

WKK

WONG'S KONG KING INTERNATIONAL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0532)



ANNUAL REPORT 2008

C O N T E N T S

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CORPORATE INFORMATION

Directors

Executive Directors

Senta Wong (*Chairman and Chief Executive Officer*)
Edward Ying-Chun Tsui (*Group President and Chief Operating Officer*)
Byron Shu-Chan Ho (*Chief Financial Officer*)
Bengie Man-Hang Kwong
Hamed Hassan, El-Abd

Non-Executive Director

Hsu Hung-Chieh

Independent Non-Executive Directors

Peter Chung-Yin Lee L.L.D., J.P. (*Vice-Chairman*)
John Ho
Philip Wan-Chung Tse
Gene Howard Weiner

Company Secretary

Lam Ka Mei

Auditor

PricewaterhouseCoopers

Solicitor

Stephenson Harwood & Lo

Bankers

The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited
Hang Seng Bank Limited
Citic Ka Wah Bank Limited
Bank of China (Hong Kong) Limited

Share Registrars

Principal Registrar

Butterfield Fund Services (Bermuda) Limited

Hong Kong Registrar

Tricor Standard Limited

Registered Office

Clarendon House
2 Church Street
Hamilton, HM11
Bermuda

Principal Office

23/F, One Kowloon
No.1 Wang Yuen Street
Kowloon Bay
Kowloon
Hong Kong

公司資料

董事

執行董事

王忠桐(*主席兼行政總裁*)
徐應春(*集團董事長兼執行總裁*)
何樹燦(*財務總裁*)
鄺敏恆
Hamed Hassan El-Abd

非執行董事

許宏傑

獨立非執行董事

李仲賢L.L.D., J.P. (*副主席*)
何約翰
謝宏中
Gene Howard Weiner

公司秘書

林嘉美

核數師

羅兵咸永道會計師事務所

律師

羅夏信律師樓

來往銀行

香港上海滙豐銀行有限公司
渣打銀行(香港)有限公司
恒生銀行有限公司
中信嘉華銀行有限公司
中國銀行(香港)有限公司

股票登記處

主要登記處

Butterfield Fund Services (Bermuda) Limited

香港登記處

卓佳標準有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton, HM11
Bermuda

主要辦事處

香港
九龍
九龍灣
宏遠街1號
「一號九龍」23樓

WKK TECHNOLOGY PARK
王氏港建科技城

4



Administrative Building
行政大樓



Factory Outlook
廠房外貌

CHAIRMAN'S STATEMENT

BUSINESS REVIEW

The Group's turnover and profit attributable to shareholders for the year 2008 was HK\$4.4 billion and HK\$55.9 million respectively, reflecting a decrease of approximately 2% and 48% compared to last year.

Trading and Distribution Division (WKK Distribution)

In spite of the increase in sales of approximately 18% in the first half of this year as compared to last year, the Trading and Distribution Division registered sales of HK\$1.95 billion for the whole year, representing a decrease of approximately 6% compared to 2007. The operating profit for the year reduced by approximately 29% compared to last year. This was mainly attributable to the collapse of demand for the industrial products distributed by the Group in the fourth quarter of 2008 as a result of the recession of the global economy. Although the operations of the Division in Taiwan made a small operating profit in the last quarter, their contribution to the operating profits of the Division increased by 62% for the whole year as compared to last year mainly because of their good performance in the first three quarters of 2008. The operations of the Division in Hong Kong, the PRC and Thailand recorded decreases in operating profits and the operations in Singapore and Philippines registered operating losses for the whole year.

OEM Manufacturing Division (WKK Technology)

The turnover of the OEM Manufacturing Division was HK\$2.45 billion for the year 2008, reflecting a slight increase of approximately 2% compared to 2007. The orders from customers decreased significantly in the last quarter as compared to the corresponding period last year due to the economic downturn. The operating profit was down by approximately 20% for the year as compared to last year mainly because of the appreciation of Renminbi and the escalating wages in the PRC.

主席報告書

業務回顧

本集團於二零零八年之營業額及股東應佔溢利分別為港幣四十四億元及港幣五千五百九十萬元，較去年分別下跌約2%及48%。

貿易及分銷部（王氏港建經銷）

儘管本年度上半年之銷售額較去年上升約18%，貿易及分銷部全年錄得港幣十九億五千萬元之銷售額，較二零零七年下跌約6%。全年經營溢利較去年下跌約29%，主要因全球經濟衰退，令市場對本集團於二零零八年第四季分銷之工業產品的需求銳減。雖然台灣之業務部門於第四季錄得輕微經營溢利，但由於該部門在二零零八年首三季表現出色，全年對該部經營溢利之貢獻仍較去年上升62%。香港、中國及泰國業務部門之經營溢利均錄得跌幅，而新加坡及菲律賓之業務則錄得全年經營虧損。

原產品製造部（王氏港建科技）

原產品製造部於二零零八年之營業額為港幣二十四億五千萬元，較二零零七年微升約2%。由於經濟下滑，第四季之客戶訂單較去年同期顯著減少。本年度經營溢利比去年下跌約20%，主要由於人民幣升值及中國工資上漲所致。



FINANCE

The Group has committed bank and other financing facilities totaling HK\$2,075 million, of which HK\$696 million was drawn down as at 31 December 2008. As at 31 December 2008, the Group's consolidated net borrowings amounted to HK\$79 million and shareholders' equity amounted to HK\$1,199 million, resulting in a gearing ratio of 6.6%.

Most of the Group's sales were conducted in the same currencies as the corresponding purchase transactions. Foreign exchange contracts were used to hedge exposures where necessary.

CAPITAL STRUCTURE

There had been no material change in the capital structure of the Group since 31 December 2007.

HUMAN RESOURCES

As at 31 December 2008, the Group had a total of 5,655 employees, of whom 347 were based in Hong Kong, 5,049 in the PRC and 259 overseas. The remuneration packages of the Group's employees are mainly based on their performance and experience, taking into account current industry practices. In addition to the provision of a provident fund scheme, medical allowances, in-house and external training programs are also available to employees. The grant of share options and the payment of discretionary bonuses are generally subject to the individual performance of the employees and the Group's overall financial performance. The remuneration package of the employees are regularly reviewed.

財務

本集團已獲取銀行及其他財務融資合共港幣二十億七千五百萬元，於二零零八年十二月三十一日已動用其中港幣六億九千九百萬元。本集團於二零零八年十二月三十一日之綜合借貸淨額為港幣七千九百萬元，其股東權益則為港幣十一億九千九百萬元，因此資本負債比率為6.6%。

本集團大部份銷售以相應購買交易所用之同一貨幣單位進行，並在需要時訂立外匯合約以對沖匯率波動。

資本架構

自二零零七年十二月三十一日以來，本集團之資本架構並無出現任何重大變動。

人力資源

於二零零八年十二月三十一日，本集團共有5,655名僱員，其中347名駐香港、5,049名駐中國及259名駐海外工作。本集團主要根據僱員之工作表現及經驗，以及考慮現行業內慣例釐定僱員薪酬待遇。除提供公積金計劃外，本集團亦為僱員提供醫療津貼、內部及外部培訓課程。本集團一般會視乎個別僱員之工作表現及本集團之整體財政表現向僱員授出購股權及給予酌情花紅。本集團會定期檢討僱員之薪酬待遇。



HIOKI
Hitester 1116
飛針測試機



NIHON SUPERIOR
Solder 63/37 for HASL
63/37錫合金，適用於噴錫制程



TA LIANG
TL-RU4BII
電路板成型機 PCB Router

PROSPECTS

In view of the global financial crisis, the economic downturn and the diminished capital expenditure of our customers, the directors expect that the demand for the industrial products distributed by the Trading and Distribution Division will remain to be weak in the foreseeable future. As the global recession deepens, it is expected that the orders for the OEM Manufacturing Division for this year will be affected.

Cost-saving measures have been taken to alleviate the impact of the adverse market environment. The operations in the Philippines will be closed in the second quarter of this year.

On behalf of the Board I wish to thank all employees for their continued effort, support and loyalty to the Group.

By Order of the Board

Senta Wong

Chairman

Hong Kong, 3 April 2009

展望

有見於全球金融危機、經濟衰退及本集團客戶資本開支萎縮，董事預期在可見將來，市場對貿易及分銷部分銷之工業產品需求將持續疲弱。全球經濟衰退加遽預期亦將會影響原產品製造部於本年度之訂單。

本集團已實施節省成本措施以減輕市場環境不利因素所帶來之衝擊，並將於本年度第二季結束菲律賓之業務。

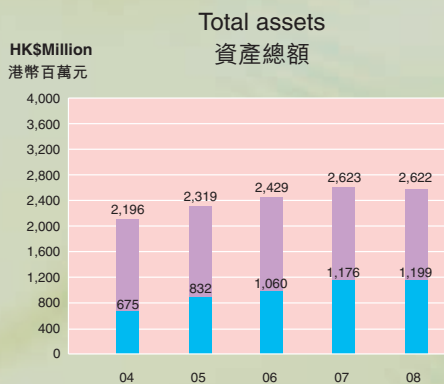
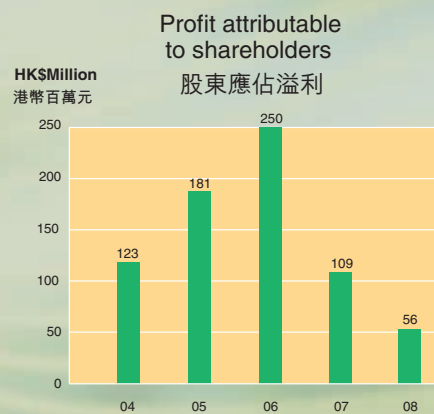
本人謹代表董事會對全體僱員為本集團作出之努力不懈、支持與忠誠致以衷心謝意。

承董事會命

王忠桐

主席

香港，二零零九年四月三日



■ Total assets
 資產總額
■ Total shareholder's funds
 股東資金總額

| | For the year ended 31 December | | | | |
|---|--------------------------------|-------------|-------------|-------------|--------------------|
| | 截至十二月三十一日止年度 | | | | |
| | 2004 | 2005 | 2006 | 2007 | 2008 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| RESULTS 業績 | | | | | |
| Turnover 營業額 | 4,279,844 | 4,641,372 | 5,011,863 | 4,538,540 | 4,442,440 |
| Profit attributable to shareholders 股東應佔溢利 | 122,519 | 180,609 | 250,093 | 108,523 | 55,899 |
| | At 31 December | | | | |
| | 於十二月三十一日結算 | | | | |
| | 2004 | 2005 | 2006 | 2007 | 2008 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| ASSETS AND LIABILITIES 資產及負債 | | | | | |
| Total assets 資產總額 | 2,196,164 | 2,319,303 | 2,428,907 | 2,623,160 | 2,621,921 |
| Total liabilities 負債總額 | (1,481,590) | (1,421,283) | (1,295,489) | (1,379,578) | (1,346,322) |
| Minority interests 少數股東權益 | (39,583) | (65,788) | (73,174) | (67,309) | (76,664) |
| Shareholders' funds 股東資金 | 674,991 | 832,232 | 1,060,244 | 1,176,273 | 1,198,935 |

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員個人資料

EXECUTIVE DIRECTORS

Wong, Senta, aged 66, began his career in the electronics industry in 1964. Mr. Wong is a founder of the Group in 1975 and it has been de-merged from Wong's International (Holdings) Limited (the "WIH Group") in 1989. Mr. Wong is responsible for the Group's overall management and formulation of its corporate strategies. He has been a director and chairman and chief executive officer of the Company since March 1990. Mr. Wong is the father of Mr. Wong, Vinci and the father-in-law of Mr. Chang Jui Shum, Victor.

Tsui Ying-Chun, Edward, aged 62, obtained a Bachelor of Arts degree from the University of Hong Kong and joined the WIH Group in 1982 as general manager in charge of corporate administration. In 1985, Mr. Tsui became the general manager and, in 1987, a director of the Group. Mr. Tsui had extensive experience in broadcasting, trading and manufacturing before joining the WIH Group. He has been a director of the Company since March 1990.

Ho Shu-Chan, Byron, aged 64, graduated from the Chinese University of Hong Kong with a Bachelor of Commerce degree. Mr. Ho had more than 18 years of extensive working experience with the Inchcape group of companies as financial controller and general manager prior to joining the WIH Group in January 1989. He has been a director of the Company since March 1990.

Kwong Man-Hang, Bengie, J.P. (Aust.), aged 61, is an Executive Program Graduate of the Graduate School of Business from the Stanford University and a MBA holder. He was formerly the chief executive of Hong Kong Quality Assurance Agency (Hong Kong Government subvented organization) – an independent third party ISO 9000/14000 Quality and Environmental Management System Certification Body. He has more than 24 years' senior management experience and has an impressive track record in the field of computer and electronics industry with multi-national organizations. Mr. Kwong has fellowships in various professional institutions, and has been appointed as vice president of the Institution of British Engineers – England, and Fellow of the Institute of Directors (Royal Charter) U.K. He has been a director of the Company since February 1996, a director of WKK Japan Limited since February 1997 and a chief executive officer of WKK America (Holdings) Inc. since June 2001.

執行董事

王忠桐，現年66歲，彼於一九六四年開始投身電子業。王先生於一九七五年創辦本集團，並於一九八九年將本集團從王氏國際集團中分拆。王先生現時負責本集團之整體管理工作及制訂公司策略。彼自一九九零年三月出任本公司董事及主席兼行政總裁。王先生為王賢誌先生之父親及張瑞樂先生之岳父。

徐應春，現年62歲，彼獲香港大學文學士學位，於一九八二年加入王氏國際集團，出任總經理之職，負責公司行政工作。徐先生自一九八五年出任本集團之總經理，並於一九八七年任董事之職。徐先生在加入王氏國際集團之前曾從事廣播、貿易及製造業，經驗豐富。彼自一九九零年三月出任本公司董事。

何樹燦，現年64歲，畢業於香港中文大學，取得商學學士學位。何先生於一九八九年一月加入王氏國際集團之前，任職英之傑集團逾十八年，曾任財務總監及總經理之職，經驗豐富。彼自一九九零年三月出任本公司董事。

鄭敏恆J.P. (Aust.)，現年61歲，彼持有工商管理碩士學位及參與史丹福大學－工商業研究之行政人員培訓課程。彼為前任香港品質保證局行政總裁，該機構為香港政府資助成立，並為國際ISO 9000/14000品質及環保管理系統認證機構之獨立第三方。彼為資深行政人員，在亞太及歐美跨國公司有逾二十四年電腦及電子工業管理經驗。鄭先生為歐美專業學會資深院士，並獲委任為英國工程師學會副總裁，及英國公司董事學會特許院士。彼自一九九六年二月出任本公司董事，一九九七年二月出任WKK Japan Limited之董事並於二零零一年六月出任WKK America(Holdings) Inc.行政總裁。

El-Abd Hamed Hassan, aged 61, joined the Group in 1992. He is a director and the president of WKK Distribution Limited. Prior to joining the Group, he was president of Amistar AG a manufacturer of automated robotics used in electronics assembly in particular the area of Surface Mount Technology. In 1988 he founded his own consulting company and worked with Japanese, U.S. and European companies in the electronics area. Mr. El-Abd holds a BA degree in Journalism and an MA in International Affairs. He has been a director of the Company since May 2001.

NON-EXECUTIVE DIRECTOR

Hsu Hung-Chieh, alias, Andrew Sheu, aged 62, is the Vice-Chairman and CEO of Taiwan Kong King Co., Limited (“TKK”) since 1981, a company listed in Taiwan. He has over 32 years of experience in the high technology equipment trading and manufacturing industry and he served in TKK as management, specialized in operating and marketing, for over 25 years. He holds a bachelor degree in Electrical Engineering from Tatung University in Taiwan. He has been a director of the Company since January 2009.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Lee Chung-Yin, Peter, aged 82, is a practicing doctor in Hong Kong. He is the vice-chairman of the Sun Hing group of companies and director of a number of other private companies. He is the Visiting Professor in the Faculty of Medicine in the University of Birmingham of the United Kingdom and other major universities and medical schools in China. He served as the Head of the St. John Ambulance Association, the chairman of Hong Kong Cheshire Home Foundation, the chairman of the Hospital Governing Committee of the Cheshire Home, Shatin, and a member of the Court and Council of the University of Hong Kong, etc. His past public services include being past-chairman of Convocation of the University of Hong Kong, past-president of the Hong Kong Medical Association, founder-president of the Hong Kong College of Family Physicians, member of the Basic Law Consultative Committee of the Hong Kong Special Administrative Region of the People’s Republic of China, past-president of the Confederation of Medical Associations in Asia and Oceania (CMAAO), past-president of the World Organisation of Family Doctors (WONCA), and a WHO Consultant in Family Medicine. He has been a director of the Company since March 1990.

El-Abd Hamed Hassan，現年61歲，於一九九二年加入本集團，彼現為王氏港建經銷有限公司之董事兼總裁。於加入本集團之前，彼為Amistar AG總裁，該公司為用於電子裝配(特別是表面安裝技術)機械人之製造商。於一九八八年，彼創立顧問公司與日本、美國及歐洲多間電子業公司合作。El-Abd先生持有新聞文學學士學位及國際事務碩士學位。彼自二零零一年五月出任本公司董事。

非執行董事

許宏傑，別名，許宏杰，現年62歲，於一九八一年起加入台灣港建股份有限公司(「台灣港建」)出任副主席及行政總裁，此為一間台灣上市公司。彼在高科技設備貿易及製造業內積逾32年經驗及於台灣港建擔任管理及市場營運逾25年。彼持有台灣大同理工學院電機系之學士學位。彼自二零零九年一月出任本公司董事。

獨立非執行董事

李仲賢，現年82歲，為香港執業醫生。彼為新興集團公司之副主席及其他多間私人公司之董事。彼為英國伯明翰大學醫學院以及中國各主要大學及醫學院之客席教授。他曾擔任聖約翰救傷會總監、香港慈氏護養院基金主席、沙田慈氏護養院監管委員會主席、香港大學校董及校務委員會委員。他曾擔任之公職包括香港大學評議會主席、香港醫學會會長、香港全科醫學院創院院長、中華人民共和國香港特別行政區基本法諮詢委員會委員、亞太區醫學聯會會長、世界全科醫學院院長及世界衛生組織家庭醫學顧問。彼自一九九零年三月出任本公司董事。

Ho, John, aged 63, is a practising solicitor in Hong Kong. He obtained a Bachelor of Laws degree from the University of London. In 1972, he qualified as a solicitor and joined a major firm of solicitors. Mr. Ho is a senior partner of John Ho & Tsui. Mr. Ho was appointed an independent non-executive director of Wa Ha Realty Company Limited in 1994 and re-designated as a non-executive director in 2004 and also CEO and executive director of China Western Investments PLC, a London listed Company. He has been a director of the Company since March 1990.

Tse Wan-Chung, Philip, aged 64, retired from DDB Advertising Agency Operations in 1997 and remained a member of the Company's Worldwide Board until 1999. Mr. Philip Tse has since focused on several new ventures. He has become involved in marketing consultancy work in Asia, publishing, property development and management in China, and has established a management agency, as well as become an art dealer. At present, Mr. Tse acts as managing agent to one of Hong Kong's largest art galleries, BaoQu Tang, which is set to expand in early 2006 to include exhibition and auction facilities. In addition to his personal business ventures, he is one of the founders of the Hong Kong Artists' Guild for which he has been serving as Chairman of the Executive Committee since 1986. He was also appointed by the Hong Kong Government as a council member of the Hong Kong Academy of Performing Arts until 1999, has served as a member of the Young Presidents' Organization since 1976, and is currently a member of the World Presidents' Organization. He has been a Director of the Company since March 1990.

Gene Howard Weiner, aged 72, is president of Gene H. Weiner & Associates, Inc., a business and technical consulting firm serving the speciality chemical and electronics industries. The clients of Gene H. Weiner Associates, Inc. have included several Fortune 100 companies. He is a founding partner of Quantum Solar Group, Inc., a market research organization in the photovoltaic solar industry. His executive experience includes acting as a director and the president of New England Laminates Co., Inc., a leading supplier of copper clad laminates to the electronics industry; vice president of sales and marketing of Dynachem Corporation (now part of Rohm & Haas Electronic Materials), one of the world's leading suppliers of photopolymers to the printed circuit industry; and vice president of marketing of Oxy Metal Finishing, a major specialty chemical firm. Mr. Weiner is on the Board of Advisors of P. D. Circuits, Inc., a U.S. company providing computer aided manufacturing, design for manufacture, test and other shared infrastructure services to

何約翰，現年63歲，為香港執業律師。彼畢業於倫敦大學，獲法律學士學位。一九七二年，彼獲取律師資格，並加入一間主要律師行。何先生為何約翰、徐偉奇律師行之高級合夥人。何先生於一九九四年獲委任為華廈置業有限公司之獨立非執行董事及於二零零四年調任為非執行董事，及為一間倫敦上市之China Western Investments PLC之行政總裁及執行董事。彼自一九九零年三月出任本公司董事。

謝宏中，現年64歲，彼於一九九七年從DDB Advertising Agency Operations退休，但留任為該公司環球董事局成員直至一九九九年。謝先生專注於多項新事業，除了曾在亞洲從事市場顧問，出版商，中國之物業發展和管理等工作，並成立管理代理公司及成為藝術品商人。現時，謝先生為一間香港最大藝術廊—抱趣堂之管理代理人，於二零零六年早期成立並擴展有關展覽和投標項目的業務。除個人發展新事業外，彼亦為香港藝術家聯盟創辦人之一，自一九八六年起一直擔任該會之執委會主席。此外，彼獲香港政府委任為香港演藝學校董會成員直至一九九九年，並自一九七六年起成為Young Presidents' Organization會員，現在亦為World Presidents' Organization會員。彼自一九九零年三月出任本公司董事。

Gene Howard Weiner，現年72歲，為Gene H. Weiner & Associates, Inc.之主席，該公司為專用化學品及電子業務之技術顧問公司，客戶包括多間Fortune 100之公司。他是Quantum Solar Group, Inc之創辦合伙人，在photovoltaic solar industry為市場研究工作。彼在行政方面經驗包括擔任New England Laminates Co., Inc.之董事兼主席，該公司為一間電子銅片之主要供應商；Dynachem Corporation (現為Rohm & Haas Electronic Materials一部份)之營業及推廣副總裁，該公司是印刷電路光聚合體之世界主要供應商之一；及一間大型專用化學品公司Oxy Metal Finishing之市場推廣副總裁。Weiner先生為P.D.Circuits, Inc.之顧問團成員，該美國公司為印刷電路板組裝業內提供電腦輔助生產、

the printed circuit assembly industry, as well as on the Board of Advisors of Christopher Associates, Inc., a provider of equipment and specialty chemicals to the U.S. printed circuit industry. Mr. Weiner has been inducted into the IPC Raymond Pritchard Hall of Fame, the IPC's and the industry's highest award and recognition. He has been a director of the Company since April 1992.

SENIOR MANAGEMENT

WKK DISTRIBUTION LIMITED

Ying Yik-Hau, James, aged 48, joined the Group in 1982. He is now the Director and Senior Vice President of South East Asia of WKK Distribution Limited. He is responsible for overseeing the day-to-day operations of WKK Distribution business in all South East Asia. Besides running the day-to-day operations of our South East Asia business which includes Singapore, Malaysia, Indonesia, Thailand and Ho Chi Minh City and Hanoi office in Vietnam, Mr. Ying is also responsible for the development of our new expansion plans for South East Asia which includes our new operations in India. Mr. Ying holds a Diploma in Chemical Technology and has worked for a PCB component manufacturing company as marketing executive before he joined the Group.

Chang Jui Shum, Victor, aged 34, joined the Group in 2004. He is now the general manager of WKK Distribution Limited. He is responsible for formulating the sales and marketing strategy, and overseeing the development of new business. Mr. Chang holds a Bachelor degree in Commerce (Accounting & Finance) from the Monash University of Melbourne, and MBA from City University of Hong Kong. Mr. Chang is the son-in-law of Mr. Wong, Senta and the brother-in-law of Mr. Wong, Vinci.

Fullwood, Lionel, aged 68, joined the Group in 1997. He is a technical director and manages the Technical Services for the PCB arena company wide. Prior to joining the group, he spent 34 years in the electronics industry, specializing in PCB manufacturing. He has designed, selected equipment, and been responsible for the design, building, and management of several new PCB manufacturing facilities in Asia and US. At the present time he is active in the Institute of Printed Circuits, chairing the 2222 and 2226 committees. He received the Institute's Distinguished Committee award in October of 2000, 2002 and 2007, as well as the IPC President's Award for 2003. At the 2005 IPC EXPO Conference, Mr. Fullwood was appointed General Chair of the IPC 110 set of

設計生產、測試及其他基建服務；同時是 Christopher Associates, Inc.之顧問團成員，該公司為美國印刷電路板業內提供設備及專用化學品。IPC Raymond Pritchard Hall of Fame在Mr. Weiner領導下，在IPC's和業內獲得最高獎項和認同。彼自一九九二年四月出任本公司董事。

高層管理人員

王氏港建經銷有限公司

邢益厚，現年48歲，於一九八二年加入本集團，彼現為王氏港建經銷有限公司東南亞區董事和高級副總裁，負責管理王氏港建經銷於整個東南亞地區之日常業務運作。除負責本集團於東南亞(包括新加坡、馬來西亞、印尼、泰國和越南胡志明市及河內)之日常業務運作外，邢先生亦負責發展本集團於東南亞之新擴展計劃，包括本集團於印度之新業務運作。邢先生持有化學技術文憑，在加入本集團之前，在一家印刷電路板零件生產公司任職，負責市場推廣工作。

張瑞燊，現年34歲，於二零零四加入本集團，彼現為王氏港建經銷有限公司之總經理，主要負責制訂銷售方向及市場策略，以及監察新興業務發展。張先生畢業於澳洲墨爾本Monash大學，持有商業(會計及財務)學士學位及香港城市大學之工商管理碩士。張先生為王忠桐先生之女婿及王賢誌先生之妹夫。

Fullwood, Lionel，現年68歲，於一九九七年加入本集團，彼為技術董事，負責管理本集團印刷電路板之技術服務。於加入本集團前，彼在電子業內已累積三十四年經驗，尤專於印刷電路板之生產。彼曾為亞洲及美國多間新設印刷電路板廠房設計特製之機器設備，並負責設計、建設及管理有關廠房。目前彼積極參與印刷電路板業公會事務，為其2222及2226委員會主席。彼於二零零零年十月、二零零二年及二零零七年接受Institute's Distinguished Committee頒發獎項，同時於二零零三年更獲取IPC President's Award。於

committees. Mr. Fullwood holds a B.Sc in Chemistry and Maths., and a M.A. in Molecular Biology and Polymer Chemistry. He has authored or co-authored 33 technical papers and publications.

To Wan-Sang, Stephen, aged 53, joined the Group in 1979. He is the general manager for New Product Development. He was the general manager for WKK Source Electronics (HK) Limited, a joint-venture with Source Electronics Asia Limited in U.S., mainly, a leader Integrated Circuit Programming Service. Mr. To has assumed various positions along the growth of the group. He was the engineering manager of World Storage Technology, a former manufacturing unit of the group for making floppy disk drives. He was also the service manager for China, sales manager for electronic equipment in Hong Kong, director and general manager for WKK (Thailand) Limited, director and general manager of WKK Electronics Pte Limited and largely being responsible for marketing of electronic equipment in various areas. Mr. To was the general manager for Special Products Group. Mr. To holds a MBA degree from UK, and a Higher Diploma in Electronic Engineering.

WKK CHINA LIMITED

Yeung Chuen-Hau, aged 61, joined the Group in 1984. He is the director and general manager of WKK China Limited and is responsible for marketing the Group's products and services in the PRC.

WKK ELECTRONIC EQUIPMENT LIMITED

Lee Wai-Kong, Johnson, aged 50, joined the Group in 1989. He is the director and general manager of WKK Electronic Equipment Limited and is responsible for marketing the Group's electronic products in Hong Kong and the PRC. Mr. Lee holds a Bachelor degree in Science (Electronics Engineering) from the Chinese University of Hong Kong.

WKK PCB TRADING LIMITED

Lui Kwok-Chak, Randy, aged 48, joined the Group in 1985. He is a director and the general manager of WKK PCB Trading Limited and is responsible for marketing the Group's PCB products in Hong Kong and the PRC. Mr. Lui holds a Bachelor of Science degree in Chemical Engineering and worked in the field of PCB manufacturing before he joined the Group.

二零零五年電路板業公會展覽，Fullwood先生獲委任為IPC 110 set of committees之常任主席。Fullwood先生持有化學及數學理學士學位與分子生物學及聚合體化學碩士學位。彼亦是33份技術論文和刊物之作者和聯席作者。

杜雲生，現年53歲，於一九七九年加入本集團，彼現為New Product Development之總經理。彼曾為王氏上昇電子(香港)有限公司之總經理。本集團公司現與美國Source Electronics Asia Limited組成之合營公司，主要業務是集成電路程式刻錄。杜先生隨本集團的成長亦擔任不同的職位，彼曾為World Storage Technology之工程經理，為本集團一個前生產磁盤驅動器之製造部門。彼亦曾為中國部之服務經理，香港電子設備之營業經理，WKK (Thailand) Limited之董事兼總經理，WKK Electronics Pte Limited之董事兼總經理，主要負責在不同地區推廣電子設備。杜先生曾是策略產品部之總經理。杜先生持有英國工商管理碩士及電子工程高級文憑。

王氏港建中國有限公司

楊傳孝，現年61歲，於一九八四年加入本集團，彼現為王氏港建中國有限公司之董事及總經理，負責在中國推廣本集團之產品及服務。

王氏港建電子設備有限公司

李偉江，現年50歲，於一九八九年加入本集團，彼現為王氏港建電子設備有限公司之董事及總經理，負責本集團電子產品在香港及中國之推廣業務。彼持有香港中文大學電子工程理學學士學位。

王氏港建電路板貿易有限公司

雷國澤，現年48歲，於一九八五年加入本集團，彼現為王氏港建電路板貿易有限公司之董事兼總經理，負責集團印刷電路板產品在香港及中國之推廣業務。雷先生持有化學工程學士學位，於效力本集團之前在印刷電路板業內工作。

WKK ENGINEERING SERVICE LIMITED

Wong Man-Sing, Joe, aged 58, joined the Group in 1976. He is a director and the general manager of WKK Engineering Service Limited. He holds electronic diploma and has more than 27 years of experience in the managing and servicing of equipment used in the electronics industry.

TAIWAN WKK DISTRIBUTION CO. LIMITED

Wu Yuan-Chieh, Vincent, aged 42, joined the group in 2006, he is now the general manager of Taiwan WKK distribution Co, Limited and responsible for marketing the group products on sales & service. Mr. Wu holds a bachelor degree of St. John's & St. Mary's Institute of Technology in Electrical Engineering. He has experience on PCB equipment manufacturing, service, application/sales & administration for more than 16 years.

WKK TECHNOLOGY LIMITED

Wong Kwok-Wai, Jacky, aged 51, joined the Group in 1980. He is the executive director of WKK Technology Limited. Mr. Wong had been responsible for the Group's OEM production operation and the marketing of the Group's semiconductors products in the early years and is currently in charge of marketing the Group's OEM services. He holds a Higher Diploma in Industrial Engineering. He has been a director of WKK America (Holdings) Inc. since June 2001.

Wong Lup-Keung, Ben, aged 53, joined the Group in 1996. He is the director and general manager of Sales & Project Management Department of WKK Technology Limited. He has extensive industrial experience in various fields namely, R&D engineering, procurement, operations and sales & marketing areas etc. Mr. Wong holds a Bachelor degree in Science (Electronics Engineering) from the Chinese University of Hong Kong.

Leung Yuet-Wa, Karen, aged 49, joined the Group in 1997. She is the general manager of purchasing department of WKK Technology Limited. Miss Leung has got over 18 years purchasing & material experience in OEM/Telecom field. Miss Leung holds a Bachelor degree in Business Administration from Canada Management School and Diploma in Packaging Studies from Hong Kong Polytechnic University.

王氏港建機器維修服務有限公司

黃文成，現年58歲，於一九七六年加入本集團，彼現為王氏港建機器維修服務有限公司之董事兼總經理。彼持有電子文憑及在電子業內積有逾二十七年之機器維修及行政經驗。

台灣王氏港建經銷股份有限公司

吳淵杰，現年42歲，於二零零六年加入本集團，現職為台灣王氏港建經銷股份有限公司之總經理，負責集團產品之市場推廣與服務。吳先生持有St. John's & St. Mary's Institute of Technology之電機學士學位。有16年PCB設備製造、服務、銷售及管理之經驗。

王氏港建科技有限公司

黃國威，現年51歲，於一九八零年加入本集團，彼現為王氏港建科技有限公司之執行董事。早年負責本集團之原產品生產業務及推廣集團之半導體產品，現時則負責推廣集團之原產品製造業務。黃先生持有工業工程高級文憑。彼自二零零一年六月起出任WKK America (Holdings) Inc.董事。

黃立強，現年53歲，於一九九六年加入本集團，彼現為王氏港建科技有限公司之董事兼營業及項目管理部總經理。彼在研究及發展工程、採購、業務營運、銷售及市場推廣等多方面積累豐富之業界經驗。黃先生持有香港中文大學電子工程學士學位。

梁月華，現年49歲，於一九九七年加入本集團，彼現為王氏港建科技有限公司採購部總經理。彼在採購行業、物料管理及原產品生產及通訊製造方面有逾十八年經驗。彼持有加拿大管理學院商業管理學士學位及香港理工大學製造包裝文憑。

Tse Kai-Lam, aged 60, joined the Group in 1996. He is the general manager of Operations in PRC Plant of WKK Technology Limited. Mr. Tse has over 20 years' manufacturing experience in both computer and consumer electronics industry. He holds a Bachelor degree in Business Administration.

WONG'S KONG KING HOLDINGS LIMITED

Chung Yiu Ming, Alvin, aged 61, joined the Group in 2002. Mr. Chung is the general manager of Human Resources & Administration Department of the Group. He has more than 30 years extensive HR&A experience in the industry. Prior to joining the Group, he brought with him well proven record in various regional multi-national organisations such as Ampex, Digital Equipment, Data General and National Semiconductor, etc. Mr. Chung holds a Graduate Diploma in Personnel Management from The Hong Kong Polytechnic University (formerly named as HK Technical College). He is the visiting lecturer of the Hong Kong Management Association, the Hong Kong Productivity Council and Shengchun University, etc. for over the past 10 years. Mr. Chung has been served as the Academic Chairman of the Hong Kong People Management Association (former named as Hong Kong Industrial Relations Association).

Lam Ka-Mei, aged 40, joined the Group in 2000. She is the company secretary of the Group. She holds a Bachelor Degree in Business Administration and Postgraduate Diploma in Corporate Administration. She is an associate member of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Company Secretaries. Prior to joining the Group, she has about 15 years' experience in the company secretarial field.

TAIWAN KONG KING CO., LIMITED

Liao Hung-Ying, Smale, aged 45, joined the Group in 1990. He is president of Taiwan Kong King Co., Limited. Mr. Liao holds a Bachelor of Electronic degree in Electronic Engineering of St. John's & St. Mary's Institute of Technology. He has been a supervisor for Taiwan Printed Circuit Association since 2002.

謝啟林，現年60歲，於一九九六年加入本集團，彼現為王氏港建科技有限公司中國廠房廠長。謝先生在電腦及消費電子業內積逾二十年經驗。彼持有工商管理學學士學位。

王氏港建集團有限公司

鍾耀明，現年61歲，於二零零二年加入本集團，彼現為本集團人力資源及行政部之總經理，彼在人力資源及行政業內已累積超過三十年經驗。於加入本集團前，彼曾任職多間跨國機構如Ampex, Digital Equipment, Data General and National Semiconductor等等，並表現卓越。鍾先生持有香港理工大學之人事管理文憑(前稱為香港工業學院)，在過往逾10年，彼為香港管理專業協會、香港生產力促進局及Shengchun University等任客席講師，鍾先生曾擔任香港人才管理協會(前稱為香港工業關係協會)之學術主席。

林嘉美，現年40歲，於二零零零年加入本集團，現任集團公司秘書。彼持有工商管理學士和公司行政深造文憑。彼為特許公司秘書及行政人員公會與香港公司秘書公會之會員。在加入本集團之前，彼在公司秘書方面累積約十五年經驗。

台灣港建股份有限公司

廖豐瑩，現年45歲，於一九九零年加入本集團，彼現為台灣港建股份有限公司之總裁。廖先生持有St. John's & St. Mary's Institute of Technology電子工程系之電子學士學位。彼自二零零二年起擔任台灣電路板協會之監事。

WKK JAPAN LIMITED

Harada Mitsuo, Henry, aged 69, joined the Group in 1996. He retired as the president and CEO of WKK Japan Limited on 31 March 2009. Prior to joining the Group, he started to work with a few electronics specialty firms and established his own companies and became chairman and presidents since 1976. He has about 40 years extensive international business experience in High-Tech electronics field of marketing, manufacturing and trading. He is also a director of The Japan Hong Kong Society which is Non-Profit Organisation since January 2004.

Masato Watanabe, age 62, joined the Group in 1994. He is appointed as Representative Director and the President of WKK Japan Limited on 1st April 2009. Prior to taking this position, he was a Director of Apple Trading Company, Director/Vice President of Kysho America Corporation and Director/General Manager of Kysho Hong Kong Limited in charge of trading, sales and corporate administration. He is a Bachelor of Arts degree holder from Waseda University, Tokyo, Japan.

WKK AMERICA (HOLDINGS) INC.

Bacon Bruce, aged 50, joined the WIH Group in 1986 and transferred to the WKK Group in 1989. He is the president of WKK America (Holdings) Inc. Mr. Bacon is responsible for the Sales and Marketing activities of WKK Technology Limited in North America. He has over 25 years experience in the electronics and computer industry. Prior to joining the group in 1986, Mr. Bacon managed several Customer Service and Quality Assurance operations for U.S. based companies involved in the computer industry.

WKK TRAVEL LIMITED

Ho Yim Wai Hing, Helen, aged 50, joined the Group in 1991. She is general manager of WKK Travel Limited. Mrs. Ho has over 18 years experience in administration. She holds a Diploma in Business Management. Mrs. Ho is the spouse of Mr. Ho Chi-Kin, deputy general manager of Wong's Kong King Holdings Limited.

WKK JAPAN LIMITED

Harada Mitsuo, Henry, 現年69歲，於一九九六年加入本集團，彼於二零零九年三月三十一日退休，前為WKK Japan Limited之總裁兼行政總裁。彼加入本集團前，曾於數間專門經營電子產品業務之公司工作，而自一九七六年起，彼設立本身之公司，並擔任主席兼總裁。彼於高檔電子產品之市場推廣、製造及貿易方面擁有約四十年國際業務廣泛經驗。彼自二零零四年一月起出任一間非牟利團體The Japan Hong Kong Society之董事。

Masato Watanabe，現年62歲，於一九九四年加入本集團，彼於二零零九年四月一日獲委任為WKK Japan Limited之代表董事和總裁。在加入本職位前，彼曾任Apple Trading Company之董事，Kysho America Corporation之董事／副總裁和Kysho Hong Kong Limited之董事／總經理，主要負責貿易、銷售和公司行政工作。彼持有日本東京Waseda University之文學士學位。

WKK AMERICA (HOLDINGS) INC.

Bacon Bruce，現年50歲，於一九八六年加入王氏國際集團及於一九八九年轉投王氏港建集團，彼現為WKK America (Holdings) Inc.之總裁。Bacon先生為王氏港建科技有限公司負責北美洲市場推廣及營業之業務。彼在電子及電腦業界累積超過二十五年經驗。在一九八六年加入本集團之前，Bacon先生曾為美國多間電腦業公司從事管理顧客服務和品質保證之業務。

王氏港建旅遊有限公司

何嚴惠卿，現年50歲，彼於一九九一年加入本集團，彼現為王氏港建旅遊有限公司之總經理。何太在行政管理方面積逾十八年經驗。彼持有工商管理文憑。何太為王氏港建集團有限公司副總經理何志堅先生之配偶。

3 KINGS HOLDING LIMITED

Leung Kam-Fong, aged 67, obtained a Bachelor of Science degree and a post-graduate Certificate in Education from the University of Hong Kong. He began his career in technical education and training in 1965 at the Hong Kong Technical College and Hong Kong Polytechnic. He joined the Vocational Training Council in 1982, founded the Chai Wan Technical Institute in 1985, upgraded it to Hong Kong Technical College (Chai Wan) in 1992 and subsequently became Deputy Executive Director in 1993. In 1995 he was appointed Chief Executive of Tung Wah Group of Hospitals until 2006. In these 11 years Tung Wah experienced tremendous expansion, and he pioneered the development of a series of modern Chinese Medicine Specialist Clinics. He was awarded honorary doctorate degrees from Middlesex University, U. K. and Hunan University of Traditional Chinese Medicine, PRC and holds visiting professorship at Hunan and Chengdu University of Traditional Chinese Medicine, PRC. He has also been appointed Vice-Secretary General of the World Federation of Chinese Medicine Societies, PRC and President of the International Hua-Xia Medicine Society. He joined the group in 2007 as executive director and chief executive of 3 Kings Holding Ltd. to conduct business in healthcare and Chinese medicine.

Wong Vinci, aged 38, is the director and general manager of 3 Kings Holding Limited. He graduated from University of British Columbia with a Bachelor Commerce (marketing major) degree. He is a media personality well-known to Hong Kong and mainland China TV viewers as a quality presenter with accuracy. He has extensive networking experience with the local media and therefore enhances the advertising and sales promotion of company's product. Mr. Wong is the son of Mr. Wong, Senta and the brother-in-law of Mr. Chang Jui Shum, Victor.

三皇集團有限公司

梁錦芳，現年67歲，獲得香港大學理學士學位及教育深造證書。彼於一九六五年在香港工業學院及香港理工學院開始投身技術教育及培訓工作。彼於一九八二年加入職業訓練局；於一九八五年創立柴灣工業學院，並於一九九二年將其升格為香港科技學院（柴灣），繼而於一九九三年成為副執行幹事。彼自一九九五年至二零零六年一直擔任東華三院執行總監。於過去十一年內，東華大力擴展，而彼則首辦一系列現代中醫專科門診。彼榮獲英國Middlesex University及中國湖南中醫藥大學頒授榮譽博士學位，並出任中國湖南及成都中醫藥大學之客席教授。彼亦獲委任為中國世界中醫藥學會聯合會之副秘書長和國際華夏醫藥學會之總裁。彼於二零零七年加入本集團出任三皇集團有限公司之執行董事及行政總裁，負責推行保健及中醫藥業務。

王賢誌，現年38歲，為三皇集團有限公司之董事總經理，負責市場推廣、產品銷售及宣傳的工作。王先生持有英屬哥倫比亞大學之商科（市場學）學士學位，並於香港及中國內地擁有多年演藝事業的豐富經驗及廣闊的人際網絡去推廣及宣傳公司的產品。王先生為王忠桐先生之兒子及張瑞榮先生之內兄。

REPORT OF THE DIRECTORS

The Directors present their annual report and the audited consolidated financial statements of the Company for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are trading and distribution of chemicals, materials and equipment used in the manufacture of printed circuit boards and electronic products and the manufacture of electrical and electronic products for OEM customers.

An analysis of the Group's performance for the year by business and geographical segments is set out in note 6 to the financial statements.

RESULTS

The results of the Group for the year ended 31 December 2008 are set out in the consolidated income statement on page 41.

DIVIDENDS

An interim dividend of HK\$0.015 per share amounting to HK\$11,090,000 was paid to the shareholders during the year.

The Board of Directors do not recommend the payment of final dividend for the year ended 31 December 2008.

RESERVES

Details of the movements in reserves of the Group and the Company during the year are set out in note 31 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group are set out in note 17 to the financial statements.

SHARE CAPITAL

Details of the Company's share capital are set out in note 29 to the financial statements.

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution to the shareholders, as calculated under the Companies Act 1981 of Bermuda and the Bye-laws of the Company, as at the balance sheet date, amounted to HK\$185,511,000 (2007: HK\$199,050,000). In addition, the company's capital redemption reserve and share premium may be distributed in the form of fully-paid bonus shares.

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.

董事會報告書

董事會同寅謹將本公司截至二零零八年十二月三十一日止年度報告及已審核之綜合財務報表送呈各股東省覽。

主要業務及按地區劃分之業務分析

本公司屬投資控股公司，其主要附屬公司之主要業務為貿易及分銷用以製造印刷電路板及電子產品之化學品、物料及設備及為原產品客戶製造電器及電子產品。

本集團年內按業務及地區劃分之業績表現分析載於財務報表附註6。

業績

本集團截至二零零八年十二月三十一日止年度之業績載於第41頁之綜合收益表內。

股息

已於年內向股東支付中期股息每股港幣0.015元，合共港幣11,090,000元。

董事會不建議派發截至二零零八年十二月三十一日止年度之末期股息。

儲備

年內本集團與本公司之儲備變動詳情載於財務報表附註31。

物業、廠房及設備

本集團之物業、廠房及設備變動詳情刊載於財務報表附註17。

股本

本公司股本之詳情刊載於財務報表附註之附註29。

可供分派撥備

本公司可供分派予股東之儲備按百慕達一九八一年公司法及本公司之公司細則計算。於結算日，可供分派儲備為港幣185,511,000元(二零零七年：港幣199,050,000元)。此外，本公司之股本贖回儲備及股份溢價可按已繳足紅股之形式分派。

優先購買權

本公司之公司細則或百慕達法例均無訂明有關本公司必須按現有股東之持股比例向彼等提呈發售新股份之優先購買權之規定。

RETIREMENT BENEFITS SCHEMES

Details of the Group's retirement benefits schemes are set out in note 34 to the financial statements.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on pages 10 to 11.

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

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

CHARITABLE DONATIONS

During the year, the Group made charitable donations amounting to approximately HK\$3,342,000.

MAJOR CUSTOMERS AND SUPPLIERS

36% of turnover and 30% of purchases during the year were attributable to the Group's five largest customers and suppliers respectively. 9% of turnover and 12% of purchases during the year were attributable to the Group's largest customer and supplier respectively. None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) has any interest in the Group's five largest customers or five largest suppliers.

DIRECTORS

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

Executive Directors

Senta Wong (*Chairman and Chief Executive Officer*)
Edward Ying-Chun Tsui
Byron Shu-Chan Ho
Bengie Man-Hang Kwong
Hamed Hassan El-Abd

Non-Executive Director

Hsu Hung-Chieh (appointed on 1 January 2009)

Independent Non-Executive Directors

Peter Chung-Yin Lee
John Ho
Philip Wan-Chung Tse
Gene Howard Weiner

In accordance with Bye-laws 103 to 105 of the Company's Bye-laws, Mr. Byron Shu-Chan Ho, Mr. Hamed Hassan El-Abd and Mr. Peter Chung-Yin Lee shall retire by rotation and, being eligible, offer themselves for election.

退休福利計劃

本集團退休福利計劃之詳情列載於財務報表附註34。

五年財務滙總

本集團最近五個財政年度之業績及資產負債匯總載於本年報第10頁至第11頁。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於本年度概無購買、出售或贖回本公司之任何上市證券。

慈善捐款

本年度內本集團之慈善捐款總額約為港幣3,342,000元。

主要顧客及供應商

本集團之五大顧客及供應商所佔本年度之營業額及採購額分別為36%及30%。本集團之最大顧客及供應商所佔本年度之營業額及採購額分別為9%及12%。本公司各董事、其聯繫人士或任何股東(董事獲知擁有本公司已發行股本5%或以上)概無在本集團該五大顧客或五大供應商佔有任何權益。

董事

本年度內及截至本報告刊發日期本公司之董事為：

執行董事

王忠桐(*主席兼行政總裁*)
徐應春
何樹燦
鄭敏恆
Hamed Hassan El-Abd

非執行董事

許宏傑(於二零零九年一月一日委任)

獨立非執行董事

李仲賢
何約翰
謝宏中
Gene Howard Weiner

依照本公司之公司細則第103至105條，何樹燦先生，Hamed Hassan El-Abd先生及李仲賢先生任期屆滿，輪值告退，並願意接受提選連任。

In accordance with Bye-law 109 of the Company's Bye-laws, Mr. Hsu Hung-Chieh retires at the forthcoming general meeting and, being eligible, offers himself for re-election.

依照本公司之公司細則第109條，許宏傑先生須於應屆股東大會上退任，並可膺選連任。

The term of office for each Independent Non-Executive Director is the period up to his retirement by rotation in accordance with the Company's Bye-laws.

各獨立非執行董事之任期乃直至其根據本公司之公司細則輪席告退為止之期間。

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

本公司已根據上市規則第3.13條茲收到各獨立非執行董事就其獨立性而作出之年度確認，本公司認為全部獨立非執行董事均屬獨立人士。

INTERESTS OF DIRECTORS

At 31 December 2008, the interests or short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

董事之權益

於二零零八年十二月三十一日，根據證券及期貨條例（「證券及期貨條例」）第352條予以置存之登記冊之記錄，或根據上市公司董事進行證券交易的標準守則已向本公司及香港聯合交易所有限公司（「聯交所」）作出之通知，本公司董事於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有之權益或淡倉如下：

The Company

本公司

| Name 姓名 | Personal Interests 個人權益 | Family Interests 家庭權益 | Corporate Interests 公司權益 | Other Interests 其他權益 | Total Interests 權益總額 | Total Interests as % of the issued share of capital 權益總額 佔已發行 股本百分比 | Underlying Shares (share options) 有關股份 (購股權) | Total Interests (including underlying of shares) as % of the share capital 權益總額 (包括有關 股份)佔 股本百分比 |
|------------------------------|-------------------------------|-----------------------------|----------------------------------|----------------------------------|----------------------------|---|--|--|
| | | | | | | % | | % |
| Senta Wong 王忠桐 | 4,000,000 | 1,572,000 | 122,012,723 (Note 1) (附註1) | 207,800,000 (Note 2) (附註2) | 335,384,723 | 45.36 | - | 45.36 |
| Edward Ying-Chun Tsui 徐應春 | 4,577,920 | - | - | - | 4,577,920 | 0.62 | 3,000,000 | 1.03 |
| Byron Shu-Chan Ho 何樹燦 | 2,470,000 | 360,000 | - | - | 2,830,000 | 0.38 | 3,000,000 | 0.79 |
| Bengie Man-Hang Kwong 鄭敏恆 | 3,150,000 | - | - | - | 3,150,000 | 0.43 | 2,250,000 | 0.73 |
| Hamed Hassan El-Abd | 750,000 | - | - | - | 750,000 | 0.10 | 2,250,000 | 0.41 |
| Gene Howard Weiner | 330,000 | - | - | - | 330,000 | 0.04 | 450,000 | 0.11 |

Notes:

1. 122,012,723 shares were registered in the name of Wonder Luck International Limited, which was wholly owned by Senta Wong (BVI) Limited. The entire issued share capital of which was 50.25% owned by Mr. Senta Wong and 49.75% owned by his wife, Ms. Wong Wu Lai Ming. The references to 122,012,723 shares deemed to be interested by Mr. Senta Wong (as disclosed herein) and Senta Wong (BVI) Limited (as disclosed in the section headed “Interests of substantial shareholders”) relate to the same block of shares.
2. 207,800,000 shares were registered in the name of Rewarding Limited, which was wholly owned by Greatfamily Inc. (which was in turn wholly owned by Greatguy Inc.) for a discretionary trust, of which Mr. Senta Wong and Batsford Limited were regarded as the founders (by virtue of the SFO). The references to 207,800,000 shares deemed to be interested by Mr. Senta Wong (as disclosed herein). Greatfamily Inc. and Greatguy Inc. (as disclosed in the section headed “Interests of substantial shareholders”) and Batsford Limited (as disclosed in Note 1(a) under the section headed “Interests of substantial shareholders”) relate to the same block of shares.

Certain Directors held qualifying shares in certain subsidiaries of the Group on trust for the Company or other subsidiaries of the Group.

Save as disclosed herein, as at 31 December 2008, none of the Directors of the Company or his associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

附註：

1. 122,012,723股股份以Wonder Luck International Limited之名義登記，該公司由Senta Wong (BVI) Limited 全資擁有。其全部已發行股本由王忠桐先生擁有50.25% 及其妻子王胡麗明女士擁有49.75%。有關王忠桐先生(於本節披露)及Senta Wong (BVI) Limited (於「主要股東之權益」一節披露)被視為擁有權益之122,012,723 股股份乃指同一批股份。
2. 207,800,000 股股份以Rewarding Limited 之名義登記，該公司由Greatfamily Inc. (由Greatguy Inc. 全資擁有)為一酌情信託而全資擁有，而王忠桐先生及Batsford Limited根據證券及期貨條例被視為該酌情信託之成立人。有關王忠桐先生(於本節披露)、Greatfamily Inc. 及Greatguy Inc. (於「主要股東之權益」一節披露)以及Batsford Limited (於「主要股東之權益」一節附註1(a)披露)被視為擁有權益之207,800,000 股股份乃指同一批股份。

若干董事以代表本公司或本集團其他附屬公司持有信託之形式，持有本集團若干附屬公司之資格股。

除本文所披露者外，於二零零八年十二月三十一日，根據證券及期貨條例第352條予以置存之登記冊之記錄，或根據上市公司董事進行證券交易的標準守則已向本公司及聯交所作出之通知，本公司董事或其聯繫人士概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有權益或淡倉。

SHARE OPTION SCHEME

A summary of the Share Option Scheme (the “Scheme”) which came into effect from 30 May 2005, disclosed in accordance with the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) is as follows:

(1) Purpose of the Scheme

The purpose of the Scheme is to provide the Eligible Participants with an opportunity to have a personal stake in the Company with a view to motivating the Eligible Participants to utilize their performance and efficiency for the benefit of the Group and attracting and retaining or otherwise maintaining an ongoing relationship with the Eligible Participants whose contributions are or will be beneficial to the long term growth of the Group.

(2) Participants of the Scheme

The Board may at its discretion grant options to any director (whether executive, non-executive or independent nonexecutive) or full-time employee of any member of the Group.

(3) Total number of shares available for issue under the Scheme and % of issued share capital at 31 December 2008

The number of share issuable under the share options granted under the scheme was 16,960,000 shares representing 2.29% of the issued share capital at 31 December 2008.

(4) Maximum entitlement of each participant under the Scheme

The maximum number of shares issuable under the options to each participant in any 12-month period up to the date of grant must not exceed 1% of the shares in issue unless it is approved by shareholders in a general meeting of the Company. Any share options granted a substantial shareholder or an independent non-executive director of the Company or to any of their associates, in excess of 0.1% of the shares in issue and with an aggregate value (based on the closing price of the shares at the date of the grant) in excess of HK\$5 million, in any 12-month period, are subject to shareholders' approval in general meeting of the Company.

購股權計劃

根據香港聯合交易所有限公司證券上市規則（「上市規則」），自二零零五年五月三十日起生效之購股權計劃（「該計劃」）的摘要如下：

(1) 該計劃之宗旨

該計劃旨在為合資格參與者提供機會持有本公司個人權益，以達成以下目標：鼓勵合資格參與者努力工作，提高效率，為本集團賺取更多利益；以及吸引和挽留對本集團有貢獻或將會有貢獻之合資格參與者或與其維繫業務關係。

(2) 該計劃之參與者

董事會可按其酌情權，向本集團之任何董事（無論執行董事、非執行董事或獨立非執行董事）或本集團任何成員公司之全職僱員授予購股權。

(3) 該計劃可予發行之股份總數及其於二零零八年十二月三十一日佔已發行股本之百分比

該計劃授予發行之股份總數為16,960,000股，佔二零零八年十二月三十一日已發行股本的2.29%。

(4) 該計劃每名參與者可授權益上限

於截至授予日期止任何十二個月期間內，根據購股權可發予各參與者之最高股份數目，不得超過已發行股份之1%，惟股東於本公司股東大會上批准者除外。倘於任何十二個月期間內，授予本公司主要股東或獨立非執行董事或彼等之任何聯繫人士之購股權超過已發行股份之0.1%，總價值（根據股份於授予日期之收市價計算）超過港幣5,000,000元，則須待股東於本公司股東大會上批准後方可作實。

(5) The period within which the shares must be taken up under an option

An Option may be exercised as specified by the Board in relation to such option in its terms of grant which shall not be earlier than 1 year after its date of grant, nor be more than 10 years from its date of grant.

(6) The minimum period for which an option must be held before it can be exercised

According to the share option scheme of the Company, no option can be exercised within 1 year after its date of grant unless otherwise determined by the board of directors of the Company. In addition, options will vest as to 25% on the first anniversary of its date of grant and as to the remainder on the second anniversary of its date of grant.

(7) The amount payable upon acceptance of option

HK\$10.00 is payable by the each Eligible Participant to the Company on acceptance of options within 21 days from the Offer Date.

(8) The Basis of determining the exercise price

The exercise price must be at least the higher of:

- (i) the closing price of a share as stated in the daily quotations sheet of the Stock Exchange on the Date of Grant which must be a business day;
- (ii) the average of the closing prices of the Shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the Date of Grant; and
- (iii) the nominal value of a Share.

(9) The remaining life of the scheme

The Scheme will expiry at the close of business on 29 May 2015.

(5) 可根據購股權認購股份之期限

購股權須依照董事會在其授予條款中對有關購股權所作批示予以行使，行使期限不得早於授予日期後一年，亦不得遲於授予日期後十年。

(6) 購股權行使之前必須持有的最短期限

根據本公司之購股權計劃，除非本公司董事會另行釐定，否則概無購股權可於其授出日期後一年內行使。此外，購股權將於其授出日期後首個週年日歸屬25%，並於其授出日期後第二個週年日歸屬餘下權益。

(7) 接納購股權時應付款額

各合資格參與者於發售日期起21日內接納購股權時須向本公司繳付港幣10.00元。

(8) 行使價的釐定基準

行使價須至少為下列三者中之最高者：

- (i) 於授予日期(該日須為交易日)聯交所每日報價表上註明之股份收市價；
- (ii) 於緊接授予日期之前五個交易日內聯交所每日報價表上註明之股份平均收市價；及
- (iii) 股份面值。

(9) 該計劃尚餘有效期

該計劃將於二零一五年五月二十九日營業時間結束時屆滿。

SHARE OPTIONS

Particulars of the Company's share option scheme are set out in note 30 to the consolidated financial statements. Movements in the Company's share options during the year are as follows:

購股權計劃

本公司購股權計劃之詳情已載於綜合財務表附註30。於本年度內，本公司購股權之變動如下：

| | Date of Grant 授出日期 | Exercise Price 行使價 | Exercisable Period 行使期 | Vesting Period 歸屬期 | Outstanding at 1 January 2008 於二零零八年一月一日尚未行使 | Granted during the year 於年內授出 | Exercised during the year 於年內行使 | Cancelled/lapsed during the year 於年內註銷/失效 | Outstanding at 31 December 2008 於二零零八年十二月三十一日尚未行使 |
|------------------------------------|-----------------------|-----------------------|---------------------------|-------------------------|---|----------------------------------|------------------------------------|--|--|
| Category 1: | | | | | | | | | |
| 類別一： | | | | | | | | | |
| Directors 董事 | | | | | | | | | |
| Senta Wong 王忠桐 | 22.7.2005 | HK\$0.56 港幣0.56元 | 22.7.2006- 21.7.2015 | 22.7.2005- 21.7.2006 | - | - | - | - | - |
| | | | 22.7.2007- 21.7.2015 | 22.7.2005- 21.7.2007 | 3,000,000 | - | (3,000,000) | - | - |
| Edward Ying-Chun Tsui 徐應春 | 22.7.2005 | HK\$0.56 港幣0.56元 | 22.7.2006- 21.7.2015 | 22.7.2005- 21.7.2006 | - | - | - | - | - |
| | | | 22.7.2007- 21.7.2015 | 22.7.2005- 21.7.2007 | 3,000,000 | - | - | - | 3,000,000 |
| Byron Shu-Chan Ho 何樹燦 | 22.7.2005 | HK\$0.56 港幣0.56元 | 22.7.2006- 21.7.2015 | 22.7.2005- 21.7.2006 | - | - | - | - | - |
| | | | 22.7.2007- 21.7.2015 | 22.7.2005- 21.7.2007 | 3,000,000 | - | - | - | 3,000,000 |
| Bengie Man-Hang Kwong 龔敏恆 | 22.7.2005 | HK\$0.56 港幣0.56元 | 22.7.2006- 21.7.2015 | 22.7.2005- 21.7.2006 | - | - | - | - | - |
| | | | 22.7.2007- 21.7.2015 | 22.7.2005- 21.7.2007 | 2,250,000 | - | - | - | 2,250,000 |
| Hamed Hassan, El-Abd | 22.7.2005 | HK\$0.56 港幣0.56元 | 22.7.2006- 21.7.2015 | 22.7.2005- 21.7.2006 | - | - | - | - | - |
| | | | 22.7.2007- 21.7.2015 | 22.7.2005- 21.7.2007 | 2,250,000 | - | - | - | 2,250,000 |
| Gene Howard Weiner | 22.7.2005 | HK\$0.56 港幣0.56元 | 22.7.2006- 21.7.2015 | 22.7.2005- 21.7.2006 | - | - | - | - | - |
| | | | 22.7.2007- 21.7.2015 | 22.7.2005- 21.7.2007 | 450,000 | - | - | - | 450,000 |
| Total for directors 董事總計 | | | | | 13,950,000 | - | (3,000,000) | - | 10,950,000 |
| Category 2: | | | | | | | | | |
| 類別二： | | | | | | | | | |
| Employees* | | | | | | | | | |
| | 22.7.2005 | HK\$0.56 港幣0.56元 | 22.7.2006- 21.7.2015 | 22.7.2005- 21.7.2006 | - | - | - | - | - |
| | | | 22.7.2007- 21.7.2015 | 22.7.2005- 21.7.2007 | 5,634,000 | - | (202,000) | (150,000) | 5,282,000 |
| | 26.9.2005 | HK\$0.59 港幣0.59元 | 26.9.2006- 25.9.2015 | 26.9.2005- 25.9.2006 | 62,000 | - | - | (12,000) | 50,000 |
| | | | 26.9.2007- 25.9.2015 | 26.9.2005- 25.9.2007 | 716,000 | - | - | (38,000) | 678,000 |
| Total for employees 僱員總計 | | | | | 6,412,000 | - | (202,000) | (200,000) | 6,010,000 |
| Total for all categories 所有類別總計 | | | | | 20,362,000 | - | (3,202,000) | (200,000) | 16,960,000 |

* Including share options of Mr. Hsu Hung-Chieh who has been appointed as Non-Executive Director of the Company on 1 January 2009.

* 包括許宏傑先生的購股權，彼於2009年1月1日獲委任為本公司非執行董事。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

The Company has been notified that, as at 31 December 2008, persons (other than Directors of the Company) who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

Long positions in shares of the Company

主要股東之權益

本公司接獲通知，於二零零八年十二月三十一日，根據證券及期貨條例第336條予以置存之登記冊之記錄，下列人士(除本公司董事外)於本公司股份或相關股份中擁有權益或淡倉：

本公司股份之好倉

| Name of substantial shareholders 主要股東名稱 | Capacity 身份 | Number of shares held 所持股數 | Percentage of total issued shares 佔已發行股份總數百分比 % |
|--|--|-------------------------------|---|
| Batsford Limited | Founder of discretionary trust and trustee (Note 1) 酌情信託之成立人及受託人(附註1) | 238,413,332 | 32.25% |
| Greatfamily Inc. | Interest of controlled corporation (Note 2) 受控制法團之權益(附註2) | 207,800,000 | 28.11% |
| Greatguy Inc. | Trustee (Note 2) 受託人(附註2) | 207,800,000 | 28.11% |
| Senta Wong (BVI) Limited | Interest of controlled corporation (Note 3) 受控制法團之權益(附註3) | 122,012,723 | 16.50% |
| Wong Chung Yin 王忠艇 | Beneficial owner, interest of child or spouse and founder of discretionary trust (Note 4) 實益擁有人、子女或配偶權益及酌情信託之成立人(附註4) | 69,697,251 | 9.43% |
| HSBC International Trustee Limited | Interest of controlled corporations 受控制法團之權益 | 47,066,952 | 6.37% |
| LIM Asia Arbitrage Fund Inc. | Beneficial owner 實益擁有人 | 36,988,000 | 5.00% |

Notes:

1. Batsford Limited was deemed (by virtue of the SFO) to be interested in 238,413,332 shares in the Company. These shares were held in the following capacity:
 - (a) 207,800,000 shares were registered in name of Rewarding Limited, which was wholly owned by Greatfamily Inc. (which was in turn wholly owned by Greatguy Inc.) for a discretionary trust, of which Mr. Senta Wong and Batsford Limited were regarded as the founders (by virtue of the SFO). Please see Note 2 under the section headed “Interests of Directors”.
 - (b) 30,613,332 shares were held by Levy Investment Limited (which was in turn wholly owned by Batsford Limited) for a discretionary trust, of which Mr. Wong Chung Yin was regarded as the founder (by virtue of the SFO). The references to 30,613,332 shares deemed to be interested by Batsford Limited (as disclosed herein), Mr. Wong Chung Yin (as disclosed in Note 4(c) below) relate to the same block of shares.
2. Please see Note 2 under the section headed “Interests of Directors”.
3. Please see Note 1 under the section headed “Interests of Directors”.
4. Mr. Wong Chung Yin was deemed (by virtue of the SFO) to be interested in 69,697,251 shares in the Company. These shares were held in the following capacity:
 - (a) 3,500,000 shares were held by Mr. Wong Chung Yin personally.
 - (b) 2,000,000 shares were held under the name of Mr. Wong Chung Yin and his wife, Ms. Woo Sin Ming.
 - (c) 30,613,332 shares were held by Levy Investment Limited (which was in turn wholly owned by Batsford Limited) for a discretionary trust, of which Mr. Wong Chung Yin was regarded as the founder (by virtue of the SFO). Please see Note 1(b) above.
 - (d) 33,583,919 shares were held for The Pacific Way Unit Trust, of which Guardian Trustee Limited was regarded as the beneficiary (by virtue of the SFO). Mr. Wong Chung Yin was regarded as the founder of the trust (by virtue of the SFO) in relation to the same block of shares.

附註：

1. 根據證券及期貨條例，Batsford Limited被視為擁有本公司238,413,332股股份之權益，該等股份乃按以下身份持有：
 - (a) 207,800,000股股份以Rewarding Limited之名義登記，該公司乃由Greatfamily Inc. (由Greatguy Inc. 全資擁有)為一項酌情信託而全資擁有，而王忠桐先生及Batsford Limited根據證券及期貨條例被視為該酌情信託之成立人。請參見「董事之權益」一節附註2。
 - (b) 30,613,332 股股份由Levy Investment Limited (該公司由Batsford Limited全資擁有)為一項酌情信託而持有，而王忠樁先生根據證券及期貨條例被視為該酌情信託之成立人。有關Batsford Limited (於本節披露)及王忠樁先生(於下文附註4(c)披露)被視為擁有權益之30,613,332 股股份乃指同一批股份。
2. 請參見「董事之權益」一節附註2。
3. 請參見「董事之權益」一節附註1。
4. 根據證券及期貨條例，王忠樁先生被視為擁有本公司69,697,251股股份之權益，該等股份乃按以下身份持有：
 - (a) 3,500,000股股份由王忠樁先生個人持有。
 - (b) 2,000,000股股份由王忠樁先生及其妻子胡倩明女士持有。
 - (c) 30,613,332股股份由Levy Investment Limited (該公司由Batsford Limited全資擁有)為一項酌情信託而持有，而王忠樁先生根據證券及期貨條例被視為其成立人。請參見上文附註1(b)。
 - (d) 33,583,919股股份代表The Pacific Way Unit Trust持有，而Guardian Trustee Limited根據證券及期貨條例 被視為其受益人，而王忠樁先生根據 證券及期貨條例被視為有關同一批股 份信託之成立人。

Save as disclosed, the Directors are not aware of any other persons who, as at 31 December 2008, had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

COMPLIANCE WITH CHAPTER 13 OF THE LISTING RULES

The following informations are disclosed pursuant to rules 13.18 and 13.21 of Chapter 13 of the Listing Rules:

On 25 July 2007, the Company and its indirect wholly-owned subsidiary, WKK Technology Limited, entered into a loan agreement with Citic Ka Wah Bank Limited in relation to a 2-year term loan facility of up to HK\$200 million to refinance the Old Facility and for general working capital purposes.

The loan agreement includes covenants to the effect that: (a) Mr. Senta Wong, the controlling shareholder of the Company, together with his associates, must remain the single largest shareholder or group of shareholders of the Company; (b) Mr. Senta Wong, together with his associates and his other family members, must maintain unencumbered ownership of more than 50% of the issued share capital of the Company; and (c) Mr. Senta Wong must remain as the Chairman or the Chief Executive Officer of the Company. Any breach of the above covenants may constitute a default under the loan agreement. If such a default occurs, all amounts outstanding under the facility may become immediately due and payable, which may adversely affect the financial position of the Company. The Directors consider that the loan agreement is on normal commercial terms. As at the latest practicable date, none of the above events of default has occurred.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices of the Company is set out in the "Corporate Governance Report" on pages 32 to 38.

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' SERVICE CONTRACTS

No Director being proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

除上述披露外，董事並無獲悉，根據證券及期貨條例第336條予以置存之登記冊之記錄，任何其他人士於二零零八年十二月三十一日止持有本公司股份或相關股份之權益或淡倉。

遵照上市規則第13章之規定

下列資料乃根據上市規則第13章第13.18及13.21條之規定而予以披露：

本公司及其間接全資附屬公司王氏港建科技有限公司於二零零七年七月二十五日與中信嘉華銀行有限公司就一筆最高達港幣二億元之兩年定期貸款融資訂立一項貸款協議，為舊有融資重新融資及作為一般營運資金之用。

貸款協議有效之契諾包括：(a)王忠桐先生(本公司之控股股東)連同其聯繫人士必須繼續為本公司之單一最大股東或一批股東；(b)王忠桐先生連同其聯繫人士及其他家族成員必須保持本公司之已發行股本百分之五十以上之無產權負擔之擁有權；及(c)王忠桐先生留任本公司之主席或行政總裁。倘違反上述任何契諾，根據貸款協議可能構成違約事項。倘發生任何一項違約事項，該貸款融資項下所有未償還之款項或會立即到期，並須即時償還，可能因而會對本公司之財務狀況有不利影響。董事認為貸款協議乃按一般商業條款訂立。於最後實際可行日期，概無發生上述任何違約事項。

企業管治

本公司致力維持高水平之企業管治常規。本公司之企業管治常規資料載於第32頁至第38頁之「企業管治報告」。

董事享有權益之合約

於年末或年內之任何時候，本公司董事概無在本公司或其任何附屬公司參與訂立重大合約中直接或間接擁有任何重大權益。

董事服務合約

擬於即將舉行之股東週年大會上膺選連任之董事，概無與本集團訂立任何本集團於一年內終止則須作出賠償(法定補償除外)之服務合約。

MANAGEMENT CONTRACTS

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

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, its subsidiaries or its associated corporations a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates to acquire benefits by acquisition of shares or underlying shares in, debentures of, the Company or its associated corporations.

PUBLIC FLOAT

On the basis of information that is publicly available to the Company within the knowledge of the Directors as at the date of this Annual Report, the Company has complied with the public float requirements of the Listing Rules for the financial year ended 31 December 2008.

AUDITOR

Messrs. Shinewing (HK) CPA Limited resigned as auditor of the Company on 27 August 2008 and Messrs. PricewaterhouseCoopers was appointed on 27 August 2008 as auditor of the Company to fill the casual vacancy. PricewaterhouseCoopers will hold office until the conclusion of the forthcoming annual general meeting of the Company.

The financial statements for the year have been audited by Messrs PricewaterhouseCoopers who retire and, being eligible, offer themselves for reappointment at the forthcoming annual general meeting.

On behalf of the Board

Senta Wong
Chairman

Hong Kong, 3 April 2009

管理合約

概無關於管理及經營本公司全部或任何重大部分業務之合約於年內訂立或維持。

認購股份或債券之安排

於本年度內任何時間，本公司、其附屬公司或相聯法團概無訂立任何安排，致使本公司董事或主要行政人員或彼等各自之聯繫人士可藉收購本公司或其相聯法團之股份、相關股份或債券而獲益。

公眾持股量

根據於本年度報告日期本公司所擁有之公眾資料及每位董事所知悉，本公司已於截至二零零八年十二月三十一日止財政年度一直遵守上市規則有關公眾持股量之規定。

核數師

信永中和(香港)會計師事務所有限公司於二零零八年八月二十七日辭任本公司之核數師，羅兵咸永道會計師事務所於二零零八年八月二十七日獲委任本公司核數師而填補空缺。羅兵咸永道將任職至本公司應屆股東週年大會結束時止。

本年度之財務報表由羅兵咸永道會計師事務所有限公司審核，該公司任滿告退，惟願意在應屆股東週年大會上膺選連任。

承董事會命

王忠桐
主席

香港，二零零九年四月三日

The Company recognizes that good corporate governance is vital to the success of the Group and sustains development of the Group. The Company aims at complying with, where appropriate, all code provisions set out in Appendix 14 Code on Corporate Governance Practices (the “CG Code”) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

The Company’s corporate governance practices are based on the principles and the code provisions (“Code Provisions”) as set out in the CG Code of the Listing Rules. The Company has, throughout the year ended 31 December 2008 complied with most of the Code Provisions and certain deviations from the Code Provisions in respect of code provisions A.2.1, A.4.1 and A.4.2, details of which are explained below.

DIRECTORS’ SECURITIES TRANSACTION

The Company has adopted the Model Code for Securities Transactions by Directors of Listing Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standard set out in the Model Code during the year ended 31 December 2008.

BOARD OF DIRECTORS

The Board comprises five Executive Directors, one Non-Executive Director and four Independent Non-Executive Directors. One of the Independent Non-Executive Directors possess the appropriate professional qualifications or accounting or related financial management expertise as required under the Listing Rules. The directors, as at the date of this report, are Mr. Senta Wong, Mr. Edward Ying-Chun Tsui, Mr. Byran Shu-Chan Ho, Mr. Bengie Man-Hang Kwong, Mr. Hamed Hassan El-Abd, Mr. Hsu Hung-Chieh, Mr. Peter Chung-Yin Lee, Mr. John Ho, Mr. Philip Wan-Chung Tse and Mr. Gene Howard Weiner.

The biographical details of the Directors (including relationship among the members of the Board) are set out on pages 12 to 20 of this Annual Report.

Each of the Independent Non-Executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules.

本公司深明良好企業管治對本集團之成功及持續發展十分重要。本公司致力遵守(在適當情況下)香港聯合交易所有限公司上市規則(「上市規則」)附錄14企業管治常規守則(「企業管治守則」)中所有守則條文(「守則條文」)之規定。

本公司之企業管治常規乃根據上市規則之企業管治守則所載之原則及守則條文(「守則條文」)而釐訂。除守則條文A.2.1、A.4.1及A.4.2有若干偏離守則條文行為(將於下文詳述)外，本公司於截至二零零八年十二月三十一日止年度已遵守大部份守則條文。

董事之證券交易

本公司已採納上市規則附錄10所載之上市公司董事進行證券交易的標準守則(「標準守則」)之規定標準。經向所有董事作出特定查詢後，所有董事確認於截至二零零八年十二月三十一日止年度內已遵守標準守則所載之規定。

董事會

董事會由五名為執行董事、一名為非執行董事及四名為獨立非執行董事組成。其中一名獨立非執行董事具備上市規則所規定之適當專業資格，或會計或相關財務管理專業知識。於本報告日期，該等董事為王忠桐先生、徐應春先生、何樹燦先生、鄭敏恆先生、Hamed Hassan El-Abd先生、許宏傑先生、李仲賢先生、何約翰先生、謝宏中先生及Gene Howard Weiner先生。

董事(包括董事會成員之關係)之個人簡歷詳情載於本年報第12頁至第20頁。

各獨立非執行董事已根據上市規則第3.13條就身份之獨立性發出之週年確認書，本公司認為獨立非執行董事符合上市規則第3.13條所載之獨立性規定。

The Board met four times in 2008 to review the financial and operating performance of the Group and to consider and approve the annual budget for the Group. Individual attendance of each Board member at these meetings is as follows:

於二零零八年度內董事會共開會四次，以檢討本集團之財務及營運表現，及考慮與批准本集團之全年預算。董事會各成員於該等會議之出席率如下：

| | Attendance | | 出席率 |
|--|------------|--------------------------|-----|
| <i>Executive Directors</i> | | <i>執行董事</i> | |
| Mr. Senta Wong (<i>Chairman and Chief Executive Officer</i>) | 4/4 | 王忠桐先生 (<i>主席兼行政總裁</i>) | 4/4 |
| Mr. Edward Ying-Chun Tsui | 4/4 | 徐應春先生 | 4/4 |
| Mr. Byron Shu-Chan Ho | 4/4 | 何樹燦先生 | 4/4 |
| Mr. Bengie Man-Hang Kwong | 4/4 | 鄺敏恆先生 | 4/4 |
| Mr. Hamed Hassan El-Abd | 4/4 | Hamed Hassan El-Abd先生 | 4/4 |
| <i>Non-Executive Director</i> | | <i>非執行董事</i> | |
| Mr. Hsu Hung-Chieh (appointed on 1 January 2009) | N/A | 許宏傑先生 (於二零零九年一月一日委任) | 不適用 |
| <i>Independent Non-Executive Directors</i> | | <i>獨立非執行董事</i> | |
| Mr. Peter Chung-Yin Lee | 3/4 | 李仲賢先生 | 3/4 |
| Mr. John Ho | 4/4 | 何約翰先生 | 4/4 |
| Mr. Philip Wan-Chung Tse | 3/4 | 謝宏中先生 | 3/4 |
| Mr. Gene Howard Weiner | 3/4 | Gene Howard Weiner先生 | 3/4 |

Other Board Meetings with the attendance of senior management were held regularly during the year to discuss the day-to-day management and administration as well as the recent business development of the Group.

高級管理層於年內亦會定期出席其他的董事會會議，以討論集團的日常管理、行政事務及集團最近之業務發展。

All minutes of the Board Meetings are prepared and kept by the Company Secretary and open for inspection by Directors upon reasonable notice.

公司秘書保存所有董事會會議記錄，及在合理通知的情況下，公開有關會議記錄予任何董事查閱。

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.

主席及行政總裁

守則條文A.2.1規定主席及行政總裁之角色應分立，並由不同人士擔任。

The Company does not have a separate Chairman and Chief Executive Officer and Mr. Senta Wong currently holds both positions. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person provides the Group with strong and consistent leadership and allows for more effective planning and execution of long term business strategies. The Board also believes that the Company already has a strong corporate governance structure in place to ensure effective supervision of management. Such a structure provides many of the benefits of having a separate Chairman and Chief Executive Officer. The structure includes:

本公司主席及行政總裁之角色沒有區分，現時由王忠桐先生同時擔任此兩個職位。董事會認為由同一人擔任主席及行政總裁之職位能為本集團提供強勢及貫徹之領導，及更有效策劃及推行長期商業策略。董事會亦相信，本公司已擁有健全之企業管治架構，確保可有效地監督管理層，而該架構帶來許多將主席及行政總裁角色劃分之效益。有關架構包括：

- Having the Audit Committee composed exclusively of Independent Non-executive Directors;
 - Having the Remuneration committee composed exclusively of Independent Non-executive Directors;
 - Ensuring that Independent Non-executive Directors have free and direct access to both the Company's external and internal auditors and independent professional advice where considered necessary.
- 審核委員會之成員全部為獨立非執行董事；
 - 薪酬委員會之成員全部為獨立非執行董事；
 - 確保獨立非執行董事可自由及直接地接觸本公司之外聘核數師及內部審計師，並在有需要時尋求獨立專業意見。

The Board believes that these measures will ensure that our Independent Non-executive Directors continue to effectively supervise the Group's Management and to provide vigorous control of key issues relating to strategy, risk and integrity. The Board continually reviews the effectiveness of the Group's corporate governance structure to assess whether any changes, including the separation of the positions of Chairman and Chief Executive Officer, are necessary.

董事會相信上述措施和安排能確保獨立非執行董事繼續有效地監督本集團之管理層，並且在策略、風險和誠信等重要事項上起積極監管之作用。董事會會不斷檢討本集團企業管治架構之成效，用以評估是否需要作任何修改，包括將主席及行政總裁之角色劃分。

NON-EXECUTIVE DIRECTORS

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election.

非執行董事

守則條文A.4.1規定非執行董事之委任應有指定任期，並可膺選連任。

None of the existing non-executive directors of the Company is appointed for a specific term. This constitutes a deviation from code provision A.4.1 of the CG Code. In accordance with the provisions of the Bye-laws of the Company, any Director appointed by the Board during the year shall retire and submit themselves for re-election at the first annual general meeting immediately following his/her appointment. Further, at each annual general meeting, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. The directors to retire by rotation shall be those who have been longest in office since their last re-election or appointment. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are similar to those in the CG Code.

本公司現任非執行董事並無指定任期，構成與企業管治守則之守則條文A.4.1有所偏差。根據本公司細則之條文，董事會年內獲委任之任何董事須於緊隨其獲委任後首次股東週年大會上輪值告退及膺選連任。此外，於每屆股東週年大會上，當時三分之一董事（或倘人數並非三或三之倍數時，則為最接近者，但不得多於三分之一的人數）應輪值告退。輪值告退之董事須為自其上次膺選連任或獲委任以來任期最長之董事。因此，本公司認為已採取足夠措施，確保本公司之企業管治常規與企業管治守則所載者相若。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Code Provision A.4.2 stipulates that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the next following annual general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

董事之委任及重選

守則條文A.4.2規定所有因填補臨時空缺而獲委任之董事應於獲委任後之下屆股東週年大會接受股東選舉，每名董事（包括按指定任期獲委任之董事）應輪值告退，至少每三年一次。

According to the Bye-laws of the Company, all Directors (except Executive Chairman or Deputy Chairman or Managing or Joint Managing Director) of the Company are subject to retirement by rotations and re-elections at the annual general meeting of the Company at least once every three years. This constitutes a deviation from the CG Code. As continuation is a key factor to the successful implementation of any long-term business plans, the Board believes that, together with the reasons for deviation from Code Provision A.2.1, that the present arrangement is most beneficial to the Company and the shareholders as a whole.

REMUNERATION OF DIRECTORS

The Remuneration Committee was established in April 2005. The Committee now comprises three Independent Non-executive Directors, who are:

Mr. John Ho (*Chairman of the Remuneration Committee*)
 Mr. Philip Wan-Chung Tse
 Mr. Peter Chung-Yin Lee

The Committee was set up to consider and approve the remuneration packages of the executive directors and senior management of the Group, including the terms of salary and bonus schemes and share option scheme. The Committee also reviews the structure, size and composition (including the skill, knowledge and experience) of the Board from time to time and recommends to the Board on appointments of Directors and the succession planning for Directors.

The Committee met once in 2008. Individual attendance of each Committee member at these meetings is as follows:

| | Attendance |
|---|------------|
| <i>Independent Non-Executive Directors</i> | |
| Mr. John Ho (<i>Chairman of the Remuneration Committee</i>) | 1/1 |
| Mr. Peter Chung-Yin Lee | 0/1 |
| Mr. Philip Wan-Chung Tse | 1/1 |
| In Attendance: | |
| <i>Executive Director</i> | |
| Mr. Byron Shu-Chan Ho | 1/1 |

根據本公司之公司細則，本公司全體董事(除執行主席，或副主席，或董事總經理，或聯席董事總經理)應至少每三年於股東週年大會上輪值告退，並可膺選連任，此與企業管治守則有所偏離。由於連續性為成功執行任何長遠業務計劃之主要因素，董事相信，連同上述偏離守則條文A.2.1之理由，現有安排對本公司及股東之整體利益最有利。

董事酬金

薪酬委員會成立於二零零五年四月。該委員會現由三名獨立非執行董事組成，分別為：

何約翰先生(薪酬委員會主席)
 謝宏中先生
 李仲賢先生

委員會之成立旨在審批本集團執行董事及高級管理層之薪酬福利，包括薪金及花紅計劃及購股權計劃。委員會亦不時檢討董事會之架構、規模及組成(包括董事之技能、知識及經驗)，並就董事之委任及董事繼任之策劃向董事會提出建議。

於二零零八年度內委員會共召開一次會議。委員會各成員於該等會議之出席率如下：

| | 出席率 |
|----------------|-----|
| <i>獨立非執行董事</i> | |
| 何約翰先生(薪酬委員會主席) | 1/1 |
| 李仲賢先生 | 0/1 |
| 謝宏中先生 | 1/1 |
| 列席： | |
| <i>執行董事</i> | |
| 何樹燦先生 | 1/1 |

NOMINATION OF DIRECTORS

The Company has not established a Nomination Committee. All Directors of the Company are responsible for making recommendations to the Board on nomination and appointment of Directors and Board succession, with a view to appoint to the Board individuals with suitable experience and capabilities to maintain and improve the competitiveness of the Company.

Following recommendations by individual Directors, the Board considers the professional background, experience and track records of the relevant candidates. The Board also considers the recommendations from the management team and other individuals who know the candidates. Subsequently, the Board meets to discuss the nominations and if appropriate, approve the appointment of the relevant candidates as Directors.

AUDITORS' REMUNERATION

For the year ended 31 December 2008, the Auditors of the Group received approximately HK\$2,574,000 for audit services and HK\$262,000 for tax and consultancy services.

AUDIT COMMITTEE

The Audit Committee was established in 1999. The Committee now comprises three Independent Non-executive Directors, who are:

Mr. John Ho (*Chairman of the Audit Committee*)
Mr. Philip Wan-Chung Tse
Mr. Peter Chung-Yin Lee

A written terms of reference for the Audit Committee, which clearly defined the role, authority and function of the Audit Committee, has been adopted by the Group.

The Audit Committee met three times in 2008. Individual attendance of each Committee member at these meetings is as follows:

| | Attendance | | 出席率 |
|--|------------|--------------------------|-----|
| <i>Independent Non-Executive Directors</i> | | <i>獨立非執行董事</i> | |
| Mr. John Ho (<i>Chairman of the Audit Committee</i>) | 3/3 | 何約翰先生 (<i>審核委員會主席</i>) | 3/3 |
| Mr. Peter Chung-Yin Lee | 2/3 | 李仲賢先生 | 2/3 |
| Mr. Philip Wan-Chung Tse | 2/3 | 謝宏中先生 | 2/3 |
| In Attendance: | | 列席: | |
| Finance Director | 3/3 | 財務總裁 | 3/3 |
| External Auditors | 3/3 | 外聘核數師 | 3/3 |

提名董事

本公司並無成立提名委員會。所有本公司董事均有責任就提名及委任董事以及董事繼任人選，向董事會作出推薦建議，並委任具有合適經驗及能力之董事會成員，以維持及改善本公司之競爭力。

在個別董事作出推薦建議後，董事會對有關人選之專業背景、經驗及往績記錄作出考慮。董事會亦考慮管理層及認識該人選之其他人士所作出之推薦建議。其後，董事會舉行會議以討論該等提名，倘適合，則通過委任有關人選為董事。

核數師酬金

截至二零零八年十二月三十一日止年度，本集團之核數師收取約港幣2,574,000元作為審核服務費用及港幣262,000元作為稅項及顧問服務費用。

審核委員會

審核委員會於一九九九年成立，現成員包括三名獨立非執行董事，分別為：

何約翰先生 (*審核委員會主席*)
謝宏中先生
李仲賢先生

本集團已採納審核委員會書面權責範圍，對審核委員會之角色、權限及功能有清晰之界定。

於二零零八年度內審核委員會共召開三次會議。委員會各成員於該等會議之出席率如下：

The Audit Committee has reviewed the audited financial statements with management and the Company's External Auditors, and recommended its adoption by the Board.

DIRECTOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENT

The Board acknowledges that it is their responsibility for (i) overseeing the preparation of the financial statements of the Group with a view to ensuring such financial statements give a true and fair view of the state of affairs of the Group and (ii) selecting suitable accounting policies and applying the selected accounting policies consistently with the support of reasonable and prudent judgement and estimates.

A statement by the auditor about their reporting responsibilities is set out on pages 39 to 40 of this Annual Report.

INTERNAL CONTROLS

The Board is responsible for establishing, maintaining and operating an effective system of internal controls. Group Internal Audit was established for many years to provide independent assurance to the Board and executive management on the adequacy and effectiveness of internal controls for the Group. The head of Group Internal Audit reports directly to the Group Chairman and the Group Chief Financial Officer.

Group Internal Audit adopts a risk-and-control-based audit approach. The annual work plan of Group Internal Audit covers major activities and processes of the Group's business and service units. The audit plan is reviewed and agreed by the Board. In addition to the agreed schedule of work, Group Internal Audit conducts other review and investigative work as may be required. All audit reports are communicated to the Board and key members of executive and senior management. Audit issues are tracked and followed up for proper implementation, with progress reported to the Board, executive and senior management periodically.

During the year, Group Internal Audit conducted reviews of the effectiveness of the Group's system of internal controls over financial, operational, compliance controls and risk management functions and reported their findings to the Board. After a review of the accounting period ended 31 December 2008, the Board did not become aware of any areas of concern that would have an adverse impact on the Company's financial position or results of operations and considered the internal control systems to be effective and adequate.

審核委員會已連同管理層及本公司外聘核數師審閱經審核財務報表，並建議董事會予以採納。

董事對財務報表之責任

董事會認為彼等之責任為(i)監督本集團財務報表之編製，確保有關財務報表真實公平反映本集團之業務狀況及(ii)選取合適之會計政策，並且貫徹應用所採納之會計政策，以作出合理審慎之判斷及估計。

核數師就彼等之呈報責任所作聲明載於本年報第39頁至第40頁。

內部監控

董事會負責成立，維持及運作有效之內部監控系統。本公司成立集團內部審計處多年，獨立向董事會及執行管理人員保證本集團的內部監控充足有效。集團內部審計處主管向集團主席及集團財務總裁直接匯報。

集團內部審計處採納以風險控制為本的審核方法。集團內部審計處的全年工作計劃，涵蓋本集團業務及服務單位各項主要活動及程序。該內審計劃需經董事會審批。此外，集團內部審計處除執行既定之工作，亦需執行其他涉及檢討或調查性質工作。所有審核報告均交予董事會，以及執行與高級管理層的主要成員。集團內部審計處會查察審核事務，並於其後跟進，力求妥善實行，並會定期向董事會、執行與高級管理層匯報。

年內，集團內部審計處就本集團內部監控制度在財政、營運和合規監控以及風險管理職能方面的有效性作出檢討，並向董事會匯報結果。經檢討截至二零零八年十二月三十一日止會計期間，董事會並無發現任何將對本公司的財政狀況或經營業績造成不利影響而需多加關注的事項，董事會亦認為內部監控制度充足並具成效。

COMMUNICATION WITH SHAREHOLDERS

The Company has established its own website (www.wkkintl.com) as a means to communicate with the shareholders.

The Company communicates with the shareholders mainly in the following ways: (i) the holding of annual general meetings which provide an opportunity for the shareholders to communicate directly to the Board; (ii) the publication of announcements, annual reports, interim reports and/or circulars as required under the Listing Rules and press releases of the Company providing updated information of the Group; and (iii) the availability of latest information of the Group in our website.

The chairman of the annual general meeting and the chairman/member of each of the Audit Committee and the Remuneration Committee were available at the annual general meeting held on 26 May 2008 to answer questions from the shareholders.

與股東溝通

本公司已設立網站(www.wkkintl.com)作為與股東溝通之其中一個途徑。

本公司主要以下列方式與股東溝通：(i)舉行股東週年大會，藉以提供機會讓股東直接與董事會溝通；(ii)本公司根據上市規則之規定刊發提供本集團最新資料之公佈、年報、中期報告及／或通函及新聞稿；及(iii)本集團之最新資料可於本公司網頁閱覽。

股東週年大會主席及審核委員會及薪酬委員會之主席／成員於二零零八年五月二十六日舉行之股東週年大會上出席，回答股東提問。



羅兵咸永道會計師事務所

PricewaterhouseCoopers

22/F, Prince's Building

Central, Hong Kong

**TO THE SHAREHOLDERS OF
WONG'S KONG KING INTERNATIONAL (HOLDINGS) LIMITED**

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Wong's Kong King International (Holdings) Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 41 to 136, which comprise the consolidated and company balance sheets as at 31 December 2008, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

**致WONG'S KONG KING INTERNATIONAL
(HOLDINGS) LIMITED各股東**

(在百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核列載於第41頁至第136頁Wong's Kong King International (Holdings) Limited(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表,此綜合財務報表包括二零零八年十二月三十一日的綜合及公司資產負債表與截至該日止年度之綜合收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港《公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制,以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇及應用適當的會計政策;及按情況下作出合理的會計估計。

核數師之責任

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

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

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 3 April 2009

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

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

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公正地反映貴公司及貴集團於二零零八年十二月三十一日之事務狀況及貴集團截至該日止年度的利潤及現金流量，並已按香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零零九年四月三日

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2008

綜合收益表

截至二零零八年十二月三十一日止年度

| | Notes 附註 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-------------|-----------------------------------|-----------------------------------|
| Revenue 收益 | 5 | 4,442,440 | 4,538,540 |
| Other income 其他收入 | 7 | 382 | 4,098 |
| Raw materials and consumables used 原材料及已動用消耗品 | | (2,039,078) | (1,949,423) |
| Purchases of finished goods 購買製成品 | | (1,375,317) | (1,555,734) |
| Changes in inventories of finished goods and work in progress 製成品及在製品存貨之變動 | | (74,003) | (62,247) |
| Other manufacturing overhead 其他製造開支 | | (100,872) | (84,962) |
| Employee benefits expense 僱員福利開支 | 9 | (492,479) | (446,422) |
| Depreciation and amortisation 折舊及攤銷 | | (64,265) | (64,500) |
| Other expenses 其他開支 | | (166,248) | (182,800) |
| Operating profit 經營溢利 | 8 | 130,560 | 196,550 |
| Finance income 融資收入 | 11 | 16,272 | 4,433 |
| Finance costs 融資成本 | 11 | (27,530) | (29,454) |
| Finance costs, net 融資成本，淨值 | 11 | (11,258) | (25,021) |
| Share of results of associates 所佔聯營公司之業績 | 19 | 633 | (460) |
| Share of results of jointly controlled entities 所佔共同控制實體之業績 | 20 | (556) | (1,095) |
| Write back of impairment loss on properties 物業減值虧損之撥回 | | - | 15,532 |
| Gain on disposal of jointly controlled entities 出售共同控制實體收益 | | 1,646 | - |
| Allowance for doubtful debt on amount due from a jointly controlled entity 應收一間共同控制實體款項之呆賬撥備 | | (944) | - |
| | | 779 | 13,977 |
| Profit before income tax 除所得稅前溢利 | | 120,081 | 185,506 |
| Income tax expense 所得稅支出 | 12 | (42,875) | (63,477) |
| Profit for the year 本年度溢利 | | 77,206 | 122,029 |
| Attributable to: 應屬: | | | |
| Equity holders of the Company 本公司股權持有人 | 13 | 55,899 | 108,523 |
| Minority interest 少數股東權益 | | 21,307 | 13,506 |
| | | 77,206 | 122,029 |
| Dividends 股息 | 14 | 11,090 | 29,488 |
| Earnings per share for profit attributable to the equity holders of the Company during the year 本年度本公司股權持有人應佔溢利之每股盈利 (expressed in HK cents per share) (以每股港仙呈列) | | | |
| - basic 基本 | 15 | 7.57 | 15.09 |
| - diluted 攤薄 | 15 | 7.49 | 14.65 |

The notes on pages 48 to 136 are an integral part of these financial statements.

第48頁至第136頁之附註構成此等財務報表之一部分。

CONSOLIDATED BALANCE SHEET

At 31 December 2008

綜合資產負債表

於二零零八年十二月三十一日

| | | 2008 二零零八年 | 2007 二零零七年 |
|--|-------------|------------------|------------------|
| | Notes 附註 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| ASSETS 資產 | | | |
| Non-current assets 非流動資產 | | | |
| Land use rights 土地使用權 | 16 | 15,831 | 16,268 |
| Property, plant and equipment 物業、廠房及設備 | 17 | 626,796 | 646,631 |
| Intangible assets 無形資產 | 18 | 7,810 | - |
| Interest in an associate 一間聯營公司權益 | 19 | 3,633 | 3,343 |
| Interests in jointly controlled entities 共同控制實體權益 | 20 | 914 | 2,360 |
| Amount due from an investee company 應收一間受投資公司之款項 | 22 | 1,444 | 1,444 |
| Deferred tax assets 遞延稅項資產 | 23 | 1,808 | 2,114 |
| Available-for-sale financial assets 可供出售金融資產 | 24 | 42,784 | 42,786 |
| Long term deposits 長期按金 | | 1,973 | - |
| | | 702,993 | 714,946 |
| Current assets 流動資產 | | | |
| Inventories 存貨 | 25 | 461,944 | 587,536 |
| Trade and other receivables 貿易及其他應收賬款 | 26 | 826,231 | 1,050,750 |
| Deposits and prepayments 按金及預付款項 | | 40,320 | 21,805 |
| Tax recoverable 可收回稅項 | | 8,222 | 3,260 |
| Derivative financial instruments 衍生金融工具 | 27 | 615 | - |
| Bank balances and cash 銀行結餘及現金 | 28 | 581,596 | 244,863 |
| | | 1,918,928 | 1,908,214 |
| Total assets 資產總值 | | 2,621,921 | 2,623,160 |
| LIABILITIES 負債 | | | |
| Non-current liabilities 非流動負債 | | | |
| Bank borrowings – due after one year 銀行借貸 – 於一年後到期 | 32 | 18,000 | 142,000 |
| Obligations under finance leases – due after one year 融資租賃承擔 – 於一年後到期 | 33 | 484 | 94 |
| Deferred tax liabilities 遞延稅項負債 | 23 | 1,012 | 634 |
| Retirement benefit obligations 退休福利承擔 | 34 | 2,618 | 2,243 |
| | | 22,114 | 144,971 |

The notes on pages 48 to 136 are an integral part of these financial statements.

第48頁至第136頁之附註構成此等財務報表之一部分。

| | Notes 附註 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-------------|-----------------------------------|-----------------------------------|
| Current liabilities 流動負債 | | | |
| Trade, bill and other payables 貿易應付賬款、應付票據及其他應付賬款 | 35 | 661,866 | 915,015 |
| Current income tax liabilities 即期稅項負債 | | 20,175 | 8,183 |
| Bank borrowings – due within one year 銀行借貸—於一年內到期 | 32 | 631,455 | 303,582 |
| Bank overdraft, secured 銀行透支—已抵押 | 32 | 10,496 | 7,477 |
| Obligations under finance leases – due within one year 融資租賃承擔—於一年內到期 | 33 | 187 | 350 |
| Derivative financial instrument 衍生金融工具 | 27 | 29 | – |
| | | 1,324,208 | 1,234,607 |
| Total liabilities 負債總額 | | 1,346,322 | 1,379,578 |
| EQUITY 股權 | | | |
| Capital and reserves attributable to the Company's equity holders 本公司股權持有人應佔股本及儲備 | | | |
| Share capital 股本 | 29 | 73,930 | 73,610 |
| Reserves 儲備 | | 1,125,005 | 1,102,663 |
| | | 1,198,935 | 1,176,273 |
| Minority interest 少數股東權益 | | 76,664 | 67,309 |
| Total equity 股權總額 | | 1,275,599 | 1,243,582 |
| Total equity and liabilities 股權及負債總額 | | 2,621,921 | 2,623,160 |
| Net current assets 流動資產淨值 | | 594,720 | 673,607 |
| Total assets less current liabilities 資產總值減流動負債 | | 1,297,713 | 1,388,553 |

Senta Wong
Director

王忠桐
董事

Byron Shu-Chan Ho
Director

何樹燦
董事

The notes on pages 48 to 136 are an integral part of these financial statements.

第48頁至第136頁之附註構成此等財務報表之一部分。

BALANCE SHEET

At 31 December 2008

資產負債表

於二零零八年十二月三十一日

| | | 2008 二零零八年 | 2007 二零零七年 |
|--|-------------|------------------|------------------|
| | Notes 附註 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| ASSETS 資產 | | | |
| Non-current asset 非流動資產 | | | |
| Investment in subsidiaries 附屬公司投資 | 21 | 353,036 | 364,685 |
| Current assets 流動資產 | | | |
| Other receivables 其他應收賬款 | 26 | - | 776 |
| Prepayments 預付款項 | | 226 | 227 |
| Tax recoverable 可收回稅項 | | 21 | 240 |
| Bank balances and cash 銀行結餘及現金 | 28 | 343 | 68 |
| | | 590 | 1,311 |
| Total assets 資產總值 | | 353,626 | 365,996 |
| EQUITY 股權 | | | |
| Capital and reserves attributable to the Company's equity holders 本公司股權持有人應佔股本及儲備 | | | |
| Share capital 股本 | 29 | 73,930 | 73,610 |
| Reserves 儲備 | 31(b) | 277,448 | 289,673 |
| | | 351,378 | 363,283 |
| LIABILITIES 負債 | | | |
| Current liabilities 流動負債 | | | |
| Amount due to a subsidiary 應付一間附屬公司款項 | 21 | 1 | 857 |
| Accruals and other payables 應計費用及其他應付賬款 | 35 | 2,247 | 1,856 |
| | | 2,248 | 2,713 |
| Total equity and liabilities 股權及負債總額 | | 353,626 | 365,996 |

The notes on pages 48 to 136 are an integral part of these financial statements.

第48頁至第136頁之附註構成此等財務報表之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2008

綜合權益變動表

截至二零零八年十二月三十一日止年度

| | Attributable to equity holders of the Company 本公司股權持有人應佔 | | | | |
|--|--|-------------------|------------------------------|------------------------------------|------------------|
| | Other reserves | | Retained earnings 保留盈利 | Minority interest 少數 股東權益 | Total 總額 |
| | Share (Note 31(a)) capital 股本 (附註31(a)) | 其他儲備 (附註31(a)) | | | |
| | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Balance at 1 January 2007 於二零零七年一月一日之結餘 | 70,810 | 105,249 | 884,185 | 73,174 | 1,133,418 |
| Currency translation differences 貨幣匯兌差額 | - | 2,282 | - | (2,093) | 189 |
| Release of reserve upon disposal of associates 出售聯營公司時解除之儲備 | - | (118) | - | - | (118) |
| Net income/(expenses) recognised directly in equity 於股權直接確認之淨收入/(開支) | - | 2,164 | - | (2,093) | 71 |
| Profit for the year 本年度溢利 | - | - | 108,523 | 13,506 | 122,029 |
| Total recognised income for 2007 二零零七年已確認之總收入 | - | 2,164 | 108,523 | 11,413 | 122,100 |
| Issue of ordinary shares upon exercise of share options 行使購股權時發行普通股 | 2,800 | 11,816 | 1,071 | - | 15,687 |
| Recognition of equity-settled share-based payments 確認以股權結算之股份形式付款 | - | 660 | - | - | 660 |
| Share options lapsed during the year 購股權於年內失效 | - | (274) | 274 | - | - |
| Capital contribution from minority shareholders 少數股東注資 | - | - | - | 1,750 | 1,750 |
| Dividends paid to minority shareholders 支付予少數股東之股息 | - | - | - | (19,028) | (19,028) |
| 2007 interim dividend 二零零七年中期股息 | - | - | (11,005) | - | (11,005) |
| Balance at 31 December 2007 and 1 January 2008 於二零零七年十二月三十一日及二零零八年一月一日之結餘 | 73,610 | 119,615 | 983,048 | 67,309 | 1,243,582 |
| Currency translation differences 貨幣匯兌差額 | - | (5,457) | - | (2,062) | (7,519) |
| Net expenses recognised directly in equity 於股權直接確認之淨開支 | - | (5,457) | - | (2,062) | (7,519) |
| Profit for the year 本年度溢利 | - | - | 55,899 | 21,307 | 77,206 |
| Total recognised (expenses)/income for 2008 二零零八年已確認之總(開支)/收入 | - | (5,457) | 55,899 | 19,245 | 69,687 |
| Issue of shares upon exercise of share options 行使購股權時發行股份 | 320 | 1,323 | 150 | - | 1,793 |
| Share options lapsed during the year 購股權於年內失效 | - | (9) | 9 | - | - |
| Capital contribution from minority shareholders 少數股東注資 | - | - | - | 922 | 922 |
| Dividend paid to minority shareholders 支付予少數股東之股息 | - | - | - | (10,812) | (10,812) |
| 2007 final dividend 二零零七年末期股息 | - | - | (18,483) | - | (18,483) |
| 2008 interim dividend 二零零八年中期股息 | - | - | (11,090) | - | (11,090) |
| Balance at 31 December 2008 於二零零八年十二月三十一日之結餘 | 73,930 | 115,472 | 1,009,533 | 76,664 | 1,275,599 |

The notes on pages 48 to 136 are an integral part of these financial statements.

第48頁至第136頁之附註構成此等財務報表之一部分。

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2008

綜合現金流量表

截至二零零八年十二月三十一日止年度

| | Notes | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-------|-----------------------------------|-----------------------------------|
| | 附註 | | |
| Cash flows from operating activities 經營業務之現金流量 | | | |
| Cash generated from operations 經營業務所得現金 | 36(a) | 274,416 | 251,618 |
| Income tax paid 已付所得稅 | | (31,052) | (89,749) |
| Tax on dividend declared by subsidiaries 附屬公司宣派之股息之稅項 | | (4,109) | (6,303) |
| <hr/> | | | |
| Net cash generated from operating activities 經營業務所得現金淨額 | | 239,255 | 155,566 |
| <hr/> | | | |
| Cash flows from investing activities 投資活動之現金流量 | | | |
| Interest received 已收利息 | | 16,272 | 4,433 |
| Dividends income from available-for-sale financial assets 可供出售金融資產之股息收入 | | 382 | 4,098 |
| Capital injection to jointly controlled entities 向共同控制實體注資 | | (965) | — |
| Advance to jointly controlled entities 墊款予共同控制實體 | | (2,309) | (1,405) |
| Repayment from jointly controlled entities 共同控制實體還款 | | 1,621 | 446 |
| Proceed from disposal of jointly controlled entities 出售共同控制實體所得款項 | | 3,245 | — |
| Prepayments of land use rights 土地使用權之預付款項 | | — | (3,220) |
| Purchase of property, plant and equipment 購置物業、廠房及設備 | | (45,346) | (71,513) |
| Proceeds from disposal of property, plant and equipment 出售物業、廠房及設備所得款項 | 36(b) | 1,766 | 6,008 |
| Purchase of available-for-sale financial assets 購買可供出售金融資產 | | — | (1,036) |
| Acquisition of interest in an associate 收購一間聯營公司之權益 | | — | (57) |
| Repayment from/(advance to) associates 聯營公司之還款/(墊款) | | 11 | (16) |
| Acquisition of interest in a jointly controlled entity 收購一間共同控制實體之權益 | | — | (2,280) |
| Decrease in pledged bank deposits 已抵押銀行存款減少 | | — | 267 |
| Purchase of intangible assets 購買無形資產 | | (7,810) | — |
| Increase in short-term time deposits 短期存款增加 | | (294,822) | — |
| Increase in long term deposits 長期按金增加 | | (1,973) | — |
| <hr/> | | | |
| Net cash used in investing activities 投資活動所用現金淨額 | | (329,928) | (64,275) |
| <hr/> | | | |

| | Notes 附註 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-------------|-----------------------------------|-----------------------------------|
| Cash flows from financing activities 融資活動之現金流量 | | | |
| Dividends paid 已付股息 | | (29,573) | (11,005) |
| Interest paid 已付利息 | | (27,530) | (29,454) |
| Dividends paid to minority shareholders 支付予少數股東之股息 | | (10,812) | (19,028) |
| Proceeds from new bank borrowings 新增銀行借貸所得款項 | | 301,873 | 260,000 |
| Proceeds from issue of ordinary share upon exercise of share options 行使購股權時發行普通股所得款項 | | 1,793 | 15,687 |
| Repayment of bank borrowings 償還銀行借貸 | | (98,000) | (279,757) |
| Increase/(decrease) in obligations under finance leases 融資租賃承擔增加/(減少) | | 227 | (3,382) |
| Capital contributions from minority shareholders of subsidiaries 附屬公司少數股東之注資 | | 922 | 1,750 |
| Net cash generated from/(used in) financing activities 融資活動所得/(所用) 現金淨額 | | 138,900 | (65,189) |
| Net increase in cash and cash equivalents 現金及現金等值項目增加淨額 | | 48,227 | 26,102 |
| Cash and cash equivalents as 1 January 於一月一日之現金及現金等值項目 | | 237,386 | 212,666 |
| Effect of foreign exchange rate changes 匯率變動之影響 | | (9,335) | (1,382) |
| Cash and cash equivalents at 31 December 於十二月三十一日之現金及現金等值項目 | | 276,278 | 237,386 |
| Analysis of cash and cash equivalents 現金及現金等值項目分析 | | | |
| Bank balances and cash 銀行結餘及現金 | | 286,774 | 244,863 |
| Bank overdraft, secured 銀行透支－有抵押 | | (10,496) | (7,477) |
| | | 276,278 | 237,386 |

The notes on pages 48 to 136 are an integral part of these financial statements.

第48頁至第136頁之附註構成該等財務報表之一部分。

1 GENERAL INFORMATION

Wong's Kong King International (Holdings) Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in the trading and distribution of chemicals, materials and equipment used in the manufacture of printed circuit boards and electronic products and the manufacture of electrical and electronic products for OEM customers.

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11 Bermuda and its principal place of business is 23/F, One Kowloon, No.1 Wang Yuen Street, Kowloon Bay, Kowloon, Hong Kong.

These consolidated financial statements are presented in Hong Kong dollar, unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 3 April 2009.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

1 一般資料

Wong's Kong King International (Holdings) Limited (「本公司」)及其附屬公司(統稱「本集團」)主要從事製造印刷電路板及電子產品所使用之化學品、物料及設備之貿易及經銷，以及為原產品客戶製造電器及電子產品。

本公司於百慕達註冊成立為一間受豁免之有限公司，其股份在香港聯合交易所有限公司上市。其註冊辦事處地點為 Clarendon House, 2 Church Street, Hamilton HM11 Bermuda，而其主要營業地點為香港九龍九龍灣宏遠街1號「一號九龍」23樓。

除另有列明外，此等綜合財務報表以港幣呈列。此等綜合財務報表已於二零零九年四月三日經董事會批准刊發。

2 主要會計政策概要

編製此等綜合財務報表時採納之主要會計政策如下。除另有列明外，所呈列之年度內已貫徹應用該等政策。

2.1 編製基礎

本公司之綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」)編製。綜合財務報表按歷史成本常規編製，並經可供出售金融資產及按公平值入賬及列入收益表之金融資產及金融負債(包括衍生金融工具)之重估作出調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4 to the financial statements.

Certain comparative figures have been reclassified to conform with the current year's presentation

(a) Amendments and interpretations effective in 2008 but do not have significant impact to the Group's financial statements:

- The HKAS 39, 'Financial Instruments: Recognition and Measurement', amendment on reclassification of financial assets permits reclassification of certain financial assets out of the held-for-trading and available-for-sale categories if specified conditions are met.
- HK(IFRIC) – Int 11, 'HKFRS 2 – Group and Treasury Share Transactions'.

(b) Amendments and interpretations effective in 2008 but are not relevant to the Group's financial statements:

- HK (IFRIC) – Int 12, 'Service Concession Arrangements'.
- HK(IFRIC) – Int 14, 'HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'.

2 主要會計政策概要(續)

2.1 編製基礎(續)

編製與香港財務報告準則一致之財務報表須運用若干關鍵會計估計，管理層亦須於應用本集團之會計政策時作出判斷。涉及較深刻判斷或較為複雜之範疇，或涉及對綜合財務報表甚為重要之假設和估計之範疇，在財務報表附註4中披露。

若干比較數字已重新分類，以符合本年度之呈列方式。

(a) 於二零零八年生效但對本集團之財務報表並無任何重大影響之修訂及詮釋：

- 香港會計準則第39號「金融工具：確認及計量」，對重新分類金融資產之修訂准許在符合特定條件之情況下，將若干金融資產在「待售」及「可供出售」類別中重新分類。
- 香港(國際財務報告解釋委員會) – 詮釋第11號，「香港財務報告準則第2號 – 集團及庫存股份交易」。

(b) 於二零零八年生效但與本集團之財務報表並不相關之修訂及詮釋：

- 香港(國際財務報告解釋委員會) – 詮釋第12號，「服務經營權安排」。
- 香港(國際財務報告解釋委員會) – 詮釋第14號，「香港會計準則第19號 – 界定福利資產之限制、最低資金規定及其相互關係」。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

- (c) New standards, amendments to standards and interpretations have been issued but are not effective for 2008:

The following new standards, amendments to standards and interpretations have been issued but are not effective for 2008 and have not been early adopted by the Group. The expected impacts are still being assessed in details by management but it is expected that the adoptions of these new standards, amendments to standards and interpretations should not have significant impacts to the Group.

2.1 編製基礎(續)

- (c) 已頒佈但於二零零八年尚未生效之新訂準則、準則之修訂及詮釋：

以下為已頒佈但於二零零八年尚未生效且並未被本集團提早採納之新訂準則、準則之修訂及詮釋。管理層正評估預計影響，但預計採用有關新訂準則、準則之修訂及詮釋不會對本集團造成重大影響。

Effective for annual periods
beginning on or after
由以下日期或之後
開始之年度期間生效

| | | |
|--|--|-----------------------------|
| HKAS 1 (Revised) 香港會計準則第1號(經修訂) | Presentation of Financial Statements 財務報表之呈報 | 1 January 2009 二零零九年一月一日 |
| HKAS 23 (Revised) 香港會計準則第23號(經修訂) | Borrowing Costs 借貸成本 | 1 January 2009 二零零九年一月一日 |
| HKAS 27 (Revised) 香港會計準則第27號(經修訂) | Consolidated and Separate Financial Statements 綜合與獨立財務報表 | 1 July 2009 二零零九年七月一日 |
| HKAS 32 and HKAS 1 (Amendments) 香港會計準則第32號及香港會計準則第1號(修訂本) | Puttable Financial Instruments and Obligations arising on Liquidation 可沽售金融工具及清盤產生之責任 | 1 January 2009 二零零九年一月一日 |
| HKAS 39 (Amendment) 香港會計準則第39號(修訂本) | Eligible Hedged Items 合資格對沖項目 | 1 July 2009 二零零九年七月一日 |
| HKFRS 1 and HKAS 27 (Amendments) 香港財務報告準則第1號 及香港會計準則第27號(修訂本) | Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate 於附屬公司、共同控制實體或聯營公司之投資成本 | 1 July 2009 二零零九年七月一日 |
| HKFRS 2 (Amendment) 香港財務報告準則第2號(修訂本) | Share-based Payment – Vesting Conditions and Cancellations 以股份為基礎的付款 – 歸屬條件及註銷 | 1 January 2009 二零零九年一月一日 |
| HKFRS 3 (Revised) 香港財務報告準則第3號(經修訂) | Business Combinations 企業合併 | 1 July 2009 二零零九年七月一日 |
| HKFRS 8 香港財務報告準則第8號 | Operating Segments 營運分部 | 1 January 2009 二零零九年一月一日 |
| HK(IFRIC)-Int 13 香港(國際財務報告解釋委員會) – 詮釋第13號 | Customer Loyalty Programmes 客戶忠誠度計劃 | 1 July 2008 二零零八年七月一日 |
| HK(IFRIC)-Int 15 香港(國際財務報告解釋委員會) – 詮釋第15號 | Agreements for the Construction of Real Estate 房地產建築協議 | 1 January 2009 二零零九年一月一日 |
| HK(IFRIC)-Int 16 香港(國際財務報告解釋委員會) – 詮釋第16號 | Hedges of a Net Investment in a Foreign Operation 對沖海外業務投資淨額 | 1 October 2008 二零零八年十月一日 |
| HK(IFRIC)-Int 17 香港(國際財務報告解釋委員會) – 詮釋第17號 | Distributions of Non-cash Assets to Owners 向擁有人分派非現金資產 | 1 July 2009 二零零九年七月一日 |
| HK(IFRIC)-Int 18 香港(國際財務報告解釋委員會) – 詮釋第18號 | Transfer of Assets from Customers 自客戶轉讓資產 | 1 July 2009 二零零九年七月一日 |

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

- (d) HKICPA's improvements to HKFRS have been published in October 2008 but are not effective for period beginning on 1 January 2008 and have not been early adopted by the Company. Amendments have been made to the following standards according to the improvements:

| | | Effective for annual periods beginning on or after 由以下日期或之後開始 之年度期間生效 |
|---------------------------------------|---|---|
| HKAS 1 (Revised) 香港會計準則第1號 (經修訂) | Presentation of Financial Statements 財務報表之呈報 | 1 January 2009 二零零九年一月一日 |
| HKAS 2 香港會計準則第2號 | Inventories 存貨 | 1 January 2009 二零零九年一月一日 |
| HKAS 7 香港會計準則第7號 | Cash Flow Statements 現金流量表 | 1 January 2009 二零零九年一月一日 |
| HKAS 8 香港會計準則第8號 | Accounting Policies, Changes in Accounting Estimates and Errors 會計政策、會計估計的變動及錯誤更正 | 1 January 2009 二零零九年一月一日 |
| HKAS 10 香港會計準則第10號 | Events after the Balance Sheet Date 結算日後事項 | 1 January 2009 二零零九年一月一日 |
| HKAS 16 香港會計準則第16號 | Property, Plant and Equipment 物業、廠房及設備 | 1 January 2009 二零零九年一月一日 |
| HKAS 18 香港會計準則第18號 | Revenue 收益 | 1 January 2009 二零零九年一月一日 |
| HKAS 19 香港會計準則第19號 | Employee Benefits 僱員福利 | 1 January 2009 二零零九年一月一日 |
| HKAS 20 香港會計準則第20號 | Accounting for Government Grants and Disclosure of Government Assistance 政府補貼之會計處理及政府援助之披露 | 1 January 2009 二零零九年一月一日 |
| HKAS 23 (Revised) 香港會計準則第23號 (經修訂) | Borrowing Costs 借貸成本 | 1 January 2009 二零零九年一月一日 |
| HKAS 27 (Revised) 香港會計準則第27號 (經修訂) | Consolidated and Separate Financial Statements 綜合與獨立財務報表 | 1 January 2009 二零零九年一月一日 |
| HKAS 28 香港會計準則第28號 | Investments in Associates 於聯營公司之投資 | 1 January 2009 二零零九年一月一日 |
| HKAS 29 香港會計準則第29號 | Financial Reporting in Hyperinflationary Economies 惡性通貨膨脹經濟中之財務申報 | 1 January 2009 二零零九年一月一日 |
| HKAS 31 香港會計準則第31號 | Interests in Joint Ventures 於合營公司之權益 | 1 January 2009 二零零九年一月一日 |

2 主要會計政策概要 (續)

2.1 編製基礎 (續)

- (d) 香港會計師公會已於二零零八年十月頒佈香港財務報告準則之改進，惟於二零零八年一月一日開始之期間仍未生效，而本公司亦無提早採納該等改進。根據改進已對以下準則作出修訂：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

- (d) HKICPA's improvements to HKFRS have been published in October 2008 but are not effective for period beginning on 1 January 2009 and have not been early adopted by the Company. Amendments have been made to the following standards according to the improvements:
(Continued)

| | | Effective for annual periods beginning on or after 由以下日期或之後開始 之年度期間生效 |
|------------------------|--|---|
| HKAS 32 香港會計準則第32號 | Financial Instruments: Presentation 金融工具：呈報 | 1 January 2009 二零零九年一月一日 |
| HKAS 34 香港會計準則第34號 | Interim Financial Reporting 中期財務報告 | 1 January 2009 二零零九年一月一日 |
| HKAS 36 香港會計準則第36號 | Impairment of assets 資產減值 | 1 January 2009 二零零九年一月一日 |
| HKAS 38 香港會計準則第38號 | Intangible assets 無形資產 | 1 January 2009 二零零九年一月一日 |
| HKAS 39 香港會計準則第39號 | Financial Instruments: Recognition and Measurement 金融工具：確認及計量 | 1 January 2009 二零零九年一月一日 |
| HKAS 40 香港會計準則第40號 | Investment Property 投資物業 | 1 January 2009 二零零九年一月一日 |
| HKAS 41 香港會計準則第41號 | Agriculture 農業 | 1 January 2009 二零零九年一月一日 |
| HKFRS 5 香港財務報告準則第5號 | Non-current Assets Held for Sale and Discontinued Operations 待售非流動資產及終止經營業務 | 1 July 2009 二零零九年七月一日 |
| HKFRS 7 香港財務報告準則第7號 | Financial Instruments: Disclosures 金融工具：披露 | 1 January 2009 二零零九年一月一日 |

The directors anticipate that the adoption of the above amendments to HKFRS will not result in a significant impact on the results and financial position of the Group.

2 主要會計政策概要(續)

2.1 編製基礎(續)

- (d) 香港會計師公會已於二零零八年十月頒佈香港財務報告準則之改進，惟於二零零八年一月一日開始之期間仍未生效，而本公司亦無提早採納該等改進。根據改進已對以下準則作出修訂：(續)

Effective for
annual periods
beginning on or after
由以下日期或之後開始
之年度期間生效

| |
|-----------------------------|
| 1 January 2009 二零零九年一月一日 |
| 1 January 2009 二零零九年一月一日 |
| 1 January 2009 二零零九年一月一日 |
| 1 January 2009 二零零九年一月一日 |
| 1 January 2009 二零零九年一月一日 |
| 1 January 2009 二零零九年一月一日 |
| 1 January 2009 二零零九年一月一日 |
| 1 July 2009 二零零九年七月一日 |
| 1 January 2009 二零零九年一月一日 |

董事預期採納上述香港財務報告準則之修訂將不會對本集團之業績及財務狀況產生重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation

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

(a) *Subsidiaries*

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

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

2 主要會計政策概要(續)

2.2 綜合賬目

綜合財務報表包括本公司及其所有附屬公司截至十二月三十一日止之財務報表。

(a) *附屬公司*

附屬公司指本集團有權監控其財政及營運政策之實體(包括特殊目的實體)，一般擁有附帶超過半數投票權之股權。在評定本集團是否控制另一實體時，會考慮目前是否存在可行使或可兌換之潛在投票權及其影響。

附屬公司在控制權轉移至本集團當日全面綜合入賬。附屬公司在控制權終止當日起停止綜合入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(a) Subsidiaries (Continued)

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

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary in the consolidated financial statements to ensure consistency with the policies adopted by the Group.

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

2 主要會計政策概要(續)

2.2 綜合賬目(續)

(a) 附屬公司(續)

會計收購法乃用作本集團收購附屬公司之入賬方法。收購成本根據於交易日期所給予資產、所發行之股本工具及所產生或承擔之負債之公平值計算，另加收購直接應佔成本。在業務合併中所收購之可識別資產以及所承擔之負債及或然負債，初步以彼等於收購日期之公平值計量，而不論任何少數股東權益之數額。收購成本超過本集團應佔所收購可識別資產淨值公平值之數額記錄為商譽。倘收購成本低於所購入附屬公司資產淨值之公平值，則差額會直接於綜合收益表確認。

集團旗下公司之集團內公司間之交易、交易結餘及未變現收益會予以對銷。未變現虧損亦予以對銷。附屬公司之會計政策已於綜合財務報表內作出必要調整，以確保與本集團所採用者貫徹一致。

在本公司之資產負債表內，於附屬公司之投資按成本扣除減值虧損撥備列賬。附屬公司之業績由本公司按已收及應收股息入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(b) Associates

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

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

2 主要會計政策概要(續)

2.2 綜合賬目(續)

(b) 聯營公司

聯營公司指本集團對其有重大影響力但無控制權之所有實體，一般擁有附帶20%至50%投票權之股權。於聯營公司之權益以權益會計法入賬，初步按成本確認。本集團於聯營公司之權益包括於收購時已識別之商譽(扣除任何累計減值虧損)。

本集團應佔收購後聯營公司之盈虧於綜合收益表內確認，而其應佔收購後之儲備變動則於儲備內確認。投資賬面值會根據累計之收購後儲備變動而作出調整。如本集團應佔一間聯營公司之虧損等於或超出其在該聯營公司之權益，包括任何其他無抵押應收款項，本集團不會確認額外虧損，惟倘本集團已代該聯營公司承擔責任或作出付款則除外。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(b) Associates (Continued)

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

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

(c) Jointly controlled entities

A jointly controlled entity is a contractual arrangement whereby the group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity.

The equity method of accounting has been adopted and accordingly, the consolidated income statement includes the Group's share of the results of jointly controlled entities for the year, and the consolidated balance sheet includes the group's share of the net assets of the jointly controlled entities.

2.3 Segment reporting

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

2 主要會計政策概要(續)

2.2 綜合賬目(續)

(b) 聯營公司(續)

本集團與其聯營公司間之交易之未變現收益與本集團於聯營公司之權益所佔款額對銷。除非交易有證據顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。聯營公司之會計政策已作出必要調整，以確保與本集團所採用者貫徹一致。

聯營公司之攤薄收益及虧損於綜合收益表內確認。

(c) 共同控制實體

共同控制實體乃本集團與另一方從事經濟活動之合約安排，經濟活動由雙方共同控制，任何參與人士均不可有關該經濟活動行使單一控制權。

由於採納權益會計法，故綜合收益表包括本集團年內應佔共同控制實體之業績，而綜合資產負債表亦包括本集團應佔共同控制實體之資產淨值。

2.3 分部報告

業務分部指從事提供產品或服務之一組資產及業務，其產品或服務之風險及回報與其他業務分部有所不同。地區分部指在某一特定經濟環境中從事提供產品或服務業務，其產品或服務之風險及回報與其他經濟環境中之營運分部不同。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Foreign currency translation

(a) *Functional and presentation currency*

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

(b) *Transactions and balances*

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

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

2 主要會計政策概要(續)

2.4 外幣換算

(a) *功能及列賬貨幣*

本集團各實體之財務報表所列項目均以其營運所在主要經濟環境之貨幣計量(「功能貨幣」)。綜合財務報表以港幣呈列，港幣為本公司之功能及列賬貨幣。

(b) *交易及結餘*

外幣交易按交易日之適用匯率換算為功能貨幣。該等交易結算及以外幣計值之貨幣資產及負債按年結日之匯率換算所產生之匯兌盈虧於綜合收益表內確認。

以外幣計值並分類為可供出售之貨幣證券之公平值變動，會按因證券攤銷成本變動及證券賬面值之其他變動所產生之匯兌差額予以分析。有關攤銷成本變動之匯兌差額於收益表確認，而賬面值之其他變動則在權益確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Foreign currency translation (Continued)

(b) Transactions and balances (Continued)

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

(c) Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

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

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

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

2 主要會計政策概要(續)

2.4 外幣換算(續)

(b) 交易及結餘(續)

非貨幣金融資產及金融負債(如按公平值入賬及列入收益表之股權)之匯兌差額於收益表內確認為公平值收益或虧損之部分。非貨幣金融資產(如分類為可供出售金融資產)之匯兌差額計入權益內之外匯儲備。

(c) 集團旗下公司

本集團旗下所有功能貨幣與列賬貨幣不同之實體之業績及財務狀況按以下方式換算為呈列貨幣：

- (i) 各資產負債表所呈列之資產及負債按該結算日之收市匯率換算；
- (ii) 各收益表之收入及開支按平均匯率換算；及
- (iii) 所有匯兌差額將確認為權益之獨立部分。

於綜合賬目時，因換算於海外業務之投資淨額及借貸而產生之匯兌差額均計入股東權益內。於出售或銷售部分海外業務時，權益所記錄之匯兌差額於綜合收益表確認為出售之部分盈虧。

收購海外實體所產生之商譽及公平值調整乃視作該海外實體之資產及負債處理，並按結算日之匯率換算。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost over their estimated useful lives at the following annual rates:

| | |
|---|--------------------------------|
| Buildings | 2.5% |
| Leasehold improvements, furniture and fixtures | 15% – 20% |
| Machinery and equipment | 15% – 20% |
| Medium-term leasehold factory premises | Over the terms of the lease |
| Motor vehicles | 15% – 25% |
| Moulds | 50% |

No depreciation is provided on freehold land.

2 主要會計政策概要(續)

2.5 物業、廠房及設備

物業、廠房及設備按歷史成本減折舊及減值虧損列賬。歷史成本包括收購該項目直接應佔之開支。

其後成本僅會於與該項目有關之未來經濟利益可能流入本集團，而該項目之成本能可靠地計量時，方會計入資產之賬面值或確認為獨立資產(如適用)。取代部分之賬面值不再確認。所有其他維修及保養成本於所產生財務期間內在收益表支銷。

物業、廠房及設備之折舊採用直線法計算，按下列年率在其估計可使用年期內分配成本：

| | |
|--------------|-----------|
| 樓宇 | 2.5% |
| 租賃物業裝修、傢俬及裝置 | 15% – 20% |
| 機器及設備 | 15% – 20% |
| 中期租約廠房 | 按租約年期 |
| 汽車 | 15% – 25% |
| 鑄模 | 50% |

並無就永久土地作出折舊撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Property, plant and equipment (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

2.6 Leasehold land and land use rights

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

2.7 Intangible asset

Technical know-how is shown at historical cost. Technical know-how has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of technical know-how over its estimated useful life.

2.8 Impairment of investments in subsidiaries, associates, jointly controlled entities and non-financial assets

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

2 主要會計政策概要(續)

2.5 物業、廠房及設備(續)

資產之剩餘價值及可使用年期在各結算日進行檢討及調整(如適用)。若資產之賬面值高於其估計可收回金額，則其賬面值即時撇減至可收回金額。

出售盈虧按出售所得款項與賬面值之差額釐定，並於收益表內確認。

2.6 租賃土地及土地使用權

租賃土地及土地使用權之首期預付款項入賬列為經營租賃，並按直線法於租期內於收益表支銷，或倘出現減值，則減值會於收益表支銷。

2.7 無形資產

技術知識按歷史成本呈列。可使用年期有限之技術知識按成本減累計攤銷列賬。攤銷使用直線法計算，在其估計可使用年內分配技術知識之成本。

2.8 於附屬公司、聯營公司及共同控制實體之投資及非金融資產之減值

可使用年期無限之資產毋須攤銷，但每年須進行減值測試。資產須在有事件顯示或情況有變而顯示其賬面值或不能收回時，審閱有否減值。減值虧損按資產賬面值超出其可收回金額之差額確認。可收回金額為資產公平值扣除銷售成本與使用價值兩者之較高者。於評估減值時，資產按獨立可識別現金流量(現金產生單位)之最低層次分組。出現減值之非金融資產(商譽除外)會於各報告日期予以審閱是否有可能撥回減值。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise 'long term deposits', 'amount due from an investee company', 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

(b) *Available-for-sale financial assets*

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

2 主要會計政策概要(續)

2.9 金融資產

本集團將其金融資產歸類為以下類別：貸款及應收款項以及可供出售。有關分類乃取決於所購入金融資產之用途。管理層於初步確認時決定其金融資產之類別。

(a) 貸款及應收款項

貸款及應收款項指於活躍市場上並無報價而款項已定或待定之非衍生金融資產。該等款項計入流動資產，惟不包括到期日為結算日起計12個月以後者。該等款項會列作非流動資產。本集團之貸款及應收款項包括資產負債表內之「長期存款」、「應收一間受投資公司之款項」、「貿易及其他應收賬款」以及「現金及現金等值項目」。

(b) 可供出售金融資產

可供出售金融資產乃指定為此類別或並不歸入任何其他類別之非衍生金融工具。除非管理層有意在結算日後十二個月內出售有關投資，否則會列作非流動資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets (Continued)

Regular way purchases and sales of financial assets are recognised on trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of monetary securities classified as available-for-sale and non-monetary securities classified as available-for-sale are recognised in equity.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement. Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement when the Group's right to receive payments is established.

2 主要會計政策概要(續)

2.9 金融資產(續)

正常買賣金融資產於交易日確認，交易日即本集團承諾買賣資產之日期。投資初步按公平值加所有並非按公平值入賬及列入收益表之金融資產之交易成本確認。在收取來自投資之現金流量之權利屆滿或已轉讓，且本集團已轉讓有關所有權之絕大部分風險及回報時，即不再確認有關金融資產。可供出售金融資產其後按公平值列賬。貸款及應收款項使用實際利率法按攤銷成本列賬。

以外幣計值並分類為可供出售之貨幣證券之公平值變動，會按因證券攤銷成本變動及證券賬面值之其他變動所產生之匯兌差額予以分析。與攤銷成本變動有關之匯兌差額於收益表確認，而賬面值之其他變動則在權益確認。分類為可供出售之貨幣證券及分類為可供出售之非貨幣證券之公平值變動於權益確認。

歸類為可供出售之證券售出或減值時，累計公平值調整會在權益確認，並計入收益表。按實際利率法計算之可供出售證券利息於收益表內確認。當本集團確立收款權利時，可供出售股本工具之股息在收益表確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets (Continued)

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

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

2 主要會計政策概要(續)

2.9 金融資產(續)

上市投資項目之公平值根據現行買價計算。倘金融資產並無活躍市場(及非上市證券)，本集團以估值方法計算其公平值。該等方法包括利用近期公平交易、參考其他大致相同之工具、貼現現金流量分析及期權定價模式，以盡可能使用市場數據而減少依據個別實體特定之數據。

本集團於各結算日評估一項金融資產或一組金融資產有否減值之客觀證據。就分類為可供出售之股本證券而言，在判斷該證券有否減值時，會考慮其公平值有否大幅或長期低於其成本。如可供出售金融資產出現此等跡象，其累計虧損(按收購成本與現時公平值之差額減去該金融資產之前在收益表確認之任何減值虧損計量)將從權益扣除，並於收益表確認。於收益表內確認之股本工具減值虧損不會透過收益表撥回。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designed as a hedging instrument, and if so, the nature of item being hedged. Derivative instruments held by the Group do not qualify for hedge accounting and are accounted for at fair value through profit or loss. Changes in fair value of these derivative instruments that do not qualify for hedge accounting are recognised immediately in the consolidated income statement.

2.11 Inventories

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

2 主要會計政策概要(續)

2.10 衍生金融工具

衍生金融工具初步按訂立衍生金融工具合約當日之公平值確認，其後按公平值計量。確認所得盈虧取決於衍生金融工具是否指定為對沖工具；倘若如是，則取決於被對沖項目之性質。本集團所持有之衍生金融工具並不符合對沖會計準則，並按公平值入賬及列入收益表。不符合對沖會計準則之衍生金融工具之公平值如有變動，會即時於綜合收益表確認。

2.11 存貨

存貨按成本及可變現淨值兩者之較低者列賬。成本採用加權平均法釐定。製成品及在製品之成本包括材料、直接勞工、其他直接成本及根據一般營運能力計算之相關生產固定開支，惟不包括借貸成本。可變現淨值指日常業務之估計售價減去適用可變銷售開支。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Trade and other receivables

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

2.13 Cash and cash equivalents

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

2 主要會計政策概要(續)

2.12 貿易及其他應收賬款

貿易及其他應收賬款初步按公平值確認，其後則以實際利率法按攤銷成本扣除減值撥備計算。如有客觀證據顯示本集團無法按照應收賬款原訂條款收回所有欠款，則會就貿易及其他應收賬款作出減值撥備。債務人陷入嚴重財務困境、債務人可能破產或進行財務重組，以及無力還款或無法如期還款均被視為應收賬款減值之跡象。撥備額為資產賬面值與估計未來現金流量按原實際利率貼現之現值兩者之差額。資產之賬面值透過使用撥備賬削減，而有關虧損額於綜合收益表確認。倘無法收回應收賬款，則於應收賬款撥備賬中撤銷。倘其後收回之前已撤銷之款項，則計入綜合收益表。

2.13 現金及現金等值項目

現金及現金等值項目包括手頭現金、銀行通知存款、原訂到期日為三個月或以下且易於變現之其他短期投資及銀行透支。銀行透支於資產負債表之流動負債內呈列。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Share capital

Ordinary shares are classified as equity.

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

2.15 Trade payables

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

2.16 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

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

2.17 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement.

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

2 主要會計政策概要(續)

2.14 股本

普通股分類為權益。

發行新股或購股權直接相關之新增成本，於權益中列作所得款項之扣減(扣除稅項)。

2.15 貿易應付賬款

貿易應付賬款初步按公平值確認，其後以實際利率法按攤銷成本計量。

2.16 借貸

借貸扣除所產生之交易成本後初步按公平值確認，其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期間使用實際利率法於綜合收益表確認。

除非本集團有權無條件將債務結算日期順延至結算日後至少十二個月，否則借貸會被分類為流動負債。

2.17 即期及遞延所得稅

期內稅項支出包括即期及遞延稅項。稅項在綜合收益表內確認。

即期所得稅費用按結算日在本公司及其附屬公司經營及產生應課稅收入之國家已實施或實質實施之稅務法律計算。管理層就適用稅務法規詮釋所規限之情況定期評估報稅表之狀況，並在適當情況下按預期將向稅務機關支付之款項作出撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Current and deferred income tax (Continued)

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

2 主要會計政策概要(續)

2.17 即期及遞延所得稅(續)

公司使用負債法按資產與負債之稅基與其於綜合財務報表之賬面值間之暫時差額確認遞延所得稅。然而，倘遞延所得稅因首次確認一項交易(業務合併除外)之資產或負債而產生，而在交易時並不影響會計及應課稅溢利或虧損，則遞延所得稅不會入賬。遞延所得稅按結算日前已實施或實質實施且預期將於相關遞延所得稅資產變現或遞延所得稅負債清償時適用之稅率(及法例)釐定。

倘可能有未來應課稅溢利可供抵銷暫時差額，則會確認遞延所得稅資產。

於附屬公司之投資產生之暫時差額會作出遞延所得稅撥備，惟倘本集團可控制撥回暫時差額之時間，且該暫時差額可能不會在可見將來撥回則除外。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Employee benefits

(a) Pension obligations

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of services and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

2 主要會計政策概要(續)

2.18 僱員福利

(a) 退休金責任

集團旗下公司設有多個退休金計劃。此等計劃一般透過向保險公司或受託管理基金付款而注資，金額按定期精算結果釐定。本集團設有界定福利及界定供款計劃。界定供款計劃是一項本集團向一個獨立實體支付供款之退休金計劃。若該基金並無持有足夠資產向所有僱員就其在當期及以往期間之僱員服務支付福利，則本集團亦無法定或推定責任支付額外供款。界定福利計劃乃退休金計劃，並非界定供款計劃。一般而言，界定福利計劃確定僱員在退休時可收取之退休福利金額，一般會視乎年齡、服務年資及薪酬補償等一個或多個因素而定。

在資產負債表內就有關界定福利退休計劃而確認之負債，為結算日界定福利責任之現值減計劃資產之公平值，連同就未確認精算盈虧及過往服務成本作出之調整。界定福利責任每年由獨立精算師利用預計單位貸記法計算。界定福利責任之現值利用將用以支付福利之貨幣為單位計值且到期日與有關退休負債年期相近之高質素公司債券之利率，將估計未來現金流出額貼現計算。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Employee benefits (Continued)

(a) Pension obligations (Continued)

Actuarial gains and losses which exceed 10 per cent of the greater of the present value of the Group's pension obligations and the fair value of plan assets are amortised over the expected average working lives of the participating employees. Past-service costs are recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 主要會計政策概要(續)

2.18 僱員福利(續)

(a) 退休金責任(續)

倘精算盈虧超出本集團退休金責任現值與計劃資產公平值較高者之百分十，則於參與員工之預期平均工作年期內予以攤銷。倘福利已經歸屬，過往服務成本即時予以確認，惟按直線法基準於平均期內予以攤銷直至修訂福利歸屬為止。

對於界定供款計劃，本集團以強制性、合約性或自願性方式向公開或私人管理之退休保險計劃作出供款。本集團作出供款後，即無進一步付款責任。供款在應付時確認為僱員福利開支。預付供款按照現金退款或可扣減未來付款而確認為資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Employee benefits (Continued)

(b) Share-based compensation

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

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

2.19 Provisions

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

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

2 主要會計政策概要(續)

2.18 僱員福利(續)

(b) 以股份為基礎之補償

本集團設有一項以權益結算、以股份為基礎之補償計劃。僱員就獲授購股權而提供之服務之公平值確認為開支。於歸屬期內支銷之總金額參照獲授購股權之公平值釐定，不包括任何非市場歸屬條件(如盈利能力及銷售增長目標)之影響。非市場歸屬條件包括在預期歸屬之購股權數目假設內。於各結算日，實體修訂其對預期歸屬之購股權數目之估計。本集團在收益表確認對修訂原本估計(如有)之影響，並對權益作出相應調整。

在購股權獲行使時，已收取所得款項扣除任何直接應佔交易成本後，撥入股本(面值)及股份溢價。

2.19 撥備

當本集團因已發生之事件須承擔現有法律或推定責任，而解除責任時有可能消耗資源，在能夠可靠地估計責任金額時，須確認撥備。不會因日後營運虧損而確認撥備。

倘有多項同類責任時，會考慮整體責任類別以決定於解除責任時是否需要消耗資源。即使同類責任內任何一個項目消耗資源之可能性不大，仍須確認撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Provisions (Continued)

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

The Group records warranty provision at the time of sale for the estimated costs that will be incurred under its basic limited warranty. The specific warranty terms and conditions vary depending upon the product and the country in which it was sold, but generally includes technical support, repair parts and labour associated with warranty repair and service actions. The period ranges from one to three years. The Group reevaluates its estimates at each balance sheet date to assess the adequacy of its recorded warranty liabilities and adjusts the amounts as necessary.

2.20 Revenue recognition

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

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

2 主要會計政策概要(續)

2.19 撥備(續)

撥備按預期解除責任所涉及開支之現值計量，所使用之稅前利率可反映目前市場對貨幣時間價值及責任特定風險之評估。因時間流逝而令撥備增加會確認為利息支出。

於銷售時，本集團就基本有限度維修將產生之估計成本記錄採用撥備。特定採用條款及條件會因產品及銷售產品國家不同而存有差異，但一般包括技術支援、修理零件以及與採用及服務活動有關之勞工，期限介乎一至三年不等。本集團會於各結算日重估其估計，以確定已記錄採用金額是否充足，並於必要時調整金額。

2.20 收益確認

收益包括於本集團日常業務過程中就銷售貨物及提供服務所收取或應收取代價之公平值。收益於扣除增值稅、退貨、回扣及折扣及撇銷本集團內部銷售後呈列。

倘能夠可靠計量收益、未來經濟利益有可能流入有關實體，而本集團下文各活動均符合特定條件，則本集團會確認收益。除非與銷售有關之所有或然事項均已解決，否則收益不會被視為能夠可靠計量。本集團會根據往績並考慮客戶類別、交易種類及各項安排之特性作出估計。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Revenue recognition (Continued)

- (a) *Sales of goods*
Sales of goods are recognised when a Group entity has delivered products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.
- (b) *Commission income*
Commission income is recognised on an accruals basis in accordance with the substance of relevant agreements.
- (c) *Service income*
Service income is recognised when the respective services are rendered.
- (d) *Ticketing and touring income*
Income from tour and travel services and other travel related services are recognised when the services are rendered. Revenue from sale of air tickets are recognised when the tickets are delivered.
- (e) *Interest income*
Interest income is recognised on a time-proportion basis using the effective interest method.
- (f) *Dividend income*
Dividend income is recognised when the right to receive payment is established.

2.21 Leases

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

2 主要會計政策概要(續)

2.20 收益確認(續)

- (a) *銷售貨物*
銷售貨物於集團實體向客戶交付產品，客戶接收產品且可合理確保可收回相關應收賬款時予以確認。
- (b) *佣金收入*
佣金收入按相關協議內容以累計基準予以確認。
- (c) *服務收入*
服務收入在提供有關服務時予以確認。
- (d) *票務及旅遊收入*
組團及旅遊服務以及其他旅遊相關服務之收入於提供該等服務時確認。銷售機票之收益於交付機票時確認。
- (e) *利息收入*
利息收入採用實際利率法按時間比例予以確認。
- (f) *股息收入*
股息收入在確定收取股息之權利時予以確認。

2.21 租賃

- (a) *經營租賃*
凡擁有權之絕大部分風險及回報由出租人保留之租賃，均列作經營租賃。根據經營租賃(扣除出租人給予之任何優惠)作出之付款於租賃期內以直線法於收益表扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Leases (Continued)

(b) Finance lease

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other short-term and other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.22 Dividend distribution

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

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge its risk exposures on changes in foreign currency exchange rates and interest rates where necessary.

2 主要會計政策概要(續)

2.21 租賃(續)

(b) 融資租賃

由本集團承擔及獲取所有權大部分風險及回報之租賃資產均為融資租賃。融資租賃價值在租賃開始時按租賃資產之公平值與最低租賃付款現值之較低者撥充資本。每期租金均分攤為負債及融資費用，並藉此制定未償還融資餘額之穩定利率。相應租金責任(扣除融資費用)計入其他短期及其他長期應付賬款。融資費用之利息部分會在有關租賃期內於收益表扣除，並藉此制定各期間負債餘額之穩定利率。

2.22 股息分派

向本公司股東分派之股息在本公司股東批准該等股息期間之本集團財務報表內確認為負債。

3 財務風險管理

3.1 財務風險因素

本集團之業務承受多種財務風險：市場風險(包括貨幣風險、公平值利率風險及現金流量利率風險)、信貸風險及流動資金風險。本集團之整體風險管理政策集中關注難以預測之金融市場，並致力減低對本集團財務表現造成之潛在不利影響。本集團於必要時使用衍生金融工具對沖其匯率及利率變動之風險。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Market risk

Foreign Exchange risk

As most of the Group's sales were conducted in the same currencies as the corresponding purchase transactions, and foreign exchange contracts were used to hedge exposures where necessary, the monetary assets and liabilities of the Group were substantially hedged against each other and therefore, no significant foreign exchange risk exposure is noted.

Interest rate risk

Except for the cash and time deposits held at bank, the Group has no significant interest-bearing assets. The Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from borrowings. The Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings (Note 32). The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate arising from the Group's HKD borrowings. The Group hedged part of the cashflow interest-rate risk through interest rate swap, which fix the interest rate of the notional principles amounted to HK\$200,000,000 as at 31 December 2008 (2007: nil).

At 31 December 2008, if interest rates on borrowings had been 25 basis points (2007: 50 basis points) higher/lower with all other variables held constant, post-tax profit for the year would have been HK\$1,627,000 (2007: HK\$3,015,000) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowing which are not covered by the interest rate swap.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險

外匯風險

由於本集團採用同一貨幣進行大部分銷售及相應採購交易，並於必要時訂立外匯合約對沖風險，而本集團之貨幣資產及負債大部分相互對沖，故並無發現重大外匯風險。

利率風險

除存放於銀行之現金及定期存款外，本集團並無重大計息資產。本集團之收入及經營現金流量基本上不受市場利率變動影響。

本集團之利率風險來自借貸。本集團承受浮息銀行借貸相關之現金流量利率風險(附註32)。本集團現金流量利率風險主要集中於本集團港幣借貸產生之香港銀行同業拆息波動。本集團透過利率掉期對沖部分現金流量利率風險，固定二零零八年十二月三十一日名義本金額面值港幣200,000,000元(二零零七年：無)之利率。

於二零零八年十二月三十一日，倘借貸利率增加／減少25個基點(二零零七年：50個基點)，而所有其他變數維持不變，則本年度之除稅後溢利將會減少／增加港幣1,627,000元(二零零七年：港幣3,015,000元)，主要因利率掉期並無涵蓋之浮息借貸之利息開支增加／減少所致。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk

The credit risk of the Group mainly arises from trade and other receivables and deposits with banks and financial institutions.

In order to minimise the credit risk, management has implemented internal control procedures for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group generally requires customers to pay a certain amount of deposits when orders are made. In addition, the Group reviews the recoverable amount of each individual trade receivables at each balance sheet date to ensure that adequate allowance on impairment losses are made for irrecoverable amounts.

As at 31 December 2008, 35% (2007: 31%) of the Group's total trade receivables comprises receivables from top five customers.

The Group manages its credit risk by dealing with credit worthy customers. Credit risk is managed by a credit evaluation process which includes assessment and evaluation of existing and potential customers. In addition, for certain export trades, the Group obtains provision of insurance protection against non-payment risks arising from commercial and political event through purchasing insurance from Hong Kong Export Credit Insurance Corporation.

The Group has placed its cash in reputable banks. Management does not expect any losses arising from non-performance by these banks.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

本集團之信貸風險主要來自貿易及其他應收賬款以及銀行及金融機構存款。

為盡量減低信貸風險，管理層已就釐定信貸額及信貸批核實行內部監控程序及其他監察程序，以確保採取跟進措施收回逾期債項。本集團通常要求客戶於下發訂單時支付訂金。此外，本集團於各結算日檢討各項貿易應收賬款之可收回金額，以確保就無法收回款項作出足夠減值虧損撥備。

於二零零八年十二月三十一日，本集團之貿易應收賬款總額之35%（二零零七年：31%）包括五大客戶之應收賬款。

本集團透過與信譽可靠之客戶進行買賣而管理其信貸風險。信貸風險透過信貸評估程序管理，其中包括評價及評估現有及潛在客戶。此外，就若干出口貿易而言，本集團通過向香港出口信用保險局購買保險，而就商業及政治事件所引發之不付款風險獲得保險保障。

本集團之現金存放於擁有信譽良好之銀行。管理層預期不會因該等銀行未能履行責任而蒙受任何虧損。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

Currently, the Group finances its working capital requirements through a combination of funds generated from operations and bank borrowings. As at 31 December 2008, the Group has available unutilised banking facilities of approximately HK\$1,386,252,000 (2007: HK\$1,551,599,000).

The following table details the Group's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group is required to pay. The table includes both interest and principal cash flows.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

為管理流動資金風險，本集團監察及維持管理層視為足以應付本集團業務所需之現金及現金等值項目，並減低現金流量波動影響。管理層監察銀行借貸之運用，確保遵守貸款契諾。

現時，本集團通過業務及短期借貸所得的資金來滿足其營運資金需求。於二零零八年十二月三十一日，本集團之未提取銀行融資額度約為港幣1,386,252,000元(二零零七年：港幣1,551,599,000元)。

下表詳列本集團之餘下金融負債合約到期日。就非衍生金融負債而言，下表乃按照本集團可能被要求還款之最早日期，以金融負債之非貼現現金流量顯示。下表已載列利息及主要現金流量。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

| Group 本集團 | Within | | | Total 總計 |
|---|------------------|-------------------|-------------------|------------------|
| | 1 year 一年內 | 1-2 years 一至兩年 | 2-5 years 兩至五年 | |
| | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| At 31 December 2008 | | | | |
| 於二零零八年十二月三十一日 | | | | |
| Trade and bill payables 貿易應付賬款及應付票據 | 440,305 | - | - | 440,305 |
| Bank borrowings (include interests) 銀行借貸(包括利息) | 640,529 | 18,124 | - | 658,653 |
| Bank overdraft 銀行透支 | 10,496 | - | - | 10,496 |
| Obligations under finance leases (include interests) 融資租賃承擔(包括利息) | 207 | 183 | 327 | 717 |
| | 1,091,537 | 18,307 | 327 | 1,110,171 |
| At 31 December 2007 | | | | |
| 於二零零七年十二月三十一日 | | | | |
| Trade and bill payables 貿易應付賬款及應付票據 | 743,575 | - | - | 743,575 |
| Bank borrowings (include interests) 銀行借貸(包括利息) | 317,172 | 128,845 | 18,458 | 464,475 |
| Bank overdraft 銀行透支 | 7,477 | - | - | 7,477 |
| Obligations under finance leases (include interests) 融資租賃承擔(包括利息) | 679 | 99 | - | 778 |
| | 1,068,903 | 128,944 | 18,458 | 1,216,305 |

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

| Company 本公司 | Within | 1-2 years | 2-5 years | Total |
|-----------------------|------------------|------------------|------------------|------------------|
| | 1 year 一年內 | 一至兩年 | 兩至五年 | 總計 |
| | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| At 31 December 2008 | | | | |
| 於二零零八年十二月三十一日 | | | | |
| Other payables 其他應付賬款 | 2,247 | - | - | 2,247 |
| At 31 December 2007 | | | | |
| 於二零零七年十二月三十一日 | | | | |
| Other payables 其他應付賬款 | 1,856 | - | - | 1,856 |

3.2 Capital risk management

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

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

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated balance sheet) less short-term time deposits and cash and bank balances.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險 (續)

3.2 資本風險管理

本集團管理資本之目標為保障本集團能繼續按持續經營基準經營，為本公司股東提供回報及為其他權益持有人提供利益，以及維持最佳資本架構以減低資金成本。

為維持或調整資本結構，本集團可能會調整派付予股東之股息、向股東歸還資本、發行新股或出售資產減債。

本集團按資本負債比率基準監控資本。資本負債比率按債務淨額除以股權總額計算。債務淨額按借貸總額(包括綜合資產負債表所列之流動及非流動借貸)扣除短期定期存款及現金及銀行結餘後得出。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2 Capital risk management (Continued)

The gearing ratio at year end is as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Total borrowings 借貸總額 | 660,622 | 453,503 |
| Less: bank balances and cash 減：銀行結餘及現金 | (581,596) | (244,863) |
| Net debt 債務淨額 | 79,026 | 208,640 |
| Total equity 股權總額 | 1,275,599 | 1,243,582 |
| Gearing ratio 資本負債比率 | 6.2% | 16.8% |

3.3 Fair value estimation

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3 財務風險管理 (續)

3.2 資本風險管理 (續)

年終之資本負債比率如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Total borrowings 借貸總額 | 660,622 | 453,503 |
| Less: bank balances and cash 減：銀行結餘及現金 | (581,596) | (244,863) |
| Net debt 債務淨額 | 79,026 | 208,640 |
| Total equity 股權總額 | 1,275,599 | 1,243,582 |
| Gearing ratio 資本負債比率 | 6.2% | 16.8% |

3.3 公平值估計

貿易應收賬款及貿易應付賬款之賬面值扣除減值撥備得出之金額假設與其公平值相若。為作披露用途，金融負債公平值按本集團就類似金融工具之當前市場利率將日後約定現金流量貼現而估計。

4 重大會計估計及判斷

估計及判斷根據過往經驗及其他因素(包括有關情況下相信為合理之未來事件預期)持續評估。

本集團作出有關未來之估計及假設，而有關會計估計明顯絕少與相關實際結果相同。下文載列涉及對下一個財政年度之資產及負債賬面值作出重大調整之重大風險之估計及假設。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Depreciation

The Group's net carrying values of property, plant and equipment as at 31 December 2008 was approximately HK\$626,796,000 (2007: HK\$646,631,000). The Group depreciates the property, plant and equipment on a straight-line basis over the estimated useful lives of 2 to 40 years and after taking into account of their estimated residual value, using the straight-line method, at the rate 2.5% to 50% per annum, commencing from the date the property, plant and equipment are placed into productive use. The estimated useful lives that the Group places the property, plant and equipment into productive use reflects the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment.

(b) Estimate impairment loss of trade receivables

The policy for allowance of bad and doubtful debts of the Group is based on the evaluation of collectability and ageing analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in impairment of their ability to make payments, additional allowances may be required.

(c) Allowances for inventories

The management of the Group reviews an ageing analysis at each balance sheet date, and makes allowances for obsolete and slow-moving inventory items identified that are no longer suitable for sales. The management estimates the net realisable value for such finished goods based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at each balance sheet date and makes allowance for obsolete items.

4 重大會計估計及判斷(續)

(a) 折舊

本集團物業、廠房及設備於二零零八年十二月三十一日之賬面淨值約為港幣626,796,000元(二零零七年：港幣646,631,000元)。本集團按估計可使用年期二至四十年，以直線法將物業、廠房及設備予以折舊。經考慮估計剩餘價值後，本集團由物業、廠房及設備投入生產用途日期開始，以直線法按2.5%至50%之年率予以折舊。本集團物業、廠房及設備投入生產用途之估計可使用年期指董事估計本集團計劃使用其物業、廠房及設備以產生未來經濟利益之期限。

(b) 貿易應收賬款之減值虧損估計

本集團之呆壞賬撥備政策乃根據對可收回款項之評估及賬目之賬齡分析以及管理層之判斷而定。評估該等應收賬款之最終變現值時，需要作出大量判斷，包括各客戶目前之信譽及過往收賬經驗。倘本集團客戶之財政狀況惡化導致其還款能力降低，則可能須作額外撥備。

(c) 存貨撥備

本集團管理層於各結算日審閱賬齡分析，並就確定為不適合銷售之陳舊或滯銷存貨項目作出撥備。管理層主要根據最近期發票價格及當時市況而估計該等製成品之可變現淨值。本集團於各結算日就每種產品進行存貨審閱及對陳舊項目作出撥備。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(d) Impairment of investments in subsidiaries and available-for-sale financial assets

Investment in subsidiaries and available-for-sale financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair values less cost to sell. These calculations require the use of judgements and estimates.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to sell and net present value of future cash flows which are estimated based upon the continued use of the asset in the business. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the income statement.

(e) Provision for warranty

Warranty provision is based on the estimates cost of provision warranties when sale is recognised. Factors that affect the Group's warranty liability includes technical support, repair parts and labour associated with warranty repair and service actions. The period ranges are depending upon the product and the country in which it was sold and the estimation is reviewed on an on-going basis and adjusts the amounts as necessary.

4 重大會計估計及判斷 (續)

(d) 於附屬公司及可供出售金融資產之投資減值

於附屬公司及可供出售金融資產之投資於有事件或情況變動顯示其賬面值或不能收回時作減值檢討。可收回金額按其使用價值或公平值減銷售成本釐定。此等計算須運用判斷及估計。

於評估是否有資產減值時，以下情況尤其需要管理層作出判斷：(i) 是否發生事件顯示有關資產價值或不能收回；及(ii) 資產之賬面值是否高於其可收回金額，即公平值減銷售成本與根據於營運中持續使用該資產而估計之未來現金流量之淨現值之較高者。倘預測表現及有關未來現金流量預測有重大不利變動，則可能需要於收益表計入減值費用。

(e) 保用撥備

保用撥備根據確認銷售時之估計產品保用費用計算。影響本集團保用責任之各種因素包括技術支援、修理零件以及與保用維修服務及服務活動有關之工資，期限則因產品及銷售產品國家不同而各異，而本集團會持續進行檢討，並於必要時對金額作出調整。

5 REVENUE

Revenue represents the amounts received and receivable for goods sold and services provided by the Group to outside customers, net of return, allowances, discounts and sales related taxes. Revenue recognised during the year is analysed as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--------------------------------------|-----------------------------------|-----------------------------------|
| Sales of goods 銷售貨物 | 4,369,957 | 4,449,046 |
| Commission income 佣金收入 | 18,578 | 19,688 |
| Service fee income 服務費收入 | 52,543 | 44,052 |
| Ticketing and touring income 票務及旅遊收入 | 1,097 | 25,725 |
| Others 其他 | 265 | 29 |
| | 4,442,440 | 4,538,540 |

6 BUSINESS AND GEOGRAPHICAL SEGMENTS

(a) Primary reporting format – business segments

The Group is currently organised into two operating divisions – trading and manufacturing. These divisions are the basis on which the Group reports its primary segment information.

| | | |
|---------------|---|--|
| Trading | – | trading and distribution of chemicals, materials and equipment used in the manufacturing of printed circuit boards and electronic products |
| Manufacturing | – | manufacturing of electrical and electronic products |

5 收益

收益指本集團向外界客戶銷售貨物及提供服務而收取及應收取之款項(扣除退貨、準備、折扣及銷售相關稅項)。年內已確認收益之分析如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--------------------------------------|-----------------------------------|-----------------------------------|
| Sales of goods 銷售貨物 | 4,369,957 | 4,449,046 |
| Commission income 佣金收入 | 18,578 | 19,688 |
| Service fee income 服務費收入 | 52,543 | 44,052 |
| Ticketing and touring income 票務及旅遊收入 | 1,097 | 25,725 |
| Others 其他 | 265 | 29 |
| | 4,442,440 | 4,538,540 |

6 業務及地區分部

(a) 主要報告形式 – 業務分部

本集團目前劃分為兩大經營部門 – 貿易及製造。本集團之主要分部資料報告均以上述部門為基礎。

| | | |
|----|---|---------------------------------|
| 貿易 | – | 製造印刷電路板及電子產品所使用之化學品、物料及設備之貿易及經銷 |
| 製造 | – | 電器及電子產品之製造 |

6 BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

(a) Primary reporting format – business segments
(Continued)

The segment results for the year ended 31 December 2008 are as follows:

| | Trading 貿易 HK\$'000 港幣千元 | Manu- facturing 製造 HK\$'000 港幣千元 | Other 其他 HK\$'000 港幣千元 | Eliminations 抵銷 HK\$'000 港幣千元 | Consolidated 綜合 HK\$'000 港幣千元 |
|---|-----------------------------------|--|---------------------------------|--|--|
| Revenue 收益 | | | | | |
| External sales 外部銷售額 | 1,945,171 | 2,453,618 | 43,651 | – | 4,442,440 |
| Inter-segment sales 分部內銷售額 | 261,208 | 2,312 | 17,423 | (280,943) | – |
| Total 總額 | 2,206,379 | 2,455,930 | 61,074 | (280,943) | 4,442,440 |
| Results 業績 | | | | | |
| Segment results 分部業績 | 83,636 | 68,313 | (21,389) | – | 130,560 |
| Finance income/(costs), net 融資收入/(成本)淨值 | 263 | (11,975) | 454 | – | (11,258) |
| | 83,899 | 56,338 | (20,935) | – | 119,302 |
| Share of results of associates 所佔聯營公司之業績 | | | | | 633 |
| Share of results of jointly controlled entities 所佔共同控制實體之業績 | | | | | (556) |
| Gain on disposal of jointly controlled entities 出售共同控制實體收益 | | | | | 1,646 |
| Allowance for doubtful debt on amount due from a jointly controlled entity 應收一間共同控制實體款項之 呆賬撥備 | | | | | (944) |
| Profit before income tax 除所得稅前溢利 | | | | | 120,081 |
| Income tax expense 所得稅支出 | | | | | (42,875) |
| Profit for the year 本年度溢利 | | | | | 77,206 |

6 業務及地區分部 (續)

(a) 主要報告形式 – 業務分部 (續)

截至二零零八年十二月三十一日止
年度之分部業績如下：

6 BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED) 6

(a) Primary reporting format – business segments
(Continued)

The segment results for the year ended 31 December 2007 are as follows:

| | Trading 貿易 HK\$'000 港幣千元 | Manu- facturing 製造 HK\$'000 港幣千元 | Other 其他 HK\$'000 港幣千元 | Eliminations 抵銷 HK\$'000 港幣千元 | Consolidated 綜合 HK\$'000 港幣千元 |
|--|-----------------------------------|--|---------------------------------|--|--|
| Revenue 收益 | | | | | |
| External sales 外部銷售額 | 2,077,735 | 2,414,052 | 46,753 | - | 4,538,540 |
| Inter-segment sales 分部內銷售額 | 56,694 | 2,214 | 27,052 | (85,960) | - |
| Total 總額 | 2,134,429 | 2,416,266 | 73,805 | (85,960) | 4,538,540 |
| Results 業績 | | | | | |
| Segment results 分部業績 | 131,302 | 105,755 | (18,507) | (22,000) | 196,550 |
| Finance (costs)/income, net 融資(成本)/收入, 淨值 | (12,439) | (35,127) | 545 | 22,000 | (25,021) |
| | 118,863 | 70,628 | (17,962) | - | 171,529 |
| Share of results of associates 所佔聯營公司之業績 | | | | | (460) |
| Share of results of jointly controlled entities 所佔共同控制實體之業績 | | | | | (1,095) |
| Write-back of impairment loss recognised in respect of properties 已確認物業減值虧損之撥回 | | | | | 15,532 |
| Profit before income tax 除所得稅前溢利 | | | | | 185,506 |
| Income tax expense 所得稅支出 | | | | | (63,477) |
| Profit for the year 本年度溢利 | | | | | 122,029 |

Inter-segment sales are charged at prevailing market rates.

業務及地區分部(續)

(a) 主要報告形式 – 業務分部(續)

截至二零零七年十二月三十一日止
年度之分部業績如下：

分部內銷售額乃以現行市場利率計算。

6 BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

(a) Primary reporting format – business segments
(Continued)

The segment assets and liabilities at 31 December 2008 are as follows:

| | Trading 貿易 | Manu- facturing 製造 | Other 其他 | Consolidated 綜合 |
|--|------------------|--------------------------|------------------|--------------------|
| | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Assets 資產 | | | | |
| Segment assets 分部資產 | 752,152 | 1,459,341 | 101,029 | 2,312,522 |
| Interests in an associate 於一間聯營公司之權益 | | | | 3,633 |
| Interests in jointly controlled entities 於共同控制實體之權益 | | | | 914 |
| Deferred tax assets 遞延稅項資產 | | | | 1,808 |
| Tax recoverable 可收回稅項 | | | | 8,222 |
| Short-term time deposits 短期存款 | | | | 294,822 |
| Consolidated total assets 綜合資產總額 | | | | 2,621,921 |
| Liabilities 負債 | | | | |
| Segment liabilities 分部負債 | 235,413 | 400,037 | 29,734 | 665,184 |
| Bank borrowings 銀行借貸 | | | | 649,455 |
| Bank overdraft 銀行透支 | | | | 10,496 |
| Current income tax liabilities 即期稅項負債 | | | | 20,175 |
| Deferred tax liabilities 遞延稅項負債 | | | | 1,012 |
| Consolidated total liabilities 綜合負債總額 | | | | 1,346,322 |

6 業務及地區分部 (續)

(a) 主要報告形式 – 業務分部 (續)

於二零零八年十二月三十一日之分部資產及負債如下：

6 BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

(a) Primary reporting format – business segments
(Continued)

The segment assets and liabilities at 31 December 2007 are as follows:

| | Trading 貿易 | Manu- facturing 製造 | Other 其他 | Consolidated 綜合 |
|--|------------------|--------------------------|------------------|--------------------|
| | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Assets 資產 | | | | |
| Segment assets 分部資產 | 901,429 | 1,601,108 | 109,546 | 2,612,083 |
| Interests in associates 於聯營公司之權益 | | | | 3,343 |
| Interests in jointly controlled entities 於共同控制實體之少數股東權益 | | | | 2,360 |
| Deferred tax assets 遞延稅項資產 | | | | 2,114 |
| Tax recoverable 可收回稅項 | | | | 3,260 |
| Consolidated total assets 綜合資產總值 | | | | <u>2,623,160</u> |
| Liabilities 負債 | | | | |
| Segment liabilities 分部負債 | 373,183 | 516,025 | 28,494 | 917,702 |
| Bank borrowings 銀行借貸 | | | | 445,582 |
| Bank overdraft 銀行透支 | | | | 7,477 |
| Current income tax liabilities 即期稅項負債 | | | | 8,183 |
| Deferred tax liabilities 遞延稅項負債 | | | | 634 |
| Consolidated total liabilities 綜合負債總額 | | | | <u>1,379,578</u> |

Segment assets and segment liabilities exclude non-operating cash and bank balance, tax recoverable, current income tax liabilities, deferred tax assets, deferred tax liabilities and borrowings.

6 業務及地區分部 (續)

(a) 主要報告形式 – 業務分部 (續)

於二零零七年十二月三十一日之分部資產及負債如下：

分部資產及分部負債不包括非經營現金及銀行結餘、可收回稅項、即期稅項負債、遞延稅項資產、遞延稅項負債及借貸。

6 BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

(a) Primary reporting format – business segments (Continued)

An analysis of the Group's capital expenditure, depreciation and amortisation by business segment is as follows:

| | Trading 貿易 HK\$'000 港幣千元 | Manu- facturing 製造 HK\$'000 港幣千元 | Other 其他 HK\$'000 港幣千元 | Consolidated 綜合 HK\$'000 港幣千元 |
|--|-----------------------------------|--|---------------------------------|--|
| For the year ended 31 December 2008 截至二零零八年 十二月三十一日止年度 | | | | |
| Capital expenditure 資本開支 | 13,969 | 29,522 | 1,855 | 45,346 |
| Depreciation of property, plant and equipment 物業、廠房及設備折舊 | 12,899 | 46,206 | 4,723 | 63,828 |
| Amortisation of land use rights 土地使用權攤銷 | – | 437 | – | 437 |
| For the year ended 31 December 2007 截至二零零七年 十二月三十一日止年度 | | | | |
| Capital expenditure 資本開支 | 19,051 | 38,711 | 16,971 | 74,733 |
| Depreciation of property, plant and equipment 物業、廠房及設備折舊 | 13,255 | 46,551 | 4,257 | 64,063 |
| Amortisation of land use rights 土地使用權攤銷 | – | 437 | – | 437 |

(b) Secondary reporting format – geographical segment

The Group's operations are located in Hong Kong, the People's Republic of China (the "PRC"), South East Asia, Europe and America. The Group's trading divisions are located in Hong Kong, the PRC and South East Asia. The manufacturing of industrial products is carried out in the PRC.

6 業務及地區分部 (續)

(a) 主要報告形式 – 業務分部 (續)

本集團按業務分部劃分之資本開支、折舊及攤銷分析如下：

(b) 次要報告形式 – 地區分部

本集團之業務位於香港、中華人民共和國(「中國」)、東南亞、歐洲及美國。本集團之貿易部門設於香港、中國及東南亞。工業產品之製造於中國進行。

6 BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

(b) Secondary reporting format – geographical segment
(Continued)

An analysis of the Group's revenue by customers geographic market, irrespective of the origin of the goods or services is as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---------------------|-----------------------------------|-----------------------------------|
| Hong Kong 香港 | 522,428 | 844,968 |
| PRC 中國 | 1,633,933 | 1,551,337 |
| South East Asia 東南亞 | 836,189 | 1,007,197 |
| Europe 歐洲 | 545,359 | 467,569 |
| America 美國 | 904,531 | 667,469 |
| | 4,442,440 | 4,538,540 |

An analysis of the segment assets and capital expenditure by the geographical area in which the assets are located is as follows:

| | Segment assets 分部資產 | | Capital expenditure 資本開支 | |
|---------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
| Hong Kong 香港 | 816,888 | 1,239,926 | 2,127 | 10,398 |
| PRC 中國 | 1,216,181 | 1,038,822 | 35,546 | 59,185 |
| South East Asia 東南亞 | 278,837 | 332,784 | 7,673 | 5,051 |
| Europe 歐洲 | 9 | 9 | – | – |
| America 美國 | 607 | 542 | – | 99 |
| | 2,312,522 | 2,612,083 | 45,346 | 74,733 |

6 業務及地區分部 (續)

(b) 次要報告形式 – 地區分部 (續)

本集團按客戶所在之地區市場劃分 (並不考慮貨物或服務來源地) 之收益分析如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---------------------|-----------------------------------|-----------------------------------|
| Hong Kong 香港 | 522,428 | 844,968 |
| PRC 中國 | 1,633,933 | 1,551,337 |
| South East Asia 東南亞 | 836,189 | 1,007,197 |
| Europe 歐洲 | 545,359 | 467,569 |
| America 美國 | 904,531 | 667,469 |
| | 4,442,440 | 4,538,540 |

按資產所在地區劃分之分部資產及資本開支之分析如下：

| | Segment assets 分部資產 | | Capital expenditure 資本開支 | |
|---------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
| Hong Kong 香港 | 816,888 | 1,239,926 | 2,127 | 10,398 |
| PRC 中國 | 1,216,181 | 1,038,822 | 35,546 | 59,185 |
| South East Asia 東南亞 | 278,837 | 332,784 | 7,673 | 5,051 |
| Europe 歐洲 | 9 | 9 | – | – |
| America 美國 | 607 | 542 | – | 99 |
| | 2,312,522 | 2,612,083 | 45,346 | 74,733 |

7 OTHER INCOME

7 其他收入

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Dividends from available-for-sale financial assets 可供出售金融資產之股息 | 382 | 4,098 |

8 OPERATING PROFIT IS STATED AFTER CHARGING/
(CREDITING) THE FOLLOWING8 經營溢利乃經扣除／(計入)下列各
項後列賬

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Auditors' remuneration 核數師酬金 | 2,836 | 1,687 |
| Net write-back of impairment loss on trade and other receivables 貿易及其他應收賬款之減值虧損撥回淨額 | (3,370) | (556) |
| Allowance for/(reversal of) obsolescence of inventories 陳舊存貨撥備／(撥回) | 2,814 | (373) |
| Operating leases rental in respect of land and buildings 土地及樓宇之經營租賃租金 | 17,181 | 11,672 |
| Net foreign exchange gains 匯兌收益淨額 | (29,237) | (9,889) |
| Loss on disposal of property, plant and equipment 出售物業、廠房及設備虧損 | 1,737 | 1,463 |
| Net fair value gains on financial derivatives 衍生金融工具之公平值收益淨額 | (586) | - |

9 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS'
EMOLUMENTS)

9 僱員福利開支(包括董事酬金)

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Salaries, wages, commission and allowances 薪酬、工資、佣金及津貼 | 472,950 | 431,463 |
| Pension costs – contributions to defined contribution plans (Note (a)) 退休金成本—向界定供款計劃供款(附註(a)) | 6,430 | 6,611 |
| Pension costs – contributions to defined benefit plans (Note 34) 退休金成本—向界定福利計劃供款(附註34) | 635 | 637 |
| Share-based compensation 以股份為基礎之補償 | - | 660 |
| Social security costs 社會保障成本 | 12,464 | 7,051 |
| | 492,479 | 446,422 |

9 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

- (a) Where there are employees who leave the defined contribution plans prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. The amount of forfeited contributions utilised in this manner during the year was HK\$119,000 (2007: HK\$139,500).

At the balance sheet date, there are no significant forfeited contributions, which arose upon employees leaving the retirement benefits schemes and which are available to reduce the contributions payable by the Group in future years.

The total employer's contribution to the above retirement schemes and other local arrangement charged to the consolidated income statement, net of forfeited contribution amounted to approximately HK\$6,430,000 (2007: HK\$6,611,000).

9 僱員福利開支(包括董事酬金)(續)

- (a) 倘僱員在供款全數歸屬前退出界定供款計劃，本集團應付供款會扣減被沒收供款，本年度以此方式動用之被沒收供款金額為港幣119,000元(二零零七年：港幣139,500元)。

於結算日，概無因僱員退出退休福利計劃而產生可供扣減本集團於未來年度應付供款之重大被沒收供款。

僱主對上述退休計劃及其他當地安排之供款總額於綜合收益表內扣除，當中已減去被沒收供款港幣6,430,000元(二零零七年：港幣6,611,000元)。

10 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The remuneration of the directors of the Company for the year ended 31 December 2008 is set out below:

| Name of director 董事姓名 | Fee 袍金 | Salaries, wages, commission and allowances 薪酬、工資、 佣金及津貼 | Performance related incentive payments 表現獎金 | Employer's contribution to pension scheme 退休金計劃 之僱主供款 | Share-based compensation 以股份為 基礎之補償 | Total 總計 |
|---|------------------|---|---|--|--|------------------|
| | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Executive directors 執行董事 | | | | | | |
| Senta Wong 王忠桐 | 100 | 7,956 | 1,381 | 324 | - | 9,761 |
| Edward Ying Chun Tsui 徐應春 | 100 | 4,109 | 1,043 | 205 | - | 5,457 |
| Byron Shu Chan Ho 何樹燦 | 100 | 3,776 | 1,015 | 189 | - | 5,080 |
| Bengie Man Han Kwong 鄭敏恆 | 100 | 3,562 | 1,005 | 178 | - | 4,845 |
| Hamed Hassan El-Abd | 100 | 2,858 | 226 | 118 | - | 3,302 |
| Independent non-executive directors 獨立非執行董事 | | | | | | |
| Peter Chung Yin Lee 李仲賢 | 105 | - | - | - | - | 105 |
| John Ho 何約翰 | 105 | - | - | - | - | 105 |
| Philip Wan Chung Tse 謝宏中 | 105 | - | - | - | - | 105 |
| Gene Howard Weiner | 100 | - | - | - | - | 100 |
| | 915 | 22,261 | 4,670 | 1,014 | - | 28,860 |

10 董事及高級管理層酬金

(a) 董事酬金

於截至二零零八年十二月三十一日止年度本公司董事之酬金如下：

10 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS
(CONTINUED)

(a) Directors' emoluments (Continued)

The remuneration of the directors of the Company for the year ended 31 December 2007 is set out below:

| Name of director 董事姓名 | Fee 袍金 HK\$'000 港幣千元 | Salaries, wages, commission and allowances 薪酬、工資、 佣金及津貼 HK\$'000 港幣千元 | Performance related incentive payments 表現獎金 HK\$'000 港幣千元 | Employer's contribution to pension scheme 退休金計劃 之僱主供款 HK\$'000 港幣千元 | Share-based compensation 以股份為 基礎之補償 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|---|-------------------------------|---|---|--|--|---------------------------------|
| Executive directors 執行董事 | | | | | | |
| Senta Wong 王忠桐 | 100 | 7,476 | 2,345 | 300 | 39 | 10,260 |
| Edward Ying-Chun Tsui 徐應春 | 100 | 3,876 | 1,860 | 194 | 39 | 6,069 |
| Byron Shu-Chan Ho 何樹燦 | 100 | 3,562 | 1,835 | 178 | 39 | 5,714 |
| Bengie Man-Hang Kwong 龔敏恆 | 100 | 3,360 | 1,316 | 168 | 29 | 4,973 |
| Hamed Hassan El-Abd | 100 | 2,745 | 434 | 112 | 29 | 3,420 |
| Independent non-executive directors 獨立非執行董事 | | | | | | |
| Peter Chung-Yin Lee 李仲賢 | 105 | - | - | - | 6 | 111 |
| John Ho 何約翰 | 105 | - | - | - | 6 | 111 |
| Philip Wan-Chung Tse 謝宏中 | 105 | - | - | - | 6 | 111 |
| Gene Howard Weiner | 100 | - | - | - | 6 | 106 |
| Total 總額 | 915 | 21,019 | 7,790 | 952 | 199 | 30,875 |

No directors waived any emoluments during the years ended 31 December 2008 and 2007.

10 董事及高級管理層酬金 (續)

(a) 董事酬金 (續)

於截至二零零七年十二月三十一日止年度本公司董事之酬金如下：

於截至二零零八年及二零零七年十二月三十一日止年度，概無董事放棄任何酬金。

10 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS
(CONTINUED)

(b) Five highest paid individuals

The five highest paid individuals in the Group were executive directors of the Company for the years ended 31 December 2008 and 2007 whose emoluments were included in Note 10 (a).

10 董事及高級管理層酬金 (續)

(b) 五名最高薪酬人士

本集團截至二零零八年及二零零七年十二月三十一日止年度之五名最高薪酬人士均為本公司執行董事，彼等之薪酬載於附註10(a)。

11 FINANCE COSTS, NET

11 融資成本，淨值

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Interest income on bank deposits 銀行存款之利息收入 | 16,251 | 4,433 |
| Others 其他 | 21 | - |
| | 16,272 | 4,433 |
| Interest expense on: 利息支出： | | |
| - bank borrowings and overdrafts wholly repayable within five years 須於五年內悉數償還之銀行借貸及透支 | (26,823) | (29,289) |
| - finance leases wholly repayable within five years 須於五年內悉數償還之融資租賃 | (23) | (51) |
| - others 其他 | (684) | (114) |
| Total finance costs 總融資成本 | (27,530) | (29,454) |
| Finance costs – net 融資成本 – 淨值 | (11,258) | (25,021) |

12 INCOME TAX EXPENSE

12 所得稅支出

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Current income tax 即期所得稅 | | |
| – Hong Kong profits tax 香港利得稅 | 5,880 | 14,728 |
| – Other jurisdictions including PRC income tax 其他司法權區，包括中國所得稅 | 32,502 | 11,618 |
| | 38,382 | 26,346 |
| (Over)/under provision in prior years 過往年度(超額撥備)/撥備不足 | | |
| – Hong Kong 香港 | (380) | 27,938 |
| – Other jurisdictions including PRC income tax 其他司法權區，包括中國所得稅 | 80 | – |
| | (300) | 27,938 |
| Deferred income tax (Note 23) 遞延所得稅(附註23) | 684 | 2,890 |
| | 38,766 | 57,174 |
| Withholding tax on dividend declared by subsidiaries 就附屬公司已宣派股息之應繳稅項 | 4,109 | 6,303 |
| | 42,875 | 63,477 |

Hong Kong profits tax is calculated at the rate of 16.5% (2007: 17.5%) on the estimated assessable profits for the year. The subsidiaries established in the PRC are subject to enterprise income tax rates ranging from 12.5% to 25%. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

香港所得稅乃以本年度之估計應課稅溢利按稅率16.5%(二零零七年: 17.5%)計算。於中國成立之附屬公司須按12.5%至25%稅率繳納企業所得稅。其他司法權區之稅項則按有關司法權區適用之稅率計算。

12 INCOME TAX EXPENSE (CONTINUED)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the tax rate applicable in Hong Kong to profits of the group companies as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Profit before tax 除稅前溢利 | 120,081 | 185,506 |
| Tax at domestic tax rate of 16.5% (2007: 17.5%) 按當地稅率16.5%(二零零七年: 17.5%)計算之稅項 | 19,813 | 32,464 |
| Effect of different tax rate of operation in other jurisdictions 其他司法權區經營業務之不同稅率之影響 | 9,398 | 421 |
| Tax effect of expenses not deductible for tax purpose 不可扣稅開支之稅務影響 | 6,774 | 16,511 |
| Tax effect of income not taxable for tax purpose 毋須課稅收入之稅務影響 | (2,119) | (12,293) |
| Utilisation of tax losses previously not recognised 動用先前未確認之稅項虧損 | (1,210) | (539) |
| Tax effect of tax losses not recognised 未確認稅項虧損之稅務影響 | 13,651 | 5,525 |
| Recognition of previously unrecognised tax losses 確認先前未確認之稅項虧損 | (146) | - |
| Effect of tax exemptions granted to foreign subsidiaries 海外附屬公司所獲稅務寬免之影響 | (6,410) | (10,481) |
| Income tax concessionary rate 以優惠稅率計算之所得稅 | - | (2,276) |
| Effect of increase from foreign tax rate 海外稅率增加之影響 | - | 54 |
| (Over)/under provision in prior years 過往年度(超額撥備)/撥備不足 | (300) | 27,938 |
| Others 其他 | (685) | (150) |
| Withholding tax on dividend declared by subsidiaries 就附屬公司已宣派股息之應繳稅項 | 4,109 | 6,303 |
| Income tax charge 所得稅支出 | 42,875 | 63,477 |

The weighted average applicable tax rate was 24.3% (2007: 17.7%). The increase is caused by a change in the profitability of the Group's subsidiaries in the respective countries.

12 所得稅支出(續)

本集團除所得稅前溢利之稅項與集團旗下公司溢利按香港適用稅率計算之理論稅款之差異如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Profit before tax 除稅前溢利 | 120,081 | 185,506 |
| Tax at domestic tax rate of 16.5% (2007: 17.5%) 按當地稅率16.5%(二零零七年: 17.5%)計算之稅項 | 19,813 | 32,464 |
| Effect of different tax rate of operation in other jurisdictions 其他司法權區經營業務之不同稅率之影響 | 9,398 | 421 |
| Tax effect of expenses not deductible for tax purpose 不可扣稅開支之稅務影響 | 6,774 | 16,511 |
| Tax effect of income not taxable for tax purpose 毋須課稅收入之稅務影響 | (2,119) | (12,293) |
| Utilisation of tax losses previously not recognised 動用先前未確認之稅項虧損 | (1,210) | (539) |
| Tax effect of tax losses not recognised 未確認稅項虧損之稅務影響 | 13,651 | 5,525 |
| Recognition of previously unrecognised tax losses 確認先前未確認之稅項虧損 | (146) | - |
| Effect of tax exemptions granted to foreign subsidiaries 海外附屬公司所獲稅務寬免之影響 | (6,410) | (10,481) |
| Income tax concessionary rate 以優惠稅率計算之所得稅 | - | (2,276) |
| Effect of increase from foreign tax rate 海外稅率增加之影響 | - | 54 |
| (Over)/under provision in prior years 過往年度(超額撥備)/撥備不足 | (300) | 27,938 |
| Others 其他 | (685) | (150) |
| Withholding tax on dividend declared by subsidiaries 就附屬公司已宣派股息之應繳稅項 | 4,109 | 6,303 |
| Income tax charge 所得稅支出 | 42,875 | 63,477 |

加權平均適用稅率為24.3% (二零零七年: 17.7%)，上調原因為本集團附屬公司在各相關國家之盈利能力有所變動。

13 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

Profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$15,875,000 (2007: HK\$10,070,000).

14 DIVIDENDS

Interim dividend, paid: HK\$0.015 (2007: HK\$0.015) per share
已付中期股息：每股港幣0.015元(二零零七年：港幣0.015元)
Final dividend, declared: nil (2007: HK\$0.025) per share
末期股息：無(二零零七年：港幣0.025元)

11,090 **29,488**

The directors do not recommend payment of a final dividend for the year ended 31 December 2008.

15 EARNINGS PER SHARE

(a) Basic

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

Profit attributable to equity holders of the Company

(Hong Kong thousands dollar)

本公司股權持有人應佔溢利(港幣千元)

55,899

108,523

Weighted average number of ordinary shares in issue (thousands)

已發行普通股加權平均數(千股)

738,660

719,043

Basic earnings per share (HK cents per share)

每股基本盈利(每股港仙)

7.57

15.09

13 本公司股權持有人應佔溢利

本公司股權持有人應佔溢利於本公司財務報表入賬，金額以港幣15,875,000元(二零零七年：港幣10,070,000元)為限。

14 股息

| 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|-----------------------------------|-----------------------------------|
|-----------------------------------|-----------------------------------|

11,090

11,005

–

18,483

11,090

29,488

董事不建議派付截至二零零八年十二月三十一日止年度之末期股息。

15 每股盈利

(a) 基本

每股基本盈利乃按本公司股權持有人應佔溢利除以年內已發行普通股加權平均數計算。

| 2008 二零零八年 | 2007 二零零七年 |
|---------------|---------------|
|---------------|---------------|

55,899

108,523

738,660

719,043

7.57

15.09

15 EARNINGS PER SHARE (CONTINUED)**(b) Diluted**

Diluted earnings per share is calculated by adjusting weighted average number of ordinary shares outstanding to assume all outstanding options had been exercised at nil consideration.

| | 2008 二零零八年 | 2007 二零零七年 |
|---|---------------|---------------|
| Profit attributable to equity holders of the Company (Hong Kong thousands dollar) 本公司股權持有人應佔溢利(港幣千元) | 55,899 | 108,523 |
| Weighted average number of ordinary shares in issue (thousands) 已發行普通股加權平均數(千股) | 738,660 | 719,043 |
| Adjustments for share options (thousands) 就購股權作出調整(千份) | 7,167 | 21,965 |
| Weighted average number of ordinary shares for diluted earnings per share (thousands) 用以計算每股攤薄盈利之普通股加權平均數(千股) | 745,827 | 741,008 |
| Diluted earnings per share (Hong Kong cents per share) 每股攤薄盈利(每股港仙) | 7.49 | 14.65 |

16 LAND USE RIGHTS

The Group's interests in land use rights represent prepaid operating lease payments held in the PRC under leases of between 10 to 50 years.

15 每股盈利(續)**(b) 攤薄**

每股攤薄盈利按假設全部尚未行使購股權按零代價行使而調整發行在外普通股之加權平均數計算。

16 土地使用權

本集團之土地使用權權益指在中國按年期10至50年之租約持有之預付經營租賃款項。

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|-------------------------|-----------------------------------|-----------------------------------|
| At 1 January 於一月一日 | 16,268 | 13,485 |
| Addition 添置 | - | 3,220 |
| Amortisation 攤銷 | (437) | (437) |
| At 31 December 於十二月三十一日 | 15,831 | 16,268 |

17 PROPERTY, PLANT AND EQUIPMENT

17 物業、廠房及設備

| | Freehold land and buildings in overseas 海外永久 業權土地 及樓宇 HK\$'000 港幣千元 | Medium- term leasehold factory premises in the PRC 中國中期 租約廠房 HK\$'000 港幣千元 | Machinery and equipment 機器及設備 HK\$'000 港幣千元 | Leasehold improve- ments, furniture and fixtures 租賃 物業裝修、 傢俬及裝置 HK\$'000 港幣千元 | Motor vehicles 汽車 HK\$'000 港幣千元 | Moulds 鑄模 HK\$'000 港幣千元 | Total 總額 HK\$'000 港幣千元 |
|---|---|---|--|--|---|----------------------------------|---------------------------------|
| Net book value at 1 January 2008 於二零零八年一月一日之賬面淨值 | 36,153 | 408,748 | 157,746 | 37,751 | 6,233 | - | 646,631 |
| Exchange translation adjustments 外匯調整 | (87) | 42 | 2,205 | (153) | 143 | - | 2,150 |
| Additions 添置 | - | 16,987 | 16,033 | 6,010 | 6,316 | - | 45,346 |
| Disposals 出售 | - | - | (1,858) | (654) | (991) | - | (3,503) |
| Depreciation 折舊 | (428) | (11,495) | (38,723) | (9,803) | (3,379) | - | (63,828) |
| At 31 December 2008 於二零零八年十二月三十一日 | 35,638 | 414,282 | 135,403 | 33,151 | 8,322 | - | 626,796 |
| At 31 December 2008 於二零零八年十二月三十一日 | | | | | | | |
| Cost 成本 | 47,361 | 475,870 | 525,169 | 124,022 | 30,579 | 4,190 | 1,207,191 |
| Accumulated depreciation and impairment 累計折舊及減值 | (11,723) | (61,588) | (389,766) | (90,871) | (22,257) | (4,190) | (580,395) |
| Net book value 賬面淨值 | 35,638 | 414,282 | 135,403 | 33,151 | 8,322 | - | 626,796 |

17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

17 物業、廠房及設備(續)

| | Freehold land and buildings in overseas 海外永久 業權土地 及樓宇 HK\$'000 港幣千元 | Medium- term leasehold factory premises in the PRC 中國中期 租約廠房 HK\$'000 港幣千元 | Machinery and equipment 機器及設備 HK\$'000 港幣千元 | Leasehold improve- ments, furniture and fixtures 租賃 物業裝修、 傢俬及裝置 HK\$'000 港幣千元 | Motor vehicles 汽車 HK\$'000 港幣千元 | Moulds 鑄模 HK\$'000 港幣千元 | Total 總額 HK\$'000 港幣千元 |
|--|---|---|--|--|---|----------------------------------|---------------------------------|
| Net book value at 1 January 2007 於二零零七年一月一日之賬面淨值 | 35,867 | 406,132 | 150,927 | 30,616 | 6,125 | - | 629,667 |
| Exchange translation adjustments 外匯調整 | 1,416 | 58 | (424) | 289 | 114 | - | 1,453 |
| Additions 添置 | 16 | 2,951 | 45,415 | 20,749 | 2,382 | - | 71,513 |
| Disposals 出售 | - | (5,208) | (565) | (1,587) | (111) | - | (7,471) |
| Depreciation 折舊 | (1,146) | (10,717) | (41,102) | (8,821) | (2,277) | - | (64,063) |
| Write back of impairment loss on properties 物業減值虧損之撥回 | - | 15,532 | - | - | - | - | 15,532 |
| Reclassification 重新歸類 | - | - | 3,495 | (3,495) | - | - | - |
| At 31 December 2007 於二零零七年十二月三十一日 | 36,153 | 408,748 | 157,746 | 37,751 | 6,233 | - | 646,631 |
| At 31 December 2007 於二零零七年十二月三十一日 | | | | | | | |
| Cost 成本 | 47,905 | 458,927 | 522,249 | 116,878 | 25,209 | 4,190 | 1,175,358 |
| Accumulated depreciation and impairment 累計折舊及減值 | (11,752) | (50,179) | (364,503) | (79,127) | (18,976) | (4,190) | (528,727) |
| Net book value 賬面淨值 | 36,153 | 408,748 | 157,746 | 37,751 | 6,233 | - | 646,631 |

17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) The Group has pledged land and buildings with total net book values of approximately HK\$20,324,000 (2007: HK\$20,618,000) to secure bank overdrafts granted to the Group.

(b) Finance leases

Certain property, plant and equipment are held under finance leases. Details of these assets are:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---------------------------------|-----------------------------------|-----------------------------------|
| Net book value 賬面淨值 | 676 | 86 |
| Depreciation for the year 本年度折舊 | 232 | 29 |

17 物業、廠房及設備(續)

(a) 本集團將賬面淨值合共約港幣20,324,000元(二零零七年:港幣20,618,000元)之土地及樓宇抵押,作為授予本集團之銀行透支之擔保。

(b) 融資租賃

若干物業、廠房及設備乃根據融資租賃持有。該等資產之詳情如下:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---------------------------------|-----------------------------------|-----------------------------------|
| Net book value 賬面淨值 | 676 | 86 |
| Depreciation for the year 本年度折舊 | 232 | 29 |

100**18 INTANGIBLE ASSETS**

Intangible assets represent technical know-how acquired by the Group. The technical know-how will commence amortisation when the asset is ready for use. Movements of the intangible assets during the year are as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|-------------------------|-----------------------------------|-----------------------------------|
| At 1 January 於一月一日 | - | - |
| Addition 添置 | 7,810 | - |
| At 31 December 於十二月三十一日 | 7,810 | - |

18 無形資產

無形資產指本集團購買之技術知識。技術知識於資產可供使用時即開始攤銷。年內無形資產之變動如下:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|-------------------------|-----------------------------------|-----------------------------------|
| At 1 January 於一月一日 | - | - |
| Addition 添置 | 7,810 | - |
| At 31 December 於十二月三十一日 | 7,810 | - |

19 INTEREST IN AN ASSOCIATE

19 於一間聯營公司之權益

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Share of net assets of an unlisted associate 應佔一間非上市聯營公司之資產淨值 | 3,628 | 3,327 |
| Amount due from an associate 應收一間聯營公司款項 | 5 | 7,530 |
| Less: impairment losses on amounts due from associates 減：應收聯營公司款項之減值虧損 | - | (7,514) |
| | 5 | 16 |
| Amounts due to associates 應付聯營公司款項 | - | (7,630) |
| Add: waiver of amounts due to associates 加：豁免應付聯營公司款項 | - | 7,630 |
| | - | - |
| | 3,633 | 3,343 |

Movements of share of net assets attributable to the Group for the year are as follows:

年內本集團之應佔資產淨值變動如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Carrying value as at 1 January 於一月一日之賬面值 | 3,327 | 3,846 |
| Exchange translation differences 匯兌差異 | (272) | - |
| Share of profits/(losses) 應佔溢利/(虧損) | 633 | (460) |
| Acquisition of interest in an associate 收購一間聯營公司權益 | - | 59 |
| Released of reserves upon disposal of associates 出售聯營公司時轉撥之儲備 | - | (118) |
| Reclassification to available-for-sale-financial assets 重新歸類為可供出售金融資產 | (60) | - |
| | 3,628 | 3,327 |

19 INTEREST IN AN ASSOCIATE (CONTINUED)

The amounts due from/to associates are unsecured, interest free and are not repayable within one year. The fair values of the Group's amounts due from/(to) associates approximate to their carrying amounts of the receivables/payables as at the balance sheet date.

As at 31 December 2008, the Group had interest in the following principal associate:

| Name of associate 聯營公司名稱 | Form of business structure 企業結構形式 | Place of incorporation/ registration/ operation 註冊成立/ 註冊/經營地點 | Class of shares held 持有股份類別 | Effective interest 實際權益 | Principal activity 主要業務 |
|-----------------------------|--|--|-----------------------------------|----------------------------|--------------------------------------|
| 建大科技股份有限公司 | Incorporated 註冊成立 | Taiwan 台灣 | Ordinary 普通股 | 23.6% | Manufacturing of machineries 製造機器 |

19 於一間聯營公司之權益 (續)

應收/應付聯營公司之款項乃無抵押、免息及無須於一年內償還。本集團應收/(應付)聯營公司款項之公平值與應收/應付款項於結算日之賬面值相若。

於二零零八年十二月三十一日，本集團擁有以下主要聯營公司之權益：

19 INTEREST IN AN ASSOCIATE (CONTINUED)

The Group's share of the results of its principal associate and its aggregated assets and liabilities, are as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Total assets 資產總值 | 10,728 | 10,049 |
| Total liabilities 負債總額 | (362) | (3,098) |
| Net assets 資產淨值 | 10,366 | 6,951 |
| Group's share of net assets of associate 本集團應佔聯營公司資產淨值 | 3,628 | 3,327 |
| Revenue 收益 | 17,135 | 4,057 |
| Profit/(loss) for the year 年內溢利/(虧損) | 3,315 | (1,852) |
| Group's share of results of associate for the year 本集團應佔聯營公司年內業績 | 633 | (460) |

20 INTERESTS IN JOINTLY CONTROLLED ENTITIES**19 於一間聯營公司之權益(續)**

本集團應佔其主要聯營公司之業績以及其總資產及負債如下：

20 於共同控制實體之權益

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Share of net assets of unlisted jointly controlled entities 應佔非上市共同控制實體之資產淨值 | - | 1,190 |
| Amounts due from jointly controlled entities 應收共同控制實體款項 | 1,858 | 1,621 |
| Amounts due to jointly controlled entities 應付共同控制實體款項 | - | (451) |
| Less: impairment losses on amount due from a jointly controlled entity 減：應收一間共同控制實體款項之減值虧損 | (944) | - |
| | 914 | 2,360 |

20 INTERESTS IN JOINTLY CONTROLLED ENTITIES (CONTINUED)

Movements of share of net assets attributable to the Group for the year are as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Carrying value as at 1 January 於一月一日之賬面值 | 1,190 | 2,285 |
| Addition 添置 | 965 | - |
| Share of losses 應佔虧損 | (556) | (1,095) |
| Disposal 出售 | (1,599) | - |
| Carrying value as at 31 December 於十二月三十一日之賬面值 | - | 1,190 |

The amounts due from jointly controlled entities are unsecured, interest free and are not repayable within one year. The fair value of the Group's amounts due from jointly controlled entities approximate to their carrying amounts as at the balance sheet date.

年內本集團之應佔資產淨值變動如下：

應收共同控制實體款項乃無抵押、免息及無須於一年內償還。本集團應收共同控制實體款項之公平值與該應收款項於結算日之賬面值相若。

As at 31 December 2008, the Group had interests in the following jointly controlled entities:

於二零零八年十二月三十一日，本集團擁有以下共同控制實體之權益：

| Name of entity 公司名稱 | Form of business structure 企業結構形式 | Place of incorporation/ registration/ operation 註冊成立/ 註冊/經營地點 | Class of share held 持有股份類別 | Proportion of nominal value of issued capital held by the Group 本集團所持已發行股本面值比例 | Principal activities 主要業務 |
|------------------------|--|---|-------------------------------|---|--|
| Wesi Technology Ltd | Incorporated 註冊成立 | Hong Kong 香港 | Ordinary 普通股 | 50% | Semi conductor equipment distribution 分銷半導體設備 |
| 微士貿易有限公司 | Wholly-owned foreign enterprises 全資外資企業 | Taiwan 台灣 | Contributed Capital 注資 | 50% | Semi conductor equipment distribution 分銷半導體設備 |
| 微士貿易有限公司 | Wholly-owned foreign enterprises 全資外資企業 | PRC 中國 | Contributed Capital 注資 | 50% | Semi conductor equipment distribution 分銷半導體設備 |

20 INTERESTS IN JOINTLY CONTROLLED ENTITIES (CONTINUED) **20 於共同控制實體之權益 (續)**

The Group's share of the results of its jointly controlled entities and its aggregated assets and liabilities, are as follows:

本集團應佔其共同控制實體之業績以及其總資產及負債如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|--|-----------------------------------|
| Total assets 資產總值 | 2,446 | 4,763 |
| Total liabilities 負債總額 | (4,335) | (2,383) |
| Net (liabilities) assets (負債) 資產淨值 | (1,889) | 2,380 |
| Group's share of net assets of jointly controlled entities 本集團應佔共同控制實體資產淨值 | - | 1,190 |
| Revenue for the year/up to date of disposal 年內收益／直至出售之日 | 1,052 | 1,876 |
| Loss for the year/up to date of disposal 年內虧損／直至出售之日 | (2,919) | (1,974) |
| Group's share of results of jointly controlled entities for the year 本集團應佔共同控制實體年內業績 | (556) | (1,095) |

21 INVESTMENT IN SUBSIDIARIES AND AMOUNT DUE TO A SUBSIDIARY

21 附屬公司投資及應付一間附屬公司款項

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Unlisted shares, at cost 非上市股份，按成本 | 168,498 | 168,498 |
| Amounts due from subsidiaries 應收附屬公司款項 | 184,538 | 196,187 |
| | 353,036 | 364,685 |
| Amount due to a subsidiary 應付一間附屬公司款項 | 1 | 857 |

Particulars of the Group's principal subsidiaries at 31 December 2008 are set out in Note 39 to the financial statements.

本集團於二零零八年十二月三十一日之主要附屬公司詳情載於財務報表附註39。

At 31 December 2008, the amounts due from subsidiaries are unsecured, interest-free and the balances are considered equity in nature.

於二零零八年十二月三十一日，應收附屬公司之款項乃無抵押及免息，而結餘被視為屬股本性質。

At 31 December 2008, the amount due to a subsidiary is unsecured, interest-free and repayable on demand.

於二零零八年十二月三十一日，應付一間附屬公司之款項乃無抵押、免息及須按要求償還。

22 AMOUNT DUE FROM AN INVESTEE COMPANY

The amount is unsecured, interest-free and is not repayable within one year.

22 應收一間受投資公司之款項

該款項乃無抵押、免息及無須於一年內償還。

23 DEFERRED INCOME TAX

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

23 遞延所得稅

當法律上許可，且遞延所得稅屬同一財政機構時，本集團有權將遞延所得稅資產與遞延所得稅負債進行合法抵銷。

23 DEFERRED INCOME TAX (CONTINUED)

23 遞延所得稅(續)

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Deferred tax assets to be recovered after 12 months 將於12個月後撥回之遞延稅項資產 | 1,808 | 2,114 |
| Deferred tax liabilities to be settled after 12 months 將於12個月後清償之遞延稅項負債 | (1,012) | (634) |
| Deferred tax assets – net 遞延稅項資產 – 淨值 | 796 | 1,480 |

The movements in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

年內，在並無計及抵銷同一稅務司法權區之結餘之情況下，遞延稅項資產及負債之變動如下：

| | Accelerated tax depreciation 加速 稅項折舊 HK\$'000 港幣千元 | Estimated tax losses 估計 稅項虧損 HK\$'000 港幣千元 | Deferred tax on provisions 遞延稅 項撥備 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|---|--|---|--|---------------------------------|
| At 1 January 2007 於二零零七年一月一日 | (428) | – | 4,798 | 4,370 |
| Charged to income statement 於收益表扣除 | (206) | – | (2,684) | (2,890) |
| At 31 December 2007 and 1 January 2008 於二零零七年十二月三十一日及二零零八年一月一日 | (634) | – | 2,114 | 1,480 |
| Charged to income statement 於收益表扣除 | (378) | 146 | (452) | (684) |
| At 31 December 2008 於二零零八年十二月三十一日 | (1,012) | 146 | 1,662 | 796 |

At 31 December 2008, the Group has unused tax losses of approximately HK\$96,495,000 (2007: HK\$152,585,000) available for offset against future profits. No deferred tax asset has been recognised of such losses due to the unpredictability of future profit streams. Included in unused tax losses are losses of approximately HK\$67,460,000 (2007: HK\$59,876,000) that will be expired in 2 years to 5 years. Other tax losses can be carried forward indefinitely.

於二零零八年十二月三十一日，本集團有未動用稅項虧損約港幣96,495,000元(二零零七年：港幣152,585,000元)可用於抵銷未來溢利。由於無法預測未來溢利趨勢，故並無就該等虧損確認遞延稅項資產。未動用稅項虧損中包括將於兩至五年內到期之虧損約港幣67,460,000元(二零零七年：港幣59,876,000元)。其他稅項虧損則可無限期結轉。

24 AVAILABLE-FOR-SALE FINANCIAL ASSETS

24 可供出售金融資產

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Unlisted investments, at cost: 非上市投資，按成本： | | |
| – equity securities (note (a)) – 股本證券(附註(a)) | 29,458 | 29,398 |
| – club membership – 會所會籍 | 16,074 | 16,021 |
| – club debentures – 會所債券 | 490 | 490 |
| – overseas investment funds – 海外投資基金 | 3,840 | 3,929 |
| | 49,862 | 49,838 |
| Less: impairment loss 減：減值虧損 | (7,078) | (7,052) |
| | 42,784 | 42,786 |

Notes:

附註：

- (a) The unlisted equity securities represented investments in private entities incorporated in Taiwan, the British Virgin Islands and Hong Kong.
- (b) As the available-for-sale financial assets do not have quoted market prices and their fair values cannot be reasonably assessed, the available-for-sale financial assets are stated at cost less impairment.
- (c) Available-for-sale financial assets are denominated in the following currencies:

- (a) 非上市股本證券指於台灣、英屬維爾京群島及香港註冊成立之私人公司之投資。
- (b) 由於可供出售金融資產並無市場報價，且公平值無法合理評估，故可供出售金融資產乃按成本扣除減值列賬。
- (c) 可供出售金融資產乃按以下貨幣列值：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---------------------------------|-----------------------------------|-----------------------------------|
| Hong Kong dollar (“HKD”) 港幣 | 30,042 | 29,983 |
| Taiwan dollar (“NTD”) 新台幣 | 10,057 | 10,146 |
| Japanese Yen (“JPY”) 日圓 | 146 | 118 |
| United States Dollar (“USD”) 美元 | 1,273 | 1,273 |
| Renminbi (“RMB”) 人民幣 | 1,266 | 1,266 |
| | 42,784 | 42,786 |

25 INVENTORIES

25 存貨

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---------------------------------------|-----------------------------------|-----------------------------------|
| Raw materials and consumables 原材料及消耗品 | 244,470 | 280,830 |
| Work in progress 在製品 | 58,276 | 84,485 |
| Finished goods 製成品 | 159,198 | 222,221 |
| | 461,944 | 587,536 |

During the year, the Group has provided provision for inventory obsolescence of approximately HK\$2,814,000 (2007: Reversal of HK\$373,000).

Included in above were raw materials of approximately HK\$7,463,000 (2007: HK\$701,000), work in progress of approximately HK\$2,379,000 (2007: HK\$nil) and finished goods of approximately HK\$49,394,000 (2007: HK\$48,623,000) which are carried at net realisable value.

年內，本集團為陳舊存貨計提撥備約港幣2,814,000元(二零零七年：撥回港幣373,000元)。

上述包括原料約港幣7,463,000元(二零零七年：港幣701,000元)、在製品約港幣2,379,000元(二零零七年：港幣零元)及製成品約港幣49,394,000元(二零零七年：港幣48,623,000元)，均以可變現淨值列賬。

26 TRADE AND OTHER RECEIVABLES

26 貿易及其他應收賬款

| | Group 本集團 | | Company 本公司 | |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
| Trade receivables 貿易應收賬款 | 843,030 | 1,082,310 | - | - |
| Less: provision for impairment of receivables 減：應收賬款減值撥備 | (38,656) | (44,032) | - | - |
| | 804,374 | 1,038,278 | - | - |
| Other receivables 其他應收賬款 | 21,857 | 12,472 | - | 776 |
| Total trade and other receivables 貿易及其他應收賬款總額 | 826,231 | 1,050,750 | - | 776 |

The Group allows an average credit period of 30 days to 180 days to its trade customers. In addition, for certain customers with long-established relationship, a longer credit period is granted. The ageing analysis of trade receivables net of provision for impairment at the balance sheet date is as follows:

本集團給予其貿易客戶平均30天至180天之信貸期。此外，就已建立長期關係之若干客戶而言，本集團會給予較長信貸期。以下為於結算日之貿易應收賬款（已扣除減值撥備）之賬齡分析：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|----------------------|-----------------------------------|-----------------------------------|
| 0 to 30 days 0至30天 | 258,962 | 745,616 |
| 31 to 60 days 31至60天 | 207,944 | 103,395 |
| 61 to 90 days 61至90天 | 160,721 | 59,250 |
| Over 90 days 90天以上 | 176,747 | 130,017 |
| | 804,374 | 1,038,278 |

26 TRADE AND OTHER RECEIVABLES (CONTINUED)

Trade receivables of HK\$595,795,000 (2007: HK\$756,159,000) are neither past due nor impaired. Of the remaining HK\$247,235,000 (2007: HK\$326,151,000), trade receivables of HK\$208,579,000 (2007: HK\$282,119,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. Provision for impairment of receivable has been provided for the remaining balance of HK\$38,656,000 (2007: HK\$44,032,000). The aging analysis of past due but not impaired trade receivables is as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|----------------------|-----------------------------------|-----------------------------------|
| Overdue by 到期： | | |
| 0 to 30 days 0至30天 | 84,526 | 122,478 |
| 31 to 60 days 31至60天 | 40,450 | 50,936 |
| 61 to 90 days 61至90天 | 30,720 | 39,927 |
| Over 90 days 90天以上 | 52,883 | 68,778 |
| | 208,579 | 282,119 |

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

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| At 1 January 於一月一日 | 44,032 | 44,588 |
| Provision for impairment of trade receivables 貿易應收賬款減值撥備 | 15,232 | 166 |
| Write back of provision for impairment of trade receivables 貿易應收賬款減值撥備之撥回 | (18,602) | (722) |
| Bad debt written off 壞賬撇銷 | (2,006) | - |
| At 31 December 於十二月三十一日 | 38,656 | 44,032 |

The other classes within trade and other receivables do not contain impaired assets.

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

26 貿易及其他應收賬款(續)

貿易應收賬款港幣595,795,000元(二零零七年：港幣756,159,000元)既未逾期亦未減值。餘款港幣247,235,000元(二零零七年：港幣326,151,000元)中，貿易應收賬款港幣208,579,000元(二零零七年：港幣282,119,000元)已逾期但未減值，該等款項與數名近期並無拖欠還款記錄之獨立客戶有關。已就餘款港幣38,656,000元(二零零七年：港幣44,032,000元)計提應收賬款減值撥備。已逾期但未減值之貿易應收賬款賬齡分析如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|----------------------|-----------------------------------|-----------------------------------|
| Overdue by 到期： | | |
| 0 to 30 days 0至30天 | 84,526 | 122,478 |
| 31 to 60 days 31至60天 | 40,450 | 50,936 |
| 61 to 90 days 61至90天 | 30,720 | 39,927 |
| Over 90 days 90天以上 | 52,883 | 68,778 |
| | 208,579 | 282,119 |

貿易應收賬款減值撥備之變動如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| At 1 January 於一月一日 | 44,032 | 44,588 |
| Provision for impairment of trade receivables 貿易應收賬款減值撥備 | 15,232 | 166 |
| Write back of provision for impairment of trade receivables 貿易應收賬款減值撥備之撥回 | (18,602) | (722) |
| Bad debt written off 壞賬撇銷 | (2,006) | - |
| At 31 December 於十二月三十一日 | 38,656 | 44,032 |

貿易及其他應收賬款中之其他類別不包括已減值資產。

於報告日期之最高信貸風險為上述各類應收賬款之公平值。本集團概無持有任何抵押品作為擔保。

27 DERIVATIVE FINANCIAL INSTRUMENTS

27 衍生金融工具

| | Group 本集團 | |
|--|------------------|------------------|
| | Assets | Liabilities |
| | 資產 | 負債 |
| | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| As at 31 December 2008 於二零零八年十二月三十一日 | | |
| Forward foreign exchange contracts (note (a)) 遠期外匯合約(附註(a)) | 615 | - |
| Interest-rate swaps (note (b)) 利率掉期(附註(b)) | - | (29) |

| Notes | 附註 | |
|---|---|-------------------------------------|
| (a) Details of the outstanding forward foreign exchange contracts at 31 December 2008 are as follows: | (a) 於二零零八年十二月三十一日，尚未履行之遠期外匯合約詳情如下： | |
| | JPY'000 千日圓 | EURO'000 千歐元 |
| Notional principal amounts 名義本金額 | 90,196 | 138 |
| Fixed contracted exchange rates 固定合約匯率 | | |
| – HK\$ – 港幣 | 0.07310 to 0.07885 0.07310 至 0.07885 | 9.777 to 12.1635 9.777 至 12.1635 |
| – USD – 美元 | 98.40 to 104.00 98.40 至 104.00 | Not applicable 不適用 |
| Actual exchange rates 實際匯率 | | |
| – HK\$ – 港幣 | 0.08560 | 10.9358 |
| – USD – 美元 | 90.54 | Not applicable 不適用 |
| (b) The notional principal amount of the outstanding interest-rate swaps contracts at 31 December 2008 was HK\$200,000,000. At 31 December 2008, fixed interest rates were 2.39% to 2.92% and the floating rates were with reference to the Hong Kong Interbank Offered Rate and the London Interbank Offered Rate. | (b) 於二零零八年十二月三十一日，尚未履行之利率掉期合約之名義本金額為港幣200,000,000元。於二零零八年十二月三十一日，固定利率為2.39厘至2.92厘，浮動利率則參考香港銀行同業拆息利率及倫敦銀行同業拆息利率。 | |

28 BANK BALANCES AND CASH

28 銀行結餘及現金

| | Group 本集團 | | Company 本公司 | |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
| Short – term time deposits 短期定期存款 | 294,822 | – | – | – |
| Bank balances and cash 銀行結餘及現金 | 286,774 | 244,863 | 343 | 68 |
| | 581,596 | 244,863 | 343 | 68 |
| Maximum exposure to credit risk 最高信貸風險 | 516,319 | 233,520 | 343 | – |

As at 31 December 2008, the weighted average effective interest rate on time deposits was approximately 4.47% per annum. These deposits had an average maturity period of one year.

於二零零八年十二月三十一日，定期存款之加權平均實際年利率約為4.47厘。該等存款平均於一年內到期。

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29 SHARE CAPITAL

29 股本

| | 2008 二零零八年 | | 2007 二零零七年 | |
|---|-----------------------------|--|-----------------------------|--|
| | Number of shares 股份數目 | Nominal value 面值 HK\$'000 港幣千元 | Number of shares 股份數目 | Nominal value 面值 HK\$'000 港幣千元 |
| Ordinary shares of HK\$0.10 each 每股面值港幣0.10元之普通股 | | | | |
| Authorised: 法定股本： | | | | |
| At 1 January 2007 and 31 December 2007 於二零零七年一月一日及 二零零七年十二月三十一日 | 1,000,000,000 | 100,000 | 1,000,000,000 | 100,000 |
| Issued and fully paid: 已發行及繳足股本： | | | | |
| At 1 January 於一月一日 | 736,101,964 | 73,610 | 708,103,964 | 70,810 |
| Exercise of share options 行使購股權 | 3,202,000 | 320 | 27,998,000 | 2,800 |
| At 31 December 於十二月三十一日 | 739,303,964 | 73,930 | 736,101,964 | 73,610 |

30 SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to a resolution passed on 30 May 2005 for the primary purpose of providing incentives to directors and eligible employees, and will be expired on 29 May 2015 (the "Scheme"). Under the Scheme, the Board of Directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

At 31 December 2008, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 16,960,000 shares representing 2.29% (2007: 20,362,000 shares representing 2.77%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1 % of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1 % of the Company's share capital or with a value in excess of HK\$5,000,000 must be approved in advance by the independent non-executive Directors (excluding any independent non-executive Director who is a Grantee).

Options may be exercised after one year of its grant date, and options will vest (i) as to 25% (rounded down to the nearest whole underlying share) on the first anniversary of its date of grant, and (ii) as to the remainder on the second anniversary of its grant date. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

30 購股權計劃

本公司根據於二零零五年五月三十日通過之決議案採納購股權計劃，主要目的為向董事及合資格僱員提供獎勵，並將於二零一五年五月二十九日屆滿（「計劃」）。根據計劃，本公司董事會可向合資格僱員（包括本公司及其附屬公司之董事）授予購股權，以認購本公司股份。

於二零零八年十二月三十一日，根據計劃已授出但尚未行使購股權所涉及之股份數目為16,960,000股，佔本公司於該日已發行股份之2.29%（二零零七年：20,362,000股，佔2.77%）。倘未經本公司股東事先批准，根據計劃可能授出之購股權所涉及之股份總數，不得超過本公司於任何時間已發行股份之10%。倘未經本公司股東事先批准，任何個別人士於任何一年已獲授及可能獲授之購股權所涉及之已發行及將予發行股份數目，不得超過本公司任何時間已發行股份之1%。向主要股東或獨立非執行董事授出購股權時，倘購股權所涉及之股份超出本公司股本之0.1%或價值為港幣5,000,000元以上，則須獲得獨立非執行董事（不包括任何為承授人之獨立非執行董事）事先批准。

購股權可於授出日期後一年行使，並(i)於授出日期起計首個週年日歸屬25%之購股權（下調至最接近相關股份整數）；及(ii)於授出日期起計第二個週年日歸屬餘下之購股權。行使價乃由本公司董事釐定，且不會少於下列三者之較高者：(i)於授出日期本公司股份之收市價；(ii)緊接授出日期前五個營業日股份之平均收市價；及(iii)本公司股份之面值。

30 SHARE OPTION SCHEME (CONTINUED)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

| | 2008 二零零八年 | | 2007 二零零七年 | |
|--------------------------|---|--|---|--|
| | Weighted average exercise price 加權平均 行使價 HK\$ 港元 | Number of share options 購股 權數目 | Weighted average exercise price 加權平均 行使價 HK\$ 港元 | Number of share options 購股 權數目 |
| Beginning of the year 年初 | 0.5611 | 20,362,000 | 0.5606 | 48,736,000 |
| Exercised 已行使 | 0.5600 | (3,202,000) | 0.5603 | (27,998,000) |
| Lapsed 已失效 | 0.5675 | (200,000) | 0.5600 | (376,000) |
| End of the year 年末 | 0.5613 | 16,960,000 | 0.5611 | 20,362,000 |

All share options were exercisable as at 31 December 2007 and 2008.

Share options outstanding at 31 December 2008 have the following expiry dates and exercise prices:

30 購股權計劃(續)

尚未行使購股權數目及其相關加權平均行使價之變動如下：

全部購股權於二零零七年及二零零八年十二月三十一日可予行使。

於二零零八年十二月三十一日尚未行使購股權之到期日及行使價如下：

| Date of expiry 到期日 | Exercise price 行使價 HK\$ 港元 | Share options 購股權 | |
|-------------------------------|-------------------------------------|---|---|
| | | 2008 Number of share options 二零零八年 購股權數目 | 2007 Number of share options 二零零七年 購股權數目 |
| 21 July 2015 二零一五年七月二十一日 | 0.56 | 16,232,000 | 19,584,000 |
| 25 September 2015 二零一五年九月二十五日 | 0.59 | 728,000 | 778,000 |
| | | 16,960,000 | 20,362,000 |

30 SHARE OPTION SCHEME (CONTINUED)

These fair values were calculated using the Black-Scholes-Merton Option Pricing Model. The inputs into the model were as follows:

| | Date of grant 授出日期 | |
|--|---------------------------------|--------------------------------------|
| | 22 July 2005 二零零五年 七月二十二日 | 26 September 2005 二零零五年 九月二十六日 |
| Closing share price on date of grant 於授出日期之股份收市價 | HK\$0.56 港幣0.56元 | HK\$0.58 港幣0.58元 |
| Exercise price 行使價 | HK\$0.56 港幣0.56元 | HK\$0.59 港幣0.59元 |
| Risk free rate 無風險利率 | 3.12%-3.22% | 3.68%-3.87% |
| Expected volatility 預期波幅 | 8.36% | 4.22% |

Expected volatility was determined by using the historical volatility of the Company's share price over the previous one year before the grant date.

The risk-free interest rate equals to the 12 months fixed deposit rates as quoted by the bank at valuation date for first 25% share options and equals to yield of 2-Year Exchange Fund Notes at valuation date for 75% share options.

The Group did not recognise any expense for the year ended 31 December 2008 (2007: HK\$660,000) in relation to share options granted by the Company in 2005 which became vested in prior year.

30 購股權計劃(續)

該等公平值乃採用柏力克－舒爾斯期權定價模式計算。該模式之輸入如下：

| | Date of grant 授出日期 | |
|--|---------------------------------|--------------------------------------|
| | 22 July 2005 二零零五年 七月二十二日 | 26 September 2005 二零零五年 九月二十六日 |
| Closing share price on date of grant 於授出日期之股份收市價 | HK\$0.56 港幣0.56元 | HK\$0.58 港幣0.58元 |
| Exercise price 行使價 | HK\$0.56 港幣0.56元 | HK\$0.59 港幣0.59元 |
| Risk free rate 無風險利率 | 3.12%-3.22% | 3.68%-3.87% |
| Expected volatility 預期波幅 | 8.36% | 4.22% |

預期波幅乃以本公司股價與授出日期前一年之歷史波幅比較而釐定。

就首25%購股權而言，無風險利率相等於銀行於估值日期所報之十二個月定期存款息率；就75%購股權而言，無風險利率相等於兩年外匯基金票據於估值日期之收益。

本集團並無確認任何截至二零零八年十二月三十一日止年度有關本公司於二零零五年授出購股權之總開支(二零零七年：港幣660,000元)於去年歸屬。

31 RESERVES

(a) Group – other reserves

| Group | Capital | Contributed | Special | Asset | Share option | | Total | |
|---|---------------|-------------|-----------------|-----------------|--------------|----------|-----------|----------|
| | redemption | surplus | reserve | revaluation | Translation | reserve | | |
| 本集團 | Share premium | 股本 贖回儲備 | 實繳盈餘 (附註(a)) | 特別儲備 (附註(b)) | 資產 重估儲備 | 外匯儲備 | 購股 權儲備 | 總計 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| Balance at 1 January 2007 於二零零七年一月一日之結餘 | 75,186 | 1,610 | 26,624 | 5,008 | 233 | (5,037) | 1,625 | 105,249 |
| Currency translation differences 貨幣匯兌差額 | - | - | - | - | - | 2,282 | - | 2,282 |
| Released of reserves upon disposal of associates 出售聯營公司時解除儲備 | - | - | - | - | (233) | 115 | - | (118) |
| Net income recognised directly in equity 股權內直接確認收入淨額 | - | - | - | - | (233) | 2,397 | - | 2,164 |
| Issue of shares upon exercise of share options 因行使購股權發行股份 | 12,887 | - | - | - | - | - | (1,071) | 11,816 |
| Share based payments 以股份形式付款 | - | - | - | - | - | - | 660 | 660 |
| Share options lapsed during the year 年內已失效購股權 | - | - | - | - | - | - | (274) | (274) |
| Balance at 31 December 2007 於二零零七年十二月三十一日之結餘 | 88,073 | 1,610 | 26,624 | 5,008 | - | (2,640) | 940 | 119,615 |
| Currency translation differences 貨幣匯兌差額 | - | - | - | - | - | (5,457) | - | (5,457) |
| Net income recognised directly in equity 股權內直接確認收入淨額 | - | - | - | - | - | (5,457) | - | (5,457) |
| Issue of shares upon exercise of share options 因行使購股權發行股份 | 1,473 | - | - | - | - | - | (150) | 1,323 |
| Share options lapsed during the year 年內已失效購股權 | - | - | - | - | - | - | (9) | (9) |
| Balance at 31 December 2008 於二零零八年十二月三十一日之結餘 | 89,546 | 1,610 | 26,624 | 5,008 | - | (8,097) | 781 | 115,472 |

31 OTHER RESERVES (CONTINUED)

(b) Company – Reserves

31 其他儲備(續)

(b) 本公司 – 儲備

| Company 本公司 | Share | Capital redemption | Contributed surplus | Share option | Retained | Total 總計 |
|--|------------------|-----------------------|-------------------------------|----------------------|------------------|------------------|
| | premium 股份溢價 | reserve 股本 贖回儲備 | (Note (a)) 實繳盈餘 (附註(a)) | reserve 購股 權儲備 | earnings 保留盈利 | |
| | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Balance at 1 January 2007 於二零零七年一月一日之結餘 | 75,186 | 1,610 | 77,253 | 1,625 | 121,387 | 277,061 |
| Issue of shares upon exercise of share options 因行使購股權發行股份 | 12,887 | - | - | (1,071) | 1,071 | 12,887 |
| Profit for the year 年內溢利 | - | - | - | - | 10,070 | 10,070 |
| Share based payments 以股份形式付款 | - | - | - | 660 | - | 660 |
| Share options lapsed during the year 年內已失效購股權 | - | - | - | (274) | 274 | - |
| 2007 interim dividend 二零零七年中期股息 | - | - | - | - | (11,005) | (11,005) |
| Balance at 31 December 2007 於二零零七年十二月三十一日之結餘 | 88,073 | 1,610 | 77,253 | 940 | 121,797 | 289,673 |
| Profit for the year 年內溢利 | - | - | - | - | 15,875 | 15,875 |
| Issue of shares upon exercise of share options 因行使購股權發行股份 | 1,473 | - | - | (150) | 150 | 1,473 |
| Share options lapsed during the year 年內已失效購股權 | - | - | - | (9) | 9 | - |
| 2007 final dividend 二零零七年末期股息 | - | - | - | - | (18,483) | (18,483) |
| 2008 interim dividend 二零零八年中期股息 | - | - | - | - | (11,090) | (11,090) |
| Balance at 31 December 2008 於二零零八年十二月三十一日之結餘 | 89,546 | 1,610 | 77,253 | 781 | 108,258 | 277,448 |

31 OTHER RESERVES (CONTINUED)

(b) Company – Reserves (Continued)

Notes:

- (a) Contributed surplus of the Company arose from a group reorganisation on 26 June 1990. The balance represents the difference between the nominal amount of the Company's shares issued under a scheme of arrangement (the "Scheme") and the consolidated shareholders' funds of Wong's Kong King Holdings Limited as at 26 June 1990 acquired by the Company under the Scheme. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is available for distribution to the shareholders.
- (b) The special reserve is the amount of share premium of the Group attributable to subsidiaries.
- (c) As at 31 December 2008, included in retained earnings are statutory reserves of HK\$32,926,000. These statutory reserves are non-distributable and the transfers of these funds are determined by the Board of Directors of the relevant subsidiaries in accordance with the laws and regulations in the PRC and Taiwan.

32 BANK BORROWINGS AND OVERDRAFTS

31 其他儲備(續)

(b) 本公司 – 儲備(續)

附註：

- (a) 於一九九零年六月二十六日集團重組產生之本公司實繳盈餘。該結餘指本公司根據計劃安排(「該計劃」)之已發行股份面值與本公司根據該計劃於一九九零年六月二十六日收購王氏港建集團有限公司之綜合股東資金之差額。根據百慕達一九八一年公司法(經修訂)，實繳盈餘可供分派予股東。
- (b) 特別儲備指附屬公司應佔本集團股份溢價之款項。
- (c) 於二零零八年十二月三十一日，保留盈利包括法定儲備港幣32,926,000元。該等法定儲備不可供分派，而轉撥至該等基金之款額乃根據中國及台灣之法律及法規由相關附屬公司之董事會釐訂。

32 銀行借貸及透支

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Bank overdraft, secured 有抵押銀行透支 | 10,496 | 7,477 |
| Trust receipts loans, secured 有抵押信託收據貸款 | 140,215 | 35,549 |
| Other bank borrowings, unsecured 其他無抵押銀行借貸 | 509,240 | 410,033 |
| | 659,951 | 453,059 |

32 BANK BORROWINGS AND OVERDRAFTS (CONTINUED)

The bank borrowings and overdrafts are repayable as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Within one year 一年內 | 641,951 | 311,059 |
| Between one to two years 一年至兩年 | 18,000 | 124,000 |
| Between two to five years 二年至五年 | - | 18,000 |
| Wholly repayable within five years 五年內悉數償還 | 659,951 | 453,059 |
| Less: amounts due within one year shown under current liabilities 減：列入流動負債一年內到期之款項 | (641,951) | (311,059) |
| Amounts due after one year 一年後到期之款項 | 18,000 | 142,000 |

32 銀行借貸及透支(續)

銀行借貸及透支按以下方式償還：

The effective interest rates per annum of the bank borrowings and overdrafts are as follows:

銀行借貸及透支之實際年利率如下：

| | 2008 二零零八年 | 2007 二零零七年 |
|--|---------------|---------------|
| Bank overdraft 銀行透支 | 6.75% | 8.25% |
| Trust receipts loan and other bank borrowings 信託收據貸款及其他銀行借貸 | 2.79% | 4.24% |

Bank overdrafts are secured by land and buildings with the total net book values of approximately HK\$20,324,000 (2007: HK\$20,618,000) (Note 17).

銀行透支以賬面淨值總額約港幣20,324,000元(二零零七年：港幣20,618,000元)之土地及樓宇作抵押(附註17)。

The Group's bank borrowings and overdrafts are denominated in the following currencies (amounts in original currency):

本集團銀行借貸及透支乃按以下貨幣計值(以原本貨幣金額)：

| | 2008 二零零八年 '000 千元 | 2007 二零零七年 '000 千元 |
|----------|-----------------------------|-----------------------------|
| HKD 港幣 | 462,436 | 262,262 |
| RMB 人民幣 | 8,700 | 12,900 |
| JPY 日圓 | 57,614 | 418,537 |
| USD 美元 | 1,642 | 18,297 |
| SGD 新加坡幣 | 1,955 | 1,382 |

33 OBLIGATIONS UNDER FINANCE LEASES

33 融資租賃承擔

| | Minimum lease payments | | Present value of minimum lease payments | |
|---|------------------------|----------|---|----------|
| | 最低租賃付款 | | 最低租賃付款現值 | |
| | 2008 | 2007 | 2008 | 2007 |
| | 二零零八年 | 二零零七年 | 二零零八年 | 二零零七年 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| Amounts payable under finance leases | | | | |
| 融資租賃項下應付款項 | | | | |
| Within one year 一年內 | 207 | 679 | 187 | 350 |
| Between one to two years | | | | |
| 一年至兩年 | 183 | 99 | 163 | 94 |
| Between two to five years | | | | |
| 兩年至五年 | 327 | – | 321 | – |
| | 717 | 778 | 671 | 444 |
| Less: future finance charges 減：日後融資費用 | (46) | (334) | – | – |
| Present value of lease obligations 租賃承擔之現值 | 671 | 444 | 671 | 444 |
| Less: amount due for settlement within one year shown under current liabilities | | | | |
| 減：列入流動負債於一年內到期結清之款項 | | | (187) | (350) |
| Amount due to for settlement after one year | | | | |
| 於一年後到期結清之款項 | | | 484 | 94 |

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets (Note 17).

It is the Group's policy to lease certain of its property, plant and equipment under finance leases. The average lease term is 2 years. For the year ended 31 December 2008, the average effective borrowing rate was 3.93% per annum (2007: 4.5% per annum). Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

本集團之融資租賃承擔乃以出租人收取出租資產之費用作擔保(附註17)。

本集團之政策乃按融資租賃租賃其若干物業、廠房及設備。平均租賃年期為兩年。截至二零零八年十二月三十一日止年度，平均實際借款利率為年息3.93厘(二零零七年：年息4.5厘)。利率於合約日期訂定。所有租賃均按固定還款基準進行，本集團並無就或然租金付款訂立任何安排。

33 OBLIGATIONS UNDER FINANCE LEASES (CONTINUED)

The Group's finance lease obligations were denominated in the following currencies:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|----------|-----------------------------------|-----------------------------------|
| HKD 港幣 | - | 282 |
| SGD 新加坡幣 | 643 | 98 |
| THB 泰銖 | 28 | 64 |
| | 671 | 444 |

33 融資租賃承擔(續)

本集團之融資租賃承擔乃按以下貨幣計值：

34 RETIREMENT BENEFIT OBLIGATIONS

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Retirement benefits obligations 退休福利承擔 | | |
| - Pension plans (Note (a)) 退休計劃(附註(a)) | 2,203 | 1,837 |
| - Defined benefits plans (Note (b)) 定額供款福利計劃(附註(b)) | 415 | 406 |
| | 2,618 | 2,243 |

34 退休福利承擔

Notes

- (a) Balance represented pension provision in relation to employees in Japan.
- (b) The Group operates defined benefit plans for qualifying employees of its subsidiaries in Taiwan. The schemes are administrated by independent trustees with their assets held separately from those of the Group. Under the plans, the employees are entitled to a lump sum benefit equal to certain percentage of final salary on attainment of a retirement age of 55. No other post-retirement benefits are provided.

附註

- (a) 結餘指與日本僱員有關之退休金。
- (b) 本集團為在台灣附屬公司之合資格僱員設立定額供款福利計劃。該等計劃由獨立信託人管理，其資產與本集團之資產分開持有。根據該等計劃，僱員有權享有一筆數額相等於年滿55歲退休年齡時最終薪金之某一百分比。並無提供其他退休後福利。

34 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31 December 2008 by a Taiwan qualified actuary. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

The actuarial valuation showed that the market value of plan assets was approximately HK\$6,839,000 (2007: HK\$6,311,000) and that the actuarial valuation of these assets represented 51% (2007: 53%) of the benefits that had accrued to members. The shortfall of approximately HK\$6,492,000 (2007: HK\$5,595,000) is to be cleared over the estimated remaining service period of the current membership of 21 years.

Amounts recognised in the consolidated income statement in respect of these defined benefits plans are as follows:

34 退休福利承擔(續)

計劃資產之最近期精算估值及定額供款福利承擔之現值乃由台灣合資格精算師於二零零八年十二月三十一日進行。定額供款福利承擔之現值、有關當期服務成本及以往服務成本均採用預計單位成本法計算。

據精算估值所顯示，計劃資產之市值約為港幣6,839,000元(二零零七年：港幣6,311,000元)，該等資產之精算估值佔福利之51%(二零零七年：53%)，而有關福利歸參與成員所有。約港幣6,492,000元(二零零七年：港幣5,595,000元)之差額於現有成員估計餘下之21年服務年內消除。

綜合收益表確認有關上述定額供款福利計劃之金額如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Current service cost 當期服務成本 | 253 | 275 |
| Interest cost 利息成本 | 345 | 283 |
| Expected loss on plan assets 計劃資產預計虧損 | (193) | (154) |
| Amortisation of net transitional obligations 過渡承擔淨額之攤銷 | 14 | 15 |
| Amortisation of gain on defined benefits plans 定額供款福利計劃收益之攤銷 | 64 | 61 |
| Amortisation of past service cost 以往服務成本之攤銷 | 152 | 157 |
| | 635 | 637 |

34 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

The charge for the year has been included in employee benefit expense.

The actual loss on plan assets was approximately HK\$138,000 (2007: HK\$103,000).

The principal assumptions used for the purpose of the actuarial valuations were as follows:

| | 2008 二零零八年 | 2007 二零零七年 |
|--|---------------|---------------|
| Discount rate 貼現率 | 2.5% | 3.0% |
| Expected return on plan assets 計劃資產之預計回報 | 2.5% | 3.0% |
| Expected rate of salary increases 預計薪酬增長幅度 | 3.5% | 3.5% |

The amount included in the consolidated balance sheet arising from the Group's obligations in respect of its defined benefit retirement plans is as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Present value of funded defined benefit obligations 已撥款之定額供款福利承擔之現值 | (13,331) | (11,906) |
| Fair value of plan assets 計劃資產之公平值 | 6,839 | 6,311 |
| Deficit 虧損 | (6,492) | (5,595) |
| Net actuarial losses not recognised 未確認之精算虧損淨額 | 3,603 | 2,453 |
| Past service cost not recognised 未確認之以往服務成本 | 2,275 | 2,515 |
| Net transitional obligations not recognised 未確認之過渡承擔淨額 | 199 | 221 |
| Net liabilities arising from defined benefit obligation 定額供款福利承擔所產生之負債淨額 | (415) | (406) |

34 退休福利承擔 (續)

本年度有關費用已計入僱員福利開支內。

計劃資產之實際虧損約為港幣138,000元 (二零零七年：港幣103,000元)。

精算估值所採用之主要假設如下：

| | 2008 二零零八年 | 2007 二零零七年 |
|--|---------------|---------------|
| Discount rate 貼現率 | 2.5% | 3.0% |
| Expected return on plan assets 計劃資產之預計回報 | 2.5% | 3.0% |
| Expected rate of salary increases 預計薪酬增長幅度 | 3.5% | 3.5% |

因本集團就其定額供款退休福利計劃而產生並已計入綜合資產負債表之金額如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Present value of funded defined benefit obligations 已撥款之定額供款福利承擔之現值 | (13,331) | (11,906) |
| Fair value of plan assets 計劃資產之公平值 | 6,839 | 6,311 |
| Deficit 虧損 | (6,492) | (5,595) |
| Net actuarial losses not recognised 未確認之精算虧損淨額 | 3,603 | 2,453 |
| Past service cost not recognised 未確認之以往服務成本 | 2,275 | 2,515 |
| Net transitional obligations not recognised 未確認之過渡承擔淨額 | 199 | 221 |
| Net liabilities arising from defined benefit obligation 定額供款福利承擔所產生之負債淨額 | (415) | (406) |

34 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

Movements in the present value of the defined benefit obligations in the current year were as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Opening defined benefit obligation 年初定額供款福利承擔 | (11,906) | (11,886) |
| Current service cost 當期服務成本 | (253) | (275) |
| Interest cost 利息成本 | (345) | (283) |
| Actuarial losses 精算虧損 | (1,246) | 114 |
| Exchange differences on foreign plans 境外計劃之換算差額 | 419 | 347 |
| Benefits paid 已付福利 | - | 77 |
| Closing defined benefit obligation 年底定額供款福利承擔 | (13,331) | (11,906) |

Movements in the present value of the plan assets in the current year were as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Opening fair value of plan assets 年初計劃資產之公平值 | 6,311 | 6,093 |
| Expected return on plan assets 計劃資產之預計回報 | 193 | 154 |
| Actuarial gains 精算收益 | (55) | (51) |
| Exchange differences on foreign plans 境外計劃之換算差額 | (222) | (295) |
| Contributions from the employer 僱主供款 | 612 | 487 |
| Benefits paid 已付福利 | - | (77) |
| Closing fair value of plan assets 年底計劃資產之公平值 | 6,839 | 6,311 |

34 退休福利承擔 (續)

本年度定額供款福利承擔現值之變動如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Opening defined benefit obligation 年初定額供款福利承擔 | (11,906) | (11,886) |
| Current service cost 當期服務成本 | (253) | (275) |
| Interest cost 利息成本 | (345) | (283) |
| Actuarial losses 精算虧損 | (1,246) | 114 |
| Exchange differences on foreign plans 境外計劃之換算差額 | 419 | 347 |
| Benefits paid 已付福利 | - | 77 |
| Closing defined benefit obligation 年底定額供款福利承擔 | (13,331) | (11,906) |

本年度計劃資產現值之變動如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Opening fair value of plan assets 年初計劃資產之公平值 | 6,311 | 6,093 |
| Expected return on plan assets 計劃資產之預計回報 | 193 | 154 |
| Actuarial gains 精算收益 | (55) | (51) |
| Exchange differences on foreign plans 境外計劃之換算差額 | (222) | (295) |
| Contributions from the employer 僱主供款 | 612 | 487 |
| Benefits paid 已付福利 | - | (77) |
| Closing fair value of plan assets 年底計劃資產之公平值 | 6,839 | 6,311 |

34 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

The major categories of plan assets, and the expected rate of return at the balance sheet date for each category, are as follows:

34 退休福利承擔(續)

計劃資產之主要組別，以及各組別於結算日之預計回報率如下：

| | Fair value of plan assets 計劃資產之公平值 | |
|------------------------------------|---------------------------------------|-----------------------------------|
| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
| Fair value of plan assets 計劃資產之公平值 | 6,839 | 6,311 |

The overall expected rate of return is a weighted average of the expected returns of the various categories of plan assets held, which is not less than 2% per annum (2007: not less than 2% per annum).

預計整體回報率為所持不同組別計劃資產預計回報之加權平均數，並不少於每年2% (二零零七年：不少於每年2%)。

The actual return on plan assets was HK\$138,000 (2007: HK\$103,000).

計劃資產之實際回報為港幣138,000元 (二零零七年：港幣103,000元)。

The history of experience adjustments is as follows:

過往經驗之調整如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Present value of defined benefit obligation 定額供款福利承擔之現值 | (13,331) | (11,906) |
| Fair value of plan assets 計劃資產之公平值 | 6,839 | 6,311 |
| Deficit 虧損 | (6,492) | (5,595) |
| Experience adjustment on plan liabilities 計劃負債之經驗調整 | - | - |
| Experience adjustment on plan assets 計劃資產之經驗調整 | - | - |

The Group expects to make a contribution of HK\$477,000 (2007: HK\$702,000) to the defined benefit plans during the next financial year.

本集團預期在下一財政年度就定額供款福利計劃供款港幣477,000元 (二零零七年：港幣702,000元)。

35 TRADE, BILL AND OTHER PAYABLES

35 貿易應付賬款、應付票據及其他應付賬款

| | Group 本集團 | | Company 本公司 | |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
| Trade payables 貿易應付賬款 | 396,502 | 702,283 | - | - |
| Bill payables 應付票據 | 43,803 | 41,292 | - | - |
| | 440,305 | 743,575 | - | - |
| Accruals and other payables 應計費用及其他應付賬款 | 221,561 | 171,440 | 2,247 | 1,856 |
| | 661,866 | 915,015 | 2,247 | 1,856 |

The following is an aging analysis of trade and bill payables at the balance sheet date:

以下為貿易應付賬款及應付票據於結算日之賬齡分析：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|----------------------|-----------------------------------|-----------------------------------|
| 0 to 30 days 0至30天 | 237,188 | 610,124 |
| 31 to 60 days 31至60天 | 95,382 | 54,448 |
| 61 to 90 days 61至90天 | 67,208 | 24,697 |
| Over 90 days 90天以上 | 40,527 | 54,306 |
| | 440,305 | 743,575 |

36 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT 36 綜合現金流量表附註

(a) Cash generated from operations:

(a) 經營業務所得現金：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Profit before income tax 除所得稅前溢利 | 120,081 | 185,506 |
| Adjustments for: 經調整下列各項： | | |
| – Finance costs 融資成本 | 27,530 | 29,454 |
| – Interest income 利息收入 | (16,272) | (4,433) |
| – Dividends income from available-for-sale financial assets 可供出售金融資產股息收入 | (382) | (4,098) |
| – Depreciation of property, plant and equipment 物業、廠房及設備折舊 | 63,828 | 64,063 |
| – Amortisation of land use rights 土地使用權攤銷 | 437 | 437 |
| – Share-based payment expenses 以股份形式付款之開支 | – | 660 |
| – Provision for/(reversal of) allowance for inventories 存貨撥備/(撥回) | 2,814 | (373) |
| – Loss on disposal of property, plant and equipment 出售物業、廠房及設備之虧損 | 1,737 | 1,463 |
| – Share of results of associates 所佔聯營公司業績 | (633) | 460 |
| – Share of results of jointly controlled entities 所佔共同控制實體之業績 | 556 | 1,095 |
| – Bad debts written off 壞賬撇銷 | – | 388 |
| – Write-back of impairment loss recognised in respect of trade and other receivables 撥回就貿易及其他應收賬款已確認之減值虧損 | (3,370) | (556) |
| – Write-back of impairment loss recognised in respect of properties 撥回就物業已確認之減值虧損 | – | (15,532) |
| – Gain on disposal of joint controlled entities 出售共同控制實體之收益 | (1,646) | – |
| – Impairment loss on amount due from a jointly controlled entity 應收一間共同控制實體款項之減值虧損 | 944 | – |
| – Net fair value gains on financial derivatives 金融衍生工具收益之公平淨值 | (586) | – |
| Changes in working capital: 營運資金變動： | 195,038 | 258,534 |
| – Decrease/(increase) in inventories 存貨減少/(增加) | 122,778 | (91,674) |
| – Decrease/(increase) in trade and other receivables 貿易及其他應收賬款減少/(增加) | 227,889 | (56,979) |
| –(Increase)/decrease in deposits and prepayments 按金及預付款項(增加)/減少 | (18,515) | 2,455 |
| – Increase in retirement benefit obligations 退休福利承擔增加 | 375 | 281 |
| – (Decrease)/increase in trade, bill and other payables 貿易應付賬款、應付票據及其他應付賬款(減少)/增加 | (253,149) | 139,001 |
| Cash generated from operations 經營業務所得現金 | 274,416 | 251,618 |

36 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
(CONTINUED)

(b) In the cash flow statement, proceeds from disposal of property, plant and equipment comprise:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Net book amount 賬面淨值 | 3,503 | 7,471 |
| Loss on disposal of property, plant and equipment 出售物業、廠房及設備之虧損 | (1,737) | (1,463) |
| Proceeds from disposal of property, plant and equipment 出售物業、廠房及設備之所得款項 | 1,766 | 6,008 |

37 OPERATING LEASE COMMITMENTS

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of the rented premises which fall due are as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Within one year 一年內 | 22,164 | 20,791 |
| In the second to fifth years inclusive 第二至第五年(包括首尾兩年) | 13,358 | 26,113 |
| Over five years 超過五年 | 1,574 | 1,486 |
| | 37,096 | 48,390 |

36 綜合現金流量表附註(續)

(b) 於現金流量表中，出售物業、廠房及設備之所得款項包括：

37 經營租賃承擔

於結算日，本集團就不可撤銷經營租賃項下之租賃物業之未來最低租金到期應付之承擔如下：

38 RELATED PARTY TRANSACTIONS

- (a) During the year, the Group has entered into the following transactions with its related parties:

38 關連人士交易

- (a) 於本年度，本集團曾與其關連人士進行下列交易：

| | For the year ended 31 December 截至 十二月三十一日止年度 | | Amount due from (to) related parties 應收(應付)關連 人士款項 | |
|---|---|-----------------------------------|---|-----------------------------------|
| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
| Trade sales (note i and iv) 貿易銷售(附註i及iv) | 494 | 381 | 46 | 164 |
| Ticketing and touring income (note i and iv) 票務及差旅收入(附註i及iv) | 736 | 879 | 57 | 169 |
| Ticketing and touring income (note ii and iv) 票務及差旅收入(附註ii及iv) | 284 | 361 | 22 | 56 |
| Ticketing and touring income (note iii and iv) 票務及差旅收入(附註iii及iv) | 93 | 70 | - | 9 |
| Insurance expense (note iii and iv) 保險開支(附註iii及iv) | 8,557 | 7,219 | (157) | (424) |
| Rental expense (note i and iv) 租金開支(附註i及iv) | 290 | 290 | - | (24) |
| Current account due to related parties (note i and iv) 應付關連人士之款項(附註i及iv) | - | 5 | (3,393) | (3,393) |
| Current account due from related parties (note i) 應收關連人士之款項(附註i) | - | - | 1,384 | 1,384 |
| Provision for bad debt (note i) 壞賬撥備(附註i) | - | - | (1,311) | (1,311) |

Notes:

- (i) Related parties are Mr. Senta Wong, his close family members and companies of which Mr. Senta Wong and his close family members are directors.
- (ii) Related parties are Mr. John Ho or Mr. Edward Tsui and their close family members.
- (iii) Related party is a company of which Mr. Arthur Lok, a director of a subsidiary of the Group in Taiwan, is a director.
- (iv) The prices of the above transactions were determined by the Directors by reference market prices for similar transactions.

附註：

- (i) 關連人士乃王忠桐先生、其家族成員及董事為王忠桐先生及其家族成員之公司。
- (ii) 關連人士乃何約翰先生或徐應春先生及彼等之家族成員。
- (iii) 關連人士乃董事為本集團台灣附屬公司董事陸焯堅先生之公司。
- (iv) 以上交易之價格乃由董事參照類似交易之市場價格所釐定。

38 RELATED PARTY TRANSACTIONS (CONTINUED)**(b) Key management remuneration**

The remuneration of directors and other members of key management during the year was as follows:

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Salaries, wages, commission and allowances 薪酬、工資、佣金及津貼 | 27,846 | 29,724 |
| Share-based payments 以股份形式付款 | - | 199 |
| Post-employment benefits 退休福利 | 1,014 | 952 |
| | 28,860 | 30,875 |

The remuneration of directors and key executives is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

38 關連人士交易 (續)**(b) 主要管理人員之酬金**

董事及其他主要管理人員於年內之酬金如下：

| | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Salaries, wages, commission and allowances 薪酬、工資、佣金及津貼 | 27,846 | 29,724 |
| Share-based payments 以股份形式付款 | - | 199 |
| Post-employment benefits 退休福利 | 1,014 | 952 |
| | 28,860 | 30,875 |

董事及主要行政人員之酬金乃按個別表現及市場走勢由薪酬委員會釐定。

39 PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries at 31 December 2008 are as follows:

39 主要附屬公司詳情

於二零零八年十二月三十一日，主要附屬公司詳情如下：

| Name of company 公司名稱 | Class of share held 所持股份類別 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Place of operation 經營地點 | Particular of issued share capital/paid up registered capital 已發行股本/ 實繳資本詳情 | Attributable equity interest of the Group (%) 本集團應佔股本權益(%) | Principal activities 主要業務 |
|--|-------------------------------|---|----------------------------|---|---|---|
| <i>Direct subsidiary 直接附屬公司</i> | | | | | | |
| Asean Limited | Ordinary 普通股 | British Virgin Islands 英屬維爾京群島 | Hong Kong 香港 | USD1 1美元 | 100 | Investment holding 投資控股 |
| Taiwan Kong King Co., Limited [#] 台灣港建股份有限公司 [#] | Ordinary 普通股 | Taiwan 台灣 | Taiwan 台灣 | NTD345,608,526 新台幣345,608,526元 | 67.44 | Investment holding and trading 投資控股以及貿易及經銷 |
| Wong's Kong King Holdings Limited 王氏港建集團有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$47,687,809 港幣47,687,809元 | 100 | Investment holding 投資控股 |
| <i>Indirect subsidiary 間接附屬公司</i> | | | | | | |
| Brilliant International Limited [#] | Ordinary 普通股 | Bermuda 百慕達 | PRC 中國 | USD12,000 12,000美元 | 100 | Investment holding 投資控股 |
| Dongguan Wong's Kong King Electronics Co., Limited ^{1#} 東莞王氏港建電子有限公司 ^{1#} | Contributed capital 注資 | PRC 中國 | PRC 中國 | HK\$671,600,000 港幣671,600,000元 | 100 | Manufacturing and selling of electrical and electronic products 製造及銷售電器及電子產品 |
| 東莞卓越光像薄膜有限公司 ^{1#} | Contributed capital 注資 | PRC 中國 | PRC 中國 | HK\$10,820,000 港幣10,820,000元 | 100 | Manufacturing of film products 製造薄膜產品 |
| Dongguan Nissin Plastic Products Limited ^{1#} 東莞日新塑膠製品有限公司 ^{1#} | Contributed capital 注資 | PRC 中國 | PRC 中國 | HK\$57,267,604 港幣57,267,604元 | 100 | Manufacturing of plastic products 製造塑膠產品 |
| Grace Year Enterprises Limited 仲年企業有限公司 | Ordinary 普通股 | Hong Kong 香港 | PRC 中國 | HK\$2 港幣2元 | 100 | Trading and distribution of plastic products 塑膠產品貿易及經銷 |
| Headway Holdings Limited [#] 進展控股有限公司 [#] | Ordinary 普通股 | Samoa 薩摩亞 | Taiwan 台灣 | USD2,600,000 2,600,000美元 | 67.44 | Trading and investment holding 貿易及投資控股 |
| Hiking International Company Limited 建置國際股份有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$7,800,000 港幣7,800,000元 | 54.63 | Investment holding and provision for installation services 投資控股及提供安裝服務 |
| Hiking Technology (Suzhou) Company Limited ^{1#} 建置科技(蘇州)有限公司 ^{1#} | Contributed capital 注資 | PRC 中國 | PRC 中國 | USD1,000,000 1,000,000美元 | 54.63 | Design, producing and testing of electronic components 設計、生產及測試電子元件 |

39 PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

39 主要附屬公司詳情 (續)

| Name of company 公司名稱 | Class of share held 所持股份類別 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Place of operation 經營地點 | Particular of issued share capital/paid up registered capital 已發行股本/ 實繳資本詳情 | Attributable equity interest of the Group (%) 本集團應佔 股本權益(%) | Principal activities 主要業務 |
|---|----------------------------------|--|----------------------------------|--|---|--|
| <i>Indirect subsidiary (Continued) 間接附屬公司(續)</i> | | | | | | |
| Hong Kong Taiwan Kong King Limited 香港台灣港建有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$26,210,000 港幣26,210,000元 | 67.44 | Trading and distribution of industrial products 貿易及經銷工業產品 |
| Nissin Co., Limited | Ordinary 普通股 | British Virgin Islands 英屬維爾京群島 | PRC 中國 | USD4,500,001 4,500,001美元 | 100 | Investment holding and trading and distribution of plastic products 投資控股、塑膠產品貿易及經銷 |
| WKK America (Holdings) Inc.# | Ordinary 普通股 | United State of America 美國 | United State of America 美國 | USD45,000 45,000美元 | 100 | Marketing 市場拓展 |
| WKK Asia Pacific Limited 王氏港建太平洋有限公司 | Ordinary 普通股 | British Virgin Islands 英屬維爾京群島 | Hong Kong 香港 | USD1 1美元 | 100 | Investment holding 投資控股 |
| WKK China Limited 王氏港建中國有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$500,000 港幣500,000元 | 100 | Trading, distribution and installation of turnkey production facilities 貿易、經銷及安裝全套包 辦式生產設備 |
| WKK Distribution Limited 王氏港建經銷有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$1,000,000 港幣1,000,000元 | 100 | Investment holding 投資控股 |
| WKK Electronic Equipment Limited 王氏港建電子設備有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$2 港幣2元 | 100 | Trading and distribution 貿易及經銷 |
| WKK Engineering Service Limited 王氏港建機器維修服務有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$2,000 港幣2,000元 | 100 | Provision of engineering services 工程維修服務 |
| WKK Japan Limited# | Ordinary 普通股 | Japan 日本 | Japan 日本 | JPY50,000,000 50,000,000日圓 | 100 | Marketing 市場拓展 |
| Wong's Kong King (Singapore) Pte. Limited# | Ordinary 普通股 | Singapore 新加坡 | Singapore 新加坡 | SDG1,000,000 坡幣1,000,000元 | 100 | Trading and distribution in electronics components and printed circuit boards and other related products 電子零件及印刷電路板及 其他有關產品貿易及經銷 |

39 PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED) 39 主要附屬公司詳情(續)

| Name of company 公司名稱 | Class of share held 所持股份類別 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Place of operation 經營地點 | Particular of issued share capital/paid up registered capital 已發行股本/ 實繳資本詳情 | Attributable equity interest of the Group (%) 本集團應佔 股本權益(%) | Principal activities 主要業務 |
|--|----------------------------------|--|-------------------------------|--|---|--|
| <i>Indirect subsidiary (Continued) 間接附屬公司(續)</i> | | | | | | |
| WKK PCB Trading Limited 王氏港建電路板貿易有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$2 港幣2元 | 100 | Trading and distribution 貿易及經銷 |
| WKK Philippines Inc [#] | Ordinary 普通股 | Philippines 菲律賓 | Philippines 菲律賓 | PHP1,000,000 披索1,000,000 | 100 | Trading and distribution in printed circuit boards and other related products 印刷電路板及其他相關產品 貿易及經銷 |
| WKK Technology Limited 王氏港建科技有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$500,000 港幣500,000元 | 100 | Manufacturing and selling of electrical and electronic products 製造及銷售電器及電子產品 |
| WKK (Thailand) Limited [#] | Ordinary 普通股 | Thailand 泰國 | Thailand 泰國 | Common shares THB2,450,000 普通股 -泰銖2,450,000 Preference shares THB2,550,000 優先股 -泰銖2,550,000 | 100 | Trading and distribution of industrial products 貿易及經銷工業產品 |
| WKK Travel Limited 王氏港建旅遊有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$4,600,000 港幣4,600,000元 | 100 | Travel ticketing 旅遊票務 |
| 3 Kings Holding Limited 三皇集團有限公司 | Ordinary 普通股 | Hong Kong 香港 | Hong Kong 香港 | HK\$10,000,000 港幣10,000,000元 | 65 | Manufacturing, general trading and hospital management 製造、一般貿易及醫院管理 |
| 建懋電子科技(上海)有限公司 [#] | Contributed capital 注資 | PRC 中國 | PRC 中國 | USD1,500,000 1,500,000美元 | 67.44 | Development and consultation of electronic technology 電子科技發展及顧問服務 |
| 港建日置股份有限公司 ^{1#} | Ordinary 普通股 | Taiwan 台灣 | Taiwan 台灣 | NTD59,400,000 新台幣59,400,000元 | 57.32 | Manufacturing of industrial products 製造工業產品 |

39 PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED) 39 主要附屬公司詳情 (續)

| Name of company 公司名稱 | Class of share held 所持股份類別 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Place of operation 經營地點 | Particular of issued share capital/paid up registered capital 已發行股本/ 實繳資本詳情 | Attributable equity interest of the Group (%) 本集團應佔 股本權益(%) | Principal activities 主要業務 |
|--|----------------------------------|--|-------------------------------|--|---|--|
| <i>Indirect subsidiary (Continued) 間接附屬公司(續)</i> | | | | | | |
| 王氏港建貿易(深圳)有限公司 ^{1a} | Contributed capital 注資 | PRC 中國 | PRC 中國 | HK\$6,000,000 港幣6,000,000元 | 100 | Trading and distribution in printed circuit boards and semi-conductors equipment 印刷電路板及半導體 設備貿易及經銷 |
| 王氏港建科技設備(深圳)有限公司 ^{1a} | Contributed capital 注資 | PRC 中國 | PRC 中國 | HK\$10,000,000 港幣10,000,000元 | 100 | Trading and distribution in printed circuit boards and semi-conductors equipment 印刷電路板及半導體設備 貿易及經銷 |
| 王氏港建貿易(上海)有限公司 ^{1a} | Contributed capital 注資 | PRC 中國 | PRC 中國 | USD880,000 880,000美元 | 100 | Trading and distribution in printed circuit boards and semi-conductors equipment 印刷電路板及半導體設備 貿易及經銷 |
| 王氏港建(上海)設備維修服務 有限公司 ^{2a} | Contributed capital 注資 | PRC 中國 | PRC 中國 | USD310,000 310,000美元 | 100 | Provision of maintenance and after sales services 提供維修及售後服務 |

39 PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

- ¹ Company registered as wholly-owned foreign enterprises under PRC law.
- ² Company registered as cooperative joint venture under PRC law.
- [#] Companies not audited by PricewaterhouseCoopers.

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities subsisting at the end of the year or any time during the year.

39 主要附屬公司詳情(續)

- ¹ 根據中國法律註冊成為全外資企業。
- ² 根據中國法律註冊成為合作合營公司。
- [#] 非由羅兵咸永道會計師事務所審核之公司。

上表載列董事認為對本集團之業績或資產有重要影響之附屬公司。董事認為，提供其他附屬公司之詳情將導致資料過於冗長。

附屬公司於年結日或年內任何時間概無存續尚未償還債務證券。

