

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

1. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. The financial statements also comply with the Statements of Standard Accounting Practice (“SSAPs”) issued by the Hong Kong Society of Accountants (“HKSA”) and the disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. They have been prepared under the historical cost convention modified by the revaluation of certain properties and intangible assets as explained in the accounting policies set out below.

In the current year, the Group adopted the following SSAPs issued by the HKSA which are effective for accounting periods commencing on or after 1st January 2001:

SSAP 26: Segment reporting
SSAP 28: Provisions, contingent liabilities and contingent assets
SSAP 29: Intangible assets
SSAP 30: Business combinations
SSAP 31: Impairment of assets
SSAP 32: Consolidated financial statements and accounting for investments in subsidiaries

The effect of adopting these new standards is set out in the accounting policies below.

1. 主要會計政策

(a) 編制財務報表的準則

本財務報表已按照香港普遍採納的會計原則及香港《公司條例》編制。本財務報表亦符合香港會計師公會頒佈的會計實務準則及香港聯合交易所有限公司證券上市規則的披露規定。財務報表依據歷史成本常規法及對若干物業和無形資產進行重估後而編制（見下文會計政策）。

於本年度，本集團採納下列由香港會計師公會頒佈之會計實務準則，該等會計實務準則於二零零一年一月一日或以後開始之會計報告期生效：

會計實務準則：分部報告 第26號
會計實務準則：準備、或然負債和或然資產 第28號
會計實務準則：無形資產 第29號
會計實務準則：企業合併 第30號
會計實務準則：資產減值 第31號
會計實務準則：綜合財務報表和對附屬公司投資之會計處理 第32號

採納此等新準則之影響載於以下之會計政策。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31st December 2001. The results of subsidiaries acquired or disposed of during the year are dealt with in the consolidated income statement from the effective dates of acquisition or to the effective dates of disposal respectively. All significant intra-group transactions and balances have been eliminated on consolidation.

(c) Revenue recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of goods have been transferred to the buyer.

Rental income from operating leases is recognised on a straight-line basis over the terms of the respective leases.

Interest income is accrued on a time proportion basis.

Dividend income is recognised at the time when the right to receive payment is established.

Income from management services, barge operation, advertising and promotion services are recognised at the time when the services are provided.

1. 主要會計政策 (續)

(b) 綜合財務報表的準則

綜合財務報表包括本公司及其附屬公司截至二零零一年十二月三十一日止年度的財務報表。年內購入或出售的附屬公司之業績則由收購日起或截至出售日止計算於綜合收益表內。所有集團內部的重大交易及結餘均已在綜合賬內抵銷。

(c) 收入的確認

銷售商品收入按貨物擁有權附帶的重大風險及回報轉移給購買者時入賬。

營業租約的租金收入於其租約期內按直線法入賬。

利息收入按時間比例基礎入賬。

股息收入則在已知有權利收取時入賬。

管理服務、駁船營運、廣告及宣傳服務之收入則在提供服務後入賬。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

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截至二零零一年十二月三十一日止年度

1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(d) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the market exchange rates ruling at the balance sheet date. Differences on foreign currency translation are dealt with in the income statement.

The financial statements of subsidiaries and associates denominated in foreign currencies are translated at the market exchange rates ruling at the balance sheet date. Exchange differences arising on such translation are dealt with in the exchange reserve.

(e) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal management reporting, the Group has determined that business segments be presented as the primary reporting format and geographical as the secondary reporting format. Inter-segment transfer pricing is based on cost plus an appropriate margin, as specified in Group's policy.

1. 主要會計政策 (續)

(d) 外幣的折算

是年度以外幣為單位的交易，按交易日的匯率折算為港幣。以外幣為單位的貨幣性資產及負債則按結算日的市場匯率折算為港幣。兌換差額均計算於收益表內。

以外幣結算的附屬公司及聯營公司財務報表按結算日的市場匯率折算為港幣。兌換差額均計算於外匯儲備內。

(e) 分部報告

分部指本集團內從事於供應產品或提供服務（業務分部），或者在一特定的經濟環境內供應產品或提供服務（地區分部）的可分辨部份，而各分部所承受的風險及獲得的回報並不相同。

按照本集團的內部管理報告，本集團已決定將業務分部資料作為主要報告形式，而地區分部資料則以次要報告形式呈列。分部間的轉讓定價乃根據本集團政策所列表述的成本加上適當的毛利而釐定。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(e) Segment reporting *(continued)*

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets and liabilities are determined before inter-segment balances and inter-segment transactions are eliminated as part of the consolidation.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, corporate and financing expenses.

(f) Fixed assets and depreciation

Fixed assets are stated at cost or valuation less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its present working condition and location for its intended use. Expenditure incurred after the fixed assets have been put into operation, such as repairs and maintenance, are normally charged to the income statement in the period in which they are incurred. In situations where it can be clearly demonstrated that the expenditure have resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure are capitalised as an additional cost of the fixed asset.

1. 主要會計政策 (續)

(e) 分部報告 (續)

分部收益、支出、業績、資產及負債包括能直接歸類於某一分部及那些能夠按合理標準分配到各分部的項目。分部收益、支出、資產及負債均在綜合賬項須予抵銷分部間的結餘及交易之前列示。

分部資本支出是指在期內購入而預期使用超過一個期間的分部資產（包括有形及無形資產）之總成本。

未分配項目主要包括金融及總部資產、計息貸款、借款、總部及融資支出。

(f) 固定資產及折舊

固定資產乃按成本或估值減累積折舊及減值虧損列賬。資產的成本值包括購入的代價，加上將該項資產付運至運作地點及達至擬定現有用途的狀態而支付的費用。在固定資產投入運作後的支出，如維修及保養，均通常於作出該等支出的期間在收益表中列作費用。倘若能清楚顯示出該等支出能增加預計於日後運用該項固定資產而產生的未來經濟效益，則該等支出將撥作該項固定資產的額外成本。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

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1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(f) Fixed assets and depreciation *(continued)*

No depreciation is provided in respect of land held on freehold. Depreciation on other fixed assets is calculated to write down their costs to their estimated residual values on a straight-line basis over their estimated useful lives at the following annual rates:

Leasehold land	5% or over the lease period
Buildings and leasehold improvements	1 ² / ₃ % – 33 ¹ / ₃ %
Other fixed assets	5% – 33 ¹ / ₃ %

(g) Assets acquired under finance leases

Where assets are acquired under finance leases, the amounts representing the outright purchase price of such assets are included in fixed assets and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided to write down the cost of the assets on a straight-line basis over their estimated useful lives as set out in Note 1(f) above. Finance charges implicit in the finance lease payments are charged to the income statement over the periods of the finance leases so as to produce an approximately constant periodic rate of charge on the remaining balances of the obligations for each accounting period.

(h) Operating leases

Assets held for operating leases are included in fixed assets and depreciated over their estimated useful lives as set out in Note 1(f) above. Rentals receivable or payable under operating leases are accounted for on a straight-line basis over the periods of the respective leases.

1. 主要會計政策 (續)

(f) 固定資產及折舊 (續)

永久持有的土地均沒有作出折舊準備。其他固定資產則按其估計可用年期以直線法按如下的每年折舊率撇減其成本至其估計剩餘價值：

租約土地	5%或租約期限
樓宇及租約物業裝修	1 ² / ₃ % – 33 ¹ / ₃ %
其他固定資產	5% – 33 ¹ / ₃ %

(g) 以融資租賃購買的資產

以融資租賃購買的資產，其原值會列入固定資產，而其相應的負債，除去融資租賃費用以外，則反映在融資租賃的負債一欄。該類固定資產的折舊乃根據附註1(f)所述按其估計可用年期以直線法撇減其成本計算。融資租賃的費用，則按租約的期限在收益表中扣除，以便就每段會計報告期以負債的餘額計算出一個概約的固定定期收費比率。

(h) 營業租賃

作營業租賃用途的資產均列作固定資產，並根據附註1(f)所述按其估計可用年期計算折舊。營業租賃所應收或應付的租金則於個別租約期內按直線法入賬。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

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截至二零零一年十二月三十一日止年度

1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(i) Capitalisation of borrowing costs

Borrowing costs incurred in financing the purchase of leasehold land and construction of manufacturing plant including the purchase of related fixed assets prior to commercial operations are capitalised and included in the balance sheet as part of the cost of the fixed assets concerned.

All other borrowing costs are charged to the income statement in the year in which they are incurred.

(j) Trademarks

In prior years, trademarks were stated at cost and at directors' valuation and were not amortised. Provision was made for any diminution in value which was other than temporary in the opinion of the directors.

With effect from 1st January 2001, with the introduction of SSAP 29, the Group adopted an accounting policy to amortise the cost of trademarks on a straight-line basis over their estimated useful lives of not more than 20 years.

According to the transitional provision stated in SSAP 29, the Group has adopted the new accounting policy prospectively as it is impracticable to determine the amount relating to prior periods or to restate comparative information.

1. 主要會計政策 (續)

(i) 借貸成本資本化

購買租約土地、興建廠房及購買相關固定資產至商業性運作前所需借貸的成本，均在資產負債表內納入此等固定資產的成本內。

其他借貸成本均在其發生年度的收益表中入賬。

(j) 商標

在以往年度，商標乃按成本及董事會作出的估值入賬，而不予以攤銷。任何被董事視為非暫時的減值均作出準備。

按照會計實務準則第二十九號，從二零零一年一月一日起，本集團將商標之成本以直線法按不超過二十年之估計可使用年期攤銷。

由於不能切實地確定其前期金額或重編比較數字，本集團因此根據該會計實務準則所設定之過渡條款而預期地採用以上所述之新會計政策。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
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1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(k) Subsidiaries

A company is a subsidiary if more than 50% of the equity shareholding is held by the Company for long-term investment purposes.

Investments in subsidiaries are stated in the Company's balance sheet at cost less any identified impairment loss. Income from subsidiaries is recognised in the Company's financial statements on the basis of dividends declared by the subsidiaries.

(l) Associates

An associate is one, not being a subsidiary or a joint venture, in which the Group is in a position to exercise significant influence, including participation in financial and operating policy decisions.

Interest in associates is stated in the Company's balance sheet at cost less any identified impairment loss. Income from associates is recognised in the Company's financial statements on the basis of dividends declared by the associates.

Interest in associates is stated in the consolidated balance sheet at the Group's share of the net assets under the equity method of accounting, as reduced by any identified impairment loss. The results of the associates are included in the consolidated income statement to the extent of post-acquisition results attributable to the Group.

1. 主要會計政策 (續)

(k) 附屬公司

附屬公司為本公司持有超過50%股本權益，並視作長期投資用途的公司。

列於本公司資產負債表內於附屬公司投資乃按成本扣除任何可識別的減值虧損。附屬公司的收入乃按附屬公司已公佈的股息為基礎，並列賬於本公司財務報表內。

(l) 聯營公司

聯營公司為本集團可對其財務及營運決策行使重大影響力的公司，惟並非其附屬公司或合營企業。

列於本公司資產負債表內的聯營公司權益乃按成本扣除任何可識別的減值虧損。投資聯營公司的收入乃按聯營公司已公佈的股息為基礎，列入本公司財務報表內。

列於綜合資產負債表內的聯營公司權益乃按權益會計法而計算本集團應佔聯營公司已扣除任何可識別的減值虧損後的淨資產列賬。本集團應佔聯營公司於收購後的業績均計算於綜合收益表內。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
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1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(m) Jointly controlled entity

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and over which none of the participating parties has unilateral control. Joint venture arrangements which involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entity.

The consolidated income statement includes the Group's share of the results of its jointly controlled entity for the year. The consolidated balance sheet includes the Group's share of the net assets of the jointly controlled entity, as reduced by any identified impairment loss.

(n) Investment securities

Investment securities are stated at cost less any identified impairment loss.

The carrying amounts of individual investments are reviewed at each balance sheet date to assess whether the fair values have declined below the carrying amounts. When a decline other than temporary has occurred, the carrying amounts of such securities would be reduced to the fair values. The amount of the reduction is recognised as an expense in the income statement.

Income from investment securities is recognised to the extent of dividends received and receivable.

1. 主要會計政策 (續)

(m) 共同控制個體

合營企業乃一項合約性安排，根據安排，本集團與其他各方共同經營一項各方共同控制的經濟活動，任何一方均沒有單方面控制權。任何涉及成立一間各合營者均擁有權益之獨立企業的合營安排乃列為共同控制個體。

綜合收益表包括本年度本集團應佔共同控制個體的業績。本集團應佔該共同控制個體已扣除任何可識別的減值虧損後的淨資產已列於綜合資產負債表內。

(n) 證券投資

證券投資乃以成本扣除任何可識別的減值虧損列賬。

個別投資的賬面價值均會在結算日作出檢討，以決定其公平價值是否遞減至其賬面價值之下。若遞減非為暫時性時，是項投資的賬面價值會減少至其公平價值，而所遞減的金額則會在收益表內確認為費用。

投資證券的收入按其已收及應收取的股息入賬。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

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1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(o) Goodwill and negative goodwill

In prior years, goodwill or negative goodwill arising on consolidation, representing the excess or shortfall of the cost of investments in subsidiaries and associates over the appropriate share of the fair value of the net tangible assets at the date of acquisition, was taken to reserves. On disposal of a subsidiary or an associate, the attributable amount of goodwill or negative goodwill was included in calculating the profit or loss on disposal.

With effect from 1st January 2001, with the introduction of SSAP 30, the Group adopted an accounting policy to recognise goodwill as an asset which is amortised on a straight-line basis over its estimated useful life of not more than 20 years. Negative goodwill which relates to an expectation of future losses and expenses that is identified in the plan of acquisition and can be measured reliably, but which has not yet been recognised, is recognised in the income statement when the future losses and expenses are recognised. Any remaining negative goodwill, but not exceeding the fair values of the non-monetary assets acquired, is recognised in the income statement over the weighted average useful lives of those non-monetary assets that are depreciable or amortisable. Negative goodwill in excess of the fair values of the non-monetary assets acquired is recognised immediately in the income statement. On disposal of a subsidiary or an associate, any attributable amount of purchased goodwill not previously amortised in the income statement is included in the calculation of the profit or loss on disposal.

1. 主要會計政策 (續)

(o) 商譽及負商譽

在以往年度，綜合賬項產生的商譽或負商譽指投資於附屬公司及聯營公司的成本超逾或不足於收購日應佔其淨有形資產之公平價值，並計入儲備中。當出售附屬公司或聯營公司時，其應佔商譽及負商譽應包括在計算出售溢利或虧損內。

由二零零一年一月一日起，根據會計實務準則第三十號，本集團已採納確認商譽為資產之會計政策，並按其不超過二十年之估計可用年期以直線法攤銷。負商譽涉及本集團收購計劃中已識別之預期未來虧損及支出，並能可靠地量度，但仍未被確認，則在未來虧損及支出可予確認時於收益表內確認。任何剩餘負商譽，但不超過購入非貨幣性資產之公平值，按該等可提折舊或可攤銷之非貨幣性資產之加權平均可用年期在收益表內確認。而超出該等非貨幣性資產公平值之負商譽則即時於收益表中確認。當出售附屬公司或聯營公司時，在計算出售溢利或虧損時則包括未在收益表攤銷的應佔收購商譽。

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1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(o) Goodwill and negative goodwill *(continued)*

The Group has taken advantage of the transitional provisions in SSAP 30 which do not require the reinstatement of positive or negative goodwill taken to reserves prior to 1st January 2001 and the above change in accounting policy has no financial impact on the Group for the current and prior periods.

(p) Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired:

- fixed assets;
- investments in subsidiaries, associates and jointly controlled entity;
- goodwill; and
- trademarks.

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

1. 主要會計政策 (續)

(o) 商譽及負商譽 (續)

根據會計實務準則第三十號之過渡條款，本集團並無重列在二零零一年一月一日前已計入儲備中之商譽或負商譽。上述會計政策的改變並沒有為本集團於本年度及之前年度帶來財務影響。

(p) 資產減值

根據內部及外來的資料來源，在每一個結算日確認以下資產是否有減值指示：

- 固定資產；
- 於附屬公司、聯營公司及共同控制個體之投資；
- 商譽；及
- 商標

假若資產有減值指示，則須估計其可收回價值。當一項資產或產生現金單位的賬面價值超過其可收回價值時，減值虧損須予以確認。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(p) Impairment of assets *(continued)*

(i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where there are assets that do not generate cash flows largely independent of those from other assets, recoverable amounts are determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

(ii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Impairment loss in respect of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

A reversal of impairment loss is limited to the carrying amount of the asset that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised, except where the assets are carried at revalued amounts, in which case the reversal of impairment loss is treated as a revaluation movement.

1. 主要會計政策 (續)

(p) 資產減值 (續)

(i) 可收回價值之計算

可收回價值是指淨售價或使用價值兩者中之較大值。在評核使用價值時，須將所估計未來的流入現金，以稅前折讓率折合成現值，而其稅前折讓率須能反映現時市場對貨幣時間價值的評估，以及屬於該項資產特有的風險。當某類資產不能在很大程度上獨立於其他資產而產生現金時，可收回價值則以能產生現金之最小單位資產來決定（即現金產生單位）。

(ii) 減值虧損之撥回

除商譽外，當資產的可收回價值出現改變時，減值虧損須予以撥回。當商譽減值虧損由一不預期再發生的特殊外在事件引致及可收回價值的增加與該特殊事件的撥回有關確關係時，則須撥回減值虧損。

減值虧損之撥回額以該資產假設在以前年度未曾減值之賬面價值為限。除了以重估價值列賬的資產，其減值虧損之撥回已在重估儲備變動中反映的情況外，減值虧損之撥回會在該年度的收益表列賬。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(q) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis and, in the case of work in progress and finished goods, cost comprises direct materials, direct labour and an attributable proportion of production overheads. Net realisable value represents the estimated selling price less all further costs to completion and direct selling costs.

(r) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

1. 主要會計政策 (續)

(q) 存貨

存貨乃以成本及可變現淨值兩者較低者列賬。成本按先進先出法計算，在製品及製成品的成本則包括直接原料、直接人工及應佔的部份生產費用。可變現淨值乃估計的售價扣除一切其他完工按成本及直接銷售支出。

(r) 準備及或然負債

當本集團因過往事件須承擔現有之法律或推定責任，而在履行該責任時有可能導致經濟利益流出企業，同時該責任金額能夠可靠地估計時，則會確認不明確時間或金額的負債準備。當貨幣的時間價值重大時，準備將以履行責任時預期的支出的現值列賬。

假若履行該項責任不是很可能導致經濟利益流出或承擔金額未能可靠地估計時，除非利益流出的機會甚微，則該項責任會被視作或然負債在財務報表附註中披露。對於潛在責任，若其存在需通過一宗或多宗不確定未來事項之發生或不發生予以證實時，除非利益流出的機會甚微，則該潛在責任亦被視作或然負債披露。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(s) Deferred taxation

Deferred taxation is calculated under the liability method in respect of the taxation effect arising from all timing differences which are expected with reasonable probability to crystallise in the foreseeable future.

(t) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

(u) Cash equivalents

Cash equivalents are short-term, highly liquid investments which are readily convertible into known amounts of cash without notice and which were within three months of maturity when acquired; less advances from banks repayable within three months from the date of the advance. Cash equivalents include investments and advances denominated in foreign currencies provided that they fulfill the above criteria.

1. 主要會計政策 (續)

(s) 遞延稅項

遞延稅項乃根據負債法計算在可見將來因時間差距而可能產生的稅項負債作出的準備。

(t) 有關連人士

當兩者其中一方有能力直接或間接控制其他一方，或能行使重要影響力於其他一方的財務及營運決策；兩者將介定為有關連人士。當兩者皆受控於同一第三者或受同一第三者的重大影響，兩者也將介定為有關連人士。

(u) 現金等值物

現金等值物為於收購日起三個月內可無需通知而即時轉換為確實數額現金的短期及高度流動投資，減去須於貸款日起三個月內償還的銀行預支款項。現金等值物包括已符合上述標準而用外幣結算的投資及預支款項。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

2. TURNOVER

The Company is an investment holding company and the principal activities of the subsidiaries are set out on pages 111 to 119.

Turnover represents the net invoiced value of goods supplied to external customers as well as rental income earned. An analysis of the Group's turnover is set out below:

2. 營業額

本公司為一間投資控股公司，其附屬公司的主要業務詳列於第111頁至第119頁。

營業額代表售予對外客戶的商品的發票淨值和租金收入。本集團的營業額分析如下：

		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Sales of goods	出售商品	1,658,648	1,782,407
Rental income	租金收入	4,390	4,128
		<u>1,663,038</u>	<u>1,786,535</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

3. OTHER INCOME

3. 其他收入

		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Management fee income	管理費收入	3,638	3,600
Barge operation income	駁船營運收入	1,862	2,319
Advertising and promotion income	廣告及宣傳收入	3,000	1,500
Sales of scrap	出售廢料	1,494	1,627
Recovery of loss from suppliers	向供應商追回的損失	—	908
Others	其他	7,200	8,021
		17,194	17,975

4. NET INTEREST EXPENSES

4. 淨利息支出

		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Interest on bank loans, overdrafts and other loans wholly repayable within five years	於五年內全部償還之銀行 貸款、透支及其他 貸款的利息支出	42,130	65,562
Interest on finance leases	融資租賃的利息支出	11	70
Total borrowing costs incurred	總實際借貸成本	42,141	65,632
Less: interest income	減：利息收入	(17,909)	(17,831)
		24,232	47,801

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

5. OPERATING LOSS

5. 經營虧損

		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Operating loss is arrived at after charging/(crediting):	經營虧損已扣除／ (計入) 下列各項：		
Staff costs	職工成本	139,735	159,591
Auditors' remuneration	核數師酬金	1,526	2,426
Depreciation	折舊		
– owned assets	– 自置資產	89,611	109,518
– assets held under finance leases	– 以融資租賃購置的資產	37	366
– assets held for use under operating leases	– 以供營業租賃的資產	318	250
		89,966	110,134
Amortisation of trademarks	商標攤銷	2,003	—
Operating lease rental of properties	營業租賃物業的租金費用	1,822	5,183
Net proceeds from disposal of fixed assets	出售固定資產的收入淨額	(21,902)	(315)
Less: carrying value of fixed assets	減：固定資產賬面值	27,185	2,407
Loss on disposal of fixed assets	出售固定資產的虧損	5,283	2,092
Retirement benefit costs (Note 6)	退休福利費用 (附註6)		
– contributions	– 供款	6,552	8,029
– forfeited contributions	– 遭沒收供款	(141)	(9,328)
		6,411	(1,299)
Provision for doubtful debts	呆賬準備	6,012	17,105
Rental income less outgoings	租金收入減開支	(4,291)	(4,020)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

6. RETIREMENT BENEFIT COSTS

The Group operates a number of staff retirement benefit schemes comprising two defined contribution schemes covering its employees in Hong Kong and United Kingdom respectively and two defined benefit schemes covering its employees in Taiwan.

The Group's contributions to the defined contribution scheme are based on a specified percentage on the basic salary and completed years of service of employees. The Group's contributions under the principal scheme covering its employees in Hong Kong are charged to the income statement and are reduced by the amount of forfeited contributions. Any unutilised forfeited balances are set aside as a reserve held in independently administered funds for any future potential long service payments payable by the Group. The total amount of these reserves available for use at the year end date was approximately HK\$624,000 (2000: HK\$147,000).

Under the defined benefit schemes, the calculation of the retirement benefits to the employees is based on years of service and average monthly salary at the time of retirement. The Group's contributions to the defined benefit schemes are calculated as certain percentages of salaries paid to employees and charged to the income statement as incurred. The assets of the schemes are held separately from those of the Group in a central fund administered by the relevant government body in Taiwan. No formal actuarial valuation has been performed by qualified actuary during the year as it is not required in Taiwan. However, the Group has an obligation to ensure that there are sufficient funds in these schemes to pay the benefits earned. The Group performs regular internal evaluation of the adequacy of the funds. Any shortfall in the funds shall be paid by the Group and charged to the income statement.

6. 退休福利費用

本集團設有多項職員退休福利計劃，其中包括兩項為本地及英國僱員提供的定額供款計劃及兩項為台灣附屬公司的僱員提供的定額福利計劃。

本集團對定額供款計劃的供款乃按僱員的基本薪金及服務年資以一特定百分率計算。本集團已在該計劃下的供款額減去遭沒收的供款金額後在收益表中列作費用。任何未動用而遭沒收的供款餘額已撥為儲備，並由一獨立管理的基金持有，用以支付本集團日後可能支付的長期服務金。於年結日該等儲備的可動用總額約為港幣624,000元（二零零零年：港幣147,000元）。

在定額福利計劃下，僱員的退休福利根據服務年資及退休時的平均月薪計算。本集團向該定額福利計劃的供款乃根據向職員發放的薪金的某一百分率計算，並在發生時於收益表中列作費用。該等計劃的資產並非與本集團的資產混合管理，乃由台灣有關政府部門所管理的中央基金代為持有。由於台灣並無作出有關規定，故此是年度並無由合資格精算師進行精算估值。然而，本集團有責任保證該等計劃內有足夠資金支付有關福利費用，本集團均對資金是否充足作定期內部評估，不足額須由本集團支付，並在收益表中列作費用。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

6. RETIREMENT BENEFIT COSTS *(continued)*

In addition to the retirement benefit schemes operated by the Group, the Group is required to contribute respectively to Mandatory Provident Fund and central pension schemes for certain Group's employees in Hong Kong and the People's Republic of China based on applicable rates of monthly salary in accordance with government regulations.

7. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to Section 161 of the Hong Kong Companies Ordinance is as follows:

6. 退休福利費用 (續)

除本集團所設立的退休福利計劃外，本集團須為其在香港及中華人民共和國內的若干僱員分別供款予強制性公積金及中央公積金，根據政府規例，供款率按月薪計算。

7. 董事酬金

根據香港公司條例第一百六十一條列報的董事酬金如下：

		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Fees	袍金	1,181	1,110
Other emoluments	其他報酬	4,761	7,312
		5,942	8,422

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

8. TAXATION

(a) Provision for Hong Kong profits tax is calculated at 16% (2000: 16%) on estimated assessable profits for the year. Overseas taxation is provided for at the relevant tax rates.

(b) The taxation charge is made up as follows:

8. 稅項

(a) 香港利得稅準備乃根據年內估計應課稅溢利按稅率16%（二零零零年：16%）計算。海外稅項則按當地的稅率計算。

(b) 稅項支出如下：

		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
The Company and subsidiaries	本公司及附屬公司		
Hong Kong taxation	香港稅項	3,506	3,729
Overseas taxation	海外稅項	3,934	4,264
Deferred taxation (Note 9(a))	遞延稅項 (附註9(a))	(817)	(475)
		6,623	7,518
Associates	聯營公司		
Hong Kong taxation	香港稅項	—	796
Jointly controlled entity	共同控制個體		
Hong Kong taxation	香港稅項	751	534
		7,374	8,848

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

9. DEFERRED TAXATION

9. 遞延稅項

(a) Movements of deferred taxation comprise:

(a) 遞延稅項的變動如下：

		Group 本集團	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Balance at 1st January	一月一日結餘	2,301	2,818
Transfer to income statement (Note 8(b))	轉出收益表 (附註8(b))	(817)	(475)
Exchange adjustments	外匯調整	(222)	(42)
Balance at 31st December	十二月三十一日結餘	<u>1,262</u>	<u>2,301</u>

(b) The components of deferred taxation are as follows:

(b) 遞延稅項主要包括下列各項：

		Group 本集團			
		2001 二零零一年		2000 二零零零年	
		Provided 已準備 HK\$'000 港幣千元	Unprovided 未準備 HK\$'000 港幣千元	Provided 已準備 HK\$'000 港幣千元	Unprovided 未準備 HK\$'000 港幣千元
Accelerated depreciation allowances	加速折舊的 免稅額	4,719	846	5,339	18,050
Future benefit of expenses carried forward for tax purposes	費用結轉而將會 帶來未來的 稅項利益	(3,457)	—	(3,038)	—
Unutilised tax losses	未動用的稅項虧損	—	(73,889)	—	(77,549)
		<u>1,262</u>	<u>(73,043)</u>	<u>2,301</u>	<u>(59,499)</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

9. DEFERRED TAXATION *(continued)*

- (c) No provision has been made for taxation which would be payable on the distribution of the Group's share of profits retained by overseas subsidiaries.
- (d) Deferred taxation has not been quantified in respect of property revaluation surplus as this does not constitute a timing difference.

10. LOSS ATTRIBUTABLE TO SHAREHOLDERS

Loss attributable to shareholders includes a loss of HK\$20,393,000 (2000: HK\$24,100,000) which has been dealt with in the financial statements of the Company.

9. 遞延稅項 (續)

- (c) 海外附屬公司於派發其所保留的本集團應佔溢利時而可能產生的遞延稅項，本財務報表並無為此作出準備。
- (d) 因物業重估盈餘並無構成因時間差距而產生的稅項負債，故此並無計算有關的遞延稅項。

10. 股東應佔虧損

股東應佔虧損已包括計算於本公司財務報表內港幣20,393,000元的虧損（二零零零年：港幣24,100,000元）。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

11. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to shareholders of HK\$219,240,000 (2000: HK\$86,597,000) and the weighted average number of 242,259,560 (2000: 242,259,560) ordinary shares in issue during the year.

The calculation of diluted loss per share is based on the loss attributable to shareholders of HK\$251,920,000 (2000: HK\$93,020,000) and the weighted average number of 242,259,560 (2000: 242,259,560) ordinary shares in issue during the year.

The loss attributable to shareholders used as numerator in calculating basic and diluted loss per share for the years can be reconciled as follows:

11. 每股虧損

每股基本虧損乃根據股東應佔虧損港幣219,240,000元（二零零零年：港幣86,597,000元）及本公司於是年度內已發行普通股之加權平均數242,259,560股（二零零零年：242,259,560股）計算。

攤薄後每股虧損乃根據股東應佔虧損港幣251,920,000元（二零零零年：港幣93,020,000元）及本公司於是年度內已發行普通股之加權平均數242,259,560股（二零零零年：242,259,560股）計算。

在計算是年度每股基本及攤薄後虧損所使用之股東應佔虧損調節如下：

		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Loss attributable to shareholders for the purpose of calculation of basic loss per share	計算每股基本虧損的股東應佔虧損	219,240	86,597
Additional share of loss of the Company's listed subsidiary, Lam Soon Food Industries Limited ("LSF"), upon exercise of full conversion right of convertible 5% non-cumulative preference shares in LSF held by the Company	行使本公司於上市附屬公司南順食品工業有限公司（「南順食品」）的年息五厘可換股非累積優先股換股權後，本公司額外攤分南順食品的虧損	32,680	6,423
Loss attributable to shareholders for the purpose of calculation of diluted loss per share	計算攤薄後每股虧損的股東應佔虧損	<u>251,920</u>	<u>93,020</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

12. FIXED ASSETS

12. 固定資產

(a) The Group

(a) 本集團

		Medium term leasehold properties in Hong Kong and leasehold improvements 香港中期租約物業及裝修 HK\$'000 港幣千元	Freehold properties outside Hong Kong 海外永久業權物業 HK\$'000 港幣千元	Long term leasehold properties outside Hong Kong 海外長期租約物業 HK\$'000 港幣千元	Medium term leasehold properties outside Hong Kong 海外中期租約物業 HK\$'000 港幣千元	Plant, equipment, furniture, motor vehicles and barges 廠房、設備、傢俬、汽車及駁船 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Cost or valuation:	成本值或估值：						
At 1st January 2001	二零零一年一月一日	37,360	286,302	5,413	789,421	965,505	2,084,001
Exchange adjustments	外滙調整	—	(29,909)	—	(81)	(35,610)	(65,600)
Additions	增添	279	—	—	66	11,027	11,372
Transfer out on non-consolidation of subsidiaries	剔除未計入綜合賬內之附屬公司	—	—	—	—	(20,252)	(20,252)
Disposals	出售	—	(25,105)	—	—	(22,913)	(48,018)
At 31st December 2001	二零零一年十二月三十一日	37,639	231,288	5,413	789,406	897,757	1,961,503
Representing:	代表：						
Cost	成本值	279	47,016	5,413	789,406	897,757	1,739,871
Valuation – 1990	估值 – 一九九零年	—	635	—	—	—	635
– 1994	– 一九九四年	—	183,637	—	—	—	183,637
– 1998	– 一九九八年	9,000	—	—	—	—	9,000
– 2000	– 二零零零年	28,360	—	—	—	—	28,360
At 31st December 2001	二零零一年十二月三十一日	37,639	231,288	5,413	789,406	897,757	1,961,503
Accumulated depreciation:	累積折舊：						
At 1st January 2001	二零零一年一月一日	500	66,712	1,644	149,367	472,613	690,836
Exchange adjustments	外滙調整	—	(6,978)	—	(20)	(22,939)	(29,937)
Charge for the year	是年度折舊	1,238	6,086	139	29,535	52,968	89,966
Transfer out on non-consolidation of subsidiaries	剔除未計入綜合財務報表內之附屬公司	—	—	—	—	(17,514)	(17,514)
Written back on disposals	出售後撥回	—	(2,878)	—	—	(17,955)	(20,833)
At 31st December 2001	二零零一年十二月三十一日	1,738	62,942	1,783	178,882	467,173	712,518
Impairment:	減值：						
At 1st January 2001	二零零一年一月一日	—	—	—	—	—	—
Charge for the year	是年度減值	—	5,580	—	257,138	93,096	355,814
At 31st December 2001	二零零一年十二月三十一日	—	5,580	—	257,138	93,096	355,814
Net book value:	賬面淨值：						
At 31st December 2001	二零零一年十二月三十一日	35,901	162,766	3,630	353,386	337,488	893,171
At 31st December 2000	二零零零年十二月三十一日	36,860	219,590	3,769	640,054	492,892	1,393,165

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

12. FIXED ASSETS *(continued)*

(a) The Group *(continued)*

- (1) Certain properties were revalued by the respective independent professional valuers, as follows:
 - (i) Certain freehold properties outside Hong Kong were revalued, on an open market value basis, by Richard Ellis Limited and C. Y. Leung & Company Limited in March 1990 and June 1994 respectively. In preparing these financial statements, the Group has availed itself of the transitional provision set out in paragraph 72 of the SSAP 17 "Property, plant and equipment" with the effect that such properties' pre-30th September 1995 professional valuation is retained.
 - (ii) Certain medium term leasehold properties in Hong Kong were revalued at 31st December 1998 by C. Y. Leung & Company Limited on an open market value basis and in the event that an open market for a property did not exist, depreciated replacement cost method was adopted.
- (2) As at 31st December 2000, one of the medium term leasehold properties in Hong Kong was written down to its net recoverable amount estimated by the directors according to the terms of the lease agreement between the Group and The Hong Kong Industrial Estates Corporation.
- (3) As at 31st December 2001, the directors carried out an impairment review of the freehold properties and medium term leasehold properties outside Hong Kong with reference to the open market value as at 31st December 2001. The respective properties were appraised by CB Richard Ellis Limited.

12. 固定資產 (續)

(a) 本集團 (續)

- (1) 下列物業估值由個別獨立專業估值師進行：
 - (i) 若干海外永久業權物業由魏理仕和梁振英測量師行分別於一九九零年三月及一九九四年六月按個別公開市值評估。在編制財務報表時，本集團已根據會計實務準則第十七條「物業、廠房及設備」內第七十二段的過渡性條款，保留海外永久物業在一九九五年九月三十日前的專業估值。
 - (ii) 香港中期租約物業在一九九八年十二月三十一日由梁振英測量師行按個別公開市值評估，但由於其中一物業不存在公開市場，因而採用折舊重置成本法評估。
- (2) 於二零零零年十二月三十一日，根據本集團與大埔工業邨公司所簽訂之租約條款，將香港其中一中期租約物業減值至董事估計的可收回價值。
- (3) 於二零零一年十二月三十一日，董事按二零零一年十二月三十一日之公開市值減值評估海外永久業權物業及中期租約物業的價值。有關物業已由世邦魏理仕有限公司作專業估值。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

12. FIXED ASSETS *(continued)*

(a) The Group *(continued)*

- (4) The net book value of medium term leasehold properties in Hong Kong which have been stated in the balance sheet at valuation would have been HK\$35,901,000 (2000: HK\$36,860,000) had they been carried at cost less accumulated depreciation and impairment loss.
- (5) The net book value of freehold properties outside Hong Kong which have been stated in the balance sheet at valuation would have been HK\$65,977,000 (2000: HK\$97,119,000) had they been carried at cost less accumulated depreciation and impairment loss.
- (6) Fixed assets with a net book value of HK\$480,510,000 (2000: HK\$614,295,000) are pledged to banks to secure general banking facilities granted to the Group.
- (7) The net book value of plant and equipment held under finance leases amounted to HK\$83,000 (2000: HK\$1,008,000).
- (8) The gross amount of fixed assets held for use under operating leases amounted to HK\$9,000,000 (2000: HK\$26,185,000) and the related accumulated depreciation amounted to HK\$818,000 (2000: HK\$14,017,000).

12. 固定資產 (續)

(a) 本集團 (續)

- (4) 按估值列賬於資產負債表之香港中期租約物業若以成本減累積折舊及減值虧損列出，其賬面淨值為港幣35,901,000元（二零零零年：港幣36,860,000元）。
- (5) 按估值列賬於資產負債表之海外永久業權物業若以成本減累積折舊及減值虧損列出，其賬面淨值為港幣65,977,000元（二零零零年：港幣97,119,000元）。
- (6) 本集團將固定資產賬面淨值共港幣480,510,000元（二零零零年：港幣614,295,000元）按予銀行以取得銀行信貸額。
- (7) 融資租賃購買的廠房和設備的賬面淨值為港幣83,000元（二零零零年：港幣1,008,000元）。
- (8) 供經營租賃的固定資產總額為港幣9,000,000元（二零零零年：港幣26,185,000元），其累積折舊為港幣818,000元（二零零零年：港幣14,017,000元）。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

12. FIXED ASSETS *(continued)*

12. 固定資產 (續)

(b) The Company

(b) 本公司

		Office equipment, furniture and motor vehicles 辦公室設備、 傢俱及汽車 HK\$'000 港幣千元
Cost:	成本值：	
At 1st January 2001	二零零一年一月一日	9,912
Additions	增添	495
At 31st December 2001	二零零一年十二月三十一日	10,407
Accumulated depreciation:	累積折舊：	
At 1st January 2001	二零零一年一月一日	5,919
Charge for the year	是年度折舊	1,937
At 31st December 2001	二零零一年十二月三十一日	7,856
Net book value:	賬面淨值：	
At 31st December 2001	二零零一年十二月三十一日	2,551
At 31st December 2000	二零零零年十二月三十一日	3,993

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

13. INTANGIBLE ASSETS

13. 無形資產

		Group 本集團			
		Negative goodwill 負商譽 HK\$'000 港幣千元	Goodwill 商譽 HK\$'000 港幣千元	Trademarks 商標 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Cost or valuation:	成本值或估值：				
At 1st January 2001	二零零一年一月一日	—	—	38,809	38,809
Additions	增添	(13,735)	12,539	—	(1,196)
At 31st December 2001	二零零一年十二月三十一日	(13,735)	12,539	38,809	37,613
Representing:	代表：				
Cost	成本	(13,735)	12,539	36,809	35,613
At directors' valuation in 1972	董事於一九七二年作出的估值	—	—	2,000	2,000
At 31st December 2001	二零零一年十二月三十一日	(13,735)	12,539	38,809	37,613
Accumulated amortisation:	累積攤銷：				
At 1st January 2001	二零零一年一月一日	—	—	—	—
Charge/(release) for the year	是年度攤銷/ (變現)	(2,747)	—	2,003	(744)
At 31st December 2001	二零零一年十二月三十一日	(2,747)	—	2,003	(744)
Impairment:	減值：				
At 1st January 2001	二零零一年一月一日	—	—	—	—
Charge for the year	是年度減值	—	12,539	—	12,539
At 31st December 2001	二零零一年十二月三十一日	—	12,539	—	12,539
Net book value:	賬面淨值：				
At 31st December 2001	二零零一年十二月三十一日	(10,988)	—	36,806	25,818
At 31st December 2000	二零零零年十二月三十一日	—	—	38,809	38,809

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

14. INTEREST IN SUBSIDIARIES

14. 附屬公司權益

		Company 本公司	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Listed shares, at cost	上市股份成本值	899,354	896,624
Impairment loss	減值虧損	(145,859)	(145,859)
		753,495	750,765
Unlisted shares, at cost	非上市股份成本值	437,734	437,735
Impairment loss	減值虧損	(69,673)	(33,896)
		368,061	403,839
Amounts due from subsidiaries	應收附屬公司款項	1,121,556 200,994	1,154,604 209,617
Amounts due to subsidiaries	應付附屬公司款項	1,322,550 (21,380)	1,364,221 (19,651)
		1,301,170	1,344,570
Market value of listed shares at 31st December	上市股份於十二月 三十一日的市值	166,240	126,201

The amounts due to and from subsidiaries are interest-free, unsecured and have no fixed terms of repayment.

應付及應收附屬公司款項均為免息、無抵押及沒有固定償還條款。

Details of the subsidiaries are listed on pages 111 to 119.

各附屬公司的資料詳列於第111頁至第119頁。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

14. INTEREST IN SUBSIDIARIES *(continued)*

During the year, Camintonn Corporation, which had previously been consolidated, was subject to bankruptcy proceedings under the jurisdiction of its country of incorporation. The principal activity of its holding company, Lam Soon America Inc., is its investment in Camintonn Corporation. Consequently, the two subsidiaries operate under severe long-term restrictions which significantly impair their ability to transfer funds back to the parent company. Accordingly, the financial statements of these subsidiaries are not consolidated in the Group's financial statements and no further accrual has been made for the subsidiaries' losses after the commencement of bankruptcy proceedings (the "effective date").

However, a full provision amounting to HK\$25,951,000 had been made against the carrying value of the subsidiaries and disclosed in the 1999 income statement. As a result, the net asset value of the unconsolidated subsidiaries attributable to the Group was nil at the effective date. No financial information in respect of the results and net assets of the respective subsidiaries is available subsequent to the effective date.

14. 附屬公司權益 (續)

是年度，Camintonn Corporation，此附屬公司往年曾計入綜合財務報表，現已於其註冊地進行申請破產的程序。其控股公司，Lam Soon America Inc. 的主要業務是於其的控股投資。因此，此兩附屬公司現正處於嚴重而長期的限制情況下運作，大大地影響其轉出資金予母公司的能力。有見及此，該等附屬公司的財務報表並不計入本集團的綜合財務報表，而且並不計提該等附屬公司於申請破產日（「有效日」）起之虧損作撥備。

但對於該等附屬公司之賬面價值已作出全數之減值準備達港幣25,951,000元，並披露於一九九九年的收益表。因此，該等未計入綜合財務報表內之附屬公司於有效日之資產淨值為零。而於有效日後未能取得該等附屬公司的業績及淨資產之財務資料。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

14. INTEREST IN SUBSIDIARIES *(continued)*

Details of the unconsolidated subsidiaries are set out below:

Name of company 公司名稱	Issued and fully paid up capital 已發行及 繳足之股本	Place of incorporation/ operation 註冊/ 經營地點	Percentage of equity holding 股權擁有百分率		Principal activities 主要業務
			Group 本集團	Company 本公司	
Lam Soon America Inc.	US\$1,700,000 1,700,000美元	United States of America 美國	100	100	Investment holding 投資控股
Camintonn Corporation	Ordinary US\$500,000 普通股500,000美元 Preferred US\$1,200,000 優先股1,200,000美元	United States of America 美國	60	—	Manufacturing and trading of computer peripherals 製造及買賣電腦配件

Goodwill and negative goodwill arising from acquisition of these subsidiaries, to the extent not taken to the income statement, amounted to HK\$948,000 and HK\$1,581,000 respectively. However, the goodwill was eliminated against a special reserve created out of the share premium account after obtaining sanction from the Supreme Court in 1992.

No dividend has ever been declared by the subsidiaries and the aggregate amount of the losses attributable to the Group up to the effective date, all of which have been dealt with in the consolidated financial statements is as follows:

Current year 本年度	Prior years 以往年度	Total 總額
HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
2,856	27,269	30,125

14. 附屬公司權益 (續)

該等未計入綜合財務報表內之附屬公司之詳情如下：

因收購該等附屬公司而產生的商譽及負商譽，其並未計入收益表的金額分別為港幣948,000元及港幣1,581,000元。然而，於一九九二年獲最高法院批准，從股份溢價賬另行產生一特別儲備，並將該商譽與該特別儲備抵銷。

該等附屬公司從未公佈派發股息。直至有效日，本集團應佔的累積虧損已全數計入綜合財務報表內，並詳列如下：

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

15. INTEREST IN ASSOCIATES

15. 聯營公司權益

		Group 本集團		Company 本公司	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Unlisted shares, at cost	非上市股份成本值	—	—	711	711
Share of net assets	應佔淨資產	40,350	40,402	—	—
Loans to associates	應收聯營公司貸款	2,160	2,160	—	—
		42,510	42,562	711	711
Impairment loss	減值虧損	(16,820)	(16,820)	—	—
		25,690	25,742	711	711

The loans to associates are unsecured, interest-free and have no fixed terms of repayment.

應收聯營公司貸款為無抵押、免息及沒有固定償還條款。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

15. INTEREST IN ASSOCIATES *(continued)*

Details of the associates are as follows:

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊／經營地點	Percentage of equity holding 股權擁有百分率		Principal activities 主要業務
		Group 本集團	Company 本公司	
Sanco Trading Company Limited	Hong Kong 香港	30	30	Investment holding 投資控股
Omeron Profits Limited*	British Virgin Islands 英屬維爾京群島	50	—	Dormant 暫無業務
Tepac Profits Limited*	British Virgin Islands 英屬維爾京群島	50	—	Dormant 暫無業務
Applied Precision Private Limited*	Republic of Singapore 新加坡共和國	33	—	Design and manufacturing of precision moulds and testing equipment 設計製造精確鑄模 及測試儀器
Foshan Hua Shun Information System Company Limited* 佛山華順資訊系統有限公司*	People's Republic of China 中華人民共和國	40	—	Trading of computer components and software development 電腦配件買賣及 軟件開發

* Companies not audited by PKF

* 該等公司非由梁學濂會計師事務所審核

15. 聯營公司權益 (續)

聯營公司的資料詳列如下：

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

16. INTEREST IN A JOINTLY CONTROLLED ENTITY

16. 共同控制個體權益

		Group 本集團	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Share of net assets	應佔淨資產	58,930	53,910

Details of the jointly controlled entity are as follows:

Name of company 公司名稱	Place of incorporation/ operation 註冊／經營地點	Percentage of equity holding indirectly 間接股權 擁有百分率	Principal activities 主要業務
Evergreen Oils & Fats Limited*	Cayman Islands/Hong Kong 開曼群島／香港	50	Blending and distribution of edible oils, fats and shortenings 混合及分銷食油、 植物脂肪及白乳油

* *Company not audited by PKF*

* 該等公司非由梁學濂會計師事務所審核

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

17. INVESTMENT SECURITIES

17. 證券投資

		Group 本集團		Company 本公司	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Listed securities, at cost	上市證券成本				
– in Hong Kong	– 香港	50	50	50	50
– outside Hong Kong	– 海外	17	17	17	17
		<u>67</u>	<u>67</u>	<u>67</u>	<u>67</u>
Unlisted investments	非上市投資				
Unlisted securities, at cost	非上市證券 成本	47,549	47,549	39,038	39,038
Impairment loss	減值虧損	(47,549)	(47,549)	(39,038)	(39,038)
		<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
		<u>67</u>	<u>67</u>	<u>67</u>	<u>67</u>
Market value of listed securities at 31st December	上市證券於 十二月三十一日 的市值	<u>88</u>	<u>128</u>	<u>88</u>	<u>128</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

18. INVENTORIES

18. 存貨

		Group 本集團	
		2001 二零零一年 <i>HK\$'000</i> 港幣千元	2000 二零零零年 <i>HK\$'000</i> 港幣千元
Raw materials	原料	108,308	96,843
Work in progress	在製品	15,345	7,975
Finished goods	製成品	80,248	85,994
Inventories in transit	在途貨品	19,079	7,472
Packing materials	包裝料	5,932	7,211
Spare parts	備件	17,446	31,086
		<u>246,358</u>	<u>236,581</u>

As at 31st December 2001, the carrying amount of inventories pledged as security for liabilities was HK\$15,866,000 (2000: HK\$6,767,000).

於二零零一年十二月三十一日，作為負債的抵押品之存貨賬面價值為港幣15,866,000元（二零零零年：港幣6,767,000元）。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

19. DEBTORS, DEPOSITS AND PREPAYMENTS

The ageing analysis of trade debtors (net of provisions for bad and doubtful debts) is as follows:

		Group 本集團	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
0-3 months	零至三個月	177,055	200,828
4-6 months	四至六個月	5,158	11,432
Over 6 months	六個月以上	—	2,208
Total trade debtors	應收賬款總額	182,213	214,468
Deposits and prepayments	按金及預付款	94,213	94,181
		276,426	308,649

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

19. 應收賬款、按金及預付款

應收賬款（已扣除呆壞賬準備）賬齡分析如下：

給予顧客之信貸條款各異，一般按個別顧客之財政狀況衡量。為更有效地管理與應收賬款相關之信貸風險，本集團均定期進行顧客信用評估。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

20. OTHER CURRENT ASSETS

20. 其他流動資產

		Group 本集團		Company 本公司	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Amounts due from associates	應收聯營公司款項	—	104	—	104
Amount due from a jointly controlled entity	應收共同控制個體款項	3,757	18,299	—	—
		3,757	18,403	—	104

The amounts due from associates and a jointly controlled entity are interest-free, unsecured and repayable on demand.

應收聯營公司及共同控制個體款項均為免息、無抵押及需按要求即時償還。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

21. BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS 21. 銀行貸款、透支及其他借款

		Group 本集團		Company 本公司	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Bank loans and overdrafts	銀行貸款及透支				
– Secured	– 有抵押	264,979	383,954	—	—
– Unsecured	– 無抵押	80,198	143,869	44	21,057
		<u>345,177</u>	<u>527,823</u>	<u>44</u>	<u>21,057</u>
Other loans	其他貸款				
– Secured	– 有抵押	—	9,540	—	—
– Unsecured	– 無抵押	57,929	12,641	—	—
		<u>57,929</u>	<u>22,181</u>	<u>—</u>	<u>—</u>
		<u>403,106</u>	<u>550,004</u>	<u>44</u>	<u>21,057</u>

The other secured and unsecured loans of the Group bear interests at 3.3% to 7.9% (2000: 5.3% to 6.5%) per annum.

本集團其他有抵押及無抵押貸款按3.3%至7.9%（二零零零年：5.3%至6.5%）年息計算利息。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

22. CREDITORS, DEPOSITS RECEIVED AND ACCRUALS

22. 應付賬款、已收按金及應付費用

The ageing analysis of trade creditors is as follows:

應付賬款賬齡分析如下：

		Group 本集團	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
0-3 months	零至三個月	143,102	166,653
4-6 months	四至六個月	14,507	13,013
Over 6 months	六個月以上	829	1,098
Total trade creditors	應付賬款總額	158,438	180,764
Deposits received and accruals	已收按金及應付費用	108,638	119,502
		267,076	300,266

23. OTHER CURRENT LIABILITIES

23. 其他流動負債

		Group 本集團		Company 本公司	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Amounts due to associates	應付聯營公司款項	24,108	24,034	972	883
Obligations under finance leases	融資租賃的負債	31	356	30	30
Unclaimed dividends	待領股息	131	132	131	132
		24,270	24,522	1,133	1,045

The amounts due to associates are interest-free, unsecured and repayable on demand.

應付聯營公司款項為免息、無抵押及需按要求即時償還。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

24. SHARE CAPITAL

24. 股本

		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Authorised:	法定股本：		
300,000,000 shares of HK\$1 each	300,000,000股每股港幣1元	300,000	300,000
Issued and fully paid:	已發行及已繳足股本：		
242,259,560 shares of HK\$1 each	242,259,560股每股港幣1元	242,260	242,260

Share options

Pursuant to the share option scheme ("the Scheme") approved by the shareholders on 26th May 2000, the directors of the Company may invite employees and directors (other than non-executive directors) of the Company or of any of its subsidiaries to take up options to subscribe for shares of HK\$1 each in the capital of the Company.

The purpose of the Scheme is to provide better incentives to employees to participate in the growth of the Group.

The total number of shares available for issue under the Scheme is 23,131,351 which represents 9.548% of the issued share capital of the Company at the date of this report. The maximum entitlement of each participant under the Scheme would not exceed 25% of the aggregate number of shares for the time being issued and issuable under the Scheme.

Upon acceptance of the option, the grantee shall inform the Company together with HK\$1 by way of consideration for the grant within 21 days from the date of making offer of option.

購股權

根據股東於二零零零年五月二十六日通過的購股權計劃（「該計劃」），本公司的董事可邀請本公司或其任何附屬公司的僱員及董事（非執行董事除外）接納購股權，認購本公司股本中每股面值港幣1元之股份。

該計劃之目的是藉認購股份購股權之形式作為僱員更佳之推動力使他們積極參與本集團的發展。

根據該計劃可予發行之股份授出之購股權總數為23,131,351股，佔本報告書日期止本公司已發行股份之9.548%。授予每一位購股權持有人的股數不得超過當時根據該計劃已發行及可發行之股份總數之25%。

獲授人於發出購股權邀請後二十一天內通知本公司以及支付港幣1元予本公司作為接納購股權之代價。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

24. SHARE CAPITAL *(continued)*

Share options *(continued)*

There is no minimum period which an option must be held before it can be exercised.

The price per share payable on the exercise of an option as determined by the directors and being not less than 80% of the average closing price of a share on The Stock Exchange of Hong Kong Limited for the five business days immediately preceding the date of offer of such option, or the nominal value of one share, whichever is the greater.

The Scheme will remain in force for a period of 10 years commencing on 26th May 2000 to 25th May 2010.

24. 股本 (續)

購股權 (續)

獲授人可於接納購股權後即時行使。

每股股份之認購價將由董事會釐訂，價格將不少於緊接購股權授出之日前五個營業日股份在香港聯合交易所有限公司之平均收市價之80%或每一股股份之面值（以較高者為準）。

該計劃有效期為十年即二零零零年五月二十六日至二零一零年五月二十五日止。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

25. RESERVES

25. 儲備

(a) The Group

(a) 本集團

		Share premium HK\$'000 港幣千元	Capital reserve HK\$'000 港幣千元	Property revaluation reserve 物業 重估儲備 HK\$'000 港幣千元	Exchange reserve 外匯儲備 HK\$'000 港幣千元	General reserve 一般儲備 HK\$'000 港幣千元	Revenue reserve 收益儲備 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
At 1st January 2000	二零零零年一月一日	428,935	32,981	45,022	(35,688)	50,000	353,284	874,534
Transfer from revenue reserve to capital reserve by subsidiaries	附屬公司由 收益儲備 撥入資本儲備	—	730	—	—	—	(730)	—
Realisation of post acquisition reserves on disposal of associates	出售聯營公司 而變現的 收購後儲備	—	1,528	—	2,810	—	(4,338)	—
Capital reserve on consolidation arising from acquisition of shares in subsidiaries	收購附屬公司股份 在綜合財務報表 內產生的資本 儲備	—	5,532	—	—	—	—	5,532
Exchange differences arising on translation of financial statements of overseas subsidiaries and associates	折算海外附屬 公司和聯營公司 財務報表所產生 的外匯差額	—	—	—	(2,027)	—	—	(2,027)
Loss for the year	是年度虧損	—	—	—	—	—	(86,597)	(86,597)
At 31st December 2000	二零零零年 十二月三十一日	<u>428,935</u>	<u>40,771</u>	<u>45,022</u>	<u>(34,905)</u>	<u>50,000</u>	<u>261,619</u>	<u>791,442</u>
Attributable to:	保留於：							
Company and subsidiaries	本公司及其附屬公司	428,935	40,513	45,022	(33,924)	50,000	222,824	753,370
Associates	聯營公司	—	258	—	(981)	—	34,749	34,026
Jointly controlled entity	共同控制個體	—	—	—	—	—	4,046	4,046
At 31st December 2000	二零零零年 十二月三十一日	<u>428,935</u>	<u>40,771</u>	<u>45,022</u>	<u>(34,905)</u>	<u>50,000</u>	<u>261,619</u>	<u>791,442</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

25. RESERVES *(continued)*

25. 儲備 (續)

(a) The Group *(continued)*

(a) 本集團 (續)

		Share premium 股份溢價 HK\$'000 港幣千元	Capital reserve 資本儲備 HK\$'000 港幣千元	Property revaluation reserve 物業 重估儲備 HK\$'000 港幣千元	Exchange reserve 外匯儲備 HK\$'000 港幣千元	General reserve 一般儲備 HK\$'000 港幣千元	Revenue reserve 收益儲備 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
At 1st January 2001	二零零一年一月一日	428,935	40,771	45,022	(34,905)	50,000	261,619	791,442
Realisation of property revaluation reserve on disposal of properties	出售物業而 變現的物業 重估儲備	—	—	(6,990)	—	—	6,990	—
Impairment loss on properties charged against property revaluation reserve	物業減值虧損 沖銷物業重估 儲備	—	—	(3,631)	—	—	—	(3,631)
Transfer from revenue reserve to capital reserve by subsidiaries	附屬公司由 收益儲備 撥入資本儲備	—	43	—	—	—	(43)	—
Exchange differences arising on translation of financial statements of overseas subsidiaries and associates	折算海外附屬公司 和聯營公司 財務報表所產生 的外匯差額	—	—	—	(18,838)	—	—	(18,838)
Loss for the year	是年度虧損	—	—	—	—	—	(219,240)	(219,240)
At 31st December 2001	二零零一年 十二月三十一日	428,935	40,814	34,401	(53,743)	50,000	49,326	549,733
Attributable to:	保留於：							
Company and subsidiaries	本公司及其附屬公司	428,935	40,556	34,401	(52,771)	50,000	5,572	506,693
Associates	聯營公司	—	258	—	(972)	—	34,688	33,974
Jointly controlled entity	共同控制個體	—	—	—	—	—	9,066	9,066
At 31st December 2001	二零零一年 十二月三十一日	428,935	40,814	34,401	(53,743)	50,000	49,326	549,733

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

25. RESERVES *(continued)*

25. 儲備 (續)

(b) The Company

(b) 本公司

		Share premium 股份溢價 HK\$'000 港幣千元	General reserve 一般儲備 HK\$'000 港幣千元	Revenue reserve 收益儲備 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
At 1st January 2000	二零零零年一月一日	428,935	50,000	696,415	1,175,350
Loss for the year	是年度虧損	—	—	(24,100)	(24,100)
At 31st December 2000	二零零零年十二月三十一日	<u>428,935</u>	<u>50,000</u>	<u>672,315</u>	<u>1,151,250</u>
At 1st January 2001	二零零一年一月一日	428,935	50,000	672,315	1,151,250
Loss for the year	是年度虧損	—	—	(20,393)	(20,393)
At 31st December 2001	二零零一年十二月三十一日	<u>428,935</u>	<u>50,000</u>	<u>651,922</u>	<u>1,130,857</u>

Notes:

- The distributable reserves of the Company as at 31st December 2001 amounted to HK\$701,922,000 (2000: HK\$722,315,000).
- Certain subsidiaries of the Group entered into some credit agreements with banks which impose restriction on their dividend payments and require the maintenance of certain debt/equity ratio.
- A subsidiary incorporated in Taiwan disposed certain fixed assets and recorded a gain on disposal. According to the applicable law in Taiwan, 75% of such gain should be capitalised and recorded in capital reserve.
- Goodwill and negative goodwill arising from acquisitions of subsidiaries and associates prior to 1st January 2001 which are still carried in reserves of the Group are as follows:

附註：

- 本公司於二零零一年十二月三十一日的可分派儲備為港幣701,922,000元（二零零零年：港幣722,315,000元）。
- 本集團若干附屬公司與多間銀行訂立若干信貸協議，對該等附屬公司派發股息施加限制，並要求該等公司將資產負債比率維持在某一個水平。
- 本集團的台灣附屬公司出售部分固定資產而取得溢利，根據台灣現行法例，該等溢利的75%必須撥作及保留在資本儲備。
- 於二零零一年一月一日前因收購附屬公司及聯營公司所產生並保留在本集團儲備內的商譽及負商譽詳列如下：

		Goodwill 商譽 HK\$'000 港幣千元	Negative goodwill 負商譽 HK\$'000 港幣千元
Balance as at 1st January and at 31st December 2001	二零零一年一月一日及十二月三十一日結餘	<u>572</u>	<u>(24,768)</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

26. BANK LOANS AND OTHER LIABILITIES

26. 銀行貸款及其他負債

		Group 本集團		Company 本公司	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Secured bank loans repayable	有抵押銀行貸款				
- After one year but within two years	- 一年後至兩年內償還	656	203,533	—	—
- After two years but within five years	- 兩年後至五年內償還	—	730	—	—
Other unsecured loan repayable	其他無抵押貸款				
- After one year but within two years	- 一年後至兩年內償還	—	46,794	—	—
Obligations under finance leases repayable	融資租賃的負債				
- After one year but within two years	- 一年後至兩年內償還	31	31	31	31
- After two years but within five years	- 兩年後至五年內償還	10	38	10	38
		697	251,126	41	69

As at 31st December 2000, the other unsecured loan of the Group bore interest at 6.8% to 7.9% per annum.

於二零零零年十二月三十一日，本集團的其他無抵押貸款按6.8%至7.9%年息計算利息。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

27. RECONCILIATION OF PROFIT/(LOSS) FROM OPERATIONS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

27. 經營溢利／（虧損）與經營業務的現金流入淨額調節表

		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Profit/(loss) from operations	經營業務溢利／（虧損）	35,316	(11,680)
Depreciation and amortisation	折舊及攤銷	91,969	110,134
Provision for doubtful debts	呆賬準備	6,012	17,105
Provision for subsidiaries written back	附屬公司撥回準備	(2,029)	—
(Gain)/loss on disposal of fixed assets	出售固定資產的（收益）／虧損	(132)	2,092
Forfeiture of unclaimed dividend	沒收待領股息	—	(214)
(Increase)/decrease in inventories	存貨（增加）／減少	(19,694)	59,743
Decrease in amounts due from associates	應收聯營公司款項減少	104	1,022
Decrease/(increase) in amount due from a jointly controlled entity	應收共同控制個體款項減少／（增加）	14,542	(6,169)
Decrease/(increase) in debtors, deposits and prepayments	應收賬款、按金及預付款減少／（增加）	6,430	(2,615)
Decrease/(increase) in bills receivable	應收票據減少／（增加）	10,364	(12,340)
Decrease in creditors, deposits received and accruals	應付賬款、已收按金及應付費用減少	(9,406)	(6,881)
Increase in bills payable	應付票據增加	14,911	40,994
Increase/(decrease) in amounts due to associates	應付聯營公司款項增加／（減少）	74	(1,055)
Exchange adjustments	外匯調整	(2,043)	(1,034)
Net cash inflow from operating activities	經營業務的現金流入淨額	<u>146,418</u>	<u>189,102</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
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28. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR 28. 是年度融資變動分析

		Bank loans 銀行貸款 HK\$'000 港幣千元	Other loans 其他貸款 HK\$'000 港幣千元	Obligations under finance leases 融資租賃的負債 HK\$'000 港幣千元	Minority interests 少數股東權益 HK\$'000 港幣千元
Balance as at 1st January 2000	二零零零年一月一日結餘	689,825	52,329	1,158	431,099
Net cash (outflow)/inflow from financing	融資的現金(流出)/流入淨額	(31,570)	9,421	(735)	(549)
Decrease in minority shareholders' interest in subsidiaries	附屬公司少數股東權益的減少	—	—	—	(6,404)
Share of loss and reserves by minority shareholders	少數股東應佔虧損及儲備	—	—	—	(35,075)
Effect of foreign exchange rate changes	匯率變動的影響	899	70	2	—
Balance as at 31st December 2000	二零零零年十二月三十一日結餘	659,154	61,820	425	389,071
Balance as at 1st January 2001	二零零一年一月一日結餘	659,154	61,820	425	389,071
Net cash outflow from financing	融資的現金流出淨額	(367,731)	(2,357)	(28)	—
Share of loss and reserves by minority shareholders	少數股東應佔虧損及儲備	—	—	—	(149,511)
Decrease in minority shareholders' interest in subsidiaries	附屬公司少數股東權益的減少	—	—	—	(3,926)
Non-consolidation of subsidiaries	未合併的附屬公司	(39,453)	—	(325)	—
Effect of foreign exchange rate changes	匯率變動的影響	(2,361)	(1,534)	—	(6,423)
Balance as at 31st December 2001	二零零一年十二月三十一日結餘	249,609	57,929	72	229,211

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

29. COMMITMENTS

As at 31st December 2001, the Group had commitment to make payment in respect of guaranteed profits payable to the joint venture partners under a joint venture agreement amounting to HK\$5,145,000 (2000: HK\$5,968,000) in aggregate over the unexpired term of the joint venture agreement of six years. In return, the Group is entitled to all the residual profits of the joint venture.

30 CONTINGENT LIABILITIES

- (a) As at 31st December 2001, the Group had contingent liabilities in respect of several guarantees given to banks to secure banking facilities of a jointly controlled entity to the extent of HK\$15,333,000 (2000: HK\$10,131,000).
- (b) As at 31st December 2001, the Group sold its notes receivable with recourse to finance companies amounting to HK\$20,408,000 (2000: HK\$15,533,000).
- (c) As at 31st December 2001, the Group committed to supply 32 million (2000: 123 million) aluminium cans to a customer in Taiwan at a fixed price. Such commitment was covered by a bank guarantee issued to the customer amounting to approximately NT\$9,776,000 (2000: NT\$10,743,000) (equivalent to approximately HK\$2,095,000 (2000: HK\$2,562,000)). The Group had contingent liabilities arising from counter indemnity given to the bank in respect of such guarantee.

29. 承擔項目

於二零零一年十二月三十一日，本集團根據合營企業協議，須承擔合營企業股東於合營企業協議尚未終止的六年年期內可獲保證利潤合共港幣5,145,000元（二零零零年：港幣5,968,000元）。而此合營企業的剩餘利潤則按此協議全歸於本集團。

30. 或然負債

- (a) 於二零零一年十二月三十一日，本集團的或然負債為多項由本集團向銀行提出的擔保，以便有關共同控制個體取得銀行信貸額共港幣15,333,000元（二零零零年：港幣10,131,000元）。
- (b) 於二零零一年十二月三十一日，本集團向財務機構出售有追索權之應收票據，總值港幣20,408,000元（二零零零年：港幣15,533,000元）。
- (c) 於二零零一年十二月三十一日，本集團與一台灣客戶簽定合約，以固定價格供應32,000,000片（二零零零年：123,000,000片）鋁罐。本集團就是項合約向有關客戶提出銀行擔保。其擔保金額約為新台幣9,776,000元（二零零零年：新台幣10,743,000元）（約相等於港幣2,095,000元（二零零零年：港幣2,562,000元））。本集團就是項擔保向該銀行提供相應之損害賠償，因此被視為本集團的或然負債。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

31. RELATED PARTY TRANSACTIONS

Apart from the transactions as disclosed in Notes 15, 20, 23 and 30(a) to the financial statements, the Group had the following material transactions with its related party during the year:

31. 有關連人士的交易

除財務報表在附註15、20、23及30(a)所列出的交易外，是年度本集團有以下重要的有關連人士的交易：

Related party 有關連人士	Nature of transactions 交易性質	Notes 附註	2001	2000
			二零零一年 HK\$'000 港幣千元	二零零零年 HK\$'000 港幣千元
Jointly controlled entity 共同控制個體	Purchases of small package oil	(i)	4,426	5,289
	Sales of aroma oil	(ii)	40,911	45,147
	Sales of detergent products	(ii)	2,912	3,048
	Sub-contracting income on oil refinement	(ii)	1,936	3,022
	Barge rental and operation fee income	(iii)	1,080	1,080
	Advertising and promotion income	(iii)	3,000	1,500
	Management fee income	(iii)	3,000	3,000
	Royalties received for the use of trademarks	(iv)	23,188	24,443

Notes:

- (i) Purchases of small package oil were carried out at cost plus a percentage of profit mark-up.
- (ii) Sales of aroma oil, detergent products and sub-contracting income on oil refinement were made with reference to the market price.
- (iii) Barge rental and operation fee income, advertising and promotion and management fee income were determined on the basis of the cost and the amount of services performed by the Group.
- (iv) Under the trademark licence agreement, the royalties received for the use of the trademarks are calculated based on a percentage as may be agreed between the parties from time to time of the gross sales value of licensed products sold by the licensee within Hong Kong and Macau.

附註：

- (i) 購買小包裝食油是以成本加利潤百分率作價進行。
- (ii) 香味油和清潔用品銷售及煉油加工外判收入均按照市場價格進行。
- (iii) 駁船租賃及運作費收入、廣告及宣傳收入及管理費收入均以有關成本及本集團所提供的服務而釐定。
- (iv) 商標使用版權收入是根據商標租用合約，以商標使用者在香港及澳門銷售可使用商標產品的總銷售金額按已定百分率徵收。此已定百分率可在雙方同意下定期更改。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
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32. SEGMENT REPORTING

Business segments

The Group principally operates in six segments and the specific products of each segment are as follows:

- 1) Food – Manufacturing and distribution of a broad range of food products including wheat flour, edible oils, vegetable fats, frozen dough and other processed foods for the catering industries
- 2) Detergent – Manufacturing and distribution of household cleaning products including liquid dish washing detergent, laundry powder, fabric softener and floor cleaner
- 3) Packaging – Manufacturing and supply of easy-open-ends and two-piece aluminium cans for beverage industry
- 4) Distribution – Trading and distribution of a wide range of products such as flour, detergent, bakery, frozen food, drinks and agency products in Hong Kong
- 5) Bulk trading – Trading of edible oils and grains
- 6) Electronics – Manufacturing and trading of computer peripherals

All other operating segments represent the operating segments which do not meet the quantitative threshold for determining reportable segments. These include investment holding, Internet service and property holding activities.

32. 分部報告

業務分部

本集團主要經營六個分部。各分部的產品如下：

- 1) 食品 – 製造及分銷一系列食品，包括小麥麵粉、食油、植物脂肪、冷凍麵團及其他加工食品
- 2) 清潔劑 – 製造及分銷家居清潔用品，包括碗碟清潔劑、洗衣粉、衣物柔順劑及地板清潔劑
- 3) 包裝產品 – 製造及供應「易拉蓋」及兩片罐，供飲品工業使用
- 4) 產品分銷 – 於香港買賣及分銷一系列產品，包括麵粉、清潔劑、烘焙食品、冷凍食品、飲料及代理產品
- 5) 散裝貿易 – 買賣散裝食油及穀類產品
- 6) 電子產品 – 製造及買賣電腦配件

其他分部代表那些規模不足以作出獨立報告的營業分部。這些分部包括投資控股、互聯網服務及物業持有活動。

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

32. SEGMENT REPORTING *(continued)*

Geographical segments

The Group's business is managed on a worldwide basis, but participates in four principal geographical areas:

- 1) Mainland China – Manufacturing and distribution of flour, edible oils, detergent and packaging products
- 2) Hong Kong – Trading and distribution of flour, detergent, bakery, frozen food, drinks and agency products
- 3) Taiwan – Manufacturing and supply of easy-open-ends and two-piece aluminium cans for beverage industry
- 4) United States of America – Manufacturing and trading of computer peripherals

32. 分部報告 (續)

地區分部

本集團的業務是世界性的，但主要集中於四個地區：

- 1) 中國大陸 — 製造及分銷麵粉、食油、清潔劑及包裝產品
- 2) 香港 — 買賣及分銷麵粉、清潔劑、烘焙食品、冷凍食品、飲料及代理產品
- 3) 台灣 — 製造及供應「易拉蓋」及兩片罐，供飲品工業使用
- 4) 美國 — 製造及買賣電腦配件

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
截至二零零一年十二月三十一日止年度

32. SEGMENT REPORTING *(continued)*

32. 分部報告 (續)

2001

二零零一年

(A) Business segments

(A) 業務分部

		Food 食品	Detergent 清潔劑	Packaging 包裝產品	Distribution 產品分銷	Bulk trading 散裝貿易	Electronics 電子產品	Others 其他	Inter- segment elimination 各分部間 的抵銷	Consolidated 綜合
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
(i) Revenue	收入									
Revenue from external customers	對外客戶收入	997,020	82,269	450,436	125,453	5,960	—	1,900	—	1,663,038
Inter-segment sales	各分部間的銷售	73,323	10,157	—	2,228	19,814	—	—	(105,522)	—
Other revenue	其他收入	5,549	962	1,364	3,314	1,893	—	4,112	—	17,194
Total revenue	總收入	1,075,892	93,388	451,800	130,995	27,667	—	6,012	(105,522)	1,680,232
(ii) Segment results	分部業績	78,769	4,439	(16,994)	16,262	(4,943)	—	(42,217)	—	35,316
Net interest expenses	淨利息支出	—	—	—	—	—	—	—	—	(24,232)
Loss on disposal of properties	出售物業虧損	—	—	(5,415)	—	—	—	—	—	(5,415)
Release of negative goodwill	負商譽的變現	—	—	—	—	—	—	2,747	—	2,747
Impairment	減值									
– fixed assets	– 固定資產	(142,125)	—	(184,823)	—	(23,286)	—	—	—	(350,234)
– goodwill	– 商譽	(12,539)	—	—	—	—	—	—	—	(12,539)
Share of results of associates	應佔聯營公司的業績	—	—	—	—	—	—	(61)	—	(61)
Share of results of a jointly controlled entity	應佔共同控制個體的業績	5,771	—	—	—	—	—	—	—	5,771
Taxation	稅項	—	—	—	—	—	—	—	—	(7,374)
Minority interests	少數股東權益	—	—	—	—	—	—	—	—	136,781
Loss attributable to shareholders	股東應佔虧損									(219,240)
(iii) Depreciation and amortisation for the year	是年度折舊及攤銷	42,401	1,734	36,842	522	3,364	—	7,106	—	91,969
(iv) Provision for doubtful debts	呆賬準備	2,076	245	2,803	860	8	—	20	—	6,012
(v) Segment assets	分部資產	842,173	32,751	487,039	84,841	42,105	—	274,369	—	1,763,278
Interests in jointly controlled entity and associates	共同控制個體及聯營公司權益	58,930	—	—	—	—	—	25,690	—	84,620
Unallocated assets	未分配資產	—	—	—	—	—	—	—	—	5,108
Total assets	總資產									1,853,006
(vi) Segment liabilities	分部負債	213,581	16,168	104,332	15,796	5,112	—	28,555	—	383,544
Unallocated liabilities	未分配負債	—	—	—	—	—	—	—	—	448,258
Total liabilities	總負債									831,802
(vii) Capital expenditure incurred during the year	是年度資本支出	7,750	442	2,229	160	11	—	780	—	11,372

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

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32. SEGMENT REPORTING *(continued)*

32. 分部報告 (續)

2001 *(continued)*

二零零一年 (續)

(B) Geographical segments

(B) 地區分部

		Mainland China	Hong Kong	Taiwan	United States of America	Consolidated
		中國大陸	香港	台灣	美國	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue from external customers	對外客戶收入	965,761	423,616	273,661	—	1,663,038
Segment assets	分部資產	1,043,279	457,989	351,738	—	1,853,006
Capital expenditure incurred during the year	是年度資本支出	8,777	1,026	1,569	—	11,372

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31st December 2001
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32. SEGMENT REPORTING *(continued)*

32. 分部報告 (續)

2000

二零零零年

(A) Business segments

(A) 業務分部

		Food 食品	Detergent 清潔劑	Packaging 包裝產品	Distribution 產品分銷	Bulk trading 散裝貿易	Electronics 電子產品	Others 其他	Inter- segment elimination 各分部間的抵銷	Consolidated 綜合
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
(i) Revenue	收入									
Revenue from external customers	對外客戶收入	1,054,770	88,145	482,648	—	35,860	120,929	4,183	—	1,786,535
Inter-segment sales	各分部間的銷售	—	68	—	—	28,349	—	—	(28,417)	—
Other revenue	其他收入	6,688	741	7,123	—	3,423	—	—	—	17,975
Total revenue	總收入	<u>1,061,458</u>	<u>88,954</u>	<u>489,771</u>	<u>—</u>	<u>67,632</u>	<u>120,929</u>	<u>4,183</u>	<u>(28,417)</u>	<u>1,804,510</u>
(ii) Segment results	分部業績	63,834	3,355	(29,065)	—	(6,349)	(10,896)	(32,559)	—	(11,680)
Net interest expenses	淨利息支出									(47,801)
Provision for diminution in value of subsidiaries written back	附屬公司賬面減值準備撥回	—	—	—	—	—	—	12,856	—	12,856
Profit on disposal of investment securities	出售證券投資溢利	—	—	—	—	—	—	1,629	—	1,629
Profit on disposal of associates	出售聯營公司溢利	—	—	—	—	—	—	16,101	—	16,101
Provision for Group restructuring cost	集團重組費用準備	—	—	—	—	—	—	(6,540)	—	(6,540)
Provision for contingent loss in respect of wheat quota impairment	有關小麥配額的或然虧損準備減值	(23,600)	—	—	—	—	—	—	—	(23,600)
— fixed assets	— 固定資產	—	—	—	—	—	—	(56,525)	—	(56,525)
Share of results of associates	應佔聯營公司的業績	—	—	—	—	—	—	778	—	778
Share of results of a jointly controlled entity	應佔共同控制個體的業績	3,347	—	—	—	—	—	—	—	3,347
Taxation	稅項	—	—	—	—	—	—	—	—	(8,848)
Minority interests	少數股東權益	—	—	—	—	—	—	—	—	33,686
Loss attributable to shareholders	股東應佔虧損									<u>(86,597)</u>
(iii) Depreciation and amortisation for the year	是年度的折舊及攤銷	<u>46,510</u>	<u>1,833</u>	<u>44,501</u>	<u>—</u>	<u>4,019</u>	<u>2,216</u>	<u>11,055</u>	<u>—</u>	<u>110,134</u>
(iv) Provision for doubtful debts	呆賬準備	<u>2,955</u>	<u>375</u>	<u>13,723</u>	<u>—</u>	<u>—</u>	<u>52</u>	<u>—</u>	<u>—</u>	<u>17,105</u>
(v) Segment assets	分部資產	1,045,140	41,812	816,669	—	74,935	63,304	480,790	—	2,522,650
Interests in jointly controlled entity and associates	共同控制個體及聯營公司權益	53,910	—	—	—	—	—	25,742	—	79,652
Unallocated assets	未分配資產	—	—	—	—	—	—	—	—	19,975
Total assets	總資產									<u>2,622,277</u>
(vi) Segment liabilities	分部負債	184,509	18,098	104,223	—	1,344	24,697	28,413	—	361,284
Unallocated liabilities	未分配負債	—	—	—	—	—	—	—	—	838,220
Total liabilities	總負債									<u>1,199,504</u>
(vii) Capital expenditure incurred during the year	是年度資本支出	<u>19,859</u>	<u>503</u>	<u>10,583</u>	<u>—</u>	<u>—</u>	<u>767</u>	<u>2,609</u>	<u>—</u>	<u>34,321</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

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32. SEGMENT REPORTING *(continued)*

2000 *(continued)*

(B) Geographical segments

		Mainland China	Hong Kong	Taiwan	United States of America	Consolidated
		中國大陸	香港	台灣	美國	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue from external customers	對外客戶收入	972,643	424,299	268,664	120,929	1,786,535
Segment assets	分部資產	1,345,719	686,416	522,846	67,296	2,622,277
Capital expenditure incurred during the year	是年度資本支出	21,146	3,077	9,331	767	34,321

33. COMPARATIVE FIGURES

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

32. 分部報告 (續)

二零零零年 (續)

(B) 地區分部

33. 比較數字

若干比較數字已重新分類，以配合是年度財務報表之編列方式。