304,693,595)	(260,846,834)
Gross profit	毛利		79,945,035	62,020,440
Other income and gains	其他收入及收益	5	5,763,445	8,193,717
Selling and distribution costs	銷售及經銷成本		(29,543,237)	(30,978,880)
Administrative expenses	行政費用		(21,695,328)	(25,561,754)
Other expenses	其他費用	6	(270,752)	(1,263,850)
Finance costs	融資成本	8	(1,812,443)	(3,275,781)
PROFIT BEFORE TAX	除稅前溢利	7	32,386,720	9,133,892
Income tax expense	所得稅開支	11	(7,207,536)	(3,341,604)
PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人 所佔本年度溢利	12	25,179,184	5,792,288
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股權益持有人 所佔每股盈利	14		
Basic	基本		HK9.48 cents 港仙	HK2.18 cents港仙
Diluted	攤薄		HK9.47 cents 港仙	HK2.18 cents港仙

Details of the dividends for the year are disclosed in note 13 to the financial statements.

本年度股息之詳情於財務報告附註13披露。

綜合全面收入表

Consolidated Statement of Comprehensive Income

截至二零一零年十二月三十一日止年度
Year ended 31 December 2010

		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
PROFIT FOR THE YEAR	本年度溢利	25,179,184	5,792,288
OTHER COMPREHENSIVE INCOME	其他全面收入		
Surplus arising from revaluation of land and buildings	土地及樓宇之重估盈餘	2,307,027	3,044,452
Income tax effect	所得稅影響	(330,365)	(705,471)
		1,976,662	2,338,981
Exchange differences on translation of foreign operations	換算海外業務時產生之匯兌差額	1,680,783	(306,324)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	除稅後本年度其他全面收入	3,657,445	2,032,657
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	本年度全面收入總額	28,836,629	7,824,945

綜合財務狀況表

Consolidated Statement of Financial Position

二零一零年十二月三十一日

31 December 2010

			31 December	31 December	1 January
			2010	2009	2009
			二零一零年	二零零九年	二零零九年
			十二月	十二月	一月一日
			三十一日	三十一日	一月一日
	Notes		HK\$	HK\$	HK\$
	附註		港元	港元	港元
				(Restated)	(Restated)
				(重列)	(重列)
NON-CURRENT ASSETS					
非流動資產					
Property, plant and equipment		物業、廠房及設備	15	140,464,261	147,408,094
Prepaid land lease payments		預付土地租賃款	16	13,504,017	13,444,493
Other intangible assets		其他無形資產	17	4,070,829	8,145,829
Available-for-sale investment		可供出售投資	19	680,000	680,000
Deferred tax assets		遞延稅項資產	32	4,068,157	1,358,447
Prepaid rent		預付租金	20	234,000	468,000
				163,021,264	171,504,863
Total non-current assets		非流動資產總計		163,021,264	171,504,863
CURRENT ASSETS					
流動資產					
Inventories		存貨	21	32,873,562	36,859,295
Prepayments, deposits and other receivables		預付款項、按金及其他應收款項	22	6,700,135	12,545,043
Trade and bills receivables		應收賬項及票據	23	58,393,380	61,645,865
Cash and cash equivalents		現金及現金等值項目	24	42,759,628	32,405,249
				140,726,705	143,455,452
Total current assets		流動資產總計		140,726,705	143,455,452
CURRENT LIABILITIES					
流動負債					
Trade payables		應付賬項	25	40,837,096	56,778,707
Accrued liabilities and other payables		應計負債及其他應付款項	26	31,143,002	24,712,798
Derivative financial instrument		衍生金融工具	27	-	-
Interest-bearing bank and other borrowings		帶息銀行貸款及其他借貸	28	28,656,395	53,351,766
Loan from a director		董事貸款	33	-	12,000,000
Tax payable		應繳稅項		15,378,484	8,151,972
Provision for product warranties		產品保養撥備	30	-	-
				116,014,977	154,995,243
Total current liabilities		流動負債總計		116,014,977	154,995,243

綜合財務狀況表(續)

Consolidated Statement of Financial Position *(continued)*

二零一零年十二月三十一日
31 December 2010

		31 December 2010 二零一零年 十二月 三十一日 Notes 附註	31 December 2009 二零零九年 十二月 三十一日 HK\$ 港元 (Restated) (重列)	1 January 2009 二零零九年 一月一日 HK\$ 港元 (Restated) (重列)
NET CURRENT ASSETS/(LIABILITIES)	流動資產/(負債)淨值	24,711,728	(11,539,791)	(10,514,977)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	187,732,992	159,965,072	171,960,235
NON-CURRENT LIABILITIES	非流動負債			
Other long term payables	其他長期應付款項	31	-	4,108,231
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸	28	-	1,561,074
Deferred tax liabilities	遞延稅項負債	32	1,650,867	1,158,502
Loan from a director	董事貸款	33	-	-
			-	12,000,000
Total non-current liabilities	非流動負債總計		1,650,867	2,719,576
			2,719,576	22,541,724
Net assets	資產淨值	186,082,125	157,245,496	149,418,511
EQUITY	權益			
Issued capital	已發行股本	34	26,550,480	26,550,480
Reserves	儲備	36(a)	146,256,405	130,695,016
Proposed final dividend	建議末期股息	13	7,965,144	-
Proposed special dividend	建議特別股息	13	5,310,096	-
Total equity	權益總額		186,082,125	157,245,496
			157,245,496	149,418,511

Lai Pei Wor
賴培和
Director
董事

Chan Yau Wah
陳友華
Director
董事

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二零一零年十二月三十一日止年度

Year ended 31 December 2010

		Issued capital 已發行股本	Share premium account 股份溢價賬	Share option reserve 購股權儲備	Contributed surplus 繳入盈餘	Asset revaluation reserve 資產重估儲備	Exchange fluctuation reserve 匯兌波動儲備	Retained profits 保留溢利	Proposed dividends 建議股息	Total equity 權益總額
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元 (Restated) (重列)	HK\$ 港元	HK\$ 港元 (Restated) (重列)	HK\$ 港元	HK\$ 港元
At 1 January 2009, as previously reported	於二零零九年一月一日·之前申報	26,550,480	50,541,281	93,960	660,651	8,205,596	4,222,879	63,898,137	-	154,172,984
Effect of changes in accounting policy (note 2.2)	會計政策變動之影響(附註2.2)	-	-	-	-	(1,232,187)	-	(3,522,286)	-	(4,754,473)
As 1 January 2009 (restated)	於二零零九年一月一日(重列)	26,550,480	50,541,281	93,960	660,651	6,973,409	4,222,879	60,375,851	-	149,418,511
Profit for the year (restated)	本年度溢利(重列)	-	-	-	-	-	-	5,792,288	-	5,792,288
Other comprehensive income for the year:	本年度其他全面收入:									
Exchange differences on translation of foreign operations	換算海外業務時產生之匯兌差額	-	-	-	-	-	(306,324)	-	-	(306,324)
Surplus arising from revaluation of land and buildings	土地及樓宇之重估盈餘	-	-	-	-	2,338,981	-	-	-	2,338,981
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	2,338,981	(306,324)	5,792,288	-	7,824,945
Equity-settled share option arrangement	股本結算購股權安排	-	-	2,040	-	-	-	-	-	2,040
At 31 December 2009	於二零零九年十二月三十一日	26,550,480	50,541,281*	96,000*	660,651*	9,312,390*	3,916,555*	66,168,139*	-	157,245,496
		Issued capital 已發行股本	Share premium account 股份溢價賬	Share option reserve 購股權儲備	Contributed surplus 繳入盈餘	Asset revaluation reserve 資產重估儲備	Exchange fluctuation reserve 匯兌波動儲備	Retained profits 保留溢利	Proposed dividends 建議股息	Total equity 權益總額
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元 (Restated) (重列)	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
At 1 January 2010, as previously reported	於二零一零年一月一日·之前申報	26,550,480	50,541,281	96,000	660,651	8,932,357	3,916,555	66,168,139	-	156,865,463
Effect of changes in accounting policy (note 2.2)	會計政策變動之影響(附註2.2)	-	-	-	-	380,033	-	-	-	380,033
As 1 January 2010 (restated)	於二零一零年一月一日(重列)	26,550,480	50,541,281*	96,000*	660,651*	9,312,390*	3,916,555*	66,168,139*	-	157,245,496
Profit for the year	本年度溢利	-	-	-	-	-	-	25,179,184	-	25,179,184
Other comprehensive income for the year:	本年度其他全面收入:									
Exchange differences on translation of foreign operations	換算海外業務時產生之匯兌差額	-	-	-	-	-	1,680,783	-	-	1,680,783
Surplus arising from revaluation of land and buildings	土地及樓宇之重估盈餘	-	-	-	-	1,976,662	-	-	-	1,976,662
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	1,976,662	1,680,783	25,179,184	-	28,836,629
Proposed final 2010 dividend (note 13)	建議二零一零年末期股息(附註13)	-	-	-	-	-	-	(7,965,144)	7,965,144	-
Proposed special 2010 dividend (note 13)	建議二零一零年特別股息(附註13)	-	-	-	-	-	-	(5,310,096)	5,310,096	-
At 31 December 2010	於二零一零年十二月三十一日	26,550,480	50,541,281*	96,000*	660,651*	11,289,052*	5,597,338*	78,072,083*	13,275,240	186,082,125

* These reserve accounts comprise the consolidated reserves of HK\$146,256,405 (2009: HK\$130,695,016) in the consolidated statement of financial position.

* 於綜合財務狀況表中·這些儲備賬戶包含綜合儲備146,256,405港元(二零零九年: 130,695,016港元)。

綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一零年十二月三十一日止年度
Year ended 31 December 2010

	Notes 附註	2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
CASH FLOWS FROM OPERATING ACTIVITIES			
經營活動的現金流量			
Profit before tax		32,386,720	9,133,892
Adjustments for:	調整：		
Finance costs	融資成本	8 1,812,443	3,275,781
Bank interest income	銀行利息收入	(55,835)	(30,019)
Depreciation	折舊	7 16,189,332	18,987,234
Recognition of prepaid land lease payments	預付土地租賃款確認	7 296,132	288,899
Amortisation of other intangible assets	其他無形資產攤銷	7 4,075,000	4,832,500
Surplus arising from revaluation of land and buildings	土地及樓宇之重估盈餘	-	(3,522,286)
Loss/(gain) on disposal of items of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)	(663,180)	16,444
Fair value gain on a derivative instrument – transaction not qualifying as a hedge	衍生工具的公平價值收益 – 不符合對沖條件的交易	-	(106,627)
Impairment of trade receivables	應收賬項減值	270,752	685,808
Provision/(reversal of provision) for slow-moving inventories	滯銷存貨撥備/(撥回)	2,029,707	(332,545)
Equity-settled share option expense	股本結算購股權支出	-	2,040
		56,341,071	33,231,121
Decrease in prepaid rent	預付租金之減少	234,000	234,000
Decrease in inventories	存貨之減少	2,253,848	8,952,002
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項之減少	6,083,353	4,900,935
Decrease in trade and bills receivables	應收賬項及票據之減少	3,824,842	2,399,963
Decrease in trade payables	應付賬項之減少	(19,107,948)	(4,967,300)
Increase/(decrease) in accrued liabilities and other payables	應計負債及其他應付款項之增加/(減少)	6,295,938	(9,894,273)
Decrease in provision for product warranties	產品保養撥備之減少	-	(355,774)
Decrease in other long term payables	其他長期應付款項之減少	-	(4,108,231)
Cash generated from operations	經營業務所產生的現金	55,925,104	30,392,443
Interest received	已收利息	55,835	30,019
Interest paid	已付利息	(1,706,352)	(3,063,516)
Interest element on finance lease rental payments	融資租約付款之利息部份	(106,091)	(212,265)
Hong Kong profits tax refunded/(paid)	退回/(已付)香港利得稅	(1,734,104)	13,008
Overseas taxes paid	已付海外稅項	(730,382)	(253,319)
Net cash flows from operating activities – page 38	經營業務之現金流入淨額 – 38頁	51,704,010	26,906,370

綜合現金流量表(續)

Consolidated Statement of Cash Flows (continued)

截至二零一零年十二月三十一日止年度
Year ended 31 December 2010

	Notes 附註	2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
Net cash flows from operating activities – page 37	經營業務之現金流入淨額 – 37頁	51,704,010	26,906,370
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量		
Purchases of items of property, plant and equipment	購買物業、廠房及設備	(4,123,399)	(2,554,591)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備所得款項	736,502	15,379
Additions to other intangible assets	其他無形資產之增加	–	(2,940,000)
Net cash flows used in investing activities	投資活動之現金流出淨額	(3,386,897)	(5,479,212)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量		
Decrease in unsecured bank loans	無抵押銀行貸款之減少	(4,160,814)	(39,974,404)
Increase/(decrease) in discounted bills	折扣性票據之增加/(減少)	473,920	(3,853,126)
New unsecured instalment loans	新做無抵押分期貸款	–	14,000,000
New secured instalment loans	新做抵押分期貸款	–	11,400,000
Repayment of secured bank loan	償還抵押銀行貸款	(11,400,000)	–
Repayment of secured instalment loans	償還抵押分期貸款	(2,265,600)	(638,400)
Repayment of unsecured instalment loans	償還無抵押分期貸款	(5,542,985)	(18,241,311)
Capital element of finance lease rental payments	融資租約付款之資本部份	(3,360,966)	(3,252,455)
Repayment of loan from a director	償還董事貨款	(12,000,000)	–
Net cash flows used in financing activities	融資活動之現金流出淨額	(38,256,445)	(40,559,696)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目之增加/(減少)淨額	10,060,668	(19,132,538)
Cash and cash equivalents at beginning of year	年初之現金及現金等值項目	32,405,249	51,510,355
Effect of foreign exchange rate changes, net	匯率變動之影響，淨額	293,711	27,432
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及現金等值項目	42,759,628	32,405,249
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘之分析		
Cash and bank balances	現金及銀行結存	24 27,262,375	32,405,249
Non-pledged time deposits with original maturity of more than three months when acquired	於獲取時距原有到期日多於三個月之無抵押定期存款	24 15,497,253	–
		42,759,628	32,405,249

財務狀況表

Statement of Financial Position

二零一零年十二月三十一日
31 December 2010

			31 December 2010	31 December 2009
			二零一零年 十二月三十一日	二零零九年 十二月三十一日
		Notes 附註	HK\$	HK\$
			港元	港元
NON-CURRENT ASSETS	非流動資產			
Investments in subsidiaries	於附屬公司之投資	18	141,160,714	127,882,949
CURRENT ASSETS	流動資產			
Prepayments	預付款項	22	231,049	86,049
Cash and cash equivalents	現金及現金等值項目	24	7,064	6,168
Total current assets	流動資產總計		238,113	92,217
CURRENT LIABILITIES	流動負債			
Accrued liabilities	應計負債	26	198,886	246,498
NET CURRENT ASSETS/(LIABILITIES)	流動資產/(負債)淨值		39,227	(154,281)
Net assets	資產淨值		141,199,941	127,728,668
EQUITY	權益			
Issued capital	已發行股本	34	26,550,480	26,550,480
Reserves	儲備	36(b)	101,374,221	101,178,188
Proposed final dividend	建議末期股息	13	7,965,144	-
Proposed special dividend	建議特別股息	13	5,310,096	-
Total equity	權益總額		141,199,941	127,728,668

Lai Pei Wor
賴培和
Director
董事

Chan Yau Wah
陳友華
Director
董事

財務報告附註

Notes to Financial Statements

二零一零年十二月三十一日
31 December 2010

1. CORPORATE INFORMATION

K & P International Holdings Limited is a limited liability company incorporated in Bermuda. The registered office of K & P International Holdings Limited is located at Units 2304-06, 23rd Floor, Riley House, 88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong.

During the year, the Group was involved in the following principal activities:

- manufacture and sale of precision parts and components (comprising keypads, synthetic rubber and plastic components and parts, and liquid crystal displays (“LCDs”)); and
- design, manufacture and sale of consumer electronic products (comprising time, weather forecasting and other products).

There were no significant changes in the nature of the Group’s principal activities during the year.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for land and buildings, a derivative financial instrument and an available-for-sale investment, which have been measured at fair value. These financial statements are presented in Hong Kong dollars.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2010. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

1. 公司資料

堅寶國際控股有限公司是一間於百慕達註冊成立之有限公司。堅寶國際控股有限公司的總辦事處為香港新界葵涌梨木道88號達利中心23樓2304-06室。

集團年內之主要業務如下：

- 製造及銷售精密零部件(其中包括按鍵、合成橡膠及塑膠零部件及液晶體顯示器); 及
- 設計、製造及銷售電子消費品(其中包括時計、天氣預計及其他產品)。

集團之主要業務於年內並無重大改變。

2.1. 編製基準

本財務報告是根據香港會計師公會所頒佈之香港財務報告準則(「香港財務報告準則」)(並包括所有香港財務報告準則, 香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司法例之披露規定適當編製。除土地及樓宇、衍生金融工具及可供出售投資以公平價值計量外, 本財務報告乃以歷史原值成本法計算。本財務報告以港元呈列。

綜合賬項基準

綜合財務報告包括本公司及其所有附屬公司(統稱「本集團」)截至二零一零年十二月三十一日止年度之財務報告。附屬公司與本公司之財務報告的報告期間相同, 並採用一致會計政策編製。收購附屬公司之業績自該等公司被收購之日(即本集團取得該等公司之控制權之日)起綜合計算, 並綜合計算至該控制權終止為止。集團內公司間之結餘、交易、集團內公司間交易所產生的未實現的收益和虧損及股息均於綜合賬目時全數抵銷。

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 1 (Revised)	<i>First-time Adoption of Hong Kong Financial Reporting Standards</i>
HKFRS 1 Amendments	<i>Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards – Additional Exemptions for First-time Adopters</i>
HKFRS 2 Amendments	<i>Amendments to HKFRS 2 Share-based Payment – Group Cash-settled Share-based Payment Transactions</i>
HKFRS 3 (Revised)	<i>Business Combinations</i>
HKAS 27 (Revised)	<i>Consolidated and Separate Financial Statements</i>
HKAS 39 Amendment	<i>Amendment to HKAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items</i>
HK(IFRIC)-Int 17	<i>Distributions of Non-cash Assets to Owners</i>

2.1. 編製基準(續)

綜合賬項基準(續)

附屬公司之虧損乃歸屬於非控股權益，即使此舉引致結餘為負數。

一間附屬公司之擁有權權益發生變動(控制權並未發生變動)，則按權益交易入賬。

倘本集團失去對一間附屬公司之控制權，則其撤銷確認(i)該附屬公司之資產(包括商譽)及負債、(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計交易差額；及確認(i)所收代價之公平價值、(ii)所保留任何投資之公平價值及(iii)損益賬中任何因此產生之盈餘或虧損。先前於其他全面收入表內確認之本集團應佔部份重新分類為損益或保留溢利(視何者屬適當)。

2.2. 會計政策及披露之變動

本集團首次採納以下新訂及經修訂之香港財務報告準則編製本年度財務報告。

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
香港財務報告準則第1號之修訂	香港財務報告準則第1號首次採納香港財務報告準則—首次採納者的額外豁免之修訂
香港財務報告準則第2號之修訂	香港財務報告準則第2號以股份支付款項—集團現金結算以股份支付交易之修訂
香港財務報告準則第3號(經修訂)	業務合併
香港會計準則第27號(經修訂)	綜合及分開呈列財務報告
香港會計準則第39號之修訂	香港會計準則第39號金融工具：確認及計量—合資格對沖項目之修訂
香港(國際財務報告詮釋委員會)—詮釋第17號	向擁有人分配非現金資產

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

HKFRS 5 Amendments included in <i>Improvements to HKFRSs</i> issued in October 2008	Amendments to HKFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary</i>
Improvements to HKFRSs 2009	Amendments to a number of HKFRSs issued in May 2009
HK Interpretation 4 Amendment	Amendment to HK Interpretation 4 <i>Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases</i>
HK Interpretation 5	<i>Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause</i>

Other than as further explained below regarding the impact of HKFRS 3 (Revised), HKAS 27 (Revised), amendments to HKAS 7 and HKAS 17 included in *Improvements to HKFRSs 2009*, HK Interpretation 4 (Revised in December 2009) and HK Interpretation 5, the adoption of the new and revised HKFRSs has had no significant financial effect on these financial statements.

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) HKFRS 3 (Revised) *Business Combinations* and HKAS 27 (Revised) *Consolidated and Separate Financial Statements*

HKFRS 3 (Revised) introduces a number of changes in the accounting for business combinations that affect the initial measurement of non-controlling interests, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

2.2. 會計政策及披露之變動(續)

香港財務報告準則第5號之修訂(包含於二零零八年十月頒佈之香港財務報告準則之改進)	香港財務報告準則第5號持有作出售之非流動資產及已終止業務 – 計劃出售於附屬公司之控股權益之修訂
二零零九年香港財務報告準則之改進	二零零九年五月頒佈之若干香港財務報告準則之修訂
香港詮釋第4號之修訂	香港詮釋第4號租賃 – 釐定香港土地租賃之期限之修訂
香港詮釋第5號	財務報表之呈列 – 借款人對包含須按要求時償還條款之定期貸款之分類

除在下文進一步闡釋有關香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)、包含於二零零九年香港財務報告準則之改進內之對香港會計準則第7號及香港會計準則第17號之修訂以及於二零零九年十二月經修訂之香港詮釋第4號及香港詮釋第5號外，採納該等新訂及經修訂之香港財務報告準則對財務報告並無重大財務影響。

採納該等新訂及經修訂香港財務報告準則之主要影響如下：

(a) 香港財務報告準則第3號(經修訂) *業務合併*及香港會計準則第27號(經修訂) *綜合及獨立財務報告*

香港財務報告準則第3號(經修訂)對業務合併的會計處理引入若干變動，該等變動影響非控股權益的初步計量、交易成本的會計處理、或然代價及分階段達成的業務合併的初步確認及隨後計量。該等變動將影響已確認商譽之金額、收購發生期間之報告業績及未來報告業績。

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

(a) HKFRS 3 (Revised) Business Combinations and HKAS 27 (Revised) Consolidated and Separate Financial Statements (continued)

HKAS 27 (Revised) requires that a change in the ownership interest of a subsidiary without loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Consequential amendments were made to various standards, including, but not limited to HKAS 7 *Statement of Cash Flows*, HKAS 12 *Income Taxes*, HKAS 21 *The Effects of Changes in Foreign Exchange Rates*, HKAS 28 *Investments in Associates* and HKAS 31 *Interests in Joint Ventures*.

The changes introduced by these revised standards are applied prospectively and affect the accounting of acquisitions, loss of control and transactions with non-controlling interests after 1 January 2010.

(b) Improvements to HKFRSs 2009 issued in May 2009 sets out amendments to a number of HKFRSs. There are separate transitional provisions for each standard. While the adoption of some of the amendments results in changes in accounting policies, none of these amendments has had a significant financial impact on the Group. Details of the key amendments most applicable to the Group are as follows:

- HKAS 7 *Statement of Cash Flows*: Requires that only expenditures that result in a recognised asset in the statement of financial position can be classified as a cash flow from investing activities.
- HKAS 17 *Leases*: Removes the specific guidance on classifying land as a lease. As a result, leases of land should be classified as either operating or finance leases in accordance with the general guidance in HKAS 17.

2.2. 會計政策及披露之變動(續)

(a) 香港財務報告準則第3號(經修訂)業務合併及香港會計準則第27號(經修訂)綜合及獨立財務報告(續)

香港會計準則第27號(經修訂)規定不喪失控制權之附屬公司之擁有權權益變動被列為股權交易。因此，該等變化對商譽並無影響，亦不會產生利潤或虧損。除此以外，該經修訂準則變動亦修改了附屬公司產生之虧損及對附屬公司喪失控制權之會計處理方法。隨後相應修訂涉及之準則包括但不限於香港會計準則第7號現金流量表、香港會計準則第12號所得稅項、香港會計準則第21號外匯匯率變動之影響、香港會計準則第28號於聯營公司之投資以及香港會計準則第31號於合營企業之權益。

該等經修訂準則引入的變動需按未來適用法處理，並影響於二零一零年一月一日後之收購、喪失控制權及與非控股權益的交易的會計處理。

(b) 於二零零九年五月頒佈之二零零九年香港財務報告準則之改進制定對多項香港財務報告準則之修訂。各項準則均各自設有過渡條文。採納部份修訂可能會導致會計政策變動，惟此等修訂對本集團並無任何重大財務影響。最適用於本集團之主要修訂之詳情如下：

- 香港會計準則第7號現金流量表：其指定只有導致在財務狀況表內可確認為資產的支出，才可以分類為投資活動之現金流量。
- 香港會計準則第17號租賃：刪去有關土地租賃分類的特定指引。因此，土地租賃應按香港會計準則第17號的一般指引釐定為經營或融資租賃。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日
31 December 2010

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

(b) (continued)

Amendment to HK Interpretation 4 Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases is revised as a consequence of the amendment to HKAS 17 Leases included in *Improvements to HKFRSs 2009*. Following this amendment, the scope of HK Interpretation 4 has been expanded to cover all land leases, including those classified as finance leases. As a result, this interpretation is applicable to all leases of property accounted for in accordance with HKAS 16, HKAS 17 and HKAS 40.

The Group has reassessed its leases in Hong Kong and Mainland China, previously classified as operating leases, upon the adoption of the amendments. The classification of leases in Mainland China remained as operating leases. As substantially all the risks and rewards associated with the leases in Hong Kong have been transferred to the Group, the leases in Hong Kong have been reclassified from operating leases under “prepaid land lease payments” which is stated at cost to finance leases under land and buildings category of “property, plant and equipment” which is stated at revaluation. The corresponding amortisation has also been reclassified to depreciation. The effects of the above changes are summarised below:

2.2. 會計政策及披露之變動(續)

(b) (續)

香港詮釋第4號租賃－釐定香港土地租賃之期限之修訂乃根據包含於二零零九年香港財務報告準則之改進中香港會計準則第17號租賃之修訂而修改。按照此項修訂，香港詮釋第4號之範圍已擴大至覆蓋所有土地租賃，其中包括被分類為融資租賃之土地租賃。因此，該詮釋適用於按照香港會計準則第16號，香港會計準則第17號以及香港會計準則第40號列賬之所有物業租賃。

於採納此修訂時，本集團重新評估了其位於香港及中國大陸過往分類為經營租賃之租賃。位於中國大陸之租賃仍然分類為經營租賃。由於香港土地租賃相關之所有重大風險及回報已轉移到本集團，該等香港租賃已由按成本列賬經營租賃下之「預付土地租賃款」重新歸類為按估值列賬融資租賃下之「物業、廠房及設備」之土地及樓宇分類。相關之攤銷費用亦已重新歸類為折舊費用。上述變動之影響概括如下：

		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
<i>Consolidated income statement for the year ended 31 December</i>			
	截至十二月三十一日止年度 之綜合利潤表		
Decrease in amortisation of prepaid land lease payments	預付土地租賃款攤銷之減少	(199,602)	(199,602)
Increase in depreciation of property, plant and equipment	物業、廠房及設備折舊之增加	199,602	199,602
Increase in surplus arising from revaluation of land and buildings	土地及樓宇之重估盈餘之增加	-	3,522,286
		-	3,522,286

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

(b) (continued)

2.2. 會計政策及披露之變動(續)

(b) (續)

		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
<i>Consolidated statement of comprehensive income for the year ended 31 December</i>	截至十二月三十一日止年度之綜合全面收入表		
Increase in asset revaluation reserve	重估資產儲備之增加		
Surplus arising from revaluation of land and buildings	土地及樓宇之重估盈餘	1,609,602	1,687,316
Income tax effect	所得稅影響	(265,585)	(75,096)
		1,344,017	1,612,220
<i>Consolidated statement of financial position at 31 December</i>	於十二月三十一日綜合財務狀況表		
Increase/(decrease) in assets (current and non-current)	流動及非流動資產之增加/(減少)		
Property, plant and equipment	物業、廠房及設備	9,450,000	8,040,000
Prepaid land lease payments	預付土地租賃款	(7,185,667)	(7,385,269)
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	(199,602)	(199,602)
		2,064,731	455,129
Increase in liabilities/equity	負債/權益之增加		
Deferred tax liabilities	遞延稅項負債	340,681	75,096
Asset revaluation reserve	資產重估儲備	1,724,050	380,033
		2,064,731	455,129

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

(b) (continued)

2.2. 會計政策及披露之變動(續)

(b) (續)

		2009 二零零九年 HK\$ 港元
<i>Consolidated statement of financial position at 1 January</i>	於一月一日綜合財務狀況表	
Increase/(decrease) in assets (current and non-current)	流動及非流動資產之增加/(減少)	
Property, plant and equipment	物業、廠房及設備	3,030,000
Prepaid land lease payments	預付土地租賃款	(7,584,871)
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	(199,602)
		<u>(4,754,473)</u>
Decrease in equity	權益之減少	
Asset revaluation reserve	資產重估儲備	(1,232,187)
Retained profits	保留溢利	(3,522,286)
		<u>(4,754,473)</u>

Due to the retrospective application of the amendments which has resulted in the restatement of items in the statement of financial position, a statement of financial position as at 1 January 2009, and the related notes affected by the amendments have been presented in these financial statements.

由於須就該修訂作追溯應用以致財務狀況表內之若干項目須作重列，二零零九年一月一日之財務狀況表及受影響之相關附註已於此財務報告內呈列。

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

(c) HK Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The interpretation requires a term loan that contains a clause that gives the lender the unconditional right to call the loan at any time shall be classified in total by the borrower as current in the statement of financial position. This is irrespective of whether a default event has occurred and notwithstanding any other terms and maturity stated in the loan agreement. Prior to the adoption of this interpretation, the Group's term loan was classified in the statement of financial position as a non-current liability based on the maturity date of repayment. The interpretation has been applied by the Group retrospectively and comparative amounts have been restated. In addition, as a result of this change and as required by HKAS 1 *Presentation of Financial Statements*, these financial statements also include a statement of financial position as at 1 January 2009. Further details of the loans are disclosed in note 28 to the financial statements.

The above change has had no effect on the consolidated income statement. The effect on the consolidated statement of financial position is summarised as follows:

2.2. 會計政策及披露之變動(續)

(c) 香港詮釋第5號財務報告之呈列 – 借款人對包含須按要求時償還條款之定期貸款之分類

該詮釋要求定期貸款如包含貸款人擁有無附帶條件的權利可隨時要求償還貸款的條款，借款人均須在財務狀況表分類為流動。這不論有否發生失責事件，亦不論貸款協議所載任何其他條款及到期日。採納該詮釋前，本集團之定期貸款乃根據還款到期日於財務狀況表分類為非流動負債。本集團已追溯應用該詮釋及比較數字作重列。此外，根據此變動的結果及香港會計準則第1號香港財務報告呈列，這財務報表亦已包含二零零九年一月一日的財務狀況表。有關貸款之詳細見財務報告附註28。

上述變動對綜合利潤表並無影響，對綜合財務狀況表之影響概括如下：

		31 December 2010	31 December 2009	1 January 2009
		二零一零年 十二月 三十一日	二零零九年 十二月 三十一日	二零零九年 一月一日
		HK\$ 港元	HK\$ 港元	HK\$ 港元
CURRENT LIABILITIES	流動負債			
Increase in bank and other borrowings	銀行貸款及其他借貸之增加	17,707,572	17,415,653	19,580,250
NON-CURRENT LIABILITIES	非流動負債			
Decrease in bank and other borrowings	銀行貸款及其他借貸之減少	(17,707,572)	(17,415,653)	(19,580,250)

There was no impact on the net assets of the Group.

此對本集團的資產淨值並沒有影響。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 Amendment	Amendment to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters</i> ²
HKFRS 1 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i> ⁴
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Transfers of Financial Assets</i> ⁴
HKFRS 9	<i>Financial Instruments</i> ⁶
HKAS 12 Amendments	Amendments to HKAS 12 <i>Deferred tax: Recovery of Underlying Assets</i> ⁵
HKAS 24 (Revised)	<i>Related Party Disclosures</i> ³
HKAS 32 Amendment	Amendment to HKAS 32 <i>Financial Instruments: Presentation – Classification of Rights Issues</i> ¹
HK(IFRIC)-Int 14 Amendments	Amendments to HK(IFRIC)-Int 14 <i>Prepayments of a Minimum Funding Requirement</i> ³
HK(IFRIC)-Int 19	<i>Extinguishing Financial Liabilities with Equity Instruments</i> ²

Apart from the above, the HKICPA has issued *Improvements to HKFRSs 2010* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording. The amendments to HKFRS 3 and HKAS 27 are effective for annual periods beginning on or after 1 July 2010, whereas the amendments to HKFRS 1, HKFRS 7, HKAS 1, HKAS 34 and HK(IFRIC)-Int 13 are effective for annual periods beginning on or after 1 January 2011 although there are separate transitional provisions for each standard.

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並無於該等財務報告採用下列已頒佈但尚未生效的新訂及經修訂之香港財務報告準則。

香港財務報告準則第1號之修訂	香港財務報告準則第1號 <i>首次採納香港財務報告準則 – 首次採納者就相若香港財務報告準則第7號披露資料之有限豁免之修訂</i> ²
香港財務報告準則第1號之修訂	香港財務報告準則第1號 <i>首次採納香港財務報告準則 – 嚴重高通脹及剔除首次採納者的固定日期之修訂</i> ⁴
香港財務報告準則第7號之修訂	香港財務報告準則第7號 <i>金融工具：披露 – 金融資產轉讓之修訂</i> ⁴
香港財務報告準則第9號	<i>金融工具</i> ⁶
香港會計準則第12號之修訂	香港會計準則第12號 <i>遞延稅項：收回相關資產之修訂</i> ⁵
香港會計準則第24號(經修訂)	<i>有關連人士披露</i> ³
香港會計準則第32號之修訂	香港會計準則第32號 <i>金融工具：呈列 – 供股分類之修訂</i> ¹
香港(國際財務報告詮釋委員會) – 詮釋第14號之修訂	香港(國際財務報告詮釋委員會) – 詮釋第14號 <i>最低資金規定之預付款項之修訂</i> ³
香港(國際財務報告詮釋委員會) – 詮釋第19號	<i>以權益工具抵銷金融負債</i> ²

除上述者外，香港會計師公會亦頒佈對二零一零年香港財務報告準則之改進，當中載列對多項香港財務報告準則之修訂，主要目的為刪除歧義及釐清用字。香港財務報告準則第3號及香港會計準則第27號之修訂於二零一零年七月一日或之後開始的年度期間生效，而香港財務報告準則第1號、香港財務報告準則第7號、香港會計準則第1號、香港會計準則第34號及香港(國際財務報告詮釋委員會) – 詮釋第13號之修訂於二零一一年一月一日或之後開始的年度期間生效，惟各項準則各自設有過渡性條文。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

- ¹ Effective for annual periods beginning on or after 1 February 2010
- ² Effective for annual periods beginning on or after 1 July 2010
- ³ Effective for annual periods beginning on or after 1 January 2011
- ⁴ Effective for annual periods beginning on or after 1 July 2011
- ⁵ Effective for annual periods beginning on or after 1 January 2012
- ⁶ Effective for annual periods beginning on or after 1 January 2013

Further information about those changes that are expected to significantly affect the Group is as follows:

HKFRS 9 issued in November 2009 is the first part of phase 1 of a comprehensive project to entirely replace HKAS 39 *Financial Instruments: Recognition and Measurement*. This phase focuses on the classification and measurement of financial assets. Instead of classifying financial assets into four categories, an entity shall classify financial assets as subsequently measured at either amortised cost or fair value, on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. This aims to improve and simplify the approach for the classification and measurement of financial assets compared with the requirements of HKAS 39.

In November 2010, the HKICPA issued additions to HKFRS 9 to address financial liabilities (the "Additions") and incorporated in HKFRS 9 the current derecognition principles of financial instruments of HKAS 39. Most of the Additions were carried forward unchanged from HKAS 39, while changes were made to the measurement of financial liabilities designated at fair value through profit or loss using the fair value option ("FVO"). For these FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in other comprehensive income ("OCI"). The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. However, loan commitments and financial guarantee contracts which have been designated under the FVO are scoped out of the Additions.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

- ¹ 於二零一零年二月一日或之後開始的年度期間生效
- ² 於二零一零年七月一日或之後開始的年度期間生效
- ³ 於二零一一年一月一日或之後開始的年度期間生效
- ⁴ 於二零一一年七月一日或之後開始的年度期間生效
- ⁵ 於二零一二年一月一日或之後開始的年度期間生效
- ⁶ 於二零一三年一月一日或之後開始的年度期間生效

預期將對本集團產生重大影響之變動之進一步資料如下：

二零零九年十一月頒佈的香港財務報告準則第9號為完全取代香港會計準則第39號 *金融工具：確認及計量* 的全面計劃的第一階段的第一部份。該階段重點為金融資產的分類及計量。金融資產不再分為四類，而應根據實體管理金融資產的業務模式及金融資產合同現金流量特徵，於後續期間按攤銷成本或公平價值計量。此舉旨在改進和簡化香港會計準則第39號規定的金融資產分類與計量方式。

於二零一零年十一月，香港會計師公會就金融負債頒佈香港財務報告準則第9號之新增規定(「新增規定」)，並將香港會計準則第39號金融工具之現有取消確認原則納入香港財務報告準則第9號內，大部份新增規定轉自香港會計準則第39號並沒有改變，惟按公平價值計入損益之金融負債之計量將透過公平價值選擇(「公平價值選擇」)計算。就該等公平價值選擇負債而言，由信貸風險變動而產生的負債公平價值變動金額，必須於其他全面收入(「其他全面收入」)中呈列。除非於其他全面收益中就負債之信貸風險呈列公平價值變動，會於損益中產生或擴大會計差異，否則其餘公平價值變動金額於損益呈列。然而，新增規定並不涵蓋按公平價值選擇納入之貸款承諾及財務擔保合約。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKAS 39 is aimed to be replaced by HKFRS 9 in its entirety. Before this entire replacement, the guidance in HKAS 39 on hedge accounting and impairment of financial assets continues to apply. The Group expects to adopt HKFRS 9 from 1 January 2013.

HKAS 24 (Revised) clarifies and simplifies the definition of related parties. It also provides for a partial exemption of related party disclosure to government-related entities for transactions with the same government or entities that are controlled, jointly controlled or significantly influenced by the same government. While the adoption of the revised standard will result in changes in the accounting policy, the revised standard is unlikely to have any impact on the related party disclosures as the Group currently does not have any significant transactions with government-related entities.

Improvements to HKFRSs 2010 issued in May 2010 sets out amendments to a number of HKFRSs. The Group expects to adopt the amendments from 1 January 2011. There are separate transitional provisions for each standard. While the adoption of some of the amendments may result in changes in accounting policies, none of these amendments are expected to have a significant financial impact on the Group. Those amendments that are expected to have a significant impact on the Group's policies are as follows:

- (a) HKFRS 3 *Business Combinations*: Clarifies that the amendments to HKFRS 7, HKAS 32 and HKAS 39 that eliminate the exemption for contingent consideration do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of HKFRS 3 (as revised in 2008).

In addition, the amendments limit the measurement choice of non-controlling interests at fair value or at the proportionate share of the acquiree's identifiable net assets to components of non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another HKFRS.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第9號旨在全面取代香港會計準則第39號。於全面取代前，香港會計準則第39號於對沖會計及金融資產之減值方面的指引繼續適用。本集團預期自二零一三年一月一日起採納香港財務報告準則第9號。

香港會計準則第24號(經修訂)闡明及簡化關連人士的定義，同時提出由相同政府控制、共同控制或對其擁有重大影響力的有關連相同政府實體作出局部關連人士的披露豁免。雖然採納應修訂準則將構成會計政策之變動，惟因本集團現時與政府相關實體並無任何重大交易，該經修訂準則將不會對本集團之關連人士披露構成任何影響。

於二零一零年五月頒佈之二零一零年香港財務報告準則之改進載列若干香港財務報告準則之修訂。本集團預期自二零一一年一月一日起採納該等修訂。各準則有獨立過渡條文。雖然採納若干修訂可能引致會計政策之變動，惟預期該等修訂概不會對本集團產生重大財務影響。預期對本集團之政策產生重大影響之修訂如下：

- (a) 香港財務報告準則第3號業務合併：闡明香港財務報告準則第7號、香港會計準則第32號及香港會計準則第39號之修訂所消除對或然代價之豁免，並不適用於採用香港財務報告準則第3號(於二零零八年經修訂)前所進行的業務合併之或然代價。

另外，該等修訂將以公平價值或被收購方可識別淨資產之比例權益的非控股權益計量選擇，限制為屬現時擁有的非控股權益成份，並賦予擁有人權利，於清盤時按比例分佔實體之淨資產。除非其他香港財務報告準則規定須採用其他計量基準，非控股權益之其他成份均以收購日期之公平價值計量。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

The amendments also added explicit guidance to clarify the accounting treatment for non-replaced and voluntarily replaced share-based payment awards.

- (b) HKAS 1 *Presentation of Financial Statements*: Clarifies that an analysis of other comprehensive income for each component of equity can be presented either in the statement of changes in equity or in the notes to the financial statements.
- (c) HKAS 27 *Consolidated and Separate Financial Statements*: Clarifies that the consequential amendments from HKAS 27 (as revised in 2008) made to HKAS 21, HKAS 28 and HKAS 31 shall be applied prospectively for annual periods beginning on or after 1 July 2009 or earlier if HKAS 27 is applied earlier.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

Business combinations and goodwill

Business combinations from 1 January 2010

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

該等修訂亦加入明文指引，以闡明尚未取代及自願取代的以股份支付款項獎勵的會計處理方式。

- (b) 香港會計準則第1號財務報告之呈列：闡明有關權益各成份的其他全面收入分析，可於權益變動報表或財務報告附註呈列。
- (c) 香港會計準則第27號綜合及獨立財務報告：闡明香港會計準則第27號(於二零零八年經修訂)對香港會計準則第21號、香港會計準則第28號及香港會計準則第31號所作出的後續修訂預期將於二零零九年七月一日或之後開始之年度期間或開始應用香港會計準則第27號時(兩者中以較早者為準)應用。

2.4 重大會計政策概要

附屬公司

附屬公司指本公司直接或間接控制其財務及經營政策以從其業務中獲取利益之實體。

附屬公司之業績以已收及應收之股息列入本公司之利潤表內。本公司於附屬公司之投資以成本扣除任何減值虧損列賬。

業務合併及商譽

自二零一零年一月一日起的業務合併

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公平價值計算，該公平價值為本集團轉讓的資產於收購日期的公平價值、本集團自被收購方之前度擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，收購方以公平價值或被收購方可識別資產淨值的應佔比例，計算於被收購方的非控股權益。收購成本於產生時列為開支。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適合的分類及標示，其中包括將被收購方主合約中的嵌入式衍生工具進行分離。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

Business combinations from 1 January 2010 (continued)

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the net identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets of the subsidiary acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

2.4 重大會計政策概要(續)

業務合併及商譽(續)

自二零一零年一月一日起的業務合併(續)

倘企業合併分階段進行，收購方先前持有的被收購方股權於收購日期的公平價值應按收購日期的公平價值透過損益重新計量。

由收購方將予轉讓的任何或然代價將於收購日期按公平價值確認。或然代價(被視為一項資產或負債)公平價值的其後變動按香港會計準則第39號的要求，確認為損益或其他綜合收入的變動。倘將或然代價分類為權益，則其最終於權益中結算前毋須重新計量。

商譽起初按成本計量，即已轉讓總代價、已確認非控股權益及本集團先前由持有的被收購方股權的公平價值總額，超逾與所收購可識別資產淨值及所承擔負債的差額。如總代價及其他項目低於所收購附屬公司資產淨值的公平價值，於評估後其差額將於損益內確認為議價收購收益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行檢討。本集團於十二月三十一日進行商譽之年度減值測試。為進行減值測試，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別，而無論本集團其他資產或負債是否已分配予該等單位或單位組別。

減值乃通過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額釐定。當現金產生單位(或現金產生單位組別)的可收回金額低於賬面金額時，減值虧損便予以確認。已就商譽確認的減值虧損不得於未來期間撥回。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

Business combinations from 1 January 2010 (continued)

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Business combinations prior to 1 January 2010 but after 1 January 2005

In comparison to the above-mentioned requirements which were applied on a prospective basis, the following differences applied to business combinations prior to 1 January 2010:

Business combinations were accounted for using the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Any additional acquired share of interest did not affect previously recognised goodwill.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that otherwise would have been required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

2.4 重大會計政策概要(續)

業務合併及商譽(續)

自二零一零年一月一日起的業務合併(續)

倘商譽構成現金產生單位(或現金產生單位組別)的部份而該單位的部份業務被出售,則在釐定所出售業務的收益或虧損時,與被出售業務相關的商譽會計入該業務的賬面值。在該情況下出售的商譽,乃根據被出售業務及被保留的現金產生單位的相關價值計算。

於二零一零年一月一日前,但自二零零五年一月一日起的業務合併

與上述以預期基準應用的規定相比,於二零一零年一月一日前進行的業務合併有以下分別:

業務合併採用購買法入賬。直接歸屬於收購的交易成本,構成收購成本的一部分。非控制性權益乃按非控制性股東按比例應佔的被收購方可識別資產淨值計量。

分階段進行的業務合併乃分步入賬。任何新增的所收購應佔權益並不會影響先前已確認的商譽。

當本集團收購一項業務時,於收購時與被收購方主合約分開的嵌入式衍生工具不會被重新計量。除非業務合併導致合約條款發生變動,從而導致該合約原本規定的現金流量出現大幅變動則另作別論。

倘且僅倘本集團目前負有責任、經濟利益較可能流出,並且能夠確定可靠的估值時,方會確認或然代價。對或然代價作出的後續調整乃確認為商譽一部分。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2.4 重大會計政策概要(續)

非金融資產減值

當有跡象顯示減值或當資產(存貨及金融資產以外)需要進行年度減值測試時,需預計資產的可收回金額。資產的可收回金額以現金產生單位的使用價值,或其公平價值減去銷售成本兩者的較高者計算,並就個別資產釐定,除非資產不會產生頗大程度獨立於其他資產或資產組合的現金流入,在此情況下可收回金額則以資產所屬的現金產生單位釐定。

如資產之賬面值超過其可收回金額時,減值虧損方予確認。於評估使用價值時,估計日後現金流量按反映現時市場評估的貨幣時間值及資產特定風險的除稅前折現率折減至現值。減值虧損於產生期間自利潤表扣除,除非該資產以重估價值列賬,在該情況下,減值虧損根據有關重估資產之會計政策列賬。

於每個報告期末會評估是否有任何跡象顯示過往已確認的減值虧損不再存在或減少。倘出現該等跡象,則會估計可收回金額。過往確認的資產減值虧損(商譽除外),僅用於釐定資產可收回金額的估計改變時撥回,惟撥回後的數額不得高於過往年度若並無就資產確認減值虧損而應有的賬面值(扣除折舊/攤銷後)。減值虧損的撥回於呈現期間計入利潤表,除非該資產以重估價值列賬,在此情況下,減值虧損根據重估資產相關之會計政策列賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a jointly-controlled entity;
- (d) the party is a member of the key management personnel of the Group;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation.

2.4 重大會計政策概要(續)

關連人士

倘屬以下情況，該人士被視為本集團關連人士：

- (a) 該人士透過一間或以上中介機構直接或間接(i)控制本集團、被本集團控制或與本集團一起受共同控制；(ii)擁有本集團權益，令其可對本集團發揮重大影響力；或(iii)對本集團擁有共同控制權；
- (b) 該人士為聯營公司；
- (c) 該人士為共同控制公司；
- (d) 該人士為本集團之主要管理人員；
- (e) 該人士為(a)或(d)所述任何人士之直系家屬成員；
- (f) 該人士為受到(d)或(e)所述任何人士所控制、共同控制或重大影響之實體，或直接或間接對該實體擁有重大投票權；或
- (g) 該人士乃本集團或任何與本集團有關連人士之實體為僱員福利而設之離職後福利計劃。

物業、廠房及設備及折舊

除在建築工程外，物業、廠房及設備乃以成本或估值減累計折舊及任何減值虧損後列賬。物業、廠房及設備項目之成本包括購買價及將該資產達至所定之運作情況及地點之任何直接應佔成本。於物業、廠房及設備項目運作後所引致之維修及保養費用等開支，一般均自費用產生期間從利潤表扣除。倘達到確認標準，則重大檢查的開支會於資產賬面值中資本化作為替換。倘須定期替換大部分物業、廠房及設備，則本集團會將該等部分確認為有特定可使用年期及折舊的個別資產。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Land and buildings	2% to 2.7%
Leasehold improvements	25% to 30%
Plant and machinery	10% to 25%
Furniture, fixtures and office equipment	10% to 30%
Motor vehicles	20% to 25%
Moulds	20% to 33.33%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 重大會計政策概要(續)

物業、廠房及設備及折舊(續)

重估資產之公平價值會進行足夠頻密之評估以確保不會與其賬面值有重大差別。物業、廠房及設備之價值改變以固定資產重估儲備之變動處理。若儲備總額不足以抵銷虧蝕(按個別資產計算)，則多出之虧蝕於利潤表中扣除。其後重估產生之任何盈餘則計入利潤表，惟不得超出先前所扣除之虧蝕數額。出售已重估之資產時，將先前估值的資產重估儲備中之有關部份將轉撥至保留溢利作儲備變動處理。

各項物業、廠房及設備之折舊乃以直線法按其估計可使用年期撇銷其成本或估值計算。用以計算折舊之主要年率如下：

土地及樓宇	2%至2.7%
租賃物業裝修	25%至30%
廠房及機器	10%至25%
傢俬、裝置及辦公室設備	10%至30%
汽車	20%至25%
模具	20%至33.33%

倘若物業、廠房及設備項目之部份具不同使用期限，該項目之成本按合理基準分配給各部份，由各部份各自計算折舊。剩餘價值、可使用年期及折舊方法至少於每個財務年度末審閱及在適當時進行調整。

物業、廠房及設備及其他重要部份項目初步確認，乃於出售後或當預期使用或出售該項目將不會產生未來經濟利益時取消確認。在取消確認該資產的年度於利潤表確認其出售或棄用的數額即出售相關資產所得款項淨額與賬面值之差額。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Technical know-how

Technical know-how is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of five years.

2.4 重大會計政策概要(續)

物業、廠房及設備及折舊(續)

在建工程指在興建的樓宇，按成本減去減值虧損且不計折舊入賬。成本包括建築期內的直接建築成本。在建工程竣工且可供使用時，將重新分類至物業、廠房和設備的恰當類別。

無形資產(除了商譽)

個別收購的無形資產於初步確認時按成本計量。業務合併之中收購無形資產的成本乃該資產於收購日期的公平價值。無形資產之可使用年期乃評估為有限或無限。具有有限使用年期之無形資產隨後按可使用經濟年期攤銷，並於該無形資產出現減值跡象時作評估減值。具有有限使用年期之無形資產之攤銷年期及攤銷方法須至少於每個財政年度末作檢核。

具無限使用年期之無形資產於每年個別或於現金產生單位水平作減值測試。該等無形資產不會被攤銷。每年檢討具無限使用年期的無形資產之可使用年期，以釐定無限年期之評估是否仍然成立。若評估不成立，則可使用年期之評估自此由按無限年期更改為有限使用年期計量。

技術知識

技術知識乃以成本減除任何減值虧損入賬並按估計可使用年期五年以直線法攤銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Development costs

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five years, commencing from the date when the products are put into commercial production.

Licenses

Licenses are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of six years.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance lease, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

2.4 重大會計政策概要(續)

無形資產(除了商譽)(續)

開發成本

僅當所涉及的項目可明確界定，其開支可單獨確認並能可靠地計量，並且可合理地確定該項目在技術上可行，其產品亦具有商業價值時，開發新產品的項目所產生的開支將予以資本化，並作遞延處理。不符合此等標準的產品開發成本於產生時列為開支。

遞延開發成本乃以成本減任何減值虧損後列賬，攤銷乃按產品商業年限(不超過五年)由產品開始投入產業生產起以直線法計算。

使用權

使用權乃按成本減除任何減值虧損後攤銷入賬，並按估計可使用年期分六年以直線法攤銷。

租賃

凡將資產擁有權(法定所有權除外)之大部份回報及風險撥歸本集團之租賃均列為融資租賃。融資租賃生效時，租賃資產之成本將按最少租賃費用的現今值撥作資本，並連同租賃責任(不包括利息)入賬，以反映採購與融資。資本化融資租賃所持之資產包括融資租賃下之預付土地租賃款，並按租期或資產之估計可使用年期兩者之中較低者計算折舊。上述租賃之融資成本自利潤表扣除，以於租約期作出定期定額扣減。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

Investments and other financial assets

Initial recognition and measurement

Financial assets within the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Group's financial assets include cash and bank balances, trade and bills receivables, deposits and other receivables.

2.4 重大會計政策概要(續)

租賃(續)

所有資產之收益及風險實際上仍歸於出租人之租約均視為經營租約。倘本集團為承租人，有關該等經營租約之租金(已扣除出租人提供的任何獎勵措施)乃按直線法在租約期內於利潤表中扣除。

經營租賃之預付土地租賃款起始時以成本列賬，之後按直線法在租約期內確認。

投資及其他金融資產

初步確認及計量

香港會計準則第39號內所界定之金融資產按適當的分類為經損益賬按公平價值列賬之金融資產，貸款及應收賬款及可供出售金融投資，或衍生工具指定作有效對沖的對沖工具。本集團於初步確認時決定其金融資產的分類。金融資產於起始確認時以公平價值加該投資並非按公平價值經損益列賬的情況，直接應佔交易成本計算。

所有一般買賣之金融資產於交易日(即本集團承諾購買或出售該資產之日期)予以確認。一般買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

本集團的金融資產包括現金及銀行結存，應收賬項及票據，按金及其他應收款項。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKAS 39. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in the income statement. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

The Group evaluates its financial assets at fair value through profit or loss (held for trading) to assess whether the intent to sell them in the near term is still appropriate. When the Group is unable to trade these financial assets due to inactive markets and management's intent to sell them in the foreseeable future significantly changes, the Group may elect to reclassify these financial assets in rare circumstances. The reclassification from financial assets at fair value through profit or loss to loans and receivables, available-for-sale financial assets or held-to-maturity investments depends on the nature of the assets. This evaluation does not affect any financial assets designated at fair value through profit or loss using the fair value option at designation.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the income statement. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

隨後計量

金融資產在隨後計量根據他們分類如下：

以公平價值計入損益的金融資產

以公平價值計入損益的財務資產包括為交易而持有的金融資產和初始確認時指定為以公平價值計入損益的金融資產。金融資產如以短期出售為目的而購買，則分類為以買賣目的而持有之投資。香港會計準則第39號的定義，這分類包括本集團進入的衍生金融工具並非指定為有對沖關係的對沖工具。衍生工具同樣分類為交易而持有的，除非其被指定為有效的對沖工具。於利潤表確認以公平價值變動計入損益的金融資產的公平價值損益以公平價值入賬在財務狀況表內。這些公平價值的變動並不包括任何於該等金融資產賺取之股息或利息，該等股息或利息根據下文「收入確認」所載之政策確認。

本集團會評估其金融資產的公平價值計入損益(持作貿易)，以評估是否仍然適當有意在短期內出售他們。由於不活躍的市場及管理層出售他們的意願在可預見的將來有重大變化，這時本集團無法貿易這些金融資產，在僅少數情況下，本集團可能會選擇將其金融資產重新分類。以公平價值計入損益的金融資產會按其資產性質重新分類至貸款及應收賬款、可供出售金融資產或持有至到期投資。此重估不會影響任何指明利用按公平價值計入損益的公平期權的金融資產。

當內含主合約嵌入式衍生工具之經濟特徵及風險與主合約並無緊密關連及主合約並非持作貿易或指明按公平價值計入損益，將以獨立衍生工具及按公平價值列賬。此內含嵌入式衍生工具以公平價值列賬計量，而公平價值之變動會確認在利潤表中。僅會於合約條款出現變動須對現金流量作出重大修訂時，方會作出重估。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance income in the income statement. The loss arising from impairment is recognised in the income statement in other operating expenses.

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment valuation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the income statement in other income, or until the investment is determined to be impaired, at which time the cumulative gain or loss is recognised in the income statement in other operating expenses and removed from the available-for-sale investment valuation reserve. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognised in the income statement as other income in accordance with the policies set out for "Revenue recognition" below.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

貸款及應收賬款

貸款及應收賬款為具有固定或可確定款項，但在活躍市場中無報價的非衍生金融資產。初步計量後，該等資產用實際利率法攤銷成本減任何減值撥備計量。攤銷成本於計入收購之任何折讓或溢價後計算，並包括屬實際利率及交易成本不可分割部份之費用。這有效利率的攤銷包括在利潤表內為其他收入。若出現虧損會在利潤表確認為其他營運費用。

可供出售金融投資

可供出售金融投資為可供出售非衍生金融資產的上市及非上市股本及債務證券。股權投資歸類為可供出售的是那些既不分類為持作買賣或指定以公平價值損益。債務證券這一類是那些擬舉行無限期的時間，並可能出售針對需要的流動性或響應變化的市場條件。

於初始確認後，可供出售金融資產按公平價值計量，其未實現收益或虧損於可供出售金融投資估值儲備中確認，直至該投資取消確認，當時的累計收益或損失在利潤表確認為其他收入，或直至該投資被確定為減值，其時的累計收益或損失確認在利潤表的其他業務費用及從可供出售投資價值重估儲備中轉出。所賺取之利息及股息分別呈報為利息收入及股息收入及根據下文「收入確認」所載之政策於利潤表內確認為其他收入。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments (continued)

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

The Group evaluates its available-for-sale financial assets whether the ability and intention to sell them in the near term are still appropriate. When the Group is unable to trade these financial assets due to inactive markets and management's intent to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets in rare circumstances. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or to maturity. The reclassification to the held-to-maturity category is permitted only when the entity has the ability and intent to hold until the maturity date of the financial asset.

For a financial asset reclassified out of the available-for-sale category, any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the income statement.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

可供出售金融投資(續)

倘非上市股本證券之公平價值不能被可靠計量，原因為(a)該投資在合理公平價值的估計範圍內大幅波動或(b)於該範圍內多種估計之可能性不能被合理評估及用於估計其公平價值，則該等證券乃按成本減任何減值虧損列賬。

本集團會評估其可供出售金融資產的能力及是否有意出售他們在短期內仍然適用。當本集團無法貿易的這些金融資產，由於不活躍的市場和管理層做的意圖，這樣顯著變化，在可預見的將來，該集團可能會選擇再分類這些金融資產在僅少數的情況。允許再分類為貸款和應收賬款，當金融資產的定義符合貸款及應收款及本集團有意圖和能力持有這些資產在可預見的未來，或至到期。只允許再分類為持有至到期類別當實體有能力和意圖持有金融資產至到期日。

對於金融資產重新分出可供出售類別，資產已經在權益中確認的任何以前收益或虧損，採用實際利率攤銷剩餘的投資年期入損益。新的攤銷成本和預期的現金流量的任何差別，亦採用實際利率攤銷資產剩餘年期。如果資產隨後決定減值，其後記錄在股權的金額重新分類入利潤表。

取消確認金融資產

金融資產(或(倘適用)一項金融資產的一部份或一組相類似金融資產的一部份)在下列時候將取消確認：

- 收取該項資產所得現金流量的權利經已屆滿；

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets (continued)

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred “loss event”) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2.4 重大會計政策概要(續)

取消確認金融資產(續)

- 本集團已轉讓其收取該項資產所得現金流量的權利或須根據一項「轉付」安排，在未有嚴重延緩予第三者的情況下，已就有關權利全數承擔付款的責任；並(a)本集團已轉讓該項資產的絕大部份風險及回報；或(b)本集團並無轉讓或保留該項資產絕大部份風險及回報，但已轉讓該項資產的控制權。

凡本集團轉讓其收取該項資產所得現金流量的權利或進入一項轉付安排，但並無轉讓或保留該項資產的絕大部份風險及回報，且並無轉讓該項資產的控制權，該項資產將由本集團持續介入並確認入賬。在這情況下，本集團亦確認相關負債。在轉讓資產及相關負債的計量基礎上，反映了本集團保留權利和責任。

採用就已轉讓資產作出保證形式的持續介入，按該項資產的原本賬面值及本集團或須償還的代價數額上限(以較低者為準)計算。

金融資產減值

本集團於各報告期末評估是否存在任何客觀跡象顯示一項金融資產或一組金融資產出現減值。倘且僅倘於初步確認資產後發生的一項或多項事件導致存在客觀減值跡象(一項已發生的「虧損事件」)，而該項虧損事件對該項或該組財務資產的估計未來現金流量所造成的影響能可靠地估計，則該項或該組財務資產會被視作減值。減值跡象可包括一名或一組借款人正面臨重大經濟困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察得到的數據顯示估計未來現金流量出現可計量的減少，例如欠款數目變動或出現與違約相關的經濟狀況。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to the income statement.

2.4 重大會計政策概要(續)

金融資產減值(續)

按攤銷成本列賬的金融資產

就按攤銷成本列賬的金融資產而言，本集團首先會按個別基準就個別屬重大的金融資產或按組合基準就個別不屬重大的金融資產，個別評估是否存在客觀減值跡象。倘本集團認定按個別基準經評估的金融資產(無論具重要性與否)並無客觀跡象顯示存有減值，則該項資產會歸入一組具有相似信貸風險特性的金融資產內，並共同評估該組金融資產是否存在減值。經個別評估減值的資產，其減值虧損會予確認或繼續確認入賬，而不會納入綜合減值評估之內。

倘有客觀跡象顯示出現減值虧損，則減值金額按該資產賬面值與估計未來現金流量(不包括並未產生的未來信貸虧損)現值的差額計量。估計未來現金流量的現值以金融資產的初始實際利率(即初次確認時計算的實際利率)折現。倘貸款的利率為浮動利率，則計量任何減值虧損的折現率為當前實際利率。

該資產的賬面值會通過使用備抵賬而減少，而虧損金額於利潤表確認。利息收入於減少後賬面值中持續產生，且採用計量減值虧損時用以折現未來現金流量的利率累計。若日後收回不可實現，則撇清貸款及應收款項連同任何相關撥備。

倘若在其後期間估計減值虧損金額由於確認減值之後發生的事項增加或減少，則透過調整撥備金額增加或減少先前確認的減值虧損。倘於其後收回未來撇清，該項收回將計入利潤表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is removed from other comprehensive income and recognised in the income statement.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. The determination of what is "significant" or "prolonged" requires judgement. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement – is removed from other comprehensive income and recognised in the income statement. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement. Increases in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available for sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement. Impairment losses on debt instruments are reversed through the income statement, if the increase in fair value of the instruments can be objectively related to an event occurring after the impairment loss was recognised in the income statement.

2.4 重大會計政策概要(續)

金融資產減值(續)

可供出售金融投資

就可供出售金融投資，本集團將於每個報告期末評估有否客觀跡象會導致一項投資或一組投資出現減值。

如果可供出售金融資產有減值，金額包括其成本(扣除本金付款及攤銷)與其近期公平價值的差額減任何過往已確認於利潤表的減值虧損，會從全面收入轉撥至利潤表。

倘股本投資被列作可供出售類別，則客觀跡象將包括該項投資的公平價值大幅或長期跌至低於其成本。釐定「重大」或「持續性」之定義須作出判斷。「重大」是評估對原有投資成本及「持續性」是對期間當公平價值低於他的成本。倘出現減值跡象，則累計虧損(按收購成本與現時公平價值的差額減該項投資先前在利潤表內確認的任何耗蝕減值計量)將從其他全面收入中移除，並於利潤表內確認。已分類作可供出售之股本工具之減值虧損不可於透過利潤表撥回。而其公平價值於減值後的增加部份會直接於其他全面收入中確認。

倘債務工具被列作可供出售類別，則會按與按攤銷成本列賬的金融資產相同的標準進行評估。但是，記錄減值金額是累計虧損(按攤銷成本與現時公平價值的差額減該項投資先前在利潤表內確認的任何減值虧損計量)。而工具公平價值的增加可客觀地與於利潤表內確認減值虧損後發生的事件相關聯，則會透過利潤表撥回債務工具減值虧損。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of HKAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, a loan from a director, a derivative financial instrument and interest-bearing loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the income statement. The net fair value gain or loss recognised in the income statement does not include any interest charged on these financial liabilities.

2.4 重大會計政策概要(續)

金融負債

初步確認及計量

香港會計準則第39號中涉及的金​​融負債按適當的形式劃分為按公平價值計入損益的金​​融負債、貸款及借貨或指定為有效對沖中對沖工具的衍生工具。本集團於初步確認時釐定其金融負債的分類。

所有金融負債初步按公平值確認，而如屬貸款或借貨，則加上直接應佔交易成本。

本集團的金​​融負債包括應付賬款及其他應付款項、董事貸款、衍生金融工具及帶息銀行貸款及借貨。

隨後計量

金融負債的計量根據其分類如下：

以公平價值計入損益的金​​融負債

以公平價值計入損益的金​​融負債包括為交易而持有的金​​融負債和初始確認時指定為以公平價值計入損益的金​​融負債。

金融負債如以短期出售為目的而購買，則分類為以買賣目的而持有之投資。本集團進入這類包括衍生金融工具在香港會計準則第39號未指定為對沖關係的對沖工具。獨立的嵌入式衍生工具，同樣分類為以買賣目的而持有，除非其被指定為有效的對沖工具。為買賣而持有的負債所產生的收益或虧損在利潤表內確認。在利潤表中確認的淨公平價值收益和損失不包括這些金融負債附帶的利息。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate method amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the income statement.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

2.4 重大會計政策概要(續)

金融負債(續)

貸款及借貸

於初步確認後，帶息貸款及借貸於其後採用實際利率法按攤銷成本計量，除非貼現之影響不大，則會按成本列賬。在負債取消確認及透過實際利率法攤銷程序進行時，收益及虧損在利潤表中確認。

攤銷成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部分的費用或成本後計算。實際利率攤銷計入利潤表的融資成本內。

財務擔保合同

本集團發出財務擔保合同要求支付款項以彌償擔保持有人由於特定負債人未能按照債務工具的條款於到期時付款所招致損失的合約。一份財務擔保合同初始確認按其公平負債價值調節直接歸屬於發出該等擔保的交易費用。初始確認後，本集團按以下兩者中的較高者計量財務擔保合同：(i)償還報告期末之現有責任所須開支之最佳估計金額；及(ii)初始確認的金額減(若適用)累計攤銷。

取消確認金融負債

倘金融負債的責任被解除、取消或到期，則須取消確認金融負債。

倘現有金融負債被來自同一貸款人之另一項負債按實質上不相同之條款替代，或現有負債之條款大部份被修訂，該項交換或修訂作為取消確認原有負債及確認新負債處理，兩者相應賬面值之差額於利潤表內確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments where there is no active market, the fair value is determined using appropriate valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and option pricing models.

Derivative financial instrument

Initial recognition and subsequent measurement

The Group uses a derivative financial instrument that is a forward currency contract to hedge its foreign currency risk. Such a derivative financial instrument is initially recognised at fair value on the date on which a derivative contract is entered into and is subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the income statement, except for the effect portion of cash flow hedges, which is recognised in other comprehensive income.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.4 重大會計政策概要(續)

抵銷金融工具

倘且僅倘現時存在一項可依法執行的權利，可抵銷已確認金額，且亦有意以淨額結算或同時變現資產及償付債務，則財務資產及負債均可予抵銷，並將淨金額列入財務狀況表內。

公平價值金融工具

在活躍市場中買賣的金融工具的公平價值，乃根據其所報市價或交易商報價(好倉的買價及淡倉的賣價)釐定，且毋須就交易成本進行任何扣減。就並未於活躍市場上市的所有其他金融工具而言，公平價值乃使用適當的估值該等技術釐定。該等技術包括參考近期發生的同等交易、其他大致類同工具的現行市場價格、折現現金流量分析及期權定價模式。

衍生金融工具

初步確認及隨後計量

本集團採用衍生金融工具即是一份遠期貨幣合同，對其外幣風險進行對沖。該等衍生金融工具初始時按訂立衍生合同當日之公平價值確認，其後按公平價值再計量。如果衍生金融工具的公平價值為正數，則衍生金融工具作為資產入賬，如果公平價值為負數，則按負債入賬。

衍生工具的公平價值變動所產生的任何收益或虧損直接計入利潤表中。除現金流量對沖之有效部份外，將確認在其他全面收入內。

存貨

存貨按成本值及可變現淨值之較低者入賬。成本值以先進先出基準計算，倘為在製品及製成品，則包括直接材料、直接勞工及間接成本之適當部份。可變現淨值乃根據估計售價減預期達致完成及出售之成本計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statements of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

Provision for product warranties granted by the Group on certain products are recognised based on sales volume and past experience on the level of repairs and returns, discounted to their present values as appropriate.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

2.4 重大會計政策概要(續)

現金及現金等值項目

於編製綜合現金流量表時，現金及現金等值項目包括現金及按要求之存款及短期高度流通之投資，該等投資可隨時兌換為可知數額之現金，而該等現金毋須承受價值變動之重大風險，並一般在購入時至到期期限不超過三個月之短期限制，及減去按要求償還之銀行透支，而該等投資乃本集團現金管理的一部份。

於編製財務狀況表時，現金及現金等值項目指現金及銀行存款(包括定期存款)，其用途並無限制。

撥備

因過去發生的事件而導致目前須承擔責任(法律或推定責任)，並可能導致將來有資源流失以支付該責任，而該責任的金額能夠可靠估計時，撥備即予確認。

當有重大折現影響時，會就預期須用作支付責任的未來開支於報告期末確認其現值作撥備。因時間值所導致折現現值的金額增加，會列入利潤表的融資成本。

集團對若干產品提供產品保修及保養而作出的撥備乃按銷量及過去的維修及保養情況估算，在適當的情況下貼現至其現值。

所得稅

所得稅包括本期及遞延稅項。有關損益外確認項目的所得稅於損益外確認，不論是否在其他全面收入或直接在權益內。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

2.4 重大會計政策概要(續)

所得稅(續)

本期間及過往期間的本期稅項資產及負債，乃根據已頒佈或於報告期末已大致頒佈的稅率(及稅法)，並考慮本集團業務所在國家的現有詮釋及慣例，按預期自稅務機構退回或付予稅務當局的金額計算。

於報告期末，資產與負債的稅基與作為財務申報用途的資產與負債賬面值之間的所有暫時性差異，須按負債法遞延稅項撥備。

所有應課稅暫時性差異均會確認為遞延稅項負債，惟以下情況例外：

- 倘若遞延稅項負債的起始時確認為非業務合併交易產生之資產或負債，而於進行交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對於涉及附屬公司之投資的應課稅暫時性差異而言，撥回暫時性差異的時間可以控制，而暫時性差異不甚可能在可見將來撥回。

對於所有可予扣減之暫時性差異、承前未動用稅項抵免及未動用稅項虧損，若日後有可能出現應課稅溢利，可用以抵扣該等可予扣減暫時性差異、承前未動用稅項抵免及未動用稅項虧損，則遞延稅項資產一律確認入賬，惟以下情況例外：

- 倘若有關可予扣減暫時性差異的遞延稅項資產的起因是起始時確認為非業務合併交易產生之資產或負債，而於進行交易時對會計溢利或應課稅溢利或虧損均無影響；及

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset; and
- tooling charge income, when the services are rendered.

2.4 重大會計政策概要(續)

所得稅(續)

- 對於涉及附屬公司之投資之權益的應課稅暫時性差異而言，只有在暫時性差異有可能在可見將來撥回，而且有可能出現應課稅溢利，可用以抵扣該等暫時性差異時，方會確認遞延稅項資產。

遞延稅項資產的賬面值，在每個報告期末予以審閱。若不再可能有足夠應課稅溢利用以抵扣全部或部分相關遞延稅項資產，則扣減遞延稅項資產賬面值。未被確認的遞延稅項資產會於各報告期末重新評估，並在可能有足夠應課稅利潤以收回全部或部分遞延稅項資產時予以確認。

確認資產或償還負債的期間預期適用的稅率，會用作衡量遞延稅項資產及負債，並以報告期末當日已經生效或大致上已經生效的稅率(及稅法)為基準。

倘現有可依法執行權利，容許本期稅項資產抵銷本期稅項負債，而該遞延稅項涉及同一稅務實體及同一稅務機關，則遞延稅項資產及遞延稅項負債予以對銷。

收入確認

收入會於本集團可能獲得有關經濟利益及有關收益可以可靠地計算時按以下基準確認：

- 銷售貨品，當擁有權之重大風險及回報已歸買方，而本集團對已出售之貨品並無維持一般與擁有權有關之管理參與或實際控制；
- 利息收入，按應計基準，以金融工具的估計使用年期用實際利率將未來估計的現金收入折現為金融資產的賬面淨值；及
- 模具收入，於服務提供時入賬。

財務報告附註(續)

Notes to Financial Statements (continued)

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued and some or all of the goods or services received by the Group as consideration cannot be specifically identified, the unidentifiable goods or services are measured as the difference between the fair value of the share-based payment transaction and the fair value of any identifiable goods or services received at the grant date.

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2.4 重大會計政策概要(續)

股息

董事建議的末期股息，於財務狀況表中的權益內另外列作保留溢利的分配項目，直至股東大會獲得股東批准。股息獲得股東通過及宣派後，方確認為負債。

由於公司細則授予董事會權力宣派中期股息，建議中期股息可即時宣派。因此，中期股息於建議派發及宣派時直接確認為負債。

以股份支付款項之交易

本公司為提供獎勵及回報予對本集團業務作出貢獻之合資格參與者設立一項購股權計劃。本集團僱員(包括董事)收取包括以股份支付款項交易在內之酬金，僱員則提供服務作為收取股本工具(「股本結算交易」)之代價。

當股本工具發行而本集團已收到作為代價的貨品或服務中，有部份或全部不能特別界定時，該等貨品或服務之計量為授予日的股份支付交易之公平價值及可界定之貨品或服務之公平價值的差額。

與僱員進行股本結算交易之成本乃參照二零零二年十一月七日後授出相關工具當日的公平價值計算。

股本結算交易之成本值連同股本之相應增長會於達到表現及／或服務條件之期間內確認。由各報告期末直至歸屬日就權益結算交易確認之累計開支反映歸屬期屆滿之程度，以及本集團就最終將歸屬之權益工具數目所作之最佳估計。某期間自利潤表扣除或計入利潤表之項目指於期初及期末確認之累計開支的變動。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payment transactions (continued)

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification, that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. All cancellations of equity-settled transaction awards are treated equally.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its eligible employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

2.4 重大會計政策概要(續)

以股份支付款項之交易(續)

未能最終歸屬之報酬不會確認為開支，除非股本結算交易須待達到某市場或非歸屬條件後方可歸屬，在此情況下，不論是否達到該市場或非歸屬條件均會被視作歸屬處理，惟必須達到其他所有表現及／或服務條件。

當股權結算報酬的條款修訂時，會確認最少的支出，猶如條款並未修訂一般，猶如已符合報酬原訂條款。此外，倘若按變更日期計量，任何變更導致以股份支付交易款項的安排的總公平價值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

當股權計算報酬註銷時會視作報酬已於註銷當日經已歸屬，而報酬尚未確認的任何支出會即時確認。此包括未能達成本集團或僱員控制範圍內非歸屬條件的任何獎勵。然而，倘註銷的報酬有任何替代的新報酬，並指定為授出當日的替代報酬，則該項註銷及新報酬會如上段所述被視為原有報酬的修訂般處理。所有取消的股權結算交易報酬均獲公平處理。

計算每股盈利時，未行使購股權之攤薄效應，反映為額外股份攤薄。

其他僱員福利

退休福利計劃

本集團根據強制性公積金計劃條例設立一定額供款強制性公積金退休福利計劃(「強積金計劃」)給本集團僱員。根據該計劃之規定，供款乃按僱員基本薪金之百分比計算，當供款應付時會在利潤表中扣除。該計劃之資產乃與本集團之資產分開並由獨立管理基金持有。該計劃中本集團之僱主供款乃全數歸僱員所有。

財務報告附註(續)

Notes to Financial Statements (continued)

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits (continued)

Pension schemes (continued)

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by entities in the Group are initially recorded using their respective functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the end of the reporting period and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4 重大會計政策概要(續)

其他僱員福利(續)

退休福利計劃(續)

本集團在中國內地經營之附屬公司的員工均須參與由當地市政府實施之中央退休金計劃。該等中國附屬公司須按其所發放薪金之若干百分比對該中央退休金計劃供款。當供款按中央退休金計劃規定為應付款時會在利潤表中扣除。

外幣

此等財務報告以港元(本公司之功能及呈報貨幣)呈列。本集團屬下各公司自行決定其功能貨幣，而各公司財務報告內之項目均以該功能貨幣計算。本集團實體記錄外幣交易初步乃按個別交易日之有關功能貨幣匯率計算。以外幣為單位之貨幣資產及負債均按報告期末之功能貨幣匯率換算。所有匯兌差額均列入利潤表處理。非貨幣項目按起始交易日之外幣歷史成本計算匯率。若以公平價值釐定的非貨幣項目則根據公平價值釐定當日之匯率計算其價值。

若干海外附屬公司之功能貨幣並非港元。於報告期末，該等公司之資產及負債按報告期末之匯率折算為本公司之呈報貨幣，該等公司之利潤表按本年度之加權平均兌換率折算為港元。因此產生之匯兌差額確認於其他全面收入及累積於匯兌波動儲備內。在出售海外業務時，與該特定海外業務有關並於其他全面收入內部份會於利潤表確認。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量當日之匯率換算為港元。海外附屬公司在整年產生之現金流量按該年之加權平均匯率換算為港元。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Inventories

The Group does not have a general provisioning policy on inventories based on ageing given that the inventories are not subject to frequent wear and tear or frequent technological changes. However, as a significant portion of the working capital is devoted to inventories, operational procedures have been in place to monitor this risk. The Group reviews the inventory ageing listing on a periodical basis for those aged inventories. This involves comparison of the carrying value of the aged inventory items with the respective net realisable value. The purpose is to ascertain whether allowance is required to be made in the consolidated financial statements for any obsolete and slow-moving items. In addition, physical counts on all inventories are carried out on a periodical basis in order to determine whether the allowance needs to be made in respect of any obsolete and defective inventories identified.

Trade receivables

In judging whether allowances for estimated irrecoverable amounts of the trade receivables have to be recognised in the consolidated financial statements, the Group takes into consideration if there is objective evidence that the Group will not be able to collect the debts. Following the identification of doubtful debts, the Group's responsible personnel discuss with the relevant customers and report to management on the recoverability. Specific allowance is only made for receivables that are unlikely to be collected.

3. 重大會計判斷及估計

編製本集團之財務報告需管理層作出判斷、估計及假設，而該等判斷、估計及假設可影響於報告期末之收入、開支、資產及負債之披露金額，及或然負債之披露。然而，有關該等假設及估計之不確定性可引致須對未來受影響之資產或負債之賬面作出重大調整之結果。

判斷

於應用本集團會計政策過程中，除涉及估計外，管理層已作出下列判斷，該些判斷對財務報告內確認之數額具重大影響：

存貨

基於存貨的性質並非經常受到耗損及技術變動影響，本集團並無根據賬齡處理存貨的一般性政策。然而，大部分營運資金均投入存貨之中，故此本集團已設立經營程序，藉以監察是項風險。本集團定期審閱存貨之存貨賬齡。這涉及將陳舊存貨項目的賬面值與各自的可變現淨值互相比較，目的在於確定是否需要在綜合財務報告，就任何陳舊及滯銷存貨作出撥備。此外，所有存貨均定期進行實際盤點，以決定是否需要就任何已識別的陳舊及有瑕疵存貨作出撥備。

應收貿易賬款

本集團在決定是否需要於綜合財務報告中確認貿易賬款之估計不可收回款額撥備時，乃考慮客觀證據顯示本集團能否收取賬款。於識別出呆壞賬後，本集團有關人員將就可收回程度與有關客戶討論並向管理層報告。只有在應收貿易賬款不可能收回時，方會作出特別撥備。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Estimated useful lives of property, plant and equipment and other intangible assets

In assessing the estimated useful lives of property, plant and equipment and other intangible assets, the Group takes into account factors like the expected usage of the assets by the Group based on past experience, the expected physical wear and tear, and the technical obsolescence arising from changes or improvements in production or from a change in the market demand for the products. The estimation of the useful lives is a matter of judgement based on the experience of the Group.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of property, plant and equipment and other intangible assets

Property, plant and equipment and other intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts of property, plant and equipment and other intangible assets have been determined based on value-in-use calculations. These calculations and valuations require the use of judgements and estimates. At 31 December 2010, no impairment losses have been recognised for property, plant and equipment and other intangible assets (2009: Nil). The carrying amounts of property, plant and equipment and other intangible assets were HK\$140,464,261 (2009 (restated): HK\$147,408,094) and HK\$4,070,829 (2009: HK\$8,145,829), respectively.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of deferred tax assets relating to recognised tax losses at 31 December 2010 was HK\$4,068,157(2009: HK\$1,358,447).

3. 重大會計判斷及估計(續)

判斷(續)

物業、廠房及設備及其他無形資產之估計可使用年限

在評估物業、廠房及設備及其他無形資產之可使用年限時，本集團會考慮以過去經驗為基礎之資產估計用途、估計實際磨損、因生產程序改變或進步而令技術落後或市場對該產品需求之改變。估計可使用年限涉及本集團根據過往經驗所作之判斷。

不確定估計

於報告期末對資產及負債賬面值在下一財政年度內有重大調整風險的有關將來主要假設及其他主要不確定估計來源在下文討論。

物業、廠房及設備及其他無形資產減值

倘於任何情況或變動下有跡象顯示資產之賬面值可能未能收回，則對物業、廠房及設備及其他無形資產進行減值審閱。物業、廠房、設備及其他無形資產之可收回價值根據可用價值釐定。此計算及評估須涉及判斷及估計。於二零一零年十二月三十一日，並無就物業、廠房及設備及其他無形資產確認減值虧損(二零零九年：無)。物業、廠房及設備及其他無形資產之賬面值分別為140,464,261港元(二零零九年(重列)：147,408,094港元)及4,070,829港元(二零零九年：8,145,829港元)。

遞延稅項資產

於應課稅溢利可用作抵消虧損時將會就所有未運用稅項虧損確認遞延稅項資產。決定確認之遞延稅項資產金額需要管理層根據可能時間及未來應課稅溢利之程度及未來稅項計劃政策作出審慎判斷。於二零一零年十二月三十一日，可用作抵消虧損的遞延稅項資產之賬面值為4,068,157港元(二零零九年：1,358,447港元)。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)**Estimation uncertainty (continued)***Current income taxes and deferred tax liabilities*

The Group is subject to income taxes in Hong Kong, Mainland China and Singapore. Significant judgement is required in determining the amount of the provision for tax and the timing of payment of the related taxes. There are 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 on the income tax and deferred tax provisions in the periods in which such determination is made. The carrying amounts of tax payable and deferred tax liabilities at 31 December 2010 were HK\$15,378,484 (2009 (restated): HK\$8,151,972) and HK\$1,650,867 (2009: HK\$1,158,502), respectively.

Valuation of land and buildings

The Group's land and buildings included in property, plant and equipment are stated at their fair values in the statement of financial position, which are assessed annually by management with reference to valuations performed by independent professionally qualified valuers. The assumptions adopted in the valuations are based on the market conditions existing at the end of the reporting period, with reference to the current market values of similar properties in the same location and conditions and for the same usage as those of the Group. The carrying amounts of land and buildings at 31 December 2010 were HK\$78,340,000 (2009: HK\$76,394,000).

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

3. 重大會計判斷及估計(續)**不確定估計(續)***本期所得稅及遞延稅項負債*

本集團在香港、中國大陸及新加坡須繳納企業所得稅。釐定稅項撥備金額及有關稅項的支付時限時須作出重大判斷。有很多項交易及計算無法於日常業務過程中釐定其最終稅額。倘該等事項的最終稅額與最初記錄的金額不同，該差額將會影響作出有關決定期間的所得稅及遞延稅項撥備。於二零一零年十二月三十一日，應繳稅項及遞延稅項負債之賬面值分別為15,378,484港元(二零零九(重列)：8,151,972港元)及1,650,867港元(二零零九：1,158,502港元)。

土地及樓宇估值

本集團的土地及樓宇包括物業、廠房及設備以其公平價值於財務狀況表中列賬，該公平價值每年由管理層參考由獨立合資格專業估值師進行之估值計量。估值所採納之假設乃基於報告期末之現行市況，並參考地點、狀況及與本集團之用途相同之類似物業的現行市價。於二零一零年十二月三十一日，土地及樓宇之賬面值為78,340,000港元(二零零九：76,394,000港元)。

非金融資產之減值

本集團評估是否有表明於各個報告期末所有非金融資產出現減值之跡象。並對於無確定可使用年期之無形資產按年度或於有關跡象存在之其他時間進行減值測試。其他非金融資產於有跡象表明賬面值可能無法收回時進行減值測試。倘資產或現金產生單位之賬面值超逾其可收回價值(即資產的公平價值減出售費用或使用價值，以較高者為準)，減值方予確認。公平價值減出售費用的計算，從具約束力之銷售公平交易中的資料或可見的市場價格減去任何直接與出售有關資產的額外成本。當進行可用價值計算時，管理層必須估計自該資產或現金來源單位之預期未來現金流量作出估計，並選擇適當之折讓率，以計算該等現金流量之現金。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of available-for-sale financial investments

The Group classifies certain assets as available-for-sale and recognises movements in their fair values 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. At 31 December 2010, no impairment losses have been recognised for available-for-sale investments (2009: Nil). The carrying amount of available-for-sale investments was HK\$680,000 (2009: HK\$680,000).

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) the precision parts and components segment comprises the manufacture and sale of precision parts and components comprising keypads, synthetic rubber and plastic components and parts, and liquid crystal displays ("LCDs");
- (b) the consumer electronic products segment comprises the design, manufacture and sale of consumer electronic products comprising time, weather forecasting and other products; and
- (c) the corporate and others segment comprises the Group's long term investments, together with corporate income and expense items.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that bank interest income, finance costs, as well as head office and corporate expenses are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the cost of sales.

3. 重大會計判斷及估計(續)

不確定估計(續)

可供出售金融投資之減值

本集團將若干資產分類為可供出售，並於權益確認其公平價值變動。當公平價值減少時，管理層對價值減少作出假設，以釐定應否於利潤表確認減值。於二零一零年十二月三十一日，並無就可出售投資確認減值虧損(二零零九年：無)。可供出售投資之賬面值為680,000港元(二零零九年：680,000港元)。

4. 經營分類資料

為有效管理，本集團按照彼等經營的產品及服務劃分為不同的分類業務，有以下三個分類：

- (a) 精密零部件類別包括製造及銷售精密零部件包括按鍵、合成橡膠及塑膠零部件及液晶體顯示器；
- (b) 電子消費品類別包括設計、製造及銷售電子消費品包括時計、天氣預計及其他產品；及
- (c) 總公司及其他類別包括集團長期投資及總公司的收入及支出項目。

管理層獨立監察本集團各經營分類之業績，以作出有關資源分配及表現評估之決策。分類表現乃根據可報告分類溢利／虧損(其為經調整由持續經營除稅前溢利／虧損之計量)予以評估。經調整除稅前溢利／虧損乃貫徹以本集團之除稅前溢利／虧損計量，惟銀行利息收入、融資成本以及總部及集團開支不包含於該計量。

分類業務之內部類別銷售及轉付乃參考銷售成本進行。

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

4. OPERATING SEGMENT INFORMATION (continued)

4. 經營分類資料(續)

Year ended 31 December 2010 截至二零一零年十二月三十一日止年度		Precision parts and components 精密零部件 HK\$ 港元	Consumer electronic products 電子消費品 HK\$ 港元	Corporate and others 總部及其他 HK\$ 港元	Total 總計 HK\$ 港元
Segment revenue:	分類收入：				
Sales to external customers	對外銷售收入	246,535,006	138,103,624	–	384,638,630
Intersegment sales	內部類別銷售收入	3,301,544	963,574	–	4,265,118
Other income and gains	其他收入及收益	3,702,475	2,002,217	2,918	5,707,610
		253,539,025	141,069,415	2,918	394,611,358
<i>Reconciliation:</i>	<i>調節：</i>				
Elimination of intersegment sales	內部類別銷售之抵銷				(4,265,118)
Total revenue	總收入				390,346,240
Segment results	分類業績	40,762,489	(2,382,238)	(4,236,923)	34,143,328
<i>Reconciliation:</i>	<i>調節：</i>				
Bank interest income	銀行利息收入				55,835
Finance costs	融資成本				(1,812,443)
Profit before tax	除稅前溢利				32,386,720
Other segment information:	其他分類資料：				
Depreciation and amortisation	折舊及攤銷	8,824,954	10,465,703	973,675	20,264,332
Impairment of trade receivables	應收賬項減值	51,442	219,310	–	270,752
Provision for slow-moving inventories	滯銷存貨撥備	379,983	1,649,724	–	2,029,707
Surplus on revaluation of land and buildings credited to other comprehensive income	土地及樓宇重估之盈餘計入其他全面收入	–	–	2,307,027	2,307,027
Recognition of prepaid land lease payments	預付土地租賃款確認	296,132	–	–	296,132
Capital expenditure	資本開支	3,880,120	226,979	16,300	4,123,399

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

4. OPERATING SEGMENT INFORMATION (continued)

4. 經營分類資料(續)

Year ended 31 December 2009 截至二零零九年十二月三十一日止年度	Precision parts and components 精密零部件 HK\$ 港元	Consumer electronic products 電子消費品 HK\$ 港元	Corporate and others 總部及其他 HK\$ 港元 (Restated) (重列)	Total 總計 HK\$ 港元 (Restated) (重列)
Segment revenue:	分類收入：			
Sales to external customers	203,350,227	119,517,047	–	322,867,274
Intersegment sales	2,181,648	309,428	–	2,491,076
Other income and gains	2,841,029	1,781,394	3,541,275	8,163,698
	208,372,904	121,607,869	3,541,275	333,522,048
<i>Reconciliation:</i>	<i>調節：</i>			
Elimination of intersegment sales				(2,491,076)
Total revenue				331,030,972
Segment results	分類業績			
<i>Reconciliation:</i>	<i>調節：</i>			
Bank interest income	21,304,250	(13,026,938)	4,102,342	30,019
Finance costs				(3,275,781)
Profit before tax				9,133,892
Other segment information:	其他分類資料：			
Depreciation and amortisation	9,820,719	13,059,038	939,977	23,819,734
Impairment of trade receivables	22,457	663,351	–	685,808
Reversal of provision for slow-moving inventories	(332,545)	–	–	(332,545)
Surplus on revaluation of land and buildings credited to other comprehensive income	–	–	3,044,452	3,044,452
Surplus on revaluation of land and buildings credited to the income statement	–	–	3,522,286	3,522,286
Recognition of prepaid land lease payments	288,899	–	–	288,899
Capital expenditure	1,671,987	3,784,224	38,380	5,494,591
Product warranty provision	–	204,352	–	204,352

4. OPERATING SEGMENT INFORMATION (continued)

Geographical information

(a) Revenue from external customers

Hong Kong	香港
Mainland China	中國大陸
Japan and other Asian countries	日本及其他亞洲國家
North America	北美洲國家
Europe	歐洲國家
Other countries	其他國家

The revenue information above is based on the location of the customers.

(b) Non-current assets

Hong Kong	香港
Mainland China	中國大陸
Other countries	其他國家

The non-current asset information above is based on the location of assets and excludes an available-for-sale investment and deferred tax assets.

Information about a major customer

Revenue of approximately HK\$79 million (2009: HK\$54.4 million), contributing over 10% of the total sales of the Group, was derived from sales by the precision parts and components segment to a single customer.

4. 經營分類資料(續)

地區資料

(a) 對外銷售收入

2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
64,925,786	62,259,815
22,137,768	22,706,208
53,158,254	52,532,972
27,514,217	24,327,349
206,047,110	152,539,892
10,855,495	8,501,038

以上銷售收入按客戶所在地區劃分。

(b) 非流動資產

2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
20,746,263	23,077,638
137,519,757	146,362,423
7,087	26,355

以上非流動資產按資產所在地區劃分，但不包括可供出售投資及遞延稅項資產。

主要客戶資料

約79,000,000港元(二零零九年：54,400,000港元)的收入，佔本集團總銷售多於10%，乃來自精密零部件類別的一名客戶。

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Notes to Financial Statements (continued)

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5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, during the year.

An analysis of the Group's revenue, other income and gains is as follows:

Revenue	收入	2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
Sale of goods	商品銷售	384,638,630	322,867,274
Other income and gains	其他收入及收益		
Bank interest income	銀行利息收入	55,835	30,019
Tooling charge income	模具收入	1,315,595	1,409,807
Sale of scrap	廢料銷售	430,300	396,150
Sale of samples	樣品銷售	1,743,786	1,476,185
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備的收益	663,180	–
Fair value gain on a derivative instrument - transaction not qualifying as a hedge	衍生工具的公平價值收益 – 不符合對沖條件的交易	–	106,627
Gain on a derivative instrument - transaction not qualifying as a hedge	衍生工具的收益 – 不符合對沖條件的交易	–	186,400
Foreign exchange differences, net	匯兌差額，淨額	1,185,258	–
Surplus arising from revaluation of land and buildings	土地及樓宇之重估盈餘	–	3,522,286
Others	其他	369,491	1,066,243
		5,763,445	8,193,717

6. OTHER EXPENSES

Impairment of trade receivables	應收賬項減值	270,752	685,808
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備之虧損	–	16,444
Foreign exchange losses, net	匯兌虧損，淨額	–	561,598
		270,752	1,263,850

5. 收入、其他收入及收益

收入(為本集團營業額)指年內銷售貨品的發票淨值扣除退貨與貿易折扣。

本集團收入、其他收入及收益的分析如下：

6. 其他費用

	Group 集團	
	2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Impairment of trade receivables	270,752	685,808
Loss on disposal of items of property, plant and equipment	–	16,444
Foreign exchange losses, net	–	561,598
	270,752	1,263,850

Notes to Financial Statements (continued)

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7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

7. 除稅前溢利

本集團除稅前溢利經扣除/(計入):

		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
Cost of inventories sold	已售存貨成本	298,588,888	256,346,879
Auditors' remuneration	核數師酬金	1,145,824	1,538,117
Depreciation	折舊	16,189,332	18,987,234
Amortisation of land lease payments	土地租賃攤銷款	296,132	288,899
Minimum lease payments under operating leases on land and buildings	土地及樓宇之最少經營租約租金	3,547,132	3,902,981
Amortisation of other intangible assets*	其他無形資產攤銷*	4,075,000	4,832,500
Provision/(reversal of provision) for slow-moving inventories*	滯銷存貨撥備/(撥回)*	2,029,707	(332,545)
Staff costs (including directors' other emoluments – note 9):	員工開支(包括董事其他酬金—附註9):		
Wages and salaries	工資及薪金	89,762,470	73,809,767
Equity-settled share option expense	股本結算購股權支出	–	2,040
Pension scheme contributions	公積金供款	475,070	525,520
		90,237,540	74,337,327
Less: Amount capitalised in deferred development costs	減: 已資本化的遞延發展成本	–	(2,940,000)
		90,237,540	71,397,327
Product warranty provision	產品保養撥備	–	204,352
Fair value gain on a derivative instrument - transaction not qualifying as a hedge	衍生工具的公平價值收益—不符合對沖條件的交易	–	(106,627)
Gain on a derivative instrument - transaction not qualifying as a hedge	衍生工具的收益—不符合對沖條件的交易	–	(186,400)
Foreign exchange differences, net	匯兌差額, 淨額	(1,185,258)	561,598
Impairment of trade receivables	應收賬項減值	270,752	685,808
Loss/(gain) on disposal of items of property, plant and equipment	出售物業、廠房及設備虧損/(收益)	(663,180)	16,444

* The amortisation of other intangible assets and the provision/(reversal of provision) for slow-moving inventories for the year are included in "Cost of sales" in the consolidated income statement.

* 本年之其他無形資產攤銷及滯銷存貨撥備/(撥回)已包含在綜合利潤表上之「銷售成本」內。

財務報告附註(續)

Notes to Financial Statements (continued)

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8. FINANCE COSTS

An analysis of finance costs is as follows:

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Interest on bank loans and overdrafts wholly repayable within five years	於五年內償還之銀行貸款及透支之利息	1,706,352	3,063,516
Interest on finance leases	融資租約利息	106,091	212,265
		1,812,443	3,275,781

9. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Fees:	袍金：		
Executive directors	執行董事	–	–
Independent non-executive directors	獨立非執行董事	792,000	792,000
		792,000	792,000
Other emoluments:	其他酬金：		
Salaries	薪金	3,781,440	4,449,681
Discretionary bonus	酌情花紅	2,504,380	–
Pension scheme contributions	公積金供款	12,000	14,000
Other allowances	其他津貼	100,000	99,469
		6,397,820	4,563,150
		7,189,820	5,355,150

8. 融資成本

融資成本的分析如下：

9. 董事酬金

根據上市條例及香港公司法例第一六一條所規定披露之董事酬金如下：

9. DIRECTORS' REMUNERATION (continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

Kung Fan Cheong	孔蕃昌
Leung Man Kay	梁文基
Li Yuen Kwan, Joseph	李沅鈞

9. 董事酬金(續)

(a) 獨立非執行董事

年內支付予獨立非執行董事之袍金：

2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
264,000	264,000
264,000	264,000
264,000	264,000
792,000	792,000

There were no other emoluments payable to the independent non-executive directors during the year (2009: Nil).

年內並無向獨立非執行董事支付其他酬金(二零零九年：無)。

(b) Executive directors

(b) 執行董事

		Fees 袍金 HK\$ 港元	Salaries 薪金 HK\$ 港元	Discretionary bonus 酌情花紅 HK\$ 港元	Pension scheme contributions 公積金供款 HK\$ 港元	Other allowances 其他津貼 HK\$ 港元	Total remuneration 總酬金 HK\$ 港元
2010	二零一零年						
Executive directors:	執行董事：						
Lai Pei Wor	賴培和	-	2,079,090	1,936,930	12,000	50,000	4,078,020
Chan Yau Wah	陳友華	-	1,702,350	567,450	-	50,000	2,319,800
		-	3,781,440	2,504,380	12,000	100,000	6,397,820
2009	二零零九年						
Executive directors:	執行董事：						
Lai Pei Wor	賴培和	-	1,848,080	-	12,000	50,000	1,910,080
Chan Yau Wah	陳友華	-	1,513,200	-	-	49,469	1,562,669
Chung Yik Cheung, Raymond*	鍾奕昌	-	1,088,401	-	2,000	-	1,090,401
		-	4,449,681	-	14,000	99,469	4,563,150

* Mr. Chung Yik Cheung, Raymond resigned as an executive director on 9 February 2009.

* 鍾奕昌先生於二零零九年二月九日辭任執行董事一職。

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Notes to Financial Statements (continued)

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10. SEVEN HIGHEST PAID EMPLOYEES

The seven highest paid employees during the year included two (2009: three) executive directors, details of whose remuneration are set out in note 9 above. Details of the remuneration of the remaining five (2009: four) non-director, highest paid employees for the year are as follows:

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	5,443,703	5,198,091
Equity-settled share option expense	股權結算購股權開支	-	-
Pension scheme contributions	公積金供款	24,000	83,212
		5,467,703	5,281,303

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2010 二零一零年	2009 二零零九年
Nil to HK\$1,000,000	無至1,000,000港元	2	2
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	3	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	1
		5	4

10. 七位最高薪僱員

本集團七位最高薪僱員包括兩位(二零零九年:三位)執行董事,詳情已列於上文附註9。餘下五位(二零零九年:四位)最高薪之非董事的最高薪僱員之酬金詳見如下:

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	5,443,703	5,198,091
Equity-settled share option expense	股權結算購股權開支	-	-
Pension scheme contributions	公積金供款	24,000	83,212
		5,467,703	5,281,303

非董事最高薪僱員之酬金所屬範圍如下:

		Number of employees 僱員人數	
		2010 二零一零年	2009 二零零九年
Nil to HK\$1,000,000	無至1,000,000港元	2	2
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	3	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	1
		5	4

11. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

11. 所得稅開支

香港利得稅已按年內源自香港的估計應課稅溢利以16.5% (二零零九年: 16.5%) 的稅率撥備。源於其他地區應課稅溢利的稅項應根據本集團經營所受管轄區域的常用稅率計算。

		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Group:	集團：		
Current – Hong Kong	本期 – 香港		
Charge for the year	本年度支出	2,734,276	1,847,975
Underprovision in prior years	往年撥備補提	4,298,867	2,308,076
Current – Elsewhere	本期 – 其他地區		
Charge for the year	本年度支出	4,346,711	1,670,000
Overprovision in prior years	往年超額撥備	(1,624,608)	(70,000)
Deferred (note 32)	遞延稅項(附註32)	(2,547,710)	(2,414,447)
Total tax charge for the year	本年度稅項支出總額	7,207,536	3,341,604

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate are as follows:

按照適用於本公司及其大多數的附屬公司所受管轄區域的稅前利潤之法定稅率計算出的稅項費用，與按有效稅率計算出的稅項費用之調節如下：

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
Profit before tax	除稅前溢利	32,386,720	9,133,892
Tax at the statutory tax rate of 16.5% (2009: 16.5%)	按法定稅率16.5%計算之稅項(二零零九年: 16.5%)	5,343,809	1,507,092
Adjustments in respect of current tax of previous periods	調整前年度之本期稅項	2,674,259	2,238,076
Effect of different rates for companies operating in other jurisdictions	其他公司經營所受管轄區域的不同稅率之影響	1,578,749	586,785
Income not subject to tax	不須繳稅之收入	(3,012,594)	(1,562,856)
Tax effect of previously unrecognised tax losses now recognised	以往未確認之稅項虧損現在確認	(2,662,836)	–
Expenses not deductible for tax	不可扣減稅項之支出	3,424,125	1,740,469
Tax losses utilised from previous periods	以往期間動用之稅項虧損	(25,791)	(343,688)
Tax losses not recognised	未確認之稅項虧損	347,257	–
Others	其他	(459,442)	(824,274)
Tax charge at the Group's effective rate of 22.3% (2009: 36.6%)	按本集團有效稅率計算之稅項支出為22.3% (二零零九年: 36.6%)	7,207,536	3,341,604

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12. PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The consolidated profit attributable to owners of the Company for the year ended 31 December 2010 includes a profit of HK\$13,471,273 (2009: loss of HK\$1,831,505) which has been dealt with in the financial statements of the Company (note 36(b)).

13. DIVIDENDS

Proposed final – HK3 cents (2009: Nil) per ordinary share	建議末期—每股普通股3港仙 (二零零九年：無)
Proposed special – HK2 cents (2009: Nil) per ordinary share	建議特別—每股普通股2港仙 (二零零九年：無)

The proposed final and special dividends for the year are subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

14. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company, and the ordinary shares in issue during the year.

The calculation of diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

12. 本公司擁有人所佔溢利

截至二零一零年十二月三十一日止年度本公司擁有人應佔綜合溢利已包括本公司財務報告中之溢利為13,471,273港元(二零零九年：虧損1,831,505港元)(附註36(b))。

13. 股息

2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
7,965,144	—
5,310,096	—
13,275,240	—

本年度建議末期及特別股息須待本公司於股東週年大會上批准，方可作實。

14. 本公司普通股權益持有人所佔每股盈利

每股基本盈利乃根據本年度本公司普通股權益持有人應佔溢利及於年度內本公司已發行普通股計算。

每股攤薄盈利是按本年度本公司普通股權益持有人應佔溢利計算。在計算時所採用的加權平均股數即為計算每股基本盈利所採用本年度內的已發行普通股數目，以及假設普通股的加權平均數被視為已獲行使或轉換所有具攤薄潛力的普通股為普通股而無償發行計算。

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14. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (continued)

The calculations of the basic and diluted earnings per share are based on:

14. 本公司普通股權益持有人所佔每股盈利(續)

每股基本及攤薄盈利乃根據以下各項計算：

		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
Earnings	盈利		
Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculations	本公司普通股權益持有人所佔溢利，用於每股基本及攤薄盈利計算	25,179,184	5,792,288
Shares	股份		
Number of ordinary shares in issue during the year used in the basic earnings per share calculation	於年內已發行之普通權益數目用於每股基本盈利計算	265,504,800	265,504,800
Effect of dilution – weighted average number of ordinary shares: Share options	攤薄影響 – 加權平均普通股份： 購股權	489,385	15,818
Weighted average number of ordinary shares adjusted for the effect of dilution	調整攤薄影響後之加權平均普通股份	265,994,185	265,520,618

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15. PROPERTY, PLANT AND EQUIPMENT

Group

15. 物業、廠房及設備

集團

		Land and buildings 土地及 樓宇 HK\$ 港元	Leasehold improvements 租賃裝修 HK\$ 港元	Plant and machinery 廠房及機器 HK\$ 港元	Furniture, fixtures and office equipment 傢俬、裝置及 辦公室設備 HK\$ 港元	Motor vehicles 汽車 HK\$ 港元	Moulds 模具 HK\$ 港元	Total 總計 HK\$ 港元
31 December 2010	於二零一零年 十二月三十一日							
At 31 December 2009 and 1 January 2010:	於二零零九年 十二月三十一日 及二零一零年一月一日:							
Cost or valuation	成本或估值	76,394,000	43,573,483	121,529,089	33,383,442	2,577,209	73,431,430	350,888,653
Accumulated depreciation	累計折舊	-	(15,782,360)	(92,694,184)	(27,874,360)	(2,320,606)	(64,809,049)	(203,480,559)
Net carrying amount (restated)	賬面淨值(重列)	76,394,000	27,791,123	28,834,905	5,509,082	256,603	8,622,381	147,408,094
At 1 January 2010, net of accumulated depreciation (restated)	於二零一零年一月一日， 扣除累計折舊(重列)	76,394,000	27,791,123	28,834,905	5,509,082	256,603	8,622,381	147,408,094
Additions	添置	-	555,628	3,086,808	480,963	-	-	4,123,399
Disposals	出售	-	-	(70,417)	(2,905)	-	-	(73,322)
Depreciation provided during the year	年內折舊	(2,097,869)	(1,752,799)	(4,982,205)	(2,511,207)	(161,225)	(4,684,027)	(16,189,332)
Surplus on revaluation credited to other comprehensive income	重估盈餘計入 其他全面收入	2,307,027	-	-	-	-	-	2,307,027
Exchange realignment	外匯調整	1,736,842	597,554	501,847	49,116	3,036	-	2,888,395
At 31 December 2010, net of accumulated depreciation	於二零一零年十二月 三十一日，扣除累計折舊	78,340,000	27,191,506	27,370,938	3,525,049	98,414	3,938,354	140,464,261
At 31 December 2010:	於二零一零年 十二月三十一日:							
Cost or valuation	成本或估值	78,340,000	44,546,524	119,217,311	33,825,074	2,583,809	72,615,674	351,128,392
Accumulated depreciation	累計折舊	-	(17,355,018)	(91,846,373)	(30,300,025)	(2,485,395)	(68,677,320)	(210,664,131)
Net carrying amount	賬面淨值	78,340,000	27,191,506	27,370,938	3,525,049	98,414	3,938,354	140,464,261
Analysis of cost or valuation:	成本或估值分析:							
At cost	按成本值	-	44,546,524	119,217,311	33,825,074	2,583,809	72,615,674	272,788,392
At 31 December 2010 valuation	於二零一零年 十二月三十一日估值	78,340,000	-	-	-	-	-	78,340,000
		78,340,000	44,546,524	119,217,311	33,825,074	2,583,809	72,615,674	351,128,392

Notes to Financial Statements (continued)

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15. PROPERTY, PLANT AND EQUIPMENT (continued)

Group (continued)

15. 物業、廠房及設備(續)

集團(續)

		Land and buildings 土地及 樓宇 HK\$ 港元 (Restated) (重列)	Leasehold improvements 租賃裝修 HK\$ 港元	Plant and machinery 廠房及機器 HK\$ 港元	Furniture, fixtures and office equipment 傢俬、裝置及 辦公室設備 HK\$ 港元	Motor vehicles 汽車 HK\$ 港元	Moulds 模具 HK\$ 港元	Total 總計 HK\$ 港元 (Restated) (重列)
31 December 2009	於二零零九年 十二月三十一日							
At 31 December 2008 and 1 January 2009:	於二零零八年 十二月三十一日 及二零零九年一月一日:							
Cost or valuation	成本或估值	71,531,000	42,806,619	121,476,682	34,917,664	2,577,209	72,656,513	345,965,687
Accumulated depreciation	累計折舊	-	(14,169,116)	(87,735,797)	(26,155,820)	(2,039,580)	(58,561,063)	(188,661,376)
Net carrying amount	賬面淨值	71,531,000	28,637,503	33,740,885	8,761,844	537,629	14,095,450	157,304,311
At 1 January 2009, net of accumulated depreciation	於二零零九年一月一日， 扣除累計折舊	71,531,000	28,637,503	33,740,885	8,761,844	537,629	14,095,450	157,304,311
Additions	添置	305,363	891,042	209,174	388,844	-	760,168	2,554,591
Disposals	出售	-	-	-	(31,823)	-	-	(31,823)
Depreciation provided during the year	年內折舊	(2,009,101)	(1,737,423)	(5,115,628)	(3,610,819)	(281,026)	(6,233,237)	(18,987,234)
Surplus on revaluation credited to other comprehensive income	重估盈餘計入 其他全面收入	3,044,452	-	-	-	-	-	3,044,452
Surplus on revaluation credited to the income statement	重估盈餘計入 利潤表	3,522,286	-	-	-	-	-	3,522,286
Exchange realignment	外匯調整	-	1	474	1,036	-	-	1,511
At 31 December 2009, net of accumulated depreciation	於二零零九年十二月 三十一日，扣除累計折舊	76,394,000	27,791,123	28,834,905	5,509,082	256,603	8,622,381	147,408,094
At 31 December 2009:	於二零零九年 十二月三十一日:							
Cost or valuation	成本或估值	76,394,000	43,573,483	121,529,089	33,383,442	2,577,209	73,431,430	350,888,653
Accumulated depreciation	累計折舊	-	(15,782,360)	(92,694,184)	(27,874,360)	(2,320,606)	(64,809,049)	(203,480,559)
Net carrying amount	賬面淨值	76,394,000	27,791,123	28,834,905	5,509,082	256,603	8,622,381	147,408,094
Analysis of cost or valuation:	成本或估值分析:							
At cost	按成本值	-	43,573,483	121,529,089	33,383,442	2,577,209	73,431,430	274,494,653
At 31 December 2009 valuation	於二零零九年 十二月三十一日估值	76,394,000	-	-	-	-	-	76,394,000
		76,394,000	43,573,483	121,529,089	33,383,442	2,577,209	73,431,430	350,888,653

財務報告附註(續)

Notes to Financial Statements (continued)

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15. PROPERTY, PLANT AND EQUIPMENT (continued)

The Group's land included in property, plant and equipment with a net carrying amount of HK\$9,450,000 (2009: HK\$8,040,000) is situated in Hong Kong and is held under a medium term lease.

The net carry amount of the Group's property, plant and equipment held under finance leases included in the total amounts of plant and machinery at 31 December 2010 amounted to HK\$5,677,037 (2009: HK\$10,923,581).

The Group's land and buildings were revalued at the end of the reporting period by Chung, Chan & Associates, independent professionally qualified valuers. The land and buildings in Hong Kong were revalued on the basis of market value, based on their existing use, and the buildings in Mainland China were revalued using the depreciated replacement cost method. A surplus arising from revaluation land and buildings of HK\$2,307,027 (2009: HK\$3,044,452) has been credited to other comprehensive income. In addition, in the prior year, a surplus arising from revaluation of land and buildings of HK\$3,522,286 had been credited to the income statement.

Had the Group's land and buildings been carried at historical cost less accumulated depreciation and impairment losses, their carrying amounts would have been included in the financial statements at approximately HK\$65,322,000 (2009 (restated): HK\$67,233,000).

At 31 December 2010, certain of the Group's buildings with a net carrying value of approximately HK\$49,900,000 (2009: HK\$49,500,000) were pledged to secure instalment loans to the Group (note 28).

15. 物業、廠房及設備(續)

本集團位於香港的土地包括在物業、廠房及設備內，以中期租約租賃價值為9,450,000港元(二零零九年：8,040,000港元)。

本集團根據融資租約持有之廠房、機器及設備賬面淨值，已包括於二零一零年十二月三十一日之物業、廠房及機器總額，為5,677,037港元(二零零九年：10,923,581港元)。

本集團之土地及樓宇於報告期末由獨立專業合資格估值師衡量行重新估值。香港土地及樓宇按公開市場價值及現時之用途重估，而中國大陸的樓宇則按折舊重置成本法重估。因上述估價而產生的重估盈餘2,307,027港元(二零零九年：3,044,452港元)已計入其他全面收入。同時，往年因土地及樓宇估價而產生的重估盈餘為3,522,286港元已計入利潤表。

本集團土地及樓宇以歷史成本減累計折舊及減值虧損入賬，其賬面值已計入財務報告中，其金額約為65,322,000港元(二零零九年(重列)：67,233,000港元)。

於二零一零年十二月三十一日，本集團部份樓宇賬面淨值約為49,900,000港元(二零零九年：49,500,000港元)已作為本集團分期貸款的抵押擔保(附註28)。

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

16. PREPAID LAND LEASE PAYMENTS

16. 預付土地租賃款

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
Carrying amount at 1 January (restated)	於一月一日的賬面值(重列)	13,733,392	14,022,291
Recognised during the year (restated)	於本年內確認(重列)	(296,132)	(288,899)
Exchange realignment	滙兌調整	362,889	-
Carrying amount at 31 December (restated)	於十二月三十一日的賬面值(重列)	13,800,149	13,733,392
Current portion included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的流動部份	(296,132)	(288,899)
Non-current portion	非流動部份	13,504,017	13,444,493

The leasehold lands are situated in Mainland China and is held under medium term leases.

於報告期末，位於中國內地的租賃土地為中期租約租賃。

At 31 December 2010, one of the Group's land with a net carrying amount of approximately HK\$10,492,000 (2009: HK\$10,342,000) was pledged to secure instalment loans to the Group (note 28).

於二零一零年十二月三十一日，本集團其中一幅土地賬面淨值約為10,492,000港元(二零零九年：10,342,000港元)已作為本集團分期貸款的抵押擔保(附註28)。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日
31 December 2010

17. OTHER INTANGIBLE ASSETS

Group

17. 其他無形資產

集團

		Technical know-how 技術知識 HK\$ 港元	Deferred development costs 遞延發展成本 HK\$ 港元	Licences 使用權 HK\$ 港元	Total 總計 HK\$ 港元
31 December 2010	二零一零年 十二月三十一日				
Cost at 1 January 2010, net of accumulated amortisation	二零一零年一月一日的 成本，扣除累計攤銷	-	7,672,500	473,329	8,145,829
Amortisation provided during the year	本年度攤銷	-	(3,635,000)	(440,000)	(4,075,000)
At 31 December 2010	於二零一零年 十二月三十一日	-	4,037,500	33,329	4,070,829
At 31 December 2010:	於二零一零年 十二月三十一日：				
Cost	成本	-	28,740,000	250,000	28,990,000
Accumulated amortisation	累計攤銷	-	(24,702,500)	(216,671)	(24,919,171)
Net carrying amount	賬面淨值	-	4,037,500	33,329	4,070,829
31 December 2009	二零零九年 十二月三十一日				
Cost at 1 January 2009, net of accumulated amortisation	二零零九年一月一日的 成本，扣除累計攤銷	-	9,125,000	913,329	10,038,329
Additions	添置	-	2,940,000	-	2,940,000
Amortisation provided during the year	本年度攤銷	-	(4,392,500)	(440,000)	(4,832,500)
At 31 December 2009	於二零零九年 十二月三十一日	-	7,672,500	473,329	8,145,829
At 31 December 2009:	於二零零九年 十二月三十一日：				
Cost	成本	1,239,647	28,740,000	2,590,000	32,569,647
Accumulated amortisation	累計攤銷	(1,239,647)	(21,067,500)	(2,116,671)	(24,423,818)
Net carrying amount	賬面淨值	-	7,672,500	473,329	8,145,829

Notes to Financial Statements (continued)

二零一零年十二月三十一日
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18. INVESTMENTS IN SUBSIDIARIES

18. 於附屬公司之投資

		Company 公司	
		2010 二零一零年	2009 二零零九年
		HK\$ 港元	HK\$ 港元
Unlisted shares, at cost	非上市股份，按成本值	58,999,981	58,999,981
Due from subsidiaries	附屬公司欠款	93,179,512	79,901,747
		152,179,493	138,901,728
Less: Impairment of amounts due from subsidiaries#	減：附屬公司之欠款減值#	(11,018,779)	(11,018,779)
		141,160,714	127,882,949

An impairment was recognised for amounts due from subsidiaries with a carrying amount of HK\$93,179,512 (before deducting the impairment loss) (2009: HK\$79,901,747) because certain subsidiaries of the Company have been making losses. There was no change in the impairment account during the current and prior year.

由於若干附屬公司錄得虧損，故就應收該等附屬公司款項(扣除減值虧損前)，其賬面值為93,179,512港元(二零零九年：79,901,747港元)中確認減值虧損。減值賬目於年內及往年並無變動。

The amounts due from subsidiaries included in the investments in subsidiaries above are unsecured, interest-free and are not due for settlement within one year. The carrying amounts of these amounts due from subsidiaries approximate to their fair values.

附屬公司欠款為無抵押、免息，於一年內未到期償還。該等附屬公司欠款與其公平價值相若。

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及營業地點	Nominal value of issued and paid-up share/ registered capital 已發行及 繳足股份之面值/ 註冊資本		Percentage of equity interest attributable to the Company 本公司所佔股本 權益百分比		Principal activities 主要業務
		2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	
Cokeen Development Limited 確建發展有限公司	Hong Kong 香港	HK\$10,000 10,000港元	HK\$10,000 10,000港元	100	100	Property holding and provision of management services 物業持有及提供管理服務
E-Dotcom Limited	Hong Kong 香港	HK\$2 2港元	HK\$2 2港元	100	100	Investment holding 投資控股

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

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18. INVESTMENTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows:
(continued)

18. 於附屬公司之投資(續)

主要附屬公司詳情如下:(續)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及營業地點	Nominal value of issued and paid-up share/ registered capital 已發行及 繳足股份之面值/ 註冊資本		Percentage of equity interest attributable to the Company 本公司所佔股本 權益百分比		Principal activities 主要業務
		2010	2009	2010	2009	
		二零一零年	二零零九年	二零一零年	二零零九年	
Hideki Precision (B.V.I.) Limited#	British Virgin Islands 英屬處女群島	-	US\$1 1美元	-	100	Intellectual property holding 知識產權持有
Hideki (China) Investment Limited 西城(中國)投資有限公司	Hong Kong 香港	HK\$2,000,000 2,000,000港元	HK\$2,000,000 2,000,000港元	100	100	Investment holding 投資控股
Hideki Electronics Limited 西城電子有限公司	Hong Kong 香港	HK\$2,000,000 2,000,000港元	HK\$2,000,000 2,000,000港元	100	100	Sale of consumer electronic products 銷售電子消費品
Hideki Electronics, Inc.*#	United States of America ("USA") 美國	-	US\$100,000 100,000美元	-	100	Sale of consumer electronic products 銷售電子消費品
Hi-Tech (China) Investment Limited 中穎(中國)投資有限公司	Hong Kong 香港	HK\$2,000,000 2,000,000港元	HK\$2,000,000 2,000,000港元	100	100	Investment holding 投資控股
Hi-Tech Investment Holdings Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	US\$50,000 50,000美元	US\$50,000 50,000美元	100	100	Investment holding 投資控股
Hi-Tech Polymer (China) Inc.# 堅城實業有限公司#	Western Samoa/ People's Republic of China ("PRC") 西薩摩亞國/ 中華人民共和國	-	US\$1 1美元	-	100	Manufacture of synthetic rubber products and components 製合成橡膠產品 及零部件

Notes to Financial Statements (continued)

二零一零年十二月三十一日

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18. INVESTMENTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows:
(continued)

18. 於附屬公司之投資(續)

主要附屬公司詳情如下:(續)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及營業地點	Nominal value of issued and paid-up share/ registered capital 已發行及 繳足股份之面值/ 註冊資本		Percentage of equity interest attributable to the Company 本公司所佔股本 權益百分比		Principal activities 主要業務
		2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	
Hi-Tech Property Holdings Limited	British Virgin Islands/PRC 英屬處女群島/ 中華人民共和國	US\$1 1美元	US\$1 1美元	100	100	Property holding 物業持有
Hi-Tech Precision Industrial Limited 中穎精密工業有限公司	Hong Kong 香港	HK\$1,500,000 1,500,000港元	HK\$1,500,000 1,500,000港元	100	100	Sale of precision parts and components 銷售精密零部件
Hi-Tech Precision (Singapore) Pte. Limited	Republic of Singapore 新加坡	S\$100,000 100,000坡元	S\$100,000 100,000坡元	100	100	Sale of precision parts and components 銷售精密零部件
K & P Group (Holdings) Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1,238,545 1,238,545美元	US\$1,238,545 1,238,545美元	100	100	Investment holding 投資控股
K. S. (China) Electronics Manufactory Limited 堅城(中國)電子廠有限公司	Hong Kong 香港	HK\$2 2港元	HK\$2 2港元	100	100	Investment holding 投資控股
Mars Field Limited 堅城實業公司	British Virgin Islands/PRC 英屬處女群島/ 中華人民共和國	US\$1 1美元	US\$1 1美元	100	100	Manufacture of consumer electronic products and precision parts and components 製造電子消費品及精密零部件

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

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18. INVESTMENTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows:
(continued)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及營業地點	Nominal value of issued and paid-up share/ registered capital 已發行及 繳足股份之面值/ 註冊資本		Percentage of equity interest attributable to the Company 本公司所佔股本 權益百分比		Principal activities 主要業務
		2010	2009	2010	2009	
		二零一零年	二零零九年	二零一零年	二零零九年	
Technology Trends International Limited	British Virgin Islands/ Hong Kong/ Republic of Singapore 英屬處女群島/ 香港/新加坡	US\$50,000 50,000美元	US\$50,000 50,000美元	100	100	Sale of precision parts and components 銷售精密零部件
TQL Technology Limited 栢城電子有限公司	Hong Kong 香港	HK\$7,000,000 7,000,000港元	HK\$7,000,000 7,000,000港元	100	100	Sale of liquid crystal displays 銷售液晶體顯示器
Webborton Investments Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	-	US\$1 1美元	-	100	Investment holding 投資控股
中穎(中山)電子有限公司*	PRC 中華人民共和國	US\$8,900,000 8,900,000美元	US\$8,900,000 8,900,000美元	100	100	Manufacture of precision parts and components 製造精密零部件

Except for K & P Group (Holdings) Limited, all of the above subsidiaries are indirectly held by the Company.

* Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

[#] These companies were deregistered/struck off during the year.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

18. 於附屬公司之投資(續)

主要附屬公司詳情如下:(續)

除 K & P Group (Holdings) Limited 外，上述所有附屬公司均由本公司間接持有。

* 非由香港安永會計師事務所及其國際成員公司核數。

[#] 這些公司於年內取消註冊/註銷。

董事認為，上表所列出之本公司附屬公司主要影響本年度業績或構成本集團資產淨值主要部份。董事並認為，提供其他附屬公司的詳細資料，會引致內容過於冗長。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日
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19. AVAILABLE-FOR-SALE INVESTMENT

Club membership, at fair value 會所會籍，按公平價值

The fair value of the club membership is determined with reference to the price quoted by the club.

19. 可供出售投資

Group 集團	
2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
680,000	680,000

會所會籍的公平價值是參照會所呈報之價值。

20. PREPAID RENT

Prepaid rent is amortised over the lease term.

20. 預付租金

預付租金是按租約條款攤銷。

21. INVENTORIES

Raw materials 原料
Work in progress 在製品
Finished goods 製成品

Less: Provision for slow-moving inventories 減：滯銷存貨撥備

21. 存貨

Group 集團	
2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
22,502,995	20,732,996
10,482,313	13,875,080
3,011,931	3,345,189
35,997,239	37,953,265
(3,123,677)	(1,093,970)
32,873,562	36,859,295

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Prepayments 預付款項
Deposits and other receivables 按金及其他應收款項

22. 預付款項、按金及其他應收款項

Group 集團		Company 公司	
2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)	2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
485,678	1,239,506	231,049	86,049
6,214,457	11,305,537	-	-
6,700,135	12,545,043	231,049	86,049

None of the above assets is either past due or impaired.

以上未逾期亦未作減值準備的款項，並無拖欠款項記錄。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日
31 December 2010

23. TRADE AND BILLS RECEIVABLES

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Trade receivables	應收賬項	56,803,891	64,105,523
Impairment	減值撥備	(78,062)	(3,653,289)
		56,725,829	60,452,234
Bills receivable discounted with recourse (note 28)	可退回的折扣性應收票據 (附註28)	1,667,551	1,193,631
		58,393,380	61,645,865

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. Invoices are normally payable within 60 days of issuance, except for certain well-established customers, where the terms are extended from 60 to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise credit risk. Overdue balances are regularly reviewed by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing. The carrying amounts of these balances approximate to their fair values.

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

23. 應收賬項及票據

客戶買賣條款中，除新客戶外，主要客戶都享有信用預提。一般發票需要在六十天內支付，優良客戶可享用六十至九十天信用預提。每位客戶均有信用額度。集團對未償還應收賬項有嚴緊控制及有信貸政策以減低信貸風險。高級管理層會對逾期應收款作經常審閱。鑒於以上所述及由於本集團的應收賬項涉及大量不同客戶，因此並無高度集中的信貸風險。應收賬項是不計利息。該結餘之賬面值與其公平價值相若。

在報告期末應收賬項按發票日期及減除撥備後之賬齡分析如下：

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Within 90 days	九十天內	54,768,204	52,872,741
Between 91 and 180 days	九十一至一百八十天	1,383,640	7,503,268
Over 180 days	一百八十天以上	573,985	76,225
		56,725,829	60,452,234

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

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23. TRADE AND BILLS RECEIVABLES (continued)

An aged analysis of the bills receivable as at the end of the reporting period, based on the invoice date, is as follows:

Within 90 days	九十天內
----------------	------

The movements in provision for impairment of trade receivables are as follows:

At 1 January	於一月一日
Impairment losses recognised	確認減值撥備
Amount written off as uncollectible	撇銷不能收回之金額

The above provisions are for individually impaired trade receivables of HK\$78,062 (2009: HK\$3,653,289) related to customers that were in financial difficulties. The Group does not hold any collateral or other credit enhancements over these balances.

The aged analysis of the trade receivables that are not considered to be impaired is as follows:

Neither past due nor impaired	未逾期亦未作減值
Less than 1 month past due	逾期少於一個月
1 to 3 months past due	逾期一至三個月
3 to 6 months past due	逾期三個月至六個月

23. 應收賬項及票據(續)

在報告期末應收票據按發票日期之賬齡分析如下：

Group 集團	
2010 二零一零年	2009 二零零九年
HK\$ 港元	HK\$ 港元
1,667,551	1,193,631

應收貿易賬項減值撥備變動如下：

Group 集團	
2010 二零一零年	2009 二零零九年
HK\$ 港元	HK\$ 港元
3,653,289	4,336,638
270,752	685,808
(3,845,979)	(1,369,157)
78,062	3,653,289

以上貿易應收賬減值撥備包括個別貿易應收款減值78,062港元(二零零九年：3,653,289港元)，是考慮到客戶有財務困難。本集團對該等結餘並無持有任何抵押品或其他增強信貸安排。

未被界定為減值應收貿易賬項之賬齡分析如下：

Group 集團	
2010 二零一零年	2009 二零零九年
HK\$ 港元	HK\$ 港元
42,217,219	39,232,180
10,933,012	12,817,043
2,717,326	5,409,270
858,272	2,993,741
56,725,829	60,452,234

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

23. TRADE AND BILLS RECEIVABLES (continued)

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

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment 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 or other credit enhancements over these balances.

24. CASH AND CASH EQUIVALENTS

		Group 集團		Company 公司	
		2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Cash and bank balances	現金及銀行結存	27,262,375	32,405,249	7,064	6,168
Time deposits	定期存款	15,497,253	–	–	–
Cash and cash equivalents	現金及現金等值項目	42,759,628	32,405,249	7,064	6,168

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$3,873,269 (2009: HK\$5,269,417). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and six months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

23. 應收賬項及票據(續)

未到期及毋須減值的應收賬項是與大量不同客戶有關，該等客戶近期沒有不償還歷史。

逾期但未作減值撥備的應收賬項乃大量獨立地與本集團有良好交易記錄的客戶。根據過往經驗，本公司董事們認為有關該等結餘並無需要作出減值撥備，皆因該等客戶的信貸質量並無重大的轉變而結餘被認為依然可以全數收回。本集團對該等結餘並沒有持有任何抵押品或其他增強信貸安排。

24. 現金及現金等值項目

於報告期末，本集團以人民幣(「人民幣」)定值之現金及銀行結存為3,873,269港元(二零零九年：5,269,417港元)。人民幣不能自由兌換其他貨幣，惟根據中國大陸外匯管制法規定及結存、銷售及支付的管理規定，本集團獲准透過獲授權經營海外業務之銀行將人民幣兌換為外幣。

銀行現金賺取之利息乃按每日銀行存款利率之浮動利率而定。短期定期存款之期限不一，介乎一日至六個月不等，主要視乎本集團之即時現金需求，並按不同的短期定期存款賺取利息。銀行戶口結餘在有信貸聲譽的銀行結存，近期並沒有拖欠紀錄。

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

25. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

Within 90 days	九十天內
Between 91 and 180 days	九十一天至一百八十天
Over 180 days	一百八十天以上

25. 應付賬項

在報告期末應付賬項按發票日期之賬齡分析如下：

		Group 集團	
		2010 二零一零年	2009 二零零九年
		HK\$ 港元	HK\$ 港元
		34,683,069	44,152,490
		6,049,046	10,683,462
		104,981	1,942,755
		40,837,096	56,778,707

The trade payables are non-interest-bearing and are normally settled on terms varying from 60 to 120 days.

應付賬項為免息及一般於六十至一百二十日到期償還。

26. ACCRUED LIABILITIES AND OTHER PAYABLES

Accrued liabilities	應計負債
Other payables	其他應付款項

		Group 集團		Company 公司	
		2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
		11,791,494	7,866,738	66,000	246,498
		19,351,508	16,846,060	132,886	-
		31,143,002	24,712,798	198,886	246,498

Other payables are non-interest-bearing and have an average term of three months.

其他應付款項為免息及平均還款期為三個月。

27. DERIVATIVE FINANCIAL INSTRUMENT

As at 1 January 2009, the forward currency contract did not meet the criteria for hedge accounting. The forward contract expired in 2009 and the change in the fair value of this non-hedging currency derivative, a gain of HK\$106,627 was credited to the income statement for the year ended 31 December 2009.

27. 衍生金融工具

於二零零九年一月一日，遠期貨幣合同不符合對沖會計法標準。此遠期合約已於二零零九年到期及此非對沖貨幣衍生工具的公平價值之變更為溢利106,627港元已計入截至二零零九年十二月三十一日止年度的利潤表。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

28. INTEREST-BEARING BANK AND OTHER BORROWINGS

Group

	31 December 2010 二零一零年十二月三十一日			31 December 2009 二零零九年十二月三十一日			1 January 2009 二零零九年一月一日		
	Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$ 港元	Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$ 港元	Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$ 港元
Current									
本期									
Finance lease payables (note 29) 應付融資租約(附註29)	1.95-3.82	2011	1,561,843	1.94-4.58	2010	3,361,735	2.18-6.2	2009	3,250,802
Bank loans – unsecured 銀行貸款—無抵押	2.07-2.77	On demand	3,719,429	2.05-2.75	On demand	7,880,243	3.55-5.65	On demand	47,854,647
Bank loan – secured 銀行貸款—抵押	-	-	-	6.24-6.34	On demand	11,400,000	6.24	On demand	11,400,000
Bank loans – discounted bills with recourse (note 23) 銀行貸款—可退回的折扣性票據(附註23)	2.52-3.26	On demand	1,667,551	4.50-5.84	On demand	1,193,631	4.50	On demand	5,046,757
Money market loans – unsecured 以貨幣市場利率為基準的貸款—無抵押	2.74	On demand	4,000,000	2.94	On demand	4,000,000	4.8	On demand	4,000,000
Instalment loans – unsecured 分期貸款—無抵押	2.81-7.00	On demand	9,211,572	2.65-7.00	On demand	14,754,557	1.8-6.24	On demand	18,995,868
Instalment loans – secured 分期貸款—抵押	6.34-6.56	On demand	8,496,000	6.24-6.34	On demand	10,761,600	-	On demand	-
			<u>28,656,395</u>			<u>53,351,766</u>			<u>90,548,074</u>
Non-current									
非本期									
Finance lease payables (note 29) 應付融資租約(附註29)	-	-	-	1.94-4.58	2011	1,561,074	2.18-6.2	2011	4,924,462
			<u>28,656,395</u>			<u>54,912,840</u>			<u>95,472,536</u>

Note: As further explained in notes 2.2(c) and 43 to the financial statements, due to the adoption of HK Interpretation 5 in the current year, the Group's interest-bearing bank and other borrowings in the amount of HK\$17,707,572 (2009: HK\$17,415,653) containing an on-demand clause has been reclassified as a current liability. For the purpose of the above analysis, the loan is included within current interest-bearing bank and other borrowings and analysed into bank loans and overdrafts repayable within one year or on demand.

Based on the maturity terms of the loans, the amounts repayable in respect of the loan are: within one year or on demand HK\$10,948,823 (2009: HK\$35,936,113); in the second to fifth years, inclusive HK\$17,707,572 (2009: HK\$18,976,727).

28. 帶息銀行貸款及其他借貸

集團

附註：誠如財務報告附註2.2(c)及43所闡釋，由於在年內採納香港詮釋第5號，本集團之帶息銀行貸款及其他借貸包含可隨時要求償還為17,707,572港元(二零零九年：17,415,653港元)分類為流動負債。在上述的分析中，貸款包含流動帶息銀行貸款及其他借貸，及分類為一年內或按要求償還的銀行貸款及透支。

按貸款協議所載的到期日計算，一年內或按要求及於第二至第五年(包括首尾兩年)償還應付金額分別為10,948,823港元(二零零九年：35,936,113港元)及17,707,572港元(二零零九年：18,976,727港元)。

28. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

28. 帶息銀行貸款及其他借貸(續)

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
Analysed into:	按下列各項分析：		
Bank loans repayable:	應償還銀行貸款：		
Within one year or on demand	一年內或按要求	27,094,552	49,990,031
Other borrowings repayable:	其他應償還借貸：		
Within one year	一年內	1,561,843	3,361,735
In the second year	第二年	-	1,561,074
		1,561,843	4,922,809
		28,656,395	54,912,840

The carrying amounts of the Group's borrowings approximate to their fair values.

本集團借貸之賬面值與其公平價值相若。

At 31 December 2010, certain of the Group's buildings with a net carrying value of approximately HK\$49,900,000 (2009: HK\$49,500,000) and one parcel of the Group's land with a net book value of approximately HK\$10,492,000 (2009: HK\$10,342,000) were pledged to secure instalment loans to the Group.

於二零一零年十二月三十一日，本集團部份樓宇賬面淨值約為49,900,000港元(二零零九年：49,500,000港元)及其中一幅土地賬面淨值約為10,492,000港元(二零零九年：10,342,000港元)已為作本集團分期貸款的抵押擔保。

The Group's bank loans are secured by a personal guarantee given by a director amounting to HK\$76,900,000 (2009: HK\$110,900,000).

本集團之銀行貸款由一位董事提供之個人擔保作抵押為數76,900,000港元(二零零九年：110,900,000港元)。

Certain of the Group's bank loans are secured by certain of the Group's bills receivable discounted with recourse of HK\$1,667,551 (2009: HK\$1,193,631).

本集團若干銀行貸款由若干可退回的應收票據折現額為1,667,551港元(二零零九年：1,193,631港元)作抵押。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日
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29. FINANCE LEASE PAYABLES

The Group leases certain of its plant and equipment for its business. These leases are classified as finance leases and have remaining lease terms ranging from one to two years.

At the end of the reporting period, the total future minimum lease payments under finance leases and their present values were as follows:

Group

		Minimum lease payments	Minimum lease payments	Present value of minimum lease payments	Present value of minimum lease payments
		最少租賃費用	最少租賃費用	最少租賃費用的現今值	最少租賃費用的現今值
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
Amounts payable:	應付款項：				
Within one year	一年內	1,582,790	3,470,657	1,561,843	3,361,735
In the second year	第二年	-	1,605,029	-	1,561,074
Total minimum finance lease payments	總計最少融資租賃費用	1,582,790	5,075,686	1,561,843	4,922,809
Future finance charges	日後財務費用	(20,947)	(152,877)		
Total net finance lease payables	應付融資租約總淨額	1,561,843	4,922,809		
Portion classified as current liabilities (note 28)	分類作流動負債之部份(附註28)	(1,561,843)	(3,361,735)		
Non-current portion (note 28)	非本期部份(附註28)	-	1,561,074		

29. 應付融資租約

本集團租用若干營業用的廠房及設備。該等租約被分類為融資租約，其尚餘租約期介乎一至二年不等。

於報告期末，根據融資租約下的總計日後最少租賃費用及其現今值如下：

集團

30. PROVISION FOR PRODUCT WARRANTIES

30. 產品保養撥備

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
At 1 January	於一月一日	–	355,774
Additional provision	增加撥備	–	204,352
Amounts utilised during the year	本年內已動用金額	–	(560,126)
At 31 December		–	–

In the prior year, the Group provided one-year warranties to its customers on certain of its electronics products, under which faulty products are repaired or replaced. The amount of the provision for the warranties is estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate. At the end of the reporting period, no warranty has been granted to its customers.

往年，集團對若干電子產品提供一年保養或退換。產品保養撥備是按銷量及以往的維修及退換情況而估計。撥備的基準會持續予以審閱，並在適當時候作出修訂。於報告期末，並無向客人提供任何產品保養。

31. OTHER LONG TERM PAYABLES

As at 1 January 2009, other long term payables represented construction service fees for the Group's buildings in Mainland China payable after more than one year from the end of the reporting period. The carrying amounts of these balances approximate to their fair values.

31. 其他長期應付款項

於二零零九年一月一日，其他長期應付款項為本集團在中國大陸廠房之應付建築工程費，其應付日期為在報告期末後超過一年。該結餘之賬面值與其公平價值相若。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

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32. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

Group

		2010 二零一零年		
		Depreciation allowance in excess of related depreciation 超出相關折舊 之折舊撥備 HK\$ 港元	Revaluation of properties 物業重估 HK\$ 港元	Total 總計 HK\$ 港元
At 1 January 2010 (Restated)	於二零一零年一月一日(重列)	453,031	705,471	1,158,502
Deferred tax debited to the income statement during the year (note 11)	年內於利潤表扣除 之遞延稅項(附註11)	162,000	-	162,000
Deferred tax debited to equity during the year	年內扣除權益之遞延稅項	-	330,365	330,365
Gross deferred tax liabilities at 31 December 2010	於二零一零年十二月三十一日 之遞延稅項負債總額	615,031	1,035,836	1,650,867
		2009 二零零九年		
		Depreciation allowance in excess of related depreciation 超出相關折舊 之折舊撥備 HK\$ 港元	Revaluation of properties 物業重估 HK\$ 港元 (Restated) (重列)	Total 總計 HK\$ 港元 (Restated) (重列)
At 1 January 2009	於二零零九年一月一日	1,509,031	-	1,509,031
Deferred tax credited to the income statement during the year (note 11)	年內於利潤表計入 之遞延稅項(附註11)	(1,056,000)	-	(1,056,000)
Deferred tax debited to equity during the year	年內扣除權益之遞延稅項	-	705,471	705,471
Gross deferred tax liabilities at 31 December 2009	於二零零九年十二月三十一日 之遞延稅項負債總額	453,031	705,471	1,158,502

32. 遞延稅項

年內之遞延稅項負債及資產變動如下：

遞延稅項負債

集團

32. DEFERRED TAX (continued)

Deferred tax assets

Group

		2010 二零一零年 Losses available for offsetting against future taxable profits 可供抵銷日後應課 稅溢利的虧損 HK\$ 港元
At 1 January 2010	於二零一零年一月一日	1,358,447
Deferred tax credited to the income statement during the year (note 11)	年內於利潤表計入之遞延稅項(附註11)	2,709,710
Gross deferred tax assets at 31 December 2010	於二零一零年十二月三十一日之遞延稅項資產總額	4,068,157
		2009 二零零九年 Losses available for offsetting against future taxable profits 可供抵銷日後應課 稅溢利的虧損 HK\$ 港元
At 1 January 2009	於二零零九年一月一日	-
Deferred tax credited to the income statement during the year (note 11)	年內於利潤表計入之遞延稅項(附註11)	1,358,447
Gross deferred tax assets at 31 December 2009	於二零零九年十二月三十一日之遞延稅項資產總額	1,358,447

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2009.

根據中國企業所得稅法，於中國大陸成立的外商投資企業向外國投資者宣派股息須按10%徵收預扣稅。此規定由二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後的盈利。倘中國大陸與外國投資者的司法權區訂有稅務協議，則可應用較低的預扣稅率。就本集團而言，適用稅率為10%。因此，本集團有責任就於中國大陸成立的該等附屬公司於二零零九年一月一日起產生的盈利所分派的股息繳付預扣稅。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日
31 December 2010

32. DEFERRED TAX (continued)

At 31 December 2010, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totaled approximately HK\$914,576 at 31 December 2010 (2009: HK\$564,000).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

33. LOAN FROM A DIRECTOR

The loan from a director is interest-free, unsecured and has been fully repaid during the year.

34. SHARE CAPITAL

32. 遞延稅項(續)

於二零一零年十二月三十一日，並無就本集團於中國大陸成立之附屬公司未匯出盈利應付之預扣稅確認遞延稅項。董事認為該等附屬公司不可能於可預見未來分派盈利。於二零一零年十二月三十一日，本集團並無確認於中國大陸附屬公司投資有關之暫時差額之重大遞延稅項負債約914,576港元(二零零九年：564,000)。

本公司向股東派付之股息並無附帶任何所得稅後果。

33. 董事貸款

董事貸款為免息、無抵押及於年內全數清還。

34. 股本

		Company	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Shares	股份		
Authorised:	法定股本：		
900,000,000 shares of HK\$0.10 each	900,000,000股每股 面值0.10港元	90,000,000	90,000,000
Issued and fully paid:	已發行及繳足股本：		
265,504,800 shares of HK\$0.10 each	265,504,800股每股 面值0.10港元	26,550,480	26,550,480

34. SHARE CAPITAL (continued)

A summary of the issued share capital of the Company is as follows:

	Number of shares 股份數目	Issued capital 已發行股本 HK\$ 港元
At 1 January 2009, 31 December 2009, 1 January 2010 and 31 December 2010	於二零零九年一月一日、 二零零九年十二月三十一日、 二零一零年一月一日 及二零一零年十二月三十一日	
	265,504,800	26,550,480

Share options

Details of the Company's share option scheme are included in note 35 to the financial statements.

35. SHARE OPTION SCHEME

A summary of the existing share option scheme of the Company (the "Scheme") adopted on 27 May 2002 is as follows:

Purposes	To provide incentives and rewards to eligible participants for their contributions to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which the Group holds an equity interest ("Invested Entity").
Participants	<p>(i) any employee (whether full-time or part-time), executive directors, non-executive directors and independent non-executive directors of the Company, any of its subsidiaries or any Invested Entity;</p> <p>(ii) any supplier of goods or services to any member of the Group or any Invested Entity; any customer of the Group or any Invested Entity; any person or entity that provides research, development or other technological support to the Group or any Invested Entity; and</p> <p>(iii) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity</p>

34. 股本(續)

本公司已發行股本的概要如下：

	Number of shares 股份數目	Issued capital 已發行股本 HK\$ 港元
At 1 January 2009, 31 December 2009, 1 January 2010 and 31 December 2010	於二零零九年一月一日、 二零零九年十二月三十一日、 二零一零年一月一日 及二零一零年十二月三十一日	
	265,504,800	26,550,480

購股權

本公司之購股權計劃之詳情，已載於本財務報告附註35。

35. 購股權計劃

本公司於二零零二年五月二十七日採納之現行購股權計劃概要如下：

目的	為鼓勵或獎賞合資格參與人士對本集團作出之貢獻及／或協助本集團聘請及留任能幹僱員及吸納對本集團與任何本集團持有其任何股本權益之公司(「所投資公司」)有重大價值之人力資源。
參與人士 (i)	本公司、其任何附屬公司或其任何所投資公司之任何僱員(不論是全職或兼職)、執行董事、非執行董事及獨立非執行董事；
(ii)	向本集團任何成員公司或任何所投資公司提供貨物或服務之任何供應商；本集團或任何所投資公司之任何客戶；向本集團或任何所投資公司提供研究、開發或其他技術支援之任何人士或公司；及
(iii)	本集團任何成員公司或任何所投資公司之任何股東或本集團任何成員公司或任何所投資公司所發行任何證券之任何持有人。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

35. SHARE OPTION SCHEME (continued)

Total number of ordinary shares available for issue and the percentage of the issued share capital that it represents as at the date of the annual report	25,000,480 ordinary shares and 9.42% of the issued share capital.
Maximum entitlement of each participant	Shall not exceed 1% of the issued share capital of the Company in any 12-month period.
Period within which the securities must be taken up under an option	An option may be exercised at any time during a period to be determined and notified by the directors to each grantee, but shall end in any event not later than 10 years from the date of the grant of options subject to the provisions for early termination thereof.
Minimum period for which an option must be held before it can be exercised	There is no minimum period for which an option granted must be held before it can be exercised.
Amount payable on acceptance	The offer of a grant of share options may be accepted within 28 days from the date of the offer with a consideration of HK\$1.00 being payable by the grantee.
Period within which payments/calls/loans must be made/repaid	Not applicable.

35. 購股權計劃(續)

可予發行的普通股總數以及其於本年報日期佔已發行股本的百分比	25,000,480股普通股及佔已發行股本之9.42%。
每名參與人士可獲授權益上限	在任何12個月內，不得超過本公司已發行股本之1%。
可根據購股權認購普通股股份的期限	購股權可於董事所決定並已知會各承授人之期間內任何時間獲行使，惟在任何情況下不得遲於由授出購股權日期起計10年(根據該計劃條款而提早終止購股權者則除外)。
購股權行使之前必須持有的最短期限	購股權並無行使之前必須持有的最短期限。
接納購股權須付金額	承授人可於授出購股權建議之日起二十八日內，在支付面值代價金額1.00港元後接納該建議。
付款或通知付款的期限或償還申請購股權貸款的期限	不適用。

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

35. SHARE OPTION SCHEME (continued)

Basis of determining the exercise price

Determined by the directors but shall not be less than the highest of (i) the closing price of the ordinary shares as stated in the Stock Exchange's daily quotation sheet on the date of the offer of options, which must be a trading day; (ii) the average closing price of the ordinary shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of the offer of options; and (iii) the nominal value of the Company's shares.

The remaining life of the Scheme

The Scheme remains in force until 26 May 2012.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

35. 購股權計劃(續)

行使價的釐定基準

由董事決定，惟不得低於下列中之較高者：(i)股份於提供購股權建議當日(須為交易日)之收市價(以聯交所日報表所載者為準)；(ii)股份於提供購股權建議日前五個交易日之平均收市價(以聯交所日報表所載者為準)；及(iii)股份面值。

計劃尚餘的有效期

計劃有效期至二零一二年五月二十六日止。

購股權持有人並不享有獲發股息或於股東會上投票之權益。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日
31 December 2010

35. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the Scheme during the year:

Category of participant	Number of share options 購股權數目						Date of grant of share options*	Exercise period of share options**	Exercise price of share options**	Price of the Company's shares*** 本公司股份價格***		
	At 1 January 2010	Granted during the year	Exercised during the year	Cancelled during the year	Forfeited/ expired during the year	At 31 December 2010				Immediately At grant of options	before the exercise date	At exercise date of options
參與者類別	於二零一零年一月一日	於年內授出	於年內行使	於年內取消	放棄/到期	於二零一零年十二月三十一日	授出購股權日期*	購股權之行使價**	購股權日期	購股權行使購股權前一天	購股權當日	
								HK\$ 港元 per share 每股	HK\$ 港元 per share 每股	HK\$ 港元 per share 每股	HK\$ 港元 per share 每股	
Employees other than the directors 非董事之僱員												
In aggregate 合計	1,500,000	-	-	-	-	1,500,000	26-1-2005 to 31-12-2012	0.26	0.26	N/A	N/A	
	1,500,000	-	-	-	-	1,500,000						

Notes to the reconciliation of share options outstanding during the year:

- * The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- *** The price of the Company's shares disclosed as at the date of grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of grant of the options.

35. 購股權計劃(續)

根據計劃於年內尚未行使之購股權如下：

於年內尚餘之購股權調節附註：

- * 購股權賦予權利的日期是由授出當日起計算直至行使期的開始日。
- ** 購股權的行使價是受到如配售新股或派送紅股，或本公司股本類同的變動而調整。
- *** 本公司於購股權授出日期所披露的股價是購股權授出當日起計算之前在聯交所第一個交易日的收市價。

Notes to Financial Statements (continued)

二零一零年十二月三十一日
31 December 2010

35. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the Scheme during the year: (continued)

35. 購股權計劃(續)

根據計劃於年內尚未行使之購股權如下:(續)

		2010 二零一零年		2009 二零零九年	
		Weighted average exercise price 加權平均 行使價 HK\$ 港元 per share 每股	Number of options 購股權數目 '000 千	Weighted average exercise price 加權平均 行使價 HK\$ 港元 per share 每股	Number of options 購股權數目 '000 千
At 1 January	於一月一日	0.260	1,500	0.256	1,900
Granted during the year	於年內授出	-	-	-	-
Forfeited during the year	於年內失效	-	-	-	-
Expired during the year	於年內到期	-	-	-	-
Exercised during the year	於年內行使	-	-	-	-
Cancelled during the year	於年內取消	-	-	0.242	(400)
At 31 December	於十二月三十一日	0.260	1,500	0.260	1,500

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

於報告期末，購股權計劃尚餘之行使價及行使期限如下：

2010

二零一零年

Number of options 股權數目 '000 千	Exercise price* 行使價* HK\$ 港元 per share 每股	Exercise period 行使期限
1,500	0.260	1-4-2006 to 31-12-2012

2009

二零零九年

Number of options 股權數目 '000 千	Exercise price* 行使價* HK\$ 港元 per share 每股	Exercise period 行使期限
1,500	0.260	1-4-2006 to 31-12-2012

* The exercise price of the share options is subject to adjustment in case of rights or bonus issues, or other similar changes in the Company's share capital.

* 購股權的行使價是受到如配售新股或派送紅股，或本公司股本類同的變動而調整。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

35. SHARE OPTION SCHEME (continued)

No share options were granted during the year (2009: Nil).

At the end of the reporting period, the Company had 1,500,000 share options outstanding under the Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 1,500,000 additional ordinary shares of the Company and additional share capital of HK\$150,000 and share premium of HK\$240,000 (before issue expenses).

At the date of approval of these financial statements, the Company had 1,500,000 share options outstanding under the Scheme, which represented approximately 0.6% of the Company's shares in issue as at that date.

36. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 36 of the financial statements.

The contributed surplus of the Group arose as a result of the Group's reorganisation and represents the excess of the nominal value of the share capital of the former holding company of the Group, K & P Group (Holdings) Limited, prior to the Group's reorganisation in preparation for the listing of the Company's shares in 1996, over the nominal value of the share capital of the Company issued in exchange therefor, less the amount capitalised to pay up the nil-paid shares issued on the incorporation of the Company.

35. 購股權計劃(續)

本年度並無授予任何購股權(二零零九年：無)。

於報告期末，根據計劃，本公司有1,500,000股購股權尚未行使。根據本公司現行股本結構，全面行使尚餘之購股權將導致本公司額外發行1,500,000股普通股，額外股本為150,000港元，股份溢價(扣除發行開支前)為240,000港元。

於批准此財務報告當日，根據計劃，1,500,000股購股權尚未行使，佔本公司當日已發行股份約0.6%。

36. 儲備

(a) 集團

本年度及以往之年度本集團儲備及變動已呈列於財務報告第36頁之綜合權益變動表。

本集團之繳入盈餘源自集團重組，乃指集團於一九九六年為籌備本公司股份上市之重組前本集團之前控股公司 K & P Group (Holdings) Limited 之股本面值較本公司為交換該等股份而發行股本面值所多出之數減資本化以繳付於本公司之註冊成立時所發行未繳款股份之數。

Notes to Financial Statements (continued)

二零一零年十二月三十一日
31 December 2010

36. RESERVES (continued)

(b) Company

36. 儲備(續)

(b) 公司

		Share premium account 股份溢價賬 HK\$ 港元	Share option reserve 購股權儲備 HK\$ 港元	Contributed surplus 繳入盈餘 HK\$ 港元	Retained profits 保留溢利 HK\$ 港元	Total 總計 HK\$ 港元
Balance at 1 January 2009	二零零九年一月一日	50,541,281	93,960	49,999,981	2,372,431	103,007,653
Loss for the year and total comprehensive loss for the year	本年度虧損及本年度 全面虧損總額	-	-	-	(1,831,505)	(1,831,505)
Equity-settled share option arrangement	股本結算購股權安排	-	2,040	-	-	2,040
At 31 December 2009	二零零九年十二月三十一日	50,541,281	96,000	49,999,981	540,926	101,178,188
Profit for the year and total comprehensive income for the year	本年度溢利及本年度 全面收入總額	-	-	-	13,471,273	13,471,273
Proposed final dividend (note 13)	建議末期股息(附註13)	-	-	-	(7,965,144)	(7,965,144)
Proposed special dividend (note 13)	建議特別股息(附註13)	-	-	-	(5,310,096)	(5,310,096)
At 31 December 2010	二零一零年十二月三十一日	50,541,281	96,000	49,999,981	736,959	101,374,221

The contributed surplus of the Company represents the difference between the underlying consolidated net assets of K & P Group (Holdings) Limited and its subsidiaries at the date on which the Group's reorganisation became effective, referred to in note 36(a), over the nominal value of the share capital of the Company issued in exchange therefor, less the amount capitalised to pay up the nil-paid shares issued on the incorporation of the Company.

Under the Companies Act 1981 of Bermuda (as amended), the Company may make distributions to its members out of the contributed surplus in certain circumstances.

本公司之繳入盈餘指 K & P Group (Holdings) Limited 及其附屬公司於集團重組生效之日之綜合資產淨值高出本公司所發行以交換該公司股本面值之數(詳情載錄於財務報告附註36(a))，減去繳足資本化以於本公司之註冊成立日所發行未繳款股份之數。

根據百慕達一九八一年公司法(經修訂)之許可，本公司可在某些情況下從繳入盈餘中撥款向其成員作出分派。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

37. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

	Group 集團		Company 公司	
	2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元	2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Guarantees of banking facilities granted to subsidiaries				
附屬公司之貸款擔保	-	-	145,050,000	179,050,000

As at 31 December 2010, the banking facilities granted to the subsidiaries subject to guarantees given to the banks by the Company were utilised to the extent of approximately HK\$29,000,000 (2009: HK\$55,000,000).

37. 或然負債

於報告期末，尚未於財務報告計提撥備的或然負債如下：

於二零一零年十二月三十一日，本公司之附屬公司獲授付有本公司向銀行提供之貸款擔保之銀行備用額中，已耗用約29,000,000港元(二零零九年：55,000,000港元)。

38. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties and factories under operating lease arrangements. Leases for properties and factories are negotiated for terms ranging from one to five years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 集團	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Within one year	於一年內	3,325,045	3,729,240
In the second to fifth years, inclusive	於第二至第五年(包括首尾兩年)	3,109,666	6,617,056
		6,434,711	10,346,296

At the end of the reporting period, the Company had no operating lease arrangements.

38. 經營租約安排

本集團根據經營租約安排租用若干辦公室物業及廠房。該等租約之議定期介乎一年至五年不等。

於報告期末，本集團根據不能取消經營租約之未來最低應付租金總額將於下列期間到期：

於報告期末，本公司並無經營租約之安排。

39. COMMITMENTS

In addition to the operating lease commitments detailed in note 38 above, the Group had the following capital commitments at the end of the reporting period:

Contracted, but not provided for:	已訂約，但未撥備：
Land	土地
Capital contributions payable to a subsidiary	應付資本予附屬公司

At the end of the reporting period, the Company did not have any capital commitments.

At 31 December 2009, the Group and the Company had total future minimum royalty payments under license agreements falling due of HK\$3,650,400 and the license agreement expired on 31 December 2010.

39. 承擔

除上文附註38詳述的經營租約承擔外，於報告期末，本集團作出以下資本承擔：

		Group 集團	
		2010 二零一零年	2009 二零零九年
		HK\$ 港元	HK\$ 港元
		-	1,508,000
		33,150,000	33,150,000
		33,150,000	34,658,000

於報告期末，本公司概無任何重大資本承擔。

於二零零九年十二月三十一日，本集團及本公司於使用權協議下之未來最低專利權使用費為3,650,400港元及有關使用權協議已於二零一零年十二月三十一日到期。

		Group and Company 集團與公司	
		2010 二零一零年	2009 二零零九年
		HK\$ 港元	HK\$ 港元
Within one year	於一年內	-	3,650,400

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40. RELATED PARTY TRANSACTIONS

- (a) The Group's banking facilities were secured by personal guarantees given by a director of the Company of HK\$76,900,000 (2009: HK\$110,900,000). The director received no consideration for providing these guarantees.
- (b) Compensation of key management personnel of the Group:

Short term employee benefits	短期僱員福利
Post-employment benefits	退休後福利
Total compensation paid to key management personnel	給予主要管理人員之總報酬

Further details of directors' emoluments are included in note 9 to the financial statements.

- (c) A loan of HK\$12,000,000 was granted by a director of the Company on 22 December 2008. The loan was repaid in two installments of HK\$6,000,000 each on 9 March 2010 and 29 April 2010.

40. 關連人士交易

- (a) 本集團若干銀行融資為數76,900,000港元(二零零九年:110,900,000港元),乃由本公司一位董事提供之個人擔保作抵押。該董事並無就提供該等擔保收取任何代價。
- (b) 本集團提供予主要管理人員之報酬:

2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
10,809,685	11,613,385
232,294	198,654
11,041,979	11,812,039

有關董事酬金之詳細資料見財務報告的附註9。

- (c) 本公司一位董事於二零零八年十二月二十二日提供貸款12,000,000港元予公司。該貸款已於二零一零年三月九日及二零一零年四月二十九日,合共兩期,每期6,000,000港元償還給有關董事。

41. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

**2010
Group**

Financial assets

		Loans and receivables 貸款及 應收賬款 HK\$ 港元	Available-for-sale financial assets 可供出售 金融資產 HK\$ 港元	Total 總計 HK\$ 港元
Available-for-sale investment	可供出售投資	-	680,000	680,000
Financial assets included in prepayments, deposits and other receivables (note 22)	包含於預付款項、按金及其他應收款項之金融資產(附註22)	6,214,457	-	6,214,457
Trade and bills receivables	應收賬項及票據	58,393,380	-	58,393,380
Cash and cash equivalents	現金及現金等值項目	42,759,628	-	42,759,628
		107,367,465	680,000	108,047,465

**2010
Group**

Financial liabilities

		Financial liabilities at amortised cost 按攤銷成本 入賬的金融負債 HK\$ 港元	
Trade payables	應付賬項		40,837,096
Financial liabilities included in accrued liabilities and other payables (note 26)	包含於應計負債及其他應付款項之金融負債(附註26)		19,351,508
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸		28,656,395
			88,844,999

41. 金融工具的分類

於報告期末，金融工具各類別的賬面值如下：

**二零一零年
集團**

金融資產

	Loans and receivables 貸款及 應收賬款 HK\$ 港元	Available-for-sale financial assets 可供出售 金融資產 HK\$ 港元	Total 總計 HK\$ 港元
Available-for-sale investment	-	680,000	680,000
Financial assets included in prepayments, deposits and other receivables (note 22)	6,214,457	-	6,214,457
Trade and bills receivables	58,393,380	-	58,393,380
Cash and cash equivalents	42,759,628	-	42,759,628
	107,367,465	680,000	108,047,465

**二零一零年
集團**

金融負債

**Financial liabilities at amortised cost
按攤銷成本
入賬的金融負債
HK\$
港元**

Trade payables	應付賬項		40,837,096
Financial liabilities included in accrued liabilities and other payables (note 26)	包含於應計負債及其他應付款項之金融負債(附註26)		19,351,508
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸		28,656,395
			88,844,999

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41. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:
(continued)

2009
Group

Financial assets

		Loans and receivables 貸款及 應收賬款 HK\$ 港元	Available- for-sale financial assets 可供出售 金融資產 HK\$ 港元	Total 總計 HK\$ 港元
Available-for-sale investment Financial assets included in prepayments, deposits and other receivables (note 22)	可供出售投資 包含於預付款項、 按金及其他應收 款項之金融資產(附註22)	-	680,000	680,000
Trade and bills receivables	應收賬項及票據	11,305,537	-	11,305,537
Cash and cash equivalents	現金及現金等值項目	61,645,865	-	61,645,865
		32,405,249	-	32,405,249
		<u>105,356,651</u>	<u>680,000</u>	<u>106,036,651</u>

2009
Group

Financial liabilities

		Financial liabilities at amortised cost 按攤銷成本 入賬的金融負債 HK\$ 港元
Trade payables	應付賬項	56,778,707
Financial liabilities included in accrued liabilities and other payables (note 26)	包含於應計負債及其他 應付款項之金融負債(附註26)	16,846,060
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸	54,912,840
Loan from a director	董事貸款	<u>12,000,000</u>
		<u>140,537,607</u>

41. 金融工具的分類(續)

於報告期末，金融工具各類別的賬面值如下：(續)

二零零九年
集團

金融資產

	Loans and receivables 貸款及 應收賬款 HK\$ 港元	Available- for-sale financial assets 可供出售 金融資產 HK\$ 港元	Total 總計 HK\$ 港元
Available-for-sale investment Financial assets included in prepayments, deposits and other receivables (note 22)	-	680,000	680,000
Trade and bills receivables	11,305,537	-	11,305,537
Cash and cash equivalents	61,645,865	-	61,645,865
	32,405,249	-	32,405,249
	<u>105,356,651</u>	<u>680,000</u>	<u>106,036,651</u>

二零零九年
集團

金融負債

	Financial liabilities at amortised cost 按攤銷成本 入賬的金融負債 HK\$ 港元
Trade payables	56,778,707
Financial liabilities included in accrued liabilities and other payables (note 26)	16,846,060
Interest-bearing bank and other borrowings	54,912,840
Loan from a director	<u>12,000,000</u>
	<u>140,537,607</u>

41. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Financial assets

		Company 公司	
		Loans and receivables 2010 二零一零年 貸款及應收賬款 HK\$ 港元	Loans and receivables 2009 二零零九年 貸款及應收賬款 HK\$ 港元
Due from subsidiaries (note 18)	附屬公司欠款(附註18)	82,160,733	68,882,968
Cash and cash equivalents	現金及現金等值項目	7,064	6,168
		82,167,797	68,889,136

At 31 December 2010 and 2009, the Company had financial liability of guarantees given to banks in connection with facilities granted to subsidiaries repayable on demand of approximately HK\$29,000,000 and HK\$55,000,000, respectively.

於二零一零年及二零零九年十二月三十一日，本公司之金融負債分別約為29,000,000港元及55,000,000港元，包括向銀行提供附屬公司按要求償還之貸款擔保。

42. FAIR VALUE AND FAIR VALUE HIERARCHY

The carrying amounts and fair values of the Group's and the Company's financial instruments are as follows:

Group

		Carrying amounts 賬面值		Fair values 公平價值	
		2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元	2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元
Financial assets	金融資產				
Available-for-sale investment	可供出售投資	680,000	680,000	680,000	680,000
Financial assets included in prepayments, deposits and other receivables	包含於預付款項、按金及其他應收款項之金融資產	6,214,457	11,305,537	6,214,457	11,305,537
Trade and bills receivables	應收賬項及票據	58,393,380	61,645,865	58,393,380	61,645,865
Cash and cash equivalents	現金及現金等值項目	42,759,628	32,405,249	42,759,628	32,405,249
		108,047,465	106,036,651	108,047,465	106,036,651

41. 金融工具的分類(續)

金融資產

42. 公平價值及公平價值等級

本集團及本公司金融工具的賬面值及公平價值如下：

集團

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二零一零年十二月三十一日

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42. FAIR VALUE AND FAIR VALUE HIERARCHY

(continued)

Group (continued)

		Carrying amounts		Fair values	
		賬面值		公平價值	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
Financial liabilities	金融負債				
Trade payables	應付賬項	40,837,096	56,778,707	40,837,096	56,778,707
Financial liabilities included in other payables and accruals	包括於應計負債及其他應付款項之金融負債	19,351,508	16,846,060	19,351,508	16,846,060
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸	28,656,395	54,912,840	28,656,395	54,912,840
Loan from a director	董事貸款	-	12,000,000	-	12,000,000
		88,844,999	140,537,607	88,844,999	140,537,607

Company

集團(續)

		Carrying amounts		Fair values	
		賬面值		公平價值	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
Financial assets	金融資產				
Cash and cash equivalents	現金及現金等值項目	7,064	6,168	7,064	6,168
Due from subsidiaries	附屬公司欠款	82,160,733	68,882,968	82,160,733	68,882,968
		82,167,797	68,889,136	82,167,797	68,889,136

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

除強迫或清盤出售外，金融資產及負債的公平價值是由自願訂約方之間進行現有交易中可交換的金額。

42. FAIR VALUE AND FAIR VALUE HIERARCHY

(continued)

The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, trade and bills receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals and amounts due from subsidiaries approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

42. 公平價值及公平價值等級(續)

以下方法及假設已用於估計公平價值：

現金及現金等值項目、應收賬項及票據、應付賬項、金融資產包括預付款項、按金及其他應收款項、金融負債包括其他應付款項及應計負債及應收該等附屬公司款項與其賬面值大致相若，原因是此等工具將於短期內到期。

帶息銀行貸款及其他借款的公平價值已透過將按相若條款、信貸風險及剩餘到期期限以現可就工具提供的折現率折現估計日後現金流量計算。

公平價值等級

本集團採用以下等級釐定及披露金融工具的公平價值：

- 第一級：根據同類資產或負債在活躍市場上的報價(未經調整)計量的公平價值。
- 第二級：依據對已記錄公平價值(直接或間接觀察)有重大影響的所有輸入的估值技巧計量的公平價值。
- 第三級：依據對已記錄公平價值有重大影響的所有輸入並非基於可觀察市場數據(不可觀察輸入)的估值技巧計量的公平價值。

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二零一零年十二月三十一日
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42. FAIR VALUE AND FAIR VALUE HIERARCHY

(continued)

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

集團

		2010 二零一零年			Total
	Level 1 第一級	Level 2 第二級	Level 3 第三級	總計	
	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	
Financial asset: Available-for-sale investment	金融資產： 可供出售投資	680,000	-	-	680,000
		2009 二零零九年			Total
	Level 1 第一級	Level 2 第二級	Level 3 第三級	總計	
	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	
Financial asset: Available-for-sale investment	金融資產： 可供出售投資	680,000	-	-	680,000

There were not transfers amongst Level 1, Level 2 and Level 3 in the fair value hierarchy.

The Company did not have any financial assets and financial liabilities measured at fair value as at 31 December 2010 (2009: Nil).

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise bank loans and overdrafts, other interest-bearing loans, finance leases, and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

42. 公平價值及公平價值等級(續)

下表顯示按公平價值列賬並按公平價值等級分類的金融工具分析：

集團

		2010 二零一零年			Total
	Level 1 第一級	Level 2 第二級	Level 3 第三級	總計	
	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	
Financial asset: Available-for-sale investment	金融資產： 可供出售投資	680,000	-	-	680,000
		2009 二零零九年			Total
	Level 1 第一級	Level 2 第二級	Level 3 第三級	總計	
	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	
Financial asset: Available-for-sale investment	金融資產： 可供出售投資	680,000	-	-	680,000

公平價值等級架構第1級、第2級及第3級之間並無任何轉讓。

於二零一零年十二月三十一日，本公司並無按公平價值計算金融資產及負債（二零零九年：無）。

43. 財務風險管理目標及政策

本集團之主要金融工具包括銀行貸款及透支、其他帶息貸款、融資租約，以及現金及短期存款。該等金融工具之主要目的是為本集團營運籌集資金。本集團亦有多項直接於營運產生之其他金融資產及負債，例如應收賬款及應付賬款。

本集團金融工具涉及之主要風險為利率風險、外匯風險、信貸風險及流動資金風險。董事會審閱及同意管理該等風險之政策，概述如下。

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

The Group's funding policy uses short term interest-bearing debts to finance its working capital requirements and interest-bearing debts over one year or internal generated resources to finance its capital investments. The Group borrows mainly at floating interest rates and the use of fixed rate interest-bearing debts over one year will only be considered for capital investments and favourable market conditions.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings).

		2010 二零一零年	2009 二零零九年
		Increase/ (decrease) in basis points 增加/(減少) 基點	Increase/ (decrease) in profit after tax and equity 增加/(減少) 除稅及權益 後溢利
		HK\$ 港元	HK\$ 港元
Hong Kong dollar	港元	10	(16,834)
RMB	人民幣	10	(6,372)
Hong Kong dollar	港元	(10)	16,834
RMB	人民幣	(10)	6,372

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currency. Approximately 87% (2009: 85%) of the Group's sales were denominated in currencies other than the functional currency of the operating units making the sale, whilst approximately 65% (2009: 63%) of costs were denominated in the units' functional currency.

43. 財務風險管理目標及政策(續)

利率風險

本集團的市場利率變動風險主要與附浮動利率之長期債務有關。

本集團的資金政策是以短期付息貸款提供經費作週轉資本的需求及一年以上的付息貸款或內部的資源提供資本投資。本集團主要以浮動利率作借貸，一年以上的定息付息貸款只會在有利的市場條件下才考慮作為資本投資。

以下表格展示於其他變數保持穩定，而利率可能出現合理波動之情況下，本集團除稅前溢利(透過浮動利率借款影響)之敏感性分析。

		2010 二零一零年	2009 二零零九年
		Increase/ (decrease) in basis points 增加/(減少) 基點	Increase/ (decrease) in profit after tax and equity 增加/(減少) 除稅及權益 後溢利
		HK\$ 港元	HK\$ 港元
Hong Kong dollar	港元	10	(16,834)
RMB	人民幣	10	(6,372)
Hong Kong dollar	港元	(10)	16,834
RMB	人民幣	(10)	6,372

外幣風險

本集團亦有交易貨幣風險，此風險源自本集團以其功能貨幣以外的其他貨幣作銷售或採購計價單位。本集團約87% (二零零九年：85%)的銷售都是以功能貨幣以外的其他貨幣計價。大約65% (二零零九年：63%)的成本都是以功能貨幣計價。

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

In view of the fact that the Hong Kong dollar is pegged to the United States dollar and that the Group tries to match its assets and liabilities with the same currency, the Group's exposure to foreign current risk is minimal. The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the Renminbi exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities).

If Hong Kong dollar weakens against Renminbi 若港元兌人民幣弱幣
If Hong Kong dollar strengthens against Renminbi 若港元兌人民幣強幣

43. 財務風險管理目標及政策(續)

外幣風險(續)

事實上，由於港元與美元掛鈎及本集團盡可能以同一貨幣使其資產和負債配比，本集團面臨外幣風險甚微。以下表格展示於報告期末其他變數保持不變，而人民幣匯率可能出現合理波動之情況下，本集團除稅前溢利(因貨幣資產及負債的公平價值出現變動)之敏感性分析。

	2010 二零一零年 Increase/ (decrease) in profit after tax and equity 增加/(減少) 除稅及權益 後溢利 HK\$ 港元	2009 二零零九年 Increase/ (decrease) in profit after tax and equity 增加/(減少) 除稅及權益 後溢利 HK\$ 港元
Increase/ (decrease) in Renminbi rate 增加/(減少) 人民幣匯率 %	5	(2,599,039)
	(5)	2,599,039

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, deposits and other receivables and an available-for-sale financial investment, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. The Company is also exposed to credit risk through the granting of financial guarantees, further details of which are disclosed in note 37 to the financial statements.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries.

信貸風險

本集團僅與該等信譽可靠的第三者進行交易。按照本集團的政策，所有擬按信貸期進行交易的客戶，必須經過信貸核實程序後，方可落實。此外，本集團會持續監察應收款項及結餘的情況，而本集團的壞賬風險並不重大。

本集團其他金融資產可能存在的信用風險，此類金融資產包括現金及現金等值項目、按金及其他應收款項及可供出售投資，這些金融資產的信用風險源自因交易對方違約，最大風險敞口等於這些工具的賬面金額。本公司還可能因提供擔保而引致信用風險，關於本公司對外擔保的資訊，詳見附註37。

由於本集團僅與該等享譽盛名兼信譽可靠的第三者進行交易，故不需要任何抵押。集中信貸風險由客戶/交易對手、地區及類別管理。由於本集團應收賬款由大量分散於不同階層及行業的客戶組成，本集團內並無顯著集中的信貸風險。

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and bills receivables are disclosed in note 23 to the financial statements.

Liquidity risk

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

Group

		Within 1 year or on demand 一年內或 按要求 HK\$ 港元	2010 二零一零年 More than 1 year but less than 2 years 一年以上至 二年以下 HK\$ 港元	Total 總計 HK\$ 港元
Trade payables	應付賬項	40,837,096	-	40,837,096
Other payables (note 26)	其他應付款項(附註26)	19,351,508	-	19,351,508
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸	30,171,494	-	30,171,494
		90,360,098	-	90,360,098

Group

		Within 1 year or on demand 一年內或 按要求 HK\$ 港元 (Restated) (重列)	2009 二零零九年 More than 1 year but less than 2 years 一年以上至 二年以下 HK\$ 港元 (Restated) (重列)	Total 總計 HK\$ 港元
Trade payables	應付賬項	56,778,707	-	56,778,707
Other payables (note 26)	其他應付款項(附註26)	16,846,060	-	16,846,060
Interest-bearing bank and borrowings	帶息銀行貸款及借貸	54,484,474	1,605,029	56,089,503
Loan from a director	董事貸款	12,000,000	-	12,000,000
		140,109,241	1,605,029	141,714,270

43. 財務風險管理目標及政策(續)

信貸風險(續)

有關本集團因應收賬款及票據所產生信貸風險的進一步定量資料乃披露於財務報告附註23。

流動資金風險

本集團於報告期末，以訂約未折讓付款基準計算之財務負債，其到期日如下：

集團

		Within 1 year or on demand 一年內或 按要求 HK\$ 港元	2010 二零一零年 More than 1 year but less than 2 years 一年以上至 二年以下 HK\$ 港元	Total 總計 HK\$ 港元
Trade payables	應付賬項	40,837,096	-	40,837,096
Other payables (note 26)	其他應付款項(附註26)	19,351,508	-	19,351,508
Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸	30,171,494	-	30,171,494
		90,360,098	-	90,360,098

集團

		Within 1 year or on demand 一年內或 按要求 HK\$ 港元 (Restated) (重列)	2009 二零零九年 More than 1 year but less than 2 years 一年以上至 二年以下 HK\$ 港元 (Restated) (重列)	Total 總計 HK\$ 港元
Trade payables	應付賬項	56,778,707	-	56,778,707
Other payables (note 26)	其他應付款項(附註26)	16,846,060	-	16,846,060
Interest-bearing bank and borrowings	帶息銀行貸款及借貸	54,484,474	1,605,029	56,089,503
Loan from a director	董事貸款	12,000,000	-	12,000,000
		140,109,241	1,605,029	141,714,270

財務報告附註(續)

Notes to Financial Statements (continued)

二零一零年十二月三十一日

31 December 2010

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

At 31 December 2010 and 2009, the Company had financial liability of guarantees given to banks in connection with facilities granted to subsidiaries repayable on demand of approximately HK\$29,000,000 and HK\$55,000,000, respectively.

Note: Included in interest-bearing bank and other borrowings of HK\$28,656,395, the loan agreements contain a repayment on-demand clause giving the bank the unconditional right to call in the loans at any time and therefore, for the purpose of the above maturity profile, the total amount is classified as "on demand".

Notwithstanding the above clause, the Directors do not believe that the loans will be called entirety within 12 months, and they consider that these loans will be repaid in accordance with the maturity dates as set out in the loan agreement. This evaluation was made considering: the financial position of the Group at the date of approval of the financial statements; the Group's compliance with the loan covenants; the lack of events of default, and the fact that the Group has made all previously scheduled repayments on time. In accordance with the terms of the loans, the contractual undiscounted payments at 31 December 2010 are HK\$ 10,948,823 in 2011 and HK\$ 17,707,572 in 2014.

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirement. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2010 and 31 December 2009.

43. 財務風險管理目標及政策(續)

流動資金風險(續)

於二零一零年及二零零九年十二月三十一日，本公司之金融負債分別約為29,000,000港元及55,000,000港元包括向銀行提供附屬公司按要求償還之貸款擔保。

附註：包括在帶息銀行貸款及其他借貸為28,656,395港元之內，貸款協議包含貸款人擁有無附帶條件的權利可隨時要求償還貸款的條款，因此在上述的基準計算中，所有欠款項被呈列為"按要求"。

雖然有上述條款，董事概不相信有關貸款會在十二個月內被要求完全償還，及認為有關貸款將按貸款協議所載的到期日支付。有關以上估計經考慮：本集團於批准此財務報告當日之財務狀況；本集團之遵守貸款的契據；未有任何違反事項；及本集團一直按貸款協議所載的到期日支付所有還款。按照貸款議的條款，於二零一零年十二月三十一日以訂約未折讓之付款在二零一一年為10,948,823港元及在二零一四年為17,707,572港元。

資本管理

本集團管理資本的首要目標是保障本集團的持續經營能力及維持穩健的資本比率，以支援其業務發展及提升股東價值。

本集團會因應經濟環境變化管理其資本架構並對其作出調整。為維持或調整資本架構，本集團或會調整支付予股東的股息款額、發還資本予股東或發行新股份。本集團不需要遵從任何外部的附加資本要求。於截至二零一零年十二月三十一日及二零零九年十二月三十一日止年度內，有關管理資本的目標、政策及過程並無作出任何變動。

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

The Group monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. The Group's policy is to maintain the gearing ratio at less than 75%. Net debt includes interest-bearing bank and other borrowings, trade payables, accrued liabilities and other payables and loan from a director less cash and cash equivalents. Capital includes equity attributable to owners of the Company. The gearing ratios as at the ends of the reporting periods were as follows:

Group

Interest-bearing bank and other borrowings	帶息銀行貸款及其他借貸		
Trade payables	應付賬項		
Accrued liabilities and other payables	應計負債及其他應付款項		
Loan from a director	董事貸款		
Less: Cash and cash equivalents	減：現金及現金等值項目		
Net debt	債項淨值		
Total equity	權益總額		
Total capital and net debt	總資本及淨負債		
Gearing ratio	資本負債比率		

43. 財務風險管理目標及政策(續)

資本管理(續)

本集團採用資本負債比率監察其資本情況，而資本負債比率乃淨負債除以總資本加淨負債之總和計算。本集團之政策乃維持資本負債比率於75%以下。淨負債包括帶息銀行貸款及其他借貸、應付賬項、應計負債及其他應付款項、其他長期應付款項及董事貸款，並扣除現金及現金等值項目。資本包括本公司權益持有人應佔權益。於報告期末之資本負債比率如下：

集團

	2010 二零一零年 HK\$ 港元	2009 二零零九年 HK\$ 港元 (Restated) (重列)
帶息銀行貸款及其他借貸	28,656,395	54,912,840
應付賬項	40,837,096	56,778,707
應計負債及其他應付款項	31,143,002	24,712,798
董事貸款	-	12,000,000
減：現金及現金等值項目	(42,759,628)	(32,405,249)
債項淨值	57,876,865	115,999,096
權益總額	186,082,125	157,245,496
總資本及淨負債	243,958,990	273,244,592
資本負債比率	24%	42%

44. COMPARATIVE AMOUNTS

As further explained in note 2.2 to the financial statements, due to the adoption of new and revised HKFRSs during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior year adjustments have been made, certain comparative amounts have been reclassified and restated to conform with the current year's presentation and accounting treatment, and a third statement of financial position as at 1 January 2009 has been presented.

45. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 23 March 2011.

44. 比較數字

誠如財務報告附註2.2所闡釋，由於在年內採納新訂及經修訂香港財務報告準則，若干財務報告項目及結餘的會計處理及呈列已作修訂，以符合新規定。因此已就若干過往年度及期初結餘作出調整，若干比較金額已重新分類及重列，以符合本年度之呈列及會計處理，亦已呈列於二零零九年一月一日的第三項綜合財務狀況表。

45. 財務報告之批准

董事會已在二零一一年三月二十三日批准及授權刊發財務報告。

五年財務概要

Five Year Financial Summary

二零一零年十二月三十一日
31 December 2010

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out below. The amounts for each year in the five year financial summary have been adjusted for the effects of the retrospective changes in the accounting policy, as detailed in note 2.2 to the financial statements.

以下為本集團於過去五個財政年度之業績，資產及負債概要，此乃摘錄自經公佈審核財務報告及按適當作重列／重新分類。如財務報告附註2.2所闡釋，由於追溯應用有關會計政策之更改，五年財務概要之每年金額已被調整。

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Restated) (重列)	2008 二零零八年 HK\$'000 千港元 (Restated) (重列)	2007 二零零七年 HK\$'000 千港元 (Restated) (重列)	2006 二零零六年 HK\$'000 千港元 (Restated) (重列)
REVENUE	收入	384,639	322,867	411,754	390,487	392,435
PROFIT BEFORE TAX	除稅前溢利	32,386	9,134	1,402	9,726	4,182
Tax	稅項	(7,207)	(3,342)	(1,598)	(2,206)	(2,251)
PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人所佔本年度溢利／(虧損)	25,179	5,792	(196)	7,520	1,931

ASSETS AND LIABILITIES

資產及負債

		31 December 十二月三十一日				
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Total assets	總資產	303,748	314,960	361,515	329,820	284,245
Total liabilities	總負債	(117,666)	(157,715)	(212,096)	(188,830)	(152,287)
		186,082	157,245	149,419	140,990	131,958



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