

## 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 (“Stock Exchange”). 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 SSAP 12 (revised) “Income Taxes” issued by the HKSA which is effective for accounting periods commencing on or after 1st January 2003.

#### *Adoption of SSAP 12 (revised) “Income Taxes”*

In previous years, deferred taxation was calculated under the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt.

In the current year, the Group has adopted SSAP 12 (revised). The principal effect of the implementation of SSAP 12 (revised) is in relation to deferred tax. SSAP 12 (revised) requires the adoption of a balance sheet liability method, whereby deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions.

## 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（「聯交所」）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，本集團採納由香港會計師公會頒佈之會計實務準則第12號（修訂後）「所得稅」，該會計實務準則於二零零三年一月一日或以後開始之會計報告期生效。

#### *採納會計實務準則第12號（修訂後）「所得稅」*

在以往年度，遞延稅項按預期在可見將來有合理之可能性下而產生因會計與稅務處理收入及支出的重大時間差異所引起之稅務後果，以負債法作出準備。遞延稅項資產只會在合理保證可實現時才會被確認。

於本年度，本集團已採納會計實務準則第12號（修訂後）。實行會計實務準則第12號（修訂後）之主要影響在於遞延稅項。會計實務準則第12號（修訂後）規定採用資產負債表負債法，除有限之例外以外，應就資產及負債在賬目內之賬面值與其於計算應課稅溢利中所使用之相關稅基兩者之暫時性差異作出遞延稅項之準備。

**1. PRINCIPAL ACCOUNTING POLICIES (continued)****(a) Basis of preparation (continued)**

The change in accounting policy has been accounted for retrospectively. Comparative amounts for 2002 have been restated accordingly. This has resulted in a decrease in the Group's profit for 2002 and 2003 of HK\$3,209,000 and HK\$5,478,000 respectively. Opening balances of revenue reserve brought forward as at 1st January 2002 and 1st January 2003 have been increased by HK\$15,339,000 and HK\$12,130,000 respectively.

**(b) Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31st December 2003. 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, advertising and promotion services are recognised at the time when the services are provided.

**1. 主要會計政策 (續)****(a) 編制財務報表的準則 (續)**

此會計政策的變動具追溯效力，因此2002年度數字須重新編列。會計政策之變動導致截至二零零二年十二月三十一日止年度與二零零三年十二月三十一日止年度之股東應佔溢利分別減少港幣3,209,000元和港幣5,478,000元。於二零零二年一月一日與二零零三年一月一日之期初收益儲備分別增加港幣15,339,000元和港幣12,130,000元。

**(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二零零三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有效之收購日起或截至有效之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、廣告及宣傳服務之收入則在提供服務後入賬。

**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 consolidated financial statements are prepared by using the net investment method such that the balance sheets of the Company's foreign enterprises are translated into Hong Kong dollars at market exchange rates ruling at the balance sheet date while the income statements are translated into Hong Kong dollars at average rate for the year. Any 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.

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.

**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。

綜合財務報表以淨投資方法編制，將本公司之海外企業之資產負債表按資產負債表結算日之市場匯率折算為港幣而該等企業之收益表則按期內之平均匯率折算為港幣。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報。分部間的轉讓定價乃按成本加上適當的毛利而釐定。

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。

**1. PRINCIPAL ACCOUNTING POLICIES (continued)****(e) Segment reporting (continued)**

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 a fixed asset has been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of the fixed asset.

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 <sup>2</sup> / <sub>3</sub> % — 33 <sup>1</sup> / <sub>3</sub> % |
| Other fixed assets                   | 5% — 33 <sup>1</sup> / <sub>3</sub> %                              |

**1. 主要會計政策 (續)****(e) 分部報告 (續)**

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。

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 <sup>2</sup> / <sub>3</sub> % — 33 <sup>1</sup> / <sub>3</sub> % |
| 其他固定資產    | 5% — 33 <sup>1</sup> / <sub>3</sub> %                              |

**1. PRINCIPAL ACCOUNTING POLICIES (continued)****(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.

**(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**

Trademarks are stated at cost or valuation less accumulated amortisation and impairment losses. Amortisation is calculated to write off the cost or valuation of trademarks on a straight-line basis over their estimated useful lives of 5 years.

**(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.

**1. 主要會計政策 (續)****(g) 以融資租賃購買的資產**

以融資租賃購買的資產，其原值會列作固定資產，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。

**(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**

商標乃按成本或估值減累積攤銷及減值虧損列賬。商標之成本或估值以直線法按五年之估計可使用年期攤銷。

**(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。

**1. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(k) Subsidiaries** *(continued)*

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.

**(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.

**1. 主要會計政策 (續)****(k) 附屬公司 (續)**

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。

**(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。

綜合收益表已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。

**1. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(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.

**(o) Goodwill and negative goodwill**

The Group recognises goodwill as an asset which is amortised on a straight-line basis over its estimated useful life of 5 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 and loss on disposal.

**1. 主要會計政策** (續)**(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。

**(o) 商譽及負商譽**

本集團確認商譽為資產，並按五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。

**1. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(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.

**(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).

**1. 主要會計政策 (續)****(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。

**(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）。



**1. PRINCIPAL ACCOUNTING POLICIES (continued)****(p) Impairment of assets (continued)****(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.

**(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) Other investments**

Other investments representing commercial papers are stated at fair value at balance sheet date.

**(s) Employee benefits**

(i) Obligations for contributions to defined contribution retirement plans, including contributions payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance and central pension plans applicable to employees in the People's Republic of China, are recognised as an expense in the income statement as incurred.

**1. 主要會計政策 (續)****(p) 資產減值 (續)****(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明確關係時，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。

**(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) 其他投資**

其他投資代表商業票據，按結算日的公平價值列賬。

**(s) 僱員福利**

(i) 定額供款退休計劃下之供款負債包括香港強制性公積金條例及適用於國內員工之中央退休計劃下之供款，均在其發生年度的收益表中入賬。

**1. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(s) Employee benefits** *(continued)*

- (ii) The Group's net obligations in respect of defined benefit retirement plans are calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine the present value, and the fair value of any plan assets is deducted. The discount rates are the interest rates at balance sheet date of long term government bonds that have maturity dates approximating the terms of the Group's obligations and Central Trust of China where the pension fund is deposited. The calculation is performed by a qualified actuary using the projected unit credit cost method. When the benefits of a plan are improved, the portion of the increased benefits relating to past services by employees are recognised as an expense in the income statement on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the income statement.

In calculating the Group's obligation in respect of a plan, to the extent that any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the defined benefit obligation and the fair value of plan assets, that portion is recognised in the income statement over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognised.

**1. 主要會計政策** (續)**(s) 僱員福利** (續)

- (ii) 本集團對定額福利退休計劃下之供款負債乃根據每一項計劃下僱員在本年度及以往年度期間內提供服務而估計往後可得之利益；該利益已折現成現值，並已扣除所有計劃的資產的公平價值。折現率等於政府長期債券於結算日的利率而到期日與集團供款期相若之收益及中央信託局於結算日的利率。此結果是由一合資格精算師按照預算單位成本法計算。當有任何一個計劃的利益有所改善，而由僱員過往提供服務而增加之利益已在利益表的費用按照直線法以平均年期入賬直至該利益不再變動。如該利益不再變動，有關之費用將會立即錄入利益表。

在計算本集團某一項計劃的供款時，如有任何累計未入賬之精算損益超出定額福利供款計劃供款之現值或計劃資產公平價值（以較高者為準）之百分之十，該部分將以參與該計劃之員工的估計餘下年期按期攤分入賬。否則該精算損益則不入賬。

**1. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(s) Employee benefits** *(continued)*(ii) *(continued)*

Where the calculation of the Group's net obligation results in a negative amount, the asset recognised is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

- (iii) Obligation in respect of unclaimed annual leave of employees is calculated based on the estimated average number of days of unclaimed annual leave, the average amount of basic salary per employee and the total number of employees as at 31st December 2003. When the unclaimed annual leave is utilised, the obligation will be released accordingly.

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

- (iv) When the Group grants employees options to acquire shares of the Company, no employee benefit cost or obligation is recognised at the date of the grant. When the options are exercised, equity is increased by the amount of the proceeds received.

- (v) Termination benefits are recognised when and only when the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic probability of withdrawal.

**1. 主要會計政策** (續)**(s) 僱員福利** (續)

## (ii) (續)

如計算該供款收益結果為負數，該項計劃之認可資產只限於任何未確認之精算損失及過往服務費用及該項計劃之任何未來退款或未來供款之節省金額之現值。

- (iii) 待領的僱員年假的負債是按估計平均領取的年假日數，每僱員的平均基本薪酬及於二零零三年十二月三十一日的僱員總數來計算，當待領的年假被領取後，相關的負債亦會被釋放。

僱員之病假及產假不作確認，直至僱員正式休假為止。

- (iv) 如本集團授予僱員本公司之購股權，獲授當日將不會確認任何僱員福利成本或負債。當該購股權被行使時，有關之收入則撥入股東權益。

- (v) 只有當本集團具體表明停止僱用員工或有詳細正式之自願離職計劃需要提供離職福利時，才把該福利入賬。

**1. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(t) 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)****(t) 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。

## 1. PRINCIPAL ACCOUNTING POLICIES (continued)

### (u) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable and deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interest in a jointly controlled entity, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

## 1. 主要會計政策 (續)

### (u) 所得稅

所得稅支出是當期應付稅項及遞延稅項的總額。

當期應付稅項是根據當年應課稅溢利計算。應課稅溢利不同於收益表上列報的淨溢利，因為其並未計入在其他年度內的應課稅收入或可抵扣支出等項目，並且不包括不需課稅或不可抵扣的收益表項目。

遞延稅項是由於財務報表中資產和負債的賬面金額與其用於計算應課稅溢利的相應稅基之間的差額所產生的預期應付或可收回稅項。遞延稅項採用資產負債表負債法核算。一般情況下，所有應課稅暫時性差異產生的遞延稅項負債均予確認，而遞延稅項資產則只能在未來應課稅溢利足以用作抵銷可抵扣暫時性差異的限度內，才予以確認。如果暫時性差異是由商譽(或負商譽)，或在不影響應課稅溢利及會計溢利的交易(除了企業合併)中的其他資產和負債的初始確認下產生的，則該等遞延稅項資產和負債不予確認。

於附屬公司和聯營公司投資及共同控制個體權益產生的應課稅暫時性差異會確認為遞延稅項負債，但本集團能夠控制這些暫時性差異的轉回，及暫時性差異在可見將來很可能不會轉回的情況則屬例外。

**1. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(u) Income tax** *(continued)*

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

**(v) Forward foreign exchange contracts**

Forward foreign exchange contracts represent forward transactions undertaken by the Group in the foreign exchange market. Such transactions are for hedging purpose and are valued on an equivalent basis to the assets, liabilities or net positions which they are hedging. Net gains or losses are recognised on such transactions in respect of all open contracts existing at the balance sheet date by translating the contract amounts at the prices ruling at the balance sheet date, and on all closed positions on the trade date basis.

**(w) Related parties**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or to 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.

**1. 主要會計政策 (續)****(u) 所得稅 (續)**

遞延稅項資產的賬面值於每一個結算日進行核查。若沒有足夠未來應課稅溢利，收回部份或全部遞延稅項資產，則按不能轉回的部份扣減遞延稅項資產。

遞延稅項是按預期於實現資產或清償負債時的當期所得稅率計算。遞延稅項於收益表入賬。與直接記入權益項目有關的遞延稅項則計算於權益內。

**(v) 遠期外匯合約**

遠期外匯合約是指本集團在外匯市場上所進行之遠期交易。該等交易是用作對沖風險，以其對沖的資產、負債或淨財務狀況之等值基準估值。該等交易之盈虧淨額以結算日價格換算合約金額按於結算日現有所有未平倉合約及於交易日所有已平倉合約予以確認。

**(w) 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。

**1. PRINCIPAL ACCOUNTING POLICIES (continued)****(x) Cash equivalents**

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents include investments and advances denominated in foreign currencies provided that they fulfill the above criteria.

**2. TURNOVER**

The Company is an investment holding company and the principal activities of the subsidiaries are set out on pages 116 to 123.

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

|                 |      | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|-----------------|------|-----------------------------------|-----------------------------------|
| Sales of goods  | 出售商品 | 2,033,308                         | 1,904,424                         |
| Rental income   | 租金收入 | 2,830                             | 3,813                             |
| Dividend income | 股息收入 | 224                               | 107                               |
|                 |      | <b>2,036,362</b>                  | <b>1,908,344</b>                  |

**1. 主要會計政策 (續)****(x) 現金等值物**

現金等值物為可以即時轉換為確實數額現金的短期及高度流動投資而面對極少價值變動之風險。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。

**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116頁至第123頁。

營業額代表售予對外客戶的商品的發票淨值、租金收入和股息收入。本集團的營業額分析如下：

## 3. OTHER INCOME

|                                  |         | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|----------------------------------|---------|-----------------------------------|-----------------------------------|
| Management fee income            | 管理費收入   | 2,600                             | 3,599                             |
| Advertising and promotion income | 廣告及宣傳收入 | —                                 | 3,000                             |
| Sales of scrap                   | 出售廢料    | 1,118                             | 2,763                             |
| Others                           | 其他      | 673                               | 6,145                             |
|                                  |         | <b>4,391</b>                      | <b>15,507</b>                     |

## 3. 其他收入

## 4. NET INTEREST EXPENSES

|   |                                    | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|---|------------------------------------|-----------------------------------|-----------------------------------|
| Interest on bank loans, overdrafts<br>and other loans wholly repayable<br>within five years | 於五年內全部償還之銀行<br>貸款、透支及其他貸款<br>的利息支出 | 12,566                            | 16,982                            |
| Interest on finance leases  | 融資租賃的利息支出                          | 11                                | 12                                |
| Total borrowing costs incurred  | 總實際借貸成本                            | 12,577                            | 16,994                            |
| Less: interest income   | 減：利息收入                             | (1,531)                           | (3,233)                           |
|   |                                    | <b>11,046</b>                     | <b>13,761</b>                     |

## 4. 淨利息支出



## 5. OPERATING PROFIT

## 5. 經營溢利

|   |                                       | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|---|---------------------------------------|-----------------------------------|-----------------------------------|
| Operating profit is arrived at after charging/(crediting):  | 經營溢利已扣除／(計入)下列各項：                     |                                   |                                   |
| Staff costs (excluding directors' remuneration)   | 職工成本(不包括董事酬金)                         |                                   |                                   |
| – Wages and salaries  | – 工資及薪金                               | 190,796                           | 184,106                           |
| – Pension costs   | – 退休金成本                               |                                   |                                   |
| – Defined contribution retirement plans (net of forfeited contributions of HK\$nil (2002: HK\$nil)) | – 定額供款退休計劃 (已扣除遭沒收供款港幣零元(二零零二年：港幣零元)) | 9,544                             | 8,245                             |
| – Defined benefits retirement plans (Note 27(b)(iii))   | – 定額福利退休計劃 (附註27(b)(iii))             | 2,022                             | 1,736                             |
|   |                                       | <b>202,362</b>                    | 194,087                           |
| Auditors' remuneration  | 核數師酬金                                 | 706                               | 1,277                             |
| Depreciation  | 折舊                                    |                                   |                                   |
| – owned assets  | – 自置資產                                | 65,091                            | 62,681                            |
| – assets held under finance leases  | – 以融資租賃購置的資產                          | 36                                | 36                                |
| – assets held for use under operating leases  | – 以供營業租賃的資產                           | 256                               | 273                               |
|   |                                       | <b>65,383</b>                     | 62,990                            |
| Amortisation of trademarks  | 商標攤銷                                  | 7,364                             | 7,364                             |
| Operating lease rental of properties  | 營業租賃物業的租金費用                           | 3,183                             | 3,619                             |
| Net proceeds from disposal of fixed assets  | 出售固定資產的所得款項淨額                         | (10,671)                          | (1,695)                           |
| Less: Carrying value of fixed assets  | 減：固定資產賬面值                             | 10,106                            | 1,833                             |
| (Gain)/loss on disposal of fixed assets   | 出售固定資產的(溢利)／虧損                        | (565)                             | 138                               |
| Provision for doubtful debts  | 呆賬準備                                  | 6,336                             | 1,876                             |
| Provision for obsolete inventories  | 呆滯存貨準備                                | 3,866                             | 11,863                            |
| Rental income less outgoings  | 租金收入減開支                               | (2,746)                           | (3,722)                           |

## 6. DIRECTORS' AND SENIOR EXECUTIVES' REMUNERATION

- (a) The aggregate remuneration of the directors of the Company calculated in accordance with Section 161 of the Hong Kong Companies Ordinance is as follows:

|  |                 | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|--|-----------------|-----------------------------------|-----------------------------------|
| Directors' fees  | 董事袍金            |                                   |                                   |
| – Executive  | – 執行            | —                                 | 50                                |
| – Non-executive  | – 非執行           | 630                               | 540                               |
| Salaries, housing, other allowances and benefits in kind | 薪金、宿舍、其他津貼及實物利益 | 7,108                             | 6,457                             |
| Pension scheme contributions                             | 退休金計劃供款         | 346                               | 234                               |
|  |                 | <b>8,084</b>                      | <b>7,281</b>                      |

The independent non-executive directors received HK\$200,000 as directors' fees for the year.

The remuneration of certain directors represents remuneration received in respect of services rendered to the Company and its Hong Kong and overseas subsidiaries.

The number of directors whose remuneration fell within the following bands was:

| HK\$<br>港幣(元)         | 2003<br>二零零三年 | 2002<br>二零零二年 |
|-----------------------|---------------|---------------|
| Nil – 1,000,000       | 10            | 10            |
| 1,500,001 – 2,000,000 | —             | 1             |
| 2,000,001 – 2,500,000 | 1             | —             |
| 4,500,001 – 5,000,000 | 1             | 1             |
|                       | <b>12</b>     | <b>12</b>     |

There was no arrangement under which a director had waived or agreed to waive any remuneration.

## 6. 董事及高級行政人員酬金

- (a) 根據香港公司條例第一百六十一條而計算本公司的董事酬金總額如下：

|  | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Director's fees  | —                                 | 50                                |
| – Executive  | —                                 | 50                                |
| – Non-executive  | 630                               | 540                               |
| Salaries, housing, other allowances and benefits in kind | 7,108                             | 6,457                             |
| Pension scheme contributions                             | 346                               | 234                               |
|  | <b>8,084</b>                      | <b>7,281</b>                      |

是年度，獨立非執行董事收取董事袍金共港幣200,000元。

若干董事的酬金為彼等服務本公司及本公司在香港及海外附屬公司的報酬。

酬金屬下列幅度之董事數目如下：

|                       | 2003<br>二零零三年 | 2002<br>二零零二年 |
|-----------------------|---------------|---------------|
| Nil – 1,000,000       | 10            | 10            |
| 1,500,001 – 2,000,000 | —             | 1             |
| 2,000,001 – 2,500,000 | 1             | —             |
| 4,500,001 – 5,000,000 | 1             | 1             |
|                       | <b>12</b>     | <b>12</b>     |

並無董事訂立已放棄或同意放棄收取其酬金的安排。

## 6. DIRECTORS' AND SENIOR EXECUTIVES' REMUNERATION

(continued)

## (b) The five highest paid individuals

The five highest paid individuals included two directors, details of whose remuneration are set out above. The remaining employees' remuneration are analysed as follows:

|  |                 | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|--|-----------------|-----------------------------------|-----------------------------------|
| Salaries, housing, other allowances and benefits in kind | 薪金、宿舍、其他津貼及實物利益 | 4,648                             | 4,958                             |
| Pension scheme contributions                             | 退休金計劃供款         | 98                                | 218                               |
|  |                 | <b>4,746</b>                      | <b>5,176#</b>                     |

The number of employees whose remuneration fell within the following bands was:

| HK\$<br>港幣(元)         | 2003<br>二零零三年 | 2002<br>二零零二年 |
|-----------------------|---------------|---------------|
| Nil – 1,000,000       | —             | 1             |
| 1,000,001 – 1,500,000 | 2             | 2             |
| 1,500,001 – 2,000,000 | —             | 1             |
| 2,000,001 – 2,500,000 | 1             | —             |
|                       | <b>3</b>      | <b>4#</b>     |

# It included remuneration received by an employee from 1st January 2002 to 31st May 2002. The employee was appointed as an executive director of the Company on 1st June 2002 and the remuneration received thereafter was included in directors' remuneration.

The remuneration of certain individuals represents remuneration received in respect of services rendered to the Company and its Hong Kong and overseas subsidiaries.

## 6. 董事及高級行政人員酬金

(續)

## (b) 五名最高收入的僱員

五名最高收入的僱員包括兩名董事，酬金的詳情已列於上文。餘下僱員的薪金詳情如下：

|  |                 | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|--|-----------------|-----------------------------------|-----------------------------------|
| Salaries, housing, other allowances and benefits in kind | 薪金、宿舍、其他津貼及實物利益 | 4,648                             | 4,958                             |
| Pension scheme contributions                             | 退休金計劃供款         | 98                                | 218                               |
|  |                 | <b>4,746</b>                      | <b>5,176#</b>                     |

酬金屬下列幅度的僱員數目如下：

| HK\$<br>港幣(元)         | 2003<br>二零零三年 | 2002<br>二零零二年 |
|-----------------------|---------------|---------------|
| Nil – 1,000,000       | —             | 1             |
| 1,000,001 – 1,500,000 | 2             | 2             |
| 1,500,001 – 2,000,000 | —             | 1             |
| 2,000,001 – 2,500,000 | 1             | —             |
|                       | <b>3</b>      | <b>4#</b>     |

# 包括一名僱員收取由二零零二年一月一日至二零零二年五月三十一日期間之酬金。該僱員於二零零二年六月一日被委任為本公司之董事而期後所收取之酬金已包括董事酬金內。

若干僱員的酬金為彼等服務本公司及本公司在香港及海外附屬公司的報酬。

## 7. TAXATION

- (a) Hong Kong profits tax has been provided for at the rate of 17.5% (2002: 16%) on the respective estimated assessable profits of the companies within the Group operating in Hong Kong for the year.
- (b) The income tax expense represents the sum of the tax currently payable and deferred tax. The taxation charge is made up as follows:

## 7. 稅項

- (a) 本集團於香港運作之公司之利得稅準備乃根據年內估計應課稅溢利按稅率17.5%(二零零二年: 16%)計算。
- (b) 所得稅支出是當期應付稅項及遞延稅項的總額。稅項支出之組成如下:

|  |                 | <b>2003</b>     | <i>Restated</i> |
|--|-----------------|-----------------|-----------------|
|  |                 | 二零零三年           | 二零零二年           |
|  |                 | <b>HK\$'000</b> | <b>HK\$'000</b> |
|  |                 | 港幣千元            | 港幣千元            |
| Current tax:                                     | 本年稅項:           |                 |                 |
| Hong Kong taxation                               | 香港稅項            | 2,614           | 3,472           |
| Under-provision in respect of prior years        | 過往年度之不足撥備       | 139             | 394             |
|  |                 | <b>2,753</b>    | <b>3,866</b>    |
| Overseas taxation                                | 海外稅項            | 9,480           | 14,220          |
| Under/(over)-provision in respect of prior years | 過往年度之不足/ (超額)撥備 | 880             | (1,016)         |
|  |                 | <b>10,360</b>   | <b>13,204</b>   |
| Deferred taxation (Note 8(a)):                   | 遞延稅項 (附註8(a)):  |                 |                 |
| Current year                                     | 當年產生            | 6,885           | 6,209           |
| Attributable to increase in tax rate             | 由於稅率上升的影響       | (738)           | —               |
|  |                 | <b>6,147</b>    | <b>6,209</b>    |
| Jointly controlled entity:                       | 共同控制個體:         |                 |                 |
| Hong Kong taxation                               | 香港稅項            | 408             | 292             |
|  |                 | <b>19,668</b>   | <b>23,571</b>   |

## 7. TAXATION (continued)

- (c) Overseas taxation represents tax charge on the estimated taxable profits of certain subsidiaries operating in the People's Republic of China (the "PRC") and Taiwan, calculated at the rates prevailing in the respective regions.

Certain subsidiaries operating in the PRC are subject to income tax rate which ranged from 15% to 27% (2002: 15% to 27%).

Subsidiaries operating in Taiwan are subject to income tax at a maximum rate of 25% (2002: 25%).

- (d) The charge for the year can be reconciled to the profit before taxation per the income statement as follows:

## 7. 稅項 (續)

- (c) 海外稅項指於中華人民共和國(「中國」)及於台灣經營之若干附屬公司就估計應課稅溢利按兩地當時各自之稅率計算的稅項支出。

於中國境內營業之若干附屬公司，其所得稅稅率為15%至27%(2002: 15%至27%)。

於台灣境內營業之附屬公司，其所得稅稅率最高為25%(2002: 25%)。

- (d) 收益表中除稅前溢利與是年間之稅項支出調節如下：

|  |                             | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|--|-----------------------------|-----------------------------------|-----------------------------------|
| Profit before taxation   | 除稅前溢利                       | 61,171                            | 43,038                            |
| Applicable tax rate (%)  | 適用稅率                        | 17.5                              | 16.0                              |
| Tax on profit before taxation, calculated at the applicable tax rate                                 | 按適用稅率計算之除稅前溢利之稅項            | 10,705                            | 6,886                             |
| Tax effect of non-deductible expenses in determining taxable profit                                  | 稅務上不可扣減的開支之稅務影響             | 6,305                             | 9,388                             |
| Tax effect of non-taxable revenue in determining taxable profit                                      | 無需課稅的收入之稅務影響                | (889)                             | (568)                             |
| Tax effect of current year's tax losses not recognised   | 未予以確認之本年度稅務虧損之稅務影響          | 9,097                             | 9,950                             |
| Tax effect of prior year's unrecognised tax losses utilised in this year                             | 使用於過往年度不予以確認之稅務虧損之稅務影響      | (800)                             | (32)                              |
| Tax effect of entitlement to tax holiday by a subsidiary   | 一間附屬公司享有稅務寬減期之稅務影響          | (5,265)                           | —                                 |
| Increase in net opening deferred tax assets resulting from an increase in Hong Kong profits tax rate | 因香港所得稅稅率增加而產生的期初遞延稅項資產淨值之增加 | (738)                             | —                                 |
| 10% surtax on unappropriated earnings of subsidiaries  | 按若干附屬公司之未分配盈餘加徵10%稅款        | 371                               | 1,065                             |
| Effect of different tax rates of subsidiaries operating in other jurisdictions                       | 在其他地區經營的附屬公司之不同稅率之稅務影響      | (99)                              | (738)                             |
| Under/(over)-provision in respect of prior years   | 過往年度之不足/(超額)撥備              | 1,019                             | (622)                             |
| Others   | 其他                          | (38)                              | (1,758)                           |
| Tax expense for the year   | 本年所得稅支出                     | 19,668                            | 23,571                            |

## 8. DEFERRED TAXATION

## (a) The Group

The components of deferred tax assets and liabilities recognised in the consolidated balance sheet and the movements thereon during the current and prior year:

|   |                        | Accelerated<br>tax<br>depreciation | Impairment<br>of fixed assets | Provisions | Trademarks | Tax<br>losses | Future<br>benefit of<br>expenses | Others   | Total    |
|---|------------------------|------------------------------------|-------------------------------|------------|------------|---------------|----------------------------------|----------|----------|
|   |                        | 加速折舊<br>免稅額                        | 資產減值                          | 撥備         | 商標         | 稅務虧損          | 帶來未來<br>利益的支出                    | 其他       | 合計       |
|   |                        | HK\$'000                           | HK\$'000                      | HK\$'000   | HK\$'000   | HK\$'000      | HK\$'000                         | HK\$'000 | HK\$'000 |
|   |                        | 港幣千元                               | 港幣千元                          | 港幣千元       | 港幣千元       | 港幣千元          | 港幣千元                             | 港幣千元     | 港幣千元     |
| At 1st January 2002 as previously reported                            | 二零零二年一月一日如先前列出         | 4,719                              | —                             | —          | —          | —             | (3,457)                          | —        | 1,262    |
| Adjustment on adoption of SSAP 12 (revised)                           | 採納會計準則第12號(修訂後)所產生的調整  | 12,401                             | (15,951)                      | (3,994)    | 5,607      | (13,154)      | —                                | (562)    | (15,653) |
| As restated   | 重列後                    | 17,120                             | (15,951)                      | (3,994)    | 5,607      | (13,154)      | (3,457)                          | (562)    | (14,391) |
| Charged/(credited) to income statement                                | 於收益表內支取/(撥回)           | 4,784                              | 1,830                         | 1,108      | (1,121)    | 1,404         | (1,634)                          | (162)    | 6,209    |
| Exchange differences  | 外匯差異                   | (175)                              | (255)                         | —          | —          | —             | (121)                            | —        | (551)    |
| At 31st December 2002   | 二零零二年十二月三十一日           | 21,729                             | (14,376)                      | (2,886)    | 4,486      | (11,750)      | (5,212)                          | (724)    | (8,733)  |
| At 1st January 2003 as previously reported                            | 二零零三年一月一日如先前列出         | 9,540                              | —                             | —          | —          | —             | (5,212)                          | —        | 4,328    |
| Adjustment on adoption of SSAP 12 (revised)                           | 採納會計準則第12號(修訂後)所產生的調整  | 12,189                             | (14,376)                      | (2,886)    | 4,486      | (11,750)      | —                                | (724)    | (13,061) |
| As restated   | 重列後                    | 21,729                             | (14,376)                      | (2,886)    | 4,486      | (11,750)      | (5,212)                          | (724)    | (8,733)  |
| Charged/(credited) to income statement                                | 於收益表內支取/(撥回)           | (481)                              | 1,518                         | (206)      | (1,022)    | 6,995         | 1,259                            | (1,178)  | 6,885    |
| Exchange differences  | 外匯差異                   | 252                                | (114)                         | —          | —          | —             | (116)                            | —        | 22       |
| Effect of change in tax rate — charged/(credited) to income statement | 稅率變動的影響 — 於收益表內支取/(撥回) | (161)                              | —                             | (67)       | 420        | (920)         | —                                | (10)     | (738)    |
| At 31st December 2003   | 二零零三年十二月三十一日           | 21,339                             | (12,972)                      | (3,159)    | 3,884      | (5,675)       | (4,069)                          | (1,912)  | (2,564)  |

## 8. 遞延稅項

## (a) 本集團

在綜合資產負債表中確認的主要遞延稅項資產和負債及其於本年度及過往年度之變化如下：

## 8. DEFERRED TAXATION (continued)

## (a) The Group (continued)

The following is the analysis of the deferred tax balances for financial reporting purposes:

|                          |        | <i>Restated</i> |                 |
|--------------------------|--------|-----------------|-----------------|
|                          |        | 重列後             |                 |
|                          |        | 2003            | 2002            |
|                          |        | 二零零三年           | 二零零二年           |
|                          |        | <i>HK\$'000</i> | <i>HK\$'000</i> |
|                          |        | 港幣千元            | 港幣千元            |
| Deferred tax liabilities | 遞延稅項負債 | 20,278          | 21,799          |
| Deferred tax assets      | 遞延稅項資產 | (22,842)        | (30,532)        |
|                          |        | <b>(2,564)</b>  | <b>(8,733)</b>  |

At the balance sheet date, the Group has unused tax losses of HK\$478,455,000 (2002: HK\$501,617,000) available for offset against future taxable profits. A deferred tax asset has been recognised in respect of HK\$32,300,000 (2002: HK\$74,244,000) of such losses. No deferred tax assets have been recognised in respect of the remaining HK\$446,155,000 (2002: HK\$427,373,000) due to the unpredictability of future taxable profit streams. Included in unrecognised tax losses are losses of HK\$43,156,000 (2002: HK\$49,317,000) that will expire within five years. Other losses may be carried forward indefinitely.

## 8. 遞延稅項 (續)

## (a) 本集團 (續)

以下的遞延稅項結餘分析乃為財務報告列賬所用：

|                          |        | <i>Restated</i> |                 |
|--------------------------|--------|-----------------|-----------------|
|                          |        | 重列後             |                 |
|                          |        | 2003            | 2002            |
|                          |        | 二零零三年           | 二零零二年           |
|                          |        | <i>HK\$'000</i> | <i>HK\$'000</i> |
|                          |        | 港幣千元            | 港幣千元            |
| Deferred tax liabilities | 遞延稅項負債 | 20,278          | 21,799          |
| Deferred tax assets      | 遞延稅項資產 | (22,842)        | (30,532)        |
|                          |        | <b>(2,564)</b>  | <b>(8,733)</b>  |

在資產負債表結算日，本集團有港幣478,455,000元（二零零二年：港幣501,617,000元）的可用於抵扣未來應課稅溢利的稅務虧損。當中就該虧損確認了港幣32,300,000元（二零零二年：港幣74,244,000元）的遞延稅項資產。剩餘的港幣446,155,000元（二零零二年：港幣427,373,000元）的可抵扣虧損，因為未來溢利的不可預見性，所以並未就其確認為遞延稅項資產。另外，未確認的稅務虧損中有港幣43,156,000元（二零零二年：港幣49,317,000元）的虧損將於五年內到期。其他虧損可以無限期地結轉後期。

**8. DEFERRED TAXATION (continued)****(a) The Group (continued)**

At the balance sheet date, the Group has temporary differences of HK\$291,850,000 (2002: HK\$315,307,000) arising from impairment of certain fixed assets being provided on 31st December 2001. Deferred tax assets have been recognised in respect of HK\$77,126,000 (2002: HK\$83,970,000) of such differences. No deferred tax assets have been recognised in respect of the remaining HK\$214,724,000 (2002: HK\$231,337,000) due to the unpredictability of future profit streams arising from such fixed assets.

Temporary differences arising in connection with interests in associates and jointly controlled entities are insignificant.

**8. 遞延稅項 (續)****(a) 本集團 (續)**

於二零零一年十二月三十一日，本集團為若干固定資產作減值撥備，該等撥備於資產負債表結算日為集團產生港幣291,850,000元（二零零二年：港幣315,307,000元）的暫時性差異。當中就該差異確認了港幣77,126,000元（二零零二年：港幣83,970,000元）的遞延稅項資產。至於剩餘的港幣214,724,000元（二零零二年：港幣231,337,000元）的差異，因為未來溢利的不可預見性，所以未確認為遞延稅項資產。

與聯營公司和共同控制個體權益相關的暫時性差異並不重大。



**8. DEFERRED TAXATION (continued)****(b) The Company**

The components of deferred tax liabilities recognised in the balance sheet and the movements thereon during the current and prior year:

|   |                       | <b>Accelerated tax depreciation</b> |
|---|-----------------------|-------------------------------------|
|   |                       | <b>加速折舊免稅額</b>                      |
|   |                       | <i>HK\$'000</i>                     |
|   |                       | 港幣千元                                |
| At 1st January 2002 as previously reported  | 二零零二年一月一日如先前列出        | —                                   |
| Adjustment on adoption of SSAP 12 (revised) | 採納會計準則第12號(修訂後)所產生的調整 | 261                                 |
| As restated                                 | 重列後                   | 261                                 |
| Credited to income statement                | 於收益表內撥回               | (177)                               |
| At 31st December 2002                       | 二零零二年十二月三十一日          | 84                                  |
| At 1st January 2003 as previously reported  | 二零零三年一月一日如先前列出        | —                                   |
| Adjustment on adoption of SSAP 12 (revised) | 採納會計準則第12號(修訂後)所產生的調整 | 84                                  |
| As restated                                 | 重列後                   | 84                                  |
| Credited to income statement                | 於收益表內撥回               | (80)                                |
| Effect of change in tax rate                | 稅率變動的影響               |                                     |
| — charged to income statement               | 於收益表內支取               | 7                                   |
| At 31st December 2003                       | 二零零三年十二月三十一日          | 11                                  |

**9. PROFIT ATTRIBUTABLE TO SHAREHOLDERS**

Profit attributable to shareholders includes a loss of HK\$16,804,000 (2002 (restated): HK\$8,746,000) which has been dealt with in the financial statements of the Company.

**10. DIVIDEND**

Final dividend proposed after the balance sheet date of HK\$0.06 per share (2002: nil)

結算日後擬派之末期股息  
每股港幣0.06元  
(二零零二年：無)

**8. 遞延稅項 (續)****(b) 本公司**

在資產負債表中確認的主要遞延稅項負債及其變化如下：

**9. 股東應佔溢利**

股東應佔溢利已包括計算於本公司財務報表內港幣16,804,000元的虧損(二零零二年(重列後)：港幣8,746,000元)。

**10. 股息**

| <b>2003</b>     | 2002     |
|-----------------|----------|
| 二零零三年           | 二零零二年    |
| <b>HK\$'000</b> | HK\$'000 |
| 港幣千元            | 港幣千元     |
| <b>14,601</b>   | —        |

**10. DIVIDEND** *(continued)*

The final dividend proposed after the balance sheet date has not been recognised as liabilities at the balance sheet date.

**11. EARNINGS PER SHARE****(a) Basic**

The calculation of basic earnings per share is based on the profit attributable to shareholders of HK\$38,235,000 (2002 (restated): HK\$17,701,000) and the weighted average number of 243,354,165 (2002: 242,910,325) ordinary shares in issue during the year.

**(b) Diluted**

The diluted earnings per share for the year ended 31st December 2003 is not presented as the exercise price of the Company's share options was higher than the average market price of the Company's share for the year.

The diluted earnings per share for the year ended 31st December 2002 is not presented as there were no dilutive potential ordinary shares under outstanding share options and the exercise of the conversion right of the convertible 5% non-cumulative preference shares in the Company's subsidiary, Lam Soon Food Industries Limited ("LSF"), held by the Company ceased to have any effect on the earnings per share for the year as LSF became a wholly-owned subsidiary of the Company following the privatisation of LSF by the Company by way of a scheme of arrangement which was completed on 21st June 2002.

**10. 股息 (續)**

結算日後擬派之末期股息，並沒有於結算日列為負債項目。

**11. 每股盈利****(a) 基本**

每股基本盈利乃根據股東應佔溢利港幣38,235,000元(二零零二年(重列後): 港幣17,701,000元)及本公司於是年度內已發行普通股之加權平均數243,354,165股(二零零二年: 242,910,325股)計算。

**(b) 攤薄後**

由於本公司的購股權之行使價高於是年度內本公司股份之平均市場價格，因此並無列出截止二零零三年十二月三十一日止年度攤薄後之每股盈利。

由於尚未行使之認股權之潛在普通股並無攤薄的影響及行使本公司於附屬公司—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已停止對該年度溢利有任何影響(本公司已於二零零二年六月二十一日透過協議計劃完成南順食品私有化，將其成為本公司之全資附屬公司)。故此，並無列出截至二零零二年十二月三十一日止年度攤薄後之每股盈利。

## 12. FIXED ASSETS

## (a) The Group

|                                  |                          | Medium term<br>leasehold<br>properties<br>in Hong Kong<br>and leasehold<br>improvements<br>香港中期租約<br>物業及裝修<br>HK\$'000<br>港幣千元 | Freehold<br>properties<br>outside<br>Hong Kong<br>海外永久<br>業權物業<br>HK\$'000<br>港幣千元 | Long term<br>leasehold<br>properties<br>outside<br>Hong Kong<br>海外長期<br>租約物業<br>HK\$'000<br>港幣千元 | Medium term<br>leasehold<br>properties<br>outside<br>Hong Kong<br>海外中期<br>租約物業<br>HK\$'000<br>港幣千元 | Plant,<br>equipment,<br>furniture and<br>motor vehicles<br>廠房、設備、<br>傢俬及汽車<br>HK\$'000<br>港幣千元 | Total<br>合計<br>HK\$'000<br>港幣千元 |
|----------------------------------|--------------------------|--|--|--|--|--|---------------------------------|
| <b>Cost or valuation:</b>        | <b>成本值或估值：</b>           |  |  |  |  |  |                                 |
| At 1st January 2003              | 二零零三年一月一日                | 37,639   | 240,807  | 3,833  | 805,418  | 954,112  | 2,041,809                       |
| Exchange adjustments             | 外匯調整                     | —  | 4,427  | —  | (2,274)  | 3,275  | 5,428                           |
| Additions                        | 增添                       | —  | 132  | —  | 2,326  | 40,571   | 43,029                          |
| Disposals                        | 出售                       | (9,000)  | (682)  | (276)  | (2,164)  | (5,050)  | (17,172)                        |
| <b>At 31st December<br/>2003</b> | <b>二零零三年<br/>十二月三十一日</b> | <b>28,639</b>  | <b>244,684</b>   | <b>3,557</b>   | <b>803,306</b>   | <b>992,908</b>   | <b>2,073,094</b>                |
| <b>Representing:</b>             | <b>代表：</b>               |  |  |  |  |  |                                 |
| Cost                             | 成本值                      | 279  | 48,940   | 3,557  | 803,306  | 992,908  | 1,848,990                       |
| Valuation — 1994                 | 估值 — 一九九四年               | —  | 195,744  | —  | —  | —  | 195,744                         |
| — 2000                           | — 二零零零年                  | 28,360   | —  | —  | —  | —  | 28,360                          |
| <b>At 31st December<br/>2003</b> | <b>二零零三年<br/>十二月三十一日</b> | <b>28,639</b>  | <b>244,684</b>   | <b>3,557</b>   | <b>803,306</b>   | <b>992,908</b>   | <b>2,073,094</b>                |
| <b>Accumulated depreciation:</b> | <b>累積折舊：</b>             |  |  |  |  |  |                                 |
| At 1st January 2003              | 二零零三年一月一日                | 2,958  | 71,358   | 1,422  | 196,365  | 509,316  | 781,419                         |
| Exchange adjustments             | 外匯調整                     | —  | 1,288  | —  | (883)  | 2,825  | 3,230                           |
| Charge for the year              | 是年度折舊                    | 1,175  | 5,672  | 184  | 17,567   | 40,785   | 65,383                          |
| Written back on disposals        | 出售後撥回                    | (1,347)  | (75)   | (116)  | (981)  | (4,547)  | (7,066)                         |
| <b>At 31st December<br/>2003</b> | <b>二零零三年<br/>十二月三十一日</b> | <b>2,786</b>   | <b>78,243</b>  | <b>1,490</b>   | <b>212,068</b>   | <b>548,379</b>   | <b>842,966</b>                  |
| <b>Impairment:</b>               | <b>減值：</b>               |  |  |  |  |  |                                 |
| At 1st January 2003              | 二零零三年一月一日                | —  | 5,841  | —  | 257,083  | 95,027   | 357,951                         |
| Exchange adjustments             | 外匯調整                     | —  | 108  | —  | (434)  | 810  | 484                             |
| <b>At 31st December<br/>2003</b> | <b>二零零三年<br/>十二月三十一日</b> | <b>—</b>   | <b>5,949</b>   | <b>—</b>   | <b>256,649</b>   | <b>95,837</b>  | <b>358,435</b>                  |
| <b>Net book value:</b>           | <b>賬面淨值：</b>             |  |  |  |  |  |                                 |
| <b>At 31st December<br/>2003</b> | <b>二零零三年<br/>十二月三十一日</b> | <b>25,853</b>  | <b>160,492</b>   | <b>2,067</b>   | <b>334,589</b>   | <b>348,692</b>   | <b>871,693</b>                  |
| At 31st December<br>2002         | 二零零二年<br>十二月三十一日         | 34,681   | 163,608  | 2,411  | 351,970  | 349,769  | 902,439                         |

**12. FIXED ASSETS** *(continued)***(a) The Group** *(continued)*

- (1) Certain freehold properties outside Hong Kong were revalued, on an open market value basis, by C. Y. Leung & Company Limited in June 1994. In preparing these financial statements, the Group has availed itself of the transitional provision set out in paragraph 80 of the SSAP 17 (revised) "Property, plant and equipment" with the effect that such properties' pre-30th September 1995 professional valuation is retained.
- (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 Hong Kong Science & Technology Parks 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.
- (4) The net book value of freehold properties outside Hong Kong which have been stated in the balance sheet at valuation would have been HK\$59,874,000 (2002: HK\$64,177,000) had they been carried at cost less accumulated depreciation and impairment loss.
- (5) Fixed assets with a net book value of HK\$63,714,000 (2002: HK\$92,905,000) are pledged to banks to secure general banking facilities granted to the Group.

**12. 固定資產****(a) 本集團 (續)**

- (1) 若干海外永久業權物業由梁振英測量師行於一九九四年六月按公開市值評估。在編制財務報表時，本集團已根據會計實務準則第17號(修訂後)「物業、廠房及設備」內第80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。
- (2) 於二零零零年十二月三十一日，根據本集團與香港科技園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。
- (4) 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59,874,000元(二零零二年：港幣64,177,000元)。
- (5) 本集團將固定資產賬面淨值共港幣63,714,000元(二零零二年：港幣92,905,000元)按予銀行以取得銀行信貸額。

## 12. FIXED ASSETS (continued)

## (b) The Company

|                                  |                     | Office equipment,<br>furniture and<br>motor vehicles<br>辦公室設備、<br>傢俬及汽車<br>HK\$'000<br>港幣千元 |
|----------------------------------|---------------------|---|
| <b>Cost:</b>                     | <b>成本值：</b>         |   |
| At 1st January 2003              | 二零零三年一月一日           | 10,477  |
| Additions                        | 增添                  | 335   |
| Disposals                        | 出售                  | (429)   |
| <b>At 31st December 2003</b>     | <b>二零零三年十二月三十一日</b> | <b>10,383</b>   |
| <b>Accumulated depreciation:</b> | <b>累積折舊：</b>        |   |
| At 1st January 2003              | 二零零三年一月一日           | 9,183   |
| Charge for the year              | 是年度折舊               | 977   |
| Written back on disposals        | 出售後撥回               | (429)   |
| <b>At 31st December 2003</b>     | <b>二零零三年十二月三十一日</b> | <b>9,731</b>  |
| <b>Net book value:</b>           | <b>賬面淨值：</b>        |   |
| <b>At 31st December 2003</b>     | <b>二零零三年十二月三十一日</b> | <b>652</b>  |
| At 31st December 2002            | 二零零二年十二月三十一日        | 1,294   |

## 13. INTANGIBLE ASSETS

## 13. 無形資產

|  |   | Group<br>本集團                                    |                                    |                                      |                                 |
|--|---|---|------------------------------------|--------------------------------------|---------------------------------|
|  |   | Negative<br>goodwill<br>負商譽<br>HK\$'000<br>港幣千元 | Goodwill<br>商譽<br>HK\$'000<br>港幣千元 | Trademarks<br>商標<br>HK\$'000<br>港幣千元 | Total<br>合計<br>HK\$'000<br>港幣千元 |
| <b>Cost or valuation:</b>  | <b>成本值或估值：</b>                                    |   |                                    |                                      |                                 |
| <b>At 1st January<br/>2003 and<br/>at 31st December<br/>2003</b> | <b>二零零三年<br/>一月一日及<br/>二零零三年<br/>十二月<br/>三十一日</b> | <b>(50,084)</b>                                 | <b>12,539</b>                      | <b>38,809</b>                        | <b>1,264</b>                    |
| <b>Representing:</b>   | <b>代表：</b>  |   |                                    |                                      |                                 |
| Cost   | 成本值   | (50,084)  | 12,539                             | 36,809                               | (736)                           |
| At directors' valuation<br>in 1972                               | 董事於<br>一九七二年<br>作出的估值                             | —   | —                                  | 2,000                                | 2,000                           |
| <b>At 31st December<br/>2003</b>                                 | <b>二零零三年<br/>十二月<br/>三十一日</b>                     | <b>(50,084)</b>                                 | <b>12,539</b>                      | <b>38,809</b>                        | <b>1,264</b>                    |
| <b>Accumulated amortisation:</b>                                 | <b>累積攤銷：</b>                                      |   |                                    |                                      |                                 |
| At 1st January<br>2003   | 二零零三年<br>一月一日                                     | (9,129)   | —                                  | 9,367                                | 238                             |
| Charge/(release)<br>for the year                                 | 是年度攤銷/<br>(變現)                                    | (9,976)   | —                                  | 7,364                                | (2,612)                         |
| <b>At 31st December<br/>2003</b>                                 | <b>二零零三年<br/>十二月<br/>三十一日</b>                     | <b>(19,105)</b>                                 | <b>—</b>                           | <b>16,731</b>                        | <b>(2,374)</b>                  |
| <b>Impairment:</b>   | <b>減值：</b>  |   |                                    |                                      |                                 |
| <b>At 1st January<br/>2003 and<br/>at 31st December<br/>2003</b> | <b>二零零三年<br/>一月一日及<br/>二零零三年<br/>十二月<br/>三十一日</b> | <b>—</b>  | <b>12,539</b>                      | <b>—</b>                             | <b>12,539</b>                   |
| <b>Net book value:</b>   | <b>賬面淨值：</b>                                      |   |                                    |                                      |                                 |
| <b>At 31st December<br/>2003</b>                                 | <b>二零零三年<br/>十二月<br/>三十一日</b>                     | <b>(30,979)</b>                                 | <b>—</b>                           | <b>22,078</b>                        | <b>(8,901)</b>                  |
| At 31st December<br>2002   | 二零零二年<br>十二月<br>三十一日                              | (40,955)  | —                                  | 29,442                               | (11,513)                        |

The amortisation charge for trademarks for the year is included in "other operating expenses" in the consolidated income statement.

是年度商標之攤銷支出已包括在綜合收益表中其他經營費用之中。

## 14. INTEREST IN SUBSIDIARIES

## 14. 附屬公司權益

|                               |          | Company   |           |
|-------------------------------|----------|-----------|-----------|
|                               |          | 本公司       |           |
|                               |          | 2003      | 2002      |
|                               |          | 二零零三年     | 二零零二年     |
|                               |          | HK\$'000  | HK\$'000  |
|                               |          | 港幣千元      | 港幣千元      |
| Unlisted shares, at cost      | 非上市股份成本值 | 1,470,329 | 1,470,329 |
| Impairment loss               | 減值虧損     | (215,532) | (215,532) |
|                               |          | 1,254,797 | 1,254,797 |
| Amounts due from subsidiaries | 應收附屬公司款項 | 206,007   | 198,412   |
|                               |          | 1,460,804 | 1,453,209 |
| Amounts due to subsidiaries   | 應付附屬公司款項 | (66,520)  | (79,331)  |
|                               |          | 1,394,284 | 1,373,878 |

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

應收及應付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 116 to 123.

各附屬公司的資料詳列於第116頁至第123頁。

During the year ended 31st December 2001, 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 accruals have been made for the subsidiaries' losses after the commencement of bankruptcy proceedings (the "Effective Date").

於二零零一年十二月三十一日，Camintonn Corporation，此附屬公司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。

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.

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。

## 14. INTEREST IN SUBSIDIARIES (continued)

Details of the unconsolidated subsidiaries are set out below:

| Name of company<br>公司名稱 | Issued and fully<br>paid up capital<br>已發行及<br>繳足之股本  | Place of<br>incorporation/<br>operation<br>註冊/<br>經營地點 | Percentage of<br>equity holding<br>股權擁有<br>百分率 |                | Principal activities<br>主要業務 |
|-------------------------|---|--|--|----------------|------------------------------|
|                         |   |  | Group<br>本集團                                   | Company<br>本公司 |                              |
| Lam Soon America Inc.   | US\$1,700,000<br>1,700,000 美元   | United States of<br>America<br>美國                      | 100  | 100            | Investment holding<br>投資控股   |
| Camintonn Corporation   | Ordinary<br>US\$500,000<br>普通股<br>500,000美元<br>Preferred<br>US\$1,200,000<br>優先股<br>1,200,000美元 | United States of<br>America<br>美國                      | 60   | —              | Liquidated<br>已清盤            |

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<br>本年度<br>HK\$'000<br>港幣千元 | Prior years<br>以往年度<br>HK\$'000<br>港幣千元 | Total<br>總額<br>HK\$'000<br>港幣千元 |
|---|---|---------------------------------|
| —                                       | 30,125                                  | 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：



## 15. INTEREST IN ASSOCIATES

## 15. 聯營公司權益

|                     |       | Group<br>本集團                      |                                   | Company<br>本公司                    |                                   |
|---------------------|-------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|                     |       | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Share of net assets | 應佔淨資產 | 24,581                            | 24,581                            | —                                 | —                                 |

Details of the associates are as follows:

聯營公司的資料詳列如下：

| Name of company<br>公司名稱 | Place of incorporation/<br>establishment and<br>operation<br>註冊／經營地點 | Percentage of<br>equity holding<br>股權擁有百分率 |                | Principal activities<br>主要業務 |
|-------------------------|--|--|----------------|------------------------------|
|                         |  | Group<br>本集團                               | Company<br>本公司 |                              |
| Omeron Profits Limited* | British Virgin Islands<br>英屬維爾京群島                                    | 50   | —              | Dormant<br>暫無業務              |
| Tepac Profits Limited*  | British Virgin Islands<br>英屬維爾京群島                                    | 50   | —              | Dormant<br>暫無業務              |

\* Companies not audited by PKF

\* 該等公司非由梁學濂會計師事務所審核

## 16. INTEREST IN A JOINTLY CONTROLLED ENTITY

## 16. 共同控制個體權益

|                     |       | Group<br>本集團                      |  |
|---------------------|-------|-----------------------------------|--|
|                     |       | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | Restated<br>重列後<br>2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Share of net assets | 應佔淨資產 | 55,576                            | 53,967   |

## 16. INTEREST IN A JOINTLY CONTROLLED ENTITY (continued)

Details of the jointly controlled entity are as follows:

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

\* Company not audited by PKF

共同控制個體的資料詳列如下：

\* 該公司非由梁學濂會計師事務所審核

## 17. INVESTMENT SECURITIES

|  |                 | Group<br>本集團                      |                                   | Company<br>本公司                    |                                   |
|--|-----------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|  |                 | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| <b>Listed securities, at cost</b>                  | <b>上市證券成本</b>   |                                   |                                   |                                   |                                   |
| — in Hong Kong                                     | — 香港            | 50                                | 50                                | 50                                | 50                                |
| — outside Hong Kong                                | — 海外            | 17                                | 3,759                             | 17                                | 17                                |
|  |                 | 67                                | 3,809                             | 67                                | 67                                |
| <b>Unlisted investments</b>                        | <b>非上市投資</b>    |                                   |                                   |                                   |                                   |
| Unlisted securities, at cost                       | 非上市證券成本         | 43,341                            | 43,341                            | 34,829                            | 34,829                            |
| Impairment loss                                    | 減值虧損            | (43,341)                          | (43,341)                          | (34,829)                          | (34,829)                          |
|  |                 | —                                 | —                                 | —                                 | —                                 |
|  |                 | 67                                | 3,809                             | 67                                | 67                                |
| Market value of listed securities at 31st December | 上市證券於十二月三十一日的市值 | 92                                | 3,821                             | 92                                | 81                                |

## 18. INVENTORIES

|                        |      | Group<br>本集團                      |                                   |
|------------------------|------|-----------------------------------|-----------------------------------|
|                        |      | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Raw materials          | 原料   | 132,170                           | 75,775                            |
| Work in progress       | 在製品  | 11,457                            | 12,859                            |
| Finished goods         | 製成品  | 80,078                            | 130,618                           |
| Inventories in transit | 在途貨品 | 12,503                            | 20,460                            |
| Packing materials      | 包裝料  | 7,674                             | 8,992                             |
| Spare parts            | 備件   | 15,095                            | 16,999                            |
|                        |      | <b>258,977</b>                    | <b>265,703</b>                    |

## 18. 存貨

## 19. DEBTORS, DEPOSITS AND PREPAYMENTS

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

|                          |        | Group<br>本集團                      |                                   |
|--------------------------|--------|-----------------------------------|-----------------------------------|
|                          |        | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| 0 — 3 months             | 零至三個月  | 173,369                           | 196,692                           |
| 4 — 6 months             | 四至六個月  | 3,901                             | 20,344                            |
| Total trade debtors      | 應收賬款總額 | <b>177,270</b>                    | <b>217,036</b>                    |
| Deposits and prepayments | 按金及預付款 | <b>142,894</b>                    | <b>97,100</b>                     |
|                          |        | <b>320,164</b>                    | <b>314,136</b>                    |

## 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:

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.

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，本集團定期進行顧客信用評估。

**20. AMOUNT DUE FROM A JOINTLY CONTROLLED ENTITY**

The amount is interest-free, unsecured and repayable on demand.

**20. 應收共同控制個體款項**

此款項為免息、無抵押及需按要  
求即時償還。

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

|                           |         | Group<br>本集團                      |                                   | Company<br>本公司                    |                                   |
|---------------------------|---------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|                           |         | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Bank loans and overdrafts | 銀行貸款及透支 |                                   |                                   |                                   |                                   |
| — Secured                 | — 有抵押   | 17,937                            | 23,589                            | 12,000                            | —                                 |
| — Unsecured               | — 無抵押   | 220,043                           | 169,836                           | 12                                | 10                                |
|                           |         | 237,980                           | 193,425                           | 12,012                            | 10                                |
| Other unsecured loans     | 其他無抵押貸款 | 4,568                             | 6,727                             | —                                 | —                                 |
|                           |         | 242,548                           | 200,152                           | 12,012                            | 10                                |

The other unsecured loans of the Group bear interest at 1.4% to 3.2% (2002: 2.2% to 4.6%) per annum.

本集團其他無抵押貸款按1.4%至3.2%  
(二零零二年：2.2%至4.6%)年息計算利  
息。

**22. CREDITORS, DEPOSITS RECEIVED AND ACCRUALS**

The ageing analysis of trade creditors is as follows:

**22. 應付賬款、已收按金及應付費用**

應付賬款賬齡分析如下：

|                                |           | Group<br>本集團                      |                                   |
|--------------------------------|-----------|-----------------------------------|-----------------------------------|
|                                |           | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| 0 — 3 months                   | 零至三個月     | 172,147                           | 131,791                           |
| 4 — 6 months                   | 四至六個月     | 24,016                            | 9,632                             |
| Over 6 months                  | 六個月以上     | 7,245                             | 4,336                             |
| Total trade creditors          | 應付賬款總額    | 203,408                           | 145,759                           |
| Deposits received and accruals | 已收按金及應付費用 | 143,234                           | 145,759                           |
|                                |           | 346,642                           | 291,518                           |

## 23. OTHER CURRENT LIABILITIES

## 23. 其他流動負債

|  |                     | Group<br>本集團                      |                                   | Company<br>本公司                    |                                   |
|--|---------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|  |                     | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Amounts due to associates                    | 應付聯營公司款項            | 24,018                            | 24,022                            | 891                               | 891                               |
| Employee benefit obligations<br>(Note 27(a)) | 僱員福利負債<br>(附註27(a)) | 4,450                             | 4,450                             | —                                 | —                                 |
| Other payable                                | 其他應付款項              | 9,424                             | 9,424                             | —                                 | —                                 |
| Obligations under finance leases             | 融資租賃的負債             | 10                                | 31                                | 10                                | 30                                |
|  |                     | <b>37,902</b>                     | <b>37,927</b>                     | <b>901</b>                        | <b>921</b>                        |

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

應付聯營公司款項為免息、無抵押及需按要時償還。

## 24. SHARE CAPITAL

## 24. 股本

|  |                             | Number of shares<br>股份數量 | Nominal value<br>股份面值<br>HK\$'000<br>港幣千元 |
|--|-----------------------------|--------------------------|---|
| Authorised:                                      | 法定股本：                       |                          |   |
| At 1st January 2003 and<br>at 31st December 2003 | 於二零零三年一月一日及<br>二零零三年十二月三十一日 |                          |   |
| Shares of HK\$1 each                             | 每股港幣1元                      | 300,000,000              | 300,000                                   |
| Issued and fully paid:                           | 已發行及已繳足股本：                  |                          |   |
| At 1st January 2003 and<br>at 31st December 2003 | 於二零零三年一月一日及<br>二零零三年十二月三十一日 | 243,354,165              | 243,354                                   |

**24. SHARE CAPITAL** *(continued)***Share options**

Details of the Old Share Option Scheme and New Share Option Scheme of the Company are as follows:

**Old Share Option Scheme**

Pursuant to the share option scheme approved by the shareholders on 26th May 2000 (the "Old Share Option Scheme"), the directors of the Company may invite employees and directors (other than non-executive directors) of the Company or any of its subsidiaries from time to time to take up options to subscribe for shares of HK\$1 each in the capital of the Company. Under the Old Share Option Scheme, 3,950,000 share options were granted. On 23rd May 2003, the Old Share Option Scheme was cancelled and terminated, but without prejudice to any share options previously granted prior to such termination. No option was granted, exercised, cancelled or lapsed during the year ended 31st December 2003.

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

The maximum entitlement of each participant under the Old Share Option Scheme would not exceed 25% of the aggregate number of shares for the time being issued and issuable under the Old Share Option Scheme.

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

Options granted are exercisable 2 years following notification of entitlement to confirm quantum of options exercisable but in any event not later than 10 years from the date of grant.

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

**24. 股本 (續)****購股權**

舊購股權計劃及新購股權計劃之詳情如下：

**舊購股權**

根據股東於二零零零年五月二十六日通過的購股權計劃(「該舊購股權計劃」)，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。截至二零零二年十二月三十一日止，該舊購股權計劃共授出3,950,000股購股權。該舊購股權計劃於二零零三年五月二十三日取消及終止，但不會影響於此日期前已獲授之購股權之人士。截至二零零三年十二月三十一日，沒有任何購股權獲授、行使、取消或作廢。

該舊購股權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。

授予每一位購股權持有人之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。

所授出之購股權可以於通知日起計兩年後行使，惟不可超過至獲授日期起之十年內。

獲授人可於接納購股權後即時行使。

**24. SHARE CAPITAL (continued)****Share options (continued)****Old Share Option Scheme (continued)**

The price per share payable on the exercise of an option is 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 (the "Stock Exchange") for the five business days immediately preceding the date of offer of such option, or the nominal value of one share, whichever is greater.

**New Share Option Scheme**

Pursuant to the new share option scheme approved by the shareholders on 23rd May 2003 (the "New Share Option Scheme"), the directors of the Company may invite any director (including non-executive director and independent non-executive director) or employee of the Company or any of its subsidiaries or any employee of any of its associated companies (the "Eligible Employee") to take up options to subscribe for shares of HK\$1 each in the capital of the Company.

The purpose of the New Share Option Scheme is to motivate the Eligible Employee and to allow them to participate in the growth of the Company.

The option price per share payable on the exercise of an option as determined by the directors and being not less than the higher of (a) the average closing price of a share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the day of offer of such option and (b) the closing price of a share as stated in the Stock Exchange's daily quotation sheet on the day of offer of such option, which must be a business day and (c) the nominal value of a share.

The total number of shares available for issue under the New Share Option Scheme is 20,385,416 which represents 8.38% of the issued share capital of the Company at the date of this report. The maximum entitlement for any Eligible Employee is that the total number of shares issued and to be issued upon exercise of options granted and to be granted in any 12 months period does not exceed one per cent. of the relevant class of shares in issue.

**24. 股本 (續)****購股權 (續)****舊購股權 (續)**

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（「聯交所」）之平均收市價之80%或每一股股份之面值（以較高者為準）。

**新購股權計劃**

根據股東於二零零三年五月二十三日通過的購股權計劃（「該新購股權計劃」），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（包括非執行董事及獨立非執行董事）或其聯營公司的僱員（「合資格僱員」）接納購股權，認購本公司股本中每股面值港幣1元之股份。

該新購股權計劃旨在激勵合資格僱員，使彼等可參與本公司之發展。

每股股份認購價由董事會釐訂，價格將不少於（以最高者為準）(a)緊接授出該購股權之日前五個營業日聯交所之每日報價表所示之每股股份平均收市價；(b)授出該購股權當日（必須為營業日）聯交所之每日報價表所示之每股股份收市價及(c)每股面值。

根據該新購股權計劃可予發行之股份授出之購股權總數為20,385,416股，佔本報告書日期止本公司已發行股份之8.38%。任何合資格僱員之配額，最多為因行使於直至最後一次授出購股權日任何十二個月期間已授出之購股權而已發行及將予發行股份之總數，不得超逾已發行相關類別股份之1%。

## 24. SHARE CAPITAL *(continued)*

### Share options *(continued)*

#### **New Share Option Scheme** *(continued)*

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

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

No option was granted to any Eligible Employee pursuant to the New Share Option Scheme for the year ended 31st December 2003.

The New Share Option Scheme will remain in force for a period of 10 years commencing on 23rd May 2003 to 22nd May 2013.

## 24. 股本 *(續)*

### 購股權 *(續)*

#### **新購股權計劃** *(續)*

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。

獲授人可於接納購股權後即時行使。

截至二零零三年十二月三十一日，本公司並無根據該新購股計劃向任何合資格僱員授出購股權。

該新購股權計劃有效期為十年即由二零零三年五月二十三日至二零一三年五月二十二日止。



## 25. RESERVES

## (a) The Group

|   |                                       | Share<br>premium<br>股份溢價<br>HK\$'000<br>港幣千元 | Capital<br>reserve<br>資本儲備<br>HK\$'000<br>港幣千元 | Property<br>revaluation<br>reserve<br>物業重估<br>儲備<br>HK\$'000<br>港幣千元 | Exchange<br>reserve<br>外匯儲備<br>HK\$'000<br>港幣千元 | General<br>reserve<br>一般儲備<br>HK\$'000<br>港幣千元 | Revenue<br>reserve<br>收益儲備<br>HK\$'000<br>港幣千元 | Total<br>合計<br>HK\$'000<br>港幣千元 |
|---|---------------------------------------|--|--|--|---|--|--|---------------------------------|
| At 1st January 2002<br>as previously reported   | 二零零二年一月一日<br>以往所呈報之結餘                 | 428,935                                      | 40,814   | 34,401   | (53,004)  | 50,000   | 38,016   | 539,162                         |
| Prior year adjustment (Note 28)   | 前期調整 (附註28)                           | —  | —  | —  | —   | —  | 15,339   | 15,339                          |
| As restated   | 重列後                                   | 428,935                                      | 40,814   | 34,401   | (53,004)  | 50,000   | 53,355   | 554,501                         |
| Premium on issue of shares<br>under share option scheme   | 根據購股權計劃而發行<br>的股份溢價                   | 488  | —  | —  | —   | —  | —  | 488                             |
| Transfer from revenue reserve to<br>capital reserve by subsidiaries   | 附屬公司由收益儲備<br>撥入資本儲備                   | —  | 549  | —  | —   | —  | (549)  | —                               |
| Exchange differences arising<br>on translation of financial<br>statements of overseas<br>subsidiaries and associates    | 折算海外附屬公司<br>和聯營公司財務<br>報表所產生的<br>外匯差額 | —  | —  | —  | 7,919   | —  | —  | 7,919                           |
| Profit for the year   | 是年度溢利                                 | —  | —  | —  | —   | —  | 17,701   | 17,701                          |
| At 31st December<br>2002  | 二零零二年<br>十二月三十一日                      | 429,423                                      | 41,363   | 34,401   | (45,085)  | 50,000   | 70,507   | 580,609                         |
| Attributable to:  | 保留於：                                  |  |  |  |   |  |  |                                 |
| Company and subsidiaries  | 本公司及其附屬公司                             | 429,423                                      | 41,105   | 34,401   | (44,113)  | 50,000   | 32,155   | 542,971                         |
| Associates  | 聯營公司                                  | —  | 258  | —  | (972)   | —  | 34,249   | 33,535                          |
| Jointly controlled entity   | 共同控制個體                                | —  | —  | —  | —   | —  | 4,103  | 4,103                           |
| At 31st December<br>2002  | 二零零二年<br>十二月三十一日                      | 429,423                                      | 41,363   | 34,401   | (45,085)  | 50,000   | 70,507   | 580,609                         |
| At 1st January 2003<br>as previously reported   | 二零零三年一月一日<br>以往所呈報之結餘                 | 429,423                                      | 41,363   | 34,401   | (45,672)  | 50,000   | 58,377   | 567,892                         |
| Prior year adjustment (Note 28)   | 前期調整 (附註28)                           | —  | —  | —  | 587   | —  | 12,130   | 12,717                          |
| As restated   | 重列後                                   | 429,423                                      | 41,363   | 34,401   | (45,085)  | 50,000   | 70,507   | 580,609                         |
| Realisation of property<br>revaluation reserve on<br>disposal of properties   | 出售物業<br>而變現的物業<br>重估儲備                | —  | —  | (4,799)  | —   | —  | 4,799  | —                               |
| Net transfer from capital<br>reserve to revenue reserve<br>by subsidiaries  | 附屬公司<br>由資本儲備撥入<br>收益儲備淨額             | —  | (356)  | —  | —   | —  | 356  | —                               |
| Exchange differences<br>arising on translation<br>of financial statements of<br>overseas subsidiaries and<br>associates | 折算海外附屬公司<br>和聯營公司財務<br>報表所產生的<br>外匯差額 | —  | —  | —  | 4,318   | —  | —  | 4,318                           |
| Profit for the year   | 是年度溢利                                 | —  | —  | —  | —   | —  | 38,235   | 38,235                          |
| At 31st December 2003   | 二零零三年十二月三十一日                          | 429,423                                      | 41,007   | 29,602   | (40,767)  | 50,000   | 113,897  | 623,162                         |
| Attributable to:  | 保留於：                                  |  |  |  |   |  |  |                                 |
| Company and subsidiaries  | 本公司及其附屬公司                             | 429,423                                      | 40,749   | 29,602   | (39,795)  | 50,000   | 73,936   | 583,915                         |
| Associates  | 聯營公司                                  | —  | 258  | —  | (972)   | —  | 34,249   | 33,535                          |
| Jointly controlled entity   | 共同控制個體                                | —  | —  | —  | —   | —  | 5,712  | 5,712                           |
| At 31st December 2003   | 二零零三年十二月三十一日                          | 429,423                                      | 41,007   | 29,602   | (40,767)  | 50,000   | 113,897  | 623,162                         |

## 25. RESERVES (continued)

## (b) The Company

|   |                        | Share<br>premium<br>股份溢價<br>HK\$'000<br>港幣千元 | General<br>reserve<br>一般儲備<br>HK\$'000<br>港幣千元 | Revenue<br>reserve<br>收益儲備<br>HK\$'000<br>港幣千元 | Total<br>合計<br>HK\$'000<br>港幣千元 |
|---|------------------------|--|--|--|---------------------------------|
| At 1st January 2002<br>as previously reported           | 二零零二年一月一日<br>以往所呈報之結餘  | 428,935                                      | 50,000   | 651,922  | 1,130,857                       |
| Prior year adjustment<br>(Note 28)                      | 前期調整<br>(附註28)         | —  | —  | (261)  | (261)                           |
| As restated   | 重列後                    | 428,935                                      | 50,000   | 651,661  | 1,130,596                       |
| Premium on issue of shares<br>under share option scheme | 根據購股權計劃而發行<br>的股本的股份溢價 | 488  | —  | —  | 488                             |
| Loss for the year                                       | 是年度虧損                  | —  | —  | (8,746)  | (8,746)                         |
| At 31st December<br>2002                                | 二零零二年<br>十二月三十一日       | 429,423                                      | 50,000   | 642,915  | 1,122,338                       |
| At 1st January 2003<br>as previously reported           | 二零零三年一月一日<br>以往所呈報之結餘  | 429,423                                      | 50,000   | 642,999  | 1,122,422                       |
| Prior year adjustment<br>(Note 28)                      | 前期調整<br>(附註28)         | —  | —  | (84)   | (84)                            |
| As restated   | 重列後                    | 429,423                                      | 50,000   | 642,915  | 1,122,338                       |
| Loss for the year                                       | 是年度虧損                  | —  | —  | (16,804)                                       | (16,804)                        |
| At 31st December<br>2003                                | 二零零三年<br>十二月三十一日       | 429,423                                      | 50,000   | 626,111  | 1,105,534                       |

## Notes:

- (i) The distributable reserves of the Company as at 31st December 2003 amounted to HK\$626,111,000 (2002 (restated): HK\$642,915,000).
- (ii) One of the subsidiaries of the Group entered into a credit arrangement with a bank which imposes restriction on its dividend payments and requires the maintenance of certain debt/equity ratio.
- (iii) According to the applicable law in Taiwan, the Group's subsidiaries in Taiwan have to transfer 10% of the annual profit, if any, to capital reserve. In addition, any capital surplus arising from gain on disposal of fixed assets included in capital reserve previously is required to be transferred to revenue reserve during the year.

## 附註:

- (i) 本公司於二零零三年十二月三十一日的可分派儲備為港幣626,111,000元(二零零二年(重列後):港幣642,915,000元)。
- (ii) 本集團一附屬公司與一間銀行訂立信貸協議,對該附屬公司派發股息施加限制,並要求該公司將資產負債比率維持在某一個水平。
- (iii) 根據台灣現行法例,本集團的台灣附屬公司必需將每年溢利的10%撥作及保留在資本儲備內。此外,以往年度已包括在資本儲備中之資本盈餘必需於是年度撥回收益儲備,該資本盈餘乃因出售固定資產溢利而產生。

## 25. RESERVES (continued)

## (b) The Company (continued)

Notes: (continued)

- (iv) 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:

## 25. 儲備 (續)

## (b) 本公司 (續)

附註：(續)

- (iv) 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<br>商譽<br>HK\$'000<br>港幣千元 | Negative<br>goodwill<br>負商譽<br>HK\$'000<br>港幣千元 |
|--|------------------------------------|---|
| <b>Balance as at 1st January and<br/>at 31st December 2003</b> | 二零零三年一月一日及<br>十二月三十一日結餘            | 572 (24,768)                                    |

## 26. BANK LOANS AND OTHER LIABILITIES

## 26. 銀行貸款及其他負債

|  | Group<br>本集團                      |                                   | Company<br>本公司                    |                                   |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|  | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Secured bank loans repayable               | 有抵押銀行貸款                           |                                   |                                   |                                   |
| — After one year but within two years      | 12,000                            | —                                 | 12,000                            | —                                 |
| — After two years but within five years    | 11,000                            | —                                 | 11,000                            | —                                 |
| Unsecured bank loans repayable             | 無抵押銀行貸款                           |                                   |                                   |                                   |
| — After one year but within two years      | 47,250                            | 64,320                            | —                                 | —                                 |
| — After two years but within five years    | —                                 | 47,250                            | —                                 | —                                 |
| Other payable                              | 其他賬項                              |                                   |                                   |                                   |
| — After one year but within two years      | 250                               | 9,424                             | —                                 | —                                 |
| Obligations under finance leases repayable | 融資租賃的負債                           |                                   |                                   |                                   |
| — After one year but within two years      | —                                 | 8                                 | —                                 | 8                                 |
|  | <b>70,500</b>                     | 121,002                           | <b>23,000</b>                     | 8                                 |

## 27. EMPLOYEE BENEFIT OBLIGATIONS

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

The Group's contributions to the defined contribution retirement plan are based on a specified percentage on the basic salary and completed years of service of employees. The Group's contributions under the principal plan 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\$1,350,000 (2002: HK\$1,174,000).

Under the defined benefit retirement plans, 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 retirement plans are calculated as certain percentages of salaries paid to employees and charged to the income statement as incurred. The assets of the plans are held separately from those of the Group in a central fund administered by the relevant government body in Taiwan.

In addition to the retirement plans operated by the Group, the Group is required to contribute respectively to Mandatory Provident Fund and central pension plans 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.

## 27. 僱員福利負債

本集團設有多項僱員退休福利計劃，其中包括兩項為香港僱員提供的定額供款退休計劃及兩項為台灣附屬公司的僱員提供的定額福利退休計劃。

本集團對定額供款退休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。在該計劃下，本集團為香港僱員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1,350,000元（二零零二年：港幣1,174,000元）。

在定額福利退休計劃下，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入費用。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。

除本集團以上設立的退休計劃外，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。

## 27. EMPLOYEE BENEFIT OBLIGATIONS (continued)

## (a) Short-term employee benefit

|                        |      | Group<br>本集團                      |                                   |
|------------------------|------|-----------------------------------|-----------------------------------|
|                        |      | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|                        |      |                                   |                                   |
| Unclaimed annual leave | 待領年假 | 4,450                             | 4,450                             |

## (b) Defined benefit retirement plans

The Group makes contributions to two defined benefit plans that provide pension benefits for employees in Taiwan.

(i) The amount recognised in the balance sheet is as follows:

|                                     |            | Group<br>本集團                      |                                   |
|-------------------------------------|------------|-----------------------------------|-----------------------------------|
|                                     |            | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|                                     |            |                                   |                                   |
| Present value of funded obligations | 預計給付負債現值   | 23,204                            | 18,584                            |
| Fair value of plan assets           | 退休基金資產公平價值 | (9,781)                           | (7,378)                           |
| Net unrecognised actuarial losses   | 未確認淨額之精算虧損 | (4,896)                           | (2,563)                           |
|                                     |            | <b>8,527</b>                      | <b>8,643</b>                      |

## 27. 僱員福利負債 (續)

## (a) 短期員工福利

|                        |      | Group<br>本集團                      |                                   |
|------------------------|------|-----------------------------------|-----------------------------------|
|                        |      | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|                        |      |                                   |                                   |
| Unclaimed annual leave | 待領年假 | 4,450                             | 4,450                             |

## (b) 定額福利退休計劃

本集團向兩項定額福利退休計劃作出供款。該等計劃提供台灣僱員退休金福利。

(i) 於資產負債表中已確認之金額如下：

|                                     |            | Group<br>本集團                      |                                   |
|-------------------------------------|------------|-----------------------------------|-----------------------------------|
|                                     |            | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|                                     |            |                                   |                                   |
| Present value of funded obligations | 預計給付負債現值   | 23,204                            | 18,584                            |
| Fair value of plan assets           | 退休基金資產公平價值 | (9,781)                           | (7,378)                           |
| Net unrecognised actuarial losses   | 未確認淨額之精算虧損 | (4,896)                           | (2,563)                           |
|                                     |            | <b>8,527</b>                      | <b>8,643</b>                      |

## 27. EMPLOYEE BENEFIT OBLIGATIONS (continued)

## (b) Defined benefit retirement plans (continued)

- (ii) Movements in the net liability recognised in the balance sheet are as follows:

|  |             | Group<br>本集團                      |                                   |
|--|-------------|-----------------------------------|-----------------------------------|
|  |             | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| At 1st January                             | 一月一日        | 8,643                             | 7,202                             |
| Contributions paid to the fund             | 向基金供款金額     | (2,299)                           | (616)                             |
| Expense recognised in the income statement | 於收益表中已確認之費用 | 2,022                             | 1,736                             |
| Exchange differences                       | 外匯差額        | 161                               | 321                               |
| At 31st December                           | 十二月三十一日     | 8,527                             | 8,643                             |

- (iii) Expense recognised in the income statement is as follows:

|                                |          | Group<br>本集團                      |                                   |
|--------------------------------|----------|-----------------------------------|-----------------------------------|
|                                |          | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Current service cost           | 當年服務成本   | 1,562                             | 1,325                             |
| Interest cost                  | 利息成本     | 713                               | 663                               |
| Expected return on plan assets | 基金資產預期回報 | (295)                             | (252)                             |
| Amortisation of loss           | 虧損攤銷     | 42                                | —                                 |
|                                |          | 2,022                             | 1,736                             |

## 27. 僱員福利負債 (續)

## (b) 定額福利退休計劃 (續)

- (ii) 於資產負債表中已確認之淨負債變動如下:

|  |             | Group<br>本集團                      |                                   |
|--|-------------|-----------------------------------|-----------------------------------|
|  |             | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| At 1st January                             | 一月一日        | 8,643                             | 7,202                             |
| Contributions paid to the fund             | 向基金供款金額     | (2,299)                           | (616)                             |
| Expense recognised in the income statement | 於收益表中已確認之費用 | 2,022                             | 1,736                             |
| Exchange differences                       | 外匯差額        | 161                               | 321                               |
| At 31st December                           | 十二月三十一日     | 8,527                             | 8,643                             |

- (iii) 於收益表中已確認之費用明細如下:

|                                |          | Group<br>本集團                      |                                   |
|--------------------------------|----------|-----------------------------------|-----------------------------------|
|                                |          | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Current service cost           | 當年服務成本   | 1,562                             | 1,325                             |
| Interest cost                  | 利息成本     | 713                               | 663                               |
| Expected return on plan assets | 基金資產預期回報 | (295)                             | (252)                             |
| Amortisation of loss           | 虧損攤銷     | 42                                | —                                 |
|                                |          | 2,022                             | 1,736                             |

## 27. EMPLOYEE BENEFIT OBLIGATIONS (continued)

## (b) Defined benefit retirement plans (continued)

- (iii) Expense recognised in the income statement is as follows:  
(continued)

The expense is recognised in the following line items in the income statement:

## 27. 僱員福利負債 (續)

## (b) 定額福利退休計劃 (續)

- (iii) 於收益表中已確認之費用明細如下：(續)

該費用已在下列收益表項目中被確認：

|                                   |         | Group<br>本集團                      |                                   |
|-----------------------------------|---------|-----------------------------------|-----------------------------------|
|                                   |         | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Cost of sales                     | 銷售成本    | 1,312                             | 1,156                             |
| Selling and distribution expenses | 銷售及推銷費用 | 96                                | 76                                |
| Administrative expenses           | 行政費用    | 614                               | 504                               |
|                                   |         | <b>2,022</b>                      | <b>1,736</b>                      |

## 27. EMPLOYEE BENEFIT OBLIGATIONS (continued)

## (b) Defined benefit retirement plans (continued)

- (iv) The cost of the plans to the Group is calculated based upon funding recommendations arising from actuarial valuations. Details of the latest actuarial valuations of the plans are as follows:

| Name of subsidiaries which operate the plans<br>設立計劃之附屬公司名稱   | Lam Soon Industries Inc.<br>南順工業股份有限公司                       | Lam Soon Ball Yamamura Inc.<br>寶順製罐股份有限公司                    |
|---|--|--|
| Latest actuarial valuation<br>最新精算評估日   | 31st December 2003<br>二零零三年十二月三十一日                           | 31st December 2003<br>二零零三年十二月三十一日                           |
| Actuaries<br>精算師  | KPMG Business Advisory<br>Services Co., Ltd.<br>安侯企業管理股份有限公司 | KPMG Business Advisory<br>Services Co., Ltd.<br>安侯企業管理股份有限公司 |
| Discount rate at 31st December<br>十二月三十一日折現率  | 3.5% (2002: 3.75%)   | 3.5% (2002: 3.75%)   |
| Expected rate of return on plan assets<br>退休基金資產預期回報率   | 3.5% (2002: 3.75%)   | 3.5% (2002: 3.75%)   |
| Future salary increases<br>未來薪資調整率  | 0% (2002: 0%)  | 0% (2002: 0%)  |
| Future pension increases<br>未來退休金調整率  | 0% (2002: 0%)  | 0% (2002: 0%)  |
| Market value of plan assets at<br>date of valuation (HK\$'000)<br>退休基金資產公平價值<br>(港幣千元)  | 6,600 (2002: 4,500)  | 3,200 (2002: 2,900)  |
| Asset market valuation as a percentage<br>of the present value of past service<br>liabilities<br>計劃資產市值與預測過<br>往服務負債之現有<br>價值之百分比 | 46% (2002: 39%)  | 35% (2002: 41%)  |

Note: The differences between the market values of the plans' assets and the present value of the accrued past services liabilities at the date of an actuarial valuation are taken into consideration when determining future funding levels in order to ensure that the plans will be able to meet these liabilities as they become due.

## 27. 僱員福利負債 (續)

## (b) 定額福利退休計劃 (續)

- (iv) 本集團計算該等計劃成本乃按精算估值之供款建議。該等最新之精算估值詳情載列如下：

附註：在釐定未來供款率以確保該等計劃能夠償還到期之負債時，該等計劃資產之市場價格與於精算估值日所計算的過往服務負債之現有價值間之差額會予以計及。



## 27. EMPLOYEE BENEFIT OBLIGATIONS (continued)

## 27. 僱員福利負債 (續)

## (c) Equity compensation benefits

## (c) 股本報酬福利

Details of movements of share options:

購股權的變動如下：

|                               |                    | The Company<br>本公司<br>("LSHK")<br>(「南順香港」) | Lam Soon<br>Food<br>Industries<br>Limited<br>南順食品<br>工業有限公司<br>("LSF")<br>(「南順食品」) | Flourtech<br>International<br>Holdings<br>Limited<br>("FIHL") | Total<br>合計 |
|-------------------------------|--------------------|--|--|---|-------------|
| Balance at 1st January 2002   | 二零零二年<br>一月一日結餘    | 1,094,605                                  | 178,909  | 270,000   | 1,543,514   |
| Issued                        | 發出                 | 3,950,000                                  | —  | —   | 3,950,000   |
| Exercised                     | 行使                 | (1,094,605)                                | —  | —   | (1,094,605) |
| Lapsed                        | 作廢                 | —  | (178,909)  | —   | (178,909)   |
| Balance at 31st December 2002 | 二零零二年十二月<br>三十一日結餘 | 3,950,000                                  | —  | 270,000   | 4,220,000   |
| Balance at 1st January 2003   | 二零零三年<br>一月一日結餘    | 3,950,000                                  | —  | 270,000   | 4,220,000   |
| Lapsed                        | 作廢                 | —  | —  | (270,000)   | (270,000)   |
| Balance at 31st December 2003 | 二零零三年十二月<br>三十一日結餘 | 3,950,000                                  | —  | —   | 3,950,000   |

## 27. EMPLOYEE BENEFIT OBLIGATIONS (continued)

## (c) Equity compensation benefits (continued)

Terms of share options at balance sheet date:

| Name of company<br>公司名稱 | Date of grant<br>獲授日期              | Exercise period<br>可行使期   | Exercise price<br>行使認購價<br>HK\$<br>港元 | Number of share options<br>購股權認購股份之數目 |               |
|-------------------------|------------------------------------|---|---------------------------------------|---------------------------------------|---------------|
|                         |                                    |   |                                       | 2003<br>二零零三年                         | 2002<br>二零零二年 |
| LSHK<br>南順香港            | 5th June 2002<br>二零零二年<br>六月五日     | 2 years following notification of entitlement to confirm quantum of options exercisable but in any event not later than 10 years from the date of grant<br>授予購股權數量之通知日起計兩年後，惟不會超過至獲授日期起之十年內 | 2.530                                 | 3,950,000                             | 3,950,000     |
| FIHL<br>(Note)<br>(附註)  | 1st February 1993<br>一九九三年<br>二月一日 | 1st February 1993 to 31st January 2003<br>一九九三年二月一日至<br>二零零三年一月三十一日   | 1.000                                 | —                                     | 180,000       |
|                         | 2nd February 1993<br>一九九三年<br>二月二日 | 2nd February 1993 to 1st February 2003<br>一九九三年二月二日至<br>二零零三年二月一日   | 1.000                                 | —                                     | 90,000        |

Note: Pursuant to the terms of the share option scheme of FIHL, all share options granted on 1st February 1993 and 2nd February 1993 were lapsed during the year.

## 27. 僱員福利負債 (續)

## (c) 股本報酬福利 (續)

於結算日的購股權條款：

附註：根據FIHL所採納之購股權計劃之條款，於是年度內所有於一九九三年二月一日及一九九三年二月二日授出之購股權已作廢。

## 28. PRIOR YEAR ADJUSTMENT

In previous years, deferred taxation was calculated under the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt.

With effect from 1st January 2003, in order to comply with SSAP 12 (revised) "Income Taxes" issued by the HKSA, the Group adopted a new accounting policy for deferred tax retrospectively and accordingly restated the opening balances of the following items as at 1st January 2002 and 2003.

## (a) The Group

|   |             |          |          |
|---|-------------|----------|----------|
| Increase in   | 增加          |          |          |
| — Deferred tax assets                               | — 遞延稅項資產    | 25,320   | 29,340   |
| — Deferred tax liabilities                          | — 遞延稅項負債    | (12,259) | (13,687) |
| Decrease in interest in a jointly controlled entity | 共同控制個體權益的減少 | (37)     | (37)     |
| Increase in exchange reserve                        | 外匯儲備的增加     | (587)    | —        |
| Increase in revenue reserve                         | 收益儲備的增加     | (12,130) | (15,339) |
| Increase in minority interests                      | 少數股東權益的增加   | (307)    | (277)    |

## (b) The Company

|                                      |           |      |       |
|--------------------------------------|-----------|------|-------|
| Increase in deferred tax liabilities | 遞延稅項負債的增加 | (84) | (261) |
| Decrease in revenue reserve          | 收益儲備的減少   | 84   | 261   |

## 28. 前期調整

在以往年度，遞延稅項按預期在可見將來有合理之可能性而產生因會計與稅務處理收入及支出時間差異所引起之稅務後果，按現行稅率計算以負債法作出準備。遞延稅項資產只會合理保證可實現時才會確認。

由二零零三年一月一日起，為遵守由香港會計師公會頒佈之會計實務準則第12號(修訂後)「所得稅」，本集團在採納對遞延稅項之新會計政策具有追溯效力，故相應地重列二零零二年及二零零三年一月一日下列項目之期初結餘：

## (a) 本集團

| At 1st January 2003<br>二零零三年一月一日 | At 1st January 2002<br>二零零二年一月一日 |
|----------------------------------|----------------------------------|
| HK\$'000<br>港幣千元                 | HK\$'000<br>港幣千元                 |
| 25,320                           | 29,340                           |
| (12,259)                         | (13,687)                         |
| (37)                             | (37)                             |
| (587)                            | —                                |
| (12,130)                         | (15,339)                         |
| (307)                            | (277)                            |

## (b) 本公司

| At 1st January 2003<br>二零零三年一月一日 | At 1st January 2002<br>二零零二年一月一日 |
|----------------------------------|----------------------------------|
| HK\$'000<br>港幣千元                 | HK\$'000<br>港幣千元                 |
| (84)                             | (261)                            |
| 84                               | 261                              |

## 29. COMMITMENTS

- (a) As at 31st December 2003, the Group had commitment to make payment in respect of guaranteed profits payable to the joint venture partners under a joint venture agreement amounted to HK\$3,293,000 (2002: HK\$4,253,000) in aggregate over the unexpired term of the joint venture agreement of three years. In return, the Group is entitled to all the residual profits of the joint venture.
- (b) The Group had the following commitment not provided for in the financial statements at the balance sheet date:

## 29. 承擔項目

- (a) 於二零零三年十二月三十一日，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三年年期內可獲保證利潤合共港幣3,293,000元（二零零二年：港幣4,253,000元）。而此合營企業的剩餘利潤則按此協議全歸於本集團。
- (b) 本集團在結算日有以下資本承擔未反映在財務報表中：

|   | Group<br>本集團                      |                                   |
|---|-----------------------------------|-----------------------------------|
|   | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Authorised capital expenditure and contracted for | 68                                | 16,150                            |

## (c) Forward foreign exchange contracts

The notional amounts of the Group's forward foreign exchange contracts are as follows:

## (c) 遠期外匯合約

本集團的遠期外匯合約的概念金額如下：

|                                    | Group<br>本集團                      |                                   |
|------------------------------------|-----------------------------------|-----------------------------------|
|                                    | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
| Forward foreign exchange contracts | 173,198                           | —                                 |

### 30. CONTINGENT LIABILITIES

- (a) As at 31st December 2003, the Company had contingent liabilities in respect of guarantees given by the Company to banks to secure banking facilities granted to certain subsidiaries of which amount utilised by the subsidiaries amounted to HK\$182,286,000 (2002: HK\$172,030,000).
- (b) As at 31st December 2003, 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\$45,544,000 (2002: HK\$38,623,000).
- (c) As at 31st December 2003, the Group sold to financial companies its notes receivable with recourse, which amounted to HK\$14,004,000 (2002: HK\$35,239,000).
- (d) As at 31st December 2003, the Group committed to supply 34.4 million (2002: 14.7 million) aluminium cans to a customer in Taiwan at a fixed price. Such commitment was covered by a bank guarantee issued to the customer, which amounted to approximately HK\$6,589,000 (2002: HK\$2,684,000). The Group had contingent liabilities arising from counter indemnity given to the bank in respect of such guarantee.

### 30. 或然負債

- (a) 於二零零三年十二月三十一日，本公司的或然負債為本公司向銀行提出的擔保，以便若干附屬公司取得銀行信貸額。而有關附屬公司已動用之信貸金額共港幣182,286,000元（二零零二年：港幣172,030,000元）。
- (b) 於二零零三年十二月三十一日，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45,544,000元（二零零二年：港幣38,623,000元）。
- (c) 於二零零三年十二月三十一日，本集團向財務機構出售有追索權之應收票據，總值港幣14,004,000元（二零零二年：港幣35,239,000元）。
- (d) 於二零零三年十二月三十一日，本集團與一台灣客戶簽定合約，以固定價格供應34,400,000片（二零零二年：14,700,000片）鋁罐。本集團就是項合約向有關客戶提出銀行擔保。其擔保金額約為港幣6,589,000元（二零零二年：港幣2,684,000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。

## 31. RELATED PARTY TRANSACTIONS

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

| Related party<br>有關連人士              | Nature of transactions<br>交易性質                                       | Notes<br>附註                      | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|-------------------------------------|--|----------------------------------|-----------------------------------|-----------------------------------|
| Jointly controlled entity<br>共同控制個體 | Purchases of small package oil<br>購買小包裝食油                            | (i)                              | 4,586                             | 3,004                             |
|                                     | Sales of aroma oil<br>香味油銷售  | (ii)                             | 58,262                            | 18,672                            |
|                                     | Sales of detergent products<br>清潔用品銷售                                | (ii)                             | —                                 | 3,216                             |
|                                     | Transfer of machines<br>機器轉讓   | (ii)                             | 1,200                             | —                                 |
|                                     | Bottling and refinery income<br>of small package oil<br>小包裝食油裝罐及精煉收入 | (iii)                            | 32,727                            | 40,517                            |
|                                     | Advertising and promotion income<br>廣告及宣傳收入                          | (iii)                            | —                                 | 3,000                             |
|                                     | Management fee income<br>管理費收入                                       | (iii)                            | 2,000                             | 3,000                             |
|                                     | Royalties received for the<br>use of trademarks<br>商標使用版權費收入         | (iv)                             | 14,810                            | 22,499                            |
|                                     | GIMC Limited ("GIMC")  | Management fee expenses<br>管理費支出 | (v)                               | 1,647                             |

## Notes:

- (i) Purchases of small package oil were carried out at cost plus a percentage of profit mark-up.
- (ii) Sales of aroma oil and detergent products and transfer of machines were made with reference to the market price.
- (iii) Bottling and refinery income of small package oil, advertising, 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.
- (v) GIMC is an indirect wholly-owned subsidiary of Hong Leong Company (Malaysia) Berhad ("HLCM"), a substantial shareholder which is deemed to be interested in 63.5% shareholdings in the Company pursuant to Part XV of the Securities & Futures Ordinance. Pursuant to the service agreement signed between the Company and GIMC, the Company should pay a monthly fee of HK\$50,000 and an annual fee equal to 3% of the annual consolidated profits before tax of the Company for the relevant financial year. The service agreement is for a term of half year from 1st July 2003 to 31st December 2003 and thereafter shall be automatically renewable on the same terms, for additional consecutive terms of one year each, unless either party provides the other with prior written notice of at least six months.

## 31. 有關連人士的交易

除財務報表在附註20、23及30(b)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：

| Notes<br>附註 | 2003<br>二零零三年<br>HK\$'000<br>港幣千元 | 2002<br>二零零二年<br>HK\$'000<br>港幣千元 |
|-------------|-----------------------------------|-----------------------------------|
| (i)         | 4,586                             | 3,004                             |
| (ii)        | 58,262                            | 18,672                            |
| (ii)        | —                                 | 3,216                             |
| (ii)        | 1,200                             | —                                 |
| (iii)       | 32,727                            | 40,517                            |
| (iii)       | —                                 | 3,000                             |
| (iii)       | 2,000                             | 3,000                             |
| (iv)        | 14,810                            | 22,499                            |
| (v)         | 1,647                             | —                                 |

## 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) 香味油及清潔用品銷售和機器轉讓均按照市場價格進行。
- (iii) 小包裝食油裝罐及精煉收入、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) 商標使用版權費收入是根據商標租用合同，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訂百分率徵收。此已訂百分率可在雙方同意下定期更改。
- (v) GIMC乃Hong Leong Company (Malaysia) Berhad (HLCM) 之間接全資附屬公司，而根據證券及期貨條例第十五部，HLCM為佔本公司63.5%之被視為擁有股份權益之主要股東。根據由本公司與GIMC所簽訂之服務協議，本公司須每月支付GIMC港幣50,000元及年費相等於本公司在有關財政年度除稅前綜合溢利之3%。此服務協議為期半年，由二零零三年七月一日至二零零三年十二月三十一日止，並於每年到期時按相同條款自動續一年，惟任何一方需給予另一方最少六個月的書面通知則除外。

**32. SEGMENT REPORTING****Business segments**

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

- (1) Food — Manufacturing and distribution of a broad range of food products including 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

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**

本集團主要經營五個分部。各分部的產品如下：

- (1) 食品 — 製造及分銷一系列食品，包括麵粉、食油、植物脂肪、冷凍麵團及其他加工食品供飲食業使用
- (2) 清潔用品 — 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」及兩片鋁罐，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

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。

**32. SEGMENT REPORTING** *(continued)***Geographical segments**

The Group's business is managed on a worldwide basis, but participates in three 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

**32. 分部報告 (續)****地區分部**

本集團的業務是世界性的，但主要集中於三個地區：

- (1) 中國大陸 — 製造及分銷麵粉、食油、清潔用品及包裝產品
- (2) 香港 — 買賣及分銷麵粉、清潔用品、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」及兩片鋁罐，供飲品工業使用



## 32. SEGMENT REPORTING (continued)

## 32. 分部報告 (續)

2003

二零零三年

## (A) Business segments

## (A) 業務分部

|   |               | Food<br>食品       | Detergent<br>清潔用品 | Packaging<br>包裝產品 | Distribution<br>產品分銷 | Bulk<br>trading<br>散裝貿易 | Others<br>其他     | Inter-segment<br>elimination<br>各分部間<br>的抵銷 | Consolidated<br>綜合 |
|---|---------------|------------------|-------------------|-------------------|----------------------|-------------------------|------------------|---|--------------------|
|   |               | HK\$'000<br>港幣千元 | HK\$'000<br>港幣千元  | HK\$'000<br>港幣千元  | HK\$'000<br>港幣千元     | HK\$'000<br>港幣千元        | HK\$'000<br>港幣千元 | HK\$'000<br>港幣千元                            | HK\$'000<br>港幣千元   |
| (i) Revenue   | 收入            |                  |                   |                   |                      |                         |                  |   |                    |
| Revenue from external customers                       | 對外客戶收入        | 1,118,390        | 61,426            | 523,252           | 331,434              | 198                     | 1,662            | —   | 2,036,362          |
| Inter-segment sales                                   | 各分部間的銷售       | 174,993          | 26,611            | —                 | 3,658                | 1,470                   | 6,437            | (213,169)                                   | —                  |
| Other revenue   | 其他收入          | 976              | —                 | 497               | 299                  | —                       | 2,619            | —   | 4,391              |
| <b>Total revenue</b>                                  | <b>總收入</b>    | <b>1,294,359</b> | <b>88,037</b>     | <b>523,749</b>    | <b>335,391</b>       | <b>1,668</b>            | <b>10,718</b>    | <b>(213,169)</b>                            | <b>2,040,753</b>   |
| (ii) Segment results                                  | 分部業績          | 7,675            | (2,188)           | 40,020            | 61,719               | (2,499)                 | (44,503)         | —   | 60,224             |
| Net interest expenses                                 | 淨利息支出         | —                | —                 | —                 | —                    | —                       | 9,976            | —   | (11,046)           |
| Release of negative goodwill                          | 負商譽的變現        | —                | —                 | —                 | —                    | —                       | 9,976            | —   | 9,976              |
| Share of results of a jointly controlled entity       | 應佔共同控制個體的業績   | 2,017            | —                 | —                 | —                    | —                       | —                | —   | 2,017              |
| Taxation  | 稅項            | —                | —                 | —                 | —                    | —                       | —                | —   | (19,668)           |
| Minority interests                                    | 少數股東權益        | —                | —                 | —                 | —                    | —                       | —                | —   | (3,268)            |
| <b>Profit attributable to shareholders</b>            | <b>股東應佔溢利</b> |                  |                   |                   |                      |                         |                  |   | <b>38,235</b>      |
| (iii) Depreciation and amortisation for the year      | 是年度折舊及攤銷      | 39,183           | 2,808             | 16,776            | 996                  | 1,718                   | 11,266           | —   | 72,747             |
| (iv) Provision for doubtful debts                     | 呆賬準備          | 3,191            | 44                | 2,367             | 548                  | —                       | 186              | —   | 6,336              |
| (v) Segment assets                                    | 分部資產          | 928,841          | 33,042            | 523,002           | 71,982               | 34,162                  | 105,009          | —   | 1,696,038          |
| Interests in jointly controlled entity and associates | 共同控制個體及聯營公司權益 | 55,576           | —                 | —                 | —                    | —                       | 24,581           | —   | 80,157             |
| Unallocated assets                                    | 未分配資產         | —                | —                 | —                 | —                    | —                       | —                | —   | 43,645             |
| <b>Total assets</b>                                   | <b>總資產</b>    |                  |                   |                   |                      |                         |                  |   | <b>1,819,840</b>   |
| (vi) Segment liabilities                              | 分部負債          | 250,663          | 21,021            | 135,860           | 19,498               | 1,144                   | 49,934           | —   | 478,120            |
| Unallocated liabilities                               | 未分配負債         | —                | —                 | —                 | —                    | —                       | —                | —   | 409,045            |
| <b>Total liabilities</b>                              | <b>總負債</b>    |                  |                   |                   |                      |                         |                  |   | <b>887,165</b>     |
| (vii) Capital expenditure incurred during the year    | 是年度資本支出       | 33,266           | 1,167             | 6,610             | 1,586                | —                       | 400              | —   | 43,029             |

## 32. SEGMENT REPORTING (continued)

2003 (continued)

## (B) Geographical segments

|  |         | Mainland<br>China<br>中國大陸<br>HK\$'000<br>港幣千元 | Hong Kong<br>香港<br>HK\$'000<br>港幣千元 | Taiwan<br>台灣<br>HK\$'000<br>港幣千元 | Consolidated<br>綜合<br>HK\$'000<br>港幣千元 |
|--|---------|---|-------------------------------------|----------------------------------|--|
| Revenue from external customers              | 對外客戶收入  | 1,380,387                                     | 358,764                             | 297,211                          | 2,036,362                              |
| Segment assets                               | 分部資產    | 1,125,326                                     | 300,955                             | 393,559                          | 1,819,840                              |
| Capital expenditure incurred during the year | 是年度資本支出 | 39,145  | 2,521                               | 1,363                            | 43,029                                 |

## 32. 分部報告 (續)

二零零三年 (續)

## (B) 地區分部

## 32. SEGMENT REPORTING (continued)

## 32. 分部報告 (續)

2002 (Restated)

二零零二年 (重列後)

## (A) Business segments

## (A) 業務分部

|  |                       | Food<br>食品<br>HK\$'000<br>港幣千元 | Detergent<br>清潔用品<br>HK\$'000<br>港幣千元 | Packaging<br>包裝產品<br>HK\$'000<br>港幣千元 | Distribution<br>產品分銷<br>HK\$'000<br>港幣千元 | Bulk<br>trading<br>散裝貿易<br>HK\$'000<br>港幣千元 | Others<br>其他<br>HK\$'000<br>港幣千元 | Inter-segment<br>elimination<br>各分部間<br>的抵銷<br>HK\$'000<br>港幣千元 | Consolidated<br>綜合<br>HK\$'000<br>港幣千元 |
|--|-----------------------|--------------------------------|---------------------------------------|---------------------------------------|--|---|----------------------------------|---|--|
| (i) Revenue  | 收入                    |                                |                                       |                                       |  |   |                                  |   |  |
| Revenue from<br>external customers                       | 對外客戶<br>收入            | 1,026,277                      | 54,076                                | 474,503                               | 344,459                                  | 6,876                                       | 2,153                            | —   | 1,908,344                              |
| Inter-segment sales                                      | 各分部間<br>的銷售           | 209,961                        | 24,664                                | —                                     | 5,038                                    | 1,203                                       | 6,344                            | (247,210)   | —                                      |
| Other revenue  | 其他收入                  | 6,348                          | 265                                   | 1,035                                 | 3,502                                    | —   | 4,357                            | —   | 15,507                                 |
| Total revenue  | 總收入                   | 1,242,586                      | 79,005                                | 475,538                               | 352,999                                  | 8,079                                       | 12,854                           | (247,210)   | 1,923,851                              |
| (ii) Segment results                                     | 分部業績                  | 31,291                         | (2,186)                               | 21,765                                | 55,152                                   | (3,072)                                     | (53,899)                         | —   | 49,051                                 |
| Net interest expenses                                    | 淨利息支出                 |                                |                                       |                                       |  |   |                                  |   | (13,761)                               |
| Release of negative goodwill                             | 負商譽的變現                | —                              | —                                     | —                                     | —  | —   | 6,382                            | —   | 6,382                                  |
| Share of results of a jointly<br>controlled entity       | 應佔共同<br>控制個體<br>的業績   | 1,366                          | —                                     | —                                     | —  | —   | —                                | —   | 1,366                                  |
| Taxation   | 稅項                    |                                |                                       |                                       |  |   |                                  |   | (23,571)                               |
| Minority interests                                       | 少數股東權益                |                                |                                       |                                       |  |   |                                  |   | (1,766)                                |
| Profit attributable to shareholders                      | 股東應佔溢利                |                                |                                       |                                       |  |   |                                  |   | 17,701                                 |
| (iii) Depreciation and amortisation<br>for the year      | 是年度折舊<br>及攤銷          | 38,477                         | 1,983                                 | 15,479                                | 615                                      | 1,766                                       | 12,034                           | —   | 70,354                                 |
| (iv) Provision for doubtful debts                        | 呆賬準備                  | 1,373                          | 1                                     | 49                                    | 453                                      | —   | —                                | —   | 1,876                                  |
| (v) Segment assets                                       | 分部資產                  | 1,078,662                      | 35,728                                | 484,700                               | 70,954                                   | 35,484                                      | 53,962                           | —   | 1,759,490                              |
| Interests in jointly controlled<br>entity and associates | 共同控制<br>個體及聯營<br>公司權益 | 53,967                         | —                                     | —                                     | —  | —   | 24,581                           | —   | 78,548                                 |
| Unallocated assets                                       | 未分配資產                 |                                |                                       |                                       |  |   |                                  |   | 48,188                                 |
| Total assets   | 總資產                   |                                |                                       |                                       |  |   |                                  |   | 1,886,226                              |
| (vi) Segment liabilities                                 | 分部負債                  | 414,521                        | 17,890                                | 95,429                                | 17,051                                   | 1,658                                       | 31,255                           | —   | 577,804                                |
| Unallocated liabilities                                  | 未分配負債                 |                                |                                       |                                       |  |   |                                  |   | 422,532                                |
| Total liabilities  | 總負債                   |                                |                                       |                                       |  |   |                                  |   | 1,000,336                              |
| (vii) Capital expenditure incurred<br>during the year    | 是年度資本<br>支出           | 61,019                         | 483                                   | 1,726                                 | 1,508                                    | —   | 309                              | —   | 65,045                                 |

**32. SEGMENT REPORTING (continued)**

2002 (Restated) (continued)

**(B) Geographical segments**

|  |         | <b>Mainland<br/>China<br/>中國大陸<br/>HK\$'000<br/>港幣千元</b> | <b>Hong Kong<br/>香港<br/>HK\$'000<br/>港幣千元</b> | <b>Taiwan<br/>台灣<br/>HK\$'000<br/>港幣千元</b> | <b>Consolidated<br/>綜合<br/>HK\$'000<br/>港幣千元</b> |
|--|---------|--|---|--|--|
| Revenue from external customers              | 對外客戶收入  | 1,247,368  | 388,076                                       | 272,900                                    | 1,908,344  |
| Segment assets                               | 分部資產    | 1,160,224  | 226,442                                       | 499,560                                    | 1,886,226  |
| Capital expenditure incurred during the year | 是年度資本支出 | 61,785   | 1,823   | 1,437                                      | 65,045   |

**33. COMPARATIVE FIGURES**

Certain comparative figures have been restated following the adoption of the revised SSAP 12 as set out in Note 1(a) above.

**32. 分部報告 (續)**

二零零二年(重列後)(續)

**(B) 地區分部****33. 比較數字**

若干比較數字已重新分類，以配合是年度採納之經修訂之會計實務準則第12號，此會計實務準則已載於附註1(a)。