

KB 建滔化工集團

KINGBOARD CHEMICAL HOLDINGS LIMITED

Stock Code 股份代號：148



Annual Report
2007 年報

Contents 目錄

Company Information	公司資料	02
Financial Highlights	財務摘要	04
Chairman's Statement	主席報告	05
Directors' and Senior Management's Biographical Details	董事及高級管理人員之資歷	16
Directors' Report	董事會	

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Cheung King-kei (Chairman)
Mr. Cheung King-yeung (Managing Director)
Mr. Cheung King-yeung
Mr. Cheung King-yeung
Mr. Ho Siu-sang
(於二零零七年一月十一日獲委任)
Mrs. Cheung Lillian Shiu
(於二零零七年一月十一日獲委任)
Mr. Michael Hui, Chairman

Independent Non-Executive Directors

Mr. Cheung Mui-fu, P.O.
Mr. Cheung Ching-chung, Chairman
(於二零零七年一月十一日獲委任)
Mr. Tang Kam-hui
Mr. Ho Siu-tung

COMPANY SECRETARY AND QUALIFIED ACCOUNTANT

Mr. Leung Luen-choi

PRINCIPAL BANKERS

Bank of America, N.A.
Bank of Communications, Hong Kong Branch
Cheong Cheuk-yeung Bank
Citibank, N.A.
DBS Bank, Hong Kong Branch
The Hongkong & Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited

AUDITOR

Deloitte Touche Tohmatsu
Chartered Accountants

董事會

執行董事

張國榮先生(主席)
陳永鋐先生(董事總經理)
張廣軍先生
鄭永耀先生
何燕生先生
(於二零零七年一月十一日獲委任)
張偉連女士
(於二零零七年一月十一日獲委任)
莫漢雄先生

獨立非執行董事

鄭明訓先生
鄭維志先生
(於二零零七年七月十一日獲委任)

KR

Kingboard

www.kingboard.com

Kingboard

Kingboard



Chairman's Statement

主席報告

BUSINESS REVIEW

本人欣然公佈，建滔化工集團（「集團」）於截至二零零七年十二月三十一日止財政年度，再次錄得破紀錄之全年業績，營業額及純利均創新高。集團能取得此豐碩成果，有賴全體員工上下共同努力，克服充滿挑戰的經營環境。集團在年終業務環境顯著轉弱時，仍能保持穩健的經營表現，實屬難能可貴。

回顧過去一年，集團在多個方面均取得顯著進展。在業務發展方面，集團繼續擴大其產品組合，並加強其在各個市場的競爭力。在財務表現方面，集團保持了穩健的財務狀況，並實現了持續的盈利增長。此外，集團還加強了其在人才培訓和技術研發方面的投入，為未來的可持續發展奠定了堅實的基礎。

在業務發展方面，集團繼續擴大其產品組合，並加強其在各個市場的競爭力。在財務表現方面，集團保持了穩健的財務狀況，並實現了持續的盈利增長。此外，集團還加強了其在人才培訓和技術研發方面的投入，為未來的可持續發展奠定了堅實的基礎。

在業務發展方面，集團繼續擴大其產品組合，並加強其在各個市場的競爭力。在財務表現方面，集團保持了穩健的財務狀況，並實現了持續的盈利增長。此外，集團還加強了其在人才培訓和技術研發方面的投入，為未來的可持續發展奠定了堅實的基礎。

業務回顧

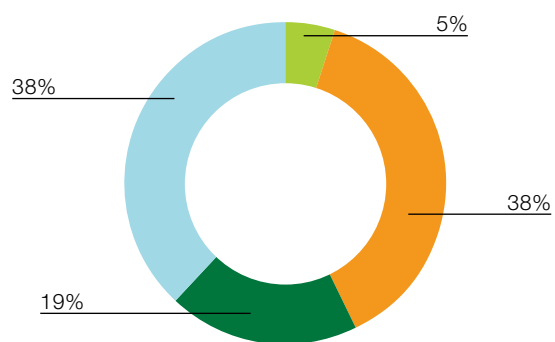
本人欣然公佈，建滔化工集團（「集團」）於截至二零零七年十二月三十一日止財政年度，再次錄得破紀錄之全年業績，營業額及純利均創新高。集團能取得此豐碩成果，有賴全體員工上下共同努力，克服充滿挑戰的經營環境。集團在年終業務環境顯著轉弱時，仍能保持穩健的經營表現，實屬難能可貴。

Chairman's Statement 主席報告

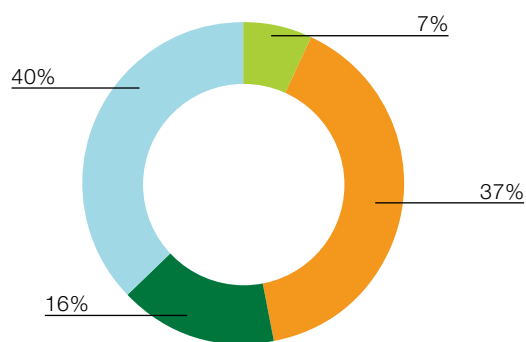
FINANCIAL HIGHLIGHTS

Return to shareholders 19%
HK\$

Revenue Breakdown by Product 營業額分佈



FY 2007
二零零七年財政年度



FY 2006
二零零六年財政年度

 Laminates
覆銅面板

 Chemicals
化工產品

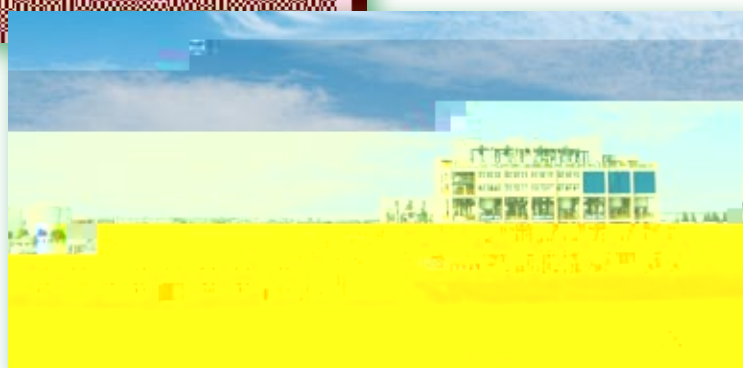
 Printed Circuit Boards
印刷線路板

 Others
其他

Chairman's Statement 主席報告

Performance

Throughout the year, management has continued to focus on the growth of the Group's core businesses, while also exploring new opportunities for expansion. In 2007, the Group's operating income increased by 18% to HK\$10,276.2 million, compared with HK\$8,712.8 million in 2006. The Group's net profit after tax increased by 13% to HK\$2,126.8 million, compared with HK\$1,881.2 million in 2006. The Group's return on equity increased by 8.3 percentage points to 13.5%, compared with 5.2% in 2006. The Group's return on assets increased by 0.5 percentage points to 8.3%, compared with 7.8% in 2006. The Group's return on capital employed increased by 0.5 percentage points to 11.8%, compared with 11.3% in 2006. The Group's return on investment increased by 0.5 percentage points to 11.8%, compared with 11.3% in 2006. The Group's return on assets before depreciation and amortization increased by 0.5 percentage points to 11.8%, compared with 11.3% in 2006. The Group's return on assets before depreciation and amortization increased by 0.5 percentage points to 11.8%, compared with 11.3% in 2006. The Group's return on assets before depreciation and amortization increased by 0.5 percentage points to 11.8%, compared with 11.3% in 2006.



Chairman's Statement 主席報告

印刷線路板（PCB）方面，二零零七年上半年略為放緩。然而，隨著電腦市場於下半年出現強勁反彈，加上電子消費品及汽車行業平穩增長，印刷線路板部門的收入增加14%至七十六億零一百二十萬港元。然而，未扣除利息及稅項之盈利則為五億七千八百六十萬港元，較上一財政年度下降16%，盈利下降是由於（一）原料價格大幅波動；（二）依利安達的毛利下降；（三）依利安達的毛利下降；（四）依利安達的毛利下降。K... E & E ; () ... h r-sh h r.

印刷線路板部門方面，電腦及周邊行業需求在二零零七年上半年略為放緩。然而，隨著電腦市場於下半年出現強勁反彈，加上電子消費品及汽車行業平穩增長，印刷線路板部門的收入增加14%至七十六億零一百二十萬港元。然而，未扣除利息及稅項之盈利則為五億七千八百六十萬港元，較上一財政年度下降16%，盈利下降是由於（一）原料價格大幅波動；（二）依利安達的毛利下降；（三）依利安達的毛利下降；（四）依利安達的毛利下降。K... E & E ; () ... h r-sh h r.

E & E T h-s r r
h-s
依利安達及科惠積極參與展覽會。



Chairman's Statement 主席報告

Our chairman, Mr. Chen, is a member of the Board of Directors. He is also the Chairman of the Board of Directors of Kingboard Chemical Group.

位於重慶之天然氣甲醇廠為集團帶來另一增長動力。

Kingboard Chemical Group

The Group's operating results for the year ended 31 December 2007 are summarized in the following table. The Group's revenue increased by 35% to HK\$5,425.7 million from HK\$4,015.7 million in 2006. The Group's EBITDA increased by 92% to HK\$658.1 million from HK\$342.8 million in 2006. The Group's EBIT increased by 102% to HK\$542.8 million from HK\$268.7 million in 2006. The Group's net profit increased by 102% to HK\$428.1 million from HK\$211.8 million in 2006. The Group's cash and cash equivalents increased by 102% to HK\$1,234.5 million from HK\$611.1 million in 2006. The Group's capital expenditure was HK\$1,234.5 million in 2007, compared with HK\$611.1 million in 2006. The Group's dividend was HK\$1,234.5 million in 2007, compared with HK\$611.1 million in 2006. The Group's total assets were HK\$1,234.5 million in 2007, compared with HK\$611.1 million in 2006. The Group's total liabilities were HK\$1,234.5 million in 2007, compared with HK\$611.1 million in 2006. The Group's net assets were HK\$1,234.5 million in 2007, compared with HK\$611.1 million in 2006. The Group's return on equity was 102% in 2007, compared with 102% in 2006. The Group's return on capital employed was 102% in 2007, compared with 102% in 2006. The Group's return on assets was 102% in 2007, compared with 102% in 2006. The Group's return on investment was 102% in 2007, compared with 102% in 2006. The Group's return on capital was 102% in 2007, compared with 102% in 2006. The Group's return on equity was 102% in 2007, compared with 102% in 2006. The Group's return on capital employed was 102% in 2007, compared with 102% in 2006. The Group's return on assets was 102% in 2007, compared with 102% in 2006. The Group's return on investment was 102% in 2007, compared with 102% in 2006. The Group's return on capital was 102% in 2007, compared with 102% in 2006.

在二零零七年，集團的化工部門繼續受惠於過去數年持續進行的投資，取得極其驕人的業績。二零零七年營業額較上年攀升35%，至五十四億二千五百七十萬港元，未扣除利息及稅項之盈利較上年增長92%，至六億五千八百一十萬港元。由於中國焦炭行業持續進行整合，為供應商提供了一個較有利的經營環境，河北省焦炭／甲醇廠因而取得驕人佳績，未扣除利息及稅項之盈利較二零零六年大幅上升102%。

Chairman's Statement 主席報告

LIQUIDITY AND CAPITAL RESOURCES

Our current ratio is 1.89 (31 December 2006: 2.90). As at 31 December 2007, the current ratio is 1.89 (31 December 2006: 2.90). The current ratio is calculated as current assets divided by current liabilities. The current assets are HK\$6,377.6 million (31 December 2006: HK\$9,467.1 million).

The net operating cycle is 96 days (31 December 2006: 84 days). The net operating cycle is calculated as the sum of the inventory turnover period and the trade receivables turnover period, less the trade payables turnover period.

The inventory turnover period is 64 days (31 December 2006: 73 days).

The trade receivables turnover period is 90 days (31 December 2006: 97 days).

The trade payables turnover period is 70 days (31 December 2006: 74 days).

流動資金及財務狀況

集團的財務狀況持續保持穩健。集團於二零零七年十二月三十一日之流動資產淨值約為六十三億七千七百六十萬港元(二零零六年十二月三十一日：九十四億六千七百一十萬港元)，流動比率則為1.89(二零零六年十二月三十一日：2.90)。

淨營運資金週轉期由二零零六年十二月三十一日的九十六日縮短至二零零七年十二月三十一日的八十四日，細分如下：

— 存貨週轉期縮短至六十四日(二零零六年十二月三十一日：七十三日)

— 貿易應收款項的週轉期改善至九十日(二零零六年十二月三十一日：九十七日)

— 貿易及票據應付帳款的週轉期縮短至七十日(二零零六年十二月三十一日：七十四日)

Chairman's Statement 主席報告

HUMAN RESOURCES

As at 31 December 2007, the Group had employed 47,200 (31 December 2006: 42,900). The increase in the number of employees was mainly due to the expansion of the Group's business. The Group has provided competitive remuneration packages to its employees and will continue to attract and retain top talent to support its business growth.

人力資源

於二零零七年十二月三十一日，集團在全球合共聘用員工約47,200人（二零零六年十二月三十一日：42,900人），員工人數增加主要為配合集團業務擴展之步伐。集團除了提供具競爭力的薪酬待遇外，亦會根據公司整體財政狀況和個別員工的表現，發放優先購股權，以吸引和挽留人才，支持集團業務發展。



The above is the Group's new factory in Hengyang, Hunan Province, which is a new driving force for the Group's business development.

PROSPECTS

2008 marks the 20th anniversary of the Group's establishment in Hong Kong. The Group has achieved significant milestones in its 20-year history, and we are confident about the future prospects. The Group will continue to focus on its core business and expand its market presence. We will also continue to invest in research and development to enhance our technological capabilities. The Group's strong financial position and experienced management team provide a solid foundation for our future growth.

Chairman's Statement 主席報告

Dear Shareholders, 2008 is a year of challenges and opportunities. The global financial crisis has led to a significant decline in demand for覆銅板 (Copper Clad Board) in the domestic market. However, the company has successfully diversified its product lines and expanded its international market presence. In 2008, the company's total revenue reached 11.3 million, an increase of 9.3% compared to 2007. The company's operating profit was 1.2 million, an increase of 15.2% compared to 2007. The company's net profit was 0.8 million, an increase of 10.1% compared to 2007. The company's cash and cash equivalents were 2.5 million at the end of 2008, an increase of 5.1% compared to 2007. The company's financial position is strong and stable. The company's management team is committed to providing high-quality products and services to our customers. We will continue to invest in research and development to improve our products and expand our market presence. We will also continue to diversify our product lines and expand our international market presence. We will continue to provide high-quality products and services to our customers. We will continue to invest in research and development to improve our products and expand our market presence. We will also continue to diversify our product lines and expand our international market presence.

受農曆新年的季節性影響，二零零八年初的覆銅面板需求略為放緩。內地華東及華南地區的雪災造成了電力供應短缺和物流瓶頸阻礙，導致集團於粵北地區部分廠房運作短暫停頓約一星期，但受影響的生產設施已迅速恢復正常運作。鑑於新興市場包括中國對覆銅面板需求增長迅速，集團在廣東省佛岡及江蘇省江陰的廠房將繼續擴充產能，至二零零八年年底，覆銅面板之每月總產能



Chairman's Statement 主席報告

For the PCB segment, the Group's main business is the production and sale of PCBs. The Group's main products are single and double layer PCBs, which are used in a wide range of applications. The Group's main customers are in the electronics industry. The Group's main products are single and double layer PCBs, which are used in a wide range of applications. The Group's main customers are in the electronics industry.

For the HDI segment, the Group's main business is the production and sale of HDI PCBs. The Group's main products are HDI PCBs, which are used in a wide range of applications. The Group's main customers are in the electronics industry. The Group's main products are HDI PCBs, which are used in a wide range of applications. The Group's main customers are in the electronics industry.

For the K segment, the Group's main business is the production and sale of K PCBs. The Group's main products are K PCBs, which are used in a wide range of applications. The Group's main customers are in the electronics industry. The Group's main products are K PCBs, which are used in a wide range of applications. The Group's main customers are in the electronics industry.

For the B segment, the Group's main business is the production and sale of B PCBs. The Group's main products are B PCBs, which are used in a wide range of applications. The Group's main customers are in the electronics industry. The Group's main products are B PCBs, which are used in a wide range of applications. The Group's main customers are in the electronics industry.

For the 2008, the Group's main business is the production and sale of 2008 PCBs. The Group's main products are 2008 PCBs, which are used in a wide range of applications. The Group's main customers are in the electronics industry. The Group's main products are 2008 PCBs, which are used in a wide range of applications. The Group's main customers are in the electronics industry.

Chairman's Statement 主席報告

APPRECIATION

Finally, I wish to express my sincere appreciation to all the shareholders, customers, banks, management and staff of Kingboard Chemical Group for their support.

CHEUNG Kwok Wing

Chairman

Hong Kong, 17 March 2008

致謝

最後，本人謹代表董事會藉此機會向各位股東、客戶、銀行、管理人員及員工過蔭燭鞠躬。

Directors' and Senior Management's Biographies 董事及高級管理人員之資歷

EXECUTIVE DIRECTORS

Mr. CHEUNG KONG CHAN, 52, is the Chairman and



Directors' and Senior Management's Biographies 董事及高級管理人員之資歷

Mr. MOK Ch'm Hu', Ch', 43, 'h Gr' 2000 'h Gr' 'm m. Pr 'h-h 'h 'r 's 'r 'r 11 'r Mr. M 's 's 'm m 'h l 's 'Ch 'r 'r A ' 's E ' & 's 'm m 'r 'H ' K ' l 's ' 'Cr ' Pu ' A ' 's 'H 'h 's ' MA ' E 'r ' 'l 'm ' 'E 'r 'r 'n 'h ' 'r 's ' 'C m r ' 'MBA 'h 's ' 'r 'n 'Im 'r 'C ' 'h ' 'r 's ' 'L ' ' 'H 's 's ' 'U 'r ' ' 'EEIC ' 'r 's 's ' 'h 's ' 'EEIC.

莫湛雄先生，43歲，於二零零零年加盟本集團，負責本集團之財務管理。於加盟本集團前，莫先生於金融服務業工作逾11年。莫先生為英格蘭及威爾斯特許會計師公會會員和香港會計師公會資深會員。彼持有劍橋大學頒授之電子及資訊工程碩士學位，並以優異成績獲倫敦大學帝國學院頒授之工商管理碩士學位。彼亦為EEIC之執行董事，負責EEIC之策略規劃工作。

Mr. HO 'S', 53, 'h 'r 'h 'r - ' 'Mr. Ch 'u 'K ' ' 'M 's 'Ch 'u ' 'L ' 'S 'h ' 'H ' 'h ' Gr ' 1989 'r 's 's ' 'h ' Gr ' 's 'h m ' 's 's 'r 's 'H ' 'Sh ' 'r ' 'H 's 's ' 'r ' 'r ' 'KCFH.

何燕生先生，53歲，為張國榮先生之妹夫及張偉連女士之姐夫，自一九八九年起加盟於本集團，現時負責本集團於河北省及山西省之分笛弥照

M 's 'CHE 'NG 'L ' 'S 'h ' ' '37, 'h 's 'r ' 'Mr. Ch 'u 'K ' ' 'Sh ' ' 'h ' Gr ' 2002 'r 's 's ' 'h ' Gr ' 's 's ' 'r ' 'r 'm ' 'r 'h 's ' 'U ' 'Pr ' ' 'h ' Gr ' 'h ' 's ' 'm 's ' 's 's 'm 'r 's ' 'n ' ' 'u '5 'r 's

Mr. CHENG M 'Fu', P 'u', 71, 's ' ' 'r ' 'u ' 'Dr ' 'h 'h 'n ' 2003. H 's ' 'm m 'r 'h 'H ' K ' L 's ' 'C ' 'Ch 'm ' 'h 'L 'M ' 'm 'L ' 'l 'h ' 'P 'L ' 'NMR 'h 'h ' & S 's '(H ' K ')L ' 'h 'H ' K ' 'G 'r ' 'Ch 'm 'r ' 'C m m r ' 'h 'Am 'r ' 'Ch 'm 'r ' 'C m m r ' 'H ' K ' 'H 'urr ' 'r 's 's ' 'r ' 'u 'r ' 'h 's 'r 's 'n 's 'u 'E 'r 'H ' 's 'L ' 's 'h ' 'r 's 'r 'h 'H ' K ' 'J ' 'Cu 's 's 'u 'r 's 'h 'H ' K ' 'r 's ' 'S ' ' & T 'h ' ' '.

Directors' and Senior Management's Biographies 董事及高級管理人員之資歷

Mr. CHENG Ch , Chr s h r, 59, s
 s
 s u Dr i 2007. H h s
 r s s r s s n s h s hr s
 H s urr h h rm s n s H
 K , m SI H s L m s Pr r s
 H s L m , 0()-6 s H 0() ,

-26985- um-13(



Directors' and Senior Management's Biographies 董事及高級管理人員之資歷

Mr. LO K L , 34, h C an S r r , h Gr u M 1999. Pr i h , h s r r r r r r r m. Mr. L s m m r H K I u C r Pu A u s H h s B h i's D r Pr s s A u r an Th Ch s r s H K . H s h r h an s r r i m m h Gr u . H s r u r i K r L m s H s L m (KLHL), 74.77%- s r s h m r e h S E h .

羅家亮先生，34歲，公司秘書，於一九九九年五月加盟本集團。於加盟本集團前，羅先生於一所國際會計師行任職會計師。彼為香港會計師公會資深會員，並持有香港中文大學專業會計學學士學位。彼現負責處理本集團之公司秘書工作及財務管理。羅先生同時為建滔積層板控股有限公司（「建滔積層板」，本公司擁有74.77%權益的附屬公司，其股份於聯交所主板上市）之非執行董事。

Directors' Report

董事會報告

The Board has pleasure in presenting to the shareholders the annual report of the Group for the year ended 31 December 2007.

董事會欣然提呈本集團截至二零零七年十二月三十一日止年度之年報及經審核綜合財務報表。

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Company are set out in paragraphs 22, 25 and 41 of the annual report.

主要業務

本公司為投資控股公司，其聯營公司、共同控制實體及主要附屬公司之業務分別載於綜合財務報表附註22、25及41。

RESULTS AND APPROPRIATIONS

The Board has pleasure in presenting to the shareholders the annual report of the Group for the year ended 31 December 2007.

業績及分派

本集團之本年度業績載於第54頁綜合收益表內。

During the year, the Company has paid interim dividends of HK30 per ordinary share to the shareholders. The Board has also recommended a final dividend of HK70 per ordinary share for the year ended 31 December 2007, which will be paid in May 2008.

年內，本公司已派付中期股息每股普通股30港仙予本公司股東。董事現建議向於二零零八年五月五日名列本公司股東名冊之股東派付末期股息每股普通股70港仙，並保留剩餘的溢利於本公司。

SHARE CAPITAL

The Company has issued 34 million ordinary shares during the year.

股本

本公司已發行股本於年內之變動詳情載於綜合財務報表附註34。

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year, the Company has not purchased, sold or redeemed any of its shares.

購買、出售或贖回股份

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司上市之證券。

Directors' Report 董事會報告

Directors' remuneration is set out in the Directors' Remuneration Report on pages 57 to 58.

In the year ended 31 December 2007, the remuneration of the Directors of the Company is set out in the Directors' Remuneration Report on pages 57 to 58. The Company has adopted the remuneration policy set out in the Directors' Remuneration Report on pages 57 to 58.

As at 31 December 2007, the remuneration of the Directors of the Company is set out in the Directors' Remuneration Report on pages 57 to 58. The Company has adopted the remuneration policy set out in the Directors' Remuneration Report on pages 57 to 58.

Directors' Report 董事會報告

At 31 December 2007, the directors are pleased to report that the Company has achieved a strong performance in the year. The Company's revenue increased by 10.1% to HK\$1,352 million (2006: HK\$1,228 million). The Company's profit after tax increased by 10.1% to HK\$1,352 million (2006: HK\$1,228 million). The Company's cash and cash equivalents increased by 10.1% to HK\$1,352 million (2006: HK\$1,228 million). The Company's assets increased by 10.1% to HK\$1,352 million (2006: HK\$1,228 million). The Company's liabilities increased by 10.1% to HK\$1,352 million (2006: HK\$1,228 million). The Company's equity increased by 10.1% to HK\$1,352 million (2006: HK\$1,228 million). The Company's financial position is strong and the Company is well positioned to meet its obligations.

Long position

(a) Ordinary shares of HK\$0.10 each of the Company ("Shares")

Name of Director 董事姓名	Capacity 權益性質	Number of Shares Held 所持已發行股份數目	Approximate Percentage of Total Issued Shares 已發行股本之概約百分比
Mr. Cheung Koon 張國榮先生	Beneficial Owner 實益擁有人	3,880,685	0.46
Mr. Chan Koon (Note 1) 陳永鋸先生(附註1)	Beneficial Owner 實	791,000	0.09

Directors' Report 董事會報告

DIRECTORS' INTERESTS IN SHARES (continued)

Long position (continued)

(a) Ordinary shares of HK\$0.10 each of the Company ("Shares") (continued)

附註：

- (1) Mr. Cheung K. 791,000 Shares, 731,000 Shares held by Mr. Cheung K. 60,000 Shares held by his spouse.
- (2) Mr. Cheung Y. 2,769,174 Shares, 1,928,974 Shares held by Mr. Cheung Y. 840,200 Shares held by his spouse.
- (3) Mr. He S. 1,504,079 Shares, 477,079 Shares held by Mr. He S. 1,027,000 Shares held by his spouse.

董事之股份權益(續)

長倉(續)

() 本公司每股面值0.10港元之普通股(「股份」)(續)

附註：

- (1) 於該791,000股股份當中，其中731,000股股份乃由陳永鋐先生本人持有，而60,000股股份則由其配偶持有。
- (2) 於該2,769,174股股份當中，其中1,928,974股股份乃由鄭永耀先生本人持有，而840,200股股份則由其配偶持有。
- (3) 於該1,504,079股股份當中，其中477,079股股份乃由何燕生先生本人持有，而1,027,000股股份則由其配偶持有。

(b) Share options of the Company

() 本公司優先購股權

Director's Name 董事姓名	Beneficial Interest 權益性質	Share Options 本公司優先購股權 項下相關股份權益
Mr. Cheung K. 張國榮先生	Beneficial Interest 實益擁有人	210,600
Mr. Cheung Y. 陳永鋐先生	Beneficial Interest 實益擁有人	2,558,800
Mr. Cheung Y. 鄭永耀先生	Beneficial Interest 實益擁有人	3,175,800
Mr. He S. (N/A) 何燕生先生(附註)	Beneficial Interest 實益擁有人	5,104,800
Mr. Cheung K. 張廣軍先生	Beneficial Interest 實益擁有人	2,951,800

附註：於該5,104,800份優先購股權當中，其中3,120,800份乃由何燕生先生本人持有，而1,984,000份則由其配偶持有。

附註：於該5,104,800份優先購股權當中，其中3,120,800份乃由何燕生先生本人持有，而1,984,000份則由其配偶持有。

Directors' Report 董事會報告

Long position (continued)

(c) Ordinary shares of HK\$0.10 each ("KLHL Shares") in Kingboard Laminates Holdings Limited ("KLHL")

長倉(續)

() 建滔積層板控股有限公司(「建滔積層板」)每股面值0.10港元之普通股(「建滔積層板股份」)

Name of Director 董事姓名	Capacity 權益性質	Number of KLHL Shares held 所持已發行建滔積層板股份數目	Approximate percentage of issued capital of KLHL 佔建滔積層板已發行股本之概約百分比
Mr. Cheung Kwok-keung 張國榮先生	Beneficial owner 實益擁有人	934,500	0.03
Mr. Chan Yung-ni (Note 1) 陳永鋐先生(附註1)	Beneficial owner 實益擁有人	100,000	0.003
Mr. Cheung Yung-yiu (Note 2) 鄭永耀先生(附註2)	Beneficial owner 實益擁有人	100,000	0.003
Mr. Ho Yau-sing (Note 3) 何燕生先生(附註3)	Beneficial owner 實益擁有人	540,000	0.01
Ms. Cheung Wai-lan, Sophia 張偉連女士	Beneficial owner 實益擁有人	804,000	0.02
Notes: 附註:			
(1) The 100,000 KLHL Shares held by Mr. Chan Yung-ni.	(1) Beneficial owner	(1) The 100,000 KLHL Shares held by Mr. Chan Yung-ni.	(1) Mr. Chan Yung-ni's spouse holds the 100,000 shares of Kingboard Laminates Holdings Limited.
(2) The 100,000 KLHL Shares held by Mr. Cheung Yung-yiu.	(2) Beneficial owner	(2) The 100,000 KLHL Shares held by Mr. Cheung Yung-yiu.	(2) Mr. Cheung Yung-yiu's spouse holds the 100,000 shares of Kingboard Laminates Holdings Limited.
(3) The 540,000 KLHL Shares held by Mr. Ho Yau-sing.	(3) Beneficial owner	(3) The 540,000 KLHL Shares held by Mr. Ho Yau-sing.	(3) Mr. Ho Yau-sing's spouse holds the 540,000 shares of Kingboard Laminates Holdings Limited.

Directors' Report 董事會報告

DIRECTORS' INTERESTS IN SHARES (continued)

Long position (continued)

- (d) *Non-voting deferred shares of HK\$1 each in the share capital of Kingboard Laminates Limited, a non wholly-owned subsidiary of the Company*

Name of Director	Company	Number of Shares Held

--	--	--

Long position (continued)

(f) Share options of EEIC

長倉(續)

(f) EEIC

Name of Director 董事姓名	Capacity 權益性質	Number of Shares of EEIC Share Options Held (Note) 優先購股權項下 相關EEIC股份權益 (附註)
Mr. Cheung Kwai-ching 張國榮先生	Beneficial owner 實益擁有人	973,200
Mr. Chan Yung-kei 陳永銀先生	Beneficial owner 實益擁有人	973,200
Mr. Cheng Yung-yu 鄭永耀先生	Beneficial owner 實益擁有人	973,200
Mr. Mo Kam-hung, Chairman 莫湛雄先生	Beneficial owner 實益擁有人	973,200

Note: The directors have exercised their rights to subscribe for 3,244,000 shares of EEIC on 24 July 2005. The sum of the rights to subscribe for shares of EEIC is 13,450,000 shares. On 13 October 2005, the directors exercised their rights to subscribe for 13,450,000 shares of EEIC at a price of \$2.033 per share. The directors have also exercised their rights to subscribe for 5,000,000 shares of EEIC on 26 November 2006, 26 November 2007, 26 November 2008, 26 November 2009 and 26 March 2010 respectively.

Directors' Report 董事會報告

DIRECTORS' INTERESTS IN SHARES *(continued)*

Long position *(continued)*

(g) Ordinary shares ("KCFL Shares") of US\$0.10 each in Kingboard Copper Foil Holdings Limited ("KCFL"), a non wholly-owned subsidiary of the Company

Name of Director	Capacity	Approximate percentage of KCFL Shares held	
		Number of Shares	Approximate percentage of KCFL Shares
			佔KCFL已發行股本之概約

Directors' Report 董事會報告

Principal shareholder, KLHL, has exercised its 35% shareholding in the Company.

The following table summarises the Company's share structure:

Category 1: Directors	Outstanding 1.1.2007 於二零零七年 一月一日		Exercised 31.12.2007 已於十二月三十一日	
	尚未行使	重新分類	本年度行使	尚未行使
Mr. Cheung Kwok	1,145,000		(934,400)	210,600
張國榮先生				
Mr. Cheung Kwok	3,026,000		(467,200)	2,558,800
陳永鋐先生				
Mr. Cheung Kwok K	3,419,000		(467,200)	2,951,800
張廣軍先生				
Mr. Cheung	3,643,000		(467,200)	3,175,800
鄭永耀先生				
Mr. Ho Si (N)		3,588,000	(467,200)	3,120,800
何燕生先生(附註)				
	11,233,000	3,588,000	(2,803,200)	12,017,800
Category 2: Employees	19,989,000	(3,588,000)	(2,496,800)	13,904,200
Total	31,222,000			

Directors' Report 董事會報告

SHARE OPTIONS *(continued)*

The following table shows the movement of the Company's share options during the year:

	Outstanding at 1.1.2007	Exercised during the year	Lapsed during the year	Outstanding at 31.12.2007
Class 1: Directors	於二零零七年一月一日尚未行使	已於本年度行使	於二零零七年十二月三十一日年內	

Directors' Report 董事會報告

Next, the Chairman of the Compensation Committee
discusses the remuneration of the Chairman of the
Board, the members of the Board, the members of
the Executive Committee and the senior management.

Directors' Report 董事會報告

SUBSTANTIAL SHAREHOLDERS (continued)

Long position (continued)

Other than the shares held by the Company, the following persons are known to be substantial shareholders of the Company as at 31 December 2007.



Directors' Report 董事會報告

Directors' Report 董事會報告

After our first year of the M-SSD, the TWH Team 續聘德勤
audit the financial statements and the results of the
financial statements have been audited by the
management of the Company.

On behalf of the Board
Cheung Kwok Wing
CHAIRMAN

17 March 2008

Corporate Governance Report

企業管治報告

建滔化工集團（「本公司」及其附屬公司（統稱「本集團」）董事會明瞭上市公司企業管治常規之重要性。上市公司之營運具透明度，採納各種自行規管政策與程序以及監控機制，並清楚界定董事與管理層權責，乃符合權益持有人及股東之利益。

建滔化工集團（「本公司」及其附屬公司（統稱「本集團」）董事會明瞭上市公司企業管治常規之重要性。上市公司之營運具透明度，採納各種自行規管政策與程序以及監控機制，並清楚界定董事與管理層權責，乃符合權益持有人及股東之利益。

於回顧年度，董事會一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治常規守則（「守則」）之條文，惟偏離守則條文A.4.1條除外。根據守則條文A.4.1條，非執行董事的委任應有指定任期，並須接受重新選舉。本公司現時並無任何非執行董事，而本公司獨立非執行董事之委任並無指定任期，惟須輪值退任及符合資格膺選連任。

於回顧年度，董事會一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治常規守則（「守則」）之條文，惟偏離守則條文A.4.1條除外。根據守則條文A.4.1條，非執行董事的委任應有指定任期，並須接受重新選舉。本公司現時並無任何非執行董事，而本公司獨立非執行董事之委任並無指定任期，惟須輪值退任及符合資格膺選連任。

除屬強制性質之守則外，董事會亦參考上市規則附錄14所載之建議最佳常規（「建議最佳常規」），並採納適合本公司現行情況之若干建議最佳常規。董事會將於合適及適當情況下參考建議最佳常規，從而不斷提升本公司之企業管治水平。

除屬強制性質之守則外，董事會亦參考上市規則附錄14所載之建議最佳常規（「建議最佳常規」），並採納適合本公司現行情況之若干建議最佳常規。董事會將於合適及適當情況下參考建議最佳常規，從而不斷提升本公司之企業管治水平。

本公司已採納條款不寬鬆於上市規則附錄10所載規定標準（「標準守則」）之有關董事進行證券交易之操守守則。經向全體董事作出特定查詢後，全體董事確認，彼等一直遵守標準守則所載規定標準及本公司所採納有關董事進行證券交易之操守守則。

本公司已採納條款不寬鬆於上市規則附錄10所載規定標準（「標準守則」）之有關董事進行證券交易之操守守則。經向全體董事作出特定查詢後，全體董事確認，彼等一直遵守標準守則所載規定標準及本公司所採納有關董事進行證券交易之操守守則。

The Board

Th B er s s s h r e
h Gr W s ru s h h r s s
y r s h m m h u s s h
r s h Gr W . Th Gr W h s e r
u s s h m r s h r u r h B er 's
r e . A r r an s u a r s s s h
B er r e h Gr W 's r , u
u , e r s m a s m s
u s s l s r s h Gr W 's
r am , s r r s s h Gr W 's
u s s y r s m m e e r r
s s m s m h s r s s D u s s e r s
m s r u s h Gr W r
h m m .

Th B er m s r u r s r r u r
r u m s N e s r r r
h C an S r r s h Ch r m
h B er s r u h B er m m r s
h r s e m a h m s R
m s r s s e r a s a
h m s a m h m h r u
e e m r s e r u h a h
B er . A r a s r h e a u e u
m r s h s a B er m s T e y r h
r a s m s s e h r s s
h C an , h C an s r s e s s e
r e h r a h s r m e e
r s u s h h h a h s s s s r m r
r s a u h u m h m .
Dr r s s h m u s B er m s
r s e r a s a h r m m r a s
r s h r s e m r h B er
m s r h C an S r r .

董事會

董事會負責領導及監控本集團，同時亦授責監督本集團之業務及事務管理事宜。本集團已採納內部指引訂明需經董事會批准之事項。除法定責任外，董事會亦負責批准本集團之策略計劃、年度預算、主要營運措施、重大投資及集資決定。董事會同時審閱本集團財務表現、識別本集團業務之主要風險及確保實施適當措施以管理有關風險。本集團日常業務運作及行政職能之職責已委派予管理層負責。

董事會定期及於特定情況所需時舉行會議。召開董事會會議之通告及議程由董事會主席委派公司秘書負責編製並於會議前合理時間內派發予董事會成員。相關會議文件亦會於開會前儘早送交董事，令彼等獲知將提呈董事會之事項之背景資料及說明。各董事可於董事會會議議程上加入事項提出討論。為確保董事作出客觀及符合本公司利益之決定，本公司之組織章程細則規定，倘董事會會議上任何決議案涉及董事或其關聯人士的重大權益，有關董事必須放棄投票，且不得計入會議法定人數。董事會會議記錄初稿及最終定稿將於董事會會議後合理時間內發送予全體董事，分別作表達意見及記錄之用，並由公司秘書存檔。

Corporate Governance Report 企業管治報告

During the reporting period, the Board has held four meetings to discuss the business and financial performance of the Group.

於回顧年度內，董事會舉行了四次會議，董事於董事會會議及董事委員會會議之出席記錄如下：焜虹

		Board Meeting 董事會會議	Audit Committee 審核委員會會議	Nominations Committee 提名委員會會議	Remuneration Committee 薪酬委員會會議
Number of Meeting 會議數目		4	3	2	2
Executive directors 執行董事					
Chiu K. (Chairman) 張國榮(主席)		4			
Chiu K. (Managing Director) 陳永鋁(董事總經理)		4	2	2	2
Chiu K. K. 張廣軍		4			
Chiu Y. 鄭永耀		4			
M. Chiu Hui, Ch. 莫湛雄		4	2	2	2
H. S. 何燕生(於二零零七年 一月十一日獲委任)		4			
Chiu L. S. h. 張偉連(於二零零七年 一月十一日獲委任)		4			
Independent non-executive directors 獨立非執行董事					
Chiu M. Fu, P. U. 鄭明訓		4	3	2	2
Chiu Ch. Ching, Ch. r. 鄭維志(於二零零七年 七月一日獲委任)		3			
T. K. m. Hui 謝錦洪		4	3	2	2
H. r. T. 陳亨利		4	3	2	2

The Board has also held four meetings to discuss the business and financial performance of the Group. The Board has also held four meetings to discuss the business and financial performance of the Group.

Division and responsibilities

The Board of Directors is headed by the Chairman of the Board, Mr. Liang Hing M. Dr. Liang Hing M. is the Chairman. The Board of Directors is headed by the Chairman of the Board, Mr. Liang Hing M. Dr. Liang Hing M. is the Chairman of the Board.

The Board of Directors is headed by the Chairman of the Board, Mr. Liang Hing M. Dr. Liang Hing M. is the Chairman of the Board.

The Board of Directors is headed by the Chairman of the Board, Mr. Liang Hing M. Dr. Liang Hing M. is the Chairman of the Board.

The Board of Directors is headed by the Chairman of the Board, Mr. Liang Hing M. Dr. Liang Hing M. is the Chairman of the Board.

The Board of Directors is headed by the Chairman of the Board, Mr. Liang Hing M. Dr. Liang Hing M. is the Chairman of the Board.

The Board of Directors is headed by the Chairman of the Board, Mr. Liang Hing M. Dr. Liang Hing M. is the Chairman of the Board.

The Board of Directors is headed by the Chairman of the Board, Mr. Liang Hing M. Dr. Liang Hing M. is the Chairman of the Board.

分工及職責

本公司董事會由主席領導，其職務轄別於本公司董事總經理。主席及董事總經理



A h r i s r
 S r r, h r u
 h B r r u r r
 h r u r
 h. Th C n S r r h
 m h B r B r m
 r i r m u m u
 r i h h r i i
 .

The level and make-up of remuneration and disclosure

Th B r h s u r m r e m (h
 "R m r e C m) h h m r hr
 e u r i m Mr. T
 K m Hu (Ch m), Mr. Ch M Fu , P u
 (Contributors to the success of the Comx-ry; S2 c3.1
 m h r m r e r i s s i
 m m h r m r e r m r s



Corporate Governance Report 企業管治報告

Corporate Governance Report 企業管治報告

審核委員會之職責包括檢討核數師之範疇、結果以及成本效益，以及本公司外聘核數師德勤 關黃陳方會計師行之獨立性及客觀性。審核委員會每年至少一次檢討本公司外聘核數師之獨立性、內部核數職能有否足夠資源及稱職。倘若核數師向本公司提供非核數服務，委員會亦會檢討該等服務之性質及所涉範圍，務求在保持客觀性及成本之間取得平衡。於回顧年度內，就本公司外聘核數師向本集團提供之核數及非核數服務而已付／應付本公司核數師費用如下：	審閱本公司之資產負債表及損益表以及本集團之綜合資產負債表及損益表，並呈交董事會；
提名核數師；	與內部及外聘核數師檢討彼等對本公司內部控制制度之評審結果，以協助董事會制訂有助提升本公司監控及運作制度之政策；及
作為正常程序之一部分，審閱關連交易及審查本集團內部監控是否足夠。	審核委員會之職責包括檢討核數之範疇、結果以及成本效益，以及本公司外聘核數師德勤 關黃陳方會計師行之獨立性及客觀性。審核委員會每年至少一次檢討本公司外聘核數師之獨立性、內部核數職能有否足夠資源及稱職。倘若核數師向本公司提供非核數服務，委員會亦會檢討該等服務之性質及所涉範圍，務求在保持客觀性及成本之間取得平衡。於回顧年度內，就本公司外聘核數師向本集團提供之核數及非核數服務而已付／應付本公司核數師費用如下：
Am 額 (HK\$) 金額(港元) 服務性質 核數服務 9,264,000 非核數服務 () 稅務服務 1,619,000 () 其他服務 242,000	審核委員會之職責包括檢討核數之範疇、結果以及成本效益，以及本公司外聘核數師德勤 關黃陳方會計師行之獨立性及客觀性。審核委員會每年至少一次檢討本公司外聘核數師之獨立性、內部核數職能有否足夠資源及稱職。倘若核數師向本公司提供非核數服務，委員會亦會檢討該等服務之性質及所涉範圍，務求在保持客觀性及成本之間取得平衡。於回顧年度內，就本公司外聘核數師向本集團提供之核數及非核數服務而已付／應付本公司核數師費用如下：

Th Au C nm h s h h m m
h u r s r s
h Gr u s u s u , r r r
r a m r s u h r h
u u s m s a h r 31
D m r 2007.

審核委員會與管理層已檢討本集團採納之會計原則及常規，並已討論核數、內部監控及財務匯報事宜，包括審閱截至二零零七年十二月三十一日止年度之經審核年度財務報表。

Management function

Th C an ' s r ' s e s s e ' e s w m r s
h h r s r s r h B e r ä s
s e. E u r ä s ä m m e
ä m s s r e s r s ä
m m m s e r u r s s e r s
h s e r e s r ä m h Gr w
m e ä gr h m m r u h
r e s s r s s h B e r e r ä s
r r r r . C r s u e s r e
h m m s h m r s h h b u r e
h e m h B e r e h
h C an .

Board committees

Th B e r h e s s u h r B e r n m e s s
m A u C a n n , N a n C a n n
R m u r C a n n , h h r r
e u r h B e r
h r u e h n n . E h
B e r n n h e r r m e r r
e u h r e r e r r m e
h h r u h m h h B e r .

Th N an C anm an r s s hr m m r s
h r u r s m
Mr. H r T (Ch rm), Mr. Ch M Fu , P u ,
Mr. T s K m Hu . A h r m s
r r h N an C anm , h m h
r s s h N an C anm u :

r ur r h su ur , s m s e
 e h B (r) m r m s h
 B (r) h r r e u s m s h r
 m $\leftarrow r$;

管理功能

本公司之組織章程載列指明須由董事會決定之事項。執行董事一般每兩星期舉行非正式會議，並定期參與高級管理層之會議，以便掌握本集團近期之營運及表現，且監察及確保管理層正確及恰當地執行董事會制訂之指示及策略。管理層已獲清晰指示，得知須提呈董事會垂注並由董事會代表本公司作出決定之事宜。

董事委員會

董事會已設立三個委員會，分別為審核委員會、提名委員會及薪酬委員會，分別由不同獨立非執行董事出任主席，以協助董事會履行各委員會獲委派之特定職能。各董事委員會均書面訂明其特定的職權範圍，所載列之原則、程序及安排均與董事會之原則、程序及安排大致相同。

提名委員會由三名獨立非執行董事：陳亨利先生(主席)、鄭明訓先生及謝錦洪先生組成。根據提名委員會書面訂明的職權範圍，提名委員會之主要職責包括：

定期就董事會之架構、人數及組成作出檢討，並就任何認為需作出的調整向董事會提供推薦建議；



Corporate Governance Report 企業管治報告

The Board comprises three independent non-executive directors, two executive directors and two non-executive directors. All directors are actively involved in the management of the Group and have extensive experience in the financial services industry.

Independent Auditor's Report

獨立核數師報告

TO THE SHAREHOLDERS OF
KINGBOARD CHEMICAL HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

致建滔化工集團股東
(於開曼群島註冊成立的有限公司)

吾等已審閱載於第54至179頁的建滔化工集團(「貴公司」)及其附屬公司(統稱「貴集團」)綜合財務報表,此等綜合財務報表包括於二零零七年十二月三十一日的綜合資產負債表及截至該日止年度的綜合收益表、綜合權益變動表及綜合現金流量表以及主要會計政策概要及其他附註解釋。

吾等已完成審核載於第54至179頁的建滔化工集團(「貴公司」)及其附屬公司(統稱「貴集團」)綜合財務報表,此等綜合財務報表包括於二零零七年十二月三十一日的綜合資產負債表及截至該日止年度的綜合收益表、綜合權益變動表及綜合現金流量表以及主要會計政策概要及其他附註解釋。

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

貴公司董事須負責根據香港會計師公會頒佈的香港財務申報準則及香港公司條例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綜合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;及按情況作出合理的會計估計。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務申報準則及香港公司條例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綜合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;及按情況作出合理的會計估計。

AUDITOR'S RESPONSIBILITY

我們的責任是根據香港會計師公會頒佈的香港核數準則,對貴集團的綜合財務報表進行審核,以確定其是否在所有重大方面真實而公平地列報。我們對貴集團的綜合財務報表進行審核,以確定其是否在所有重大方面真實而公平地列報。我們對貴集團的綜合財務報表進行審核,以確定其是否在所有重大方面真實而公平地列報。



Independent Auditor's Report 獨立核數師報告

A u u e s r m r e u r s e u
u h m u s s u r s h e s
s m s Th r e u r s s h u a s
u m , u h s s s h r s s m r
m s m h e s s m s h h r
u r u i r r i l m h s r s s s s s
h u i e s r s r r r r h ' s
r r e r u r r s e h e s
s m s a r e s u r e u r s h
r r r h r u m s s u e h u r e s
r s e e h s s h ' s r
e r A u s e u s u h r r s s e
u e s u s h r s s e u
s m s m h r a s s s u h e r
r s e h e s s m s

h h u h e s
r r e e s a u r u e e.

I u r e e, h e s s m s
u r r e h s e r s h G r u s 31
D m r 2007 e h G r u ' s r e h e s a
h r h a h H e K e F
R i S r s h r r r r r
a h h s u r r u r m s h H e K e
C m s Or .

審核涉載執行程序以獲取有關綜合財務報表所載金額及披露資料的審

Deloitte Touche Tohmatsu
Certified Public Accountants
H e K e
17 M r h 2008

綜合資產負債表

At 31 December 2007 於二零零七年十二月三十一日

[illegible]

綜合現金流量表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
OPERATING ACTIVITIES		
Profit before income tax	3,717,184	7,596,154
Adjustments:		
Share of profits or losses of associates	(298,283)	(39,924)
Share of profits or losses of jointly controlled entities	1,070	1,755
Amortisation of intangible assets	632	500
D 636.0214 Tm05539 307.0914 5v T B E F F 2003 BDC -66.723 -1.333 T () I T M C 1 0 T (D S 536,		

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
	NOTE 附註		
INVESTING ACTIVITIES 投資業務			
Purchase of property, plant and equipment 購買物業、廠房及設備		(3,518,081)	(2,026,971)
Purchase of investment property 購買投資物業		(1,084,477)	
Purchase of investment available for sale 購買可供出售投資		(616,905)	(350,271)
Disposal of property, plant and equipment 出售物業、廠房及設備			
- net 淨		(993,168)	(265,430)
Acquisition of subsidiary 收購聯營公司		(335,712)	(121,852)
Prepayment of lease 已付預付租賃款項		(784,506)	(106,071)
Acquisition of subsidiary 收購附屬公司	37	(324,468)	(69,747)
Increase in subsidiary equity 增購附屬公司權益所付代價		(449,728)	(66,078)
Purchase of convertible bonds 購買可換股債券		(108,000)	
Purchase of intangible assets 購買無形資產		(245)	(907)
Net disposal of subsidiary equity 出售一間附屬公司部分權益之所得款項淨額		-	4,985,909
Prepayment of lease 出售一間聯營公司權益之所得款項		6,543	
Prepayment of lease 結算外購遠期合約之所得款項		23	
Prepayment of lease 出售物業、廠房及設備之所得款項			



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

I h urr r, h Gr u h s , h r s
 m , h e e s r , m m
 r r (s¹ HKFRS¹) s¹ h H K e
 l s u C r Pu A u (s¹ HKICPA¹), h h
 r h Gr u ' s r e 1
 J u r 2007.

HKAS 1 (Am m) C s yr s
HKFRS 7 F s um s
D s yr s
HK(IFRIC) INT 7 A h r s m
r e h u r HKAS 29
F r a
h r e r e m s

HK(IFRIC) INT 8 S HKFRS 2

HK(IFRIC) INT 9 R ~~33~~ ~~33~~ m m

HK(IFRIC) INT 10

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

2.



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

The consolidated financial statements have been prepared on the basis of historical cost, except for certain financial instruments which are measured at fair value.

綜合財務報表乃按歷史成本基準編製，惟如下列會計政策所闡述，若干物業及若干金融工具則按公平值計量。

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards issued by the HKICPA, the Hong Kong Accounting Standards issued by the IASB, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong and the disclosure requirements of the Securities and Futures Ordinance.

綜合財務報表乃按香港會計師公會頒佈之香港財務申報準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定之適用披露。

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") as at and for the year ended 31 December 2007. The consolidated financial statements are prepared on the basis of historical cost, except for certain financial instruments which are measured at fair value.

綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體(附屬公司)截至每年十二月三十一日止之財務報表。當本公司有權力操縱某實體之財政及經營政策以藉其活動之中獲益，將視為擁有控制權。

The consolidated financial statements are prepared on the basis of historical cost, except for certain financial instruments which are measured at fair value.

於年內收購或出售之附屬公司之業績，自實際收購日期起或結算至實際出售日期止(視適用情況而定)列入綜合收益表內。

The consolidated financial statements are prepared on the basis of historical cost, except for certain financial instruments which are measured at fair value.

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

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

所有集團內公司間交易、結餘、收入及開支於綜合賬目時對銷。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Business combinations (continued)

Goodwill represents the excess of the consideration transferred over the fair value of the identifiable intangible assets acquired. The goodwill is attributable to the synergies expected from the combination of the acquired businesses with the Group's existing businesses. The goodwill is expected to be realized through the combined efforts of the Group's management and the management of the acquired businesses.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Investments in associates (continued)

Any cost in excess of the fair value of the identifiable intangible assets acquired at the acquisition date is recognised as goodwill. Goodwill is measured as the excess of the aggregate of the consideration transferred for the acquisition over the fair value of the identifiable intangible assets acquired. Goodwill is tested for impairment annually, or more frequently if indicators arise that impairment may exist. The carrying amount of goodwill is reduced if the impairment test indicates that goodwill is impaired. An impairment loss in respect of goodwill is not reversed.

Any goodwill arising from the acquisition of an associate is included in the carrying amount of the investment and is tested for impairment, together with the investment, as described above.

When the carrying amount of an investment in an associate exceeds the fair value of the identifiable intangible assets acquired, the excess is recognised as goodwill.

Deemed disposal of interests in associates

Goodwill is allocated to the cash and cash equivalents, and the identifiable intangible assets acquired, in proportion to their relative fair values. Goodwill is then allocated to the cash and cash equivalents, and the identifiable intangible assets acquired, in proportion to their relative fair values.

3. 主要會計政策 (續)

於聯營公司之投資 (續)

任何收購成本超出本集團應佔於收購日期已確認之聯營公司可識別資產、負債及或然負債中之公平值淨額，均確認為商譽。商譽乃計入投資之賬面值中，並以投資之一部分進行減值評估。

任何本集團應佔可識別資產、負債及或然負債之公平值淨額超出收購成本之部分，經重估後即時於損益中確認。

當集團實體與本集團聯營公司進行交易時，損益會按本集團應佔有關聯營公司之權益予以對銷。

視作出售聯營公司權益

視作出售聯營公司權益之收益或虧損分別為本集團應佔有關聯營公司資產淨值之增加或減少，並作撥回商譽及有關支出應佔儲備之調整。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Jointly controlled entities

Jointly controlled entities are those entities in which the Group and other parties have a contractual arrangement that gives them joint control, and no single party has the power to control the financial and operating policies of the entity.

The Group's jointly controlled entities are the following:

1. **Jointly controlled entities in the PRC**

The Group has jointly controlled entities in the PRC, which are established in accordance with the relevant laws and regulations of the PRC. The Group's jointly controlled entities in the PRC are as follows:

(a) **Jointly controlled entities in the PRC**

The Group has jointly controlled entities in the PRC, which are established in accordance with the relevant laws and regulations of the PRC. The Group's jointly controlled entities in the PRC are as follows:

(b) **Jointly controlled entities in the PRC**

The Group has jointly controlled entities in the PRC, which are established in accordance with the relevant laws and regulations of the PRC. The Group's jointly controlled entities in the PRC are as follows:

A jointly controlled entity in the PRC is established in accordance with the relevant laws and regulations of the PRC. The Group's jointly controlled entities in the PRC are as follows:

The Group's jointly controlled entities in the PRC are established in accordance with the relevant laws and regulations of the PRC. The Group's jointly controlled entities in the PRC are as follows:

共同控制實體

合營企業安排涉及成立獨立實體，而當中各經營方對該實體之經濟活動擁有共同控制權者乃列作共同控制實體。

共同控制實體之業績及資產與負債乃按權益會計法列入綜合財務報表內。根據權益法，於共同控制實體之投資乃按成本就本集團應佔該共同控制實體之資產淨值之收購後變動調整，減任何已識別之減值虧損於綜合資產負債表列賬。當本集團應佔共同控制實體之虧損相等於或超出其於該共同控制實體之權益（包括實質上構成本集團於該共同控制實體之投資淨額之一部分之任何長期權益），則本集團不再確認其應佔之進一步虧損。額外應佔虧損會作出撥備及確認負債，惟僅以本集團已產生法定或推定責任或代表該共同控制實體支付之款項為限。

任何本集團應佔可識別資產、負債及或然負債之公平值淨額超出收購成本之部分，經重估後即時於損益中確認。

當集團實體與本集團共同控制實體進行交易時，未變現之損益會按本集團佔有關共同控制實體之權益予以撇銷。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Goodwill

Goodwill arising on acquisitions after 1 January 2001 and prior to 1 January 2005

Goodwill arising on acquisitions after 1 January 2001 and prior to 1 January 2005 is measured as the excess of the cost of acquisition over the fair value of the identifiable intangible assets and net identifiable assets acquired.

For acquisitions after 1 January 2001, the Group has adopted the fair value method. Goodwill arising on acquisitions on or after 1 January 2005 is measured as the excess of the cost of acquisition over the fair value of the identifiable intangible assets and net identifiable assets acquired.

Goodwill arising on acquisitions on or after 1 January 2005

Goodwill arising on acquisitions on or after 1 January 2005 is measured as the excess of the cost of acquisition over the fair value of the identifiable intangible assets and net identifiable assets acquired.

Goodwill arising on acquisitions on or after 1 January 2005 is measured as the excess of the cost of acquisition over the fair value of the identifiable intangible assets and net identifiable assets acquired.

3. 主要會計政策 (續)

商譽

於二零零一年一月一日後及二零零五年一月一日前因收購所產生之商譽

收購一間附屬公司(協議日期為二零零五年一月一日前)所產生之商譽，乃指收購成本超出本集團於收購日期應佔有關被收購方之可識別資產及負債公平值之權益之數額。

就於二零零一年一月一日後收購所產生並經本公司之審核委員會審閱後，本公司已決定將商譽於收購日期起不再攤銷，而有關商譽每年由DWB™ dC 4及凡與商譽有關之現金產生單



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Intangible assets (continued)

Research and development expenditure

Estimated research and development expenditure for the year ended 31 December 2007 was approximately HK\$1,000,000.

As at 31 December 2007, the research and development expenditure was approximately HK\$1,000,000. The research and development expenditure was primarily for the development of new products. The research and development expenditure was primarily for the development of new products. The research and development expenditure was primarily for the development of new products.

The management believes that the research and development expenditure is not identifiable as an intangible asset. The research and development expenditure is not identifiable as an intangible asset. The research and development expenditure is not identifiable as an intangible asset.

Subsequent to the acquisition, the research and development expenditure is not identifiable as an intangible asset. Subsequent to the acquisition, the research and development expenditure is not identifiable as an intangible asset.

Intangible assets acquired in a business combination

In the year ended 31 December 2007, the Group acquired intangible assets in a business combination. The intangible assets acquired in a business combination are primarily for the development of new products.

Subsequent to the acquisition, the intangible assets acquired in a business combination are primarily for the development of new products. Subsequent to the acquisition, the intangible assets acquired in a business combination are primarily for the development of new products.

無形資產(續)

研究及開發費用

研究活動費用於產生期間確認為開支。

開發費用產生之內部產生無形資產，在預期清晰界定計劃項目產生之開發成本將可透過日後商業活動收回之情況下，方會確認。因而產生之資產於其估計可用年期按直線法攤銷，按成本減其後累計攤銷及任何累計減值虧損入賬。

就內部產生無形資產初步確認之金額為該等無形資產首次符合確認標準當日起產生之開支總額。倘未能確認內部產生無形資產，則開發費用於產生期間在損益扣除。

於初次確認後，內部產生無形資產以個別購入之無形資產之相同基準按成本減累計攤銷及累計減值虧損列賬。

於業務合併中收購之無形資產

倘於業務合併中收購之無形資產符合無形資產之定義，而其公平值能可靠計算，該等資產則獨立於商譽識別及確認。有關無形資產之成本為其於收購日期之公平值。

於初步確認後，具有有限使用年



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Foreign currencies

For the purpose of consolidation, the functional currency of the Group is the Hong Kong dollar ("HK\$"). The Group's financial statements are presented in Hong Kong dollars. The Group's financial statements are prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Accountants ("HKICPA"). The Group's financial statements are prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Accountants ("HKICPA").

For the purpose of consolidation, the functional currency of the Group is the Hong Kong dollar ("HK\$"). The Group's financial statements are presented in Hong Kong dollars. The Group's financial statements are prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Accountants ("HKICPA").

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Retirement benefit costs

Provision for retirement benefit costs is made on the basis of the actuarial valuation of the retirement benefit obligations. The provision is based on the actuarial valuation of the retirement benefit obligations at the end of the reporting period. The provision is based on the actuarial valuation of the retirement benefit obligations at the end of the reporting period.

Taxation

The Group's tax is calculated on the basis of the tax rates in the jurisdictions in which the Group operates.

The Group's tax is calculated on the basis of the tax rates in the jurisdictions in which the Group operates. The Group's tax is calculated on the basis of the tax rates in the jurisdictions in which the Group operates. The Group's tax is calculated on the basis of the tax rates in the jurisdictions in which the Group operates.

The Group's tax is calculated on the basis of the tax rates in the jurisdictions in which the Group operates. The Group's tax is calculated on the basis of the tax rates in the jurisdictions in which the Group operates. The Group's tax is calculated on the basis of the tax rates in the jurisdictions in which the Group operates.

The Group's tax is calculated on the basis of the tax rates in the jurisdictions in which the Group operates. The Group's tax is calculated on the basis of the tax rates in the jurisdictions in which the Group operates. The Group's tax is calculated on the basis of the tax rates in the jurisdictions in which the Group operates.

99.2126 194.49126 194.43()-4.49126 1 194.49126 1 194.49126 1 126 1 T 9 0 0 91139(13(r)-23() (13(126 1)-56()-



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Taxation (continued)

Direct taxation comprises income tax payable by the Group on its assessable profits. The Group is subject to income tax in Hong Kong and the PRC. The Group's income tax is calculated on the basis of the profits assessable in the respective tax jurisdiction.

The management believes that the Group has no unutilised tax losses which can be used to offset future taxable income.

Direct tax is provided for the Group's share of profits of its subsidiaries. Direct tax is calculated on the basis of the profits assessable in the respective tax jurisdiction. The Group's income tax is calculated on the basis of the profits assessable in the respective tax jurisdiction.

Financial instruments

Financial instruments are those contracts that give rise to a financial asset or financial liability. Financial instruments are classified as financial assets or financial liabilities.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets

The Group's financial assets are classified into three categories: (i) financial assets at fair value through profit or loss, (ii) financial assets at fair value through other comprehensive income, and (iii) financial assets at amortised cost. The Group's financial assets are measured at fair value at each reporting date. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The Group's financial assets are measured at fair value at each reporting date. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The Group's financial assets are measured at fair value at each reporting date. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The Group's financial assets are measured at fair value at each reporting date. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The Group's financial assets are measured at fair value at each reporting date. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Financial assets at fair value through profit or loss

The Group's financial assets at fair value through profit or loss are measured at fair value at each reporting date. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The Group's financial assets at fair value through profit or loss are measured at fair value at each reporting date. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The Group's financial assets at fair value through profit or loss are measured at fair value at each reporting date. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The Group's financial assets at fair value through profit or loss are measured at fair value at each reporting date. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Financial instruments (continued)

Financial assets (continued)

Financial assets at fair value through profit or loss (continued)

At the beginning of the year, the fair value of the financial assets at fair value through profit or loss was HK\$1,000 million. During the year, the fair value of the financial assets at fair value through profit or loss was HK\$1,000 million. The fair value of the financial assets at fair value through profit or loss was HK\$1,000 million.

Loans and receivables

Loans and receivables are measured at amortised cost. At the beginning of the year, the carrying amount of loans and receivables was HK\$1,000 million. During the year, the carrying amount of loans and receivables was HK\$1,000 million. The carrying amount of loans and receivables was HK\$1,000 million.

Available-for-sale financial assets

Available-for-sale financial assets are measured at fair value. At the beginning of the year, the fair value of available-for-sale financial assets was HK\$1,000 million. During the year, the fair value of available-for-sale financial assets was HK\$1,000 million. The fair value of available-for-sale financial assets was HK\$1,000 million.

At the end of the year, the fair value of available-for-sale financial assets was HK\$1,000 million. The fair value of available-for-sale financial assets was HK\$1,000 million.

金融工具(續)

財務資產(續)

按公平值計入損益之財務資產(續)

於初次確認時各結算日，按公平值計入損益之財務資產按公平價值計量，公平值之變動於產生變動期間直接在損益中確認。於損益於

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Financial instruments (continued)

Financial assets (continued)

Available-for-sale financial assets (continued)

Financial assets available-for-sale are measured at fair value. Changes in fair value are recognized in other comprehensive income. Dividends and interest income are recognized in profit or loss. Financial assets available-for-sale are classified as either equity or debt instruments. Equity instruments are classified as available-for-sale if they are not held for trading and are not designated as at fair value through profit or loss. Debt instruments are classified as available-for-sale if they are not held for trading and are not designated as at fair value through profit or loss. Financial assets available-for-sale are measured at fair value. Changes in fair value are recognized in other comprehensive income. Dividends and interest income are recognized in profit or loss. Financial assets available-for-sale are classified as either equity or debt instruments. Equity instruments are classified as available-for-sale if they are not held for trading and are not designated as at fair value through profit or loss. Debt instruments are classified as available-for-sale if they are not held for trading and are not designated as at fair value through profit or loss.

Impairment of financial assets

Financial assets are assessed for impairment at each reporting date. Impairment is recognized in profit or loss when there is objective evidence that a financial asset is impaired. Impairment is measured as the difference between the carrying amount and the present value of estimated future cash flows. Impairment is recognized in profit or loss when there is objective evidence that a financial asset is impaired. Impairment is measured as the difference between the carrying amount and the present value of estimated future cash flows. Impairment is recognized in profit or loss when there is objective evidence that a financial asset is impaired. Impairment is measured as the difference between the carrying amount and the present value of estimated future cash flows.

Financial assets are assessed for impairment at each reporting date. Impairment is recognized in profit or loss when there is objective evidence that a financial asset is impaired. Impairment is measured as the difference between the carrying amount and the present value of estimated future cash flows. Impairment is recognized in profit or loss when there is objective evidence that a financial asset is impaired. Impairment is measured as the difference between the carrying amount and the present value of estimated future cash flows.

Financial assets are assessed for impairment at each reporting date. Impairment is recognized in profit or loss when there is objective evidence that a financial asset is impaired. Impairment is measured as the difference between the carrying amount and the present value of estimated future cash flows. Impairment is recognized in profit or loss when there is objective evidence that a financial asset is impaired. Impairment is measured as the difference between the carrying amount and the present value of estimated future cash flows.

金融工具

財務資產(續)

可供出售財務資產(續)

可供出售財務資產

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments *(continued)*

Impairment of financial assets *(continued)*



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at fair value through profit or loss

F	3	F, TPL h	3	4	3
U		h	3	h	3
3		F, TPL	3	3	3
A	3	3	3	h	3

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Derivative financial instruments and hedging

Derivative financial instruments are contracts that derive their value from the price of an underlying asset, liability, or financial instrument. They are used to hedge the risk of changes in the value of the underlying asset, liability, or financial instrument. The most common derivative financial instruments are forwards, futures, options, and swaps. Forwards and futures are contracts that obligate the parties to buy or sell an asset at a predetermined price at a specified time in the future. Options give the holder the right, but not the obligation, to buy or sell an asset at a predetermined price at a specified time in the future. Swaps are contracts that involve the exchange of cash flows between two parties.

Derivative financial instruments are used to hedge the risk of changes in the value of the underlying asset, liability, or financial instrument. The most common derivative financial instruments are forwards, futures, options, and swaps. Forwards and futures are contracts that obligate the parties to buy or sell an asset at a predetermined price at a specified time in the future. Options give the holder the right, but not the obligation, to buy or sell an asset at a predetermined price at a specified time in the future. Swaps are contracts that involve the exchange of cash flows between two parties.

The Group uses derivative financial instruments to hedge the risk of changes in the value of the underlying asset, liability, or financial instrument. The most common derivative financial instruments are forwards, futures, options, and swaps. Forwards and futures are contracts that obligate the parties to buy or sell an asset at a predetermined price at a specified time in the future. Options give the holder the right, but not the obligation, to buy or sell an asset at a predetermined price at a specified time in the future. Swaps are contracts that involve the exchange of cash flows between two parties.

Embedded derivatives

Embedded derivatives are derivative financial instruments that are embedded within a non-derivative financial instrument. They are used to hedge the risk of changes in the value of the underlying asset, liability, or financial instrument. The most common embedded derivatives are interest rate swaps, currency swaps, and commodity swaps. Interest rate swaps are contracts that involve the exchange of cash flows between two parties. Currency swaps are contracts that involve the exchange of cash flows between two parties. Commodity swaps are contracts that involve the exchange of cash flows between two parties.

Hedge accounting

The Group uses hedge accounting to recognize the effects of derivative financial instruments on the financial statements. Hedge accounting is used to hedge the risk of changes in the value of the underlying asset, liability, or financial instrument. The most common hedge accounting is interest rate hedge accounting, currency hedge accounting, and commodity hedge accounting.

At the end of the reporting period, the Group has the following derivative financial instruments: interest rate swaps, currency swaps, and commodity swaps. Interest rate swaps are contracts that involve the exchange of cash flows between two parties. Currency swaps are contracts that involve the exchange of cash flows between two parties. Commodity swaps are contracts that involve the exchange of cash flows between two parties.

3. 主要會計政策 (續)

金融工具 (續)

衍生金融工具及對沖

衍生工具以衍生工具合約簽訂日之公平值作初次確認及其後以各結算日之公平值重新計量。所產生的收益或虧損將即時於損益內確認。除非該衍生工具是指定而有效之對沖工具，在此情況下，於損益內確認的時間取決於對沖關係的類別。

不符合對沖會計法之衍生工具被視為持作買賣之財務資產或財務負債。

本集團利用若干衍生工具(即利率掉期)作為浮息銀行借貸現金流量之對沖。

內置衍生工具

非衍生合約之內置衍生工具當其之風險及特徵與主要合約之風險及特徵並非密切相關時，作為獨立衍生工具處理，而主要合約並非按公平值計算，而公平值變動於損益表中確認。

對沖會計法

本集團指定某些衍生工具為對沖工具，用作現金流量對沖。

於對沖關係之開始，實體記錄對沖工具和被對沖項目的關係，及進行各類對沖交易之風險管理目標及其策略。此外，於對沖開始和進行期間，本集團記錄用於對沖關係之對沖工具是否能高度有效地抵銷被對沖項目的公平值或現金流量變動。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Financial instruments (continued)

Hedge accounting (continued)

Cash flow

The Group has entered into foreign exchange contracts to hedge the foreign currency exposure of its cash flows. The Group has also entered into foreign exchange contracts to hedge the foreign currency exposure of its cash flows.

Amounts are recorded in the consolidated financial statements as follows:

For the year ended 31 December 2007, the Group has entered into foreign exchange contracts to hedge the foreign currency exposure of its cash flows. The Group has also entered into foreign exchange contracts to hedge the foreign currency exposure of its cash flows. Amounts are recorded in the consolidated financial statements as follows:

Derecognition

For the year ended 31 December 2007, the Group has entered into foreign exchange contracts to hedge the foreign currency exposure of its cash flows. The Group has also entered into foreign exchange contracts to hedge the foreign currency exposure of its cash flows.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

3. SIGNIFIC



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Notes to the Consolidated Financial Statements 綜合財務報表附註

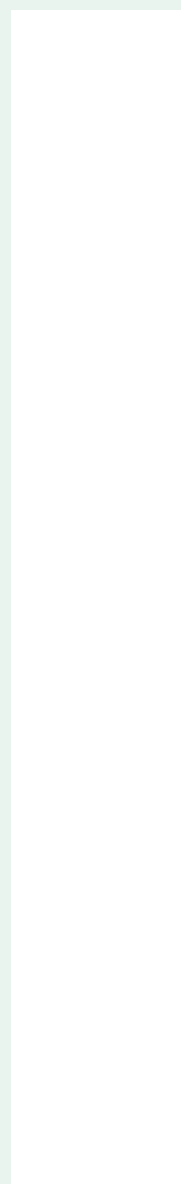
For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group's financial statements are prepared using accounting policies that require the use of estimates and assumptions. The Group's management has evaluated the estimates and assumptions used in the preparation of the financial statements and has concluded that the estimates and assumptions are reasonable. The Group's management has also evaluated the impact of the estimates and assumptions on the financial statements and has concluded that the estimates and assumptions are reasonable.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度





Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rates (continued)

Sensitivity analysis

The sensitivity analysis shows that the change in the fair value of the Group's financial assets and liabilities arising from a hypothetical 50 basis point increase or decrease in interest rates at the reporting date would be HK\$18,277,000 (2006: HK\$3,562).

The sensitivity analysis shows that the change in the fair value of the Group's financial assets and liabilities arising from a hypothetical 50 basis point increase or decrease in interest rates at the reporting date would be HK\$18,277,000 (2006: HK\$3,562).

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

Equity prices (continued)

Sensitivity analysis

The sensitivity analysis below is based on the assumption that the market price of the equity instruments has changed by 5%.

The sensitivity analysis shows that a 5% increase in the price of the equity instruments would result in a decrease in the Group's profit before tax of HK\$27,217,000 (2006: HK\$11,150,000) for the year ended 31 December 2007.

Credit risk

The Group's credit risk is managed by the Group's credit management department. The Group's credit management department is responsible for the credit risk management of the Group's credit instruments. The Group's credit management department has established a credit risk management system to monitor and control the credit risk of the Group's credit instruments. The Group's credit management department has established a credit risk management system to monitor and control the credit risk of the Group's credit instruments. The Group's credit management department has established a credit risk management system to monitor and control the credit risk of the Group's credit instruments.

The Group's credit risk is managed by the Group's credit management department. The Group's credit management department is responsible for the credit risk management of the Group's credit instruments. The Group's credit management department has established a credit risk management system to monitor and control the credit risk of the Group's credit instruments.

The Group's credit risk is managed by the Group's credit management department. The Group's credit management department is responsible for the credit risk management of the Group's credit instruments. The Group's credit management department has established a credit risk management system to monitor and control the credit risk of the Group's credit instruments.

6b. 財務風險管理目標及政策(續)

市場風險(續)

股本價格風險(續)

敏感度分析

下文的

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6. 金融工具(續)

6b. Financial risk management objectives and policies (continued)

6b

Liquidity risk

The management monitors the liquidity risk, the Group's cash and cash equivalents, and the Group's financial assets and liabilities. The Group's management monitors the liquidity risk, the Group's cash and cash equivalents, and the Group's financial assets and liabilities. The Group's management monitors the liquidity risk, the Group's cash and cash equivalents, and the Group's financial assets and liabilities.

The Group's cash and cash equivalents are HK\$8,968,937,000 (2006: HK\$5,083,919,000).

The Group's cash and cash equivalents are HK\$8,968,937,000 (2006: HK\$5,083,919,000).

The Group's cash and cash equivalents are HK\$8,968,937,000 (2006: HK\$5,083,919,000).

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

6c. Fair value

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

7. REVENUE

Revenue is derived from the sale of products and services provided by the Group. The Group's revenue is derived from the sale of products and services provided by the Group.

7. 營業額

營業額指本集團於各年內自對外客戶銷售貨品(減折扣、退貨及銷售相關稅項)及提供服務之所收及應收金額淨額，分析如下：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Sales of copper clad boards	7,590,476	6,288,922
Sales of PCBs	7,601,201	6,649,997
Sales of chemical products	3,806,630	2,725,653
Others (Note 1)	1,026,805	1,108,776
	20,025,112	16,773,348

Note: Amount included in revenue is HK\$28,637,000 (2006: HK\$24,320,000).

附註：包括服務收入28,637,000港元(二零零六年：24,320,000港元)。

8. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

The Group's business segments are derived from the sale of products and services provided by the Group. The Group's business segments are derived from the sale of products and services provided by the Group.

8. 業務及地區分部

業務分部

在管理方面，本集團目前分成四大營運部門—覆銅面板、印刷線路板、化工產品及其他。此等部門為本集團申報其主要分部資料之基準。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Business segments (continued)

	Laminates	PCBs	Chemicals	Others	Consolidated
	覆銅面板	印刷線路板	化工產品	其他	綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
Year ended 31 December 2007	截至二零零七年十二月三十一日止年度				
Other income	其他資料				
Capital additions	1,515,028	756,006	2,623,316	1,233,569	6,127,919
Depreciation and amortization	492,876	440,737	178,045	58,705	1,170,363
Income from other receivables					
Impairment losses on other receivables	19,854	39,107	30,043	-	89,004
Losses on disposal of assets					



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Business segments (continued)

		Lam 覆銅面板 HK\$'000 千港元	PCB 印刷線路板 HK\$'000 千港元	Chem 化工產品 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Eliminated 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
For the year ended 31 December 2006 截至二零零六年十二月三十一日止年度							
Summary 分部收益							
External sales 對外銷售額		6,288,922	6,649,997	2,725,653	1,108,776		16,773,348
Inter-segment sales 分部間之銷售額		1,954,390		1,285,722	15,571	(3,255,683)	
Total 合計		8,243,312	6,649,997	4,011,375	1,124,347	(3,255,683)	16,773,348
Results 業績							
Segment results 分部業績		1,807,375	686,182	342,027	80,248		2,915,832
Goodwill impairment charges 出售及視作出售一間附屬公司部分權益之收益		4,830,916					4,830,916
Discount on acquisition of a joint venture 收購一間聯營公司折讓			48,182				

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Business segments (continued)

Laminates	PCBs	Chemicals	Other Chemicals	Total
覆銅面板	印刷線路板	化工產品	其他	綜合
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千			



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

During the year ended 31 December 2006, the Group
acquired 3,333,333 shares of Kowloon Telecommunications
Limited ("KLHL"), a listed company in Hong Kong,
from its wholly owned subsidiary, the company
incorporated in the United States of America, the
company known as the "SEH" (the "SEH").
The Group's investment of 675,000,000 shares of KLHL
at the acquisition date was valued at HK\$7.73 per share.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Thermum 應付稅項	稅項包括：		
Hong Kong Profits Tax	香港利得稅		
Current year	本年度之稅項支出	94,330	16,310
Overseas	過往年度超額撥備	(4,558)	(8,433)
		89,772	7,877
Tax in other jurisdictions	其他司法權區之稅項		
Current year	本年度之稅項支出	167,258	246,190
(Overseas)	過往年度(超額撥備) 撥備不足	(3,544)	4,404
		163,714	250,594
Deferred (Note 33)	遞延稅項(附註33)		
Current year	本年度撥回	(9,622)	(18,036)
Rate change	稅率變動之影響	1,166	
		(8,456)	(18,036)
		245,030	240,435

Hong Kong Profits Tax is levied at 17.5% on the chargeable profits.

Tax in other jurisdictions is levied on the chargeable profits.

On 16 March 2007, the PRC promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Law"). Ordinance 63 of the People's Republic of China, promulgated on 6 December 2007, the State Council of the PRC signed the PRC Income Tax Regulations of the New Law. The New Law and Regulations will be implemented from 1 January 2008. The current tax rates are 15%, 25% and 33% for the years 1 January 2008. The current tax rates are 15%, 25% and 33% for the years 1 January 2008. The current tax rates are 15%, 25% and 33% for the years 1 January 2008.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Notes to the Consolidated Financial Statements
 for the year ended 31 December 2007 and 2006
 The Group's financial statements for the year ended 31 December 2007 were audited by the independent member of the audit firm (2006: the independent member of the audit firm). The independent member of the audit firm (2006: N/A) was not a member of the audit firm.

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Salaries and other benefits Current year	2,300	
Retirement benefits		



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Through the year

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 January 2006	於二零零六年一月一日	33,057
Increases	公平值增加	7,163
At 31 December 2006	於二零零六年十二月三十一日	
At 1 January 2007	及二零零七年一月一日	40,220
Additions	添置	1,084,477
Transfers from other assets	轉撥自物業、廠房及設備	
Transfers to other assets	(附註)	68,137
Increases	公平值增加	5,118
At 31 December 2007	於二零零七年十二月三十一日	1,197,952

Note: The fair value of the transferred properties is determined by the independent professional valuers, Messrs. Cheong & Associates, Chartered Surveyors, who are members of the Hong Kong Institute of Surveyors.

附註：該等轉撥自物業、廠房及設備之物業於轉撥日期之公平值，乃按與本集團並無關連之獨立合資格估值師衡量行於該日進行估值之基準達致。

The fair value of the Group's investment properties at 31 December 2006 has been determined by the independent valuers, Messrs. B.I. Aarons & Co., Chartered Surveyors, who are members of the Hong Kong Institute of Surveyors. At 31 December 2007, the fair value of the Group's investment properties has been determined by the independent valuers, Messrs. Cheong & Associates, Chartered Surveyors, who are members of the Hong Kong Institute of Surveyors. The fair value of the investment properties is determined by the independent valuers, Messrs. B.I. Aarons & Co., Chartered Surveyors, who are members of the Hong Kong Institute of Surveyors. The fair value of the investment properties is determined by the independent valuers, Messrs. B.I. Aarons & Co., Chartered Surveyors, who are members of the Hong Kong Institute of Surveyors.

All the Group's properties are held under long-term lease agreements with the lessors. The fair value of the properties is determined by the independent valuers, Messrs. B.I. Aarons & Co., Chartered Surveyors, who are members of the Hong Kong Institute of Surveyors.



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		Freehold land 永久產權土地 HK\$'000 千港元	Buildings for own use 自用樓宇 HK\$'000 千港元	Leasehold improvements 租約 物業裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、 裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Properties, plant and equipment under construction 在建中物業、 廠房及設備 HK\$'000 千港元	Total 合計 HK\$'000 千港元
COST	成本								
At 1 January 2006	於二零零六年一月一日	55,653	1,828,502	197,325	7,726,392	195,161	111,146	878,498	10,992,677
Exchange adjustments	匯兌調整	5,054	18,639	52,797	118,383	11,342	4,641	35,137	245,993
Additions	添置		367,221	28,150	764,753	60,092	39,190	1,133,826	2,393,232
Acquisition of subsidiaries	收購附屬公司而獲取		3,382		33,148	1,198	1,089	387	39,204
Disposals	出售及撤銷		(29,407)	(20,343)	(109,912)	(28,735)	(19,992)		(208,389)
Reclassification	重新分類		133,418	4,801	591,153	4,145	297	(733,814)	
At 31 December 2006	於二零零六年十二月三十一日								
1 January 2007	及二零零七年一月一日	60,707	2,321,755	262,73					

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

19. PROPERTIES, PLANT AND EQUIPMENT 19.

(continued)

The management has determined that the carrying amount of properties, plant and equipment is not significantly different from their fair value.

Franchise	10	20%
Buildings	10	33 1/3%
Leasehold improvements	10	20%
Plant and machinery	10	20%
Furniture, fixtures and equipment	10	33 1/3%
Motor vehicles	10	20%

20. PREPAID LEASE PAYMENTS

The Group has prepaid lease payments for the use of land and buildings in Hong Kong.

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Assets		
Current	28,029	9,513
Non-current	1,265,127	471,727
	1,293,156	481,240

就報告分析如下：

流動資產

非流動資產



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		HK\$'000 千港元
CARRYING AMOUNT	賬面值	
At 1 January 2006	於二零零六年一月一日	1,659,354
Acquired subsidiaries (Note 37)	收購附屬公司產生(見附註37)	48,621
Acquired subsidiaries' additional equity interests (Note 37)	收購附屬公司額外權益產生(附註)	9,544
At 31 December 2006 / 1 January 2007	於二零零六年十二月三十一日及二零零七年一月一日	1,717,519
Acquired subsidiaries (Note 37)	收購附屬公司產生(見附註37)	238
Acquired subsidiaries' additional equity interests (Note 37)	收購附屬公司額外權益產生(附註)	287,901
At 31 December 2007	於二零零七年十二月三十一日	2,005,658
Notes: Goodwill is calculated as the excess of the purchase price over the fair value of the identifiable intangible assets acquired.	附註：商譽按就額外權益所付代價與所收購額外權益應佔附屬公司資產淨值之賬面值間差額計算。	
Provision for impairment losses on goodwill		
As at 31 December 2006, the Group used the cash flow projections of the subsidiaries' operations to estimate the fair value of the identifiable intangible assets acquired. The cash flow projections are based on the management's estimates of the future cash flows of the subsidiaries' operations. The cash flow projections are based on the management's estimates of the future cash flows of the subsidiaries' operations. The cash flow projections are based on the management's estimates of the future cash flows of the subsidiaries' operations.		
As at 31 December 2007, the Group used the cash flow projections of the subsidiaries' operations to estimate the fair value of the identifiable intangible assets acquired. The cash flow projections are based on the management's estimates of the future cash flows of the subsidiaries' operations. The cash flow projections are based on the management's estimates of the future cash flows of the subsidiaries' operations. The cash flow projections are based on the management's estimates of the future cash flows of the subsidiaries' operations.		



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

A 31 10 m r



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

23. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
上市投資： — 於香港上市之股本證券 — 於海外上市之債務證券，固定年息4.625% — 於海外上市之債務證券，固定年息4.62%	544,332	230,206



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
非上市可換股債券		
— 借貸部分	86,188	
— 可換股及贖回選擇		
權衍生工具—公平值	205,461	
	291,649	

During the year ended 31 December 2007, the Group has issued a convertible loan note of HK\$108,000,000 (the "G-Pré") to the Group. The G-Pré is a convertible loan note with a principal amount of HK\$108,000,000 (the "G-Pré") and a maturity date of 25 October 2010 (the "Maturity Date"). The G-Pré is convertible into shares of the Group at a conversion price of HK\$0.162 per share.

The G-Pré is a convertible loan note with a principal amount of HK\$108,000,000 (the "G-Pré") and a maturity date of 25 October 2010 (the "Maturity Date"). The G-Pré is convertible into shares of the Group at a conversion price of HK\$0.162 per share.

The G-Pré is a convertible loan note with a principal amount of HK\$108,000,000 (the "G-Pré") and a maturity date of 25 October 2010 (the "Maturity Date"). The G-Pré is convertible into shares of the Group at a conversion price of HK\$0.162 per share.

截至二零零七年十二月三十一日止年度，本集團認購其聯營公司金匡之三年零息可換股債券，本金額為108,000,000港元。可換股債券可自發行日期(即二零零七年十月二十五日)起至到期日(即二零一零年十二月二十四日)止任何時間以每張Q7qP™A



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

143 143 143 143 143 143 143 143 143 143



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

25. INTERESTS IN JOINTLY CONTROLLED ENTITIES (continued) 25. 於共同控制實體之權益(續)

The following table sets out the financial information of the jointly controlled entities in which the Group has an interest, as at the end of the reporting period:

以權益法列賬之本集團之共同控制實體之財務資料概述如下：

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Total assets	資產總值	79,183	95,889
Total liabilities	負債總值	(108,945)	(123,509)
Net assets	負債淨額	(29,762)	(27,620)
Group's share of net assets of jointly controlled entities	本集團應佔共同控制實體負債淨額	(14,881)	(13,811)
Revenue	營業額	32,430	94,649
Loss for the year	本年度虧損	(2,140)	(3,509)
Group's share of loss for the year of jointly controlled entities	年內本集團應佔共同控制實體虧損	(1,070)	(1,755)

26. NON-CURRENT DEPOSITS

Non-current deposits are deposits made by the Group for the purchase of property, plant and equipment and investment property. These deposits are non-refundable and are not subject to withdrawal. The deposits are classified as non-current assets as they are not expected to be realized within 12 months. The deposits are classified as non-current assets as they are not expected to be realized within 12 months. The deposits are classified as non-current assets as they are not expected to be realized within 12 months.

26. 非流動訂金

非流動訂金指就購買物業、廠房及設備以及投資物業已支付之訂金。該等訂金在結算日起計12個月內不能變現。因此，該等款項計入非流動資產。該等訂金在供應商未能在與本集團協定的時間內將資產交付予本集團時，方可退回。本公司董事預期，本集團將於未來兩年內收取該等資產。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

		Mining right 採礦權 HK\$'000 千港元	Know-how fee 專業知識費 HK\$'000 千港元	Total 合計 HK\$'000 千港元
COST	成本			
At 1 January 2006	於二零零六年 一月一日		2,329	2,329
Acquisitions	增添		907	907
At 31 December 2006 1 January 2007	於二零零六年 十二月三十一日 及二零零七年 一月一日		3,236	3,236
Acquired from subsidiaries	收購一間附屬公司			
而獲取		695,847		695,847
Exchange adjustments	匯兌調整	28,239		28,239
Acquisitions	添置		245	245
Disposals	出售		(6)	(6)

Notes to the financial statements of Kingboard Chemical Holdings Limited



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

29. OTHER FINANCIAL ASSETS (continued)

Trade and other receivables and prepayments (continued)

Business Group

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

2007 2006

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

29. OTHER FINANCIAL ASSETS (continued)

除上文所述外，其他財務資產包括下列以集團實體之功能貨幣以外貨幣計值之款額：

29. 其他財務資產(續)

貿易及其他應收賬款及預付款項包括下列以集團實體之功能貨幣以外貨幣計值之款額：

	2007 二零零七年 Amount 金額 '000 千元	2006 二零零六年 Amount 金額 '000 千元
銀行結餘及現金	230,494	136,119

Bank balances and cash

本集團之銀行結餘及現金包括本集團持有之現金及原到期日為三個月或以下之短期銀行存款。於二零零七年十二月三十一日，銀行存款按現行市場年利率介乎0.18厘至3.4厘(二零零六年：介乎0.72厘至5.17厘)計息。

於二零零七年及二零零六年十二月三十一日，本集團不可自由兌換或須受中國外匯管制所規限之銀行結餘及現金分別約為1,316,400,000港元及865,400,000港元。

銀行結餘及現金

銀行結餘及現金包括本集團持有之現金及原到期日為三個月或以下之短期銀行存款。於二零零七年十二月三十一日，銀行存款按現行市場年利率介乎0.18厘至3.4厘(二零零六年：介乎0.72厘至5.17厘)計息。

於二零零七年及二零零六年十二月三十一日，本集團不可自由兌換或須受中國外匯管制所規限之銀行結餘及現金分別約為1,316,400,000港元及865,400,000港元。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

30. DERIVATIVE FINANCIAL INSTRUMENTS 30. 衍生金融工具(續)

(continued)

During the year ended 31 December 2006, the Group used interest rate swap contracts to convert the Hong Kong dollar-denominated borrowings into US dollar-denominated borrowings. The interest rate swap contracts were entered into with a view to reducing the interest rate risk of the borrowings. The interest rate swap contracts were entered into with a view to reducing the interest rate risk of the borrowings. The interest rate swap contracts were entered into with a view to reducing the interest rate risk of the borrowings.

During the year ended 31 December 2006, the Group entered into interest rate swap contracts with a notional amount of HK\$73,370,000 (2007: Nil) to convert the Hong Kong dollar-denominated borrowings into US dollar-denominated borrowings.

In December 2006, the Group entered into interest rate swap contracts with a notional amount of HK\$43,823,000 to convert the Hong Kong dollar-denominated borrowings into US dollar-denominated borrowings. The interest rate swap contracts were entered into with a view to reducing the interest rate risk of the borrowings. The interest rate swap contracts were entered into with a view to reducing the interest rate risk of the borrowings. The interest rate swap contracts were entered into with a view to reducing the interest rate risk of the borrowings.

截至二零零六年十二月三十一日止年度，本集團透過將借貸由浮息轉為定息，利用利率掉期減低按浮息計算之港元銀行借貸現金流量變動之風險。該等利率掉期之主要條款與對沖銀行借貸之主要條款相似，董事指定該衍生工具為現金流量對沖工具，並認為該等工具極有效。

截至二零零六年十二月三十一日止年度，為數約73,370,000港元之公平值變動虧損(二零零七年：沒有)已於股本遞延處理。

於二零零六年十二月，本集團已悉數償還以利率掉期有效對沖之按浮息計算之港元銀行借貸。然而，本集團並無同時終止該等利率掉期。因此對沖會計經已終止，已計入對沖儲備中約43,823,000港元之結餘已於截至年底撥充資本。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

At the balance sheet date, the interest rate swap contracts entered into by the Group are as follows:

於結算日，利率掉期之主要條款如下：

Outstanding contracts as at 於以下日期尚未 到期之合約	Notional amount 面值 HK\$'000 千港元	Maturity 到期日	Receive floating 所收浮息	Pay fixed 所付定息
31 December 2007 二零零七年	300,000	within 1 year 一年內	HIBOR 香	2.55%

於結算日，本集團訂立遠期商品合約。該尚未到期之合約之主要條款如下：



Notes to the Consolidated Financial Statements 綜合財務報表附註
For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

The following table shows the breakdown of the Group's share capital as at 31 December 2007 and 2006.

1EMC E5

2007
二零零七年
HK\$'000
千港元

2006
二零零六年
HK\$'000
千港元

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

32. BANK BORROWINGS

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

若干遞延稅項資產及負債因應資產負債表呈示用途而作出抵銷。以下為該等遞延稅項結餘用作財務報表的用途時作出的分析：

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Deferred tax liabilities 遞延稅項負債	29,165	36,323
Deferred tax assets 遞延稅項資產	(21,994)	(19,499)
	7,171	16,824

At 31 December 2007, the Group has tax losses of HK\$9,303,000 (2006: HK\$9,678,000) which are available for offset against future taxable profits. The Group also has tax losses of HK\$23,090,000 (2006: HK\$14,580,000) which are available for offset against future taxable profits. The Group has also tax losses of HK\$20,085,000 (2006: HK\$6,258,000). As the Group is not able to estimate the amount of future taxable profits, the Group has not recognized any deferred tax assets.

於二零零七年十二月三十一日，有關未動用稅項虧損及存貨撇減為數分別約9,303,000港元(二零零六年：9,678,000港元)及約23,090,000港元(二零零六年：14,580,000港元)之遞延稅項資產已於本集團綜合資產負債表確認，而本集團並無未確認遞延稅項資產，原因為無法預計為數約20,085,000港元(二零零六年：6,258,000港元)之稅項虧損所產生未來溢利來源。所有稅項虧損可無限期結轉。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

34. SHARE CAPITAL

34. 股本

		Number of shares 股數		Share capital 股本	
		2007 二零零七年	2006 二零零六年	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Ordinary shares 每股面值0.10港元之 普通股					
Authorized 法定		1,200,000,000	1,200,000,000	120,000	120,000
Issued 已發行及繳足股款					
At the beginning of the year 於年初		832,799,046	784,767,161	83,280	78,477
Exercise of pre-emptive rights (見附註35) 行使優先購股權 (見附註35)		5,300,000	5,300,000	530	530
Exercise of share warrants (見附註36) 行使認股權證之認購 權利(附註36)		-	42,731,885	-	4,273
At the end of the year 於年終		838,099,046	832,799,046	83,810	83,280

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

(a) Employees' share option scheme of the Company

The Company's share option scheme (the "Scheme") was established on 2 July 2002, whereby the Company may, at its discretion, grant share options to its employees and directors of the Company (the "Participants") (the "Employees' Share Option Scheme" (the "Scheme") of the Company). The Scheme is administered by the Company's Board of Directors (the "Board"). The Scheme is subject to the terms and conditions set out in the Scheme Document (the "Scheme Document") and the Rules of the Scheme (the "Rules"). The Scheme is subject to the approval of the shareholders of the Company at the general meeting of the Company. The Scheme is subject to the approval of the shareholders of the Company at the general meeting of the Company.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

(a) Em0.Ar264 0 Tdh0 Tda0 TdrEMC 1.1(m0.Ar264o1.954)-62Dt-62Di88Omm0.Ar264 0 Tdc0 Tdh0 Tde-61(e)-61(e)

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

35. SHARE OPTIONS (continued)

(b) Employees' share option scheme of EEIC

(continued)

The 2002 Scheme is a share option scheme for the purpose of providing incentives and rewards to eligible employees of EEIC who have made significant contributions to the development of EEIC.

The 2002 Scheme, which is administered by the Board of Directors of EEIC (the "Committee"), is a share option scheme for the purpose of providing incentives and rewards to eligible employees of EEIC who have made significant contributions to the development of EEIC.

The 2002 Scheme is a share option scheme for the purpose of providing incentives and rewards to eligible employees of EEIC who have made significant contributions to the development of EEIC.

Pr 1, h h 2006 33(h)-33()-()-33()-320()-33(h)-33()-139()-33()-33(33(h)-1r3()3mHT 139(

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

(b) Employees' share option scheme of EEIC (continued)

The number of shares under the 2002 Share Option Scheme of EEIC is 5,000,000 shares. The maximum number of shares that may be issued under the Scheme is 10% of the issued shares.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

35. SHARE OPTIONS (continued)

(b) Employees' share option scheme of EEIC

(continued)

The following table shows the movement of the number of shares under the EEIC's share option scheme during the year. The weighted average exercise price of the share options granted during the year was HK\$4.45.

The number of shares underlying the share options granted during the year was 1,000,000 (2006: 1,000,000). The weighted average exercise price of the share options granted during the year was HK\$4.45 (2006: HK\$6.72).

(c) Employees' share option scheme of KLHL

The following table shows the movement of the number of shares under the KLHL's share option scheme during the year.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

35. SHARE OPTIONS (continued)

(c) Employees' share option scheme of KLHL (continued)

The employees' share option scheme of KLHL was granted to employees of KLHL on 28 September 2006. The scheme is a non-qualified incentive scheme. The exercise price of the options is HK\$1. A total of 1,000,000 options were granted to employees of KLHL on 28 September 2006. The options are exercisable from 28 September 2006 to 28 September 2011. The options are exercisable at the discretion of the employees. The options are exercisable at the discretion of the employees. The options are exercisable at the discretion of the employees.

The employees' share option scheme of KLHL is a non-qualified incentive scheme. The exercise price of the options is HK\$1. A total of 1,000,000 options were granted to employees of KLHL on 28 September 2006. The options are exercisable from 28 September 2006 to 28 September 2011. The options are exercisable at the discretion of the employees. The options are exercisable at the discretion of the employees. The options are exercisable at the discretion of the employees.

The employees' share option scheme of KLHL is a non-qualified incentive scheme. The exercise price of the options is HK\$1. A total of 1,000,000 options were granted to employees of KLHL on 28 September 2006. The options are exercisable from 28 September 2006 to 28 September 2011. The options are exercisable at the discretion of the employees. The options are exercisable at the discretion of the employees. The options are exercisable at the discretion of the employees.

35. 優先購股權(續)

(c) 建滔積層板僱員優先購股權計劃(續)

參與人士可於獲提呈授出優先購股權之日起計28天內，透過支付代價1港元接納優先購股權。優先購股權可於建滔積層板董事釐定及通知各承授人之期間內隨時行使，倘無釐定有關期間，則由優先購股權授出建議獲接納之日開始，並於任何情況下不遲於優先購股權授出日期起計十年之日為止，惟須受建滔積層板優先購股權計劃之提早終止條文所限。建滔積層板董事可全權酌情向參與人士訂定授出行使優先購股權之條件，行使優先購股權前必須持有之最短期間，任何須予達成之表現目標及任何其他須予達成之條件。

根據建滔積層板優先購股權計劃及建滔積層板任何其他優先購股權計劃授出之所有優先購股權(就此而言不包括按照建滔積層板優先購股權計劃及建滔積層板任何其他優先購股權計劃之條款已失效之優先購股權)獲行使時可予發行之建滔積層板股份總數，合共不得超過建滔積層板於批准該計劃當日已發行股份總數之10%。

根據建滔積層板優先購股權計劃及建滔積層板任何其他優先購股權計劃所有授出而尚未行使及有待行使之優先購股權獲行使時可予發行之建滔積層板股份數目，最多不得超過建滔積層板不時之已發行股本30%。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

() In April 2007, the Group acquired 51% equity interest in Jiangxi Hongfeng Plastic Co., Ltd. (江西省宏豐塑膠有限公司), an unlisted company incorporated in the People's Republic of China, for a cash consideration of HK\$20,643,000. The acquisition has been accounted for as a business combination. The identifiable intangible assets acquired are goodwill. The goodwill is measured at HK\$238,000.

The acquisition is accounted for as an acquisition of an intangible asset, the goodwill.

() In April 2007, the Group acquired 51% equity interest in Jiangxi Hongfeng Plastic Co., Ltd. (江西省宏豐塑膠有限公司) (the Company) (the Company's main business is manufacturing plastic components) for a cash consideration of HK\$20,643,000. This acquisition is accounted for as a business combination. The identifiable intangible assets acquired are goodwill of HK\$238,000.

The acquisition is accounted for as an acquisition of an intangible asset, the goodwill.

Acquiree's
carrying amount
before combination
and fair value
被收購方於合併前
之賬面值及公平值
HK\$'000
千港元

Net assets acquired:

Property, plant and equipment
Prepaid lease payments
Inventory
Trade receivables
Trade payables
Borrowings
Trade receivables

Acquired net assets:

Property, plant and equipment 37,153
Prepaid lease payments 2,076
Inventory 140
Trade receivables and other receivables and
prepaid payments 1,212
Bank balances and cash 363
Trade payables and other payable 934

40,010

Minority interests

Minority interests

(19,605)

Goodwill

Goodwill arising from acquisition

238

Total consideration paid

Total consideration paid in cash

20,643

Net cash outflow from acquisition:

Net cash outflow from acquisition:

Cost of acquisition
Less: Bank balances and cash

Cost of acquisition 20,643
Less: Bank balances and cash (363)

Net cash outflow from acquisition
Less: Cash and cash equivalents of subsidiaries

Net cash outflow from acquisition
Less: Cash and cash equivalents of subsidiaries

20,280

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

() In 2006, the Group acquired 80% equity interest in
Smr Fw (H.K.) Limited, a company incorporated in Hong Kong.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

37. ACQUISITIONS OF SUBSIDIARIES (continued)

() (continued)

The acquisition of the subsidiary, Kingboard Chemicals (HK) Limited, is a business combination. The acquisition of the subsidiary, Kingboard Chemicals (HK) Limited, is a business combination.

The acquisition of the subsidiary, Kingboard Chemicals (HK) Limited, is a business combination. The acquisition of the subsidiary, Kingboard Chemicals (HK) Limited, is a business combination.

The acquisition of the subsidiary, Kingboard Chemicals (HK) Limited, is a business combination. The acquisition of the subsidiary, Kingboard Chemicals (HK) Limited, is a business combination.

37. 收購附屬公司 (續)

() (續)

收購附屬公司所產生之商譽源自合併後分銷本集團產品(即：印刷線路板)之預計盈利能力。

於二零零六年收購之附屬公司自收購日期起至二零零六年十二月三十一日止期間對本集團營業額貢獻約為201,175,000港元及對本集團溢利貢獻約2,745,000港元。

倘收購於二零零六年一月一日完成，本年度集團總營業額將約為17,017,427,000港元，本年度溢利將約為7,390,219,000港元。備考資料僅供說明之用，並不表示假設收購已於二零零六年一月一日完成後本集團實際可達致之營業額及經營業績，亦不擬作為未來業績之預測。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

39. OPERATING LEASES (continued)

At the end of the reporting period, the Group's operating leases are as follows:

39. 經營租約(續)

於結算日，本集團根據不可撤銷之經營租約於日後支付之租約付款須於下列期間支付：

	Premises 物業		Plant and machinery 廠房及機器	
	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Within one year 於一年內	7,565	14,186	20	617
After one year but within five years 於一年後但於五年內	6,287	8,632	30	
After five years 於五年後	26,315	24,310	66	
	40,167	47,128	116	617

	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
The Group's operating leases		
Rental income from operating leases, net of direct costs, is included in the consolidated income statement (二零零六年: 120,000港元) HK\$157,000 (2006: HK\$120,000)	由本集團出租： 於年內計入綜合收益表之租金收入，已扣除支銷約157,000港元 30,184	5,894

Notes to the Consolidated Financial Statements 綜合財務報表附註



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Name of subsidiary	Place of incorporation/ registration and operation	Issued and fully paid share capital/ registered capital	Proportion of the ownership interest held by the Group
--------------------	---	--	---



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有 權益比例		Principal activities 主要業務
			2007 二零零七年 %	2006 二零零六年 %	
Koosir Limited (澳門) Commerce (Offshore) Limited 建滔積層板(澳門離岸商業服務) 有限公司	Macao 澳門	MOP100,000 澳門幣100,000元	74.77	72.50	Distribution 分銷覆銅面板
Koosir Limited (江門) China Limited 江門建滔積層板有限公司	PRC 中國	HK\$189,491,052 189,491,052港元	74.77	72.50	Manufacturing 製造及分銷覆銅面板
Koosir Limited (昆山) China Limited 建滔積層板(昆山)有限公司	PRC 中國	US\$32,010,000 32,010,000美元	74.77	72.50	Manufacturing 製造及分銷覆銅面板
Koosir Limited (韶關) China Limited 建滔積層板(韶關)有限公司	PRC 中國	RMB7,490,000 人民幣7,490,000元	74.77	72.50	Manufacturing 製造及分銷覆銅面板
Kunshan Rong Chemical China Limited 昆山日滔化工有限公司	PRC 中國	US\$12,500,000 12,500,000美元	74.77	72.50	Manufacturing 製造及分銷覆銅面板
Thick Circuit Control Limited 科惠線路有限公司	Hong Kong 香港	HK\$4,000,000 4,000,000港元	90	90	Investment holding 投資控股

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有 權益比例		Principal activities 主要業務
			2007	2006	
			二零零七年 %	二零零六年 %	
T h Sh r (F) Cr v s L m	PRC ¹ 中國 ¹	HK\$135,000,000 135,00	63	63	M u u r

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of the ownership interest held by the Group 本集團持有 權益比例		Principal activities 主要業務
			2007	2006	
			二零零七年 %	二零零六年 %	
K E E N 2 C n L m 開平依利安達電子第二有限公司	PRC ² 中國 ²	●S\$21,670,000 21,670,000美元	67.23	67.35	M u u r 製造及分銷印刷線路板
K E E N 3 C n L m 開平依利安達電子第三有限公司	PRC ² 中國 ²	●S\$86,960,000 86,960,000美元	67.23	67.55	M u u r 製造及分銷印刷線路板
K E E N 5 C n L m 開平依利安達電子第五有限公司	PRC ² 中國 ²	●S\$30,075,100 30,075,100美元	67.23	67.35	M u u r 製造及分銷印刷線路板
E E (Gu h u) E r C n L m 依利安達(廣州)電子有限公司	PRC ² 中國 ²	●S\$70,596,000 70,596,000美元	69.35	69.47	M u u r 蔓箔穀梨・屹煥襠襠濫录汩燭潔刪蠶沓L×梨・蔡飢撐批



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

Name of subsidiary	Place of incorporation/ registration and operation 註冊成立／	Issued and fully paid share capital/ registered capital 已發行及繳足	Proportion of the ownership interest held by the Group 本集
--------------------	--	--	---



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2007 截至二零零七年十二月三十一日止年度

41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

The following subsidiaries are wholly owned by the Company, which, in turn, holds 100% of the shares of the Company, and the Company is the sole shareholder of the Company.

None of the subsidiaries are subsidiaries of the Company.

42. RELATED PARTY TRANSACTIONS

The Group is a related party of the Company.

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Sales of goods to a subsidiary of a minority shareholder of the Company	向一間附屬公司之少數股東銷售貨品	5,467,100	486,661
Purchase of goods from a subsidiary of a minority shareholder of the Company	向一間附屬公司之少數股東購買貨品	1,035,467	1,035,467



建滔化工集團

KINGBOARD CHEMICAL HOLDINGS LIMITED

5/F., Block K, Valiant Industrial Centre, 2-12 Au Pui Wan St., Fotan, Shatin, Hong Kong.

香港新界沙田火炭坳背灣街2-12號威力工業中心五樓K座

Tel 電話：(852) 2605 6493 Fax 傳真：(852) 2691 5245

E-mail 電郵：enquiry@kingboard.com Web site 網址：http://www.kingboard.com