



**ALCO HOLDINGS LIMITED**

股份代號：328 Stock Code: 328

二零零八年年報  
ANNUAL REPORT 2008

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# Corporate Information

## Directors

Mr LEUNG Kai Ching, Kimen (*Chairman*)  
Mr LEUNG Wai Sing, Wilson  
Mr KUOK Kun Man, Andrew  
Mr WONG Po Yan, G.B.M., J.P.\*  
The Hon LI Wah Ming, Fred, J.P.\*  
Mr LAU Wang Yip, Derrick\*

\* *Independent non-executive directors*

## Company Secretary

Mr KUOK Kun Man, Andrew

## Principal Bankers

Hang Seng Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Bank of China (Hong Kong) Limited  
China Construction Bank  
DBS Bank (Hong Kong) Limited

## Auditor

PricewaterhouseCoopers

## Legal Advisers to the Company

Mallesons Stephen Jaques

## Legal Advisers on Bermuda Law

Conyers, Dill & Pearman

## Registered Office

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

## Head Office and Principal Place of Business

11th Floor, Zung Fu Industrial Building  
1067 King's Road  
Quarry Bay  
Hong Kong

## Principal Registrars

The Bank of Bermuda Limited  
6 Front Street  
Hamilton HM11  
Bermuda

## Registrars in Hong Kong

Tricor Abacus Limited  
26th Floor, Tesbury Centre  
28 Queen's Road East  
Wanchai  
Hong Kong

## Website

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

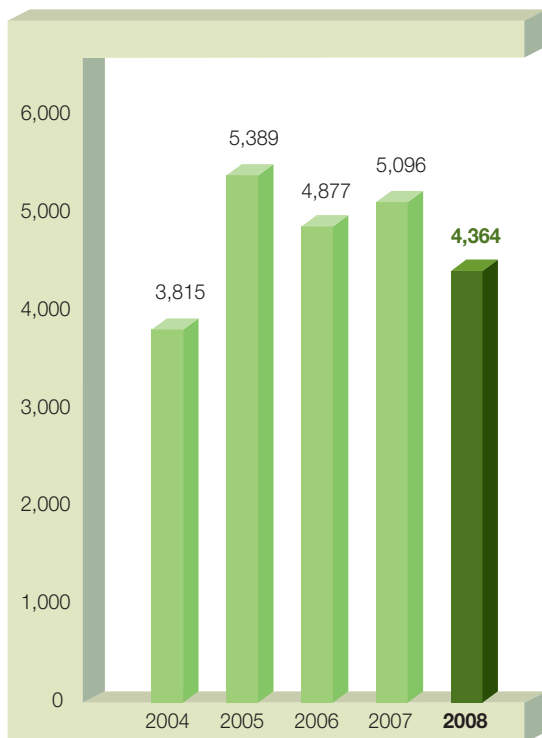
## Stock Code

328

# Financial Highlights

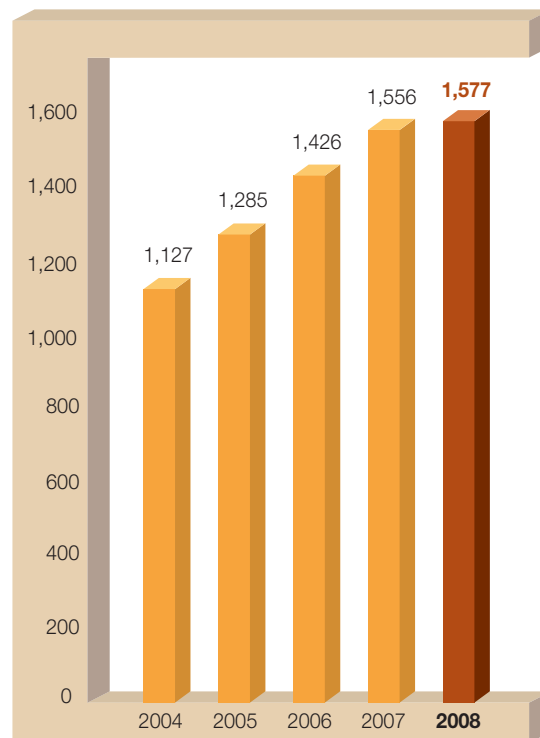
## REVENUE

(HK\$ MILLION)



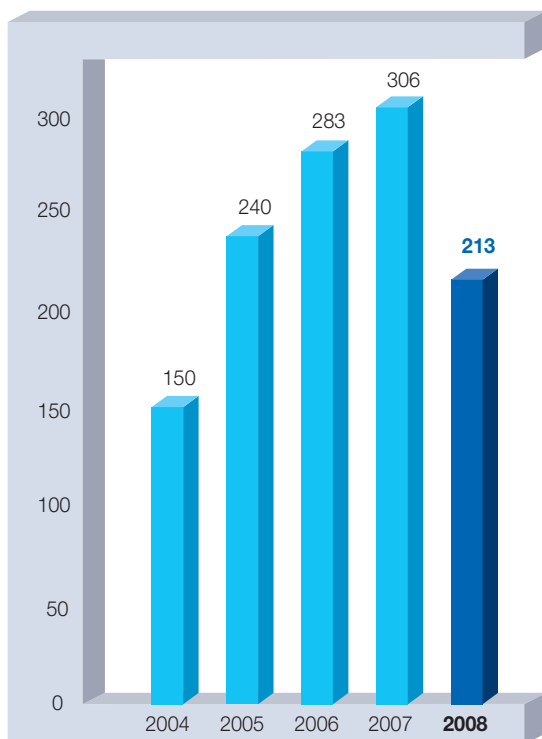
## EQUITY

(HK\$ MILLION)

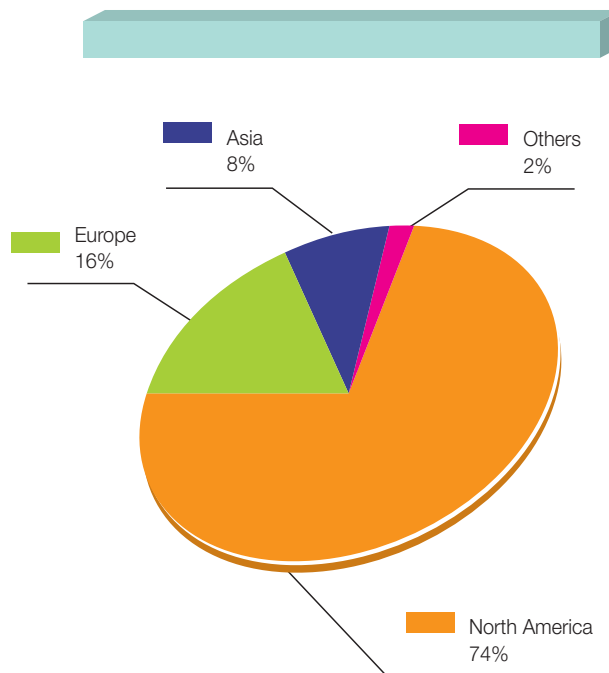


## PROFIT ATTRIBUTABLE TO EQUITY HOLDERS

(HK\$ MILLION)



## REVENUE BY GEOGRAPHICAL SEGMENT IN 2008



# Chairman's Statement



**LEUNG KAI CHING, KIMEN** *Chairman*

## GROUP RESULTS AND DIVIDENDS

On behalf of the Board of Directors, I am pleased to present the financial results of the Group for the year ended 31st March 2008. During the review period the Group recorded turnover of HK\$4.4 billion (2007: HK\$5.1 billion), while profit attributable to shareholders of the Company totalled HK\$213 million (2007: HK\$306 million). Earnings per share amounted to HK38.1 cents (2007: HK54.5 cents).

Despite experiencing adverse market conditions during the latest financial period, the Board of Directors remain committed to sustaining a stable dividend payout ratio to the interest of our stakeholders. Accordingly, the payment of a final dividend of HK14 cents has been recommended which, including an interim dividend of HK9 cents per share, amounts to HK23 cents for the financial year (2007: HK33 cents), thus maintaining a payout ratio of 60%.

The final dividend will be paid out on 10th September 2008 to the Group's shareholders upon approval at the upcoming Annual General Meeting.

## REVIEW OF OPERATIONS

The past financial year presented enormous challenges for our Group, as well as those in the audio-visual manufacturing segment. Among the difficulties that directly affected the Group's turnover was an ongoing shortage of small size LCD panels. This shortage in turn drove LCD panel prices upward by as much as 30% during the year, thereby impacting on the material cost of our DVD players and digital picture frames. Significantly compromising the competitiveness of such products, a 30% drop in sales was recorded by the first half of the financial year. To counter this slump, we began to aggressively process the numerous orders placed by our customers despite having to pay higher prices for LCD panels. Reflecting the shrewdness of this decision, we were able to narrow the turnover decline to 14% by year end.

# Chairman's Statement

Just as the shortage of LCD panels affected our turnover, numerous factors further conspired to erode the Group's margin. In addition to the rise in panel prices, the cost for resins and metals also climbed measurably, thereby driving production costs upwards. Rising labour costs, brought on by legislation surrounding minimum wages and welfare contributions, placed yet an added burden on the Group's margin. Cost of production also climbed on account of higher electricity rate, a direct result of surging oil prices. Though the cost of electricity was relatively stable owing to government controls, blackouts were common, often leading to power cuts that were two days per week. For ensuring the Group's production schedules are met, we have long relied on our own power generators, though here too the rise in diesel oil prices by more than 35% placed an extra strain. During the review period, appreciation of the Renminbi by approximately 10% against the Hong Kong dollar also meant increased production costs.

To address these concerns required a thorough review of all aspects of our operation, the result of which has been assiduous efforts at controlling overheads where possible. Accordingly, increased automation has enabled the Group to further reduce its workforce by 16% without compromising on our commitment

to meeting the highest quality standards. In addition to minimising human input where feasible, we have ensured that investments in automation provide quantifiable benefits. Two sets of latest super high speed SMT machines purchased by the Group reflects this prerequisite, duly enhancing our SMT capability markedly.

Complementing production, we have sought to continuously refine our product line-up by going beyond simply reducing the number of lower-end offerings. Specifically, we have sought to raise the commonality of parts and components, thus enhancing efficiency of assembly, capitalising on economies of scale, and reducing substantially the risk of parts obsolescence.

Our entry into the LCD TV market has proven to be a success with models featuring 17-inch and 19-inch screens enjoying particular popularity during the review period. We have continued to introduce models with larger screens that are able to generate greater margin for the Group, and have begun processing orders for 42-inch models. Aside from LCD TVs, LCD related products such as portable DVD and digital picture frames have remained a strong source of revenue as well.





# Chairman's Statement

## PROSPECTS

The business environment in the coming financial period looks set to more difficult. A major concern looming over most manufacturers will be the implementation of new labour laws in China, which took affect as of January 2008. In Dongguan, minimum wage will rise from RMB 690 to RMB 770 in April 2008, and along with various provisions, elevate labour costs by further 18% per head. The recent faster-than-expected appreciation of the Renminbi against Hong Kong dollar adds to the burden. Most significantly, consumer spending in the United States – a principal market for our products – tapered noticeably as a result of the sub-prime mortgage crisis and the soaring oil price.

### Minority interest in Korean TFT LCD manufacturer

Recognising that the securing of reliable component suppliers is paramount for protecting the wellbeing of the Group, particularly in regards to small-size TFT LCD panels – a key component required by the Group, we acquired minority interest in a Korean manufacturer that is principally engaged in the development and manufacture of such panels. This investment will thereby allow us to address the chronic shortage of TFT LCD panels.

## Development of High Definition products

The Group foresees a further reduction in the world's demand of basic DVD player. In place of this business, we plan to increase our development on High Definition products including Blu-ray player. With many regions of the world beginning to move away from the current analogue signal to High Definition transmissions, we foresee growing demand for these HD products, especially in markets where the Group has long standing customers.

## New audio products

Just as growth momentum is expected in the High Definition product segment, so too is our view towards iPod related products. Based on our years of expertise in developing and manufacturing audio products, and taking into account strong sales generated by many of the Group's audio models featuring iPod docking capability, we envisage this product category to continue growing in the coming year, particularly in light of Apple's launch of its 3G iPhone in several markets. Accordingly, during 2008, more iPhone and iPod related audio models will be added to the Group's portfolio so as to further increase our market share in this product segment.



# Chairman's Statement

During the year, the Group has also sought to capture opportunities in the Electronic Manufacturing Service business. Hence we renovated our Chang An facility and successfully attracted several new customers who specialise in commercial and industrial products. We believe this product segment is more resilient to changes in business cycle and provide the dual benefits of enhancing revenue while diversifying the Group's customer base.

## APPRECIATION

On behalf of the Board of Directors, I would like to extend my gratitude to the management and staff for their dedication, diligence and unwavering support. Likewise, I wish to offer my appreciation to the Group's business partners, shareholders and customers for their long-standing cooperation, trust and patronage.

**LEUNG Kai Ching, Kimen**  
*Chairman*

Hong Kong, 10th July 2008





# Biographical Details of Directors and Senior Management

## Executive Directors

Mr LEUNG Kai Ching, Kimen, aged 75, is the founder and Chairman of the Group. He has more than 41 years of experience and is one of the pioneers in the electronics industry in Hong Kong. He has in-depth knowledge in the electronics field and is responsible for formulating the Group's overall strategy and development.

Mr LEUNG Wai Sing, Wilson, aged 48, joined the Group in 1985. He is the Chief Executive Officer of the Group and takes full charge of the Group's overall strategy and operations. He holds a master of science degree in electrical engineering from Queen's University, Canada.

Mr KUOK Kun Man, Andrew, aged 54, joined the Group in 1990 and is the Company Secretary and Director of the Group. He holds a master degree in business administration and has more than 31 years of experience in finance and accounting with multinational organisations.

## Independent Non-executive Directors

Mr WONG Po Yan, G.B.M., J.P., aged 85, joined the Group in 1992 and was the chairman of United Oversea Enterprises, Limited, the former vice-chairman of The Committee for the Basic Law of the Hong Kong Special Administrative Region under the Standing Committee of the National People's Congress, the honorary chairman of the Nuclear Safety Consultative Committee for Guangdong Daya Bay and Ling Ao Nuclear Power Stations, the chairman of the Advisory Board of One Country Two Systems Research Institute Limited and the honorary president of The Chinese Manufacturers' Association of Hong Kong.

The Hon LI Wah Ming, Fred, J.P., aged 53, joined the Group in 1992 and is a member of the Legislative Council. He holds a bachelor degree in arts from the University of Waterloo, Canada and a master degree in social work from the University of Toronto, Canada.

Mr LAU Wang Yip, Derrick, aged 47, joined the Group in 2000 and is the chief operating officer of a financial institution. Holding a master degree of management science in accounting, he has extensive experience in investment banking.

## Senior Management

Mr Colin Frederick LIVERMORE, aged 53, joined the Group in 1991 and is the managing director of Alco International Limited. He has over 28 years of experience in the marketing of consumer electronic products and is responsible for formulating the marketing strategy primarily to European customers.

Mr YEUNG Kai Hong, Thomas, aged 61, joined the Group in 1972 and is the Group's production manager with responsibility for the Group's production planning and control. He holds a diploma in management studies and has more than 36 years of experience in the electronics industry.

Mr LEUNG Wai Ming, Jimmy, aged 39, joined the Group in 1993 and is the Group's purchasing manager. He has more than 15 years of experience in the field of audio electronic products.

Ms PANG Siu Mui, Wendy, aged 57, joined the Group in 1971 and is the assistant to the Chairman. She is responsible for the scheduling of production and administration for the Group.

# Biographical Details of Directors and Senior Management

## **Senior Management** *(continued)*

Mr CHOW Koon Shing, Stephen, aged 57, joined the Group in 1972 and is the shipping manager of Alco Electronics Limited. He has over 33 years of experience in shipping.

Mr LEUNG Kam Fai, Peter, aged 51, joined the Group in 1979. He is the Group's material planning and control manager. He has over 29 years of experience in the audio field.

Mr LEONG Ue Cheong, aged 50, joined the Group in 1978 and is the shipping manager of Alco International Limited. He has over 30 years of experience in shipping.

Mr LAU Kwok Wai, Francis, aged 57, joined the Group in 1986 and is a director of Alco Plastic Products Limited. He has over 23 years of experience in the plastics industry and is responsible for the operations of the plastics factory.

Mr HO Man Shuen, Francis, aged 49, joined the Group in 1999. He is the general manager of quality assurance and is responsible for the Group's restructuring of quality management systems. He holds a master of science degree in manufacturing and business management and has over 26 years of experience in research and development, manufacturing and quality control of electronic products.

Mr CHOW Tung Yiu, Tony, aged 38, joined the Group in 1997 and is the Group's management information system manager. He holds a bachelor degree in science and has over 15 years of experience in developing manufacturing systems.

# Corporate Governance Report

## CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the applicable code provisions set out in the Code on Corporate Governance Practices (the “Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), except for deviation from the Code provision A.4.1.

## THE BOARD

The Board is responsible for the formulation of the Group’s business and strategic decisions and monitoring the performances of the management team.

Four Board meetings were held during the year ended 31st March 2008. The attendance of each director is set out as follows:

Members of the Board	Attendance Record
<i>Executive Directors</i>	
Mr LEUNG Kai Ching, Kimen	4/4
Mr LEUNG Wai Sing, Wilson	3/4
Mr KUOK Kun Man, Andrew	4/4
<i>Independent Non-executive Directors</i>	
Mr WONG Po Yan	4/4
The Hon LI Wah Ming, Fred	2/4
Mr LAU Wang Yip, Derrick	3/4

The Company has received an annual confirmation of independence from the three independent non-executive directors in accordance with rule 3.13 of the Listing Rules. The Board has assessed their independence and concluded that all independent non-executive directors are independent.

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr LEUNG Kai Ching, Kimen is the chairman and Mr LEUNG Wai Sing, Wilson is the chief executive officer.

## APPOINTMENT AND RE-ELECTION OF DIRECTORS

Under the Code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. The non-executive directors of the Company are not appointed for a specific term. However, according to the Bye-laws of the Company, independent non-executive directors of the Company will retire by rotation every year and their appointments will be reviewed when they are due for re-election. In the opinion of the Company, this meets the same objective as the Code.

Mr WONG Po Yan and Mr LAU Wang Yip, Derrick will retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

# Corporate Governance Report

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”) as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of the directors, all the directors confirmed that they had complied with the required standards as set out in the Model Code and its code of conduct regarding directors’ securities transactions with the Company for the 12 months ended 31st March 2008.

## REMUNERATION COMMITTEE

The Company has established a remuneration committee with written terms of reference in accordance with the Code provisions.

The remuneration committee currently comprises Mr WONG Po Yan (chairman of the remuneration committee), Mr LAU Wang Yip, Derrick and the Hon LI Wah Ming, Fred, all of whom are independent non-executive directors.

The primary duties of the remuneration committee are to make recommendation on the policy and structure for the remuneration of the directors and senior management, and to consider and approve remuneration of the directors and senior management by reference to corporate goals and objectives. The existing remuneration package contains a combination of basic salary, discretionary performance bonus and fringe benefits. For the year, the remuneration committee was of the opinion that the remuneration packages were fair and commensurate with the market.

One remuneration committee meeting was held during the year ended 31st March 2008 and the attendance of each committee member is set out as follows:

Members	Attendance Record
Mr WONG Po Yan	1/1
Mr LAU Wang Yip, Derrick	1/1
The Hon LI Wah Ming, Fred	1/1

## AUDIT COMMITTEE

The audit committee currently comprises Mr LAU Wang Yip, Derrick (chairman of the audit committee), Mr WONG Po Yan and the Hon LI Wah Ming, Fred, all of whom are independent non-executive directors.

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the financial statements of the Group for the year ended 31st March 2008.

Three audit committee meetings were held during the year ended 31st March 2008 and the attendance of each committee member is set out as follows:

Members	Attendance Record
Mr LAU Wang Yip, Derrick	2/3
Mr WONG Po Yan	3/3
The Hon LI Wah Ming, Fred	3/3

# Corporate Governance Report

## DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for the preparation of the financial statements of the Group. In preparing the financial statements, the Hong Kong Financial Reporting Standards have been adopted, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made. The Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements.

The auditor's responsibilities are set out in the Independent Auditor's Report.

## AUDITOR'S REMUNERATION

For the year ended 31st March 2008, the remuneration paid to the Company's auditor, Messrs. PricewaterhouseCoopers, is set out as follows:

Services rendered	Fees paid/payable HK\$'000
Audit-related services	2,008
Non audit-related services	
Tax compliance services	393

## CONCLUSION

The Board believes that good corporate governance can safeguard the effective allocation of resources and protect shareholders' interest. The management will try to maintain, strengthen and improve the standard and quality of the Group's corporate governance.

# Report of the Directors

The directors submit their report together with the audited financial statements for the year ended 31st March 2008.

## PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in Note 35 to the consolidated financial statements.

An analysis of the Group's performance for the year by business and geographical segments is set out in Note 5 to the consolidated financial statements.

## RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 23.

The directors have declared an interim dividend of HK9 cents per ordinary share, totalling HK\$50,476,000.

The directors recommended the payment of a final dividend of HK14 cents per share, totalling HK\$78,213,000.

## LIQUIDITY AND FINANCIAL RESOURCES

Total equity and total equity per share as at 31st March 2008 were HK\$1,577 million and HK\$2.82 respectively.

The Group's cash position remained healthy. As at 31st March 2008, our cash on hand and deposits totaled at HK\$359 million. The ratio of total debts (net of cash) to shareholders' equity was 9%.

To enjoy bulk purchase discounts offered by suppliers during low season and to minimise the adverse effect on materials shortage, in March 2008, we strategically formulated our purchase plan of raw materials to cater for the coming season. As a result our inventory position at 31st March 2008 increased to HK\$1,333 million (2007: HK\$402 million). Correlated with this, trade payables, amounted to HK\$479 million (2007: HK\$288 million), also recorded an increase.

Trade receivables balance as at 31st March 2008 was HK\$544 million. We have been adopting a prudent credit policy, and credit terms granted are generally based on the financial strengths of individual customers.

In view of the shortage of the supply of small size TFT-LCD panels during the period, we sought a steady supply of panels in long run. In November 2007, we formed a consortium with two other independent parties, Varitronix International Limited and Prime View International Co. Ltd. to submit a formal bid for an acquisition of approximately 95% interest of equity and certain amount of corporate bonds of BOE Hydis Technology Co. Ltd. ("BOE Hydis"), a company incorporated in Korea, which is principally engaged in the business of developing, manufacturing and supplying of TFT-LCD products, at a total consideration of approximately HK\$2,047 million. Our 11% share of the total consideration amounted to approximately HK\$225 million. During the year ended 31st March 2008, we have paid from our internal resources approximately HK\$24 million as deposits for the acquisition.

We finance our operations using internal funds and banking facilities. As at 31st March 2008, we were granted banking facilities of HK\$2,152 million, of which HK\$507 million were utilised. Among the used facilities, HK\$504 million are repayable within one year and HK\$3 million are repayable within five years.



# Report of the Directors

Capital expenditure on fixed assets during the year was HK\$98 million (2007: HK\$82 million), which was spent mainly on enhancing various advanced production facilities. As at 31st March 2008, we had capital commitments contracted but not provided for in respect of moulds, plant and machinery approximately amounting to HK\$334,000 (2007: HK\$859,000).

Our exposure to foreign exchange risk is limited as nearly all of our sales, purchases and borrowings are denominated in United States dollar and Hong Kong dollar. Since Hong Kong dollar is pegged to United States dollar, we do not have significant currency risks and it is our policy not to engage in speculative activities.

## EMPLOYEES

As at 31st March 2008, the Group had approximately 9,600 employees in Hong Kong and the PRC. Remuneration packages are generally structured by reference to market terms and individual qualifications. Salaries and wages are normally reviewed on an annual basis based on performance appraisals and other relevant factors. We also provide other benefits including medical insurance, provident fund and education subsidies to all eligible staff.

## MAJOR SUPPLIERS AND CUSTOMERS

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

Purchases	
the largest supplier	17%
five largest suppliers combined	40%
Sales	
the largest customer	26%
five largest customers combined	74%

None of the directors, their associates or shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

## RESERVES

Movements in the reserves of the Group and of the Company during the year are set out in Note 28 to the consolidated financial statements.

## DONATIONS

Charitable and other donation made by the Group during the year amounted to HK\$53,000.

## PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in Note 14 to the consolidated financial statements.

# Report of the Directors

## PRINCIPAL PROPERTIES

Details of the principal properties held for investment purposes are set out on page 77.

## SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 27 to the consolidated financial statements.

## DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31st March 2008 amounted to approximately HK\$46,576,000 (2007: HK\$46,721,000), comprising retained profits and contributed surplus.

## FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 78.

## PURCHASE, SALE OR REDEMPTION OF SECURITIES

In January 2008, the Company paid an aggregate amount of approximately HK\$5,720,000 to repurchase 1,920,000 shares of HK\$0.10 per share, at prices that ranged from HK\$2.67 to HK\$3.15 per share, on The Stock Exchange of Hong Kong Limited. These shares were then cancelled.

In February 2008, the Company paid an aggregate amount of approximately HK\$734,000 to repurchase 254,000 shares of HK\$0.10 per share, at prices that ranged from HK\$2.89 to HK\$2.92 per share, on The Stock Exchange of Hong Kong Limited. These shares were then cancelled.

Save as disclosed above, neither the Company nor its subsidiary companies has purchased or sold any of the Company's shares during the year ended 31st March 2008, and the Company has not redeemed any of its shares during the same financial year.

## BANK LOANS AND OTHER BORROWINGS

An analysis of the Group's bank loans and other borrowings at 31st March 2008 is set out below:

	Trust receipt loans		Bank borrowings	
	2008 HK\$'000	2007 HK\$'000	2008 HK\$'000	2007 HK\$'000
Within one year	440,975	—	63,108	648
In the second year	—	—	765	661
In the third to fifth year	—	—	1,718	2,244
	440,975	—	65,591	3,553

# Report of the Directors

## PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31st March 2008 are set out in Note 35 to the consolidated financial statements.

## RETIREMENT BENEFIT SCHEMES

Details of the Group's retirement benefit schemes are set out in Note 8 to the consolidated financial statements.

## DIRECTORS

The directors during the year were:

Mr LEUNG Kai Ching, Kimen

Mr LEUNG Wai Sing, Wilson

Mr KUOK Kun Man, Andrew

Mr WONG Po Yan, G.B.M., J.P.<sup>1</sup>

The Hon LI Wah Ming, Fred, J.P.<sup>1</sup>

Mr LAU Wang Yip, Derrick<sup>1</sup>

<sup>1</sup> Independent non-executive directors

In accordance with clause 87(1) of the Company's Bye-laws, Mr WONG Po Yan and Mr LAU Wang Yip, Derrick will retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

## DIRECTORS' SERVICE CONTRACTS

On 1st April 2007, each of the executive directors entered into a service contract with the Company for a term of 3 years and shall continue until terminated by either party giving to the other not less than 6 months notice in writing.

The independent non-executive directors do not have any service contracts with the Company or its subsidiaries.

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of directors and senior management are set out on pages 8 and 9.

## DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company, or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the directors of the Company has an interest in a business which competes or may compete with the business of the Group.

# Report of the Directors

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

### (a) Long positions in ordinary shares of HK\$0.10 each of the Company

As at 31st March 2008, the interests and short positions of each director and chief executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO or 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 Issuers (the "Model Code") were as follows:

	Number of shares held				Percentage of the issued share capital of the Company
	Personal interest	Corporate interest	Family interest	Total	
Mr LEUNG Kai Ching, Kimen	18,200,000	38,891,600 (note (i))	187,019,800 (note (ii))	244,111,400	43.70%
Mr LEUNG Wai Sing, Wilson	44,640,000	–	187,019,800 (note (ii))	231,659,800	41.47%
Mr KUOK Kun Man, Andrew	1,202,000	–	–	1,202,000	0.22%
The Hon LI Wah Ming, Fred	10,000	–	–	10,000	0.00%

Notes:

- (i) These shares were owned by Shundean Investments Limited, a company incorporated in the British Virgin Islands with limited liability, of which Mr LEUNG Kai Ching, Kimen is the sole shareholder.
- (ii) These shares were owned by Kimen Leung UT Limited, a company incorporated in the British Virgin Islands as the trustee of The Kimen Leung Unit Trust which is beneficially owned by The Kimen Leung Family Trust. Mr LEUNG Wai Sing, Wilson and other family members of Mr LEUNG Kai Ching, Kimen are the beneficiaries of The Kimen Leung Family Trust which is a discretionary trust.

### (b) Long positions in underlying shares of the Company

Other than as disclosed under the heading "Share Option Scheme", at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors or the chief executives or their spouses or children under 18 years of age to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Save as disclosed above, as at 31st March 2008, other than one ordinary share each in the Hong Kong incorporated subsidiaries of the Company held in trust for the Group by Mr LEUNG Kai Ching, Kimen, none of the directors and chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations required to be disclosed pursuant to the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

# Report of the Directors

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders required to be kept under section 336 of Part XV of the SFO shows that as at 31st March 2008, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the directors and chief executives.

Name	Capacity in which shares were held	Long position	Percentage of the issued share capital of the Company
Shundean Investments Limited	Beneficial owner	225,911,400 (note (i))	40.44%
HSBC International Trustee Limited	Trustee	187,835,800 (note (ii))	33.62%
Kimien Leung UT Limited	Trustee	187,019,800 (notes (i) & (ii))	33.48%
Commonwealth Bank of Australia	Interest of controlled corporation	32,992,000 (note (iii))	5.91%
Leung Wai Lap David	Beneficial owner	32,972,190	5.90%

Notes:

- (i) Among the referenced shares, 38,891,600 ordinary shares were held by Shundean Investments Limited, a company incorporated in the British Virgin Islands with limited liability, of which Mr LEUNG Kai Ching, Kimien is the sole shareholder; and 187,019,800 ordinary shares were held by Kimien Leung UT Limited, a company incorporated in the British Virgin Islands as the trustee of The Kimien Leung Unit Trust which is beneficially owned by The Kimien Leung Family Trust. Mr LEUNG Wai Sing, Wilson and other family members of Mr LEUNG Kai Ching, Kimien are the beneficiaries of The Kimien Leung Family Trust which is a discretionary trust.
- (ii) Among the referenced shares, 187,019,800 ordinary shares were held for Kimien Leung UT Limited, which were related to the same block of shares held by Kimien Leung UT Limited.
- (iii) According to the information disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, these shares were held by corporations controlled directly or indirectly as to 100% by Commonwealth Bank of Australia.

Save as disclosed above, as at 31st March 2008, according to the register of interests required to be kept by the Company under Section 336 of Part XV of the SFO, there was no person, other than the directors of the Company, whose interests are set out in the section headed "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation" above, who had any interest or short position in the shares or underlying shares of the Company.

# Report of the Directors

## SHARE OPTION SCHEME

On the special general meeting which was held on 21st August 2003, shareholders of the Company approved the termination of the share option scheme adopted by the Company on 6th November 1992 which expired on 5th November 2002 and approved the adoption of a new share option scheme (the "Scheme"). The Scheme is valid and effective for a period of ten years from the date of adoption.

Pursuant to the Scheme, the Company may grant options to directors and employees of the Company or any of its subsidiaries, for the purpose of providing incentives, to subscribe for shares in the Company.

The maximum number of shares which may be issued upon exercise all options granted and yet to be exercised under all share option schemes shall not exceed 30% of the issued shares of the Company from time to time.

The number of shares which may be issued upon exercise of all options to be granted under the Scheme shall not exceed 10% of the issued shares of the Company on the date of adoption.

The total number of options granted to an individual grantee in any 12-month period must not exceed 1% of the issued shares of the Company.

The period within which the shares must be taken up under an option is any period as determined by the Board, which shall not be more than 10 years from date of grant or the expiry date of the Scheme, whichever is earlier.

The subscription price of the share options shall not be less than the higher of (i) the closing price of the shares on The Stock Exchange on the date of grant; (ii) the average closing price of the shares on The Stock Exchange for the five trading days immediately preceding the date of grant; and (iii) the nominal value of a share.

An option grantee shall pay HK\$5 to the Company for the acceptance of an option.

No share options have been granted by the Company since the adoption of the Scheme.

## MANAGEMENT CONTRACTS

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

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws although there are no restrictions against such rights under the laws in Bermuda.

## CORPORATE GOVERNANCE

The Company is maintaining a high standard of corporate governance practices. Details of the corporate governance practices adopted by the Company are set out in Corporate Governance Report on pages 10 to 12.



# Report of the Directors

## AUDIT COMMITTEE

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the financial statements of the Group for the year ended 31st March 2008.

The audit committee currently comprises three independent non-executive directors of the Company, namely Mr WONG Po Yan, G.B.M., J.P., The Hon LI Wah Ming, Fred, J.P. and Mr LAU Wang Yip, Derrick.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to and within the knowledge of the directors, it is confirmed that there is sufficient public float of more than 25% of the Company's issued shares at all times during the year ended 31st March 2008 and up to the date of this report.

## AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who will retire and, being eligible, offer themselves for re-appointment at the forthcoming Annual General Meeting of the Company.

On behalf of the Board

**LEUNG Kai Ching, Kimen**  
*Chairman*

Hong Kong, 10th July 2008

# Independent Auditor's Report



羅兵咸永道會計師事務所

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

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALCO HOLDINGS LIMITED

*(incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Alco Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 23 to 76, which comprise the consolidated and Company balance sheets as at 31st March 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

### AUDITOR'S RESPONSIBILITY

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

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.

# Independent Auditor's Report

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 31st March 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, 10th July 2008

# Consolidated Income Statement

For the year ended 31st March 2008

	Note	2008 HK\$'000	2007 HK\$'000
Revenue	5	4,363,889	5,095,894
Cost of goods sold	7	(3,905,694)	(4,548,098)
Gross profit		458,195	547,796
Other income	6	29,851	17,639
Selling expenses	7	(153,233)	(136,291)
Administrative expenses	7	(104,554)	(100,061)
Other operating expenses	7	(5,723)	(6,240)
Operating profit		224,536	322,843
Finance income	9	23,082	32,791
Finance costs	9	(8,009)	(19,584)
Profit before income tax		239,609	336,050
Income tax expense	10	(26,257)	(30,266)
Profit attributable to equity holders of the Company		213,352	305,784
Earnings per share attributable to equity holders of the Company			
– basic	12	HK38.1 cents	HK54.5 cents
– diluted	12	HK38.1 cents	HK54.5 cents
Dividends	13	128,689	185,115

The notes on pages 28 to 76 are an integral part of these consolidated financial statements.

# Consolidated Balance Sheet

As at 31st March 2008

	Note	2008 HK\$'000	2007 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment	14	345,180	312,799
Investment properties	15	70,492	46,830
Leasehold land and land use rights	16	58,991	59,189
Intangible assets	17	83,863	6,184
Held-to-maturity financial assets	20	46,800	111,400
Deposits for investment	21	23,833	–
		<b>629,159</b>	<b>536,402</b>
<b>Current assets</b>			
Inventories	22	1,333,283	401,844
Trade and other receivables	23	569,970	305,278
Cash and cash equivalents	24	358,669	892,794
		<b>2,261,922</b>	<b>1,599,916</b>
<b>Current liabilities</b>			
Trade and other payables	25	756,952	545,669
Trust receipt loans	31	440,975	–
Current income tax liabilities		18,656	3,474
Borrowings	26	63,108	648
		<b>1,279,691</b>	<b>549,791</b>
<b>Net current assets</b>		<b>982,231</b>	<b>1,050,125</b>
<b>Total assets less current liabilities</b>		<b>1,611,390</b>	<b>1,586,527</b>
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	27	55,867	56,084
Reserves	28	1,521,185	1,499,679
<b>Total equity</b>		<b>1,577,052</b>	<b>1,555,763</b>
<b>Non-current liabilities</b>			
Borrowings	26	2,483	2,905
Deferred income tax liabilities	29	31,855	27,859
		<b>34,338</b>	<b>30,764</b>
<b>Total equity and non-current liabilities</b>		<b>1,611,390</b>	<b>1,586,527</b>

On behalf of the Board

LEUNG Kai Ching, Kimen  
Director

LEUNG Wai Sing, Wilson  
Director

The notes on pages 28 to 76 are an integral part of these consolidated financial statements.

# Balance Sheet

As at 31st March 2008

	Note	2008 HK\$'000	2007 HK\$'000
<b>Non-current assets</b>			
Investment in subsidiaries	18	350,835	356,959
<b>Current assets</b>			
Other receivables, prepayments and deposits		112	105
Tax recoverable		–	10
Cash and cash equivalents	24	48	1,215
		160	1,330
<b>Current liabilities</b>			
Other payables and accruals		1,502	2,414
<b>Net current liabilities</b>		(1,342)	(1,084)
<b>Total assets less current liabilities</b>		349,493	355,875
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	27	55,867	56,084
Reserves	28	293,626	299,791
<b>Total equity</b>		349,493	355,875

On behalf of the Board

**LEUNG Kai Ching, Kimen**  
Director

**LEUNG Wai Sing, Wilson**  
Director

The notes on pages 28 to 76 are an integral part of this financial statement.



# Consolidated Statement of Changes in Equity

For the year ended 31st March 2008

	Attributable to equity holders of the Company			
	Share capital HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total HK\$'000
Balance at 1st April 2006	56,125	253,774	1,116,138	1,426,037
Currency translation differences	–	(683)	–	(683)
Profit for the year	–	–	305,784	305,784
Repurchase of own shares	(41)	(1,305)	(41)	(1,387)
2007 interim dividend	–	–	(50,513)	(50,513)
2006 final and final special dividends	–	–	(123,475)	(123,475)
Balance at 31st March 2007	56,084	251,786	1,247,893	1,555,763
Balance at 1st April 2007	<b>56,084</b>	<b>251,786</b>	<b>1,247,893</b>	<b>1,555,763</b>
Currency translation differences	–	(531)	–	(531)
Profit for the year	–	–	213,352	213,352
Repurchase of own shares	(217)	(6,020)	(217)	(6,454)
2008 interim dividend	–	–	(50,476)	(50,476)
2007 final and final special dividends	–	–	(134,602)	(134,602)
Balance at 31st March 2008	<b>55,867</b>	<b>245,235</b>	<b>1,275,950</b>	<b>1,577,052</b>

The notes on pages 28 to 76 are an integral part of these consolidated financial statements.

# Consolidated Cash Flow Statement

For the year ended 31st March 2008

	Note	2008 HK\$'000	2007 HK\$'000
Cash flows from operating activities			
Cash (used in)/generated from operations	30	(250,058)	342,742
Interest received		23,082	32,791
Interest paid		(8,009)	(19,584)
Profits tax paid		(24,133)	(45,865)
Net cash (used in)/generated from operating activities		(259,118)	310,084
Cash flows from investing activities			
Purchase of property, plant and equipment		(98,434)	(81,519)
Purchase of licence right		(78,000)	–
Proceeds from sale of property, plant and equipment		264	889
Payment for leasehold land and land use rights		–	(2,984)
Deferred development costs paid		(10,352)	(9,960)
Payment of deposits for investment		(23,833)	–
Proceeds from matured held-to-maturity financial assets		64,600	–
Net cash used in investing activities		(145,755)	(93,574)
Cash flows from financing activities			
Repurchase of own shares		(6,454)	(1,387)
Proceeds from borrowings		124,800	120,553
Repayments of borrowings		(63,027)	(298,227)
Dividends paid to the Company's shareholders		(185,078)	(173,988)
Net cash used in financing activities		(129,759)	(353,049)
Net decrease in cash and cash equivalents		(534,632)	(136,539)
Cash and cash equivalents at beginning of the year		892,794	1,028,572
Effect of foreign exchange rate change		507	761
Cash and cash equivalents at end of the year	24	358,669	892,794

The notes on pages 28 to 76 are an integral part of these consolidated financial statements.

# Notes to the Consolidated Financial Statements

31st March 2008

## 1 GENERAL INFORMATION

Alco Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) are engaged in designing, manufacturing and selling consumer electronic products and plastic products.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company has listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$'000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 10th July 2008.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, which are carried at fair value.

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

The following new standard, amendment to standard and interpretations are relevant to the Group’s operation and are mandatory for the financial year ended 31st March 2008:

HKAS 1 (Amendment) – “Presentation of Financial Statements – Capital Disclosures”, which introduces additional disclosure requirements to provide information about the level of capital and the Group’s objectives, policies and processes for managing capital. These disclosures are set out in Note 3.2.

HKFRS 7 – “Financial Instruments: Disclosures”, which requires disclosures on the significance of the Group’s financial instruments and the nature and extent of risks arising from those financial instruments. These disclosures are provided throughout these financial statements.

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.1 Basis of preparation *(continued)*

HK(IFRIC) – Interpretation 9 – “Reassessment of Embedded Derivatives”, which requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract, with reassessment only if there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

HK(IFRIC) – Interpretation 10 – “Interim Financial Reporting and Impairment”, which prohibits the impairment losses recognised in an interim period on goodwill, investments in financial assets carried at cost to be reversed at a subsequent balance sheet date.

The above new standard, amendment to standard and interpretations had no material effect on the Group’s accounting policies except that there were additional disclosures requirement by HKAS 1 (Amendment) and HKFRS 7.

The following new standard, amendments to standards and interpretation are relevant to the Group’s operation but are not effective for the year ended 31st March 2008 and have not been early adopted by the Group:

HKAS 1 (Revised) – “Presentation of Financial Statements” (effective for annual periods beginning on or after 1st January 2009), which requires all owner changes in equity to be presented in a statement of changes in equity.

HKAS 23 (Revised) – “Borrowing Costs” (effective for annual periods beginning on or after 1st January 2009), which requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset.

HKAS 27 (Revised) – “Consolidated and Separate Financial Statements” (effective for annual periods beginning on or after 1st July 2009) requires non-controlling interests (i.e. minority interests) to be presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent.

HKFRS 3 (Revised) – “Business Combination” (effective for annual periods beginning on or after 1st July 2009), which brings more transactions into acquisition accounting as combinations by contract alone and combinations of mutual entities are brought into the scope of the standard and the definition of a business has been amended slightly.

HKFRS 8 – “Operating Segments” (effective for annual periods beginning on or after 1st January 2009), which requires a ‘management approach’, under which segment information is presented on the same basis as that used for internal reporting purposes.

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.1 Basis of preparation *(continued)*

HK(IFRIC) – Interpretation 14 – “HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” (effective for annual periods beginning on or after 1st January 2008) provides guidance on assessing the limit in HKAS 19 on the amount of the surplus that can be recognised as an asset.

The Group believes that the adoption of the above new standard, amendments to standards and interpretation will not result in substantial changes to the Group’s accounting policies and have no material impact on the consolidated financial statements. The Group expects to adopt the above standard, amendments to standards and interpretation when they become effective.

### 2.2 Consolidation

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

Subsidiaries are all 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.

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

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company’s balance sheet the investment in subsidiaries are stated at cost less provision for impairment losses (Note 2.9). The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.3 Segment reporting

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

### 2.4 Foreign currency translation

#### *(a) Functional and presentation currency*

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

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

#### *(c) Group companies*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.4 Foreign currency translation *(continued)*

#### *(c) Group companies (continued)*

- (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 are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

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

### 2.5 Leasehold land and land use rights

Leasehold land and land use rights are stated at cost less accumulated amortisation and accumulated impairment losses. Cost mainly represents consideration paid for the rights to use the land from the date the respective rights were granted. Amortisation of leasehold land and land use rights is calculated on a straight-line basis over the period of the rights.

### 2.6 Property, plant and equipment

Property, plant and equipment is 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 repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation of buildings and moulds are calculated using the straight-line method to allocate cost over their estimated useful lives of 40 years and 4 years respectively. Other property, plant and equipment are depreciated at rates sufficient to write off their cost less accumulated impairment losses over their estimated useful lives on a reducing balance basis. The principal depreciation rates are as follows:

Leasehold improvements	20%
Furniture, fixtures and equipment	20%
Plant and machinery	14.5%-20%
Motor vehicles	20%

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.6 Property, plant and equipment *(continued)*

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

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

### 2.7 Investment properties

Property that is held for long-term yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property.

Investment property comprises land held under operating leases and buildings held under finance leases.

Land held under operating leases are classified and accounted for as investment property when the rest of the definitions of investment property are met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. The valuations are performed by independent valuers based on an open market value basis related to individual property in accordance with the guidance issued by the International Valuation Standards Committee.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

Changes in fair values are recognised in the income statement as part of "other income".



# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.8 Intangible assets

#### *(a) Acquired licence right*

Acquired licence right is carried at cost less accumulated amortisation. The economic useful life of acquired licence right is estimated at the time of purchase (Note 4(b)). Amortisation is calculated using the straight-line method to allocate the cost of the acquired licence right over its estimated useful lives of 10 years.

Licence right is tested for impairment annually, in accordance with HKAS 36.

#### *(b) Deferred development costs*

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (i) it is technically feasible to complete the developing/developed product so that it will be available for use or sale;
- (ii) management intends to complete the developing/developed product and use or sell it;
- (iii) there is an ability to use or sell the developing/developed product;
- (iv) it can be demonstrated how the developing/developed product will generate probable future economic benefits;
- (v) adequate technical, financial and other resources to complete the development and to use or sell the developing/developed product are available; and
- (vi) the expenditure attributable to the developing/developed product during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised on a straight-line basis over a period of 30 months to reflect the pattern in which the relevant economic benefits are recognised.

Development assets are tested for impairment annually, in accordance with HKAS 36.

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.9 Impairment of investment in subsidiaries and non-financial assets

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

### 2.10 Financial assets

The Group classifies its financial assets in the following categories: loans and receivables and held-to-maturity financial assets. The classification depends on the purposes 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. Loans and receivables are classified as "trade and other receivables" and "cash and cash equivalents" in the balance sheet (Notes 2.12 and 2.13).

#### **(b) Held-to-maturity financial assets**

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the balance sheet date; these are classified as current assets.

Regular purchases and sales of financial assets are recognised on the 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. Loans and receivables and held-to-maturity financial assets are carried at amortised cost using the effective interest method.

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.10 Financial assets *(continued)*

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. Impairment testing of trade and other receivables is described in Note 2.12.

### 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 design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

### 2.12 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 the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade and other receivables are 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 amount of the provision is recognised in the income statement.

### 2.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

### 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.

Where any group company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received (net of any directly attributable incremental transaction costs and the related income tax effects) is included in equity attributable to the Company's equity holders.

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.15 Trade and other payables

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

### 2.16 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 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 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 and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

Deferred income tax is provided on temporary differences arising on investment 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.

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.18 Employee benefits

#### **(a) Employee leave entitlements**

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity or paternity leave are not recognised until the time of leave.

#### **(b) Pension obligations**

The Group operates a number of defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed 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.

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 and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

#### **(c) Termination benefits**

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 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.

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

### 2.20 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 returns, rebates and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

- (i) Sales of goods are recognised when a group entity has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assured.
- (ii) Rental income is recognised on a straight-line basis over the periods of the respective leases.
- (iii) Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

# Notes to the Consolidated Financial Statements

31st March 2008

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### 2.21 Leases

#### *Operating lease (as the lessee)*

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.

#### *Operating lease (as the lessor)*

Where the Company leases out assets under operating leases, the assets are included in the balance sheet according to their nature as set out in Note 2.7. Revenue arising from operating leases is recognised in accordance with the Group's revenue recognition policies, as set out in Note 2.20(ii).

### 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

Risk management is carried out by the Group's treasury function. The Group adopts a conservative and balanced treasury policy which focuses on the financial risks factors as below and seeks to minimise potential adverse effects on the Group's financial performance.

# Notes to the Consolidated Financial Statements

31st March 2008

## 3 FINANCIAL RISK MANAGEMENT *(continued)*

### 3.1 Financial risk factors

#### *(a) Market risk*

##### *(i) Foreign exchange risk*

The Group's exposure to foreign exchange risk is limited as nearly all of the Group's sales, purchases and borrowings are denominated in United States dollar and Hong Kong dollar. Since Hong Kong dollar is pegged to United States dollar, the Group does not have significant currency risks and it is the Group's policy not to engage in speculative activities.

At 31st March 2008, if United States dollar had strengthened/weakened by 1% against Hong Kong dollar with all other variables held constant, post-tax profit for the year would have been approximately HK\$4,051,000 higher/lower (2007: HK\$3,582,000 higher/lower).

At 31st March 2008, if Hong Kong dollar had strengthened/weakened by 10% against the Renminbi, equity would have been approximately HK\$1,923,000 higher/lower (2007: HK\$529,000 higher/lower), arising mainly from foreign exchange gain/loss on translation of PRC subsidiary equity denominated in Renminbi.

##### *(ii) Cash flow and fair value interest rate risk*

As the Group has no significant interest-bearing assets, other than short-term bank deposits and held-to-maturity financial 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 trust receipt loans and bank borrowings. The Group's trust receipt loans and bank borrowings are carried at floating rates which expose the Group to cash flow interest rate risk. The Group has not entered into any interest rate swaps to hedge its exposure to interest rate risk. At 31st March 2008, since majority of the Group's trust receipt loans and bank borrowings are within 3 months of maturity, the Group is not subject to material cash flow interest rate risk.

#### *(b) Credit risk*

Credit risk arises from cash and cash equivalents and short-term deposits with banks and financial institutions, as well as exposures to customers, including outstanding receivables. With reference to Standard & Poor's ratings (if available), over 95% of the Group's cash and short-term deposits are placed with reputable banks and financial institutions with minimum ratings of "A". For credit exposures from customers, management assesses the credit quality of each individual major customer, taking into account its financial position, past experience and other factors.



# Notes to the Consolidated Financial Statements

31st March 2008

## 3 FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

The Group maintains its liquidity mainly through funding generated from its daily operations and maintaining funding availability under committed credit facilities.

Banking facilities have been put in place for contingency purposes. As at 31st March 2008, the Group's total available banking facilities amounted to approximately HK\$2,152 million (2007: HK\$1,720 million).

The table below analyses the Group's and the Company's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Group				
	Less than 1 year HK\$'000	Between 1 and 2 years HK\$'000	Between 2 and 5 years HK\$'000	Total HK\$'000	Carrying amount HK\$'000
At 31st March 2007					
Borrowings	883	839	2,486	4,208	3,553
Trade and other payables	545,669	–	–	545,669	545,669
At 31st March 2008					
Trust receipt loans	442,616	–	–	442,616	440,975
Borrowings	63,408	930	1,860	66,198	65,591
Trade and other payables	756,952	–	–	756,952	756,952

# Notes to the Consolidated Financial Statements

31st March 2008

## 3 FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (c) Liquidity risk (continued)

	Company			Total HK\$'000	Carrying amount HK\$'000
	Less than 1 year HK\$'000	Between 1 and 2 years HK\$'000	Between 2 and 5 years HK\$'000		
At 31st March 2007					
Other payables and accruals	2,414	–	–	2,414	2,414
At 31st March 2008					
Other payables and accruals	1,502	–	–	1,502	1,502

### 3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for 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 dividend 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 borrowings divided by total equity.

The Group's policy is to keep the gearing ratio at a healthy level, which is expected to be below 50%.

# Notes to the Consolidated Financial Statements

31st March 2008

## 3 FINANCIAL RISK MANAGEMENT *(continued)*

### 3.2 Capital risk management *(continued)*

The gearing ratios at 31st March 2008 and 2007 were as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
Trust receipt loans	440,975	–
Borrowings (Note 26)	65,591	3,553
Less: Cash and cash equivalents (Note 24)	(358,669)	(892,794)
Net borrowings/(surplus cash)	147,897	(889,241)
Total equity	1,577,052	1,555,763
Gearing ratio	9.4%	Not applicable

The change from surplus cash as at 31st March 2007 to net borrowings as at 31st March 2008 resulted primarily from the increased utilisation of banking facilities to meet operational needs.

### 3.3 Fair value estimation

The fair value of financial instruments that are not traded in an active market (for example, held-to-maturity financial assets) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Techniques, such as estimated discounted cash flows, are used to determine fair value for these financial instruments.

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

# Notes to the Consolidated Financial Statements

31st March 2008

## 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.

### **Critical accounting estimates and assumptions**

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

#### **(a) *Estimate of fair value of investment properties***

In arriving at the fair value of the properties, the independent valuers have to make assumptions and economic estimates. Should these assumptions and estimates change, or not be met, the valuation as adopted in the financial statements will be affected.

#### **(b) *Estimate of useful lives of property, plant and equipment and intangible assets***

The Group has significant property, plant and equipment and intangible assets. The Group is required to estimate the useful lives of property, plant and equipment and intangible assets in order to ascertain the amount of depreciation and amortisation charges for each reporting period.

The useful lives are estimated at the time of purchase of these assets after considering future technology changes, business developments and the Group's strategies. The Group performs annual reviews to assess the appropriateness of the estimated useful lives. Such review takes into account any unexpected adverse changes in circumstances or events, including declines in projected operating results, negative industry or economic trends and rapid advancement in technology. The Group extends or shortens the useful lives and/or makes impairment provisions according to the results of the review.

# Notes to the Consolidated Financial Statements

31st March 2008

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

### (c) Impairment of non-financial assets

At each balance sheet date, the Group reviews internal and external sources of information to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment
- deposits for investment
- leasehold land and land use rights
- intangible assets
- investment in subsidiaries

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amounts. If an indication of impairment is identified, the Group is required to estimate the recoverable value, representing the greater of the asset's fair value less cost to sell or its value in use. Changes in any of these estimates could result in a material change to the asset carrying value in the financial statements.

## 5 REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in designing, manufacturing and selling of consumer electronic products and plastic products. Revenues recognised during the year are as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
Revenue		
Consumer electronic products	4,360,637	5,090,793
Plastic products	3,252	5,101
	4,363,889	5,095,894

# Notes to the Consolidated Financial Statements

31st March 2008

## 5 REVENUE AND SEGMENT INFORMATION *(continued)*

### (a) Primary reporting format – business segment

The Group mainly operates in the People's Republic of China (the "PRC") and Hong Kong in two main business segments:

- Consumer electronic products – Design, manufacture and sale of consumer electronic products
- Plastic products – Manufacture and sale of plastic and packaging products

The Group's inter-segment transactions mainly consist of plastic products between subsidiaries. The transactions were entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

Segment assets consist primarily of property, plant and equipment, leasehold land and land use rights, intangible assets, deposits, inventories, receivables and operating cash and exclude items such as investment properties and held-to-maturity financial assets.

Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings.

Capital expenditure comprises additions to property, plant and equipment, investment properties, leasehold land and land use rights and intangible assets.

# Notes to the Consolidated Financial Statements

31st March 2008

## 5 REVENUE AND SEGMENT INFORMATION (continued)

### (a) Primary reporting format – business segment (continued)

The segment results and other segment items for the years ended 31st March 2008 and 2007 are as follows:

	Group				Group			
	2008				2007			
	Consumer electronic products HK\$'000	Plastic products HK\$'000	Elimination HK\$'000	Group HK\$'000	Consumer electronic products HK\$'000	Plastic products HK\$'000	Elimination HK\$'000	Group HK\$'000
Segment revenue								
External sales	4,360,637	3,252	–	4,363,889	5,090,793	5,101	–	5,095,894
Inter-segment sales	–	157,592	(157,592)	–	–	173,863	(173,863)	–
	4,360,637	160,844	(157,592)	4,363,889	5,090,793	178,964	(173,863)	5,095,894
Segment results	224,633	(97)		224,536	323,085	(242)		322,843
Finance income				23,082				32,791
Finance costs				(8,009)				(19,584)
Profit before income tax				239,609				336,050
Income tax expense				(26,257)				(30,266)
Profit attributable to equity holders of the Company				213,352				305,784
Capital expenditure	181,946	4,840		186,786	66,520	27,943		94,463
Depreciation of property, plant and equipment	52,342	13,372		65,714	53,651	14,189		67,840
Amortisation of leasehold land and land use rights	436	12		448	368	12		380
Amortisation and write-off of intangible assets	10,673	–		10,673	10,573	–		10,573
Write-off of property, plant and equipment	–	–		–	17,907	1,279		19,186

# Notes to the Consolidated Financial Statements

31st March 2008

## 5 REVENUE AND SEGMENT INFORMATION (continued)

### (a) Primary reporting format – business segment (continued)

The segment assets and liabilities as at 31st March 2008 and 2007 are as follows:

	Group				Group			
	2008				2007			
	Consumer electronic products HK\$'000	Plastic products HK\$'000	Elimination HK\$'000	Group HK\$'000	Consumer electronic products HK\$'000	Plastic products HK\$'000	Elimination HK\$'000	Group HK\$'000
Segment assets	2,692,987	80,802	-	2,773,789	1,884,106	93,982	-	1,978,088
Unallocated corporate assets				117,292				158,230
Total assets				2,891,081				2,136,318
Segment liabilities	1,187,700	10,227	-	1,197,927	534,364	11,305	-	545,669
Unallocated corporate liabilities				116,102				34,886
Total liabilities				1,314,029				580,555

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

The segment revenue for the years ended 31st March 2008 and 2007 are as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
North America	3,241,502	3,556,457
Europe	691,792	1,099,795
Asia	334,879	268,456
Others	95,716	171,186
	4,363,889	5,095,894

The analysis of revenue by geographical segment is based on the destination to which the shipments are made. No analysis of the contribution by geographical segment has been presented as the ratios of profit to revenue achieved for the above geographical segments are not substantially out of line with the Group's overall ratio of profit to revenue. Primarily all of its assets and capital expenditure for the years ended 31st March 2008 and 2007 were located or utilised in the PRC and Hong Kong.



# Notes to the Consolidated Financial Statements

31st March 2008

## 6 OTHER INCOME

	Group	
	2008 HK\$'000	2007 HK\$'000
Fair value gains on investment properties (Note 15)	23,662	10,770
Rental income from investment properties	3,881	3,643
Sale of moulds	454	941
Others	1,854	2,285
	<b>29,851</b>	<b>17,639</b>

## 7 EXPENSES BY NATURE

Expenses included in cost of goods sold, selling expenses, administrative expenses and other operating expenses are analysed as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
Cost of inventories	3,249,112	3,859,232
Depreciation of property, plant and equipment	65,714	67,840
Amortisation of leasehold land and land use rights	448	380
Amortisation of intangible assets	7,981	6,386
Auditor's remuneration	2,033	1,935
Write-off of property, plant and equipment	–	19,186
Write-off of intangible assets	2,692	4,187
Loss on disposal of property, plant and equipment	588	1,213
Operating lease rental in respect of land and buildings	34,144	34,379
Research and development costs	24,302	24,241
Employee benefit expenses (including directors' emoluments) (Note 8)	<b>337,898</b>	<b>326,557</b>

## 8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	Group	
	2008 HK\$'000	2007 HK\$'000
Wages and salaries	321,159	312,240
Pension costs – defined contribution retirement schemes (Note (a))	3,625	3,375
Other staff benefits	13,114	7,378
Termination benefits	–	3,564
	<b>337,898</b>	<b>326,557</b>

# Notes to the Consolidated Financial Statements

31st March 2008

## 8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) *(continued)*

Notes:

### (a) Defined contribution retirement schemes

Before 1st December 2000, the Group operated a defined contribution retirement scheme (the "ORSO Scheme") in Hong Kong for all qualified employees. The rate of contribution payable by the Group is 5% of the individual employee's basic salaries.

With effect from 1st December 2000, the Mandatory Provident Fund Scheme (the "MPF Scheme") was set up under the MPF Scheme Ordinance for existing staff who opted for this scheme and eligible staff recruited on or after that date. The ORSO Scheme has remained in place with the introduction of the MPF Scheme. Under the MPF Scheme, eligible employees and the Group are required to contribute 5% on the employees' monthly net salaries with a maximum monthly contribution of HK\$1,000.

Contributions to the ORSO Scheme and MPF Scheme charged to the consolidated income statement for the year amounted to approximately HK\$3,625,000 (2007: HK\$3,375,000). There was no forfeited contribution in respect of the defined contribution retirement scheme being utilised during the year. For the year ended 31st March 2007, approximately HK\$88,000 forfeited contribution were utilised. No forfeiture balance was available as at 31st March 2008 and 2007 to reduce future contributions.

Contributions totalling approximately HK\$632,000 (2007: HK\$558,000) were payable to the ORSO Scheme and MPF Scheme at the year end and were included in other payables and accruals.

# Notes to the Consolidated Financial Statements

31st March 2008

## 8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

Notes: (continued)

### (b) Directors' and senior management's emoluments

The remuneration of every director of the Company for the year ended 31st March 2008 is set out below:

Name of Director	Fee HK\$'000	Salary HK\$'000	Discretionary bonuses HK\$'000	Employer's contribution to pension scheme HK\$'000	Total HK\$'000
Mr LEUNG Kai Ching, Kimen	–	3,657	5,864	157	9,678
Mr LEUNG Wai Sing, Wilson	–	3,657	6,246	157	10,060
Mr KUOK Kun Man, Andrew	–	1,539	3,495	66	5,100
Mr WONG Po Yan	120	–	–	–	120
The Hon LI Wah Ming, Fred	120	–	–	6	126
Mr LAU Wang Yip, Derrick	120	–	–	6	126

The remuneration of every director of the Company for the year ended 31st March 2007 is set out below:

Name of Director	Fee HK\$'000	Salary HK\$'000	Discretionary bonuses HK\$'000	Employer's contribution to pension scheme HK\$'000	Total HK\$'000
Mr LEUNG Kai Ching, Kimen	–	3,500	5,794	150	9,444
Mr LEUNG Wai Sing, Wilson	–	3,500	5,440	150	9,090
Mr KUOK Kun Man, Andrew	–	1,472	3,242	63	4,777
Mr WONG Po Yan	120	–	–	–	120
The Hon LI Wah Ming, Fred	120	–	–	6	126
Mr LAU Wang Yip, Derrick	120	–	–	6	126

No directors waived any emoluments and no emoluments were paid to the directors as an inducement fee to join or as compensation for loss of office during the years ended 31st March 2008 and 2007.

# Notes to the Consolidated Financial Statements

31st March 2008

## 8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

Notes: (continued)

### (c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three (2007: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2007: two) individuals during the year are as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
Basic salaries, housing allowances, other allowances and benefits in kind	3,123	2,994
Discretionary bonuses	10,584	9,675
Contributions to pension schemes	90	87
	<b>13,797</b>	<b>12,756</b>

The emoluments fell within the following bands:

	Number of individuals	
	2008	2007
Emolument bands		
HK\$3,000,001-HK\$3,500,000	1	1
HK\$9,000,001-HK\$9,500,000	–	1
HK\$10,000,001-HK\$10,500,000	1	–

### (d) Key management compensation

	Group	
	2008 HK\$'000	2007 HK\$'000
Basic salaries, housing allowances, other allowances and benefits in kind	11,976	11,466
Discretionary bonuses	26,189	24,151
Contributions to pension schemes	470	450
	<b>38,635</b>	<b>36,067</b>

# Notes to the Consolidated Financial Statements

31st March 2008

## 9 FINANCE INCOME AND FINANCE COSTS

	Group	
	2008 HK\$'000	2007 HK\$'000
Finance income:		
– Bank interest income	23,082	32,791
Finance costs:		
– Interest expense on bank borrowings and trust receipt loans wholly repayable within five years	8,009	19,584

## 10 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profit for the year. Taxation on overseas profit has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

	Group	
	2008 HK\$'000	2007 HK\$'000
Current income tax		
– Hong Kong profits tax	22,331	30,876
– Over-provision in prior years	(70)	(305)
Deferred income tax (Note 29)	3,996	(305)
	26,257	30,266

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

	Group	
	2008 HK\$'000	2007 HK\$'000
Profit before income tax	239,609	336,050
Tax calculated at a tax rate of 17.5% (2007: 17.5%)	41,932	58,809
Effect of different tax rates in other countries	(285)	(226)
Income not subject to tax	(29,615)	(41,068)
Expenses not deductible for tax purposes	12,220	10,715
Over-provision in prior years	(70)	(305)
Unrecognised tax losses	2,075	2,341
Tax charge	26,257	30,266

# Notes to the Consolidated Financial Statements

31st March 2008

## 11 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of approximately HK\$185,150,000 (2007: HK\$174,080,000).

## 12 EARNINGS PER SHARE

### 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.

	Group	
	2008	2007
Profit attributable to equity holders of the Company (HK\$'000)	213,352	305,784
Weighted average number of ordinary shares in issue (thousands)	560,403	561,152
Basic earnings per share (HK cents)	38.1	54.5

### Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

There were no dilutive potential ordinary shares during the years ended 31st March 2008 and 2007. Therefore, the diluted earnings per share is the same as basic earnings per share.

## 13 DIVIDENDS

	Company	
	2008 HK\$'000	2007 HK\$'000
Interim dividend, paid, of HK9 cents (2007: HK9 cents) per ordinary share	50,476	50,513
Final dividend, proposed, of HK14 cents (2007: HK16 cents) per ordinary share	78,213	89,735
No final special dividend proposed (2007: HK8 cents per ordinary share)	–	44,867
	128,689	185,115

At a meeting held on 10th July 2008, the directors proposed a final dividend of HK14 cents per ordinary share. This proposed dividend is not reflected as a dividend payable in these financial statements but will be reflected as an appropriation of retained earnings for the year ending 31st March 2009.

# Notes to the Consolidated Financial Statements

31st March 2008

## 14 PROPERTY, PLANT AND EQUIPMENT

(a) Details of movements in property, plant and equipment of the Group are as follows:

	Group						
	Buildings	Moulds	Leasehold improvements	Furniture, fixtures and equipment	Plant and machinery	Motor vehicles	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st April 2006							
Cost	27,336	306,804	90,639	249,682	533,719	19,064	1,227,244
Accumulated depreciation and impairment	(6,343)	(275,257)	(75,243)	(199,575)	(337,179)	(13,385)	(906,982)
Net book amount	20,993	31,547	15,396	50,107	196,540	5,679	320,262
Year ended 31st March 2007							
Opening net book amount	20,993	31,547	15,396	50,107	196,540	5,679	320,262
Additions	2,118	22,375	5,651	17,884	30,719	2,772	81,519
Disposals	–	–	(20)	(725)	(967)	(390)	(2,102)
Depreciation	(707)	(14,405)	(3,736)	(12,340)	(35,190)	(1,462)	(67,840)
Write-off	–	(9,034)	(3,716)	(3,556)	(2,880)	–	(19,186)
Exchange differences	63	–	(1)	69	–	15	146
Closing net book amount	22,467	30,483	13,574	51,439	188,222	6,614	312,799
At 31st March 2007							
Cost	29,518	328,342	95,739	257,483	552,759	18,848	1,282,689
Accumulated depreciation and impairment	(7,051)	(297,859)	(82,165)	(206,044)	(364,537)	(12,234)	(969,890)
Net book amount	22,467	30,483	13,574	51,439	188,222	6,614	312,799
Year ended 31st March 2008							
Opening net book amount	22,467	30,483	13,574	51,439	188,222	6,614	312,799
Additions	–	22,080	2,255	27,110	44,714	2,275	98,434
Disposals	–	–	(4)	(337)	(252)	(259)	(852)
Depreciation	(747)	(12,311)	(2,954)	(13,151)	(35,074)	(1,477)	(65,714)
Exchange differences	177	–	40	280	–	16	513
Closing net book amount	21,897	40,252	12,911	65,341	197,610	7,169	345,180
At 31st March 2008							
Cost	29,700	347,971	98,073	279,549	592,617	19,412	1,367,322
Accumulated depreciation and impairment	(7,803)	(307,719)	(85,162)	(214,208)	(395,007)	(12,243)	(1,022,142)
Net book amount	21,897	40,252	12,911	65,341	197,610	7,169	345,180

# Notes to the Consolidated Financial Statements

31st March 2008

## 14 PROPERTY, PLANT AND EQUIPMENT (continued)

(b) Depreciation expenses have been included in:

	Group	
	2008 HK\$'000	2007 HK\$'000
Cost of goods sold	62,131	63,662
Administrative expenses	3,583	4,178
	<b>65,714</b>	<b>67,840</b>

(c) The Group's interests in buildings at their net book values are analysed as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
In Hong Kong, held on:		
Leases of over 50 years	8,909	9,241
Leases of between 10 and 50 years	317	328
Outside Hong Kong, held on:		
Leases of between 10 and 50 years	12,671	12,898
	<b>21,897</b>	<b>22,467</b>

(d) As at 31st March 2008, bank borrowing is secured on a building for the carrying amount of HK\$2,265,000 (2007: HK\$2,155,000) (Note 26).

## 15 INVESTMENT PROPERTIES

	Group	
	2008 HK\$'000	2007 HK\$'000
Beginning of the year	46,830	36,060
Fair value gains (Note 6)	23,662	10,770
End of the year	<b>70,492</b>	<b>46,830</b>

The investment properties were revalued at 31st March 2008 by independent, professionally qualified valuers, LCH (Asia-Pacific) Surveyors Limited. Valuations were based on current prices in an active market for all properties.



# Notes to the Consolidated Financial Statements

31st March 2008

## 15 INVESTMENT PROPERTIES (continued)

The Group's interests in investment properties at their net book values are analysed as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
In Hong Kong, held on:		
Leases of over 50 years	40,620	27,750
Leases of between 10 and 50 years	29,872	19,080
	<b>70,492</b>	<b>46,830</b>

## 16 LEASEHOLD LAND AND LAND USE RIGHTS

	Group	
	2008 HK\$'000	2007 HK\$'000
Opening net book amount	59,189	56,497
Additions	–	2,984
Amortisation	(448)	(380)
Exchange differences	250	88
Closing net book amount	<b>58,991</b>	<b>59,189</b>

Amortisation expenses of prepaid operating lease payment have been included in:

	Group	
	2008 HK\$'000	2007 HK\$'000
Administrative expenses	448	380

The Group's interests in leasehold land and land use rights represents prepaid operating lease payments and their net book values are analysed as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
In Hong Kong, held on:		
Leases of over 50 years	45,870	45,921
Leases of between 10 and 50 years	453	465
Outside Hong Kong, held on:		
Leases of between 10 and 50 years	12,668	12,803
	<b>58,991</b>	<b>59,189</b>

As at 31st March 2008, bank borrowing is secured on leasehold land and land use rights for the carrying amount of approximately HK\$3,167,000 (2007: HK\$3,029,000) (Note 26).

# Notes to the Consolidated Financial Statements

31st March 2008

## 17 INTANGIBLE ASSETS

	<b>Group</b>		
	<b>Licence right</b>	<b>Deferred development costs</b>	<b>Total</b>
	HK\$'000	HK\$'000	HK\$'000
	(Note (a))		
At 1st April 2006			
Cost	–	69,566	69,566
Accumulated amortisation	–	(62,769)	(62,769)
Net book amount	–	6,797	6,797
For the year ended 31st March 2007			
At 1st April 2006	–	6,797	6,797
Additions	–	9,960	9,960
Write-off	–	(4,187)	(4,187)
Amortisation (Note (b))	–	(6,386)	(6,386)
At 31st March 2007	–	6,184	6,184
At 31st March 2007			
Cost	–	67,188	67,188
Accumulated amortisation	–	(61,004)	(61,004)
Net book amount	–	6,184	6,184
For the year ended 31st March 2008			
At 1st April 2007	–	6,184	6,184
Additions	78,000	10,352	88,352
Write-off	–	(2,692)	(2,692)
Amortisation (Note (b))	(1,950)	(6,031)	(7,981)
At 31st March 2008	76,050	7,813	83,863
At 31st March 2008			
Cost	78,000	66,697	144,697
Accumulated amortisation	(1,950)	(58,884)	(60,834)
Net book amount	76,050	7,813	83,863

# Notes to the Consolidated Financial Statements

31st March 2008

## 17 INTANGIBLE ASSETS (continued)

Notes:

- (a) On 1st January 2008, the Group entered into a licence agreement with an independent external party to use an established trademark on its audio visual products with an upfront fee of approximately HK\$78,000,000 and brand promotion expenses in future.
- (b) Amortisation expenses of licence right and deferred development costs have been included in:

	Group	
	2008 HK\$'000	2007 HK\$'000
Cost of goods sold	7,981	6,386

## 18 INVESTMENT IN SUBSIDIARIES

	Company	
	2008 HK\$'000	2007 HK\$'000
Unlisted shares, at cost (Note (a))	67,586	67,586
Amounts due from subsidiaries (Note (b))	283,249	289,373
	<b>350,835</b>	<b>356,959</b>

Notes:

- (a) Details of principal subsidiaries are set out in Note 35 to the consolidated financial statements.
- (b) The amounts due from subsidiaries are unsecured and interest-free. The Company has confirmed it has no intention to collect these amounts due within 12 months from the balance sheet date. The maximum exposure to credit risk at the reporting date is the fair value of the amounts due from subsidiaries mentioned above.

# Notes to the Consolidated Financial Statements

31st March 2008

## 19 FINANCIAL INSTRUMENTS BY CATEGORY

	<b>Loans and receivables</b>	<b>Group Held-to- maturity financial assets</b>	<b>Total</b>
	HK\$'000	HK\$'000	HK\$'000
Assets as per consolidated balance sheet			
31st March 2007			
Held-to-maturity financial assets (Note 20)	–	111,400	111,400
Trade and other receivables (Note 23)	305,278	–	305,278
Cash and cash equivalents (Note 24)	892,794	–	892,794
<b>Total</b>	<b>1,198,072</b>	<b>111,400</b>	<b>1,309,472</b>

31st March 2008

Held-to-maturity financial assets (Note 20)	–	46,800	46,800
Trade and other receivables (Note 23)	569,970	–	569,970
Cash and cash equivalents (Note 24)	358,669	–	358,669
<b>Total</b>	<b>928,639</b>	<b>46,800</b>	<b>975,439</b>

	<b>Group HK\$'000</b>
Liabilities as per consolidated balance sheet	
31st March 2007	
Trade and other payables (Note 25)	545,669
Borrowings (Note 26)	3,553
<b>Total</b>	<b>549,222</b>
31st March 2008	
Trade and other payables (Note 25)	756,952
Trust receipt loans	440,975
Borrowings (Note 26)	65,591
<b>Total</b>	<b>1,263,518</b>

# Notes to the Consolidated Financial Statements

31st March 2008

## 19 FINANCIAL INSTRUMENTS BY CATEGORY (continued)

	Company HK\$'000
Assets as per balance sheet	
31st March 2007	
Other receivables, prepayment and deposits	105
Cash and cash equivalents (Note 24)	1,215
Total	1,320
31st March 2008	
Other receivables, prepayment and deposits	112
Cash and cash equivalents (Note 24)	48
Total	160
	Company HK\$'000
Liabilities as per balance sheet	
31st March 2007	
Other payables and accruals	2,414
31st March 2008	
Other payables and accruals	1,502

## 20 HELD-TO-MATURITY FINANCIAL ASSETS

	Group 2008 HK\$'000	2007 HK\$'000
Structured bank deposits in Hong Kong	46,800	111,400

The movement in held-to-maturity financial assets is as follows:

	Group 2008 HK\$'000	2007 HK\$'000
Beginning of the year	111,400	110,887
Matured deposits	(64,600)	–
Exchange differences	–	513
End of the year	46,800	111,400

# Notes to the Consolidated Financial Statements

31st March 2008

## 20 HELD-TO-MATURITY FINANCIAL ASSETS (continued)

Held-to-maturity financial assets are denominated in the following currencies:

	Group	
	2008 HK\$'000	2007 HK\$'000
Hong Kong dollar	–	10,000
United States dollar	46,800	101,400
	<b>46,800</b>	<b>111,400</b>

These investments earn interests at variable rates offered by two (2007: three) banks and interest payable semi-annually with maturity date of December 2009 to August 2013 (2007: July 2007 to August 2013). The fair value of these financial assets is not materially different from their carrying value.

The maximum exposure to credit risk at the reporting date is the carrying amount of held-to-maturity financial assets. As at 31st March 2008 and 2007, there was no provision for impairment of held-to-maturity financial assets.

## 21 DEPOSITS FOR INVESTMENT

In November 2007, a consortium was formed by the Group and two other independent parties, Varitronix International Limited and Prime View International Co. Ltd., to submit a formal bid for an acquisition of approximately 95% interest of equity and certain amount of corporate bonds of BOE Hydys Technology Co. Ltd. ("BOE Hydys"), a company incorporated in Korea, which is principally engaged in the business of developing, manufacturing and supplying of thin film transistor LCD (TFT-LCD) products, at a total consideration of approximately HK\$2,046,831,000. The Group's 11% share of the total consideration amounted to approximately HK\$225,151,000. During the year ended 31st March 2008, the Group has paid approximately HK\$23,833,000 as deposits for the acquisition. Details of the completion of the acquisition subsequent to the balance sheet date are disclosed in Note 34 to the financial statements.

## 22 INVENTORIES

	Group	
	2008 HK\$'000	2007 HK\$'000
Raw materials	758,841	185,990
Work in progress	33,831	23,194
Finished goods	540,611	192,660
	<b>1,333,283</b>	<b>401,844</b>

The cost of inventories recognised as expenses and included in cost of goods sold amounted to approximately HK\$3,249,112,000 (2007: HK\$3,859,232,000).

# Notes to the Consolidated Financial Statements

31st March 2008

## 23 TRADE AND OTHER RECEIVABLES

	Group	
	2008 HK\$'000	2007 HK\$'000
Trade receivables	544,180	291,006
Prepayments and deposits	25,790	14,272
	<b>569,970</b>	<b>305,278</b>

The credit terms given to customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associated with trade receivables, credit evaluations of customers are performed periodically.

The fair value of the trade and other receivables approximate to their carrying value.

At 31st March 2008 and 2007, the ageing analysis of the trade receivables based on invoice date is as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
0 – 30 days	337,191	209,323
31 – 60 days	159,990	79,160
61 – 90 days	45,479	48
Over 90 days	1,520	2,475
	<b>544,180</b>	<b>291,006</b>

The credit quality of trade receivables that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

	Group	
	2008 HK\$'000	2007 HK\$'000
Counterparties without external credit rating		
– New customers (less than 6 months)	9,365	6
– Customers (more than 6 months) with no defaults in the past	534,815	291,000
	<b>544,180</b>	<b>291,006</b>

There were no trade receivables which were past due but not impaired as at 31st March 2008 and 2007.

# Notes to the Consolidated Financial Statements

31st March 2008

## 23 TRADE AND OTHER RECEIVABLES (continued)

The carrying amounts of these trade receivables are denominated in the following currencies:

	Group	
	2008 HK\$'000	2007 HK\$'000
United States dollar	458,599	276,778
Canadian dollar	79,693	13,330
Hong Kong dollar	5,888	898
	<b>544,180</b>	<b>291,006</b>

As at 31st March 2008 and 2007, there was no provision for impairment of trade receivables. 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 receivables mentioned above. The Group does not hold any collateral as security.

## 24 CASH AND CASH EQUIVALENTS

	Group		Company	
	2008 HK\$'000	2007 HK\$'000	2008 HK\$'000	2007 HK\$'000
Cash at bank and on hand	114,460	124,672	48	1,215
Short-term bank deposits	244,209	768,122	–	–
	<b>358,669</b>	<b>892,794</b>	<b>48</b>	<b>1,215</b>
Maximum exposure to credit risk	<b>357,050</b>	<b>891,639</b>	<b>48</b>	<b>1,215</b>

The cash and cash equivalents are denominated in the following currencies:

	Group		Company	
	2008 HK\$'000	2007 HK\$'000	2008 HK\$'000	2007 HK\$'000
Hong Kong dollar	14,850	650,508	48	1,215
United States dollar	337,319	236,277	–	–
Others	6,500	6,009	–	–
	<b>358,669</b>	<b>892,794</b>	<b>48</b>	<b>1,215</b>



# Notes to the Consolidated Financial Statements

31st March 2008

## 25 TRADE AND OTHER PAYABLES

	Group	
	2008 HK\$'000	2007 HK\$'000
Trade payables	478,998	288,436
Other payables and accruals	277,954	257,233
	<b>756,952</b>	<b>545,669</b>

At 31st March 2008 and 2007, the ageing analysis of the trade payables based on invoice date is as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
0 – 30 days	243,775	214,665
31 – 60 days	124,987	48,979
61 – 90 days	85,870	23,904
Over 90 days	24,366	888
	<b>478,998</b>	<b>288,436</b>

The carrying amounts of trade payables are denominated in the following currencies:

	Group	
	2008 HK\$'000	2007 HK\$'000
Hong Kong dollar	119,147	110,774
United States dollar	357,053	176,453
Others	2,798	1,209
	<b>478,998</b>	<b>288,436</b>

# Notes to the Consolidated Financial Statements

31st March 2008

## 26 BORROWINGS

	Group	
	2008 HK\$'000	2007 HK\$'000
Non-current		
Bank borrowing, secured (Note (b))	2,483	2,905
Current		
Bank borrowing, secured (Note (b))	708	648
Bank borrowings, unsecured (Note (a))	62,400	–
	63,108	648
Total borrowings	65,591	3,553

Notes:

- (a) The bank borrowings are unsecured and are supported by corporate guarantees given by the Company (Notes 31 and 32). The borrowings are denominated in United States dollar. Interests are charged at margin over 3-month LIBOR rate.
- (b) The bank borrowing is secured by a building and leasehold land and land use rights of the Group (Notes 14 and 16). The borrowing is denominated in Renminbi. Interest is charged at Renminbi Benchmark Lending Rates determined by the People's Bank of China.

The maturity of bank borrowings is as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
Within 1 year	63,108	648
Between 1 and 2 years	765	661
Between 2 and 5 years	1,718	2,244
	65,591	3,553

The carrying amounts of the bank borrowings approximate to their fair value.

The carrying amounts of the borrowings are denominated in the following currencies:

	Group	
	2008 HK\$'000	2007 HK\$'000
United States dollar	62,400	–
Renminbi	3,191	3,553
	65,591	3,553

# Notes to the Consolidated Financial Statements

31st March 2008

## 27 SHARE CAPITAL

	Company	
	Number of shares (thousands)	Ordinary shares HK\$'000
Authorised:		
Ordinary shares of HK\$0.10 each		
At 31st March 2008 and 2007	800,000	80,000
Issued and fully paid:		
Ordinary shares of HK\$0.10 each		
At 1st April 2006	561,252	56,125
Repurchase of own shares (Note (a))	(410)	(41)
At 31st March 2007	560,842	56,084
At 1st April 2007	560,842	56,084
Repurchase of own shares (Note (a))	(2,174)	(217)
At 31st March 2008	558,668	55,867

Note:

(a) Repurchase of own shares

In December 2006 and January 2007, the Company paid an aggregate amount of approximately HK\$1,387,000 to repurchase 410,000 shares of HK\$0.10 per share, at prices that ranged from HK\$3.36 to HK\$3.46 per share, on The Stock Exchange of Hong Kong Limited. These shares were then cancelled.

In January 2008, the Company paid an aggregate amount of approximately HK\$5,720,000 to repurchase 1,920,000 shares of HK\$0.10 per share, at prices that ranged from HK\$2.67 to HK\$3.15 per share, on The Stock Exchange of Hong Kong Limited. These shares were then cancelled.

In February 2008, the Company paid an aggregate amount of approximately HK\$734,000 to repurchase 254,000 shares of HK\$0.10 per share, at prices that ranged from HK\$2.89 to HK\$2.92 per share, on The Stock Exchange of Hong Kong Limited. These shares were then cancelled.

# Notes to the Consolidated Financial Statements

31st March 2008

## 28 RESERVES

	Group				
	Share premium	Capital redemption reserve	Exchange reserve	Retained earnings	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st April 2006	253,894	481	(601)	1,116,138	1,369,912
Currency translation differences	–	–	(683)	–	(683)
Profit for the year	–	–	–	305,784	305,784
Repurchase of own shares	(1,346)	41	–	(41)	(1,346)
2007 interim dividend	–	–	–	(50,513)	(50,513)
2006 final and final special dividends	–	–	–	(123,475)	(123,475)
At 31st March 2007	252,548	522	(1,284)	1,247,893	1,499,679
Representing:					
Proposed dividend					134,602
Reserves					1,365,077
At 31st March 2007					1,499,679
At 1st April 2007	252,548	522	(1,284)	1,247,893	1,499,679
Currency translation differences	–	–	(531)	–	(531)
Profit for the year	–	–	–	213,352	213,352
Repurchase of own shares	(6,237)	217	–	(217)	(6,237)
2008 interim dividend	–	–	–	(50,476)	(50,476)
2007 final and final special dividends	–	–	–	(134,602)	(134,602)
At 31st March 2008	246,311	739	(1,815)	1,275,950	1,521,185
Representing:					
Proposed dividend					78,213
Reserves					1,442,972
At 31st March 2008					1,521,185

# Notes to the Consolidated Financial Statements

31st March 2008

## 28 RESERVES (continued)

	Company				
	Share premium	Capital redemption reserve	Contributed surplus	Retained earnings	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st April 2006	253,894	481	40,586	6,084	301,045
Profit for the year	–	–	–	174,080	174,080
Repurchase of own shares	(1,346)	41	–	(41)	(1,346)
2007 interim dividend	–	–	–	(50,513)	(50,513)
2006 final and final special dividends	–	–	–	(123,475)	(123,475)
At 31st March 2007	252,548	522	40,586	6,135	299,791
Representing:					
Proposed dividend					134,602
Reserves					165,189
At 31st March 2007					299,791
At 1st April 2007	252,548	522	40,586	6,135	299,791
Profit for the year	–	–	–	185,150	185,150
Repurchase of own shares	(6,237)	217	–	(217)	(6,237)
2008 interim dividend	–	–	–	(50,476)	(50,476)
2007 final and final special dividends	–	–	–	(134,602)	(134,602)
At 31st March 2008	246,311	739	40,586	5,990	293,626
Representing:					
Proposed dividend					78,213
Reserves					215,413
At 31st March 2008					293,626

Note:

The contributed surplus of the Company, which arose from a corporate reorganisation in November 1992, represents the difference between the nominal value of the Company's shares issued in exchange for the issued ordinary shares of Alco Investments (B.V.I.) Limited and the value of net assets of the underlying subsidiaries acquired as at 6th November 1992. Under the Companies Act 1981 of Bermuda (as amended), a company may not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

# Notes to the Consolidated Financial Statements

31st March 2008

## 29 DEFERRED INCOME TAX

Deferred income tax is calculated in full on temporary differences under the liability method using a principal tax rate of 17.5% (2007: 17.5%).

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. The offset amounts are as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
Deferred income tax liabilities to be settled after more than 12 months	33,132	30,319
Deferred income tax assets to be recovered after more than 12 months	(1,277)	(2,460)
	<b>31,855</b>	<b>27,859</b>

The movement in the deferred income tax account is as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
Beginning of the year	27,859	28,164
Recognised in the consolidated income statement (Note 10)	3,996	(305)
End of the year	<b>31,855</b>	<b>27,859</b>

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

### Deferred tax (assets)/liabilities

	Group											
	Tax losses		Accelerated tax depreciation		Deferred development costs		Revaluation of properties		Others		Total	
	2008 HK\$'000	2007 HK\$'000	2008 HK\$'000	2007 HK\$'000	2008 HK\$'000	2007 HK\$'000	2008 HK\$'000	2007 HK\$'000	2008 HK\$'000	2007 HK\$'000	2008 HK\$'000	2007 HK\$'000
Beginning of the year	(2,460)	(1,530)	27,767	28,428	685	801	1,775	-	92	465	27,859	28,164
Recognised in the consolidated income statement	1,183	(930)	330	(661)	42	(116)	2,441	1,775	-	(373)	3,996	(305)
End of the year	<b>(1,277)</b>	<b>(2,460)</b>	<b>28,097</b>	<b>27,767</b>	<b>727</b>	<b>685</b>	<b>4,216</b>	<b>1,775</b>	<b>92</b>	<b>92</b>	<b>31,855</b>	<b>27,859</b>

# Notes to the Consolidated Financial Statements

31st March 2008

## 29 DEFERRED INCOME TAX (continued)

Deferred income tax assets are recognised for tax losses carry-forwards to the extent that the realisation of the related tax benefit through future taxable profit is probable. The Group did not recognise deferred income tax assets of approximately HK\$7,225,000 (2007: HK\$5,150,000) in respect of tax losses amounting to approximately HK\$23,686,000 (2007: HK\$13,235,000) that can be carried forward against future taxable profit. Approximately HK\$5,569,000 (2007: nil) of the unrecognised tax losses have no expiry date and the remaining balance will expire at various dates up to and including 2018 (2007: 2017).

## 30 CASH (USED IN)/GENERATED FROM OPERATIONS

	Group	
	2008 HK\$'000	2007 HK\$'000
Profit before income tax	239,609	336,050
Interest income	(23,082)	(32,791)
Interest expense on bank borrowings and trust receipt loans	8,009	19,584
Amortisation of intangible assets	7,981	6,386
Write-off of intangible assets	2,692	4,187
Loss on disposal of property, plant and equipment	588	1,213
Depreciation of property, plant and equipment	65,714	67,840
Amortisation of leasehold land and land use rights	448	380
Write-off of property, plant and equipment	–	19,186
Fair value gains on investment properties	(23,662)	(10,770)
Operating profit before working capital changes	278,297	411,265
(Increase)/decrease in inventories	(931,439)	216,561
(Increase)/decrease in trade and other receivables	(264,692)	108,232
Increase/(decrease) in trade and other payables	226,801	(253,338)
Increase/(decrease) in trust receipt loans	440,975	(139,978)
Net cash (used in)/generated from operations	(250,058)	342,742

In the consolidated cash flow statement, proceeds from sale of property, plant and equipment comprise:

	Group	
	2008 HK\$'000	2007 HK\$'000
Net book amount (Note 14)	852	2,102
Loss on disposal of property, plant and equipment	(588)	(1,213)
Proceeds from sale of property, plant and equipment	264	889

# Notes to the Consolidated Financial Statements

31st March 2008

## 31 BANKING FACILITIES

As at 31st March 2008, banking facilities of approximately HK\$2,152 million (2007: HK\$1,720 million) were granted by banks to the Group, of which approximately HK\$507 million (2007: HK\$4 million) have been utilised by the Group. Of the banking facilities, approximately HK\$2,149 million (2007: HK\$1,716 million) were supported by corporate guarantees given by the Company and approximately HK\$3 million (2007: HK\$4 million) is secured by charges over the use of certain assets of the Group with carrying amount of approximately HK\$5 million (2007: HK\$5 million) (Notes 14 and 16).

## 32 FINANCIAL GUARANTEE

The Company provided guarantees in favour of certain banks to secure general banking facilities granted to certain of its subsidiaries (Note 26). The directors consider that the fair value of such guarantees is immaterial.

## 33 COMMITMENTS

### (a) Capital commitments

	Group	
	2008 HK\$'000	2007 HK\$'000
Moulds, plant and machinery contracted but not provided for	334	859

### (b) Operating lease commitments (as lessee)

The future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings are as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
Not later than one year	33,996	15,331
Later than one year and not later than five years	43,613	33,094
Later than five years	10,890	13,026
	88,499	61,451



# Notes to the Consolidated Financial Statements

31st March 2008

## 33 COMMITMENTS (continued)

### (c) Operating lease commitments (as lessor)

The Group leases various properties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future aggregate minimum lease rental receivables under non-cancellable operating leases in respect of land and buildings are as follows:

	Group	
	2008 HK\$'000	2007 HK\$'000
Not later than one year	1,491	2,469
Later than one year and not later than five years	454	536
	1,945	3,005

The lease terms are from one to three years.

## 34 SUBSEQUENT EVENT

In May 2008, the Group paid the remaining amount of approximately HK\$201,318,000 and completed the acquisition of interest and corporate bonds of BOE Hydys (Note 21). The total consideration of approximately HK\$225,151,000 represented acquisition of about 10.42% shares of BOE Hydys of approximately HK\$135,091,000 and 5-year corporate bonds issued by BOE Hydys of approximately HK\$90,060,000 with interest bearing at 4% per annum.

# Notes to the Consolidated Financial Statements

31st March 2008

## 35 PRINCIPAL SUBSIDIARIES

As at 31st March 2008, the Company held interests in the following principal subsidiaries:

Name	Place of incorporation/ establishment	Issued and fully paid share capital/ registered capital	Percentage of equity held by the Company		Principal activities
			Direct	Indirect	
Alco Investments (B.V.I.) Limited	British Virgin Islands	Ordinary US\$50,000	100	–	Investment holding and provision of management services to its subsidiaries
Advance Packaging Limited	Hong Kong	Ordinary HK\$500,000	–	100	Manufacture and sale of polyfoam and packaging products
Alco Digital Devices Limited	Hong Kong	Ordinary HK\$1,000,000	–	100	Software development and trading of electronic products
Alco Electronics Inc.	Canada	Ordinary C\$500,000	–	100	Trading of consumer electronic products
Alco Electronics Limited	Hong Kong	Ordinary HK\$1,000	–	100	Design, manufacture and sale of consumer electronic products
		Non-voting deferred HK\$5,000,000			
Alco Electronics (Shenzhen) Limited <sup>1</sup>	The PRC	Registered capital HK\$21,000,000	–	100	Provision of design and logistic services to group companies
Alco International Limited	Hong Kong	Ordinary HK\$500,000	–	100	Trading of consumer electronic products
Alco Plastic Products Limited	Hong Kong	Ordinary HK\$3,000,000	–	100	Manufacture and sale of plastic products
Alco Properties Limited	Hong Kong	Ordinary HK\$10,000	–	100	Property investment
Alco Technologies Limited	Hong Kong	Ordinary HK\$10,000	–	100	Investment holding

# Notes to the Consolidated Financial Statements

31st March 2008

## 35 PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ establishment	Issued and fully paid share capital/ registered capital	Percentage of equity held by the Company		Principal activities
			Direct	Indirect	
Asia Dragon International Limited	Hong Kong	Ordinary HK\$10,000	–	100	Trading of consumer electronic products
Commusonic Industries Limited	Hong Kong	Ordinary HK\$400,000	–	100	Manufacture of consumer electronic products
Multimedia Devices Limited	Hong Kong	Ordinary HK\$1,000,000	–	100	Trading of consumer electronic products

Note:

1 Represents a wholly foreign owned enterprise.

The above table lists out the principal subsidiaries of the Company as at 31st March 2008 which, in the opinion of the directors, principally affected the results for the year or form a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

## 36 COMPARATIVE FIGURES

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

# Principal Properties

31st March 2008

## Principal properties held for investment purposes

Location	Lot number	Existing use	Lease term
Workshops A to J, on 7th Floor of Block 1, Kwai Tak Industrial Centre, Nos. 15-33 Kwai Tak Street, Kwai Chung, New Territories, Hong Kong	Kwai Chung Town Lot Nos. 322, 323 and 324	Industrial rental	Medium term
Lot Nos. 593 and 595 in Demarcation District No. 106, Off Kam Sheung Road, Ng Ka Tsuen, Kam Tin, Yuen Long, New Territories, Hong Kong	Lot Nos. 593 and 595 in Demarcation District No. 106	Industrial rental	Medium term
9th Floor, Zung Fu Industrial Building, 1067 King's Road, Quarry Bay, Hong Kong	Sub-section 2 of Section E of Quarry Bay Marine Lot No. 2 and the Extension thereto	Industrial rental	Long term

# Five-year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is as follows:

	<b>2008</b> <b>HK\$'000</b>	2007 HK\$'000	2006 HK\$'000	2005 HK\$'000	2004 HK\$'000
Revenue	<b>4,363,889</b>	5,095,894	4,876,788	5,389,124	3,814,781
Profit attributable to equity holders of the Company	<b>213,352</b>	305,784	283,475	239,716	150,267
Total assets	<b>2,891,081</b>	2,136,318	2,590,990	2,210,074	2,025,738
Total liabilities	<b>(1,314,029)</b>	(580,555)	(1,164,953)	(925,360)	(898,864)
Total equity	<b>1,577,052</b>	1,555,763	1,426,037	1,284,714	1,126,874





**ALCO HOLDINGS LIMITED**

股份代號：328    Stock Code: 328

二零零八年年報  
ANNUAL REPORT 2008

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# 公司資料

## 董事

梁劍文先生(主席)  
梁偉成先生  
郭冠文先生  
黃保欣先生，大紫荊勳賢、太平紳士\*  
李華明議員，太平紳士\*  
劉宏業先生\*

\* 獨立非執行董事

## 公司秘書

郭冠文先生

## 主要往來銀行

恒生銀行有限公司  
香港上海匯豐銀行有限公司  
中國銀行(香港)有限公司  
中國建設銀行  
星展銀行(香港)有限公司

## 核數師

羅兵咸永道會計師事務所

## 本公司法律顧問

萬盛國際律師事務所

## 百慕達法律顧問

Conyers, Dill & Pearman

## 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

## 總辦事處及主要營業地點

香港  
鰂魚涌英皇道1067號  
仁孚工業大廈11樓

## 主要過戶登記處

The Bank of Bermuda Limited  
6 Front Street  
Hamilton HM11  
Bermuda

## 香港過戶登記處

卓佳雅柏勤有限公司  
香港灣仔皇后大道東28號  
金鐘匯中心26樓

## 網址

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

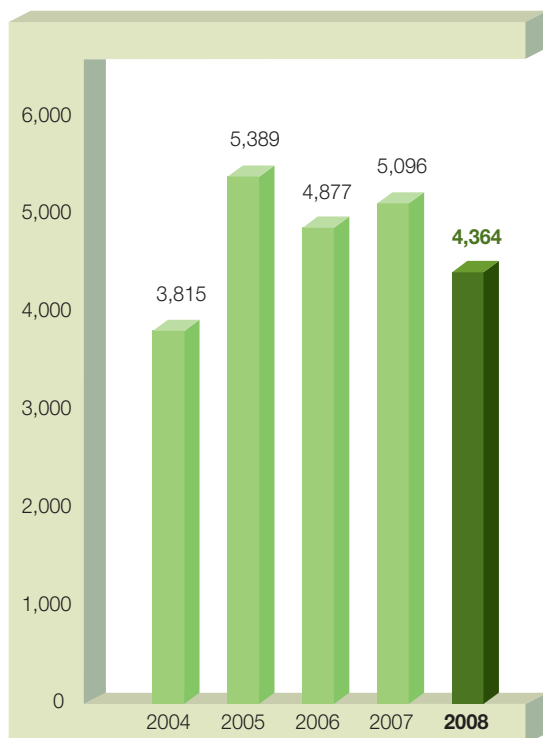
## 股份代號

328

# 財務摘要

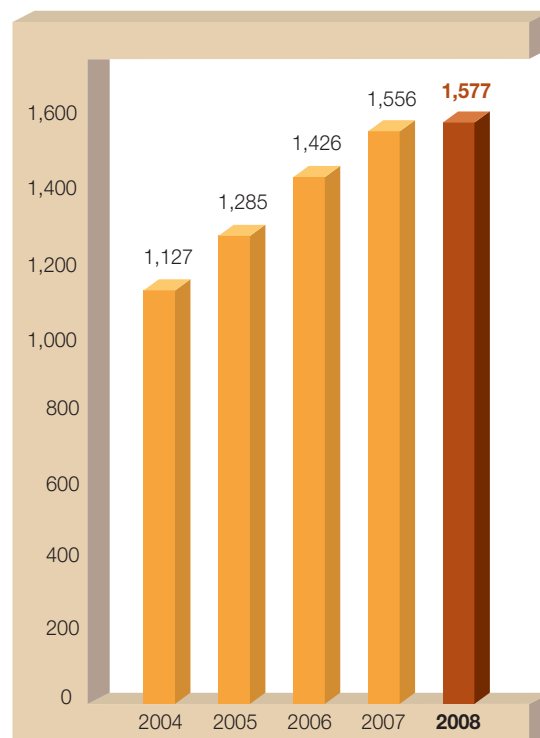
## 營業額

(百萬港元)



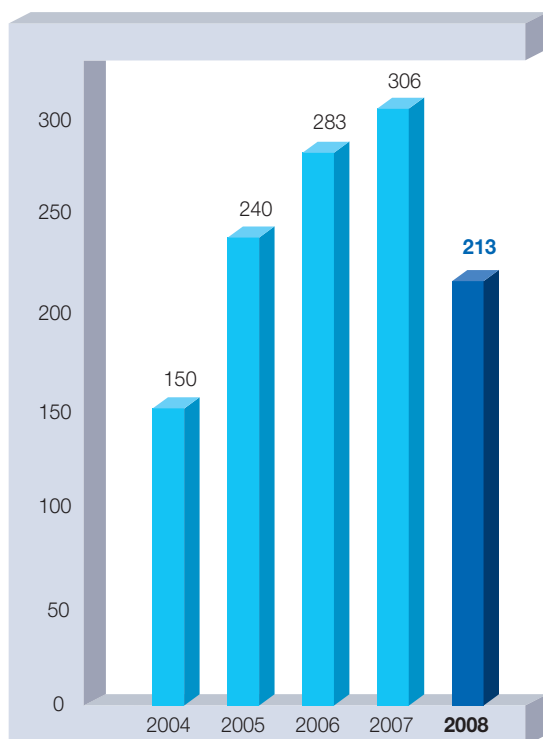
## 股東權益

(百萬港元)

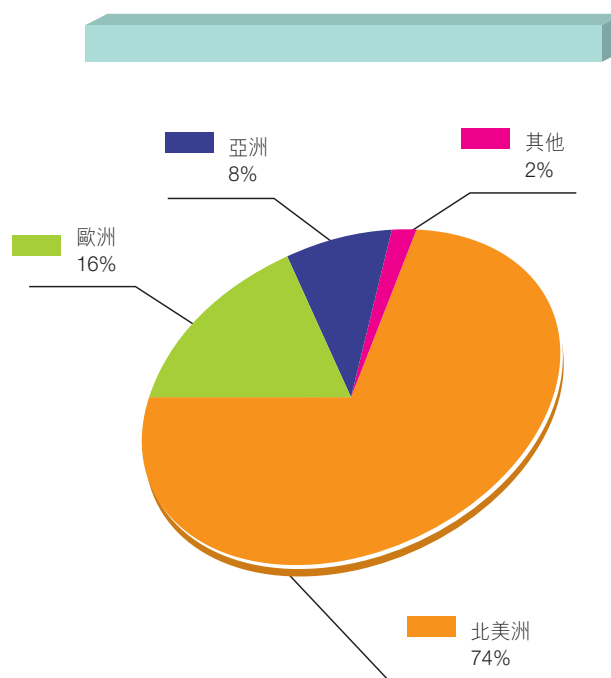


## 股東應佔溢利

(百萬港元)



## 於二零零八年按地區分類之營業額



# 主席報告



梁劍文 主席

## 集團業績及股息

本人謹代表董事會欣然宣布本集團於截至二零零八年三月三十一日止年度的業績。於回顧期內，本集團的營業額達44億港元(二零零七年：51億港元)。股東應佔溢利為2億1千3百萬港元(二零零七年：3億零6百萬港元)。每股盈利為38.1港仙(二零零七年：54.5港仙)。

儘管本集團於最新財政年度面對不利市場環境，董事會仍致力為股東帶來穩定的派息率，因此，董事會建議派付末期股息每股14港仙，包括本財政年度的中期股息每股9港仙，本財政年度派發的股息總額為每股23港仙(二零零七年：33港仙)，派息比率維持60%。

末期股息將於二零零八年九月十日派付予本集團股東，惟須經股東於應屆股東週年大會批准作實。

## 業務回顧

於回顧年度，本集團及各影音產品生產商仍然面對各種挑戰，而小型液晶體顯示屏持續短缺，對本集團之營業額構成最直接的影響，而短缺問題亦令液晶體顯示屏的價格於年內上調達30%，從而影響手提DVD機及數碼相架的原材料成本，更嚴重影響該等產品的競爭力，令集團於本財政年度上半年的銷售下降30%。故此，儘管需要支付較高價格購買液晶體顯示屏，本集團仍積極接受客戶訂單以維持與客戶之良好關係。截至年底，本集團成功將全年營業額跌幅收窄至14%，反映此決策之成效。

# 主席報告

除液晶顯示屏短缺對營業額構成影響外，多項其他因素亦影響本集團的利潤。除顯示屏價格上升外，塑膠樹脂及金屬的成本亦大幅攀升，令生產成本上升。而有關最低工資及福利的法例令人力成本之增加同樣對本集團的利潤構成壓力。油價高企令電費增加亦進一步推高生產成本。儘管政府監管令電費相對穩定，惟電力中斷仍經常發生，停電時間每星期長達兩日。雖然柴油價格上升超過35%而造成額外負擔，但為確保如期跟上生產時間表，本集團亦只能依賴自有發電機發電。此外，於回顧期內，人民幣兌港元升值約10%亦令生產成本不斷上升。

本集團致力改善上述問題，並於可能情況下致力控制經常性開支。加強自動化營運讓本集團進一步減少人力達16%，惟不減其對最高品質標準的堅持。除於可行情況下減少人力外，本集團亦會確保於加強自動化

營運的投資能帶來可計量的得益。例如本集團新添置的兩條超高速自動貼片機生產線能大幅提升其自動貼片能力。

為配合生產，除減少低檔產品的數量外，本集團亦不斷優化其產品設計，如增強零件及組件之共通性，透過使用共通性組件從而提升組裝效率、達致規模經濟採購效益及大幅降低發生呆料的風險。

本集團進軍液晶電視市場的策略亦很成功。於回顧期內，其17吋及19吋螢幕尤其受市場歡迎。本集團已繼續推出較大螢幕型號，以帶來更高利潤，並已開始處理製造42吋螢幕型號的訂單。除液晶電視外，液晶相關產品如手提DVD機及電子相架亦維持作為本集團一項強大的收益來源。



# 主席報告

## 展望

本集團預期下一個財政期間的營商環境更加艱難，其中國內實施的新勞動法將成為大多數生產商關注的項目，該法例已於二零零八年一月生效。二零零八年四月開始東莞的最低工資將由人民幣690元上升至人民幣770元，再加上不同準備金，導致每人的人力成本進一步上漲約18%。最近人民幣較預期升值快亦加重負擔，更甚者，次級按揭危機及高油價導致美國消費力明顯減弱。

## 收購韓國液晶體顯示屏生產商的少數權益

在專注加強生產之餘，本集團亦不會忽視維持可靠元件供應商服務的重要性。小型液晶體顯示屏乃本集團所需之主要元件，為確保其供應穩定，本集團收購了一間從事開發及生產液晶體顯示屏的韓國生產商的少數權益。有關投資將保障本集團面對液晶體顯示屏的供應，尤其可解決供應短缺問題。

## 開發高清播放機產品

本集團預期全球市場對傳統DVD播放機的需求將進一步下降。為彌補這業務收入之減少，我們計劃加強研發高清產品，其中包括藍光碟播放機。隨著全球多個地區將現有類比訊號轉為高清傳輸，本集團預期市場對此等高清產品的需求將持續上升，而本集團於此等市場已建立長久穩固的客戶基礎。

## 全新音響產品

除高清產品業務外，本集團預期iPod相關產品亦將達致強勁增長勢頭。憑藉本集團多年來於開發及生產音響產品的豐富經驗，加上本集團多款具備配合iPod播放機功能的音響型號帶來強勁銷售額，我們預期此產品組別於來年將持續錄得增長，尤其Apple於數個市場推出3G iPhone更帶來優勢。因此，於二零零八年，本集團將於其產品組合內增添更多iPhone及iPod相關音響型號，以進一步擴大此產品業務的市場份額。



# 主席報告

年內，本集團亦致力把握電子製造服務業務的商機，並提升長安工廠生產設施，因此成功吸引數個專門從事商業及工業產品業務的新客戶。本集團相信，此產品業務較能抵禦業務週期的轉變，並可帶來提高收益及擴闊客戶基礎的雙重優勢。

## 致謝

本人謹代表董事會感謝管理層及各員工的竭力服務、辛勤工作和貢獻，亦特此向本集團的業務夥伴、股東及客戶長久以來的合作、信賴和支持致衷心謝意。

主席  
梁劍文

香港，二零零八年七月十日





# 董事及高級管理人員履歷

## 執行董事

梁劍文先生，75歲，為本集團之創辦人兼主席。梁先生在香港之電子業擁有超過41年經驗，為該行業之先驅之一。彼對電子業有深厚認識，負責制訂本集團之整體策略與發展。

梁偉成先生，48歲，於一九八五年加入本集團，為本集團之行政總裁，並全面負責本集團之整體策略及監督業務運作。彼持有加拿大Queen's University之電氣工程理學碩士學位。

郭冠文先生，54歲，於一九九零年加入本集團，現為本集團之公司秘書兼董事。彼持有工商管理學碩士學位，於跨國機構中擁有超過31年之財務及會計經驗。

## 獨立非執行董事

黃保欣先生，大紫荊勳賢、太平紳士，85歲，於一九九二年加入本集團，為聯僑企業有限公司前董事長、前全國人大常務委員會香港特別行政區基本法委員會副主任、廣東大亞灣及嶺澳核電站核安全諮詢委員會榮譽主席、一國兩制研究中心有限公司顧問委員會主席及香港中華廠商聯合會榮譽會長。

李華明議員，太平紳士，53歲，於一九九二年加入本集團，為立法會議員。彼持有加拿大University of Waterloo文學士學位及加拿大多倫多大學社會工作碩士學位。

劉宏業先生，47歲，於二零零零年加入本集團，為一家金融機構之行政總裁。彼持有會計學管理理學碩士學位，於投資銀行方面擁有深厚資歷。

## 高級管理人員

Colin Frederick LIVERMORE先生，53歲，於一九九一年加入本集團，現為愛高國際有限公司董事總經理，負責制訂主要針對歐洲客戶之市場推廣策略。彼於消費電子產品之市場推廣方面擁有超過28年經驗。

楊啟康先生，61歲，於一九七二年加入本集團，現為本集團之生產經理，負責本集團之生產策劃與控制。彼持有管理學文憑，於電子業方面擁有超過36年經驗。

梁偉明先生，39歲，於一九九三年加入本集團，為本集團採購經理。彼於音響電子產品方面擁有超過15年經驗。

彭少梅女士，57歲，於一九七一年加入本集團，為主席之助理，負責本集團生產安排及行政事務。

# 董事及高級管理人員履歷

## 高級管理人員(續)

周冠成先生，57歲，於一九七二年加入本集團，為愛高電業有限公司之船務經理，於貨運方面擁有超過33年經驗。

梁錦輝先生，51歲，於一九七九年加入本集團，為本集團之物料策劃及控制經理，於音響業方面擁有超過29年經驗。

梁裕昌先生，50歲，於一九七八年加入本集團，為愛高國際有限公司之船務經理，於貨運方面擁有超過30年經驗。

劉國偉先生，57歲，於一九八六年加入本集團，為愛高塑膠製品廠有限公司之董事，於塑膠業方面擁有超過23年經驗，現負責塑膠廠之運作。

何民信先生，49歲，於一九九九年加入本集團，為集團品質保證部總經理，負責本集團品質管理系統重組，彼持有製造及商業管理理學碩士學位，於電子產品之研究及發展、製造及品質控制方面擁有超過26年經驗。

周棟耀先生，38歲，於一九九七年加入本集團，為本集團之管理資訊系統經理，彼持有理學學士學位，於發展製造系統方面擁有超過15年經驗。



# 企業管治報告

## 企業管治常規

本公司已遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「守則」)載列之所有適用之守則條文，惟偏離守則條文第A.4.1條之規定。

## 董事會

董事會負責作出本集團有關業務及策略之決定並監察管理人員之表現。

董事會於截至二零零八年三月三十一日止年度舉行四次會議。各董事之出席率載列如下：

董事會成員	出席紀錄
<b>執行董事</b>	
梁劍文先生	4/4
梁偉成先生	3/4
郭冠文先生	4/4
<b>獨立非執行董事</b>	
黃保欣先生	4/4
李華明議員	2/4
劉宏業先生	3/4

本公司已收到三位獨立非執行董事根據上市規則第3.13條所呈交有關其獨立性之年度確認函。董事會已評估彼等之獨立性，結論為所有獨立非執行董事均具獨立身份。

## 主席及行政總裁

梁劍文先生為主席，而梁偉成先生為行政總裁。

## 董事之委任及重選

根據守則條文第A.4.1條之規定，非執行董事的委任應有指定任期，並須接受重新選舉。本公司之非執行董事之委任並無指定任期，但根據本公司組織章程細則的規定，本公司獨立非執行董事須每年輪值退任，並於其任滿重選時檢討有關之委任。本公司認為，此項規定與守則之目標一致。

黃保欣先生及劉宏業先生將於應屆股東週年大會告退，惟符合資格並願膺選連任。

# 企業管治報告

## 董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載列之上市發行人董事進行證券交易之標準守則(「標準守則」)，作為本公司董事進行證券交易時本身之行為守則。經特別向董事作出查詢後，所有董事確認，彼等於截至二零零八年三月三十一日止十二個月已遵守載列於標準守則之規定標準及其有關董事進行本公司證券交易之行為守則。

## 薪酬委員會

本公司已根據守則條文之規定設立以書面列明權責範圍之薪酬委員會。

薪酬委員會目前均由獨立非執行董事組成，分別為黃保欣先生(薪酬委員會主席)、劉宏業先生及李華明議員。

薪酬委員會之主要職責為就董事及高級管理人員之薪酬政策及結構提出建議並根據公司之目標及目的審議及批准董事及高級管理人員之薪酬。現有薪酬包括基本薪金、根據表現酌情發放之花紅及附帶福利。就本年度而言，薪酬委員會認為，薪酬為公平並與市場行情一致。

薪酬委員會於截至二零零八年三月三十一日止年度舉行一次會議，各委員會成員出席率如下：

成員	出席紀錄
黃保欣先生	1/1
劉宏業先生	1/1
李華明議員	1/1

## 審核委員會

審核委員會目前均由獨立非執行董事組成，分別為劉宏業先生(審核委員會主席)、黃保欣先生及李華明議員。

審核委員會已與管理層審閱本集團採納之會計原則及慣例，並討論有關內部控制及財務呈報各事項，包括審閱本集團截至二零零八年三月三十一日止年度之財務報表。

審核委員會於截至二零零八年三月三十一日止年度舉行三次會議，各委員會成員出席率如下：

成員	出席紀錄
劉宏業先生	2/3
黃保欣先生	3/3
李華明議員	3/3

# 企業管治報告

## 董事及核數師有關財務報表之責任

董事確認其負責編製本集團財務報表。編製財務報表時，已採納香港財務報告準則，已貫徹使用並應用適當之會計政策並且作出合理及審慎判斷及估計。董事會並不知悉有涉及可能對本集團之持續經營能力產生重大疑問之事件或情況之任何重大不明朗因素。故此，董事會在編製財務報表時繼續採納持續經營基準。

核數師之責任載列於獨立核數師報告。

## 核數師酬金

於截至二零零八年三月三十一日止年度，支付本公司核數師羅兵咸永道會計師事務所之酬金載列如下：

所提供服務	已支付／應付費用 千港元
審計有關服務	2,008
非審計有關服務	
稅務服務	393

## 結論

董事會認為良好的企業管治可保障有效之資源配置並保護股東權益。管理層將努力維持、加強並改善本集團之企業管治水平及質素。

# 董事會報告

董事會謹此提呈董事會報告連同截至二零零八年三月三十一日止年度之經審核財務報表。

## 主要業務及地域營運分析

本公司之主要業務為投資控股，其附屬公司之業務載列於綜合財務報表附註35。

本集團按業務及地區分類之年度表現分析載列於綜合財務報表附註5。

## 業績及分派

本集團於本年度之業績載列於第23頁之綜合損益表。

董事會已宣派中期股息每股普通股9港仙，合共50,476,000港元。

董事會建議派發末期股息每股普通股14港仙，合共78,213,000港元。

## 流動資金及財務資源

於二零零八年三月三十一日，股東資本及每股資產淨值分別為15億7千7百萬港元及2.82港元。

本集團之現金狀況維持強勁。於二零零八年三月三十一日，本集團之現金及存款合共為3億5千9百萬港元。總負債（扣除現金後）對股東權益之比率為9%。

為取得由供應商於淡季提供之大量購入折扣及盡量降低原材料短缺之負面影響，於二零零八年三月，本集團為應付即將來臨之季度而制定有關原材料之策略性計劃。因此，本集團於二零零八年三月三十一日之存貨狀況增加至13億3千3百萬港元（二零零七年：4億零2百萬港元）。應付貿易賬款亦據此錄得增長，達到4億7千9百萬港元（二零零七年：2億8千8百萬港元）。

於二零零八年三月三十一日之應收貿易賬款結餘為5億4千4百萬港元。本集團一直採取審慎信貸政策，而授出之信貸條款一般根據個別客戶之財務能力而定。

鑑於期內小型液晶體顯示屏供應短缺，本集團已取得長期穩定的屏幕供應。於二零零七年十一月，本集團與另外兩名獨立人士（精電國際有限公司及元太科技工業股份有限公司）合組財團，並提交正式標書以總代價約20億4千7百萬港元收購BOE Hydys Technology Co. Ltd.（「BOE Hydys」）（一間於韓國註冊成立之公司，主要從事開發、生產及供應液晶體顯示屏產品之業務）約95%股權及若干數量之公司債券。本集團佔總代價11%，約為2億2千5百萬港元。截至二零零八年三月三十一日止年度，本集團已從內部資源支付約2千4百萬港元，作為收購事項之按金。

本集團動用內部資金及銀行信貸作為業務營運之資金。於二零零八年三月三十一日，本集團已獲授銀行信貸額21億5千2百萬港元，其中已經動用之數額為5億零7百萬港元。於已動用之信貸額中，5億零4百萬港元須於一年內償還，而3百萬港元須於五年內償還。

# 董事會報告

年內，本集團投資於固定資產開支為9千8百萬港元(二零零七年：8千2百萬港元)，主要用於加強多項先進生產設施。於二零零八年三月三十一日，本集團就模具、廠房及機器之已訂約但未撥備資本承擔達33萬4千港元(二零零七年：85萬9千港元)。

本集團之外匯風險有限，原因為本集團絕大部分銷售、採購及借貸均以美元及港元為貨幣單位。由於港元與美元掛鈎，本集團並無重大貨幣風險，而本集團之政策為不會從事投機活動。

## 僱員

於二零零八年三月三十一日，本集團於香港及中國聘用約9,600名僱員。薪酬方案一般經參考市場條款及個人資歷後釐定。薪酬及工資通常每年根據表現評價及其他有關因素釐定。本集團亦向所有合資格員工提供包括醫療保險、公積金及教育補貼等其他福利。

## 主要供應商及客戶

本集團截至二零零八年三月三十一日止年度主要供應商及客戶所佔之採購額及銷售額佔總採購額及銷售額之百分比如下：

### 採購額

最大供應商	17%
五大供應商合計	40%

### 銷售額

最大客戶	26%
五大客戶合計	74%

各董事、彼等之聯繫人士或股東(據董事會所知擁有本公司股本5%以上者)於年內任何時間概無持有上述主要供應商或客戶之權益。

## 儲備

本年度本集團及本公司儲備之變動情況載列於綜合財務報表附註28。

## 捐款

年內本集團用於慈善及其他捐款款項為53,000港元。

## 物業、廠房及設備

本集團物業、廠房及設備之變動詳情載列於綜合財務報表附註14。

# 董事會報告

## 主要物業

本集團持作投資用途之主要物業詳情載列於第 77 頁。

## 股本

本公司股本之變動詳情載列於綜合財務報表附註 27。

## 可供分派儲備

本公司於二零零八年三月三十一日之可供分派儲備約為 46,576,000 港元(二零零七年：46,721,000 港元)，包括保留溢利及繳入盈餘。

## 五年財務概要

本集團最近五個財政年度之業績以及資產與負債概要載列於第 78 頁。

## 購買、出售或贖回證券

於二零零八年一月，本公司以總金額約 5,720,000 港元於香港聯合交易所有限公司購回每股面值 0.10 港元之 1,920,000 股股份，其每股價格介乎 2.67 港元至 3.15 港元。該等股份其後被註銷。

於二零零八年二月，本公司以總金額約 734,000 港元於香港聯合交易所有限公司購回每股面值 0.10 港元之 254,000 股股份，其每股價格介乎 2.89 港元至 2.92 港元。該等股份其後被註銷。

除上文所披露者外，截至二零零八年三月三十一日止年度，本公司及其任何附屬公司概無購買或出售本公司任何股份，於同一財政年度本公司亦無贖回其任何股份。

## 銀行貸款及其他借貸

於二零零八年三月三十一日本集團之銀行貸款及其他借貸之分析載列如下：

	信託收據貸款		銀行借貸	
	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元
一年內	440,975	—	63,108	648
於第二年	—	—	765	661
於第三年至第五年	—	—	1,718	2,244
	440,975	—	65,591	3,553

# 董事會報告

## 主要附屬公司

本公司於二零零八年三月三十一日之主要附屬公司載列於綜合財務報表附註35。

## 退休福利計劃

本集團退休福利計劃詳情載列於綜合財務報表附註8。

## 董事

本年度之董事如下：

梁劍文先生  
梁偉成先生  
郭冠文先生  
黃保欣先生，大紫荊勳賢、太平紳士<sup>1</sup>  
李華明議員，太平紳士<sup>1</sup>  
劉宏業先生<sup>1</sup>

<sup>1</sup> 獨立非執行董事

根據本公司組織章程細則第87(1)條，黃保欣先生及劉宏業先生將於應屆股東週年大會告退，惟符合資格並願膺選連任。

## 董事之服務合約

於二零零七年四月一日，各執行董事與本公司訂立三年期之服務合約，該等合約一直有效至其中一方向對方發出不少於六個月之書面通知為止。

獨立非執行董事與本公司或其附屬公司並無訂立任何服務合約。

## 董事及高級管理人員履歷

董事及高級管理人員履歷載列於第8頁至第9頁。

## 董事於合約中之權益

於年終或年內任何時間，本公司或其任何附屬公司概無訂立任何對本集團業務有重大影響且本公司之董事直接或間接在其中佔有重大權益之合約。

## 董事於競爭業務之權益

本公司董事概無於對本集團業務構成競爭或可能構成競爭之業務中擁有權益。

# 董事會報告

## 董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債券中之權益及淡倉

### (a) 本公司每股面值0.10港元普通股中之好倉

於二零零八年三月三十一日，本公司各董事及行政總裁於本公司及其相聯法團（按證券及期貨條例（「證券及期貨條例」）所定義者）股份、相關股份及債券中擁有須記入本公司根據證券及期貨條例第XV部第352條存置之登記冊內之權益及淡倉，或根據上市公司董事進行證券交易之標準守則（「標準守則」）須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉如下：

	持有股份數目				佔本公司 已發行股本 之百分比
	個人權益	法團權益	家族權益	總計	
梁劍文先生	18,200,000	38,891,600 (附註(i))	187,019,800 (附註(ii))	244,111,400	43.70%
梁偉成先生	44,640,000	—	187,019,800 (附註(iii))	231,659,800	41.47%
郭冠文先生	1,202,000	—	—	1,202,000	0.22%
李華明議員	10,000	—	—	10,000	0.00%

附註：

(i) 此等股份由在英屬處女群島註冊成立之有限公司 Shundean Investments Limited 擁有。梁劍文先生是該公司之唯一股東。

(ii) 此等股份由在英屬處女群島註冊成立之有限公司 Kimen Leung UT Limited 擁有，該公司為 The Kimen Leung Family Trust 實益擁有之 The Kimen Leung Unit Trust 之受託人。梁偉成先生與梁劍文先生之其他家族成員均為全權信託基金 The Kimen Leung Family Trust 之受益人。

### (b) 本公司相關股份內之好倉

除「購股權計劃」一節披露者外，在本年度內本公司或其任何附屬公司概無參與任何安排，致使董事或行政總裁或其配偶或十八歲以下子女可藉購入本公司或任何其他法人團體之股份或債券而獲益。

除上文所披露者及梁劍文先生代本集團以信託形式持有本公司屬下在香港註冊成立之附屬公司一股普通股以外，於二零零八年三月三十一日本公司董事及行政總裁概無於本公司或其相聯法團之股份、相關股份或債券中，擁有本公司根據證券及期貨條例或其他規定須披露，或根據標準守則須知會本公司及聯交所之任何權益或淡倉。



# 董事會報告

## 主要股東於本公司股份及相關股份中之權益及淡倉

根據證券及期貨條例第XV部第336條規定須保存之主要股東名冊顯示，於二零零八年三月三十一日，已知會本公司已登錄以下為本公司已發行股本5%或以上主要股東權益及淡倉。該等權益並無計入以上披露有關董事及行政總裁之權益內。

名稱	持股身份	好倉 股份數目	佔本公司已發行 股本之百分比
Shundean Investments Limited	實益擁有人	225,911,400 (附註(i))	40.44%
HSBC International Trustee Limited	信託人	187,835,800 (附註(ii))	33.62%
Kimien Leung UT Limited	信託人	187,019,800 (附註(i)及(ii))	33.48%
Commonwealth Bank of Australia	持有控股公司權益	32,992,000 (附註(iii))	5.91%
Leung Wai Lap David	實益擁有人	32,972,190	5.90%

附註：

- (i) 所提述之股份當中，在英屬處女群島註冊成立之有限公司Shundean Investments Limited擁有38,891,600股普通股股份，梁劍文先生為該公司唯一股東；在英屬處女群島註冊成立之有限公司Kimien Leung UT Limited擁有187,019,800股普通股股份，該公司為The Kimien Leung Family Trust實益擁有之The Kimien Leung Unit Trust之受託人。梁偉成先生及梁劍文先生之其他家族成員為全權信託The Kimien Leung Family Trust之受益人。
- (ii) 所提述之股份當中，Kimien Leung UT Limited擁有屬同一批股份之187,019,800股普通股股份。
- (iii) 根據《證券及期貨條例》第XV部第二及第三分部規定向本公司披露的資料顯示，該等股份由Commonwealth Bank of Australia直接或間接擁有100%控制權之法團所持有。

除於上文披露者外，根據本公司按證券及期貨條例第XV部第336條存置之登記冊，於二零零八年三月三十一日，除列於上文「董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債券中之權益及淡倉」一段載列之權益外，並無任何人士於本公司之股份或相關股份中擁有任何權益或淡倉。

# 董事會報告

## 購股權計劃

於二零零三年八月二十一日舉行之股東特別大會上，本公司股東批准終止本公司於一九九二年十一月六日採納之購股權計劃（該計劃於二零零二年十一月五日期滿），並批准採納新購股權計劃（「該計劃」）。該計劃從採納當日起計十年期內有效。

根據該計劃，本公司可向本公司或其任何附屬公司之董事及員工授出購股權以認購本公司股份，以作獎勵之用。

根據所有購股權計劃授出及尚未行使之購股權在悉數行使時可予發行之股份數目，最多不得超過本公司不時已發行股份之30%。

所有根據該計劃授出之購股權在悉數行使時可予發行之股份數目，不得超過採納日期當日本公司已發行股份之10%。

於任何十二個月期間內授予個別承授人之購股權總數，不得超過本公司已發行股份之1%。

根據購股權而必須認購股份之期間為董事會決定之任何期間，此期間為授出有關購股權之日起計十年或該計劃期滿日之較早者。

購股權之認購價不得低於以下各項中之較高者 (i) 於授出日期股份於聯交所之收市價；(ii) 在緊接授出日期前五個營業日股份於聯交所之平均收市價；及 (iii) 股份的面值。

購股權承授人須向本公司繳付5港元以接納購股權。

自採納該計劃日期起計，本公司並無授出購股權。

## 管理合約

本年度並無訂立或存在有關本公司整體或任何主要部份業務管理及行政事宜之合約。

## 優先購買權

本公司組織章程細則概無優先購買權之規定，而百慕達法例並無對有關權利施加限制。

## 企業管治

本公司保持高水平之企業管治常規。本公司採納之企業管治常規之詳情載列於第10至12頁企業管治報告。

# 董事會報告

## 審核委員會

審核委員會已與管理層審閱本集團採納之會計原則及慣例，並討論有關內部控制及財務呈報各事項，包括審閱本集團截至二零零八年三月三十一日止年度之財務報表。

審核委員會目前由本公司三名獨立非執行董事組成，分別為黃保欣先生，大紫荊勳賢、太平紳士、李華明議員，太平紳士及劉宏業先生。

## 充足公眾流通量

根據可公開獲得以及董事會所知悉之資料，董事確認，於截至二零零八年三月三十一日止年度及至本報告日期之所有時間，本公司股份之公眾流通量充足，超過已發行股份之 25%。

## 核數師

財務報表經由羅兵咸永道會計師事務所審核，該核數師任滿告退，並符合資格願於本公司應屆股東週年大會續聘連任。

承董事會命

主席  
梁劍文

香港，二零零八年七月十日

# 獨立核數師報告



羅兵咸永道會計師事務所

羅兵咸永道會計師事務所  
香港中環  
太子大廈二十二樓

## 獨立核數師報告

致ALCO HOLDINGS LIMITED股東

(於百慕達註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第23至76頁 Alco 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於二零零八年三月三十一日的綜合及公司資產負債表與截至該日止年度的綜合損益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

## 董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會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；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

## 核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並按照百慕達一九八一年《公司法》第90條僅向整體股東報告，除此之外本報告別無其他目的。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。

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。

# 獨立核數師報告

審核涉及執执行程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，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，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

## 意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零零八年三月三十一日的事務狀況及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所  
執業會計師

香港，二零零八年七月十日

# 綜合損益表

截至二零零八年三月三十一日止年度

	附註	二零零八年 千港元	二零零七年 千港元
營業額	5	4,363,889	5,095,894
銷貨成本	7	(3,905,694)	(4,548,098)
毛利		458,195	547,796
其他收入	6	29,851	17,639
銷售開支	7	(153,233)	(136,291)
行政開支	7	(104,554)	(100,061)
其他經營開支	7	(5,723)	(6,240)
經營溢利		224,536	322,843
財務收入	9	23,082	32,791
財務成本	9	(8,009)	(19,584)
除所得稅前溢利		239,609	336,050
所得稅支出	10	(26,257)	(30,266)
本公司股東應佔溢利		213,352	305,784
本公司股東應佔每股盈利			
— 基本	12	38.1 港仙	54.5 港仙
— 攤薄	12	38.1 港仙	54.5 港仙
股息	13	128,689	185,115

第28至76頁之附註乃本綜合財務報表之一部分。

# 綜合資產負債表

於二零零八年三月三十一日

	附註	二零零八年 千港元	二零零七年 千港元
<b>非流動資產</b>			
物業、廠房及設備	14	345,180	312,799
投資物業	15	70,492	46,830
租賃土地及土地使用權	16	58,991	59,189
無形資產	17	83,863	6,184
持至到期日金融資產	20	46,800	111,400
投資之按金	21	23,833	—
		<b>629,159</b>	<b>536,402</b>
<b>流動資產</b>			
存貨	22	1,333,283	401,844
應收貿易及其他賬款	23	569,970	305,278
現金及現金等值	24	358,669	892,794
		<b>2,261,922</b>	<b>1,599,916</b>
<b>流動負債</b>			
應付貿易及其他賬款	25	756,952	545,669
信託收據貸款	31	440,975	—
即期所得稅負債		18,656	3,474
借貸	26	63,108	648
		<b>1,279,691</b>	<b>549,791</b>
<b>流動資產淨值</b>		<b>982,231</b>	<b>1,050,125</b>
<b>總資產減流動負債</b>		<b>1,611,390</b>	<b>1,586,527</b>
<b>本公司股東應佔資本及儲備</b>			
股本	27	55,867	56,084
儲備	28	1,521,185	1,499,679
<b>總權益</b>		<b>1,577,052</b>	<b>1,555,763</b>
<b>非流動負債</b>			
借貸	26	2,483	2,905
遞延所得稅負債	29	31,855	27,859
		<b>34,338</b>	<b>30,764</b>
<b>總權益及非流動負債</b>		<b>1,611,390</b>	<b>1,586,527</b>

承董事會命

董事  
梁劍文

董事  
梁偉成

第28至76頁之附註為本綜合財務報表之一部分。

# 資產負債表

於二零零八年三月三十一日

	附註	二零零八年 千港元	二零零七年 千港元
<b>非流動資產</b>			
於附屬公司之投資	18	350,835	356,959
<b>流動資產</b>			
其他應收款項、預付款項及按金		112	105
可收回稅項		—	10
現金及現金等值	24	48	1,215
		160	1,330
<b>流動負債</b>			
其他應付款項及應計費用		1,502	2,414
<b>流動負債淨值</b>		(1,342)	(1,084)
<b>總資產減流動負債</b>		349,493	355,875
<b>本公司股東應佔資本及儲備</b>			
股本	27	55,867	56,084
儲備	28	293,626	299,791
<b>總權益</b>		349,493	355,875

承董事會命

董事  
梁劍文

董事  
梁偉成

第28至76頁之附註為本財務報表之一部分。



# 綜合權益變動表

截至二零零八年三月三十一日止年度

	本公司股東應佔			
	股本 千港元	其他儲備 千港元	保留溢利 千港元	總計 千港元
於二零零六年四月一日	56,125	253,774	1,116,138	1,426,037
貨幣兌換差額	—	(683)	—	(683)
本年度溢利	—	—	305,784	305,784
回購本公司股份	(41)	(1,305)	(41)	(1,387)
二零零七年中期股息	—	—	(50,513)	(50,513)
二零零六年末期及末期特別股息	—	—	(123,475)	(123,475)
於二零零七年三月三十一日	56,084	251,786	1,247,893	1,555,763
於二零零七年四月一日	<b>56,084</b>	<b>251,786</b>	<b>1,247,893</b>	<b>1,555,763</b>
貨幣兌換差額	—	(531)	—	(531)
本年度溢利	—	—	213,352	213,352
回購本公司股份	(217)	(6,020)	(217)	(6,454)
二零零八年中期股息	—	—	(50,476)	(50,476)
二零零七年末期及末期特別股息	—	—	(134,602)	(134,602)
於二零零八年三月三十一日	<b>55,867</b>	<b>245,235</b>	<b>1,275,950</b>	<b>1,577,052</b>

第28至76頁之附註乃本綜合財務報表之一部分。

# 綜合現金流量表

截至二零零八年三月三十一日止年度

	附註	二零零八年 千港元	二零零七年 千港元
經營業務之現金流量			
經營(所用)/產生之現金	30	(250,058)	342,742
收取利息		23,082	32,791
支付利息		(8,009)	(19,584)
支付所得稅		(24,133)	(45,865)
經營業務(所用)/產生之現金淨額		(259,118)	310,084
投資業務之現金流量			
購置物業、廠房及設備		(98,434)	(81,519)
購置特許權		(78,000)	—
出售物業、廠房及設備所得款項		264	889
支付租賃土地及土地使用權		—	(2,984)
支付遞延發展費用		(10,352)	(9,960)
支付投資之按金		(23,833)	—
已到期持至到期日金融資產所得款項		64,600	—
投資業務所用之現金淨額		(145,755)	(93,574)
融資業務之現金流量			
回購本公司股份		(6,454)	(1,387)
借貸所得款項		124,800	120,553
償還借貸		(63,027)	(298,227)
派發予本公司股東股息		(185,078)	(173,988)
融資業務所用之現金淨額		(129,759)	(353,049)
現金及現金等值減少淨額		(534,632)	(136,539)
於年初之現金及現金等值		892,794	1,028,572
外幣匯率變化之影響		507	761
於年末之現金及現金等值	24	358,669	892,794

第28至76頁之附註乃本綜合財務報表之一部分。

# 綜合財務報表附註

二零零八年三月三十一日

## 1 一般資料

Alco Holdings Limited (「本公司」) 及其附屬公司 (統稱「本集團」) 從事設計、製造及銷售消費電子產品及塑膠產品。

本公司乃一間於百慕達註冊成立之有限責任公司。註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。本公司於香港聯合交易所有限公司主板上市。

除另有註明外，該等綜合財務報表均以千港元呈列。該等綜合財務報表已獲董事會於二零零八年七月十日批准刊發。

## 2 主要會計政策概要

於編製該等綜合財務報表時採用之主要會計政策載列如下。除另有註明者外，該等政策已於所有呈報年度貫徹採用。

### 2.1 編製基準

本集團之綜合財務報表乃根據香港會計師公會頒布之香港財務報告準則及香港公司條例披露規定編製。綜合財務報表乃根據歷史成本常規法編製，並經按公平值列賬之投資物業之重估予以修訂。

編製符合香港財務報告準則規定之財務報表須採用若干重要會計評估，管理層亦須於應用本集團會計政策時作出判斷，而涉及較高水平判斷或較為複雜之範圍，或假設及評估對綜合財務報表攸關重要之範圍於附註4披露。

以下新準則、準則之修訂及詮釋與本集團之業務有關，並就截至二零零八年三月三十一日止年度為強制性會計準則：

香港會計準則第1號(修訂)－「財務報表之呈列－資本披露」，該準則引入額外披露規定，提供資本水平以及本集團管理資本之目標、政策及流程之資料。該等資料於附註3.2披露。

香港財務報告準則第7號－「金融工具：披露」，該準則規定披露本集團金融工具之重要性，以及此等金融工具之性質及造成風險之幅度。該披露之內容見於本財務報表。

## 2 主要會計政策概要(續)

### 2.1 編製基準(續)

香港(國際財務報告詮釋委員會)－詮釋第9號－「重新評估附帶衍生工具」，該詮釋規定一個實體評估所附帶衍生工具是否需要從主體合約分開，並於該實體首次成為合約之一方時作為衍生工具列賬，及只有於合約條款發生更改，繼而重大改變合約原本規定之現金流量時才予以重新評估。

香港(國際財務報告詮釋委員會)－詮釋第10號－「中期財務報告及減值」，該詮釋禁止於中期期間確認商譽之減值虧損，按成本值列賬之於金融資產之投資將於其後之結算日撥回。

採納上述新準則、準則之修訂及詮釋並無對本集團之會計政策造成重大影響，惟香港會計準則第1號(修訂)及香港財務報告準則第7號將需要作出額外披露。

以下新準則、準則之修訂及詮釋與本集團之業務有關，但並未就截至二零零八年三月三十一日止年度生效，及並未被提前採納：

香港會計準則第1號(修訂)－「財務報表之呈列」(於二零零九年一月一日或之後開始之年度期間生效)，該準則規定權益內之全部所有人變動將於權益變動報表內呈列。

香港會計準則第23號(修訂)－「借貸成本」(於二零零九年一月一日或之後開始之年度期間生效)，該準則規定一個實體就其直接應佔收購、建造或生產合資格資產(即需要一段相當長時間才能可供使用或出售之資產)之借貸成本資本化，作為該資產成本之部分。

香港會計準則第27號(經修訂)－「綜合及獨立財務報表」(於二零零九年七月一日或之後開始之年度期間生效)，該準則規定於權益項下將於綜合財務狀況報表下呈列之非控股權益(即少數股東權益)，乃從母公司所有人之權益獨立出來。

香港財務報告準則第3號(經修訂)－「企業合併」(於二零零九年七月一日或之後開始之年度期間生效)，該準則將更多交易作為合併個別合約及合併雙方實體納入收購會計處理，據此一個業務之準則及釋義之範圍予以輕微修訂。

香港財務報告準則第8號－「經營分部」(於二零零九年一月一日或之後開始之年度期間生效)，該準則規定「管理方法」，據此以內部呈報所用之相同基準呈列分類資料。

# 綜合財務報表附註

二零零八年三月三十一日

## 2 主要會計政策概要(續)

### 2.1 編製基準(續)

香港(國際財務報告詮釋委員會)－詮釋第14號－「香港會計準則第19號－界定實益資產之限定、最低資金規定及相互效應」(於二零零八年一月一日或之後開始之年度期間生效)，該準則提供指引，評估香港會計準則第19號對可確認為資產之盈餘金額作出之限定。

本集團相信，採納上述新準則、準則之修訂及詮釋將不會對本集團之會計政策造成重大變動，及並無對綜合財務報表造成重大影響。本集團預期當上述準則、準則之修訂及詮釋生效時將予以採納。

### 2.2 綜合

綜合財務報表包括本公司及其所有附屬公司截至三月三十一日止之財務報表。

附屬公司為所有本集團有權監管其財務及經營策略且一般擁有過半數投票權的公司(包括特別目的公司)。評估本集團是否控制另一公司會考慮現時可行使或可轉換的潛在投票權是否存在及其影響。

附屬公司於控制權轉移至本集團之日全面綜合入賬。附屬公司由失去控制權之日起不再綜合入賬。

本集團收購附屬公司以收購會計法入賬。收購成本為所獲得的資產、發行的股本證券及承擔的負債於交易日期的公平值，加上直接與收購有關的成本。不論少數股東權益所佔比例，因企業併購所獲得的可識別資產及所承擔的負債及或然負債初步均以收購日期公平值入賬。收購成本高於本集團所佔所收購可識別資產淨值的差額作為商譽入賬。倘若收購成本低於所收購附屬公司淨資產的公平值，則差額直接在損益表確認。

集團內公司間之交易、結餘及交易的未變現收益乃予以對銷。除非交易提供所轉讓資產減值的憑證，否則未變現虧損亦予以撇銷。附屬公司之會計政策於有需要時已作變動，以與本集團所採納之政策一致。

於本公司之資產負債表中，於附屬公司之投資以成本減減值虧損撥備而列賬(附註2.9)。本公司根據已收及應收股息將附屬公司之業績入賬。

## 2 主要會計政策概要(續)

### 2.3 分部報告

業務分部為從事提供產品或服務的一組資產或服務涉及的風險與回報，與其他業務分部所涉及者不同。地域分部指在某一經濟環境提供之產品或服務涉及的風險與回報，與在其他經濟環境經營之分部所涉及者不同。

### 2.4 外幣匯兌

#### (a) 功能及呈報貨幣

本集團各附屬公司之財務報表所包括之項目，均以該公司之主要營運地區之貨幣（「功能貨幣」）計算。本綜合財務報表乃以港元呈報，即本公司之功能及呈報貨幣。

#### (b) 交易和結餘

外幣交易均按交易當日之匯率折算為功能貨幣。結算該等交易以及按年結日之匯率折換外幣資產及負債產生之匯兌收益及虧損，均於損益表內確認。

以歷史成本計量並以外幣為單位之非貨幣資產及負債交易日期適用之兌換率換算。以外幣為單位且按公平價值列賬之非貨幣資產及負債，按釐定其公平價值日期適用之兌換率換算。

#### (c) 集團公司

集團旗下所有公司如其功能貨幣與呈報貨幣不同（其中並無任何公司持有通脹嚴重之經濟體系之貨幣），其業績及財務狀況均按以下方法兌換為呈報貨幣：

- (i) 各資產負債表所列之資產及負債均按照該資產負債表結算日之匯率折算；
- (ii) 各損益表所列之收入及支出均按照平均匯率折算（但若此平均匯率未能合理地反映各交易日之匯率所帶來之累積影響，則按照交易日之匯率折算此等收入和支出）；及

# 綜合財務報表附註

二零零八年三月三十一日

## 2 主要會計政策概要(續)

### 2.4 外幣匯兌(續)

#### (c) 集團公司(續)

(iii) 所有產生之匯兌差額均於權益中分開確認。

在編製綜合賬目時，折算海外業務投資淨額而產生之匯兌差額，均列入股東權益賬內。當部分出售或出售海外業務時，此等匯兌差額將於損益表內確認為出售收益或虧損之一部分。

因收購海外公司而產生之商譽及公平價值調整，均視作為該海外公司之資產及負債處理，並以結算日之匯率折算。

### 2.5 租賃土地及土地使用權

租賃土地及土地使用權乃按成本減累計攤銷及累計減值虧損列賬。成本主要指自個別權利授出日期起計使用土地的權利所支付之代價。租賃土地及土地使用權乃按權利年期以直線法攤銷。

### 2.6 物業、廠房及設備

物業、廠房及設備均按成本減折舊及減值虧損列賬。歷史成本包括直接用於收購項目的開支。

當與項目有關之未來經濟利益可能會流入本集團，且能可靠地計量項目之成本時，方會將其後之開支包括入資產之賬面值或確認為一項獨立資產(如適用)。已更換部分之賬面值不予確認。所有其他維修及保養費用，均於產生之財政期間內，於損益表內支銷。

樓宇及模具的折舊乃利用直線法計算，將成本分配至分別為40年及4年之估計可使用年期。其他物業、廠房及設備之折舊乃將資產成本按其估計可使用年期，以餘額遞減法撇銷及減去減值虧損。所採用之主要折舊率如下：

租賃物業裝修	20%
傢俬、裝置及設備	20%
廠房及機器	14.5%-20%
汽車	20%

## 2 主要會計政策概要(續)

### 2.6 物業、廠房及設備(續)

資產之剩餘價值及可使用年期均於各結算日予以審閱及調整(如適用)。

倘資產賬面值較估計的可收回款額為大，則資產的賬面值將立刻被撇減至其可收回款額(附註2.9)。

出售之盈虧均透過將所得款項與賬面值作比較而釐定，並列入損益表內。

### 2.7 投資物業

物業能獲得長期租賃收益或資本增值或兩者兼備，及並非由綜合後本集團內公司所佔有，乃歸類為投資物業。

投資物業包括以經營租約持有的土地及以融資租約持有之樓宇。

以經營租約持有的土地，如符合投資物業其餘定義，按投資物業分類及記賬。經營租約仍當作融資租約列賬。

投資物業按最初之成本，包括相關之交易成本計算。

經過最初之確認，投資物業以公平值結轉。此估值由獨立估值師依據國際評估準則委員會刊發之指引按個別物業相關之公開市值進行。

當與項目有關之未來經濟利益可能會流入集團，且能可靠地計量項目之成本時，方會將其後之開支包括入資產之賬面值。在此財務期間，所有其他維修及保養成本於損益表列為開支。

公平值之改變作為「其他收入」之部份，於損益表內確認。



# 綜合財務報表附註

二零零八年三月三十一日

## 2 主要會計政策概要(續)

### 2.8 無形資產

#### (a) 已購置特許權

已購置特許權以成本減累計攤銷結轉。已購置特許權之經濟可使用年期乃於購置時作出估計(附註4(b))。攤銷乃利用直線法計算，將已購置特許權之成本分配至10年之估計可使用年期。

根據香港會計準則第36條，授權許可證須每年進行減值測試。

#### (b) 遞延發展費用

研究開支於產生時確認作支銷。倘符合以下條件，則發展項目中(有關設計及測試全新或經改良產品)產生之費用乃確認作無形資產：

- (i) 技術上可完成開發中／已開發產品，使其可供使用或銷售乃技術上可行；
- (ii) 管理層有意完成開發中／已開發產品並作使用或銷售；
- (iii) 有能力使用或銷售開發中／已開發產品；
- (iv) 可展示開發中／已開發產品如何可能產生未來經濟利益；
- (v) 擁有充足技術、財務及其他資源以完成發展及使用或銷售開發中／已開發產品；及
- (vi) 開發中／已開發產品於開發時所產生的開支，能可靠地計算。

其他不符合該等條件之發展開支於產生時確認作支銷。先前確認作開支之發展費用在往後期間並不確認作資產。已資本化發展費用記錄為無形資產並按30個月期間以直線法攤銷，以反映確認有關經濟利益之形式。

根據香港會計準則第36條，發展資產須每年進行減值測試。

## 2 主要會計政策概要(續)

### 2.9 附屬公司投資及非金融資產減值

並無固定可使用年期或尚未可使用之資產毋須攤銷，並每年測試有否減值。須攤銷之資產須在遇上事件顯示或情況有變而顯示其賬面值或許不能收回時，測試有否減值。減值虧損乃按資產賬面值超出其可收回款額之金額確認。可收回款額指資產之公平值減出售費用或使用價值(以較高者為準)。就評估有否減值而言，資產將會按有獨立可識別現金流量(賺取現金單位)之最低水平分類。出現減值之非金融資產(不包括商譽)，於各呈報日期均就可能撥回減值而予以審核。

### 2.10 金融資產

本集團之金融資產分為以下類別：貸款及應收款項及持至到期日金融資產。分類視乎購入有關金融資產之目的而定。管理層按初步確認決定其金融資產之類別。

#### (a) 貸款及應收款項

貸款與應收款項為並無於活躍市場報價惟具有固定或可予釐定款項之非衍生金融資產。此等應收款項計入流動資產內，惟不包括到期日為結算日起計十二個月以後者。該等款項概列作非流動資產。貸款及應收款項乃計入資產負債表之「應收貿易及其他賬款」及「現金及現金等值」內(附註2.12及2.13)。

#### (b) 持至到期日金融資產

持至到期日金融資產是指有固定或可予釐定之款項，有固定到期日且管理層明確打算並能夠持有至到期日之非衍生金融資產。倘本集團出售持至到期日金融資產(金額微不足道者除外)，整個類別將受到影響，並重新分類至可供出售之金融資產。持至到期日金融資產計入非流動資產，惟於結算日起計十二個月內到期者，則分類為流動資產。

經常性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。就所有並非透過損益按公平值列值之金融資產而言，投資最初按公平值另加交易成本確認。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收益時，終止確認有關金融資產。貸款及應收款項以及持至到期日金融資產以實際利息法按攤銷成本列賬。

# 綜合財務報表附註

二零零八年三月三十一日

## 2 主要會計政策概要(續)

### 2.10 金融資產(續)

本集團於每個資產負債表日期評核是否有客觀證據證明一項或一組金融資產出現減值。貿易及其他應收款之減值測試，於附註2.12項說明。

### 2.11 存貨

存貨乃按成本與可變現淨值兩者之較低者呈列。成本乃按加權平均法釐定。製成品及在製品之成本，包括設計成本、原材料、直接勞工、其他直接成本及相關生產之間接費用(根據正常經營量計算)。存貨不包括借貸成本。可變現淨值乃於日常業務範圍內之估計售價，減適用可變銷售開支。

### 2.12 應收貿易及其他賬款

應收貿易及其他賬款最初按公平價值確認，其後則以實際利息法按經攤銷成本值計算，並須扣除減值撥備。如有客觀證據顯示本集團無法按照應收款的原來條款收取所有欠款，則須為應收貿易及其他賬款作出減值撥備。債務人出現嚴重財政困難、債務人可能會破產或進行財務重組，以及拖欠或未能償還借款，均被視為應收貿易及其他賬款被減值之跡象。撥備額為資產賬面值與估計未來現金流量按實際利率折算之現值兩者的差額，並於損益表確認。

### 2.13 現金及現金等值

現金及現金等值包括現金、銀行之通知存款、由投資當日起計到期日為三個月或以下的其他短期高流動投資。

### 2.14 股本

普通股分類列為權益。與發行新股或購股權直接有關的增量成本，列入權益作為所得款項的減值(扣除稅項)。

當本集團成員公司購買本公司之股本，所繳付之代價(包括任何扣除所得稅之直接應佔增量成本)自本公司股東應佔股本扣除，直至該等股份註銷或重新發行為止。當該等股份之後重新發行，所收取之代價(扣除直接應佔增量交易成本及有關所得稅影響)會計入本公司股東應佔股本。

## 2 主要會計政策概要(續)

### 2.15 應付貿易及其他賬款

應付貿易及其他賬款最初按公平價值確認，其後則以實際利息法按經攤銷成本計算。

### 2.16 借貸

借貸最初乃按公平價值(扣除已產生的交易成本)確認。借貸其後按經攤銷成本列賬，如扣除交易成本之後的所得款項和贖回價值出現差額，則於借貸期內以實際利息法在損益表內確認。

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

### 2.17 即期及遞延所得稅

即期所得稅支出根據本公司及其附屬公司營運所在及產生應課稅收入之國家於結算日已頒布或實質頒布之稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

遞延所得稅以負債法就資產及負債之稅基與其在綜合財務報表中所列賬面值之間之暫時差額作出全數撥備。然而，如遞延所得稅乃源自業務合併以外的交易中初步確認資產或負債，而在交易時並不影響會計或稅務利潤或虧損，則不會入賬處理。當有關遞延所得稅資產已變現或遞延所得稅負債已結算時，遞延所得稅以於結算日現行已制定或大致上已制定及預期獲應用之稅率(及法例)計算。

遞延所得稅資產乃就有可能將未來應課稅溢利與可動用之短暫時差抵銷而確認。

遞延所得稅乃就附屬公司投資產生之短暫時差而撥備，但假若本集團可以控制短暫時差之撥回，並有可能在可預見未來不會撥回則除外。

# 綜合財務報表附註

二零零八年三月三十一日

## 2 主要會計政策概要(續)

### 2.18 僱員福利

#### (a) 僱員應享假期權利

僱員應享年假權利乃於其應計予僱員時確認。僱員假期乃按截至結算日止因僱員提供服務而產生之估計年假計提撥備。

僱員應享病假及分娩或待產假期權利，僅於支取假期時方予確認。

#### (b) 退休金承擔

本集團為僱員設立多項界定供款公積金計劃，依據一項界定供款計劃，本集團向一間獨立機構支付定額退休金供款。倘該項基金不具備足夠資產，無法就本期及以往期間之僱員服務，向所有僱員支付福利，本集團亦無法律或推定責任作進一步供款。

對界定供款計劃，本集團在強制、協議或自願的基礎上，向公營或私營退休金保險計劃作出供款。供款後本集團即無進一步付款責任。供款到期時即確認為僱員福利開支，及扣減因僱員於供款全數歸屬前已退出計劃而沒收之供款。

#### (c) 終止服務權益

終止服務權益於僱用在正常退休日期前被終止，或當僱員接受自願遣散以換取此等福利時支付。本集團在可證明承諾如下時確認終止服務權益：根據一項詳細的正式計劃終止現有僱員的僱用（沒有撤回的可能）；或因為提出一項要約以鼓勵自願遣散而提供的終止服務權益。在結算日後超過十二個月支付的福利貼現為現值。

## 2 主要會計政策概要(續)

### 2.19 撥備

當本集團因已發生的事件須承擔現有之法律性或推定性的責任，而將來可能需要有資源流出以解除責任及有關金額乃可予以衡量時，則撥備予以確認。未來經營虧損並無確認撥備。

倘出現多項類似債務，會否導致經濟利益流出以清償債務乃經考慮債務之整體類別後確定。即使同類別債務中任何一項可能流出經濟利益的機會不大，仍會確認撥備。

撥備乃利用除稅前息率(反映現時市場對金錢時間價值以及與責任有關之風險之估計)根據預期須履行責任之開支的現值而計量。由於時間過去而作出的撥備增幅，確認為利息開支。

### 2.20 收入確認

收入包括在本集團日常業務過程中出售貨品及服務而已收或應收代價之公平價值。所示收入已扣除退貨、回扣及折扣及對銷集團內之銷售。收入按以下方式確認：

- (i) 銷售貨物乃於本集團之公司已向客戶交付產品，而客戶則已接納有關產品，並可合理確定可收回相關應收賬款時予以確認。
- (ii) 租金收入乃按各有關租約之年期按直線基準確認。
- (iii) 利息收入利用實際利息法按時間比例基準確認。當應收賬款出現減損時，本集團將其賬面值減至可收回金額(即以工具之原本實際利率貼現之估計未來現金流)，並繼續解除貼現作為利息收入。

# 綜合財務報表附註

二零零八年三月三十一日

## 2 主要會計政策概要(續)

### 2.21 租賃

#### 經營租賃(作為承租人)

倘若租賃擁有權之重大部分風險及回報由出租人保留，則分類為經營租賃。根據經營租賃支付的款項(扣除向出租人收取之任何優惠後)於租賃期內以直線法在損益表支銷。

#### 經營租賃(作為出租人)

當公司按經營租約租出資產時，該等資產按其性質列入資產負債表(載於附註2.7)。按經營租約產生的收入根據本集團確認政策確認(載於附註2.20(ii))。

### 2.22 股息分派

向本公司股東分派之股息於本公司股東批准股息之期間內在本集團之財務報表內確認為負債。

## 3 金融風險管理

風險管理由本集團的財資部進行。本集團採取保守及平衡的財資政策，重點關注以下財務風險因素並儘量減低對本集團財務表現可能產生的負面影響。

## 3 金融風險管理(續)

### 3.1 金融風險因素

#### (a) 市場風險

##### (i) 外幣兌換風險

本集團承受之外幣兌換風險有限，因為本集團之銷售、採購及借貸幾乎全部均以美元及港元計值。由於港元與美元掛鈎，本集團並無重大貨幣風險，且不進行投機性業務乃本集團之政策。

於二零零八年三月三十一日，倘美元兌港元升值／貶值1%，而所有其他變數不變，年內除稅後溢利將增加／減少約4,051,000港元(二零零七年：增加／減少3,582,000港元)。

於二零零八年三月三十一日，倘港元兌人民幣升值／貶值10%，權益將增加／減少約1,923,000港元(二零零七年：增加／減少529,000港元)，主要是因為換算中國附屬公司以人民幣計值的權益產生的外幣兌換收益／虧損。

##### (ii) 現金流量及公平值利率風險

由於本集團並無重大計息資產(除短期銀行存款及持至到期日金融資產外)，故本集團的收入及經營現金流量實質上獨立於市場利率之變動。

本集團之利率風險來自信託收據貸款及銀行借貸。本集團之信託收據貸款及銀行借貸乃以浮動利率結轉，因而令本集團承受現金流量利率風險。本集團並無訂立任何利率掉期安排以對沖利率風險。於二零零八年三月三十一日，由於本集團大部分信託收據貸款及銀行借貸之到期日於三個月之內，本集團並無承受重大現金流量利率風險。

#### (b) 信貸風險

信貸風險來自現金及現金等值及於銀行及財務機構之短期存款，以及客戶風險(包括尚欠應收款)。參考標準普爾之評級(如有)，本集團95%以上現金及短期存款存放於信譽良好及最低評級為「A」的銀行及財務機構。就來自客戶的信貸風險而言，管理層評估各個別主要客戶的信貸質素，考慮其財政狀況、過去經驗及其他因素。



# 綜合財務報表附註

二零零八年三月三十一日

## 3 金融風險管理(續)

### 3.1 金融風除因素(續)

#### (c) 流動資金風險

審慎之流動資金風險管理包括持有充足之現金、獲得足夠之備用承諾信貸融資及擁有結算市場持倉之能力。

本集團通過日常營運產生之資金及獲得備用承諾信貸融資，以維持其流動性。

本集團擁有銀行信貸額以應付突發情況。於二零零八年三月三十一日，本集團之備用銀行信貸總額約為21億5千2百萬港元(二零零七年：17億2千萬港元)。

下表分析本集團及本公司結算之財務負債，並按資產負債表至合約到期日之餘下期間分類為相關到期類別。於表內披露之金額為合約未折貼現金流。

	本集團				
	少於一年 千港元	一年至 兩年期間 千港元	兩年至 五年期間 千港元	總額 千港元	賬面值 千港元
於二零零七年三月三十一日					
借貸	883	839	2,486	4,208	3,553
應付貿易及其他賬款	545,669	—	—	545,669	545,669
於二零零八年三月三十一日					
信託收據貸款	442,616	—	—	442,616	440,975
借貸	63,408	930	1,860	66,198	65,591
應付貿易及其他賬款	756,952	—	—	756,952	756,952

## 3 金融風險管理(續)

### 3.1 金融風險因素(續)

#### (c) 流動資金風險(續)

	本公司			總額 千港元	賬面值 千港元
	少於一年 千港元	一年至 兩年期間 千港元	兩年至 五年期間 千港元		
於二零零七年三月三十一日					
其他應付款項及應計費用	2,414	—	—	2,414	2,414
於二零零八年三月三十一日					
其他應付款項及應計費用	1,502	—	—	1,502	1,502

### 3.2 資本風險管理

本集團的資本管理政策，是保障集團能繼續營運，並為股東提供回報及為其他業務相關人士提供利益，並維持最佳資本結構以減低資本成本。

為維持或調整資本結構，本集團可調整派付予股東之股息金額、向股東發還資金、發行新股或出售資產以減低債務。

本集團以資產負債比率監管資本。此比率乃以借貸淨額除以總權益計算。

本集團的政策為保持資產負債比率於穩健水平，預期為低於50%。

# 綜合財務報表附註

二零零八年三月三十一日

## 3 金融風險管理(續)

### 3.2 資本風險管理(續)

於二零零八年及二零零七年三月三十一日，資產負債比率如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
信託收據貸款	440,975	—
借貸(附註26)	65,591	3,553
減：現金及現金等值(附註24)	(358,669)	(892,794)
借貸淨額／(盈餘現金)	147,897	(889,241)
總權益	1,577,052	1,555,763
資產負債比率	9.4%	不適用

從於二零零七年三月三十一日之盈餘現金轉變為於二零零八年三月三十一日之借款淨額，主要因增加動用銀行信貸應付營運需求所致。

### 3.3 公平值估計

沒有在活躍市場買賣的金融工具(例如持至到期日金融資產)的公平值利用估值技術釐定。本集團利用多種方法，並根據每個結算日當時的市場情況作假設。技術，例如估計貼現現金流量，用以釐定該等金融工具的公平值。

應收貿易及其他賬款與應付貿易及其他賬款的賬面值減去減值撥備，乃其合理概約公平值。作為披露目的，財務負債公平值的估計按未來合約現金流量以本集團類似金融工具可得的現有市場利率貼現計算。

## 4 關鍵會計估計及判斷

估計及判斷持續受到評估，並乃基於過往經驗及其他因素，包括在合理情況下對未來事件之預期。

### 關鍵會計估計及假設

本集團對未來作出估計及假設，所達致之會計估計依定義與有關實際結果甚少一致。對下個財政年度內具有引致資產及負債賬面值須作大幅調整之重大風險之估計及假設討論如下。

#### (a) 投資物業公平值之估計

為得出物業之公平值，獨立估值師須作出假設及經濟估計。若此等假設及估計發生變化或未能實現，則財務報表所採納之估值將受影響。

#### (b) 物業、廠房及設備及無形資產之估計可使用年期

本集團有大量物業、廠房及設備以及無形資產。本集團須估計物業、廠房及設備以及無形資產之可使用年期，以確定各呈報期間之折舊金額及攤銷費用。

該等資產之可使用年期乃於購入時經考慮未來技術變更、業務發展及本集團之策略後作出估計。本集團會每年進行檢討以評估可使用年期是否適當。有關檢討應考慮情況或事件之任何不可預見逆轉，包括預測經營業績下降、行業或經濟趨勢逆轉及技術發展迅速。本集團會根據檢討結果延長或縮短可使用年期及／或計提減值撥備。

# 綜合財務報表附註

二零零八年三月三十一日

## 4 關鍵會計估計及判斷(續)

### (c) 非金融資產之減值

於各結算日，本集團會審閱內部及外來資料以識別下列資產可能減值或先前已確認之減值虧損不再存在或可能已經減少之跡象：

- 物業、廠房及設備
- 投資之按金
- 租賃土地及土地使用權
- 無形資產
- 於附屬公司之投資

倘有任何該等跡象存在，則資產之可收回金額會被評估。當資產之賬面值超過其可收回金額時，減值虧損會在損益表內確認。倘確定出現減值跡象，本集團須估計資產之可收回價值，即資產之公平值減出售成本或使用價值兩者之較高值。該等估算如出現任何變動，可能會導致於財務報表之資產賬面值出現重大變動。

## 5 營業額及分類資料

本集團主要從事設計、製造及銷售消費電子產品及塑膠產品。年內確認之收入如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
營業額		
消費電子產品	4,360,637	5,090,793
塑膠產品	3,252	5,101
	<b>4,363,889</b>	<b>5,095,894</b>

## 5 營業額及分類資料(續)

### (a) 主要報告形式－業務分類

本集團主要於中華人民共和國(「中國」)及香港從事兩類主要業務：

消費電子產品 — 設計、製造及銷售消費電子產品

塑膠產品 — 製造及銷售塑膠及包裝產品

本集團之內部分部交易主要包括附屬公司之間的塑膠產品。該等交易乃根據可從無關連之第三方獲得之正常商業條款及條件訂立。

分類資產主要包括物業、廠房及設備、租賃土地及土地使用權、無形資產、按金、存貨、應收款項及經營現金，但並不包括投資物業及持至到期日金融資產等項目。

分類負債包括經營負債，但不包括稅項及若干企業借貸等項目。

資本開支包括添置之物業、廠房及設備、投資物業、租賃土地及土地使用權及無形資產。

# 綜合財務報表附註

二零零八年三月三十一日

## 5 營業額及分類資料(續)

### (a) 主要報告形式－業務分類(續)

截至二零零八年及二零零七年三月三十一日止年度之分類業績及其他分類項目如下：

	本集團				本集團			
	二零零八年				二零零七年			
	消費 電子產品 千港元	塑膠產品 千港元	抵銷 千港元	本集團 千港元	消費 電子產品 千港元	塑膠產品 千港元	抵銷 千港元	本集團 千港元
分類營業額								
對外銷售	4,360,637	3,252	—	4,363,889	5,090,793	5,101	—	5,095,894
內部分部銷售	—	157,592	(157,592)	—	—	173,863	(173,863)	—
	4,360,637	160,844	(157,592)	4,363,889	5,090,793	178,964	(173,863)	5,095,894
分類業績	224,633	(97)		224,536	323,085	(242)		322,843
財務收入				23,082				32,791
財務成本				(8,009)				(19,584)
除所得稅前溢利				239,609				336,050
所得稅支出				(26,257)				(30,266)
本公司股東應佔溢利				213,352				305,784
資本開支	181,946	4,840		186,786	66,520	27,943		94,463
物業、廠房及設備折舊	52,342	13,372		65,714	53,651	14,189		67,840
租賃土地及土地使用 權攤銷	436	12		448	368	12		380
無形資產攤銷及撇銷	10,673	—		10,673	10,573	—		10,573
物業、廠房及設備 撇銷	—	—		—	17,907	1,279		19,186

# 綜合財務報表附註

二零零八年三月三十一日

## 5 營業額及分類資料(續)

### (a) 主要報告形式－業務分類(續)

於二零零八年及二零零七年三月三十一日分類資產及負債如下：

	本集團				本集團			
	二零零八年				二零零七年			
	消費 電子產品 千港元	塑膠產品 千港元	抵銷 千港元	本集團 千港元	消費 電子產品 千港元	塑膠產品 千港元	抵銷 千港元	本集團 千港元
分類資產	2,692,987	80,802	—	2,773,789	1,884,106	93,982	—	1,978,088
未分配企業資產				117,292				158,230
總資產				2,891,081				2,136,318
分類負債	1,187,700	10,227	—	1,197,927	534,364	11,305	—	545,669
未分配企業負債				116,102				34,886
總負債				1,314,029				580,555

### (b) 次要報告形式－地區分類

截至二零零八年及二零零七年三月三十一日止年度之分類營業額如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
北美洲	3,241,502	3,556,457
歐洲	691,792	1,099,795
亞洲	334,879	268,456
其他	95,716	171,186
	4,363,889	5,095,894

按地區分類作出之營業額分析乃根據付運目的地釐定。由於上述地區之溢利佔營業額比例並無大幅超出本集團整體溢利佔營業額之比例，因此並無編製按地區劃分之溢利貢獻。於截至二零零八年及二零零七年三月三十一日止年度，絕大部份資產及資本開支均於中國及香港境內動用。



# 綜合財務報表附註

二零零八年三月三十一日

## 6 其他收入

	本集團	
	二零零八年 千港元	二零零七年 千港元
投資物業之公平值收益(附註15)	23,662	10,770
投資物業之租金收入	3,881	3,643
銷售模具	454	941
其他	1,854	2,285
	<b>29,851</b>	<b>17,639</b>

## 7 按性質分類之開支

銷貨成本、銷售開支、行政開支及其他經營開支中所包括之開支分析如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
存貨成本	3,249,112	3,859,232
物業、廠房及設備折舊	65,714	67,840
租賃土地及土地使用權攤銷	448	380
無形資產攤銷	7,981	6,386
核數師酬金	2,033	1,935
物業、廠房及設備撇銷	—	19,186
無形資產撇銷	2,692	4,187
出售物業、廠房及設備虧損	588	1,213
土地及樓宇之經營租約租金	34,144	34,379
研發成本	24,302	24,241
僱員福利開支(包括董事酬金)(附註8)	<b>337,898</b>	<b>326,557</b>

## 8 僱員福利開支(包括董事酬金)

	本集團	
	二零零八年 千港元	二零零七年 千港元
工資及薪金	321,159	312,240
退休金成本—界定供款退休計劃(附註(a))	3,625	3,375
其他員工福利	13,114	7,378
終止僱傭福利	—	3,564
	<b>337,898</b>	<b>326,557</b>

## 8 僱員福利開支(包括董事酬金)(續)

附註：

### (a) 界定供款退休計劃

於二零零零年十二月一日前，本集團於香港為全部合資格僱員設立一項界定供款退休計劃(「職業退休計劃」)。本集團應付之供款率為個別僱員基本薪金之5%。

自二零零零年十二月一日，根據強制性公積金計劃(「強積金計劃」)條例成立之強積金計劃開始生效，適用於自願參與該計劃之現有員工及於該日或之後聘用之合資格員工。推行強積金計劃後，職業退休計劃仍維持運作。根據強積金計劃，合資格僱員及本集團須按僱員月薪之5%作出供款，每月供款上限為1,000港元。

本年度於綜合損益表扣除之職業退休計劃及強積金計劃供款約為3,625,000港元(二零零七年：3,375,000港元)。年內並無動用界定供款退休計劃之沒收供款。截至二零零七年三月三十一日止年度，已動用約88,000港元之沒收供款。於二零零八年及二零零七年三月三十一日，並無沒收之餘額可用作減少未來供款。

於年底時已向職業退休計劃及強積金計劃作出合共約632,000港元(二零零七年：558,000港元)之供款，並已包括在其他應付款項及應計費用內。

# 綜合財務報表附註

二零零八年三月三十一日

## 8 僱員福利開支(包括董事酬金)(續)

附註：(續)

### (b) 董事及高級管理層之薪酬

本公司各董事於截至二零零八年三月三十一日止年度之薪酬如下：

董事姓名	僱主對退休金				總額 千港元
	袍金 千港元	薪金 千港元	酌情花紅 千港元	計劃之供款 千港元	
梁劍文先生	—	3,657	5,864	157	9,678
梁偉成先生	—	3,657	6,246	157	10,060
郭冠文先生	—	1,539	3,495	66	5,100
黃保欣先生	120	—	—	—	120
李華明議員	120	—	—	6	126
劉宏業先生	120	—	—	6	126

本公司各董事於截至二零零七年三月三十一日止年度之薪酬如下：

董事姓名	僱主對退休金				總額 千港元
	袍金 千港元	薪金 千港元	酌情花紅 千港元	計劃之供款 千港元	
梁劍文先生	—	3,500	5,794	150	9,444
梁偉成先生	—	3,500	5,440	150	9,090
郭冠文先生	—	1,472	3,242	63	4,777
黃保欣先生	120	—	—	—	120
李華明議員	120	—	—	6	126
劉宏業先生	120	—	—	6	126

於截至二零零八年及二零零七年三月三十一日止年度，概無董事放棄薪酬，亦無向董事支付任何酬金作為招攬彼等加盟的費用或作為離職的賠償。

# 綜合財務報表附註

二零零八年三月三十一日

## 8 僱員福利開支(包括董事酬金)(續)

附註：(續)

### (c) 五位最高薪酬人士

本年度本集團五位最高薪酬人士包括三位(二零零七年：三位)董事，其酬金於上文呈列之分析內反映。年內應付其餘兩位(二零零七年：兩位)最高薪酬人士之酬金如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
基本薪酬、房屋津貼、其他津貼及實物利益	3,123	2,994
酌情花紅	10,584	9,675
退休金計劃供款	90	87
	<b>13,797</b>	<b>12,756</b>

所屬酬金組別分類如下：

	人數	
	二零零八年	二零零七年
酬金範圍		
3,000,001 港元－3,500,000 港元	1	1
9,000,001 港元－9,500,000 港元	—	1
10,000,001 港元－10,500,000 港元	1	—

### (d) 主要管理層之薪酬

	本集團	
	二零零八年 千港元	二零零七年 千港元
基本薪酬、房屋津貼、其他津貼及實物利益	11,976	11,466
酌情花紅	26,189	24,151
退休金計劃供款	470	450
	<b>38,635</b>	<b>36,067</b>

# 綜合財務報表附註

二零零八年三月三十一日

## 9 財務收入及財務成本

	本集團	
	二零零八年 千港元	二零零七年 千港元
財務收入：		
— 銀行利息收入	23,082	32,791
財務成本：		
— 於五年內悉數償還之銀行借貸及信託收據貸款利息支出	8,009	19,584

## 10 所得稅支出

香港利得稅乃根據本年度之估計應課稅溢利以 17.5% (二零零七年：17.5%) 之稅率撥備。海外溢利之稅款，則按照本年度估計應課稅溢利依本集團經營業務地區之現行稅率計算。

	本集團	
	二零零八年 千港元	二零零七年 千港元
即期所得稅		
— 香港利得稅	22,331	30,876
— 以往年度撥備超額	(70)	(305)
遞延所得稅 (附註 29)	3,996	(305)
	26,257	30,266

本集團就所得稅前溢利之應課稅項與採用香港稅率所計算之理論稅款差異如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
除所得稅前溢利	239,609	336,050
以稅率 17.5% (二零零七年：17.5%) 計算之稅項	41,932	58,809
其他國家不同稅率之影響	(285)	(226)
無須課稅之收入	(29,615)	(41,068)
不可扣稅之支出	12,220	10,715
往年度超額撥備	(70)	(305)
未有確認之稅損	2,075	2,341
稅項支出	26,257	30,266

# 綜合財務報表附註

二零零八年三月三十一日

## 11 本公司股東應佔溢利

於本公司財務報表內處理之本公司股東應佔溢利約為185,150,000港元(二零零七年：174,080,000港元)。

## 12 每股盈利

### 基本

每股基本盈利乃按本公司股東應佔溢利除以年內已發行普通股之加權平均數計算。

	本集團	
	二零零八年	二零零七年
本公司股東應佔溢利(千港元)	213,352	305,784
已發行普通股之加權平均數(千股)	560,403	561,152
每股基本盈利(港仙)	38.1	54.5

### 攤薄

每股攤薄盈利乃經調整已發行普通股之加權平均數而計算，以假設所有潛在攤薄普通股已獲轉換。

截至二零零八年及二零零七年三月三十一日止年度並無潛在具攤薄影響之普通股。因此，每股攤薄盈利與每股基本盈利相同。

## 13 股息

	本公司	
	二零零八年 千港元	二零零七年 千港元
已派付中期股息每股普通股9港仙 (二零零七年：9港仙)	50,476	50,513
擬派付末期股息每股普通股14港仙 (二零零七年：16港仙)	78,213	89,735
不派付末期特別股息 (二零零七年：每股普通股8港仙)	—	44,867
	128,689	185,115

於二零零八年七月十日舉行之會議上，董事建議派付末期股息每股普通股14港仙。該擬派股息並未作為應付股息計入此等財務報表內，但將反映為截至二零零九年三月三十一日止年度之保留盈利之一項分派。

# 綜合財務報表附註

二零零八年三月三十一日

## 14 物業、廠房及設備

(a) 本集團物業、廠房及設備變動詳情如下：

	本集團						
			租賃物業	傢俬、	廠房		
	樓宇	模具	裝修	裝置	及機器	汽車	總計
	千港元	千港元	千港元	及設備	千港元	千港元	千港元
於二零零六年四月一日							
成本	27,336	306,804	90,639	249,682	533,719	19,064	1,227,244
累積折舊及減值	(6,343)	(275,257)	(75,243)	(199,575)	(337,179)	(13,385)	(906,982)
賬面淨值	20,993	31,547	15,396	50,107	196,540	5,679	320,262
截至二零零七年三月三十一日止年度							
期初賬面淨值	20,993	31,547	15,396	50,107	196,540	5,679	320,262
增添	2,118	22,375	5,651	17,884	30,719	2,772	81,519
出售	-	-	(20)	(725)	(967)	(390)	(2,102)
折舊	(707)	(14,405)	(3,736)	(12,340)	(35,190)	(1,462)	(67,840)
撇銷	-	(9,034)	(3,716)	(3,556)	(2,880)	-	(19,186)
匯兌差額	63	-	(1)	69	-	15	146
期末賬面淨值	22,467	30,483	13,574	51,439	188,222	6,614	312,799
於二零零七年三月三十一日							
成本	29,518	328,342	95,739	257,483	552,759	18,848	1,282,689
累積折舊及減值	(7,051)	(297,859)	(82,165)	(206,044)	(364,537)	(12,234)	(969,890)
賬面淨值	22,467	30,483	13,574	51,439	188,222	6,614	312,799
截至二零零八年三月三十一日止年度							
期初賬面淨值	22,467	30,483	13,574	51,439	188,222	6,614	312,799
增添	-	22,080	2,255	27,110	44,714	2,275	98,434
出售	-	-	(4)	(337)	(252)	(259)	(852)
折舊	(747)	(12,311)	(2,954)	(13,151)	(35,074)	(1,477)	(65,714)
匯兌差額	177	-	40	280	-	16	513
期末賬面淨值	21,897	40,252	12,911	65,341	197,610	7,169	345,180
於二零零八年三月三十一日							
成本	29,700	347,971	98,073	279,549	592,617	19,412	1,367,322
累積折舊及減值	(7,803)	(307,719)	(85,162)	(214,208)	(395,007)	(12,243)	(1,022,142)
賬面淨值	21,897	40,252	12,911	65,341	197,610	7,169	345,180

# 綜合財務報表附註

二零零八年三月三十一日

## 14 物業、廠房及設備(續)

(b) 折舊開支包括於：

	本集團	
	二零零八年 千港元	二零零七年 千港元
銷貨成本	62,131	63,662
行政開支	3,583	4,178
	<b>65,714</b>	<b>67,840</b>

(c) 本集團於樓宇權益之賬面淨值分析如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
於香港按下列租約持有：		
租約逾 50 年	8,909	9,241
租約介乎 10 年至 50 年	317	328
於香港以外地區按下列租約持有：		
租約介乎 10 年至 50 年	12,671	12,898
	<b>21,897</b>	<b>22,467</b>

(d) 於二零零八年三月三十一日，銀行借貸以面值為 2,265,000 港元(二零零七年：2,155,000 港元)之樓宇抵押(附註 26)。

## 15 投資物業

	本集團	
	二零零八年 千港元	二零零七年 千港元
年初	46,830	36,060
公平值收益(附註 6)	23,662	10,770
年末	<b>70,492</b>	<b>46,830</b>

投資物業經由獨立專業合資格估值師利駿行測量師有限公司在二零零八年三月三十一日作出重估。所有物業之估值乃根據活躍市場之現行價格進行。



# 綜合財務報表附註

二零零八年三月三十一日

## 15 投資物業(續)

本集團於投資物業權益之賬面淨值分析如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
於香港按下列租約持有：		
租約逾50年	40,620	27,750
租約介乎10年至50年	29,872	19,080
	<b>70,492</b>	<b>46,830</b>

## 16 租賃土地及土地使用權

	本集團	
	二零零八年 千港元	二零零七年 千港元
年初賬面淨值	59,189	56,497
增添	-	2,984
攤銷	(448)	(380)
匯兌差額	250	88
年末賬面淨值	<b>58,991</b>	<b>59,189</b>

預付經營租賃租金之攤銷開支被計入：

	本集團	
	二零零八年 千港元	二零零七年 千港元
行政開支	448	380

本集團於租賃土地及土地使用權之權益指預付經營租賃租金，其賬面淨值分析如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
於香港按下列租約持有：		
租約逾50年	45,870	45,921
租約介乎10年至50年	453	465
於香港以外按下列租約持有：		
租約介乎10年至50年	12,668	12,803
	<b>58,991</b>	<b>59,189</b>

於二零零八年三月三十一日，銀行借貸以賬面值約為3,167,000港元(二零零七年：3,029,000港元)之租賃土地及土地使用權抵押(附註26)。

# 綜合財務報表附註

二零零八年三月三十一日

## 17 無形資產

	本集團	
	特許權 千港元 (附註(a))	遞延發展費用 千港元 總計 千港元
於二零零六年四月一日		
成本	—	69,566
累積攤銷	—	(62,769)
賬面淨值	—	6,797
截至二零零七年三月三十一日止年度		
於二零零六年四月一日	—	6,797
增添	—	9,960
撇銷	—	(4,187)
攤銷(附註(b))	—	(6,386)
於二零零七年三月三十一日	—	6,184
於二零零七年三月三十一日		
成本	—	67,188
累積攤銷	—	(61,004)
賬面淨值	—	6,184
截至二零零八年三月三十一日止年度		
於二零零七年四月一日	—	6,184
增添	78,000	10,352
撇銷	—	(2,692)
攤銷(附註(b))	(1,950)	(6,031)
於二零零八年三月三十一日	76,050	7,813
於二零零八年三月三十一日		
成本	78,000	66,697
累積攤銷	(1,950)	(58,884)
賬面淨值	76,050	83,863

# 綜合財務報表附註

二零零八年三月三十一日

## 17 無形資產(續)

附註：

- (a) 於二零零八年一月一日，本集團與獨立外來人士訂立特許協議，以預付費用約78,000,000港元及未來品牌推廣開支，於其影音產品使用已確立之商標。
- (b) 特許權及遞延發展費用之攤銷開支被計入：

	本集團	
	二零零八年 千港元	二零零七年 千港元
銷貨成本	7,981	6,386

## 18 於附屬公司之投資

	本公司	
	二零零八年 千港元	二零零七年 千港元
非上市股份，按成本(附註(a))	67,586	67,586
應收附屬公司款項(附註(b))	283,249	289,373
	350,835	356,959

附註：

- (a) 主要附屬公司之詳情載列於綜合財務報表附註35。
- (b) 應收附屬公司款項為無抵押及免息。本公司已確認其無意於結算日起12個月內收回該等金額。於報告日期須承受之最高信貸風險為上述應收附屬公司款項之公平值。

# 綜合財務報表附註

二零零八年三月三十一日

## 19 按類別劃分之金融工具

	本集團		
	貸款及 應收款項 千港元	持至到期日 金融資產 千港元	總計 千港元
於綜合資產負債表之資產			
於二零零七年三月三十一日			
持至到期日金融資產(附註20)	–	111,400	111,400
應收貿易及其他賬款(附註23)	305,278	–	305,278
現金及現金等值(附註24)	892,794	–	892,794
合計	1,198,072	111,400	1,309,472

於二零零八年三月三十一日			
持至到期日金融資產(附註20)	—	46,800	46,800
應收貿易及其他賬款(附註23)	569,970	—	569,970
現金及現金等值(附註24)	358,669	—	358,669
合計	928,639	46,800	975,439

	本集團	
	千港元	
於綜合資產負債表之負債		
於二零零七年三月三十一日		
應付貿易及其他賬款(附註25)		545,669
借貸(附註26)		3,553
合計		549,222
於二零零八年三月三十一日		
應付貿易及其他賬款(附註25)		756,952
信託收據貸款		440,975
借貸(附註26)		65,591
合計		1,263,518

# 綜合財務報表附註

二零零八年三月三十一日

## 19 按類別劃分之金融工具(續)

	本公司 千港元
於資產負債表之資產	
於二零零七年三月三十一日	
其他應收款項、預付款項及按金	105
現金及現金等值(附註24)	1,215
合計	1,320
於二零零八年三月三十一日	
其他應收款項、預付款項及按金	112
現金及現金等值(附註24)	48
合計	160
	本公司 千港元
於資產負債表之負債	
於二零零七年三月三十一日	
其他應付款項及應計費用	2,414
於二零零八年三月三十一日	
其他應付款項及應計費用	1,502

## 20 持至到期日金融資產

	本集團	
	二零零八年 千港元	二零零七年 千港元
香港之結構性銀行存款	46,800	111,400

持至到期日金融資產之變動如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
年初	111,400	110,887
已到期存款	(64,600)	—
匯兌差額	—	513
年末	46,800	111,400

# 綜合財務報表附註

二零零八年三月三十一日

## 20 持至到期日金融資產(續)

持至到期日金融資產乃以下列貨幣計值：

	本集團	
	二零零八年 千港元	二零零七年 千港元
港元	-	10,000
美元	46,800	101,400
	46,800	111,400

該等投資按兩間(二零零七年：三間)銀行提供之不同利率賺取利息，有關利息每半年派付一次，到期日為二零零九年十二月至二零一三年八月(二零零七年：二零零七年七月至二零一三年八月)。該等金融資產之公平值與其賬面值並無顯著差別。

於報告日期，須承受之最高信貸風險為持至到期日金融資產之賬面值。於二零零八年及二零零七年三月三十一日，並無就持至到期日金融資產之減值計提撥備。

## 21 投資之按金

於二零零七年十一月，本集團與兩名其他獨立訂約方精電國際有限公司及元太科技工業股份有限公司合組財團，以遞交有關按約2,046,831,000港元之總代價收購BOE Hydys Technology Co. Ltd. (「BOE Hydys」)約95%股本權益及若干公司債券之正式標書。BOE Hydys為一間於韓國註冊成立之公司，其主要業務為開發、製造及供應薄膜電晶體液晶顯示器(TFT-LCD)產品。本集團須付之11%總代額為約225,151,000港元。截至二零零八年三月三十一日止年度，本集團已支付約23,833,000港元，以作為收購事項之按金。有關於結算日後完成收購事項之詳情已披露於財務報表附註34。

## 22 存貨

	本集團	
	二零零八年 千港元	二零零七年 千港元
原料	758,841	185,990
在製品	33,831	23,194
製成品	540,611	192,660
	1,333,283	401,844

確認為開支並計入銷貨成本之存貨成本約達3,249,112,000港元(二零零七年：3,859,232,000港元)。

# 綜合財務報表附註

二零零八年三月三十一日

## 23 應收貿易及其他賬款

	本集團	
	二零零八年 千港元	二零零七年 千港元
應收貿易賬款	544,180	291,006
預付款項及按金	25,790	14,272
	569,970	305,278

向客戶提供之信貸條款一般視乎個別客戶之財務實力而定。為求有效管理有關應收貿易賬款之信貸風險，本集團定期對客戶進行信貸評估。

應收貿易及其他賬款之公平值與其賬面值相若。

於二零零八年及二零零七年三月三十一日，根據發票日期之應收貿易賬款之賬齡分析如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
0－30日	337,191	209,323
31－60日	159,990	79,160
61－90日	45,479	48
超過90日	1,520	2,475
	544,180	291,006

非到期或減值之應收貿易賬款之信貸質素可參照有關交易對手違約率之歷史資料進行評估：

	本集團	
	二零零八年 千港元	二零零七年 千港元
並無外界信貸評級之交易對手		
－ 新客戶(六個月內)	9,365	6
－ 於過往並無違約之客戶(六個月以上)	534,815	291,000
	544,180	291,006

於二零零八年及二零零七年三月三十一日，並無已逾期但未減值之應收貿易賬款。

# 綜合財務報表附註

二零零八年三月三十一日

## 23 應收貿易及其他賬款(續)

該等應收貿易賬款之賬面值以下列貨幣計值：

	本集團	
	二零零八年 千港元	二零零七年 千港元
美元	458,599	276,778
加拿大元	79,693	13,330
港元	5,888	898
	544,180	291,006

於二零零八年及二零零七年三月三十一日，並無就應收貿易賬款計提撥備。於應收貿易及其他賬款內之其他類別款項並無包括已減值資產。

於報告日期，須承受之最高信貸風險為上述各類應收款項之公平值。本集團並無持有任何抵押品作擔保。

## 24 現金及現金等值

	本集團		本公司	
	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元
現金及銀行存款	114,460	124,672	48	1,215
短期銀行存款	244,209	768,122	—	—
	358,669	892,794	48	1,215
須承受之最高信貸風險	357,050	891,639	48	1,215

現金及現金等值以下列貨幣計值：

	本集團		本公司	
	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元
港元	14,850	650,508	48	1,215
美元	337,319	236,277	—	—
其他	6,500	6,009	—	—
	358,669	892,794	48	1,215



# 綜合財務報表附註

二零零八年三月三十一日

## 25 應付貿易及其他賬款

	本集團	
	二零零八年 千港元	二零零七年 千港元
應付貿易賬款	478,998	288,436
其他應付款項及應計費用	277,954	257,233
	<b>756,952</b>	<b>545,669</b>

於二零零八年及二零零七年三月三十一日，根據發票日期之應付貿易賬款之賬齡分析如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
0－30日	243,775	214,665
31－60日	124,987	48,979
61－90日	85,870	23,904
超過90日	24,366	888
	<b>478,998</b>	<b>288,436</b>

該等應付貿易賬款之賬面值以下列貨幣計值：

	本集團	
	二零零八年 千港元	二零零七年 千港元
港元	119,147	110,774
美元	357,053	176,453
其他	2,798	1,209
	<b>478,998</b>	<b>288,436</b>

# 綜合財務報表附註

二零零八年三月三十一日

## 26 借貸

	本集團	
	二零零八年 千港元	二零零七年 千港元
非流動		
銀行借貸，有抵押(附註(b))	2,483	2,905
流動		
銀行借貸，有抵押(附註(b))	708	648
銀行借貸，無抵押(附註(a))	62,400	—
	63,108	648
借貸總額	65,591	3,553

附註：

- (a) 銀行借貸為無抵押並受本公司提供之公司擔保支持(附註31及32)。該貸款以美元計算。利息乃以高於三個月倫敦銀行同業拆息之利率計算。
- (b) 銀行借貸以本集團之樓宇及租賃土地及土地使用權為抵押(附註14及16)。該借貸以人民幣計算。利息乃以中國人民銀行所釐定之人民幣借貸基準利率計算。

銀行借貸之到期日如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
一年以內	63,108	648
一至兩年	765	661
二至五年	1,718	2,244
	65,591	3,553

銀行借貸之賬面值約等於其公平值。

該等借貸之賬面值以下列貨幣計值：

	本集團	
	二零零八年 千港元	二零零七年 千港元
美元	62,400	—
人民幣	3,191	3,553
	65,591	3,553

# 綜合財務報表附註

二零零八年三月三十一日

## 27 股本

	本公司	
	股份數目 (千股)	普通股 千港元
法定股本： 每股面值0.10港元之普通股		
於二零零八年及二零零七年三月三十一日	800,000	80,000
已發行及繳足股本： 每股面值0.10港元之普通股		
於二零零六年四月一日	561,252	56,125
回購本公司股份(附註(a))	(410)	(41)
於二零零七年三月三十一日	560,842	56,084
於二零零七年四月一日	560,842	56,084
回購本公司股份(附註(a))	(2,174)	(217)
於二零零八年三月三十一日	558,668	55,867

附註：

(a) 回購本公司股份

於二零零六年十二月及二零零七年一月，本公司以總金額約1,387,000港元於香港聯合交易所有限公司回購每股面值0.10港元之410,000股股份，其每股價格介乎3.36港元至3.46港元。該等股份其後被註銷。

於二零零八年一月，本公司以總金額約5,720,000港元於香港聯合交易所有限公司回購每股面值0.10港元之1,920,000股股份，其每股價格介乎2.67港元至3.15港元。該等股份其後被註銷。

於二零零八年二月，本公司以總金額約734,000港元於香港聯合交易所有限公司回購每股面值0.10港元之254,000股股份，其每股價格介乎2.89港元至2.92港元。該等股份其後被註銷。

# 綜合財務報表附註

二零零八年三月三十一日

## 28 儲備

	本集團				
	股份溢價 千港元	股本 贖回儲備 千港元	匯兌儲備 千港元	保留溢利 千港元	總計 千港元
於二零零六年四月一日	253,894	481	(601)	1,116,138	1,369,912
貨幣匯兌差額	–	–	(683)	–	(683)
本年度溢利	–	–	–	305,784	305,784
回購本公司股份	(1,346)	41	–	(41)	(1,346)
二零零七年中期股息	–	–	–	(50,513)	(50,513)
二零零六年末期及末期特別股息	–	–	–	(123,475)	(123,475)
於二零零七年三月三十一日	252,548	522	(1,284)	1,247,893	1,499,679
代表：					
擬派股息					134,602
儲備					1,365,077
於二零零七年三月三十一日					1,499,679
於二零零七年四月一日	252,548	522	(1,284)	1,247,893	1,499,679
貨幣匯兌差額	–	–	(531)	–	(531)
本年度溢利	–	–	–	213,352	213,352
回購本公司股份	(6,237)	217	–	(217)	(6,237)
二零零八年中期股息	–	–	–	(50,476)	(50,476)
二零零七年末期及末期特別股息	–	–	–	(134,602)	(134,602)
於二零零八年三月三十一日	246,311	739	(1,815)	1,275,950	1,521,185
代表：					
擬派股息					78,213
儲備					1,442,972
於二零零八年三月三十一日					1,521,185

# 綜合財務報表附註

二零零八年三月三十一日

## 28 儲備(續)

	本公司				
	股份溢價 千港元	股本 贖回儲備 千港元	繳入盈餘 千港元	保留溢利 千港元	總計 千港元
於二零零六年四月一日	253,894	481	40,586	6,084	301,045
本年度溢利	—	—	—	174,080	174,080
回購本公司股份	(1,346)	41	—	(41)	(1,346)
二零零七年中期股息	—	—	—	(50,513)	(50,513)
二零零六年末期及末期特別股息	—	—	—	(123,475)	(123,475)
於二零零七年三月三十一日	252,548	522	40,586	6,135	299,791
代表：					
擬派股息					134,602
儲備					165,189
於二零零七年三月三十一日					299,791
於二零零七年四月一日	252,548	522	40,586	6,135	299,791
本年度溢利	—	—	—	185,150	185,150
回購本公司股份	(6,237)	217	—	(217)	(6,237)
二零零八年中期股息	—	—	—	(50,476)	(50,476)
二零零七年末期及末期特別股息	—	—	—	(134,602)	(134,602)
於二零零八年三月三十一日	246,311	739	40,586	5,990	293,626
代表：					
擬派股息					78,213
儲備					215,413
於二零零八年三月三十一日					293,626

附註：

因一九九二年十一月公司重組而產生本公司之繳入盈餘是指本公司所發行以交換 Alco Investments (B.V.I.) Limited 之已發行普通股之股份面值與於一九九二年十一月六日所收購之附屬公司資產淨值兩者之差額。根據百慕達一九八一年公司法(經修訂)，倘在有合理理由相信(i)該公司於支付股息後無能力或應無能力支付到期之負債；或(ii)該公司資產之可變現值將因而少於其負債、其已發行股本與股份溢價賬三者總和之情況下，公司不得宣派或派付股息，或從繳入盈餘中作出分派。

# 綜合財務報表附註

二零零八年三月三十一日

## 29 遞延所得稅

遞延所得稅採用負債法就暫時差異按主要稅率 17.5% (二零零七年：17.5%) 全數計算。

當具有合法可行權利將即期稅項資產與即期稅項負債相抵銷，且遞延所得稅涉及同一稅收機關，則遞延稅項資產及負債可予抵銷。抵銷金額如下：

		本集團	
		二零零八年 千港元	二零零七年 千港元
須於十二個月後支付之遞延所得稅負債		33,132	30,319
須於十二個月後收回之遞延所得稅資產		(1,277)	(2,460)
		31,855	27,859

遞延所得稅賬目之變動如下：

		本集團	
		二零零八年 千港元	二零零七年 千港元
年初		27,859	28,164
於綜合損益表內確認 (附註 10)		3,996	(305)
年末		31,855	27,859

遞延所得稅資產及負債於年內之變動並無計入於同一稅務司法權區抵銷之餘額，詳情如下：

遞延所得稅(資產)/負債

		本集團											
		稅收虧損		加速稅項折舊		遞延發展費用		重估物業		其他		總計	
		二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元
年初		(2,460)	(1,530)	27,767	28,428	685	801	1,775	-	92	465	27,859	28,164
於綜合損益表內確認		1,183	(930)	330	(661)	42	(116)	2,441	1,775	-	(373)	3,996	(305)
年末		(1,277)	(2,460)	28,097	27,767	727	685	4,216	1,775	92	92	31,855	27,859

# 綜合財務報表附註

二零零八年三月三十一日

## 29 遞延所得稅(續)

倘本集團之稅項虧損結轉有可能透過日後應課稅溢利中變現，則結轉之稅項虧損可確認為遞延所得稅資產。可結轉而用作抵銷日後應課稅溢利之稅項虧損約為23,686,000港元(二零零七年：13,235,000港元)，而本集團並無確認由此稅項虧損所產生之約7,225,000港元(二零零七年：5,150,000港元)遞延所得稅資產。於該可結轉之稅項虧損當中，約5,569,000港元(二零零七年：零)之未確認稅項虧損並無屆滿日期，而餘下結餘則將於二零一八年(二零零七年：二零一七年)或之前於不同日期屆滿。

## 30 經營(所用)/產生之現金

	本集團	
	二零零八年 千港元	二零零七年 千港元
除所得稅前溢利	239,609	336,050
利息收入	(23,082)	(32,791)
銀行借貸及信託收據貸款利息開支	8,009	19,584
無形資產攤銷	7,981	6,386
無形資產撇銷	2,692	4,187
出售物業、廠房及設備之虧損	588	1,213
物業、廠房及設備折舊	65,714	67,840
租賃土地及土地使用權攤銷	448	380
物業、廠房及設備之撇銷	—	19,186
投資物業公平值收益	(23,662)	(10,770)
營運資金變動前之經營溢利	278,297	411,265
存貨(增加)/減少	(931,439)	216,561
應收貿易及其他賬款之(增加)/減少	(264,692)	108,232
應付貿易及其他賬款之增加/(減少)	226,801	(253,338)
信託收據貸款增加/(減少)	440,975	(139,978)
經營(所用)/產生之現金—淨額	(250,058)	342,742

於綜合現金流量表，銷售物業、廠房及設備之所得款項包括：

	本集團	
	二零零八年 千港元	二零零七年 千港元
賬面淨值(附註14)	852	2,102
出售物業、廠房及設備之虧損	(588)	(1,213)
出售物業、廠房及設備之所得款項	264	889

# 綜合財務報表附註

二零零八年三月三十一日

## 31 銀行信貸

於二零零八年三月三十一日，若干銀行向本集團授出銀行信貸約21億5千2百萬港元(二零零七年：17億2千萬港元)，其中本集團已動用5億零7百萬港元(二零零七年：4百萬港元)。於該等銀行信貸中，約21億4千9百萬港元(二零零七年：17億1千6百萬港元)乃由本公司提供之公司擔保支持及約3百萬港元(二零零七年：4百萬港元)以本集團賬面值為約5百萬港元(二零零七年：5百萬港元)之若干資產作為抵押(附註14及16)。

## 32 財務擔保

本公司已向若干銀行出具公司擔保以為其若干附屬公司取得一般銀行信貸(附註26)。董事認為該等擔保之公平值並非重大。

## 33 承擔

### (a) 資本承擔

	本集團	
	二零零八年 千港元	二零零七年 千港元
已訂約但未撥備之模具、廠房及機器	334	859

### (b) 經營租約承擔(作為承租人)

就土地及樓宇之不可撤銷經營租約之未來須繳付最低租約款項總額如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
一年內	33,996	15,331
一年後但於五年內	43,613	33,094
五年後	10,890	13,026
	88,499	61,451



# 綜合財務報表附註

二零零八年三月三十一日

## 33 承擔(續)

### (c) 經營租約承擔(作為出租人)

本集團根據不可撤銷經營租約租賃不同物業。租約具有不同條款、價格調整條款及續期權利。

就土地及樓宇之不可撤銷經營租約之未來可收取之最低租金總額如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
一年內	1,491	2,469
一年後但於五年內	454	536
	1,945	3,005

租約條款為期一年至三年。

## 34 結算日後事項

於二零零八年五月，本集團支付餘下約201,318,000港元之金額，並完成收購BOE Hydys之權益及公司債券(附註21)。約225,151,000港元之總代價相當於收購BOE Hydys約10.42%權益(價值約135,091,000港元)及BOE Hydys發行以年息4厘計息之五年期公司債券(價值約90,060,000港元)。

# 綜合財務報表附註

二零零八年三月三十一日

## 35 主要附屬公司

於二零零八年三月三十一日，本公司於下列主要附屬公司持有權益：

名稱	註冊成立/ 成立地點	已發行及 繳足股本/ 註冊資本	本公司持有之 股權百分比		主要業務
			直接	間接	
Alco Investments (B.V.I.) Limited	英屬處女群島	普通股 50,000 美元	100	—	投資控股及 向其附屬公司 提供管理服務
力行包裝有限公司	香港	普通股 500,000 港元	—	100	製造及銷售 發泡膠及包裝產品
愛高數碼有限公司	香港	普通股 1,000,000 港元	—	100	銷售電子產品及軟件開發
Alco Electronics Inc.	加拿大	普通股 500,000 加元	—	100	銷售消費電子產品
愛高電業有限公司	香港	普通股 1,000 港元  無投票權遞延股 5,000,000 港元	—	100	設計、製造及銷售 消費電子產品
愛高電子(深圳) 有限公司 <sup>1</sup>	中國	註冊資本 21,000,000 港元	—	100	提供設計及 物流服務予集團公司
愛高國際有限公司	香港	普通股 500,000 港元	—	100	銷售消費電子產品
愛高塑膠製品廠有限公司	香港	普通股 3,000,000 港元	—	100	製造及銷售塑膠製品
愛高產業有限公司	香港	普通股 10,000 港元	—	100	物業投資
愛高科技有限公司	香港	普通股 10,000 港元	—	100	投資控股

# 綜合財務報表附註

二零零八年三月三十一日

## 35 主要附屬公司(續)

名稱	註冊成立/ 成立地點	已發行及 繳足股本/ 註冊資本	本公司持有之 股權百分比		主要業務
			直接	間接	
雅龍國際有限公司	香港	普通股 10,000 港元	—	100	銷售消費電子產品
迅達工業有限公司	香港	普通股 400,000 港元	—	100	製造消費電子產品
Multimedia Devices Limited	香港	普通股 1,000,000 港元	—	100	銷售消費電子產品

附註：

1 代表外商獨資企業。

上表列載了董事會認為對年度業績造成重大影響或組成本集團資產淨值主要部份之本公司主要附屬公司於二零零八年三月三十一日之詳情。董事會認為列載其他附屬公司之詳情將導致篇幅過於冗長。

## 36 比較數字

若干比較數字經已重新分類，以符合本年度之呈報方式。

# 主要物業

二零零八年三月三十一日

## 持作投資之主要物業

地點	地段編號	類別	租約屆滿年期
香港 新界葵涌 葵德街 15-33 號 葵德工業中心 1 座 7 樓 A 至 J 工場	葵涌市鎮 第 322、323 及 324 號地段	工業出租	中期
香港 新界元朗 錦田吳家村 錦上路 丈量約份 106 號 第 593 及 595 號地段	丈量約份 106 號 第 593 及 595 號地段	工業出租	中期
香港 鰂魚涌英皇道 1067 號 仁孚工業大廈 9 樓	鰂魚涌海旁地段 E 段第 2 分段及 其伸延部份	工業出租	長期

# 五年財務概要

本集團最近五個財政年度之業績以及資產與負債概要如下：

	二零零八年 千港元	二零零七年 千港元	二零零六年 千港元	二零零五年 千港元	二零零四年 千港元
營業額	<b>4,363,889</b>	5,095,894	4,876,788	5,389,124	3,814,781
本公司股東應佔溢利	<b>213,352</b>	305,784	283,475	239,716	150,267
總資產	<b>2,891,081</b>	2,136,318	2,590,990	2,210,074	2,025,738
總負債	<b>(1,314,029)</b>	(580,555)	(1,164,953)	(925,360)	(898,864)
總權益	<b>1,577,052</b>	1,555,763	1,426,037	1,284,714	1,126,874

