



嘉利國際控股有限公司 Karrie International Holdings Limited

(於百慕達註冊成立之有限公司)

(Incorporated in Bermuda with limited liability)



Interim Report 2005/06 中期報告



25th Anniversary Celebration Party on 21 October 2005

Speech by Chairman C. F. Ho

Karrie was established in 1980 in Hong Kong. Its principal business at that time was manufacturing of video cassette housings. With rapidly expanding business and the commencement of opening up of the southern China to foreign investment in 1980s, I decided it was high time to invest in then relatively primitive Yantian, Fenggang, Dongguan. **This is our first milestone with the Group becoming the first batch of manufacturers from Hong Kong moving their production bases north to China in 1985.**

As a factory operator my ultimate goal is always the public flotation of shares in order to obtaining more funding for expansion. **My dream came true in 1996 when Karrie was listed in the Hong Kong Stock Exchange, representing the second major milestone of the Group.**

Unfortunately, we fell from the peak just one year later. The Asian Financial Turmoil struck us with a vengeance. This was also a turning point in my career: I learnt the hard lessons of the virtue of caution, the need to constantly embracing a crisis mentality and the importance for a leader to stay calm.

While the Group was badly hit, my confidence has not wavered. I am convinced that the solid foundation of the Group would put us through the crisis. I also insisted that in spite of short-term liquidity problems in 1997 and 1998, we had to go ahead with the construction our second plant in Fenggang. We also remained focused on our core business. These decisions laid down the foundation for the subsequent rapid recovery.

But bad things did not come alone. The burst of Internet bubble in 2000 had again seriously undermined our principal business of manufacturing computer related products. Very soon we realized that we couldn't rely on traditional business to generate future growth. We need a new front for expansion. And this saviour is the Electronic Manufacturing Service (EMS) business.

But the EMS business is much more complicated and totally different from the traditional metal and plastic manufacturing business. The Group needed an entirely different governance structure to tackle the complexity of this EMS business. **Here lies the third major milestone: in 2001, an Executive Committee, staffed mostly by professional managers, was established to manage the daily operation of the Group.** From then on the Group moves away from its root as a family-run business to a professionally-managed modern enterprise.

Gradually our achievements have begun to be recognized: for two consecutive years Karrie was voted by fund managers and analysts in the Asiamoney Poll as one of the best-managed companies in Hong Kong. When I learned about the award in the first time, I thought it was a once in a lifetime event and would not happen again. Karrie was simply lucky. When Karrie was honoured for the second time in 2004 as the first runner-ups in the Regional Best-managed Companies (Small Caps Category) and in the Corporate Governance in Hong Kong Polls, I realized that luck alone could not explain all these. The market has finally recognized the fundamental changes undergone in the past few years and the dedicated effort by all our staff.

I want to thank again for the supports of the local officials, customers, suppliers, bankers, shareholders and others. And of course our colleagues again. Without your support, we would not have the momentum go forward, as stated in the main theme of our 25th anniversary. Let's take the first step together in our thousand-mile journey.

* Shortened version only, for full version and other activities related to 25th anniversary, please refer to our website www.karrie.com.hk



CORPORATE INFORMATION

Registered office

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Head office and principal place of business

10th Floor
Southeast Industrial Building
611-619 Castle Peak Road
Tsuen Wan
New Territories
Hong Kong

Web site

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

Directors

Executive Directors

Mr. HO Cheuk Fai (*Chairman & CEO*)
Mr. HO Cheuk Ming (*Deputy Chairman & COO*)
Mr. KWOK Wing Kin, Francis (*Deputy Chairman*)
Mr. TAM Wing Hung
Mr. LEE Shu Ki
Mr. WONG Shun Pang

Independent Non-executive Directors

Mr. SO Wai Chun
Mr. CHAN Sui Sum, Raymond
Mr. FONG Hoi Shing

Audit committee

Mr. SO Wai Chun
Mr. CHAN Sui Sum, Raymond
Mr. FONG Hoi Shing

Remuneration committee

Mr. SO Wai Chun
Mr. CHAN Sui Sum, Raymond
Mr. HO Cheuk Ming

Company secretary

Ms. MAN Tuen Tuen

公司資料

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及主要營業地點

香港
新界
荃灣
青山公路611-619號
東南工業大廈
10樓

網址

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

董事

執行董事

何焯輝先生 (主席兼行政總裁)
何卓明先生 (副主席兼營運總裁)
郭永堅先生 (副主席)
談永雄先生
李樹琪先生
黃順鵬先生

獨立非執行董事

蘇偉俊先生
陳瑞森先生
方海城先生

審核委員會

蘇偉俊先生
陳瑞森先生
方海城先生

薪酬委員會

蘇偉俊先生
陳瑞森先生
何卓明先生

公司秘書

文端端小姐



Auditors

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

Principal bankers

The Bank of East Asia Limited
10 Des Voeux Road Central
Hong Kong

Hang Seng Bank
83 Des Voeux Road Central
Hong Kong

The Hongkong and Shanghai Banking
Corporation Limited
1 Queen's Road Central
Hong Kong

Mizuho Corporate Bank, Limited
17th Floor, Two Pacific Place
88 Queensway
Hong Kong

Standard Chartered Bank
Standard Chartered Bank Building
4-4A Des Voeux Road Central
Hong Kong

Principal share registrars and transfer office

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

**Hong Kong branch share registrars
and transfer office**

Computershare Hong Kong Investor
Services Limited
Rooms 1712-6, 17th Floor
Hopewell Centre
183 Queen's Road East
Hong Kong

核數師

羅兵咸永道會計師事務所
執業會計師
香港中環
太子大廈22樓

主要往來銀行

東亞銀行有限公司
香港
德輔道中10號

恒生銀行
香港
德輔道中83號

香港上海滙豐銀行
有限公司
香港
皇后大道中1號

瑞穗實業銀行
香港
金鐘道88號
太古廣場2座17樓

渣打銀行
香港
德輔道中4-4A號
渣打銀行大廈

主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司
香港
皇后大道東183號
合和中心
17樓1712-6室



The board (the “Board”) of directors (the “Directors”) of Karrie International Holdings Limited (the “Company”) announced the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2005 as follows:

嘉利國際控股有限公司(「本公司」)董事(「董事」)會(「董事會」)謹此公佈截至二零零五年九月三十日止六個月本公司及其附屬公司(合稱「本集團」)未經審核之綜合中期業績如下：

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

簡明綜合損益表

For the six months ended 30 September 2005

截至二零零五年九月三十日止六個月

For the six months ended
30 September
截至九月三十日止六個月

2005 2004
二零零五年 二零零四年
(Unaudited) (Unaudited)
(未經審核) (未經審核)
HK\$'000 HK\$'000
千港元 千港元
(Restated)
(重列)

		Note 附註	2005 二零零五年 (Unaudited) (未經審核) HK\$'000 千港元	2004 二零零四年 (Unaudited) (未經審核) HK\$'000 千港元 (Restated) (重列)
Turnover	營業額	4	1,764,989	1,153,438
Cost of sales	銷售成本		(1,592,215)	(1,013,068)
Gross profit	毛利		172,774	140,370
Other revenue	其他收入	6	5,312	5,693
Distribution and selling expenses	分銷及銷售費用		(13,321)	(14,096)
General and administrative expenses	一般及行政費用		(64,759)	(58,746)
Operating profit	經營溢利	7	100,006	73,221
Share of loss of an associated company	應佔聯營公司虧損		—	(1,668)
Finance costs	財務成本	8	(11,111)	(3,377)
Profit before taxation	除稅前溢利		88,895	68,176
Taxation	稅項	9	(7,769)	(6,276)
Profit for the period	本期溢利		81,126	61,900
Attributable to:	應佔：			
Equity holders of the Company	本公司股權持有人		81,126	61,900
Minority interest	少數股東權益		—	—
			81,126	61,900
Earnings per share for profit attributable to the equity holders of the Company during the period	按本公司股權持有人期內應佔溢利計算之每股溢利			
– Basic	— 基本	11	HK19.83 cents港仙	HK15.37 cents港仙
– Diluted	— 攤薄	11	HK19.48 cents港仙	HK15.24 cents港仙
Interim dividend	中期股息	10	36,877	34,401



CONDENSED CONSOLIDATED BALANCE SHEET

簡明綜合資產負債表

As at 30 September 2005

於二零零五年九月三十日

			As at 30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2005 二零零五年 三月三十一日 (Audited) (已審核) HK\$'000 千港元 (Restated) (重列)
	Note 附註			
ASSETS		資產		
Non-current assets		非流動資產		
Property, plant and equipment	12	物業、廠房及設備	217,485	213,409
Leasehold land and land use rights	12	租賃土地及 土地使用權	11,719	11,868
Deposit for land use rights	12	土地使用權按金	16,417	13,292
Deferred tax assets		遞延稅項資產	3,987	3,987
			249,608	242,556
Current assets		流動資產		
Inventories	13	存貨	452,532	440,013
Trade receivables	14	貿易應收帳款	609,761	560,081
Prepayments, deposits and other current assets		預付款、按金及 其他流動資產	33,646	22,618
Cash and bank deposits		現金及銀行存款	381,927	352,665
			1,477,866	1,375,377
Total assets		資產總值	1,727,474	1,617,933
EQUITY		權益		
Capital and reserves attributable to the Company's equity holders		本公司股權持有人應佔 股本及儲備		
Share capital	17	股本	40,975	40,777
Reserves	18	儲備	411,083	375,154
			452,058	415,931
Minority interest		少數股東權益	424	424
Total equity		權益總值	452,482	416,355



CONDENSED CONSOLIDATED BALANCE SHEET (continued)

簡明綜合資產負債表(續)

As at 30 September 2005

於二零零五年九月三十日

			As at 30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核)	As at 31 March 2005 二零零五年 三月三十一日 (Audited) (已審核)
	Note 附註		HK\$'000 千港元	HK\$'000 千港元 (Restated) (重列)
LIABILITIES		負債		
Non-current liabilities		非流動負債		
Long-term bank loans, secured	15	長期銀行貸款， 有抵押	150,499	89,375
Provision for long service payments		長期服務金之準備	7,369	7,369
Deferred tax liabilities		遞延稅項負債	10,000	10,000
			167,868	106,744
Current liabilities		流動負債		
Short-term bank borrowings, secured	15	短期銀行借貸， 有抵押	343,063	495,829
Finance lease obligations, current portion		融資租賃責任， 即期部份	—	1,091
Trade and bills payables	16	貿易應付帳款及票據	602,991	446,601
Accruals and other payables		應計費用及 其他應付帳款	144,279	126,300
Receipts in advance		預收帳款	2,451	16,287
Taxation payable		應繳稅項	14,340	8,726
			1,107,124	1,094,834
Total liabilities		負債總值	1,274,992	1,201,578
Total equity and liabilities		權益及負債總值	1,727,474	1,617,933
Net current assets		流動資產淨值	370,742	280,543
Total assets less current liabilities		總資產減流動負債	620,350	523,099



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動結算表

For the six months ended 30 September 2005

截至二零零五年九月三十日止六個月

For the six months ended
30 September
截至九月三十日止六個月
2005 2004
二零零五年 二零零四年
(Unaudited) (Unaudited)
(未經審核) (未經審核)
HK\$'000 HK\$'000
千港元 千港元
(Restated)
(重列)

Balance at 1 April, as previously reported as equity	四月一日之結餘， 承前呈報股東權益	449,978	375,039
Balance at 1 April, as previously reported as minority interest	四月一日之結餘， 承前呈報少數股東權益	424	424
Effect of changes in accounting policies in respect of	會計政策變動 之影響		
– HKAS 17	– 香港會計準則第17號	(18,125)	(18,634)
– Buildings	– 樓宇	(15,922)	(16,425)
Total equity at 1 April, as restated	四月一日之權益總值， 重列	416,355	340,404
Profit for the period	本期溢利	81,126	61,900
Final dividend paid	已派末期股息	(51,205)	(48,566)
Issue of shares upon exercise of share options	由於行使購股權而 發行之股份	3,258	2,704
Employee share option benefits	僱員購股權利益	2,948	2,359
Total equity at 30 September	九月三十日之權益總值	452,482	358,801



CONDENSED CONSOLIDATED CASH FLOW STATEMENT

簡明綜合現金流量表

For the six months ended 30 September 2005

截至二零零五年九月三十日止六個月

For the six months ended
30 September
截至九月三十日止六個月
2005 2004
二零零五年 二零零四年
(Unaudited) (Unaudited)
(未經審核) (未經審核)
HK\$'000 HK\$'000
千港元 千港元
(Restated)
(重列)

Operating profit	經營溢利	100,006	73,221
Adjustments for non-cash items/interest/tax ⁽¹⁾	調整非現金項目／利息／稅項 ⁽¹⁾	5,093	12,189
Changes in working capital	營運資金之變動	87,306	(60,968)
Net cash inflow from operating activities	營運活動之現金流入淨額	192,405	24,442
Net cash outflow from investing activities	投資活動之現金流出淨額	(22,463)	(32,455)
Net cash (outflow)/inflow from financing activities	融資活動之現金(流出)／流入淨額	(140,016)	58,063
Increase in cash and cash equivalents	現金及現金等值物之增加	29,926	50,050
Cash and cash equivalents, beginning of period	期初之現金及現金等值物	352,001	244,419
Cash and cash equivalents, end of period	期末之現金及現金等值物	381,927	294,469

Analysis of cash and cash equivalents:

現金及現金等值物之分析：

		As at 30 September 九月三十日	
		2005 二零零五年 (Unaudited) (未經審核) HK\$'000 千港元	2004 二零零四年 (Unaudited) (未經審核) HK\$'000 千港元
Cash and bank deposits	現金及銀行存款	381,927	294,482
Bank overdrafts	銀行透支	—	(13)
		381,927	294,469

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT (continued)****簡明綜合現金流量表 (續)***For the six months ended 30 September 2005*

截至二零零五年九月三十日止六個月

(1) Analysis of adjustments for non-cash items/interest/tax:

(1) 調整非現金項目／利息／稅項之分析：

**For the six months ended
30 September
截至九月三十日止六個月**

2005	2004
二零零五年	二零零四年
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
HK\$'000	HK\$'000
千港元	千港元
	(Restated)
	(重列)

Depreciation of property, plant and equipment	物業、廠房及設備之折舊	19,375	16,926
Amortisation of leasehold land and land use rights	租賃土地及土地使用權之攤銷	149	149
Employee share option benefits	僱員購股權之利益	2,948	2,359
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(118)	(426)
Interest income	利息收入	(3,995)	(1,539)
Interest paid	已付利息	(11,111)	(3,377)
Hong Kong profits tax paid	已付香港利得稅	(2,155)	(1,903)
		5,093	12,189

NOTES TO THE INTERIM FINANCIAL REPORT**中期財務報告附註****1 Basis of Preparation and Accounting Policies****1 編製基準及會計政策**

This unaudited interim financial report has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The interim financial report has not been audited, but has been reviewed by the Group's audit committee.

本份未經審核中期財務報告乃根據香港會計師公會頒佈之香港會計準則第34號「中期財務報告」編製。本中期財務報告未經審核，但已經本集團審核委員會審閱。

This interim financial report should be read in conjunction with the latest annual financial report of the Group for the year ended 31 March 2005.

本中期財務報告須與截至二零零五年三月三十一日止年度之財務報告一併閱讀。

The accounting policies and methods of computation used in the preparation of this interim financial report are consistent with those used in the annual financial report for the year ended 31 March 2005 except that the Group has changed certain of its accounting policies following its adoption of new/revised Hong Kong Financial Reporting Standards ("HKFRS") and HKAS (collectively referred to as the "new HKFRSs") which are effective for accounting periods commencing on or after 1 January 2005.

編製本中期財務報告所採用之會計政策及計算方法與編製截至二零零五年三月三十一日止年度之財務報告所用相同；惟本集團因採納新增／經修訂之香港財務報告準則及香港會計準則（合稱「新香港財務報告準則」）需要改變其若干會計政策。該等新增／經修訂之新香港財務報告準則於二零零五年一月一日或之後開始之會計期間生效。



This interim financial report has been prepared in accordance with those HKFRS standards and interpretations issued and effective as at the time of preparing this report. The HKFRS standards and interpretations that will be applicable at 31 March 2006, including those that will be applicable on an optional basis, are not known with certainty at the time of preparing this interim financial report.

The changes to the Group's accounting policies and the effect of adopting these new policies are set out in note 2 below.

2 Changes in Accounting Policies

(a) Effect of adopting new HKFRSs

The applicable new HKFRSs adopted on this interim financial report are set out below and the comparatives have been restated, in accordance with the relevant requirements.

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 23	Borrowing Costs
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 28	Investments in Associates
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets
HKAS Int-15	Operating Leases – Incentives
HKFRS 2	Share-based Payments

The adoption of new/revised HKASs 1, 2, 7, 8, 10, 16, 21, 23, 24, 27, 28, 33, 36 and HKAS-Int 15 did not result in substantial changes to the Group's accounting policies. In summary:

- HKAS 1 has affected the presentation of minority interest, share of net after-tax results of associates and other disclosures.
- HKASs 2, 7, 8, 10, 16, 23, 27, 28, 33, 36 and HKAS-Int 15 had no material effect on the Group's policies.

本中期財務報告乃按照編製有關報告期間已頒佈及生效之香港財務報告準則及詮釋編製。於二零零六年三月三十一日適用之香港財務報告準則及詮釋，包括可選擇性採納的，於編製本中期財務報告時尚未能肯定知悉。

本集團會計政策修改及採納該等新政策之影響載列於下文附註2。

2 會計政策之變動

(a) 採納新香港財務報告準則之影響

本中期報告所採納之新香港財務報告準則載列於下文。比較數字已根據有關規定作出相應修改。

香港會計準則第1號	財政報表之呈列
香港會計準則第2號	存貨
香港會計準則第7號	現金流量表
香港會計準則第8號	會計政策、會計估計之變動以及錯誤結算日以後事項
香港會計準則第10號	
香港會計準則第16號	物業、廠房及設備
香港會計準則第17號	租賃
香港會計準則第21號	外幣匯率變動之影響
香港會計準則第23號	借貸成本
香港會計準則第24號	有關連人士之披露
香港會計準則第27號	綜合及獨立財務報表
香港會計準則第28號	聯營公司投資
香港會計準則第33號	每股盈利
香港會計準則第36號	資產減值
香港會計準則詮釋第15號	經營租約—優惠
香港財務報告準則第2號	股份報酬

採納新訂／經修訂香港會計準則第1、2、7、8、10、16、21、23、24、27、28、33、36號及香港會計準則詮釋第15號對本集團政策並無重大影響。總括而言：

- 香港會計準則第1號影響少數股東權益、應佔聯營公司除稅後業績淨額之呈列及其他披露。
- 香港會計準則第2、7、8、10、16、23、27、28、33、36號及香港會計準則詮釋第15號對本集團政策並無重大影響。



- HKAS 21 had no material effect on the Group's policy. The functional currency of each of the consolidated entities has been re-evaluated based on the guidance to the revised standard. All the Group entities have the same functional currency as the presentation currency for respective entity financial statements.
- HKAS 24 has affected the identification of related parties and some other related-party disclosures.

The adoption of revised HKAS 17 has resulted in a change in the accounting policy relating to the reclassification of leasehold land and land use rights from property, plant and equipment to operating leases. The up-front prepayments made for the leasehold land and land use rights are expensed in the profit and loss account on a straight-line basis over the period of the lease or where there is impairment, the impairment is expensed in the profit and loss account. In prior years, the leasehold land and land use rights was accounted for at fair value or cost less accumulated depreciation and accumulated impairment.

The adoption of HKFRS 2 has resulted in a change in accounting policy for share-based payments. Until 31 March 2005, the provision of share options to employees did not result in an expense in the profit and loss account. Effective on 1 April 2005, the Group expenses the cost of share options in the profit and loss account. As a transitional provision, the cost of share options granted after 7 November 2002 and had not yet vested on 1 January 2005 was expensed retrospectively in the profit and loss account of the respective periods (Note 2.6).

All changes in the accounting policies have been made in accordance with the transition provisions in the respective standards. All standards adopted by the Group require retrospective application other than:

- HKAS 16 – the initial measurement of an item of property, plant and equipment acquired in an exchange of assets transaction is accounted at fair value prospectively only to future transactions;
- HKAS-Int 15 – does not require the recognition of incentives for leases beginning before 1 January 2005.

- 香港會計準則第21號對本集團政策並無重大影響。各綜合實體之功能貨幣已根據經修訂準則之指引重新估值。所有本集團實體均採用相同功能貨幣，作為各實體財務報表之呈報貨幣。

- 香港會計準則第24號對有關連人士之識別及若干其他有關連人士之披露造成影響。

採納經修訂香港會計準則第17號導致有關租賃土地及土地使用權由物業、廠房及設備重新分類至經營租賃之會計政策變動。為租賃土地及土地使用權所付之預付款項於租期內以直線法於損益表內扣除，如出現減值，則減值將於損益表內扣除。於以往年度，租賃土地及土地使用權按成本減累計折舊及累計減值列帳。

採納香港財務報告準則第2號導致有關股份報酬之會計政策改變。截至二零零五年三月三十一日止，給予僱員購股權毋須在損益表作為開支。由二零零五年四月一日起，本集團將購股權成本在損益表列作開支。根據過渡條文，於二零零二年十一月七日後授出且於二零零五年一月一日仍未歸屬之購股權成本，已追溯到有關期間之損益表列作開支(附註2.6)。

會計政策所有改變均依照相關準則之過渡條文。本集團採納之所有準則均須追溯處理，惟以下者除外：

- 香港會計準則第16號—在資產置換交易中購入物業、廠房及設備項目之初步計量，僅就未來交易按公平價值列帳；
- 香港會計準則詮釋第15號—二零零五年一月一日之前開始之租約毋須確認優惠。



The effect of changes in the above accounting policies on the Group's condensed consolidated balance sheet is as follows:

會計政策之變動對本集團簡明綜合資產負債表之影響如下：

		As at 30 September 2005 二零零五年九月三十日 (Unaudited) (未經審核)		
		HKAS 17 香港會計 準則第17號 HK\$'000 千港元	HKFRS 2 香港財務報告 準則第2號 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Decrease in property, plant and equipment	物業、廠房及設備減少	(46,897)	—	(46,897)
Increase in leasehold land and land use rights	租賃土地及土地使用權增加	11,719	—	11,719
Increase in deposit for land use rights	土地使用權按金增加	16,417	—	16,417
Decrease in deferred tax liabilities	遞延稅項負債減少	(893)	—	(893)
Increase in employee share-based compensation reserve	以股份支付之僱員酬金儲備增加	—	8,434	8,434
Increase/(decrease) in retained profits	保留溢利增加/(減少)	3,743	(8,434)	(4,691)
Decrease in fixed assets revaluation reserve	固定資產重估儲備減少	(21,611)	—	(21,611)

		As at 31 March 2005 二零零五年三月三十一日 (Unaudited) (未經審核)		
		HKAS 17 香港會計 準則第17號 HK\$'000 千港元	HKFRS 2 香港財務報告 準則第2號 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Decrease in property, plant and equipment	物業、廠房及設備減少	(44,178)	—	(44,178)
Increase in leasehold land and land use rights	租賃土地及土地使用權增加	11,868	—	11,868
Increase in deposit for land use rights	土地使用權按金增加	13,292	—	13,292
Decrease in deferred tax liabilities	遞延稅項負債減少	(893)	—	(893)
Increase in employee share-based compensation reserve	以股份支付之僱員酬金儲備增加	—	5,486	5,486
Increase/(decrease) in retained profits	保留溢利增加/(減少)	3,486	(5,486)	(2,000)
Decrease in fixed assets revaluation reserve	固定資產重估儲備減少	(21,611)	—	(21,611)



Karrie International Holdings Limited

The effect of changes in the above accounting policies on the Group's condensed consolidated profit and loss account is as follows:

會計政策之變動對本集團簡明綜合損益表之影響如下：

Six month ended 30 September 2005 截至二零零五年九月三十日止六個月

(Unaudited)
(未經審核)

		HKAS 17 香港會計 準則第17號 HK\$'000 千港元	HKFRS 2 香港財務報告 準則第2號 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Increase in employee share option benefits	僱員購股權 利益增加	—	(2,948)	(2,948)
Decrease in amortisation of leasehold land and land use rights	租賃土地及 土地使用權 攤銷減少	257	—	257
Total increase/(decrease) in profit	總溢利增加／ (減少)	257	(2,948)	(2,691)
Increase/(decrease) in basic earnings per share (HK cents)	每股基本溢利增加／ (減少) (港仙)	0.06	(0.72)	(0.66)
Increase/(decrease) in diluted earnings per share (HK cents)	每股攤薄溢利增加／ (減少) (港仙)	0.06	(0.71)	(0.65)

Six month ended 30 September 2004 截至二零零四年九月三十日止六個月

(Unaudited)
(未經審核)

		HKAS 17 香港會計 準則第17號 HK\$'000 千港元	HKFRS 2 香港財務報告 準則第2號 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Increase in employee share option benefits	僱員購股權 利益增加	—	(2,359)	(2,359)
Decrease in amortisation of leasehold land and land use rights	租賃土地及 土地使用權 攤銷減少	257	—	257
Total increase/(decrease) in profit	總溢利增加／ (減少)	257	(2,359)	(2,102)
Increase/(decrease) in basic earnings per share (HK cents)	每股基本溢利增加／ (減少) (港仙)	0.06	(0.59)	(0.53)
Increase/(decrease) in diluted earnings per share (HK cents)	每股攤薄溢利增加／ (減少) (港仙)	0.06	(0.58)	(0.52)

**(b) New accounting policies**

The accounting policies used for the interim financial report for the six months ended 30 September 2005 are the same as those set out in note 1 to the annual financial report for the year ended 31 March 2005 except for the following:

2.1 Foreign currency translation**(a) Functional and presentation currency**

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss account, are reported as part of the fair value gain or loss. Translation difference on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

(c) Group companies

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

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(b) 新會計政策

除下文所述者外，截至二零零五年九月三十日止六個月之中期財務報告所採用之會計政策，與截至二零零五年三月三十一日止之財務報告附註1所載者相同。

2.1 外幣換算**(a) 功能及呈列貨幣**

本集團各實體之財務報表內之項目均以該實體經營之主要經濟環境通行之貨幣（「功能貨幣」）計算。港幣為本公司之功能及呈列貨幣，而其綜合財務報表以港幣呈列。

(b) 交易及結餘

外幣交易均按交易當日之匯率折算為功能貨幣。此等交易結算以及按年結日之匯率折換外幣資產和負債而產生之匯兌收益及虧損，均於損益表內確認，但符合資格成為現金流量對沖或投資淨額對沖之項目，則於權益帳內列為遞延項目。

非貨幣項目之匯兌差異，例如按公平價值列入損益表之股本工具，均列報為公平價值收益或虧損之一部分，至於非貨幣項目之匯兌差異，例如歸類為可出售金融資產之股票等，均列入權益帳之公平價值儲備內。

(c) 集團公司

功能貨幣與呈列貨幣不同之所有集團實體（各實體均無極高通脹經濟地區之貨幣）之業績及財務狀況均按以下方法換算為呈列貨幣：

- (i) 每份呈列之資產負債表之資產與負債均以該資產負債表之結算日之收市匯率換算；



- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

- (ii) 每份損益表之收入及支出項目均按平均匯率換算（除非該平均匯率與各個交易日期之匯率之累積影響並不合理相近，在此情況下，收入及支出項目以交易日期之匯率換算）；
- (iii) 所有匯兌差異乃獨立確認為權益部份。

2.2 Property, plant and equipment

Previously, land and building was stated at valuation. The increase in fair value was credited to revaluation reserve. Decrease in fair value were first set off against increases on earlier valuations on a portfolio basis and thereafter expensed in the profit and loss account. The adoption of cost method for the period ended 30 September 2005 represents a change in accounting policy, which has been applied retrospectively so that the comparatives presented have been restated to conform to the changed policy.

The effect of changes in this accounting policy can be summarised as below:

2.2 物業、廠房及設備

以往土地及樓宇以估值列帳。公平價值之增值會撥入重估儲備，公平價值之減值則首先與先前重估增值組合對銷，然後於損益表支銷。截至二零零五年九月三十日止期內採用成本法表示會計政策之變動，該變動已追溯應用導致比較數字經重列以符合變動之政策。

會計政策變動之影響簡要如下：

		As at 30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2005 二零零五年 三月三十一日 (Unaudited) (未經審核) HK\$'000 千港元
Decrease in property, plant and equipment	物業、廠房 及設備減少	(16,505)	(16,721)
Decrease in deferred tax liabilities	遞延稅項負債 減少	(799)	(799)
Decrease in retained profits	保留溢利減少	(6,778)	(6,994)
Decrease in fixed assets revaluation reserve	固定資產重估儲備 減少	(8,928)	(8,928)



For the six months ended

30 September

截至九月三十日止六個月

2005

2004

二零零五年

二零零四年

(Unaudited)

(Unaudited)

(未經審核)

(未經審核)

HK\$'000

HK\$'000

千港元

千港元

Decrease in depreciation	折舊減少	216	216
Increase in basic earnings per share (HK cents)	每股基本溢利增加 (港仙)	0.05	0.05
Increase in diluted earnings per share (HK cents)	每股攤薄溢利增加 (港仙)	0.05	0.05

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

本集團於每年結算日檢討資產之剩餘價值和可使用年限，並作出適當之調整。

2.3 Impairment of assets

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

2.3 資產減值

可使用年期不確定之資產毋須攤銷，而會最少每年檢查一次以確定有否減值，或於發生若干事件或情況有變顯示未必可收回帳面值時作出檢查。須予攤銷之資產則於發生若干事件或情況有變顯示未必可收回帳面值時作出檢查以釐定減值。減值虧損按資產之帳面值超出其可收回金額之差額確認。可收回金額為資產公平值減出售成本與使用價值兩者之較高者。為估計減值，資產按可獨立識別現金流量之最小單位（產生現金單位）分類。

2.4 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for

2.4 貿易應收帳款與其他應收帳款

貿易應收帳款與其他應收帳款初步按公平價值確認，其後按實際利息法按攤薄成本減去減值撥備計算。應收帳款與其他應收帳款之減值撥備乃於有客觀證據證明本集團無法



impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the profit and loss account.

2.5 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method.

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

2.6 Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of estimates of the number of options that are expected to become exercisable.

按應收帳款之原有條款收回所有金額時確認。撥備之金額為資產帳面值與估計未來現金流量之現值(按實際利率貼現計算)兩者之差額。撥備金額乃於損益表內確認。

2.5 借貸

借款初步按公平價值(扣除已產生之交易成本)確認。交易成本為直接與收購、發行或出售財務資產或財務負債之額外成本,包括向代理商、顧問、經紀及交易商支付之費用及佣金、監管代理機構及證券交易所徵收之費用及過戶登記稅項及稅款。借款其後按攤銷成本列帳;所得款項(扣除交易成本)與贖回價值間之任何差額於借款期使用實際利息法在損益表確認。

除非本集團有權無條件地延遲清償債項最少至結算日後12個月,借款一概分類為流動負債。

2.6 以股份支付之酬金

本集團設有一項以股權結算,以股份支付的薪酬計劃。就僱員提供服務而授予之購股權之公平價值確認為一項支出。將於授予期間內列作支出的總金額乃參考所授期權之公平價值釐定(不包括任何非市場性質之授予條件所產生之影響,如盈利能力及銷售額增長指標)。在假定預期可予以行使之購股權數目時,非市場性質之授予條件亦加入一併考慮。於各結算日,本集團調整對預期可予以行使之期權數目所作出之估計,並在綜合損益表確認原來估計如有對其所產生之影響,及於剩餘之授予期內對股本作出相應調整。



At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the profit and loss account, and a corresponding adjustment to equity over the remaining vesting period.

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

已收款項(扣除任何直接應計交易成本)在行使期權時會撥入股本(面值)及股份溢價帳內。

3 Critical Accounting Estimates and Judgements

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

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

3.1 *Property, plant and equipment, leasehold land and depreciation*

The Group assesses annually whether property, plant and equipment, leasehold land and investment properties have any indication of impairment. The recoverable amounts of property, plant and equipment, leasehold land and investment properties have been determined based on value-in-use calculations. These calculations require the use of judgements and estimates.

3.2 *Provision for trade receivables*

In determining whether any of the trade receivables and bills receivable is impaired, significant judgement is required. In making this judgement, the Group evaluates, among other factors, the duration and extent by all means to which the amount will be recovered.

3 重要會計估計

本集團對會計估計進行持續之評估，並以過往經驗及其他因素作為基礎，包括在目前情況下對未來事件之合理預期。

本集團對未來作出估計及假設。按定義會計估計很少與最終之實際損益完全一致。下文討論於下個財政年度有相當大風險將會導致資產與負債之帳面值須作出重大調整之估計及假設。

3.1 物業、廠房及設備、土地及折舊

本集團會每年評估物業、廠房及設備及租賃土地是否有減值之跡象。物業、廠房及設備及租賃土地之收回價值以使用價值計算，該計算須應用判斷及估計。

3.2 貿易應收帳款撥備

決定任何應收帳款是否有所減值時，須作出重大判斷。在作出判斷時，本集團會估計盡一切努力收回款項所需時間及可收回金額以及其他因素。



3.3 Write-downs of inventories

Inventories are written down to net realisable value based on an assessment of the realisability of inventories. Write-downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgements and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

3.3 撇減存貨

本集團根據存貨變現性之評估撇減存貨至可變現淨值。一旦事件發生或情況改變顯示存貨結餘可能未能變現時將被記錄為撇減。識別撇減需要作出判斷及估計。當預期之金額與原定估計有差異時，則該差異將會於估計改變之期間內，分別影響存貨之帳面值及存貨之撇減。

4 Segment Information

(a) Business segments

An analysis of the Group's segment turnover and results for the period by business segments is as follows:

4 分部資料

(a) 業務分部

按業務分部劃分之本集團本期營業額及業務分析如下：

For the six months ended 30 September 2005

截至二零零五年九月三十日止六個月

(Unaudited)

(未經審核)

		Metal and plastic business 五金 塑膠業務 HK\$'000 千港元	Electronic manufacturing services business 電子專業 代工業務 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Turnover	營業額				
External	外部	682,002	1,082,987	–	1,764,989
Internal	內部	44,605	–	(44,605)	–
Segment results	分部業績	65,082	29,612	–	94,694
Other revenue	其他收入				5,312
Operating profit	經營溢利				100,006
Share of loss of an associated company	應佔聯營公司 虧損				–
Finance costs	財務成本				(11,111)
Profit before taxation	除稅前溢利				88,895
Taxation	稅項				(7,769)
Profit for the period	本期溢利				81,126



For the six months ended 30 September 2004

截至二零零四年九月三十日止六個月

(Unaudited)

(未經審核)

(Restated)

(重列)

		Metal and plastic business 五金 塑膠業務 HK\$'000 千港元	Electronic manufacturing services business 電子專業 代工業務 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Turnover	營業額				
External	外部	515,032	638,406	–	1,153,438
Internal	內部	25,065	–	(25,065)	–
Segment results	分部業績	47,090	20,438	–	67,528
Other revenue	其他收入				5,693
Operating profit	經營溢利				73,221
Share of loss of an associated company	應佔聯營公司 虧損				(1,668)
Finance costs	財務成本				(3,377)
Profit before taxation	除稅前溢利				68,176
Taxation	稅項				(6,276)
Profit for the period	本期溢利				61,900

(b) Geographical segments

(b) 地區分部

An analysis of the Group's segment turnover and results for the period by geographical segments is as follows:

按地區分部劃分之本集團本期營業額及業務之分析如下：

For the six months ended 30 September 2005

截至二零零五年九月三十日止六個月

(Unaudited)

(未經審核)

		Japan 日本 HK\$'000 千港元	Asia (excluding Japan) 亞洲 (不包日本) HK\$'000 千港元	North America 北美洲 HK\$'000 千港元	Western Europe 西歐 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Turnover	營業額	125,558	683,307	352,109	604,015	1,764,989
Segment results	分部業績	7,772	22,539	30,738	33,645	94,694



Karrie International Holdings Limited

For the six months ended 30 September 2004

截至二零零四年九月三十日止六個月

(Unaudited)

(未經審核)

(Restated)

(重列)

		Japan	Asia (excluding Japan) 亞洲 (不包日本)	North America 北美洲	Western Europe 西歐	Total 合共
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額	126,169	552,135	188,194	286,940	1,153,438
Segment results	分部業績	9,052	18,236	17,144	23,096	67,528

5 Related Party Transactions

- (a) The Group had the following transactions with related parties:

5 關連人士交易

- (a) 本集團有以下與關連人士進行之交易：

		For the six months ended 30 September 截至九月三十日止六個月	
		2005 二零零五年 (Unaudited) (未經審核) HK\$'000 千港元	2004 二零零四年 (Unaudited) (未經審核) HK\$'000 千港元
	Note 附註		
Rental income earned from Kar-Info Company Limited	向嘉訊通有限公司 收取租金收入 (i), (ii)	—	12
Rental charged by Kings Lion Development Limited	支付租金予勁獅 發展有限公司 (i), (ii)	638	638
Management service income earned from an associated company	向聯營公司收取 管理費收入 (ii)	—	1,030
Rental income earned from an associated company in respect of machinery	向聯營公司收取 機器租金收入 (ii)	—	1,174
Sale to an associated company	銷售予聯營公司 (iii)	496	156
Purchase from an associated company	向聯營公司採購 (iii)	736	—



Notes:

- (i) Kar-Info Company Limited and Kings Lion Development Limited are beneficially owned and controlled by the family of Mr. Ho Cheuk Fai, a director of the Company.
- (ii) In the opinion of the Company's Directors and the Group's management, these related party transactions were conducted in accordance with the terms of agreements.
- (iii) In the opinion of the Company's Directors and the Group's management, sales to and purchased from an associated company were conducted at prices and terms mutually agreed by the respective parties.

(b) Key management compensation

附註：

- (i) 嘉訊通有限公司與勁獅發展有限公司均由本公司董事何焯輝先生家族實益擁有及控制。
- (ii) 本公司董事及本集團管理層認為該些關連人士交易是依據商議之條款執行。
- (iii) 本公司董事及本集團管理層認為向聯營公司銷售及購買貨品是依據各個人士互相同意之價格及條款進行。

(b) 主要管理層酬金

For the six months ended

30 September

截至九月三十日止六個月

2005

2004

二零零五年

二零零四年

(Unaudited)

(Unaudited)

(未經審核)

(未經審核)

HK\$'000

HK\$'000

千港元

千港元

Salaries and other short-term employee benefits	薪酬及其他短期僱員福利	14,774	12,280
Post-employment benefits	退休福利	102	96
Share-based payments	以股份作支付	1,358	856
		16,234	13,232



Karrie International Holdings Limited

(c) Period-end balance arising from purchase of property, plant and equipment, as follows:

(c) 因購買物業、廠房及設備而產生之期末結餘如下：

		30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 March 2005 二零零五年 三月三十一日 (Audited) (已審核) HK\$'000 千港元
Prepayment to 東莞市 鳳崗房地產開發公司	預付東莞市鳳崗房地產 開發公司	3,630	—

Note:

東莞市鳳崗房地產開發公司 entered into a joint venture development with 東莞嘉輝門窗製品有限公司 (“Dongguan Jiahui”) pursuant to a co-operation agreement. Dongguan Jiahui is a joint venture company established under the laws of Mainland China with an effective interest of 92.15% beneficially owned by Mr. Ho Cheuk Fai, a director of the Company and Ms. Ho Po Chu, the spouse of Mr. Ho Cheuk Fai and the chief executive of the Company, through a 97% owned company which is incorporated in Hong Kong. The remaining 7.85% interest in Dongguan Jiahui are beneficially owned by third parties independent of the Company and its connected persons.

附註：

東莞市鳳崗房地產開發公司與東莞嘉輝門窗製品有限公司(「嘉輝門窗」)根據雙方之間簽訂的合作開發合同而合作發展。嘉輝門窗為一間於中國註冊成立的中外合資公司，本公司之董事何焯輝先生及其妻子何寶珠女士(本公司之最高行政人員)透過擁有一間於香港註冊成立的公司97%股權而擁有嘉輝門窗92.15%實際股權。嘉輝門窗其餘的7.85%股權乃由獨立第三者所擁有。

6 Other Revenue

6 其他收入

		For the six months ended 30 September 截至九月三十日止六個月 2005 二零零五年 (Unaudited) (未經審核) HK\$'000 千港元	2004 二零零四年 (Unaudited) (未經審核) HK\$'000 千港元
Rental income	租金收入	1,317	3,124
Management service income	管理費收入	—	1,030
Interest income	利息收入	3,995	1,539
		5,312	5,693

**7 Operating Profit**

Operating profit was determined after charging the following items:

7 經營溢利

經營溢利已扣除下列各項：

		For the six months ended 30 September 截至九月三十日止六個月	
		2005 二零零五年 (Unaudited) (未經審核) HK\$'000 千港元	2004 二零零四年 (Unaudited) (未經審核) HK\$'000 千港元 (Restated) (重列)
Depreciation of property, plant and equipment	物業、廠房及設備 之折舊	19,375	16,926
Amortisation of leasehold land and land use rights	租賃土地及土地使用權 之分攤	149	149
Staff costs	員工成本	89,265	77,436
Transportation	運輸費	15,482	14,592

8 Finance Costs**8 財務成本**

		For the six months ended 30 September 截至九月三十日止六個月	
		2005 二零零五年 (Unaudited) (未經審核) HK\$'000 千港元	2004 二零零四年 (Unaudited) (未經審核) HK\$'000 千港元
Interest on	利息		
– bank borrowings wholly repayable within five years	– 於五年內償還之 銀行借貸	11,082	3,294
– finance leases	– 融資租賃	10	68
– others	– 其他	19	15
		11,111	3,377

**9 Taxation**

Hong Kong profits tax has been provided at the rate of 17.5% (2004: 17.5%) on the estimated assessable profit for the period. The amount of taxation charged to the condensed consolidated profit and loss account represents:

		For the six months ended 30 September 截至九月三十日止六個月	
		2005 二零零五年 (Unaudited) (未經審核) HK\$'000 千港元	2004 二零零四年 (Unaudited) (未經審核) HK\$'000 千港元
Current Hong Kong profits tax	現行香港利得稅	7,769	6,276

There is no share of associate's taxation for the six months ended 30 September 2005 (2004: Nil) as there is no assessable profit during the period.

香港利得稅乃根據在香港產生或源自香港之估計應課稅17.5% (二零零四年：17.5%) 之稅率計提準備。在簡明綜合損益表支銷之稅項如下：

9 稅項**10 Interim Dividend**

		For the six months ended 30 September 截至九月三十日止六個月	
		2005 二零零五年 (Unaudited) (未經審核) HK\$'000 千港元	2004 二零零四年 (Unaudited) (未經審核) HK\$'000 千港元
Proposed interim dividend: HK9.0 cents (2004: HK8.5 cents) per share	擬派中期股息： 每股9.0港仙 (二零零四年：8.5港仙)	36,877	34,401

10 中期股息**11 Earnings Per Share**

The calculation of basic earnings per share for the six months ended 30 September 2005 is based on the consolidated profit attributable to the equity holders of the Company of approximately HK\$81,126,000 (2004: HK\$61,900,000) and on the weighted average number of approximately 409,045,000 (2004: 402,819,000) shares in issue during the period.

The calculation of diluted earnings per share for the six months ended 30 September 2005 is based on the consolidated profit attributable to the equity holders of the Company of approximately HK\$81,126,000 (2004: HK\$61,900,000) and on the weighted average number of approximately 416,365,000 (2004: 406,050,000) shares in issue, after adjusting for the potential dilutive effect in respect of outstanding share options.

11 每股溢利

每股基本溢利乃根據截至二零零五年九月三十日止六個月之綜合股東應佔溢利約81,126,000港元 (二零零四年：61,900,000港元) 及本期內已發行股份之加權平均數約409,045,000股 (二零零四年：402,819,000股) 計算。

每股攤薄溢利乃根據截至二零零五年九月三十日止六個月之綜合股東應佔溢利約81,126,000港元 (二零零四年：61,900,000港元) 及已發行股份加上未行使之購股權有可能攤薄影響作出調整後之股份之加權平均股數約416,365,000股 (二零零四年：406,050,000股) 計算。



12 Capital Expenditure

12 資本開支

		Property, plant and equipment 物業、廠房及 設備 (Unaudited) (未經審核) HK\$'000 千港元	Leasehold land and land use rights 租賃土地及 土地使用權 (Unaudited) (未經審核) HK\$'000 千港元	Deposit for land use rights 土地使用權 按金 (Unaudited) (未經審核) HK\$'000 千港元
Opening net book amount as at 1 April 2005	二零零五年四月一日 期初帳面淨值	213,409	11,868	13,292
Additions	添置	23,451	—	3,125
Depreciation	折舊	(19,375)	—	—
Amortisation	攤銷	—	(149)	—
Closing net book amount as at 30 September 2005	二零零五年九月三十日 期末帳面淨值	217,485	11,719	16,417
Opening net book amount as at 1 April 2004	二零零四年四月一日 期初帳面淨值	202,611	12,166	—
Additions	添置	18,157	—	4,153
Disposals	出售	(60)	—	—
Depreciation	折舊	(16,926)	—	—
Amortisation	攤銷	—	(149)	—
Closing net book amount as at 30 September 2004	二零零四年九月三十日 期末帳面淨值	203,782	12,017	4,153
Additions	添置	30,788	—	9,139
Disposals	出售	(228)	—	—
Depreciation	折舊	(20,933)	—	—
Amortisation	攤銷	—	(149)	—
Closing net book amount as at 31 March 2005	二零零五年三月三十一日 期末帳面淨值	213,409	11,868	13,292



13 Inventories

13 存貨

		As at 30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2005 二零零五年 三月三十一日 (Audited) (已審核) HK\$'000 千港元
Raw materials	原材料	225,283	204,203
Work-in-progress	半製成品	40,007	29,521
Finished goods	已完成貨品	187,242	206,289
		452,532	440,013

As at 30 September 2005 and 31 March 2005, all inventories were carried at net realisable value. Included in the above balance is a provision for slow-moving and obsolescence amounting to approximately HK\$46,937,000 (31 March 2005: HK\$46,937,000).

於二零零五年九月三十日及二零零五年三月三十一日之所有存貨皆以變現淨值列帳。以上之結餘已包含滯銷及陳舊準備約46,937,000港元(二零零五年三月三十一日: 46,937,000港元)。

14 Trade Receivables

14 貿易應收帳款

The Group grants credit periods ranging from 30 to 120 days. Aging analysis of trade receivables is as follows:

本集團給予客戶之數期由30日至120日。貿易應收帳款帳齡分析如下：

		30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 March 2005 二零零五年 三月三十一日 (Audited) (已審核) HK\$'000 千港元
0 to 90 days	0至90日	587,701	472,358
91 to 180 days	91至180日	15,192	76,428
181 to 360 days	181至360日	6,831	9,917
Over 360 days	360日以上	37	1,378
		609,761	560,081



15 Borrowings

15 借貸

		As at 30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2005 二零零五年 三月三十一日 (Audited) (已審核) HK\$'000 千港元
Non-current	非流動		
Bank loans repayable (note (ii))	償還銀行貸款 (附註 (ii))		
– In the second year	– 第二年	51,750	31,750
– In the third year	– 第三年	51,749	31,750
– In the fourth year	– 第四年	28,000	19,875
– In the fifth year	– 第五年	19,000	6,000
Long-term bank loans, secured	長期銀行貸款，有抵押	150,499	89,375
Current	流動		
Bank overdrafts	銀行透支	–	664
Trust receipt loans	信託收據銀行貸款	266,191	296,887
Short-term bank loans	短期銀行貸款	25,122	172,528
Current portion of long-term bank loans	長期銀行貸款之即期部份	51,750	25,750
Short-term bank borrowings, secured (note (i))	短期銀行貸款，有抵押 (附註 (i))	343,063	495,829
Total borrowings	總借貸	493,562	585,204

Notes:

附註：

- (i) Short-term bank borrowings of approximately HK\$15,459,000 (31 March 2005: HK\$15,094,000) was secured by certain of the Group's leasehold land and land use rights and buildings in Mainland China with a net book value of approximately HK\$9,955,000 (31 March 2005: HK\$10,077,000). Other short-term bank borrowings are secured by the guarantees provided by the Company and certain of its subsidiaries (Note 20).
- (i) 約15,459,000港元 (二零零五年三月三十一日：15,094,000港元) 之短期銀行貸款是以本集團於國內土地及樓宇作為抵押，而有關資產淨帳面值約為9,955,000港元 (二零零五年三月三十一日：10,077,000港元)。而其他短期銀行借貸是以本公司及其若干附屬公司之公司擔保作為抵押 (附註20)。
- (ii) The bank loans bear interest at HIBOR plus a certain percentage as agreed with banks (31 March 2005: HIBOR plus a certain percentage as agreed with banks) and are secured by the guarantees provided by the Company and certain of its subsidiaries (Note 20).
- (ii) 該項銀行貸款年息以銀行同業拆息利率加與銀行協議之若干百份點 (二零零五年三月三十一日：銀行同業拆息利率加與銀行協議之若干百份點) 計算，及以本公司及其若干附屬公司作擔保 (附註20)。



16 Trade and Bills Payables

16 貿易應付帳款及票據

		As at 30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2005 二零零五年 三月三十一日 (Audited) (已審核) HK\$'000 千港元
0 to 90 days	0至90日	585,124	430,671
91 to 180 days	91至180日	14,346	13,750
181 to 360 days	181至360日	1,417	1,072
Over 360 days	360日以上	2,104	1,108
		602,991	446,601

17 Share Capital

17 股本

		As at 30 September 2005 二零零五年九月三十日 (Unaudited) (未經審核)	As at 31 March 2005 二零零五年三月三十一日 (Audited) (已審核)		
		Number of shares 股份數目 '000 千	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目 '000 千	Nominal value 面值 HK\$'000 千港元
Authorised: Ordinary shares of HK\$0.1 each	法定股本： 普通股每股 面值10港仙	800,000	80,000	800,000	80,000
Issued and fully paid: Ordinary shares of HK\$0.1 each	已發行及已繳足股本： 普通股每股 面值10港仙				
Beginning of period/year	期初／年初	407,766	40,777	400,756	40,076
Issued upon exercise of share options	由於行使購股權而 發行之股份	1,982	198	7,010	701
End of period/year	期末／年底	409,748	40,975	407,766	40,777



Share options

Details of the share option schemes (The Old Scheme and The New Scheme) are set out in the 2004/05 Annual Report. Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

購股權

購股權計劃(舊計劃及新計劃)之詳情載於二零零四／零五年度年報。未行使購股權數目之變動及有關加權平均行使價如下：

		30 September 2005 二零零五年九月三十日 (Unaudited) (未經審核)		31 March 2005 二零零五年三月三十一日 (Unaudited) (未經審核)	
		Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of share options 購股權數目 '000 千	Weighted average exercise price per shares 每股加權 平均行使價 HK\$ 港元	Number of share options 購股權數目 '000 千
The Old Scheme	舊計劃				
At 1 April	四月一日	0.300	820	0.325	3,720
Exercised	行使	—	—	0.333	(2,900)
Forfeited	失效	—	—	—	—
At 30 September/ 31 March	九月三十日／ 三月三十一日	0.300	820	0.300	820
The New Scheme	新計劃				
At 1 April	四月一日	2.646	38,302	2.105	21,650
Granted	授予	—	—	2.971	21,788
Exercised	行使	1.644	(1,982)	1.709	(4,110)
Forfeited	失效	2.520	(2,722)	2.180	(1,026)
At 30 September/ 31 March	九月三十日／ 三月三十一日	2.715	33,598	2.646	38,302
Total	合共	2.657	34,418	2.596	39,122



Karrie International Holdings Limited

Share options outstanding at the end of the period/year have the following expiry dates and exercise prices:

期／年末尚未行使購股權的屆滿日期及行使價如下：

Expiry date 屆滿日期	Vesting date 歸屬日期	Exercise price per share 每股行使價 HK\$ 港元	Fair value per share option 每股購股權 之公平值 HK\$ 港元	Number of share options 購股權數目	
				30 September 2005 二零零五年 九月三十日 '000 千	31 March 2005 二零零五年 三月三十一日 '000 千
30/11/2006	20/09/2000	0.300	N/A 不適用	150	150
30/11/2006	21/09/2001	0.300	N/A 不適用	150	150
30/11/2006	21/09/2002	0.300	N/A 不適用	200	200
30/11/2006	21/09/2003	0.300	N/A 不適用	320	320
21/05/2012	22/05/2002	1.300	N/A 不適用	200	300
21/05/2012	22/05/2003	1.300	N/A 不適用	—	100
31/10/2012	01/01/2003	1.650	N/A 不適用	1,070	2,120
31/10/2012	01/01/2004	1.650	N/A 不適用	2,830	3,330
30/11/2013	01/08/2005	2.475*	0.437	—	2,382
30/11/2013	01/01/2006	2.475*	0.426	4,674	4,754
30/11/2013	01/01/2007	2.475*	0.299	4,644	4,724
26/04/2014	01/01/2005	1.900*	0.357	1,520	1,752
26/04/2014	01/01/2006	1.900*	0.338	1,110	1,110
26/04/2014	01/01/2007	1.900*	0.227	880	880
31/01/2015	01/01/2006	3.150*	0.550	1,054	1,090
31/01/2015	01/01/2007	3.150*	0.314	2,108	2,180
31/01/2015	01/01/2008	3.150*	0.191	2,108	2,180
06/02/2015	01/07/2005	3.350*	0.601	2,600	2,600
06/02/2015	01/01/2007	3.350*	0.332	1,760	1,760
06/02/2015	01/01/2008	3.350*	0.202	3,520	3,520
06/02/2015	01/01/2009	3.350*	0.137	3,520	3,520
				34,418	39,122

The fair value of options* granted after 7 November 2002 was determined using the Binomial option pricing model (the "Binomial Model"). The significant inputs into the model were share prices at the respective grant dates, exercise prices shown above, the expected future share price volatility of 25%, expected life of option reflects both the term to expiry and factors that may cause the option to be exercised prior to expiry, expected dividend yield of 6% p.a. and risk-free interest rate by making reference to the exchange fund bill or note yield.

於二零零二年十一月七日以後授出之購股權*之公平值乃以二項式期權定價模式(「二項式模式」)釐定。於二項式模式中輸入之重要資料包括各授出日期之股份價格、上文所示行使價、預期價格波動25%、預計有效期反映購股權之有效期及該令至提早行使購股權之因素、預期股息派付率每年6%及無風險利率乃參照外匯基金票據之回報率。



18 Reserves

Movements of reserves were:

18 儲備

儲備之變動如下：

For the six months ended 30 September 2005

截至二零零五年九月三十日止六個月

(Unaudited)

(未經審核)

		Share premium	Capital reserve	Capital redemption reserve	Share-based compensation reserve	Fixed assets revaluation reserve	Retained profits	Total
		股份溢價	資本儲備	贖回儲備	以股權 支付之酬金	固定資產 重估儲備	保留溢利	合共
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 April 2005, as previously reported	二零零五年四月一日 之結餘，承前呈報	79,814	5,900	449	-	30,539	292,499	409,201
Reversal of fixed assets revaluation reserve for leasehold land and buildings	租賃土地及樓宇 固定資產重估儲備之 回撥	-	-	-	-	(32,231)	(3,508)	(35,739)
Deferred tax adjustment for leasehold land and buildings	租賃土地及樓宇之 遞延稅項調整	-	-	-	-	1,692	-	1,692
Employee share option scheme - value of employee services	僱員購股權計劃 - 僱員服務之價值	-	-	-	5,486	-	(5,486)	-
Balance at 1 April 2005, as restated	二零零五年四月一日 之結餘，重列	79,814	5,900	449	5,486	-	283,505	375,154
Profit for the period	本期溢利	-	-	-	-	-	81,126	81,126
Dividends paid	已派股息	-	-	-	-	-	(51,205)	(51,205)
Issue of shares upon exercise of share options	由於行使購股權而 發行之股份	3,060	-	-	-	-	-	3,060
Employee share option scheme - value of employee services	僱員購股權計劃 - 僱員服務之價值	-	-	-	2,948	-	-	2,948
Balance at 30 September 2005	二零零五年九月三十日之結餘	82,874	5,900	449	8,434	-	313,426	411,083
Represented by:	代表：							
Proposed dividends	擬派股息						36,877	
Reserves	儲備						276,549	
							313,426	



Karrie International Holdings Limited

For the six months ended 30 September 2004

截至二零零四年九月三十日止六個月

(Unaudited)

(未經審核)

		Share premium	Capital reserve	Capital redemption reserve	Share-based compensation reserve	Fixed assets revaluation reserve	Retained profits	Total
		股份溢價	資本儲備	贖回儲備	以股權 支付之酬金	固定資產 重估儲備	保留溢利	合共
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 April 2004, as previously reported	二零零四年四月一日 之結餘，承前呈報	72,815	5,900	449	–	30,604	225,195	334,963
Reversal of fixed assets revaluation reserve for leasehold land and buildings	租賃土地及樓宇 固定資產重估儲備之 回撥	–	–	–	–	(32,231)	(4,455)	(36,686)
Deferred tax adjustment for leasehold land and buildings	租賃土地及樓宇之 遞延稅項調整	–	–	–	–	1,627	–	1,627
Employee share option scheme – value of employee services	僱員購股權計劃 – 僱員服務之價值	–	–	–	768	–	(768)	–
Balance at 1 April 2004, as restated	二零零四年四月一日 之結餘，重列	72,815	5,900	449	768	–	219,972	299,904
Profit for the period	本期溢利	–	–	–	–	–	61,900	61,900
Dividends paid	已派股息	–	–	–	–	–	(48,566)	(48,566)
Issue of shares upon exercise of share options	由於行使購股權而 發行之股份	2,308	–	–	–	–	–	2,308
Employee share option scheme – value of employee services	僱員購股權計劃 – 僱員服務之價值	–	–	–	2,359	–	–	2,359
Balance at 30 September 2004	二零零四年九月三十日之結餘	75,123	5,900	449	3,127	–	233,306	317,905
Represented by:	代表：							
Proposed dividends	擬派股息						34,401	
Reserves	儲備						198,905	
							<u>233,306</u>	



19 Commitments and Contingent Liabilities

(a) Capital commitments

The Group had the following authorised and contracted capital commitments:

		As at 30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2005 二零零五年 三月三十一日 (Audited) (已審核) HK\$'000 千港元
Contracted but not provided for	已訂約但未撥備		
– Investment in a subsidiary	– 於附屬公司之投資	24,000	24,000
– Purchase of land use rights	– 購買土地使用權	4,770	7,780
– Construction of buildings	– 興建樓宇	22,369	–
– Purchase of plant and machinery	– 購買廠房及機器	832	1,820
		51,971	33,600

(b) Operating lease commitments

The Group had lease commitments in respect of buildings under various non-cancellable operating lease agreements extending to October 2047. The total commitments payable are analysed as follows:

19 承擔及或然負債

(a) 資本承擔

本集團有以下已授權及簽約之資本承擔：

(b) 經營租賃承擔

本集團有多項期限至二零四七年十月關於土地及樓宇租賃之不可撤銷之經營租賃協議。總應付承擔分析如下：

		As at 30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2005 二零零五年 三月三十一日 (Audited) (已審核) HK\$'000 千港元
Amounts payable	應付金額		
– within one year	– 一年內	3,231	2,531
– more than one year but not exceeding five years	– 多過一年但不超過五年	3,758	2,472
– over five years	– 五年以上	18,904	18,731
		25,893	23,734



(c) Other commitments

Pursuant to an agreement dated 24 October 1995, the Mainland China joint venture partner of Dongguan Yanxun Electronics Company Limited ("DYECL") waived its entitlement to share in the profit of DYECL in return for a pre-determined annual fee from 1 November 1996 to 24 May 2007. As at 30 September 2005, the Group's commitment in respect of the total fee payable to the Mainland China joint venture partner amounted to approximately HK\$399,000 (31 March 2005: HK\$518,000).

(d) Contingent liabilities

(c) 其他承擔

根據一份於一九九五年十月二十四日簽定之協議，由一九九六年十一月一日至二零零七年五月二十四日，東莞雁訊電子有限公司（「東莞雁訊」）之中方合夥人放棄分享東莞雁訊溢利之權益，以換取一項預定之年費。於二零零五年九月三十日，本集團就應付予東莞雁訊之合夥人總費用承擔約399,000港元（二零零五年三月三十一日：518,000港元）。

(d) 或然負債

		As at 30 September 2005 二零零五年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2005 二零零五年 三月三十一日 (Audited) (已審核) HK\$'000 千港元
Shipping guarantee	船務擔保	6,109	6,800

20 Pledge of Assets

As at 30 September 2005, the Group's banking facilities were secured by:

- (i) mortgages over certain of the Group's land and buildings in Mainland China with a net book value of approximately HK\$9,955,000 (31 March 2005: HK\$10,077,000); and
- (ii) guarantees provided by the Company and certain of its subsidiaries.

20 資產抵押

於二零零五年九月三十日，本集團銀行融資之抵押為：

- (i) 本集團位於中國之部份土地及樓宇帳面淨值約9,955,000港元（二零零五年三月三十一日：10,077,000港元）；及
- (ii) 本公司及若干附屬公司之公司擔保。



HIGHLIGHTS

- Turnover rose by 53% to HK\$1,764,989,000
- Profit attributable to shareholders rose by 31% to HK\$81,126,000
- Basic earnings per share rose by 29% to HK19.83 cents
- Dividend per share of HK9.0 cents (2004/05 Interim: HK8.5 cents)

DIVIDEND

The Board declared an interim dividend of HK9.0 cents (2004/05 Interim: HK8.5 cents) per share for the six months ended 30 September 2005 to eligible shareholders whose names appear on the Register of members of the Company on 8 December 2005. The interim dividend will be payable in cash on or about 15 December 2005.

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Operation

Mounting New Height

For the six months ended 30 September 2005, turnover rose 53% to HK\$1,764,989,000 (2004/05 interim: HK\$1,153,438,000) while profit attributable to shareholders increased by 31% to HK\$81,126,000 (2004/05 interim: HK\$61,900,000). Both figures, aside from representing record highs for the Group for interim results since public flotation in December 1996, signify the continuation of the growth momentum since the completion of consolidation period in 2003/04 (2003/04 Interim Report, P.21).

重點

- 營業額增加53%至1,764,989,000港元
- 股東應佔溢利上升31%至81,126,000港元
- 每股基本溢利上升29%至19.83港仙
- 每股股息9.0港仙(二零零四／零五年度中期：8.5港仙)

股息

董事會議決以現金方式派發截至二零零五年九月三十日止六個月中期股息每股9.0港仙(二零零四／零五年度中期：每股8.5港仙)予所有於二零零五年十二月八日名列於本公司股東名冊之股東。此中期股息會於或約於二零零五年十二月十五日以現金發放予各合資格之股東。

管理層討論及分析

業務回顧

披荊斬棘 再攀高峰

回顧截至二零零五年九月三十日六個月止，營業額上升53%至1,764,989,000港元(二零零四／零五年度中期：1,153,438,000港元)，而股東應佔溢利亦上升31%至81,126,000港元(二零零四／零五年度中期：61,900,000港元)。兩個數字均創下集團自一九九六年十二月上市以來中期業績的新高，代表著集團於二零零三／零四年度之整固期已經完成(二零零三／零四年度中期報告第二十一頁)，且增長動力持續。



- Despite the constant threats of high oil price and high interest rate, the two mega trends of resumption of worldwide technology spending and out-sourcing of production by our customers remain steady on course. Besides, our “Total Transparent Cost Plus Pricing Model” (2004/05 Interim Report, P.24) has effectively shielded the Group’s from most of the cost problems associated with the rising raw material price (with the exception of steel, but steel price declined by around 5% since June 2005). As a result, both our Metal and Plastic business and EMS business continued to record healthy growth.
- However, gross profit margin suffered because of the rising share of the relatively low-margin EMS business and the constant pricing pressure from customers. Hence, the rate of growth of profit attributable to shareholders (31%) was much slower than the rate of growth of turnover (53%).
- Realising such problems long ago, the Group has tightened up expenses control with the rate of growth of operating expenses amounted to a more modest 7% only despite the vastly increased volume of production activities.
- 雖然目前持續受到於高油價與及高利率的影響，但全球資訊科技上的開支與及客戶外判生產的趨勢依然保持，此外，集團之「全透明成本加利潤報價模式」(二零零四／零五年度中期報告第二十四頁)亦有效保障因原料價格上升引致成本上漲的影響(除鐵料外，然而鐵料價格已從二零零五年六月回落約5%)。因此，五金塑膠業務與及電子專業代工業務繼續錄得穩定增長；
- 惟較低毛利率之電子專業代工業務所佔比例不斷上升，加上持續受到客戶壓價要求，故整體毛利率受到拖累，因而令股東應佔溢利的升幅(31%)較營業額之升幅(53%)為低；
- 集團早已意識此問題，故加強營運支出的監控，而有關支出的升幅相對大幅增加之生產需求已較為溫和，僅為7%。

Metal and Plastic Business

The sales of computer casings, office automation products and video cassette housings increased by 32% to HK\$682,002,000 due to continued worldwide recovery of technology spending. Because of the relatively higher gross profit margin, the Metal and Plastic Business continued to provide the bulk of the Group’s profit.

五金塑膠業務

電腦外殼、辦公室文儀產品及錄影帶外殼的銷售上升32%至682,002,000港元，主要因全球逐步恢復科技產品的支出所致，由於五金塑膠業務之毛利率相對較高，故仍然為集團溢利之主要來源。



Electronic Manufacturing Services (“EMS”) Business

As a result of the launching of new products, the EMS Business registered a rapid growth of 70% to HK\$1,082,987,000. However, because of its low gross profit margin, the rising share of the EMS business would continue to drag down the overall gross profit margin of the Group.

Geographical Distribution

The Group does not rely on any single market through its diversified shipment pattern. The largest market, Asia (excluding Japan), represented only 39% of the total shipment while direct shipment to the North America accounted for only 20%.

RMB Appreciation

In the current reporting period, RMB appreciated by around 2%. This has a negative impact on the Group as in 2004/05 RMB payment represented around 10% of our cost of sales. However, as most of the Group's competitors are also based in China, in theory over the long run, we could raise price to cover the increase in cost provided that the customers stick to their present sourcing pattern (please refer to “Risk Management” on P.35 to 39 of the 2004/05 Annual Report and Appendix 5 for a summary of the risk factors).

電子專業代工業務

由於新產品相繼推出付運，帶動電子專業代工業務急促增長70%至1,082,987,000港元，惟此業務毛利率較低，其銷售比例不斷上升將會繼續拖低集團整體毛利率。

地域分佈

集團並無依靠單一市場，故其付運版圖仍然遍佈世界各地，亞洲地區（不包日本）的付運量依然為集團最大市場，只佔總營業額39%，而直接付運至北美洲之營業額僅佔20%。

人民幣升值

在此報告期間，人民幣升值約2%，於二零零四／零五年度人民幣開支佔總銷售成本約10%，對集團表現造成了負面影響。由於集團大部份之競爭對手之生產基地亦設於中國，理論上長遠而言，基於客戶仍會按照現有之採購模式，相信大家都會一致向客戶要求加價，以彌補成本上升（請參閱二零零四／零五年度年報第三十五至三十九頁「風險管理」及附錄五之風險因素總結）。



IR Magazine Award

In November 2005, institutional investors and research analysts selected the Group as the first runner-up in Hong Kong in the Grand Prix for Best Overall Investor Relations – Small/Mid-Cap Category (market cap under US\$1 billion) poll organised by IR Magazine. This is a remarkable achievement given the fact that the other two top companies are two times larger than the Group in terms of market capitalisation. Beside, small caps industrials were not exactly darlings of the market as compared to retail stocks. Bearing these factors in mind, we are deeply grateful for the precious votes from institutional investors and research analysts, who have already voted the Group for two consecutive years in 2003 and 2004 as one of the best-managed companies in Hong Kong in the Asiamoney Poll.

Prospect

Managing Growth with Discipline

1. Most of our customers have continued to feed us with positive messages. However, in face of the continued economic uncertainties resulting from such adverse factors like rising interest rate and oil price, we are convinced that the Group should take a more cautious attitude in the medium term:
 - we maintain our turnover growth target for 2005/06 at 35% (revised upward from 30% in the First Quarterly Results Announcement) as compared to 2004/05;
 - we reduce downward the 2006/07 turnover growth target from 10% to 5% reflecting our concerns over the future of the world economy and the increased denominator (the projected 2005/06 turnover figure) as a result of the revised sales turnover growth target for 2005/06;

「投資者關係雜誌」(IR Magazine) 選舉

於二零零五年十一月，「投資者關係雜誌」(IR Magazine) 之每年度選舉中集團獲基金經理／分析員推選為「最佳投資者關係大獎－中小企業組」(市值低於十億美元) 之香港區第二名，能取得這成就實在難能可貴，因為其他兩位列三甲之得獎公司之市值比集團超出兩倍以上。同時，與零售股相比，小型工業股於過去十二個月不為市場所欣賞，考慮以上因素，我們衷心感謝那些過往曾經向集團投以信心一票之機構投資者／分析員，他們已經連續於二零零三及二零零四年兩度於「亞洲貨幣」(Asiamoney) 雜誌選舉中投票推選集團為香港「最佳管理公司」之一。

展望

瞻前顧後 穩步向前

1. 大部份客戶均繼續向集團帶出正面的訊息，惟目前經濟仍然存在不少不明朗因素，包括利率及油價上升，集團認為對中期前景應抱持較為審慎的態度。
 - 我們維持對二零零五／零六年度的銷售目標增長為35% (於第一季季度業績公佈時將原來30%上調)，以對比二零零四／零五年度計算；
 - 關注到未來之環球經濟狀況及因對二零零五／零六年度之銷售目標增長作出調整，令銷售基數增大 (二零零五／零六年度之銷售目標)，故將二零零六／零七年度之銷售目標增長從10%下調至5%；



- the current mix of Metal and Plastic Business & EMS Business will continue at around 40:60.

2. In summary

- in the short term, we are optimistic about the performance for the current year;
- in the medium term, given such uncertain economic situation, taking prudent view is the responsible way to go;
- in the long term, we remain optimistic given the strength of our business model, the high level of corporate governance and our professional management team.

3. From a strategic standpoint, we need to bridge two seemingly incompatible objectives:

- on the one hand, we have to invest in fixed assets and other resources to service our customers;
- on the other hand, we have to prepare for the every eventualities of all those 'what if' situations. Given the potential problems in the horizon, we would be irresponsible if we stay totally optimistic.

Our corporate policies on dividend, capital expenditure, personnel and so on follow this basic direction.

4. Still, in the short term, business is good. Turnover of October 2005 rose by 78% to approximately HK\$338,000,000 (October 2004: HK\$190,000,000). **However, as the unaudited turnover for the month may not reflect the final result for the year end 31 March 2006, investors and shareholders are advised to exercise extreme caution when dealing with shares of the Company.**

- 目前五金塑膠業務與電子專業代工業務之比例大概維持於40：60。

2. 總結

- 短期而言，集團對於本年度之表現感到樂觀；
- 中期而言，由於經濟環境仍然存在不明朗因素，採取較為謹慎保守的態度是一個負責任之表現；
- 長遠而言，因應集團業務經營模式的優勢、有效落實企業管治與及專業團隊管理，我們對前景依然樂觀。

3. 從策略角度分析，我們要平衡兩項外似互不相容的目標：

- 一方面要持續作投資於固定資產及其他環節，以維持對客戶的服務質素；
- 另一方面又要兼顧各項「可能」發生的情況及其帶來的後果，由於考慮到這些問題的潛在危機，我們若然採取絕對樂觀的態度並不是一個負責任的表現。

集團對於股息、固定資產投資、人事招聘方面等之政策考慮都是遵照上述基本方向執行。

4. 雖然如此，短期而言業務表現理想，集團於二零零五年十月份之營業額上升78%至約338,000,000港元（二零零四年十月份：190,000,000港元）。**因這個月之未經審核銷售額未必能反映截至二零零六年三月三十一日止之最後業績，懇請各投資者及股東在買賣本公司股份時務須謹慎行事。**



5. The capital expenditure (“capex”) budget was maintained at HK\$90,000,000 (capex spending up to 30 September 2005 was HK\$23,451,000), principally used to finance the construction of the Phase 1 of the new Yu Quan Plant, Fenggang, Dongguan, China. The new factory site was purchased in August 2004 and occupies an area of over 200,000 square metres (site areas of the existing factories: approximately 89,000 square metres). Upon completion of the Phase 1, we should have sufficient production capacity to meet the production requirement in 2006/07. Construction of the Phase 2 of the new plant will depend upon the state of the economy by then. If all conditions remain the same, a delay in the construction of Phase 2 would actually strengthen the cash flow of the Group and hence its dividend payment ability. But no decision has yet been made at the moment.
6. While we have revised downward of the 2006/07 turnover sales target, we have decided to recommend a payment of interim dividend of HK9.0 cents per share even in face of the huge demand of capital in the construction of Yu Quan Plant (please also refer the “LIQUIDITY RESOURCES AND FINANCING POLICIES”).
 - We are confident that the Group’s robust cash flow is sufficient to finance our capital expenditure program and the dividend payment;
 - Barring any unforeseeable change of business situation, we maintain our pledge to our shareholders made in 2003/04 (2003/04 Annual Report, P.35) that should the Board decide to change the existing dividend policy of paying out 50% or more of the after tax profit, we would provide an advance notice in the immediate preceding interim or annual results announcements.
5. 固定資產投資預算仍然維持90,000,000港元(截至二零零五年九月三十日止六個月之資本性開支為23,451,000港元)，主要用於興建中國東莞鳳崗玉泉廠房第一期工程，該新廠房用地於二零零四年八月購入，佔地面積超過200,000平方米(現有兩個廠房佔地面積合計：約89,000平方米)。隨著第一期工程完成，將可滿足二零零六／零七年度之產能需求，至於第二期廠房的興建則需視乎屆時之經濟環境情況再作決定。倘若其他情況不變，延後玉泉廠房第二期的興建，將可提升集團現金流量之儲備及派發股息的能力，惟至目前尚未作出任何決定。
6. 雖然集團對於二零零六／零七年度之銷售目標作出下調，加上面對興建玉泉廠房的龐大資金需求，我們仍然建議派發中期股息每股9.0港仙(請參閱「流動資源及財務政策」)。
 - 集團現金充裕，我們有信心可足夠應付固定資產投資與及股息派發；
 - 除出現不可預知的轉變外，將維持二零零三／零四年度(二零零三／零四年度年報第三十五頁)對股東所作之承諾，董事會倘若對除稅後溢利不少於50%作為股息之股息政策有任何改變，必會於前一次之中期／全年業績公佈時提前通知公眾。



25TH ANNIVERSARY

Your Support • My Momentum

This year the Group celebrates its 25th anniversary. On 21 October 2005, we were honored in a banquet by the presence of numerous customers, government officials, suppliers, bankers and, perhaps the most important, our colleagues (Please refer to our website). Without effort of these unsung heroes the Group will not be able to have another record year.

We would like to take this opportunity to thank all of you again: with your continued support, we had and have the momentum to excel and to go forward. While we appreciate that there will be problems and challenges in the future, we are confident that we would be able to overcome them one by one, just as what we had done so in the past 25 years.

CORPORATE GOVERNANCE

We believe that good corporate governance is indispensable in ensuring a well-run corporation and continued investors interest. Thus in addition to the requirements by the HKEx, we have implemented the following measures on a voluntary basis:

- quarterly results announcement;
- quarterly disclosure by the substantial shareholder confirming no pledge of shares in the Company;
- quarterly meeting with individual investors through our ‘tea-break’ program.

For other measures, please refer to appendix 10 on P.75.

Please refer to “COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES” for details of the Company’s compliance of the Code Provisions.

25週年紀念

你的支持 • 我的動力

集團於本年度慶祝成立二十五週年，並於二零零五年十月二十一日設大型晚會招待各界來賓，包括客戶、政府官員、供應商、銀行，以及也許是最重要的一我們的員工（詳情請瀏覽本集團網頁）。若然沒有這一班「無名英雄」在背後的默默支持，相信我們無法取得破紀錄的一年。

我們籍此再次衷心感謝各位：有你的一貫支持，帶給我們無比動力勇往向前，再攀高峰。雖然迎面而來或有無窮的困難或挑戰要面對，但我們有信心可逐一跨過，就一如我們過去二十五年來一樣。

企業管治

要確保一間企業管理得宜與及照顧投資者權益，我們深信良好企業管治操守是不可或缺的，除了需符合香港聯合交易所之規例要求外，我們自願地落實了以下措施，包括：

- 季度業績公佈；
- 季度公佈主要股東就未有抵押股份作出之自願性披露；
- 季度與個人投資者舉行茶敘活動。

有關其他措施，請參閱第七十五頁之附錄十。

有關守則條文的遵守，請參閱「遵守企業管治常規守則」。



Voluntary Disclosure by the Substantial Shareholder Confirming No Pledge of Shares in the Company

The Company was notified by Pearl Court Company Limited (“Pearl Court”), a substantial shareholder of the Company, that it has not pledged any of its interest in ordinary shares of the Company as at 21 November 2005. Pearl Court first made such announcement in the 2004/05 Interim Report in November 2004. It has also undertaken to inform the Board of such pledging status before each annual, half-year or quarterly results announcement, and authorised the Company to publish such information (please refer to the section of SUBSTANTIAL SHAREHOLDERS for details). As at 21 November 2005, Pearl Court held 172,200,000 ordinary shares of HK\$0.1 each or 42.02% of the issued share capital of the Company.

Tea-Break with Individual Investors

The Group pioneers this novel and unique concept of direct interface with individual investors through its quarterly “tea-break with individual investors” program. In the fifth ‘tea-break’ session on 23 September 2005 after the First Quarterly Results Announcement of 2005/06, more than 30 individual investors braved the 66% increase in admission fee (donation required raised from HK\$30 to HK\$50) and general market apathy toward small cap industrials to attend the session. They enthusiastically participated in the Q&A session. Three of the individual investors were also willing to take the stage at the end of the session to share their feelings and favourable comments with fellow investors.

The sixth “tea-break with individual investors” will be held from 18:30 to 20:30 on Friday, 9 December 2005 at the Vinson Room, Level 5, One Pacific Place, Admiralty, Hong Kong. As part of the Group’s social responsibility program, participants will be asked to donate HK\$50 directly

主要股東就未有抵押股份作出之自願性披露

本公司之主要股東 Pearl Court Company Limited (「Pearl Court」) 通知本公司，對於截至二零零五年十一月二十一日其擁有本公司普通股之權益，並沒有作出任何股份抵押。Pearl Court於二零零四年十一月之二零零四／零五年度中期業績報告中首次作有關披露，其亦承諾於本公司未來刊登的年度、半年度或季度業績公佈之前知會本公司其抵押股份情況，並授權本公司公佈這些資料(詳情請參閱「主要股東」部份刊登之內容)。截至二零零五年十一月二十一日，Pearl Court持有本公司每股面值0.10港元之普通股共172,200,000股，佔本公司已發行股本42.02%。

與個人投資者茶敘

集團首創每季度「與個人投資者茶敘」活動，為個人投資者開闢一個新鮮獨特的直接溝通渠道，在二零零五／零六年度第一季季度業績公佈後，我們於二零零五年九月二十三日舉行了第五次茶敘活動，雖然我們大膽地將入場費(慈善捐款從30港元提升至50港元)提升近66%，加上市場對於小型工業股的態度轉趨冷淡，但當日仍有超過30位個人投資者出席，他們熱烈投入參與答問環節。其中三名個人投資者更於最後一節中，自願上台與其他投資者一同分享他們的感受，與及發表對集團的正面觀感。

第六次「與個人投資者茶敘」將於二零零五年十二月九日(星期五)下午六時三十分至八時三十分假座香港金鐘太古廣場一期五樓Vinson廳舉行。此茶敘亦為集團履行社會責任之一部份，所有到場參與人士均需直接捐助50港元予慈善機構，而集團亦會捐出相同



to charity and we will match the donation dollar for dollar (at a maximum of HK\$10,000 in total). For those who are willing to donate HK\$100 or more, we will:

- ask the relevant charity to issue a receipt for tax purpose on a best effort basis; and
- confirm seats availability for those top 10 donors without the need of going through the procedure of drawing lots (if required).

A video version of the 'tea-break' will be posted in the website as soon as practicable. Interested investors are invited to visit our website at www.karrie.com.hk for more details. Please go directly to our website to download the application form or call 2411-1142 during office hour. Because of the limited seats available, participation in the 'tea-break' is strictly by confirmed registration only.

LIQUIDITY RESOURCES AND FINANCING POLICIES

The Group's net bank borrowings declined from HK\$233,630,000 or a net gearing ratio of 56% as at 31 March 2005 to HK\$111,635,000 or a net gearing ratio as 25% as at 30 September 2005 due to vigorous working capital management and a partial delay of capex spending (as a result of a few months delay in the construction works of the Phase 1 of the Yu Quan Plant due to poor weather and other factors in mid-2005).

We will continue to rely on the free cash flow generated from the profit attributable to shareholders plus non-cash expenses to finance the capex and dividend payment. However, as sale increases, the Group needs to borrow money to finance the average 60 days of credit granted to customers. Therefore we still project net gearing ratio will rise towards the end of the year (2004/05 Annual Report, P.46) with the growth in business and the implementation of the capex plan.

總額(上限為10,000港元)。任何人仕願意捐出100港元或以上，我們將會：

- 盡可能向相關慈善機構要求發出收據供扣稅用途；及
- 最高捐款之首十名人仕可無需通過抽籤程序(如需要)，確保座位安排。

於可行的情況下，我們會盡快將茶敘之錄影版本上載至集團網頁，如投資者對上述活動有興趣，歡迎瀏覽本集團網頁 www.karrie.com.hk 索取更詳細資料，報名表格可於本集團網頁直接下載或於辦公時間內致電2411-1142索取。由於場地座位有限，所有出席茶敘之人仕必須事先獲確認登記，方可入座。

流動資源及財務政策

由於對流動資金管理作出嚴謹之監控與及固定資產投資有所延後(二零零五年中受到天氣及其它因素所影響，致使興建玉泉廠房之第一期工程受阻數月)，集團之淨銀行借貸由二零零五年三月三十一日之233,630,000港元或淨借貸比率56%下跌至二零零五年九月三十日之111,635,000港元或淨借貸比率25%。

集團仍然採用以「股東應佔溢利」及「非現金開支」所提供之自由現金流量，用作應付「固定資產投資」及「股息」的資金需要。但隨著集團之業務繼續保持增長，我們將需要從借貸方式支援平均達六十天之應收帳放帳期，故此我們相信直至本財政年度末，淨負債比率仍會繼續隨著業務增長及固定投資計劃啟動而逐步上升(二零零四／零五年度年報第四十六頁)。



We do not think a high net gearing ratio is an obstacle to growth because:

- the Group's non-current asset to shareholders' fund remained at a very low 55%, meaning that all of the Group's non-current assets are financed by stable long term shareholders' fund;
- the current bank borrowings stemmed mainly from the need of trade receivables financing:
 1. so in theory in the cases of zero or negative turnover growth situation, there will not be any need to borrow further money to finance the growth in trade receivables;
 2. the availability of factoring options provides a last resort alternative to reduce/eliminate bank borrowings from the traditional financing method (as at 30 September 2005 trade receivables stood at HK\$609,761,000 while net bank borrowings was only HK\$111,635,000).

We are confident that with the cash holdings of HK\$381,927,000 and banking facilities of approximately HK\$1,062,000,000, the Group is able to meet its current operational and capital expenditure requirements.

EXCHANGE RATE EXPOSURE

All the Group's assets, liabilities and transactions are denominated either in Hong Kong dollar, US dollar or Renminbi. As the exchange rate of the Hong Kong dollar, US dollar and Renminbi were relatively stable during the period, the Group was not exposed to material exchange risk (Please also refer to P.36 of the 2004/05 Annual Report for the impact of the RMB appreciation).

集團並不認為高淨銀行借貸比率會對增長造成障礙，因為：

- 集團之非流動資產與股東資金比率繼續處於55%之低水平，代表集團之非流動資產由穩定的長期股東資金所支持；
- 目前銀行借貸主要用於貿易應收帳之資金週轉：
 1. 理論上在零或負營業增長的情況下，將無需因應付增長時帶來的貿易應收帳上升尋求資金週轉；
 2. 若不選擇以傳統借貸形式週轉，最後亦可選擇以「發票貼現」方式套取現金以降低／清還銀行借貸（於二零零五年九月三十日之貿易應收帳為609,761,000港元，淨銀行借貸為111,635,000港元）。

以目前所持手頭現金達381,927,000港元，加上銀行借貸額約1,062,000,000港元，我們有信心足以應付目前營運及固定資產投資的資金需要。

匯兌風險

集團所有資產、負債及交易均以港元、美元或人民幣計算，由於年內港元、美元及人民幣之匯率一直維持穩定，故此集團現時並無任何重大的匯兌風險。（請參閱二零零四／零五年度年報第三十六頁關於人民幣升值之影響）



CONTINGENT LIABILITIES

As at 30 September 2005, the Group has no significant contingent liabilities.

EMPLOYEE AND REMUNERATION POLICIES

As at 30 September 2005, the Group employed on average approximately 6,500 employees during the period. Despite the reports of labour shortage in southern China, we have not experienced any serious problems in recruitment. This may be due to the strong reputation we have so strenuously build up in the local community in the past 25 years.

Employee remuneration is determined in accordance with prevailing industry practice and their performances and experiences. Discretionary bonus is linked up with the Group's performance and will be awarded to employees who demonstrated good performance under a reward evaluation policy. Other staff benefits include medical insurance, a housing subsidy scheme and mandatory provident funds.

Besides, the Group proactively uses share options to reward and retain talents under two separate options scheme adopted in 1996 and 2002 (Please refer to P.55 to 63 for details). Up to 30 September 2005, 130 staff were granted with share options (2004/05 interim: 76). Approximately HK\$2,948,000 has been charged to the Profit and Loss account as the cost of share options (2004/05 interim: HK\$2,359,000). No further share options have been granted during the reporting period.

或然負債

於二零零五年九月三十日，集團並無重大或然負債。

僱員及薪酬政策

截至二零零五年九月三十日止，集團於期內平均聘有僱員約6,500名。雖然有報導指中國南方面對勞工短缺之問題，集團於招聘人員上並未遇到重大困難，這或許因為集團於過去二十五年來努力於當地建立了良好的信譽所致。

僱員薪酬一般參考市場標準及僱員表現釐定，集團並會根據公司已審核的業績透過獎賞評核政策，對有良好表現的員工發放花紅，其它員工福利包括醫療保險、「員工置業補助計劃」及強制性公積金。

除此之外，集團分別於一九九六年及二零零二年採納兩項購股權計劃（詳情請參閱第五十五至六十三頁），透過購股權以獎勵及匯聚人才。截至二零零五年九月三十日止，共有130位僱員獲發購股權（二零零四／零五年度中期：76位），而所涉及購股權成本約共2,948,000港元已計算於損益表內。（二零零四／零五年度同期：2,359,000港元），期內並未發有發放購股權。



DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES

As at 30 September 2005

The interests of the Directors and chief executive in the shares and the underlying shares of the Company and any associated corporations (as defined in the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained under Section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies are as follows:

(A) Interests in the Company

董事及最高行政人員之股份權益

於二零零五年九月三十日

本公司各董事及最高行政人員在本公司（及其相聯法團）（釋義見《證券及期貨條例》（「《證券條例》」））股份或相關股份中擁有並已登記於本公司按證券條例第352條而存置之登記冊所載之權益，或根據《上市公司董事進行證券交易的標準守則》已知會本公司及聯交所之權益如下：

(甲) 於本公司之權益

	Number of ordinary shares of HK\$0.10 each 每股面值0.1港元之普通股數目				% of issued share capital
	Personal interests 個人權益	Family interests 家屬權益	Corporate/ Other interests 法團權益或 其他權益	Total interests 合計權益	
Mr. Ho Cheuk Fai 何焯輝先生	5,830,000	209,650,000 (Note 1) (附註一)	172,200,000 (Note 2) (附註二)	215,480,000	52.59%
Mr. Ho Cheuk Ming 何卓明先生	8,100,000	—	172,200,000 (Note 2) (附註二)	180,300,000	44.00%
Mr. Kwok Wing Kin, Francis 郭永堅先生	3,700,000 (Note 3) (附註三)	—	—	3,700,000	0.90%
Mr. Tam Wing Hung 談永雄先生	1,100,000 (Note 4) (附註四)	—	—	1,100,000	0.27%
Mr. Lee Shu Ki 李樹琪先生	3,300,000 (Note 5) (附註五)	—	—	3,300,000	0.81%
Mr. Wong Shun Pang 黃順鵬先生	2,610,000 (Note 6) (附註六)	—	—	2,610,000	0.64%
Ms. Ho Po Chu 何寶珠女士	37,450,000 (Note 7) (附註七)	178,030,000 (Note 7) (附註七)	172,200,000 (Note 2) (附註二)	215,480,000	52.59%



Notes:

1. Mr. Ho Cheuk Fai is deemed to be interested in (a) 37,450,000 shares held by his spouse, Ms. Ho Po Chu, as beneficial owner and (b) 172,200,000 shares in which his children under 18 are interested. Such 172,200,000 shares in which his children under 18 are interested are duplicated with his interests as a founder of the HCF trust in the same block of shares referred to in Note 2 below.
2. 172,200,000 shares are held by Pearl Court Company Limited ("Pearl Court") as trustee for a unit trust known as Ho Cheuk Fai Family Trust ("HCF Trust"). Mr. Ho Cheuk Fai is deemed to be interested in these 172,200,000 shares as founder of the HCF Trust. Ho Po Chu is interested in these 172,200,000 shares by virtue of the fact that (a) she controls or exercises the control of one-third or more of the voting power at general meetings of Pearl Court; (b) she holds one unit in the HCF Trust; and (c) she is one of the discretionary objects of a discretionary trust known as Ho Wai Leung Memorial Trust ("HWL Trust"), the trust property of which comprises 9,999 units in the HCF Trust and in which Ms. Ho Po Chu, Mr. Ho Cheuk Ming and Mr. Ho Cheuk Fai's children under 18 are the discretionary objects. These 9,999 units of HCF Trust are held by HSBC International Trustee Limited ("HITL") as trustee for HWL Trust. Therefore, the interests of Mr. Ho Cheuk Fai, Ms. Ho Po Chu, their children under 18 and Mr. Ho Cheuk Ming in the 172,200,000 shares are duplicated with each other.
3. The personal interests of Mr. Kwok Wing Kin, Francis comprise 800,000 ordinary shares and 2,900,000 outstanding share options.
4. The personal interests of Mr. Tam Wing Hung comprise 680,000 ordinary shares and 420,000 outstanding share options.
5. The personal interests of Mr. Lee Shu Ki comprise 1,400,000 ordinary shares and 1,900,000 outstanding share options.
6. The personal interests of Mr. Wong Shun Pang comprise 510,000 ordinary shares and 2,100,000 outstanding share options.

附註：

- 一、何焯輝先生被視為持有(a)其配偶何寶珠女士作為實益擁有人持有之37,450,000股股份；及(b)其未滿18歲的子女擁有172,200,000股股份之權益。該等172,200,000股股份之權益，被視為何焯輝先生作為HCF Trust的成立人(如附註二所述)及其未滿18歲的子女之間重疊之同一權益。
- 二、172,200,000股股份由 Pearl Court Company Limited (「Pearl Court」) 以 Ho Cheuk Fai Family Trust (「HCF Trust」) 之單位信託之受託人持有。何焯輝先生作為 HCF Trust 之成立人，被視為持有該等 172,200,000 股股份之權益。何寶珠女士被視為持有該等 172,200,000 股股份之權益，因為(a)她於 Pearl Court 股東大會控制或行使控制三分之一或以上投票權；(b)她持有 HCF Trust 的一個單位；及(c)她作為一個名為 Ho Wai Leung Memorial Trust (「HWL Trust」) 酌情信託的酌情信託對象，該酌情信託持有 HCF Trust 之 9,999 單位，其酌情信託對象由何寶珠女士、何卓明先生及何焯輝先生未滿 18 歲的子女組成。該等 9,999 HCF Trust 之單位由 HSBC International Trustee Limited (「HITL」) 作為 HWL Trust 的受託人持有。故此，該等 172,200,000 股股份之權益，被視為何焯輝先生、何寶珠女士及其彼等未滿 18 歲的子女及何卓明先生之間重疊之同一權益。
- 三、郭永堅先生之個人權益由 800,000 股本公司普通股股份及 2,900,000 尚未行使之購股權組成。
- 四、談永雄先生之個人權益由 680,000 股本公司普通股股份及 420,000 尚未行使之購股權組成。
- 五、李樹琪先生之個人權益由 1,400,000 股本公司普通股股份及 1,900,000 尚未行使之購股權組成。
- 六、黃順鵬先生之個人權益由 510,000 股本公司普通股股份及 2,100,000 尚未行使之購股權組成。



7. The personal interests of Ms. Ho Po Chu comprise 36,650,000 ordinary shares and 800,000 outstanding share options. Ms. Ho Po Chu is also deemed to be interested in (a) 5,830,000 shares held by her spouse, Mr. Ho Cheuk Fai, as beneficial owner and (b) 172,200,000 shares in which her children under 18 are interested. Such 172,200,000 shares in which her children under 18 are interested are duplicated with her interests in the same block of shares referred to in Note 2 above.

- 七、何寶珠女士之個人權益由36,650,000股本公司普通股股份及800,000尚未行使之購股權組成。何寶珠女士被視為持有(a)其配偶何焯輝先生作為實益擁有人持有之5,830,000股股份；及(b)其未滿18歲的子女擁有172,200,000股股份之權益。該等172,200,000股股份之權益，被視為何寶珠女士（如附註二所述）及其未滿18歲的子女之間重疊之同一權益。

(B) Interests in associated corporations

(乙) 於相聯法團之權益

- (i) Karrie Industrial Company Limited (“KICL”)

- (i) 嘉利產品有限公司（「嘉利產品」）

	Number of non-voting deferred shares of HK\$100 each 每股面值100港元之無投票權遞延股份數目						
	Corporate/ Other interests			% of issued share		% of issued share	
	Personal interests	Family interests	Other interests	Total interests	share capital	Short positions	share capital
	個人權益	家屬權益	法團權益或 其他權益	合計權益	持股百分比	淡倉	持股百分比
Mr. Ho Cheuk Fai 何焯輝先生	43,000	43,000 (Note 1) (附註一)	43,000 (Note 1) (附註一)	43,000	85.98% (Note 3) (附註三)	43,000 (Note 1) (附註一)	85.98% (Note 3) (附註三)
Ms. Ho Po Chu 何寶珠女士	7,000	7,000 (Note 1) (附註一)	7,000 (Note 1) (附註一)	7,000	13.99% (Note 2) (附註二)	7,000 (Note 1) (附註一)	13.99% (Note 2) (附註二)

- (ii) Karpo Technologies Limited (“KTL”)

- (ii) 嘉寶科技有限公司（「嘉寶科技」）

	Number of non-voting deferred shares of HK\$100 each 每股面值100港元之無投票權遞延股份數目						
	Corporate/ Other interests			% of issued share		% of issued share	
	Personal interests	Family interests	Other interests	Total interests	share capital	Short positions	share capital
	個人權益	家屬權益	法團權益或 其他權益	合計權益	持股百分比	淡倉	持股百分比
Mr. Ho Cheuk Fai 何焯輝先生	10,000	10,000 (Note 1) (附註一)	10,000 (Note 1) (附註一)	10,000	99.90% (Note 3) (附註三)	10,000 (Note 1) (附註一)	99.90% (Note 3) (附註三)



(iii) Karrie Industrial Holdings Limited (“KIHL”)

(iii) Karrie Industrial Holdings Limited
([“KIHL”])

Number of non-voting deferred shares of HK\$1 each

每股面值1港元之無投票權遞延股份數目

	Personal interests	Family interests	Corporate/ Other interests	Total interests	% of issued share capital	% of issued Short positions	% of issued share capital
	個人權益	家屬權益	法團權益或 其他權益	合計權益	持股百分比	淡倉	持股百分比
Mr. Ho Cheuk Fai 何焯輝先生	1	1 (Note 1) (附註一)	1 (Note 1) (附註一)	1	8.33% (Note 4) (附註四)	1 (Note 1) (附註一)	8.33% (Note 4) (附註四)
Ms. Ho Po Chu 何寶珠女士	1	1 (Note 1) (附註一)	1 (Note 1) (附註一)	1	8.33% (Note 4) (附註四)	1 (Note 1) (附註一)	8.33% (Note 4) (附註四)

Notes:

附註：

- Karrie International (B.V.I.) Limited (“KIBVI”), a direct wholly-owned subsidiary of the Company, has been granted options to acquire from Mr. Ho Cheuk Fai and Ms. Ho Po Chu their non-voting deferred shares in each of KICL, KTL and KIHL. Accordingly, KIBVI is taken to be interested in these non-voting deferred shares in respect of which Mr. Ho Cheuk Fai and Mr. Ho Po Chu have each created short positions. In addition, by virtue of (i) their interests in the Company; and (ii) the interests of their children under 18 in the Company, as referred to in Notes 1, 2 and 7 under the section headed “(A) Interests in the Company” above, Mr. Ho Cheuk Fai and Ms. Ho Po Chu are each deemed to be interested in the long positions that KIBVI has in these non-voting deferred shares. Such interests are duplicated with their personal interests in these non-voting deferred shares.
- The entire issued share capital of KICL comprises 50,000 non-voting deferred shares of HK\$100 each and 10 ordinary shares of HK\$100 each.

一、Karrie International (B.V.I.) Limited ([“KIBVI”])，本公司之直接全資附屬公司，獲授予認購權以認購何焯輝先生和何寶珠女士於嘉利產品、嘉寶科技及KIHL所持有的無投票權遞延股份。由於何焯輝先生和何寶珠女士因上述所授予認購權而各自產生有關之淡倉，KIBVI遂持有該等股份之權益。再者，於上述(甲)「於本公司之權益」附註一、二及七中，因他們及其18歲以下的子女持有本公司之權益，何焯輝先生和何寶珠女士各自被視為持有KIBVI中該等股份之權益。該等權益跟其個人於這些股份的權益乃屬重複的。

二、嘉利產品已發行股份由50,000股每股面值100港元之無投票權遞延股份及10股每股面值100港元之普通股股份組成。



Karrie International Holdings Limited

3. The entire issued share capital of KTL comprises 10,000 non-voting deferred shares of HK\$100 each and 10 ordinary shares of HK\$100 each.
4. The entire issued share capital of KIHL comprises 2 non-voting deferred shares of HK\$1 each and 10 ordinary shares of HK\$1 each.

Save as disclosed above and under the heading “Share Option Schemes”, none of the Directors, chief executives or their associates have any personal, family, corporate or other interests and short positions in the shares and the underlying shares of the Company or any of its associated corporations as defined in the SFO as at 30 September 2005.

- 三、嘉寶科技已發行股份由10,000股每股面值100港元之無投票權遞延股份及10股每股面值100港元之普通股股份組成。
- 四、KIHL已發行股份由2股每股面值1港元之無投票權遞延股份及10股每股面值1港元之普通股股份組成

除上文及根據「購股權計劃」中所披露外，各董事、最高行政人員或其聯繫人等於二零零五年九月三十日在本公司或其相聯法團（釋義見《證券條例》）股份及相關股份中無持有任何個人、家屬、法團或其他權益或淡倉。



As at 15 November 2005

於二零零五年十一月十五日

The interests of the Directors and chief executive in the shares and the underlying shares of the Company and any associated corporations (as defined in the Securities and Futures Ordinance (the “SFO”)) as recorded in the register maintained under Section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies are as follows:

本公司各董事及最高行政人員在本公司（及其相聯法團）（釋義見《證券及期貨條例》（「《證券條例》」））股份或相關股份中擁有並已登記於本公司按證券條例第352條而存置之登記冊所載之權益，或根據《上市公司董事進行證券交易的標準守則》已知會本公司及聯交所之權益如下：

(A) Interests in the Company**(甲) 於本公司之權益****Number of ordinary shares of HK\$0.10 each****每股面值0.1港元之普通股數目**

	Personal interests	Family interests	Corporate/ Other interests	Total interests	% of issued share capital
	個人權益	家屬權益	法團權益或 其他權益	合計權益	持股百分比
Mr. Ho Cheuk Fai 何焯輝先生	5,830,000	209,650,000 (Note 1) (附註一)	172,200,000 (Note 2) (附註二)	215,480,000	52.59%
Mr. Ho Cheuk Ming 何卓明先生	8,100,000	—	172,200,000 (Note 2) (附註二)	180,300,000	44.00%
Mr. Kwok Wing Kin, Francis 郭永堅先生	3,612,000 (Note 3) (附註三)	—	—	3,612,000	0.88%
Mr. Tam Wing Hung 談永雄先生	1,100,000 (Note 4) (附註四)	—	—	1,100,000	0.27%
Mr. Lee Shu Ki 李樹琪先生	3,300,000 (Note 5) (附註五)	—	—	3,300,000	0.81%
Mr. Wong Shun Pang 黃順鵬先生	2,610,000 (Note 6) (附註六)	—	—	2,610,000	0.64%
Ms. Ho Po Chu 何寶珠女士	37,450,000 (Note 7) (附註七)	178,030,000 (Note 7) (附註七)	172,200,000 (Note 2) (附註二)	215,480,000	52.59%



Notes:

1. Mr. Ho Cheuk Fai is deemed to be interested in (a) 37,450,000 shares held by his spouse, Ms. Ho Po Chu, as beneficial owner and (b) 172,200,000 shares in which his children under 18 are interested. Such 172,200,000 shares in which his children under 18 are interested are duplicated with his interests as a founder of the HCF trust in the same block of shares referred to in Note 2 below.
2. 172,200,000 shares are held by Pearl Court Company Limited ("Pearl Court") as trustee for a unit trust known as Ho Cheuk Fai Family Trust ("HCF Trust"). Mr. Ho Cheuk Fai is deemed to be interested in these 172,200,000 shares as founder of the HCF Trust. Ho Po Chu is interested in these 172,200,000 shares by virtue of the fact that (a) she controls or exercises the control of one-third or more of the voting power at general meetings of Pearl Court; (b) she holds one unit in the HCF Trust; and (c) she is one of the discretionary objects of a discretionary trust known as Ho Wai Leung Memorial Trust ("HWL Trust"), the trust property of which comprises 9,999 units in the HCF Trust and in which Ms. Ho Po Chu, Mr. Ho Cheuk Ming and Mr. Ho Cheuk Fai's children under 18 are the discretionary objects. These 9,999 units of HCF Trust are held by HSBC International Trustee Limited ("HITL") as trustee for HWL Trust. Therefore, the interests of Mr. Ho Cheuk Fai, Ms. Ho Po Chu, their children under 18 and Mr. Ho Cheuk Ming in the 172,200,000 shares are duplicated with each other.
3. The personal interests of Mr. Kwok Wing Kin, Francis comprise 712,000 ordinary shares and 2,900,000 outstanding share options.
4. The personal interests of Mr. Tam Wing Hung comprise 680,000 ordinary shares and 420,000 outstanding share options.
5. The personal interests of Mr. Lee Shu Ki comprise 1,400,000 ordinary shares and 1,900,000 outstanding share options.
6. The personal interests of Mr. Wong Shun Pang comprise 510,000 ordinary shares and 2,100,000 outstanding share options.

附註：

- 一、何焯輝先生被視為持有(a)其配偶何寶珠女士作為實益擁有人持有之37,450,000股股份；及(b)其未滿18歲的子女擁有172,200,000股股份之權益。該等172,200,000股股份之權益，被視為何焯輝先生作為HCF Trust的成立人(如附註二所述)及其未滿18歲的子女之間重疊之同一權益。
- 二、172,200,000股股份由 Pearl Court Company Limited (「Pearl Court」) 以 Ho Cheuk Fai Family Trust (「HCF Trust」) 之單位信託之受託人持有。何焯輝先生作為HCF Trust之成立人，被視為持有該等172,200,000股股份之權益。何寶珠女士被視為持有該等172,200,000股股份之權益，因為(a)她於Pearl Court股東大會控制或行使控制三分之一或以上投票權；(b)她持有HCF Trust的一個單位；及(c)她作為一個名為Ho Wai Leung Memorial Trust (「HWL Trust」) 酌情信託的酌情信託對象，該酌情信託持有HCF Trust之9,999單位，其酌情信託對象由何寶珠女士、何卓明先生及何焯輝先生未滿18歲的子女組成。該等9,999 HCF Trust之單位由HSBC International Trustee Limited (「HITL」) 作為HWL Trust的受託人持有。故此，該等172,200,000股股份之權益，被視為何焯輝先生、何寶珠女士及其彼等未滿18歲的子女及何卓明先生之間重疊之同一權益。
- 三、郭永堅先生之個人權益由712,000股本公司普通股股份及2,900,000尚未行使之購股權組成。
- 四、談永雄先生之個人權益由680,000股本公司普通股股份及420,000尚未行使之購股權組成。
- 五、李樹琪先生之個人權益由1,400,000股本公司普通股股份及1,900,000尚未行使之購股權組成。
- 六、黃順鵬先生之個人權益由510,000股本公司普通股股份及2,100,000尚未行使之購股權組成。



7. The personal interests of Ms. Ho Po Chu comprise 36,650,000 ordinary shares and 800,000 outstanding share options. Ms. Ho Po Chu is also deemed to be interested in (a) 5,830,000 shares held by her spouse, Mr. Ho Cheuk Fai, as beneficial owner and (b) 172,200,000 shares in which her children under 18 are interested. Such 172,200,000 shares in which her children under 18 are interested are duplicated with her interests in the same block of shares referred to in Note 2 above.

- 七、何寶珠女士之個人權益由36,650,000股本公司普通股股份及800,000尚未行使之購股權組成。何寶珠女士被視為持有(a)其配偶何焯輝先生作為實益擁有人持有之5,830,000股股份；及(b)其未滿18歲的子女擁有172,200,000股股份之權益。該等172,200,000股股份之權益，被視為何寶珠女士（如附註二所述）及其未滿18歲的子女之間重疊之同一權益。

(B) Interests in associated corporations

(乙) 於相聯法團之權益

- (i) Karrie Industrial Company Limited
("KICL")

- (i) 嘉利產品有限公司（「嘉利產品」）

	Number of non-voting deferred shares of HK\$100 each 每股面值100港元之無投票權遞延股份數目						
	Corporate/ Other			% of issued		% of issued	
	Personal interests	Family interests	interests	Total interests	share capital	Short positions	share capital
	個人權益	家屬權益	法團權益或 其他權益	合計權益	持股百分比	淡倉	持股百分比
Mr. Ho Cheuk Fai 何焯輝先生	43,000	43,000 (Note 1) (附註一)	43,000 (Note 1) (附註一)	43,000	85.98% (Note 3) (附註三)	43,000 (Note 1) (附註一)	85.98% (Note 3) (附註三)
Ms. Ho Po Chu 何寶珠女士	7,000	7,000 (Note 1) (附註一)	7,000 (Note 1) (附註一)	7,000	13.99% (Note 2) (附註二)	7,000 (Note 1) (附註一)	13.99% (Note 2) (附註二)

- (ii) Karpo Technologies Limited ("KTL")

- (ii) 嘉寶科技有限公司（「嘉寶科技」）

	Number of non-voting deferred shares of HK\$100 each 每股面值100港元之無投票權遞延股份數目						
	Corporate/ Other			% of issued		% of issued	
	Personal interests	Family interests	interests	Total interests	share capital	Short positions	share capital
	個人權益	家屬權益	法團權益或 其他權益	合計權益	持股百分比	淡倉	持股百分比
Mr. Ho Cheuk Fai 何焯輝先生	10,000	10,000 (Note 1) (附註一)	10,000 (Note 1) (附註一)	10,000	99.90% (Note 3) (附註三)	10,000 (Note 1) (附註一)	99.90% (Note 3) (附註三)



(iii) Karrie Industrial Holdings Limited (“KIHL”)

(iii) Karrie Industrial Holdings Limited
([“KIHL”])

Number of non-voting deferred shares of HK\$1 each

每股面值1港元之無投票權遞延股份數目

	Personal interests	Family interests	Corporate/ Other interests 法團權益或 其他權益	Total interests	% of issued share capital	% of issued Short positions	% of issued share capital
	個人權益	家屬權益	其他權益	合計權益	持股百分比	淡倉	持股百分比
Mr. Ho Cheuk Fai 何焯輝先生	1	1 (Note 1) (附註一)	1 (Note 1) (附註一)	1	8.33% (Note 4) (附註四)	1 (Note 1) (附註一)	8.33% (Note 4) (附註四)
Ms. Ho Po Chu 何寶珠女士	1	1 (Note 1) (附註一)	1 (Note 1) (附註一)	1	8.33% (Note 4) (附註四)	1 (Note 1) (附註一)	8.33% (Note 4) (附註四)

Notes:

附註：

- Karrie International (B.V.I) Limited (“KIBVI”), a direct wholly-owned subsidiary of the Company, has been granted options to acquire from Mr. Ho Cheuk Fai and Ms. Ho Po Chu their non-voting deferred shares in each of KICL, KTL and KIHL. Accordingly, KIBVI is taken to be interested in these non-voting deferred shares in respect of which Mr. Ho Cheuk Fai and Mr. Ho Po Chu have each created short positions. In addition, by virtue of (i) their interests in the Company; and (ii) the interests of their children under 18 in the Company, as referred to in Notes 1, 2 and 7 under the section headed “(A) Interests in the Company” above, Mr. Ho Cheuk Fai and Ms. Ho Po Chu are each deemed to be interested in the long positions that KIBVI has in these non-voting deferred shares. Such interests are duplicated with their personal interests in these non-voting deferred shares.
- The entire issued share capital of KICL comprises 50,000 non-voting deferred shares of HK\$100 each and 10 ordinary shares of HK\$100 each.

一、Karrie International (B.V.I.) Limited ([“KIBVI”])，本公司之直接全資附屬公司，獲授予認購權以認購何焯輝先生和何寶珠女士於嘉利產品、嘉寶科技及KIHL所持有的無投票權遞延股份。由於何焯輝先生和何寶珠女士因上述所授予認購權而各自產生有關之淡倉，KIBVI遂持有該等股份之權益。再者，於上述(甲)「於本公司之權益」附註一、二及七中，因他們及其18歲以下的子女持有本公司之權益，何焯輝先生和何寶珠女士各自被視為持有KIBVI中該等股份之權益。該等權益跟其個人於這些股份的權益乃屬重複的。

二、嘉利產品已發行股份由50,000股每股面值100港元之無投票權遞延股份及10股每股面值100港元之普通股股份組成。



3. The entire issued share capital of KTL comprises 10,000 non-voting deferred shares of HK\$100 each and 10 ordinary shares of HK\$100 each.
4. The entire issued share capital of KIHL comprises 2 non-voting deferred shares of HK\$1 each and 10 ordinary shares of HK\$1 each.

三、嘉寶科技已發行股份由10,000股每股面值100港元之無投票權遞延股份及10股每股面值100港元之普通股股份組成。

四、KIHL已發行股份由2股每股面值1港元之無投票權遞延股份及10股每股面值1港元之普通股股份組成。

Save as disclosed above and under the heading “Share Option Schemes”, none of the Directors, chief executives or their associates have any personal, family, corporate or other interests and short positions in the shares and the underlying shares of the Company or any of its associated corporations as defined in the SFO as at 15 November 2005.

DIRECTORS’ INTEREST IN COMPETING BUSINESS

None of the directors of the Company had any interest in any business which competes with the Group.

SHARE OPTIONS SCHEMES

The Old Scheme

The old share option scheme of the Company (the “Old Scheme”) was adopted on 27 November 1996 pursuant to which share options were granted to employees and Executive Directors of the Company or its subsidiaries. No further options can be, or have been, issued under the Old Scheme from 21 May 2002, the date of adoption of the new share option scheme of the Company (the “New Scheme”) and termination of the Old Scheme, but in all other respects the provisions of the Old Scheme remain in force and all options granted prior to its termination shall continue to be valid and exercisable in accordance therewith. The key terms of the Old Scheme have been summarised in our 2004/05 Annual Report.

除上文及根據「購股權計劃」中所披露外，各董事、最高行政人員或其聯繫人等於二零零五年十一月十五日在本公司或其相聯法團（釋義見《證券條例》）股份及相關股份中無持有任何個人、家屬、法團或其他權益或淡倉。

董事於競爭業務之權益

本公司各董事概無與本集團構成競爭之業務中擁有任何權益。

購股權計劃

舊計劃

本公司舊有的購股權計劃（「舊計劃」）於一九九六年十一月二十七日採納。於二零零二年五月二十一日以前，本公司及其任何附屬公司的僱員及執行董事曾據舊計劃之條款獲授購股權。於二零零二年五月二十一日，舊計劃已被終止及一新購股權計劃（「新計劃」）獲採納，據此，本公司不可亦未有再根據舊計劃授出購股權，惟舊計劃之任何條文仍然有效，及所有在舊計劃終止前授出之購股權會繼續有效並可據此繼續行使。舊計劃之主要條款摘要已於二零零四／零五年度年報刊登。



Karrie International Holdings Limited

Details of share option movements for the six months ended 30 September 2005 under the Old Scheme are as follows:

根據舊計劃於截至二零零五年九月三十日止六個月之購股權變動詳情如下：

							Number of Share Options				
							購股權數目				
Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 31 Mar 2005	Granted during the period from 1 Apr 2005 to 30 Sep 2005	Exercised during the period from 1 Apr 2005 to 30 Sep 2005	Lapsed/ cancelled during the period from 1 Apr 2005 to 30 Sep 2005	Outstanding at 30 Sep 2005	
							於二零零五年四月一日至九月三十日獲授予	於二零零五年四月一日至九月三十日行使	於二零零五年四月一日至九月三十日失效/取消		
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日前之價格 (HK\$) (港元)	於購股權行使日之價格 (HK\$) (港元)	二零零五年三月三十一日尚未行使 (‘000) (千)	於二零零五年四月一日至九月三十日獲授予 (‘000) (千)	於二零零五年四月一日至九月三十日行使 (‘000) (千)	於二零零五年四月一日至九月三十日失效/取消 (‘000) (千)	二零零五年九月三十日尚未行使 (‘000) (千)	
(i)	Directors/Chief Executives 董事及最高行政人員										
	Mr. Tam Wing Hung 談永雄先生	20/09/2000	0.300	21/09/2003–30/11/2006	0.35	–	320	–	–	320	
(ii)	Employees 員工										
		20/09/2000	0.300	20/09/2000–30/11/2006	0.35	–	150	–	–	150	
		20/09/2000	0.300	21/09/2001–30/11/2006	0.35	–	150	–	–	150	
		20/09/2000	0.300	21/09/2002–30/11/2006	0.35	–	200	–	–	200	

Details of share option movements during the period from 1 October 2005 to 15 November 2005 under the Old Scheme are as follows:

根據舊計劃於二零零五年十月一日至十一月十五日止之購股權變動詳情如下：

							Number of Share Options				
							購股權數目				
Name	Date of Grant	Exercise Price	Exercise Period	Closing	Price	Outstanding	Granted	Exercised	Lapsed/	Outstanding	
				Price before	at exercise		during the	during the	cancelled		
				date of	date of	at	period from	period from	during the		
				grant	options	30 Sep 2005	1 Oct 2005	1 Oct 2005	1 Oct 2005	15 Nov 2005	
							to	to	to	at	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							to	to	to	to	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005	
							15 Nov 2005	15 Nov			



The New Scheme

The New Scheme was adopted on 21 May 2002 to comply with the new requirements of Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) which took effect on 1 September 2001. The key terms of the New Scheme have been summarised in our 2004/05 annual report.

Details of share option movements for the six months ended 30 September 2005 under the New Scheme are as follows:

新計劃

新計劃於二零零二年五月二十一日採納，以符合二零零一年九月一日生效之《香港聯合交易所有限公司證券上市規則》（「《上市規則》」）第十七章之新規定。新計劃之主要條款摘要已於二零零四／零五年度年報刊登。

根據新計劃於截至二零零五年九月三十日止六個月之購股權變動詳情如下：

Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 31 Mar 2005	Number of Share Options			Outstanding at 30 Sep 2005
							Granted during the period from 1 Apr 2005 to 30 Sep 2005	Exercised during the period from 1 Apr 2005 to 30 Sep 2005	Lapsed/cancelled during the period from 1 Apr 2005 to 30 Sep 2005	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日前之價格 (HK\$) (港元)	於購股權行使日之價格 (HK\$) (港元)	二零零五年三月三十一日尚未行使 (‘000) (千)	於二零零五年四月一日至九月三十日獲授予 (‘000) (千)	於二零零五年四月一日至九月三十日行使 (‘000) (千)	於二零零五年四月一日至九月三十日失效/取消 (‘000) (千)	二零零五年九月三十日尚未行使 (‘000) (千)
(i) Directors/Chief Executives 董事及最高行政人員										
Mr. Ho Cheuk Ming 何卓明先生	07/02/2005	3.35	01/01/2007–06/02/2015	3.325	–	280	–	–	–	280
	07/02/2005	3.35	01/01/2008–06/02/2015	3.325	–	560	–	–	–	560
	07/02/2005	3.35	01/01/2009–06/02/2015	3.325	–	560	–	–	–	560
Mr. Kwok Wing Kin, Francis 郭永堅先生	01/11/2002	1.65	01/01/2003–31/10/2012	1.65	3.215 (AVG平均)	750	–	(400)	–	350
	01/11/2002	1.65	01/01/2004–31/10/2012	1.65	–	750	–	–	–	750
	27/04/2004	1.90	01/01/2005–26/04/2014	1.86	–	160	–	–	–	160
	27/04/2004	1.90	01/01/2006–26/04/2014	1.86	–	320	–	–	–	320
	27/04/2004	1.90	01/01/2007–26/04/2014	1.86	–	320	–	–	–	320
	07/02/2005	3.35	01/01/2007–06/02/2015	3.325	–	200	–	–	–	200
	07/02/2005	3.35	01/01/2008–06/02/2015	3.325	–	400	–	–	–	400
	07/02/2005	3.35	01/01/2009–06/02/2015	3.325	–	400	–	–	–	400



Karrie International Holdings Limited

Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 31 Mar 2005	Number of Share Options			Outstanding at 30 Sep 2005
							Granted during the period from 1 Apr 2005 to 30 Sep 2005	Exercised during the period from 1 Apr 2005 to 30 Sep 2005	Lapsed/ cancelled during the period from 1 Apr 2005 to 30 Sep 2005	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日前之價格 (HK\$) (港元)	於購股權行使日之價格 (HK\$) (港元)	二零零五年三月三十一日尚未行使 (千)	於二零零五年四月一日至九月三十日獲授予 (千)	於二零零五年四月一日至九月三十日行使 (千)	於二零零五年四月一日至九月三十日失效/取消 (千)	二零零五年九月三十日尚未行使 (千)
Mr. Tam Wing Hung 談永雄先生	22/05/2002	1.30	22/05/2002-21/05/2012	1.30	-	100	-	-	-	100
Mr. Lee Shu Ki 李樹琪先生	01/11/2002	1.65	01/01/2003-31/10/2012	1.65	-	200	-	-	-	200
	01/11/2002	1.65	01/01/2004-31/10/2012	1.65	-	300	-	-	-	300
	27/04/2004	1.90	01/01/2005-26/04/2014	1.86	-	80	-	-	-	80
	27/04/2004	1.90	01/01/2006-26/04/2014	1.86	-	160	-	-	-	160
	27/04/2004	1.90	01/01/2007-26/04/2014	1.86	-	160	-	-	-	160
	07/02/2005	3.35	01/01/2007-06/02/2015	3.325	-	200	-	-	-	200
	07/02/2005	3.35	01/01/2008-06/02/2015	3.325	-	400	-	-	-	400
	07/02/2005	3.35	01/01/2009-06/02/2015	3.325	-	400	-	-	-	400
Mr. Wong Shun Pang 黃順鵬先生	01/11/2002	1.65	01/01/2003-31/10/2012	1.65	-	100	-	-	-	100
	01/11/2002	1.65	01/01/2004-31/10/2012	1.65	-	200	-	-	-	200
	01/12/2003	2.475	01/08/2005-30/11/2013	2.425	-	100	-	-	(100)	-
	01/12/2003	2.475	01/01/2006-30/11/2013	2.425	-	200	-	-	-	200
	01/12/2003	2.475	01/01/2007-30/11/2013	2.425	-	200	-	-	-	200
	27/04/2004	1.90	01/01/2005-26/04/2014	1.86	-	160	-	-	-	160
	27/04/2004	1.90	01/01/2006-26/04/2014	1.86	-	120	-	-	-	120
	27/04/2004	1.90	01/01/2007-26/04/2014	1.86	-	120	-	-	-	120
	07/02/2005	3.35	01/01/2007-06/02/2015	3.325	-	200	-	-	-	200
	07/02/2005	3.35	01/01/2008-06/02/2015	3.325	-	400	-	-	-	400
Ms. Ho Po Chu 何寶珠女士	07/02/2005	3.35	01/01/2009-06/02/2015	3.325	-	400	-	-	-	400
	07/02/2005	3.35	01/07/2005-06/02/2015	3.325	-	800	-	-	-	800



Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 31 Mar 2005	Number of Share Options 購股權數目			Outstanding at 30 Sep 2005
							Granted during the period from 1 Apr 2005 to 30 Sep 2005	Exercised during the period from 1 Apr 2005 to 30 Sep 2005	Lapsed/ cancelled during the period from 1 Apr 2005 to 30 Sep 2005	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日前之價格 (HK\$) (港元)	於購股權行使日之價格 (HK\$) (港元)	二零零五年三月三十一日尚未行使 (‘000) (千)	於二零零五年四月一日至九月三十日獲授予 (‘000) (千)	於二零零五年四月一日至九月三十日行使 (‘000) (千)	於二零零五年四月一日至九月三十日失效/取消 (‘000) (千)	二零零五年九月三十日尚未行使 (‘000) (千)
(ii) Other Eligible Participants 其他合資格參與者										
Employees 員工	22/05/2002	1.30	22/05/2002–21/05/2012	1.30	3.25	200	–	(100)	–	100
	22/05/2002	1.30	22/05/2003–21/05/2012	1.30	3.25	100	–	(100)	–	–
	01/11/2002	1.65	01/01/2003–31/10/2012	1.65	3.381 (AVG平均)	1,070	–	(650)	–	420
	01/11/2002	1.65	01/01/2004–31/10/2012	1.65	3.485 (AVG平均)	2,080	–	(500)	–	1,580
	01/12/2003	2.475	01/08/2005–30/11/2013	2.425	–	2,282	–	–	(2,282)	–
	01/12/2003	2.475	01/01/2006–30/11/2013	2.425	–	4,554	–	–	(80)	4,474
	01/12/2003	2.475	01/01/2007–30/11/2013	2.425	–	4,524	–	–	(80)	4,444
	27/04/2004	1.90	01/01/2005–26/04/2014	1.86	3.327 (AVG平均)	1,352	–	(232)	–	1,120
	27/04/2004	1.90	01/01/2006–26/04/2014	1.86	–	510	–	–	–	510
	27/04/2004	1.90	01/01/2007–26/04/2014	1.86	–	280	–	–	–	280
	01/02/2005	3.15	01/01/2006–31/01/2015	3.15	–	1,090	–	–	(36)	1,054
	01/02/2005	3.15	01/01/2007–31/01/2015	3.15	–	2,180	–	–	(72)	2,108
	01/02/2005	3.15	01/01/2008–31/01/2015	3.15	–	2,180	–	–	(72)	2,108
	07/02/2005	3.35	01/07/2005–06/02/2015	3.325	–	1,800	–	–	–	1,800
	07/02/2005	3.35	01/01/2007–06/02/2015	3.325	–	880	–	–	–	880
	07/02/2005	3.35	01/01/2008–06/02/2015	3.325	–	1,760	–	–	–	1,760
	07/02/2005	3.35	01/01/2009–06/02/2015	3.325	–	1,760	–	–	–	1,760



Karrie International Holdings Limited

Details of share option movements during the period from 1 October 2005 to 15 November 2005 under the New Scheme are as follows:

根據新計劃於二零零五年十月一日至十一月十五日止之購股權變動詳情如下：

							Number of Share Options 購股權數目			
Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 30 Sep 2005	Granted during the period from 1 Oct 2005 to 15 Nov 2005	Exercised during the period from 1 Oct 2005 to 15 Nov 2005	Lapsed/ cancelled during the period from 1 Oct 2005 to 15 Nov 2005	Outstanding at 15 Nov 2005
							於二零零五年十月一日至十一月十五日獲授予	於二零零五年十月一日至十一月十五日行使	於二零零五年十月一日至十一月十五日失效/取消	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日前之價格 (HK\$) (港元)	於購股權行使日之價格 (HK\$) (港元)	二零零五年九月三十日尚未行使 (千)	於二零零五年十月一日至十一月十五日獲授予 (千)	於二零零五年十月一日至十一月十五日行使 (千)	於二零零五年十月一日至十一月十五日失效/取消 (千)	二零零五年十一月十五日尚未行使 (千)
(i)	Directors/Chief Executives 董事及最高行政人員									
Mr. Ho Cheuk Ming 何卓明先生	07/02/2005	3.35	01/01/2007–06/02/2015	3.325	–	280	–	–	–	280
	07/02/2005	3.35	01/01/2008–06/02/2015	3.325	–	560	–	–	–	560
	07/02/2005	3.35	01/01/2009–06/02/2015	3.325	–	560	–	–	–	560
Mr. Kwok Wing Kin, Francis 郭永堅先生	01/11/2002	1.65	01/01/2003–31/10/2012	1.65	–	350	–	–	–	350
	01/11/2002	1.65	01/01/2004–31/10/2012	1.65	–	750	–	–	–	750
	27/04/2004	1.90	01/01/2005–26/04/2014	1.86	–	160	–	–	–	160
	27/04/2004	1.90	01/01/2006–26/04/2014	1.86	–	320	–	–	–	320
	27/04/2004	1.90	01/01/2007–26/04/2014	1.86	–	320	–	–	–	320
	07/02/2005	3.35	01/01/2007–06/02/2015	3.325	–	200	–	–	–	200
	07/02/2005	3.35	01/01/2008–06/02/2015	3.325	–	400	–	–	–	400
	07/02/2005	3.35	01/01/2009–06/02/2015	3.325	–	400	–	–	–	400
Mr. Tam Wing Hung 談永雄先生	22/05/2002	1.30	22/05/2002–21/05/2012	1.30	–	100	–	–	–	100



							Number of Share Options 購股權數目			
Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 30 Sep 2005	Granted during the period from 1 Oct 2005 to	Exercised during the period from 1 Oct 2005 to	Lapsed/ cancelled during the period from 1 Oct 2005 to	Outstanding at
							15 Nov 2005	15 Nov 2005	15 Nov 2005	15 Nov 2005
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日前之價格 (HK\$) (港元)	於購股權行使日之價格 (HK\$) (港元)	二零零五年九月三十日尚未行使 (‘000) (千)	於二零零五年十一月一日至十一月十五日獲授予 (‘000) (千)	於二零零五年十一月一日至十一月十五日行使 (‘000) (千)	於二零零五年十一月一日至十一月十五日失效／取消 (‘000) (千)	二零零五年十一月十五日尚未行使 (‘000) (千)
Mr. Lee Shu Ki 李樹琪先生	01/11/2002	1.65	01/01/2003–31/10/2012	1.65	–	200	–	–	–	200
	01/11/2002	1.65	01/01/2004–31/10/2012	1.65	–	300	–	–	–	300
	27/04/2004	1.90	01/01/2005–26/04/2014	1.86	–	80	–	–	–	80
	27/04/2004	1.90	01/01/2006–26/04/2014	1.86	–	160	–	–	–	160
	27/04/2004	1.90	01/01/2007–26/04/2014	1.86	–	160	–	–	–	160
	07/02/2005	3.35	01/01/2007–06/02/2015	3.325	–	200	–	–	–	200
	07/02/2005	3.35	01/01/2008–06/02/2015	3.325	–	400	–	–	–	400
	07/02/2005	3.35	01/01/2009–06/02/2015	3.325	–	400	–	–	–	400
Mr. Wong Shun Pang 黃順鵬先生	01/11/2002	1.65	01/01/2003–31/10/2012	1.65	–	100	–	–	–	100
	01/11/2002	1.65	01/01/2004–31/10/2012	1.65	–	200	–	–	–	200
	01/12/2003	2.475	01/01/2006–30/11/2013	2.425	–	200	–	–	–	200
	01/12/2003	2.475	01/01/2007–30/11/2013	2.425	–	200	–	–	–	200
	27/04/2004	1.90	01/01/2005–26/04/2014	1.86	–	160	–	–	–	160
	27/04/2004	1.90	01/01/2006–26/04/2014	1.86	–	120	–	–	–	120
	27/04/2004	1.90	01/01/2007–26/04/2014	1.86	–	120	–	–	–	120
	07/02/2005	3.35	01/01/2007–06/02/2015	3.325	–	200	–	–	–	200
	07/02/2005	3.35	01/01/2008–06/02/2015	3.325	–	400	–	–	–	400
	07/02/2005	3.35	01/01/2009–06/02/2015	3.325	–	400	–	–	–	400
Ms. Ho Po Chu 何寶珠女士	07/02/2005	3.35	01/07/2005–06/02/2015	3.325	–	800	–	–	–	800



Karrie International Holdings Limited

Name	Date of Grant	Exercise Price	Exercise Period	Closing Price before date of grant	Price at exercise date of options	Outstanding at 30 Sep 2005	Number of Share Options			Outstanding at 15 Nov 2005
							Granted during the period from 1 Oct 2005 to 15 Nov 2005	Exercised during the period from 1 Oct 2005 to 15 Nov 2005	Lapsed/ cancelled during the period from 1 Oct 2005 to 15 Nov 2005	
姓名	授出日期	行使價 (HK\$) (港元)	行使期	於購股權授出日前之價格 (HK\$) (港元)	於購股權行使日之價格 (HK\$) (港元)	二零零五年九月三十日尚未行使 (‘000) (千)	於二零零五年十月一日至十一月十五日止獲授予 (‘000) (千)	於二零零五年十月一日至十一月十五日止行使 (‘000) (千)	於二零零五年十月一日至十一月十五日止失效/取消 (‘000) (千)	二零零五年十一月十五日止尚未行使 (‘000) (千)
(ii) Other Eligible Participants										
其他合資格參與者										
Employees 員工	22/05/2002	1.30	22/05/2002–21/05/2012	1.30	–	100	–	–	–	100
	01/11/2002	1.65	01/01/2003–31/10/2012	1.65	–	420	–	–	–	420
	01/11/2002	1.65	01/01/2004–31/10/2012	1.65	–	1,580	–	–	–	1,580
	01/12/2003	2.475	01/01/2006–30/11/2013	2.425	–	4,474	–	–	(80)	4,394
	01/12/2003	2.475	01/01/2007–30/11/2013	2.425	–	4,444	–	–	(80)	4,364
	27/04/2004	1.90	01/01/2005–26/04/2014	1.86	2.75	1,120	–	(20)	–	1,100
	27/04/2004	1.90	01/01/2006–26/04/2014	1.86	–	510	–	–	–	510
	27/04/2004	1.90	01/01/2007–26/04/2014	1.86	–	280	–	–	–	280
	01/02/2005	3.15	01/01/2006–31/01/2015	3.15	–	1,054	–	–	–	1,054
	01/02/2005	3.15	01/01/2007–31/01/2015	3.15	–	2,108	–	–	–	2,108
	01/02/2005	3.15	01/01/2008–31/01/2015	3.15	–	2,108	–	–	–	2,108
	07/02/2005	3.35	01/07/2005–06/02/2015	3.325	–	1,800	–	–	–	1,800
	07/02/2005	3.35	01/01/2007–06/02/2015	3.325	–	880	–	–	–	880
	07/02/2005	3.35	01/01/2008–06/02/2015	3.325	–	1,760	–	–	–	1,760
	07/02/2005	3.35	01/01/2009–06/02/2015	3.325	–	1,760	–	–	–	1,760

**Potential Dilutive Effect of Share Options**

(As at 15 November 2005, total issued share capital is 409,768,000 shares)

購股權潛在攤薄影響

(於二零零五年十一月十五日已發行股本為409,768,000股)

Exercisable during or after the period 於期內或之後可行使之年度	Number of exercisable outstanding share options 未行使購股權數目			Percentage over total issued share capital 佔已發行 股本之 百分比
	Directors 董事	Other participants 其他參與者	Total 總數	
01/04/2005 – 31/03/2006	4,320,000	11,538,000	15,858,000	3.87%
01/04/2006 – 31/03/2007	1,680,000	7,632,000	9,312,000	2.27%
01/04/2007 – 31/03/2008	1,760,000	3,788,000	5,548,000	1.35%
01/04/2008 – 31/03/2009	1,760,000	1,760,000	3,520,000	0.86%
Cumulative total 累計	9,520,000	24,718,000	34,238,000	8.35%

SUBSTANTIAL SHAREHOLDERS**主要股東**

As at 30 September 2005 and 15 November 2005

於二零零五年九月三十日及二零零五年十一月十五日

According to the register of interests kept by the Company under section 336 of the SFO, the persons (other than a Director or chief executive of the Company) who are, directly or indirectly, interested and/or deemed to be interested in 5% or more of the nominal value of the issued share capital of the Company are as follows:

根據本公司按《證券條例》第336條存置之權益登記冊，直接或間接擁有及／或被視作擁有本公司已發行股本的面值5%或以上權益之人士(不包括董事及本公司之最高行政人員)如下：

Name of Shareholder 股東名稱	Number of ordinary shares of HK\$0.10 each 每股面值0.1港元之普通股數目			Shareholding percentage 持股百分比
	Personal interests 個人權益	Corporate/ Other interests 法團權益或 其他權益		
Pearl Court	–	172,200,000 (Note 1 附註一)		42.99%
HITL	–	172,660,000 (Note 1 附註一)		42.73%
Mr. Cheah Cheng Hye 謝清海先生	–	41,020,000 (Note 2 附註二)		10.01%
Value Partners Limited (“VPL”)	–	41,020,000 (Note 2 附註二)		10.01%



Notes:

1. These 172,200,000 shares are held by Pearl Court as trustee for HCF Trust. HITL is deemed to be interested in these 172,200,000 shares held by Pearl Court by virtue of the fact that 9,999 of 10,000 units of HCF Trust are held by HITL as trustee for HWL Trust. HITL is also interested in 380,000 and 80,000 shares as trustees for two other trusts.
2. VPL is interested in 41,020,000 shares in the capacity of investment manager. Mr. Cheah Cheng Hye is interested in the same block of shares by virtue of his 32.77% shareholding in VPL.

Save as disclosed above, as at 30 September 2005 and 15 November 2005, no person, other than the directors and chief executive of the Company, whose interests are set out in the section “Directors’ and Chief Executive’s Interests in Shares” above, had registered an interest or short position in the shares and underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

Encumbrances on Shares

The Board wishes to disclose the following details for the purpose of sound corporate governance:

As disclosed in 2004/05 Interim Report, on 22 November 2004, the Company received a written statement (the “Statement”) dated 22 November 2004 from Pearl Court, a substantial shareholder of the Company holding 172,200,000 ordinary shares of HK\$0.10 each in the share capital of the Company.

附註：

- 一、該等172,200,000股股份由Pearl Court作為HCF Trust之受託人持有。HITL被視為擁有該等由Pearl Court持有之172,200,000股股份之權益，因為HITL作為HWL Trust之受託人持有10,000個HCF Trust單位中之9,999個單位。作為另外兩個信託之受託人，HITL亦分別持有380,000及80,000股股份。
- 二、VPL作為投資經理持有41,020,000股股份。由於謝清海先生持有VPL 32.77%之股權，故此他被視為擁有該等41,020,000股股份的權益。

除上文及董事及最高行政人員於「董事及最高行政人員之股份權益」中披露外，於二零零五年九月三十日及二零零五年十一月十五日，並無人士需根據《證券條例》第336條登記其於本公司之股份及相關股份權益或淡倉記錄。

股份之產權負擔

董事會為加強企業管治而作出以下披露：

根據2004／05中期報告之披露，本公司於二零零四年十一月二十二日收到本公司一主要股東Pearl Court 的一封日期為二零零四年十一月二十二日之書面陳述（「書面陳述」）。Pearl Court持有本公司每股面值0.10港元之普通股共172,200,000股。



In the Statement, Pearl Court confirms that, as at 22 November 2004, it has not created or caused to be created nor are there any encumbrances, including without limitation charges, mortgages, pledges, liens, options, restrictions, right of first refusal, adverse interests or any third party rights or claims whatsoever (the “Encumbrances”), in respect of any of its interests in the Company. Pearl Court has further undertaken to the Company that it will inform the Board within 7 calendar days before the Company publishes its results announcements for any year, half-year, quarterly or any other interim period whether any of its interests in the Company is encumbered by any Encumbrances as at the date of notification, provided that Pearl Court has the right to terminate such arrangement by giving to the Board a notice in writing (the “Notice”) on or before one month immediately preceding the deadline for the Company to publish an announcement for its results for any year, half-year under the Listing Rules, quarterly or any other interim period (whether or not required under the Listing Rules). Pearl Court has further authorised the Company to disclose such information to the Stock Exchange of Hong Kong Limited and to the public by any means that the Board deems fit and to include such information in the Company’s annual or interim reports or in its results announcements for any year, half-year, quarterly or any other interim period.

Without prejudice to the disclosure obligations of the Company required under the Listing Rules (including the general disclosure obligation of the Company under Rule 13.09 of the Listing Rules), the Board will publish such information as from time to time received from Pearl Court in its annual and interim reports and in its results announcements for any year, half-year, quarterly or any other interim period. The Board will also publish a separate announcement upon receipt of the Notice from Pearl Court.

於該書面陳述內，Pearl Court確認截至二零零四年十一月二十二日有關其於本公司擁有之任何權益，並無設立或者引致設立任何產權負擔之情況，這包括但不限於押記、按揭、抵押、留置權、期權、限制、優先購買權、逆向權益或者任何第三者權利或索償（統稱「產權負擔」）。Pearl Court亦作出承諾，除非 Pearl Court 於上市規則規定本公司任何年度、半年度、季度或任何其他中期業績公佈之限期（不論是否上市規則規定者）前，最少給予1個月書面通知給董事會關於停止該安排外（「通知」），其會於本公司未來刊登的年度、半年度、季度或任何其他中期業績公佈之前七天內知會本公司有關其公司於知會日就擁有本公司權益而涉及之產權負擔的情況。Pearl Court同時亦授權本公司以任何董事會認為合適的方法披露這些資料予香港聯合交易所有限公司及公眾，並將這些資料刊登於本公司之年報或中期報告內，或於本公司之年度、半年度、季度或任何其他中期業績公佈內。

在不損及本公司遵守上市規則之披露責任下（包括根據上市規則第13.09條之一般披露責任），當收到 Pearl Court 的最新消息，董事會將會於年報及中期報告、年度、半年度、季度或任何其他中期業績公佈內刊登有關資料。另外，若收到 Pearl Court 發出的通知，董事會亦會刊登一則獨立公佈以告知。



Subsequently, on 5 March 2005, (being three days before the 2004/05 3rd quarter results announcement); 20 June 2005, (being four days before the 2004/05 results announcement); 29 August 2005, (being four days before the 2005/06 1st quarter results announcement) and 21 November 2005 Pearl Court notified the Company by two written statements that it has not pledged any of its interests in ordinary shares of the Company as at the above mentioned dates respectively.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the six months ended 30 September 2005 attributable to the Group's major suppliers and customers are as follows:

Purchases

The largest supplier	27%
Five largest suppliers combined	50%

Sales

The largest customer	42%
Five largest customers combined	86%

None of the Directors, their associates, or any shareholders (which, to the knowledge of the Directors, owned more than 5% of the Company's share capital) had a beneficial interest in the Group's major suppliers or customers noted above.

CONTINUING OBLIGATIONS UNDER THE LISTING RULES

Advance to an Entity

In accordance with rule 13.13 of the Listing Rules, an announcement was made on 9 September 2004 disclosed the details of the trade receivables (the "Trade Receivables") due from Konica Minolta Business Technologies Manufacturing (HK) Ltd. ("Konica Minolta") to the members of the Group as at 31 August 2004 which exceeded 8% of the total market capitalisation of the Company as at that date.

隨後Pearl Court分別於二零零五年三月五日(即2004/05第三季業績公佈前三天)、二零零五年六月二十日(即2004/05年度業績公佈前四天)、二零零五年八月二十九日(即2005/06第一季業績公佈前四天)及二零零五年十一月二十一日,以書面通知本公司,分別於以上提及之日期其擁有本公司普通股之權益,並沒有作出任何股份抵押。

主要客戶及供應商

截至二零零五年九月三十日止六個月,本集團主要供應商及客戶之購買及銷售百分比為:

購買

最大供應商	27%
五大供應商共佔	50%

銷售

最大客戶	42%
五大客戶共佔	86%

除上述外,各董事、彼等的聯繫人或以董事所知擁有本公司股本超過5%之股東並無擁有任何上述本集團主要供應商及客戶之權益。

上市規則之持續責任

給予實體之貸款

根據上市規則第13.13條之規定,於二零零四年九月九日作出之公佈披露於二零零四年八月三十一日本集團成員公司應收本集團之客戶柯尼卡美能達商用科技製造(香港)有限公司(「柯尼卡美能達」)之應收帳款(「應收帳款」)總額超逾本公司於當日之總市值8%之詳情。



As at 30 September 2005, the circumstances giving rise to the disclosure under rule 13.13 continued to exist. In accordance with rule 13.20 of the Listing Rules, the details of the relevant Trade Receivables due from Konica Minolta to the Group as at 30 September 2005 are as follows:

As at 30 September 2005, there were 409,748,000 shares of the Company in issue. Based on the average closing price of the Company's shares of HK\$3.18 per share as stated in the Stock Exchange's daily quotation sheets for the trading days from 23 September 2005 to 29 September 2005 (both days inclusive), being the five business days immediately preceding 30 September 2005, the market capitalisation of the Company was approximately HK\$1,302,998,000 as at 30 September 2005 (the "Total Market Capitalisation"). The trade receivables due to the Group from Konica Minolta amounted to approximately HK\$256,171,000 as at 30 September 2005. The Trade Receivables were resulted from sales to Konica Minolta by the Group in its ordinary course of trading business and on normal commercial terms, which are unsecured, interest free and with payment terms of 60 days, and represented approximately 19.66% of the Total Market Capitalisation.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the period.

AUDIT COMMITTEE

According to the requirements of the Listing Rules, in January 1999, the Group has established an Audit Committee which now comprises three independent non-executive directors of the Company. They are responsible for dealing with matters relating to audit area, which include reviewing and supervising the financial reporting process and internal control, in order to protect the interests of the shareholders. The unaudited interim results for the six months ended 30 September 2005 of the Company now reported on have been reviewed by the Audit Committee.

於二零零五年九月三十日，根據上市規則第13.13條須作披露之情況仍然持續。根據上市規則第13.20條規定，於二零零五年九月三十日，本集團對柯尼卡美能達之應收帳款列析如下：

於二零零五年九月三十日，本公司之已發行股份為409,748,000股。根據聯交所每日報表所示本公司股份於二零零五年九月二十三日至二零零五年九月二十九日（包括首尾兩日），即緊接二零零五年九月三十日前五個交易日之平均收市價每股3.18港元計算，本公司於二零零五年九月三十日之總市值約為1,302,998,000港元（「總市值」）。於二零零五年九月三十日，本集團應收柯尼卡美能達之貿易應收款項約為256,171,000港元。應收柯尼卡美能達之貿易應收帳項乃產生自本集團於日常貿易業務過程及按一般商業條款與柯尼卡美能達進行之銷售。這些應收款項乃屬無抵押、免息及其帳期為60日，佔總市值約19.66%。

購買、出售或贖回股份

本公司及其附屬公司於期內概無購買、出售或贖回本公司任何股份。

審核委員會

遵照《上市規則》，本公司於一九九九年一月底成立審核委員會，該委員會現包括三位獨立非執行董事。審核委員會負責處理審核範圍內的事宜，包括財務報表的審閱及內部監控；以保障本公司股東的利益。本公司現在提呈的截至二零零五年九月三十日止六個月的未經審核中期業績已由審核委員會審閱。



COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the Code Provisions as set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Listing Rules throughout the six months ended 30 September 2005 except that the Company does not have a separate Chairman and Chief Executive Officer and Mr. Ho Cheuk Fai ("Mr. Ho") currently holds both positions. Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Being the founder of the Group, Mr. Ho has substantial experience in the manufacturing industry. At the same time, Mr. Ho has the appropriate skills and business acumen that are the pre-requisites for assuming the role of Chief Executive Officer. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person would provide the Group with strong and consistent leadership and allow the Group to be more effective and efficient in developing long-term business strategies and execution of business plans. Thus, there is no need to segregate the roles of the Chairman and the Chief Executive Officer.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted stringent procedures governing Directors' securities transactions in compliance with the Model Code as set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the period.

By Order of the Board
LEE SHU KI
Director

Hong Kong, 25 November 2005

遵守企業管治常規守則

除下文所述之偏離外，本公司於截至二零零五年九月三十日止六個月期間一直遵守聯交所上市規則附錄14所載企業管治常規守則之守則條文。

守則條文第A.2.1條規定應區分主席與行政總裁的角色，並不應由一人同時兼任。本公司並無區分主席與行政總裁，何焯輝先生（「何先生」）目前兼任該兩個職位。何先生為本集團的創辦人，於製造業具備豐富經驗。同時，何先生具備擔當行政總裁所需之合適管理技巧及商業觸覺之先決條件。董事會相信，由一人兼任主席與行政總裁的角色為本集團提供強大兼一致的領導，並可讓本集團更有效及有效率地發展長遠業務策略及執行業務計劃，故無須區分主席及行政總裁之角色。

遵守標準守則

期內，本公司已採納嚴格程序規管董事進行本公司所發行的證券交易，以符合上市規則附錄十所載之《標準守則》之規定。經本公司查詢後，所有董事均確認彼等於截至二零零五年九月三十日止整個六個月內均已遵守標準守則所載之規定標準。

承董事會命
董事
李樹琪

香港，二零零五年十一月二十五日



Appendix 1

SPECIAL CHARACTERISTICS OF OUR BUSINESS MODEL

Some or all of the following characteristics apply in our dealing with customers. Such characteristics have been generalised/simplified to enable easy understanding:

1. We deal with projects, which can take one year of development and engineering works from initial project confirmation to final shipment of goods. A project's shipment cycle can run for 18 to 24 months.
2. We do not normally have a large orders backlog because the customers' adoption of either the just-in-time inventory (JIT), rolling forecast, Electronic Data Interexchange (EDI) or a combination of the above methods.
3. Usually we are the only vendor for a particular project and therefore have the obligation to ship goods to customers even if the sales volume is much higher than the initial projection.
4. Most of our customers are not retailers, but manufacturers themselves. Some of them even have factories in China. Most of the electronic components are either sourced through the customers or their designated suppliers.
5. While the metal and plastic enclosures business is an integral part of the computer and computer peripheral sector, the industry thrives only in Taiwan but not in Hong Kong.
6. Our customers are mostly multi-national companies. Thus we frequently have the situation likes project originated in Japan, components assembled in China while the final products shipped to Asia or Europe. Our definition of breakdown by market is by shipment destination but not country of origin of the customers.

附錄一

經營模式之特色

以下的幾點經營特色或多或少是我們與客戶之間生意上交往時會遇到的，方便大家理解，已將下列之特色簡化表達：

1. 我們接回來的生意一般是以項目形式進行，而每個項目從開發，工程設計到起辦，至成品付運，整個過程為時約一年，而項目本身之週期為18至24個月。
2. 一般我們並無大量的實單在手，因為客戶落單以即時供貨 (JIT)，滾動式的預算表又或以電子信息交換系統 (EDI) 進行。
3. 很多時我們所負責的項目都是客戶該項目的唯一供應商，因此就算客戶突然將訂單數量增加，我們亦有責任準時付運。
4. 我們的客戶大多是廠家，而非零售商，有些更於中國設有廠房，大部份的電子零件都是客戶指定供應商又或是他們自己提供的。
5. 雖然五金塑膠外殼業務乃電腦及其週邊產品的核心部份，但這行業於台灣遠比香港盛行。
6. 我們的客戶大部份屬國際知名品牌，故很多時會出現如下情況：客戶之項目源自日本，但在中國生產，成品最終付運到亞洲及歐洲等地。而我們對於市場分佈之界定則以成品付運終點站為準，而非客戶來自那個國家。



Appendix 2

SPECIAL CHARACTERISTICS OF THE SUPPLY CHAIN SYSTEM

A Hypothetical Example (Simplified and generalised for easy understanding)

1. Quotation Phase

- 12 to 15 months prior to shipment, Customer A sends out Request for Quotation (RFQ) for a project to all “qualified suppliers”.

2. Project Confirmation Phase

- Customer A confirms the placement of the project to us;
- Customer A also provides shipment forecast for the next 18 to 24 months, which is the normal life cycle of a project.

3. Moulds and Prototype Making Phase

- According to Customer A specification, we start to perform the design works, make the moulds and prototype;
- This process would take around 6 to 12 months;
- Customer A would also work with our purchasing department on electronics components and the list of qualified suppliers for such components.

4. Shipment Phase

- Customer finalises and revises the final shipment schedule;
- We start manufacturing and ship goods to just-in-time (JIT) inventory warehouses.

5. Sales Recognition and Payment

- Customer A takes goods from JIT warehouses;
- We get paid after the normal credit period (generally 60 days).



附錄二

供應鏈管理系統之特性

假設舉例 (為方便大家容易理解, 下列之過程以簡化形式表達)

1. 報價階段

- A客戶就某一產品之項目, 於付運前約12至15個月向所有「合格供應商」要求報價, 包括集團在內。

2. 落實階段

- A客戶確認將有關產品項目交予集團負責;
- 我們得到該產品未來18至24個月的落貨預測, 此亦是一般產品壽命週期。

3. 模具製作階段

- 集團按照客戶所提供的規格要求進行設計工作, 並製作生產模具及首辦;
- 此工序大概需時6至12個月;
- A客戶亦會就產品所需之電子零件, 與採購部門商討指定供應商及相關審批程序。

4. 付運階段

- A客戶發出修訂付運時間表;
- 完成生產及將成品付運至「即時供貨」系統中轉貨倉。

5. 銷售確認及找結

- A客戶從「即時供貨」系統中轉貨倉提取成品;
- 客戶按照相關找結方式 (一般为60天) 付款。

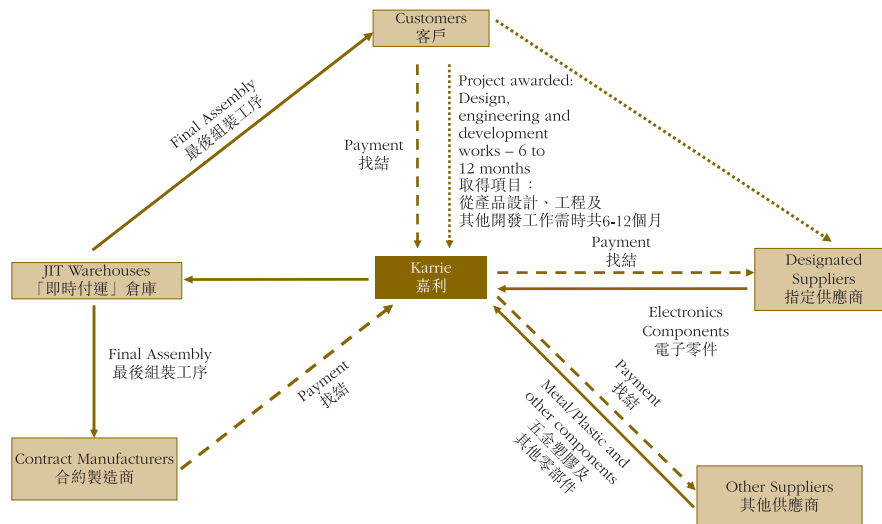


Appendix 3

附錄三

FLOW CHART OF THE SUPPLY CHAIN SYSTEM

供應鏈管理系統運作流程圖



Appendix 4

附錄四

DIVIDEND AND DIVIDEND POLICY

股息及股息政策

Group's policy to distribute 50% or more of its profits attributable to shareholders' as dividend
集團既定股息政策為股東應佔溢利50%或以上用作派息

Nine Years' Trend of Dividend Payment

過去9年派息資料參考

All dividend paid shown below is in HK cents per share
下列每股派發之股息全以港仙計算

	Interim 中期	Final 末期	Subtotal 小計	Interim Special 中期 特別股息	Final Special 末期 特別股息	Special Subtotal 特別股息 小計	Total 合計	Dividend Payout Ratio 股息派發比率	
								(Excluding)* (不包括在內)*	(Including)# (包括在內)#
1997/98	Nil 無	1.00	1.00	Nil 無	Nil 無	Nil 無	1.00	13%	N/A 不適用
1998/99	2.00	2.00	4.00	Nil 無	Nil 無	Nil 無	4.00	58%	N/A 不適用
1999/00	2.20	2.20	4.40	Nil 無	Nil 無	Nil 無	4.40	77%	N/A 不適用
2000/01	1.10	3.80	4.90	Nil 無	6.20	6.20	11.10	69%	156%
2001/02	5.00	5.90	10.90	5.00	14.10	19.10	30.00	50%	138%
2002/03	8.00	11.00	19.00	Nil 無	5.00	5.00	24.00	60%	75%
2003/04	8.00	12.00	20.00	Nil 無	Nil 無	Nil 無	20.00	87%	N/A 不適用
2004/05	8.50	12.50	21.00	Nil 無	Nil 無	Nil 無	21.00	57%	N/A 不適用
2005/06Δ	9.00	N/A 不適用	9.00	Nil 無	N/A 不適用	Nil 無	9.00	45%	N/A 不適用

Remarks: Δ 2005/06 Interim Results Only
備註：Δ 2005/06 截至中期業績止

* Excluding Special Dividend
* 不包括特別股息

Including Special Dividend
包括特別股息



Appendix 5

RISK FACTORS

1. Uncertainty over the direction of the world economy & technology spending
2. Decline of the gross profit margin
3. Appreciation of steel price (Cost of steel represents less than 10% of the total cost of sales. Steel price declined by around 5% since June 2005)
4. Shortage of electricity supply (Cost of electricity represents around 2% of the cost of sales)
5. Shortage of labour
6. RMB appreciation (RMB payments represents around 10% of the cost of sales)
7. Shortage of mid-level managers
8. Rising bank borrowings

附錄五

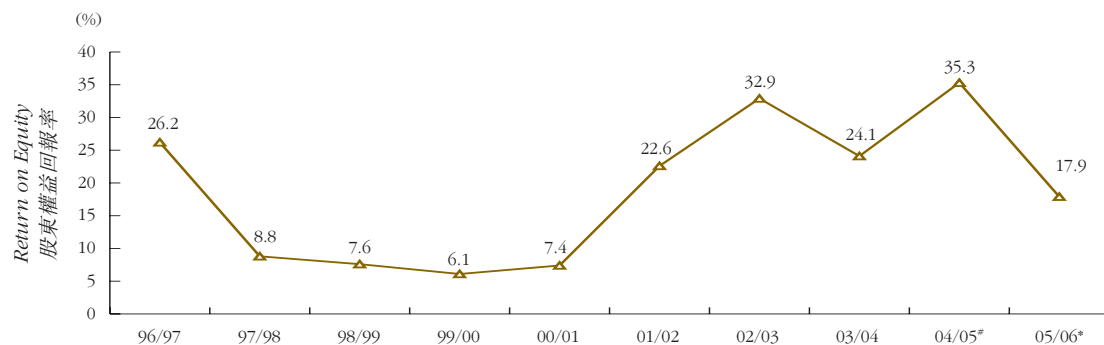
風險因素

1. 不穩定之環球經濟氣候與及科技產品的支出
2. 毛利率下跌
3. 鐵料價格上升(鐵料成本僅佔總銷售成本少於10%，自2005年6月以來鐵料價格已回落約5%)
4. 電力供應短缺(電力開支佔總銷售成本約2%)
5. 勞工短缺
6. 人民幣升值(人民幣找結佔總銷售成本約10%)
7. 中層管理梯隊短缺
8. 銀行借貸上升

Appendix 6

附錄六

GROUP'S TARGET ROE AT 20% OR ABOVE 集團之股東權益回報率目標釐定於20%或以上



HK\$ million

百萬港元

		96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05*	05/06*
Profit after Tax	除稅後溢利	81	28	25	21	26	78	120	90	147	81
Shareholders' Equity	股東權益	310	318	332	339	356	347	364	375	416	452
Return on Equity (%)	股東權益回報率(%)	26.2	8.8	7.6	6.1	7.4	22.6	32.9	24.1	35.3	17.9

* Restated

* 重列

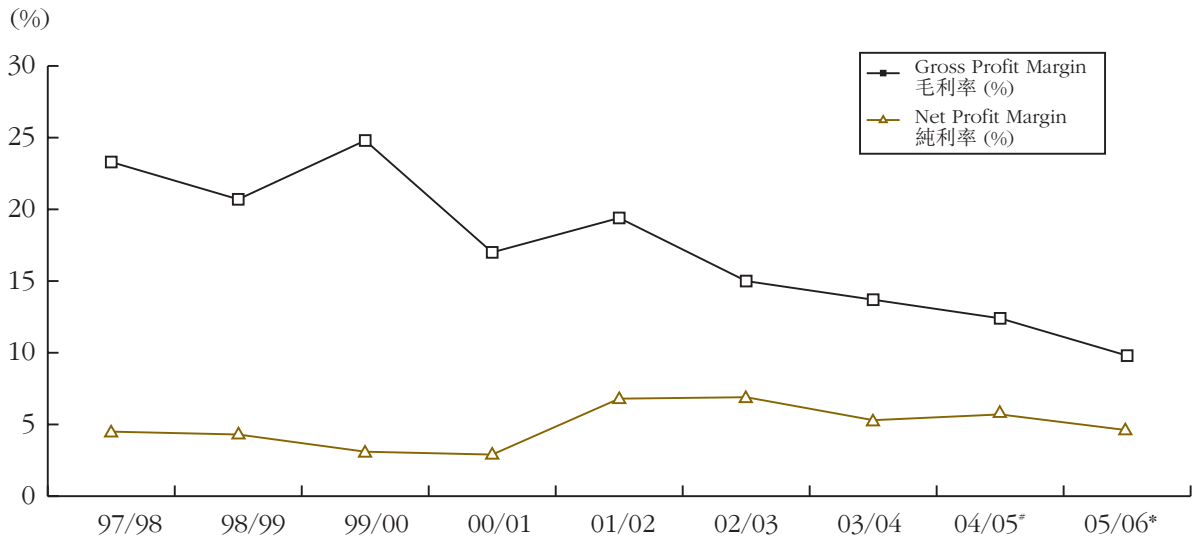
* 2005/06 Interim Results only

* 2005/06 截至中期業績止



Appendix 7 附錄七

TREND OF GROSS & NET PROFIT MARGIN 毛利率與純利率走勢圖

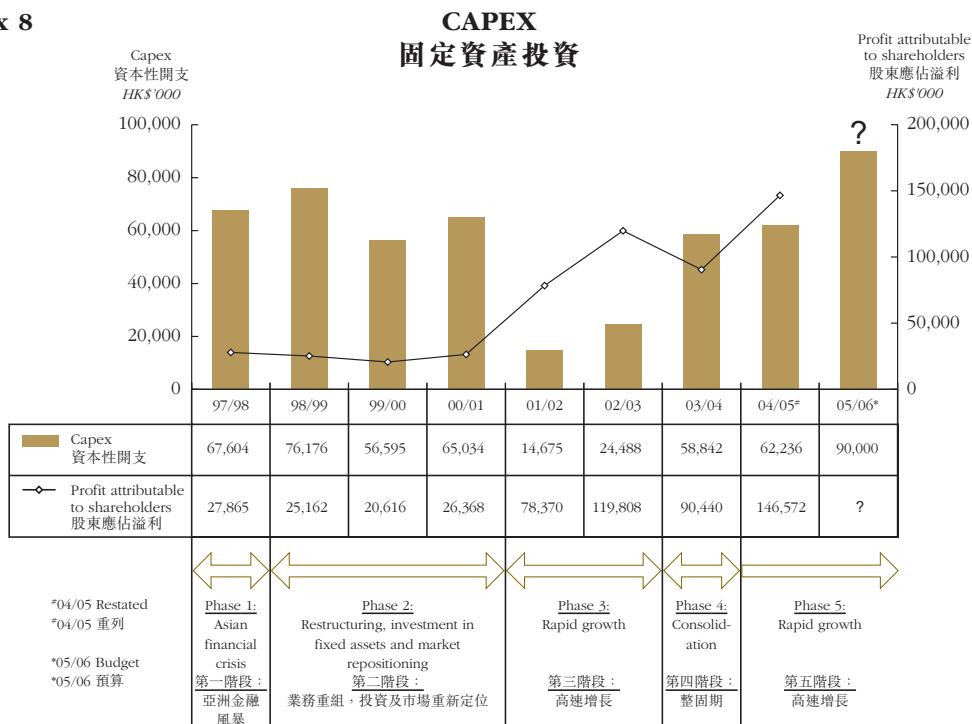


	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05*	05/06*
(%)									
Gross Profit Margin 毛利率	23.3	20.7	24.8	17.0	19.4	15.0	13.7	12.4	9.8
Net Profit Margin 純利率	4.5	4.3	3.1	2.9	6.8	6.9	5.3	5.7	4.6
(HK\$ million) (百萬港元)									
Turnover 營業額	619	592	662	893	1,156	1,738	1,693	2,563	1,765
Profit Attributable to shareholders 股東應佔溢利	28	25	21	26	78	120	90	147	81

* Restated * 2005/06 Interim Results Only
* 重列 * 2005/06 截至中期業績止

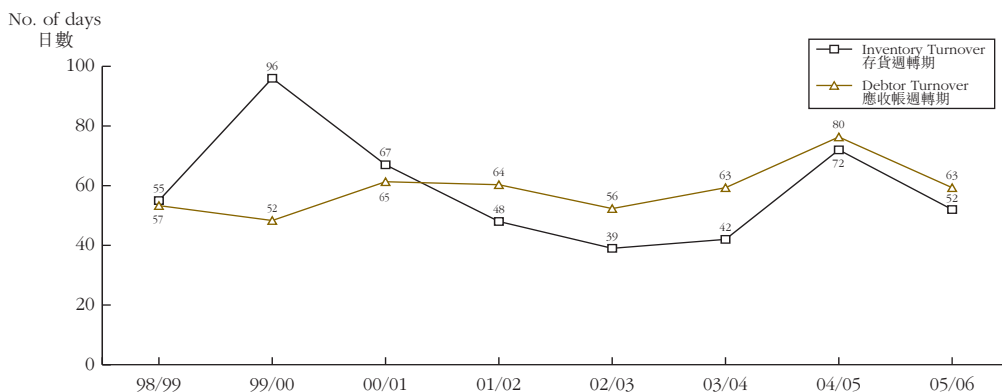


Appendix 8 附錄八



Appendix 9 附錄九

INVENTORY & DEBTOR TURNOVER 存貨及應收帳週轉期



(No. of days)	(日數)	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06*
Inventory Turnover	存貨週轉期	55	96	67	48	39	42	72	52
Debtor Turnover	應收帳週轉期	57	52	65	64	56	63	80	63

* 2005/06 Interim Results only

* 2005/06 截至中期業績止

Inventory turnover
(Base on period end stock value/
Cost of Sales) X 365 days
Debtor turnover
(Base on period end debtors/Turnover) X 365 days
存貨週轉期 (以期終存貨值／銷售成本) X 365日
應收帳週轉期 (以期終應收帳／營業額) X 365日

Inventory Turnover 存貨週轉期				
(No. of days)	04/05 Y/E	05/06 1H	Change	
(日數)	04/05 年結	05/06 上半年	變幅	
Raw Material	原料	33	26	-7
WIP	半製品	5	5	0
Finished Goods	成品	34	21	-13
Total	合計	72	52	-20



Appendix 10

CORPORATE GOVERNANCE

1. Establishment of an Executive Committee to improve decision-making efficiency. The Group is now being run on an operational basis by a group of professional managers;
2. Efforts to improve transparency:
 - in annual report, made detailed explanation of corporate strategies and the rationale behind;
 - meeting with individual shareholders periodically through a new “tea-break” program;
3. Clearly defined dividend policy of payment of 50% or more of the after tax profit;
4. Clearly defined ROE objective of 20%;
5. Clearly defined future turnover targets;
6. Announcing quarterly results – Putting the shareholders’ interest first in publishing a disappointing quarterly profit drop in September 2003 instead of just following the previous practice of publishing turnover figure only (which showed an increase of 19% for the 1Q 2003/04)..... as if we were not able to deliver according to plan, we will let the investors know as far as practical;
7. Increasing the number of audit committee meetings to 4 times a year;
8. Encouraging executive directors to hold at least 500,000 shares of the Group;
9. Including a social responsibility statement in the annual report (Refer 2004/05 Annual Report, P.47);

附錄十

企業管治

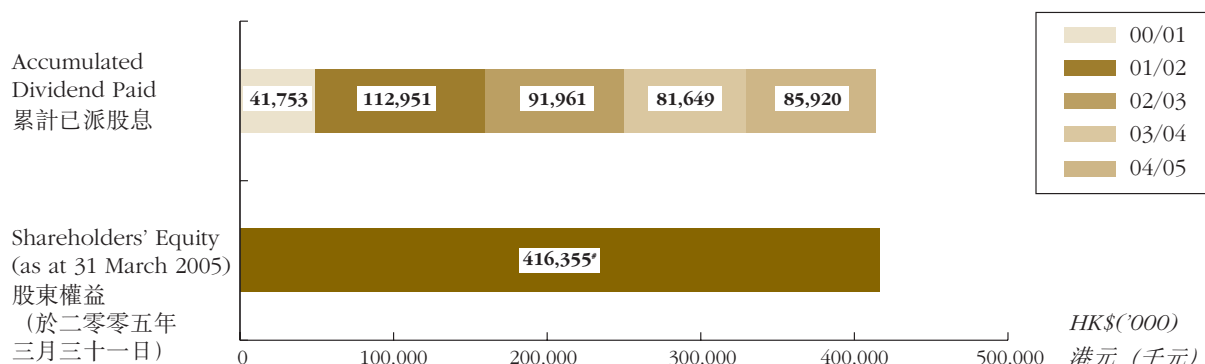
1. 成立執行委員會加快決策效率，日常營運交由一群專業管理人員處理；
2. 致力提高透明度：
 - 於年報中詳細解釋集團策略與其背後之理念；
 - 透過定期舉行「茶敘」活動與個人投資者會面；
3. 將除稅後溢利之50%或以上用作派息作為集團之派息政策；
4. 清晰釐定股東權益回報率目標為20%；
5. 清晰釐定集團未來銷售目標；
6. 公佈季度業績－以照顧股東利益為大前題，於二零零三年九月選擇公佈了令人失望的季度盈利報告，而非按之前的做法只公佈營業數字(二零零三／零四年度第一季營業額上升了19%)……即使我們未能按承諾實踐，仍會盡力讓投資者知道事實；
7. 增加召開審核委員會會議之次數至每年4次；
8. 鼓勵各執行董事持有不少於500,000股集團股份；
9. 於年報內增設企業社會責任的部份(請參閱二零零四／零五年度年報第四十七頁)；



- | | |
|---|---|
| <p>10. Enhancing stock market liquidity with the major shareholder's placement of 60,000,000 shares to institutional shareholders in May 2003;</p> <p>11. Willingness to share wealth created with all shareholders through dividend. Since 2000/01, total dividends paid over the period is about HK\$414,234,000 or roughly the size of the shareholders' fund.</p> | <p>10. 為提高市場流通量，集團之主要股東於二零零三年五月向機構投資者配售60,000,000股份；</p> <p>11. 願意透過派發股息與各股東一同分享財富，自二零零零／零一年度開始，期間集團已派發之現金股息約為414,234,000港元，或約等於股東資金。</p> |
|---|---|

SHAREHOLDERS' EQUITY AND DIVIDEND PAID

股東權益與已派股息



* Restated
* 重列



Appendix 11

FAQ BUSINESS

1. What is so special about Karrie's business model?
 - Normally we deal with projects, which can take one year of development and engineering works from initial project confirmation to final shipment of goods. A project shipment cycle can run for 18 to 24 months.
 - Usually we are the only vendor for a particular project confirmed. Combined with the 18 to 24 months shipment cycle, we are bestowed with relatively long-term business visibility. (2004/05 Annual Report, P.60)
2. Would rising cost of raw material affect the performance of the Group?

Under the Group's versatile 'Total Transparent Cost Plus Pricing Mechanism' most of the raw materials other than electro-galvanised steel plates are sourced through the customers or through suppliers designated by the customers. A rise of raw material price (other than steel) has only a marginal impact on the bottom line. (2004/05 Annual Report, P.18)
3. How about steel price?
 - Price for electro-galvanised steel plates declined by around 5% since June 2005.
 - Steel cost represented less than 10% of the total cost of sales. (2004/05 Annual Report, P.39)
4. RMB appreciated by around 2% in July 2005. Some experts say it is going to appreciate more in the coming two years. What is the impact on the Group?
 - RMB payments represent around 10% of the total cost of sales.

附錄十一

常見問題 業務

1. 嘉利之經營模式有何特別？
 - 我們接回來的生意一般是以項目形式進行，而每個項目從開發，工程設計到起辦，至成品付運，整個過程為時約一年，而項目本身之週期為十八至二十四個月。
 - 通常我們所負責的項目都是客戶該項目的唯一供應商，加上一般產品之壽命週期為十八至二十四個月，因而我們對生意前景有相對較長線的洞悉力。(二零零四／零五年度年報第六十頁)
2. 原料成本不斷上漲會否對集團的表現有所影響？

根據集團多變的「全透明成本加利潤報價模式」，除鐵料外，大部份原料均是由客戶負責採購又或是由客戶指定供應商所提供，故此原料價格(鐵料除外)上升只會對集團帶來輕微影響。(二零零四／零五年度年報第十八頁)
3. 鐵料價格怎樣？
 - 電解片鐵料價格自二零零五年六月以來已回落約5%。
 - 而鐵料成本僅佔總銷售成本少於10%。(二零零四／零五年度年報第三十九頁)
4. 於二零零五年七月人民幣匯價升值約2%，有專家指出未來兩年人民幣仍然會持續升值，這對集團有何影響？
 - 採用人民幣找結的總額佔整體銷售成本約10%。



- As most of our competitors are also based in China, in theory in the long run we could raise price to cover the increase in cost provided that the customers stick to their present sourcing pattern of buying from China.

5. Whom do Karrie sell to?

Our products, including computer server casings, laser printers, magnetic tape drive, are mainly sold to multi-national customers.

- 由於集團大部份之競爭對手之生產基地亦設於中國，理論上長遠而言，基於客戶仍會按照現有之採購模式於中國採購，相信大家都會一致向客戶要求加價，以彌補成本上升的。

5. 嘉利製造的產品銷售對象是誰？

我們製造的產品包括電腦伺服器外殼、鐳射打印機、磁帶解碼機等，大部份均是售予一些國際性知名的客戶。

CAPEX, DIVIDEND AND FINANCE

6. Are you worried about the high level of bank borrowings?

- The Group's shareholders fund was much higher than the non-current assets meaning that the Group was financing its non-current assets through stable shareholders' fund rather than bank borrowings.
- The increase in net bank borrowings could therefore be attributed to the increased working capital requirement due to the increase in turnover. This is positive news but not otherwise.
- The level of bank borrowings based on such criteria like interest coverage ratio and turnover to net bank borrowings ratio were still within acceptable margin.
- Please also refer to 2004/05 Annual Report, P.43 to 46.

7. Other than equity method, can Karrie reduce its level of bank borrowings?

- We can sell the receivables to banks through a process call factoring. Factoring just part of the receivables balance would have greatly reduced the outstanding bank borrowings.
- The reasons why we choose not to do so are because of relative cost of factoring and other administrative factors.

固定資產投資、股息及財務方面

6. 你們有否擔心過目前的高借貸情況？

- 集團股東資金比「非流動資產」為高，代表著集團之「非流動資產」是以穩定的股東資金所支持的，而非經由銀行借貸。
- 淨銀行借貸之上升乃由銷售額增長帶動流動資金需求增加的，這是正常不過的現象，絕無不妥當。
- 按照利息涵蓋率及銷售與淨銀行借貸比例的準則，目前之銀行借貸水平仍然處於可接受水平。
- 請參閱二零零四／零五年度年報第四十三至四十六頁。

7. 除了透過股本市場外，嘉利如何調低銀行負債水平？

- 我們可以透過發票貼現方式將客戶應收帳售予銀行，我們只需要將部份之應收帳進行發票貼現，這樣便可將銀行借貸大幅削減。
- 由於發票貼現之成本相對較昂貴與及行政安排上的考慮，故我們暫時不選擇這樣做。



- Furthermore as our banks are willing to lend us money at very competitive terms, there is no reason why we should use the factoring option at the moment.
8. How does Karrie finance the capex and dividend?
- We finance our 'capital items' like capex and dividend through profit plus depreciation.
 - Working capital requirements will be financed through suppliers' credit and bank borrowings.
9. What is the status of new Yu Quan Plant?
- The site area is around 200,000 square metres as compared to the combined site area of 89,000 square metres of the existing Yantian Plant and Fenggang Plant.
 - We will build the Yu Quan Plant through various phases depending on the economic conditions. Phase I is expected to be completed in late 2006.
10. Is Karrie going to change its dividend policy because of the capex and working capital requirements?
- Our dividend policy is to pay out 50% or more of the profit attributable to shareholders.
 - In 2004/05, we paid out a total of HK\$0.21 as dividend (payout ratio: 57%), making the 8th year of unbroken dividend payment record.
 - We are not yet convinced that we should change our dividend policy at the moment (2004/05 Annual Report, P.34) as our profit can adequately finance both the dividend plus capex.
 - Should the Directors decide to change the existing dividend policy, we would provide an advance notice in the immediate preceding interim or annual results announcement.
- 與此同時銀行均願意給予較相宜的借貸條件，因此我們並無必要於目前採用發票貼現的方式。
8. 嘉利的固定資產投資與及股息派發的財務安排如何？
- 關於固定資產投資及股息等屬「資本式項目」的財務安排，我們一向以溢利加折舊之自由現金流所支付。
 - 流動資金需求會透過供應商放帳期及銀行借貸支持。
9. 目前新的玉泉廠房興建進度如何？
- 目前的雁田及鳳崗廠房兩者相加之佔地面積只有89,000平方米，至於玉泉廠房之佔地面積約200,000平方米。
 - 我們將會根據經濟狀況將玉泉廠房劃分數個階段興建，而第一期預計將於二零零六年末完成。
10. 因應目前之固定資產投資及流動資金的需求，嘉利會否改變股息政策？
- 我們的股息政策是將股東應佔溢利的50%或以上作為股息。
 - 於二零零四／零五年度我們每股派發0.21港元作為股息（派發比率為57%），並連續八年保持派息記錄。
 - 我們認為現階段無需要改變股息政策（二零零四／零五年度年報第三十四頁），因為我們的溢利足以支持股息與及固定資產投資。
 - 倘若董事會對現行股息政策有任何改變，必會於前一次之中期／全年業績公佈時提前通知公眾。



CORPORATE GOVERNANCE AND OTHERS

11. Should we worry about the corporate governance standard of Karrie?

- For two consecutive years, fund managers and research analysts voted Karrie as one of the best-managed companies in Hong Kong in the Asiamoney Polls. In the 2004 Poll, Karrie was voted as the second best in Corporate Governance in Hong Kong.
- Since 2001 Karrie has been managed in an operational basis by a group of professional managers. With the exception of the COO, the management team is not related to the controlling shareholder.
- Karrie is also willing to share with shareholders the wealth created through distribution of dividend. Since 2000/01, the Group's accumulated dividends paid is around HK\$414,234,000 or roughly the size of the shareholders' fund.
- To increase its transparency, Karrie
 - a. voluntary announces quarterly results;
 - b. arranges 'tea-breaks' with individual shareholders/investors every quarter;
 - c. publishes an easy-to-read annual reports with graphs, tables and other useful information.

12. Who are the major shareholders?

- As at 31 May 2005, the Ho's family/Pearl Court Company Limited held around 54%.
- Value Partners Limited held around 10%.

企業管治及其他

11. 我們應否擔憂嘉利的企業管治水平？

- 嘉利連續兩年於「亞洲貨幣雜誌」選舉中被機構投資者及證券分析員推許為優秀企業。於「二零零四年度選舉」中，嘉利被選為「香港最佳企業管治表現」第二名。
- 嘉利自二零零一年開始交由一班專業管理人仕負責日常營運工作，除營運總裁外，其餘成員均與控股股東無親屬關係。
- 嘉利亦願意透過派發股息與股東們分享財富，自二零零零／零一年度開始至二零零五年三月三十一日止，集團合共已派發之現金股息約414,234,000港元，或約等於股東資金。
- 為了提高透明度，嘉利
 - a. 自願公佈季度業績；
 - b. 每季度為小股東／個人投資者舉行茶敘活動；
 - c. 年報制作考慮「用者為先」，透過簡淺的圖畫、圖表及其他有用資料加以表達。

12. 誰是集團的主要股東？

- 截至二零零五年五月三十一日止，何氏家族／Pearl Court Company Limited持有股份為54%。
- 惠理基金持有約10%股份。



嘉利國際成立 25 週年慶祝晚會 2005 年 10 月 21 日

主席何焯輝先生獻辭

1980年集團成立初期我們主要生產錄影帶外殼業務，後來隨著香港經濟高速增長以及集團業務擴大，加上當時國內實行了改革開放政策，故我毅然於1985年，**到當時一遍農村的東莞鳳崗雁田設廠，成為首批到祖國投資的港商，此乃第一重大里程。**

當然作為一個工業家最大的夢想是能夠上市集資，到了1996年，**嘉利終於在多年努力經營下於香港聯合交易所上市，標誌著集團第二個重要里程。**

但上市後卻遇到多番挫折，1997年的金融風暴的經歷對我個人成長起了一個關鍵性的轉變，令我在以後的管理生涯當中，時刻都緊記危機管理和處變不驚對一個企業領導人的重要性。

集團雖然當然受盡打擊，但並沒有動搖我對集團的信心，因為我相信集團的根基穩固，絕對不能倒下來。當然我更堅持在資金緊張的情況下，咬緊牙關興建鳳崗第二廠房，同時將業務重整並致力專注本業，這次的決定為集團的其後發展打下一個穩固的基石。

及至2000年的科網股熱潮爆破，再次令我們的業務受到沖擊，當時我們意識到不能再單靠傳統的業務維持增長，故逐步開展另一業務，就是電子代工業務。

但該業務的營運模式相當複雜，集團的確需要一個全新的管理模式才能繼續壯大業務，**因而出現第三個重大里程，於2001年成立執行委員會，並以專業管理人員處理集團的日常營運工作，令集團逐漸從一間家族式經營的公司轉變為一間專業管理的現代化企業。**

經歷過去數年的努力耕耘，集團的企業管治改革已漸見成績；嘉利連續兩年被《亞洲貨幣雜誌》選舉的分析員及機構投資者推選為優秀企業。當初第一次獲選時以為只是一項奇蹟及僥倖，在我一生中不會再次發生。但當嘉利再次於《亞洲貨幣雜誌》2004年年度選舉中奪得全亞洲最佳管理（小型企業），以及香港最佳企業管治表現第二名，我明白到公司正不斷蛻變，獲獎是實力的展現、是市場及投資者對全體員工共同努力的認同。

最後，本人謹此向25年來一直支持我們的領導、客戶、供應商、銀行、股東、以及所有支持集團的人士致以衷心感謝，並再次向所有員工致敬。就如大會主題一樣，「你的支持 我的動力」，有大家的支持一同攜手向前，向嘉利的下一個千里之行邁進！

* 此乃節錄版本，上述全文以及其他關於25週年活動之詳情，請瀏覽本集團網頁 www.karrie.com.hk

