

NOTES ON THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2004
(Expressed in Hong Kong dollars)

截至二零零四年十二月三十一日止年度
(以港元為單位)

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (which include all applicable Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (previously named Hong Kong Society of Accountants), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited ("Stock Exchange"). A summary of the significant accounting policies adopted by the Group is set out below.

(b) Recently issued accounting standards

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005.

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 December 2004. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

(c) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is historical cost modified by the revaluation of land and buildings as explained in the accounting policy set out in note 1(f).

(d) Subsidiary

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued capital, or controls more than half of the voting power, or controls the composition of the board of directors.

1. 主要會計政策

(a) 遵例聲明

本財務報表是按照香港會計師公會頒佈之所有適用之《香港財務報告準則》(包括所有適用之《會計實務準則》及解釋)、香港公認會計原則及香港《公司條例》之規定編製。本財務報表同時符合適用之《香港聯合交易所有限公司(「聯交所」)主板證券上市規則》披露規定。以下是本集團採用之主要會計政策概要。

(b) 近期頒佈之會計準則

香港會計師公會頒佈若干新訂及經修訂之《香港財務報告準則》及《香港會計準則》(「新香港財務報告準則」)，並於二零零五年一月一日或以後開展之會計期間生效。

本集團並無於截至二零零四年十二月三十一日止年度之財務報表中提早採納該等新香港財務報告準則。本集團已開始評估該等新香港財務報告準則之影響，惟現時仍未能確定該等新香港財務報告準則會否對其營運業績及財務狀況構成重大影響。

(c) 財務報表之編製基準

除土地及樓宇按重估值入賬(見下文附註1(f)所載之會計政策)外，本財務報表是以歷史成本作為編製基準。

(d) 附屬公司

按照香港《公司條例》規定，附屬公司是指本集團直接或間接持有其過半數已發行股本，或控制其過半數投票權，或控制其董事會組成之公司。

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1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Subsidiary (Continued)

An investment in a subsidiary is consolidated into the consolidated financial statements. Intra-group balances and transactions, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

In the Company's balance sheet, investment in a subsidiary is stated at cost less any impairment losses (see note 1(i)).

(e) Other investments in securities

The Group's and the Company's policies for investments in securities other than investment in a subsidiary are as follows:

- (i) Investments held on a continuing basis for an identified long-term purpose are classified as investment securities. Investment securities are stated in the balance sheet at cost less any provisions for diminution in value. Provisions are made when the fair values have declined below the carrying amounts, unless there is evidence that the decline is temporary, and are recognised as an expense in the profit and loss account, such provisions being determined for each investment individually.
- (ii) Profits or losses on disposal of investments in securities are determined as the difference between the estimated net disposal proceeds and the carrying amount of the investments and are accounted for in the profit and loss account as they arise.

1. 主要會計政策 (續)

(d) 附屬公司 (續)

集團於附屬公司之投資均在綜合財務報表中綜合計算。集團內部往來之餘額和集團內部交易及其產生之未變現溢利，均在編製綜合財務報表時全數抵銷。集團內部交易所產生之未變現虧損之抵銷方法與未變現溢利相同，但抵銷額只限於沒有證據顯示已轉讓資產已出現減值。

本公司資產負債表所示於附屬公司之投資，是按成本減去任何減值虧損（見附註1(i)）後入賬。

(e) 其他投資證券

本集團及本公司對投資附屬公司以外之投資證券政策如下：

- (i) 持續持有作既定長期用途的投資歸類為投資證券。這類證券是以成本減去任何減值準備後記入資產負債表。當投資的公允價值下跌至低於賬面金額時，除非有證據證明減值屬於暫時性質，否則便會提撥減值準備，並在損益表內確認為支出。這類準備是就個別投資項目釐定。
- (ii) 出售證券投資的溢利或虧損是按估計出售收入淨額與投資賬面金額間之差額釐定，並在產生時計入損益表。

1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(f) Fixed assets

- (i) Fixed assets are carried in the balance sheets on the following bases:
- land and buildings held for own use are stated in the balance sheet at their revalued amount, being their open market value at the date of revaluation less any subsequent accumulated depreciation (see note 1(h)). Revaluations are performed by qualified valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the balance sheet date;
 - plant, machinery and other fixed assets are stated in the balance sheet at cost less accumulated depreciation (see note 1(h)) and impairment losses (see note 1(i)); and
 - small value assets costing less than \$500 are charged directly to the profit and loss account.
- (ii) Changes arising on the revaluation of land and buildings held for own use are generally dealt with in reserves. The only exceptions are as follows:
- when a deficit arises on revaluation, it will be charged to the profit and loss account, if and to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
 - when a surplus arises on revaluation, it will be credited to the profit and loss account, if and to the extent that a deficit on revaluation in respect of that same asset had previously been charged to the profit and loss account.
- (iii) Subsequent expenditure relating to a fixed asset that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

1. 主要會計政策 (續)

(f) 固定資產

- (i) 固定資產是按下列基準記入資產負債表：
- 持作自用之土地及樓宇以其重估值（即根據它們在重估日之公開市值，減去任何其後之累計折舊（見附註1(h)）後得出之數額）記入資產負債表。重估工作由合資格之估價師定期進行，以確保這些資產之賬面金額與採用結算日之公允價值釐定之數額之間不會出現重大差異；
 - 機器、設備及其他固定資產以成本減去累計折舊（見附註1(h)）及減值虧損（見附註1(i)）後記入資產負債表；及
 - 成本不超過500元之小型資產直接於損益表內扣除。
- (ii) 重估持作自用土地及樓宇而產生之變動一般會撥入儲備處理，但下列情況除外：
- 如果出現重估虧損，而且有關之虧損額超過就該項資產在截至重估前計入儲備之數額，則差額會在損益表內扣除；及
 - 如果以往曾將同一項資產之重估虧損在損益表內扣除，則在出現重估盈餘時，以往曾在損益表扣除之數額會撥入損益表內。
- (iii) 在超過現有資產原先評估之表現水平之未來經濟效益很可能流入集團時，與固定資產有關而且已獲確認之其後支出便會加入資產之賬面金額。所有其他其後支出則在產生之期間確認為支出。

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1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(f) Fixed assets (Continued)

- (iv) Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the estimate net disposal proceeds and the carrying amount of the asset and are recognised in the profit and loss account on the date of retirement or disposal.

(g) Operating lease charges

Leases of assets under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases. Where the Group has the use of assets under operating leases, payments made under the leases are charged to the profit and loss account in equal instalments over the accounting periods covered by the lease term.

(h) Depreciation

- (i) No depreciation is provided on freehold land.
- (ii) Depreciation is calculated to write off the cost or valuation of other fixed assets on a straight-line basis over their estimated useful lives as follows:

Leasehold land 租賃土地	the remaining term of the lease or 50 years whichever is shorter 租賃期之餘下年期或50年期間(以較短者為準)
Buildings 樓宇	the remaining term of the lease or 30 years whichever is shorter 租賃期之餘下年期或30年期間(以較短者為準)
Plant and machinery 機器及設備	4 – 10 years 4至10年
Other fixed assets 其他固定資產	3 – 5 years 3至5年

(i) Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that fixed assets (other than land and buildings carried at revalued amounts) and interest in a subsidiary may be impaired or an impairment loss previously recognised no longer exists or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the profit and loss account whenever the carrying amount of such an asset exceeds its recoverable amount.

1. 主要會計政策 (續)

(f) 固定資產 (續)

- (iv) 報廢或出售固定資產所帶來之收益或虧損，將按資產之估計出售所得款項淨項與賬面值之間之差額釐定，並於報廢或出售當日在損益表內確認。

(g) 經營租賃費用

出租人並未轉讓所有權之全部相關風險及報酬之資產租賃，則歸類為經營租賃。如屬本集團透過經營租賃使用資產之情況，則根據租賃作出之付款會在租賃期所涵蓋之會計期間內，以等額在損益表列作費用。

(h) 折舊

- (i) 永久業權土地不計提任何折舊。
- (ii) 其他固定資產的折舊是按其預計可用年限以直線法基準沖銷其成本或估值，計算方法如下：

(i) 資產減值

董事在每個結算日審閱內部和外來之信息，以確定固定資產(按重估數額列賬之土地及樓宇除外)及於附屬公司之權益有否出現減值跡象，或以往確認之減值虧損是否不復存在或已經減少。如果發現有減值跡象，便會估計該資產之可收回數額。當資產之賬面金額高於可收回數額時，便會於損益表確認減值虧損。

1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Impairment of assets (Continued)

(i) Calculation of recoverable amount

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

(ii) Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the consolidated profit and loss account in the year in which the reversals are recognised.

(j) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1. 主要會計政策 (續)

(i) 資產減值 (續)

(i) 計算可收回金額

資產之可收回金額以其銷售淨價和使用價值兩者中之較高數額為準。在評估使用價值時，會使用除稅前折讓率將估計未來現金流量折讓至現值。該折讓率應是反映市場當時所評估之貨幣時間價值和該資產之獨有風險。如果資產所產生之現金流入基本上不獨立於其他資產所產生之現金流入，則以能獨立產生現金流量之最小資產類別（即現金產生單位）來釐定可收回數額。

(ii) 減值虧損轉回

倘若用以釐定可收回數額之估計發生有利之變化，便會將資產減值虧損轉回。所轉回之減值虧損以假設沒有在往年確認減值虧損而應已釐定之資產賬面金額為限。所轉回之減值虧損在確認轉回之年度內計入損益表內。

(j) 存貨

存貨以成本及可變現淨值兩者中之較低數額入賬。

成本以先入先出法計算，其中包括所有採購成本、轉換之成本，以及將存貨運至現址和變成現狀之其他成本。

可變現淨值是以日常業務過程中之估計售價減去完成生產及銷售所需之估計成本後所得之數。

所出售存貨之賬面金額在相關收入獲確認之期間內確認為支出。存貨數額撇減至可變現淨值及存貨之所有虧損，均在出現減值或虧損之期間內確認為支出。因可變現淨值增加引致存貨之任何減值轉回之數，均在出現轉回之期間內確認為已列作支出之存貨數額減少。

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1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(k) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the profit and loss account as follows:

(i) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue is after deduction of trade discounts and returns.

(ii) Interest income

Interest income from bank deposits is accrued on a time-apportioned basis by reference to the principal outstanding and the rate applicable.

(l) 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 exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the profit and loss account.

The results of subsidiaries outside Hong Kong are translated into Hong Kong dollars at the average exchange rates for the year; balance sheet items are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are dealt with as a movement in reserves.

(m) Employee benefits

(i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

1. 主要會計政策 (續)

(k) 收入確認

收入是在經濟效益可能流入本集團，以及能夠可靠地計算收入和成本（如適用）時，根據下列方法在損益表內確認：

(i) 銷售貨品

收入在貨品送達客戶場地，而且客戶接收貨品及其所有權相關之風險及回報時確認。收入已扣除營業折扣及退貨。

(ii) 利息收入

銀行存款之利息收入以時間比例為基準，按尚餘本金及適用利率計算。

(l) 外幣換算

年內之外幣交易按交易日之匯率換算為港幣。以外幣為單位之貨幣資產及負債則按結算日之匯率換算為港幣。匯兌盈虧均撥入損益表處理。

香港以外附屬公司之業績按年內之平均匯率換算為港元，而資產負債表項目則按結算日當時之匯率換算為港元。匯兌盈虧列作儲備變動。

(m) 僱員福利

(i) 薪金、年度獎金、有薪年假、假期旅遊津貼及各項非貨幣福利成本均在本集團僱員提供相關服務之年度內累計。如延遲付款或結算後構成重大之貨幣時間價值，則上述數額須按現值列賬。

1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Employee benefits (Continued)

- (ii) Contributions to defined contribution retirement schemes, including Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expense in the profit and loss account as incurred, except to the extent that they are included in the inventories not yet recognised as an expense.
- (iii) When the Group grants employees options to acquire shares of the Company at nominal consideration, no employee benefit cost or obligation is recognised at the date of grant. When the options are exercised, equity is increased by the amount of the proceeds received.

(n) Cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(o) Income tax

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the profit and loss account except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

1. 主要會計政策 (續)

(m) 僱員福利 (續)

- (ii) 界定供款退休計劃(包括根據香港《強制性公積金計劃條例》規定之強制性公積金)作出之供款,均於產生時在損益表扣除;但已計入尚未確認為開支之存貨之數額除外。
- (iii) 如本集團以象徵式價款授予僱員可認購本公司股份之購股權,在授予日期不會確認僱員福利成本或義務。當購股權被行使時,股東權益按所收取款項之數額增加。

(n) 現金等價物

現金及現金等價物包括銀行存款及手頭現金、銀行及其他金融機構之活期存款,以及短期而流通性高,可隨時轉換為已知數額之現金及所需承受之價值變動風險甚小,並自購入日期起計三個月內到期之投資。

(o) 所得稅

- (i) 本年度所得稅包括本期所得稅及遞延所得稅資產和負債的變動。本期所得稅及遞延所得稅資產和負債的變動均在損益表內確認,但與直接確認為股東權益項目相關的,則確認為股東權益。
- (ii) 本期所得稅是按本年度應稅收入根據已執行或在結算日實質上已執行的稅率計算的預期應付稅項,加上以往年度應付稅項的任何調整。
- (iii) 遞延所得稅資產和負債分別由可抵扣和應稅暫時差異產生。暫時差異是指資產和負債在財務報表上的賬面金額與這些資產和負債的計稅基礎的差異。遞延所得稅資產也可以由未利用可抵扣虧損和未利用稅款抵減產生。

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截至二零零四年十二月三十一日止年度
(以港元為單位)

1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(o) Income tax (Continued)

(iii) (Continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

1. 主要會計政策 (續)

(o) 所得稅 (續)

(iii) (續)

除了某些例外情況外，所有遞延所得稅負債和遞延所得稅資產（只限於很可能獲得能利用該遞延所得稅資產來抵扣的未來應稅溢利）都會確認。支持確認由可抵扣暫時差異所產生遞延所得稅資產的未來應稅溢利包括因轉回目前存在的應稅暫時差異而產生的數額；但這些轉回的差異必須與同一稅務機關及同一應稅實體有關，並預期在可抵扣暫時差異預計轉回的同一期間或遞延所得稅資產所產生可抵扣虧損可向後期或向前期結轉的期間內轉回。在決定目前存在的應稅暫時差異是否足以支持確認由未利用可抵扣虧損和稅款抵減所產生的遞延所得稅資產時，亦會採用同一準則，即差異是否與同一稅務機關及同一應稅實體有關，並是否預期在能夠使用未利用可抵扣虧損和稅款抵減撥回的同一期間內轉回。

不確認為遞延所得稅資產和負債的暫時差異產生自以下例外情況：不影響會計或應稅溢利的資產或負債的初始確認（如屬業務合併的一部分則除外）；以及投資附屬公司（如屬應課稅差異），只限於本集團可以控制轉回的時間，而且在可預見的將來不大可能轉回的暫時差異；或如屬可抵扣差異，則只限於可能在將來轉回的差異。

遞延所得稅額是按照資產和負債賬面金額的預期實現或清償方式，根據已執行或在結算日實質上已執行的稅率計量。遞延所得稅資產和負債均不貼現計算。

1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(o) Income tax (Continued)

(iii) (Continued)

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

(iv) Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, and only if, the Company or Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(p) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Company or 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.

1. 主要會計政策 (續)

(o) 所得稅 (續)

(iii) (續)

本集團會在每個結算日評估遞延所得稅資產的賬面金額。如果我們預期不再可能獲得足夠的應稅溢利以利用相關的稅務利益，該遞延所得稅資產的賬面金額便會調低；但是如果日後又可能獲得足夠的應稅溢利，有關減額便會轉回。

(iv) 本期和遞延所得稅結餘及其變動額會分開列示，並且不予抵銷。本期和遞延所得稅資產只會在本公司或本集團有法定行使權以本期所得稅資產抵銷本期所得稅負債，並且符合以下附帶條件的情況下，才可以分別抵銷本期和遞延所得稅負債：

- 本期所得稅資產和負債：本公司或本集團計劃按淨額基準結算，或同時變現該資產和清償該負債；或
- 遞延所得稅資產和負債：這些資產和負債必須與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應稅實體；或
 - 不同的應稅實體。這些實體計劃在預期有大額遞延所得稅負債要清償或遞延所得稅資產可以收回的每個未來期間，按淨額基準實現本期所得稅資產和清償本期所得稅負債，或同時變現該資產和清償該負債。

(p) 準備及或有負債

倘若本公司或本集團須就已發生之事件承擔法律或推定義務，而履行該義務預期會導致含有經濟效益之資源外流，並可作出可靠之估計，便會就該時間或數額不定之負債計提準備。如果貨幣時間價值重大，則按預計履行義務所需資源之現值計列準備。

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1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(p) Provisions and contingent liabilities (Continued)

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 of economic benefits 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 of economic benefits is remote.

(q) Dividends

Dividends are recognised as a liability in the period in which they are declared or approved.

(r) Research and development costs

Research and development costs comprise all costs that are directly attributable to research and development activities or that can be allocated on a reasonable basis to such activities. Because of the nature of the Group's research and development activities, the criteria for the recognition of such costs as an asset are generally not met until late in the development stage of the project when the remaining development costs are immaterial. Hence both research costs and development costs are generally recognised as expenses in the period in which they are incurred.

(s) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

(t) Segment reporting

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

1. 主要會計政策 (續)

(p) 準備及或有負債 (續)

倘若含有經濟效益之資源外流之可能性不大，或是無法對有關數額作出可靠之估計，便會將該義務披露為或有負債；但假如這類資源外流之可能性極低則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否之潛在義務，亦會披露為或然負債，但假如這類資源外流之可能性極低則除外。

(q) 股息

股息於宣派或批准之期間確認為負債。

(r) 研究及開發成本

研究及開發成本包括所有直接由研究及開發活動產生之成本，或可合理地分配作有關活動之成本。由於集團之研究及開發活動之性質，把有關成本確認為資產之條件一般須在該項目研發階段之後期才能達致，而當時餘下之研發成本已微不足道。因此，研究成本及開發成本一般均於發生之期間內確認為開支。

(s) 關聯人士

就本財務報表而言，如果本集團能夠直接或間接監控另一方人士或對另一方人士之財務及經營決策發揮重大之影響力，或另一方人士能夠直接或間接監控本集團或對本集團之財務及經營決策發揮重大之影響力，或本集團與另一方人士均受制於共同之監控或共同之重大影響下，即被視為本集團之關聯人士。關聯人士可以是個別人士或其他實體。

(t) 分部報告

分部是指本集團內可明顯區分之組成部分，並且負責提供單項產品(業務分部)或在一個特定之經濟環境中提供產品(地區分部)，並且承擔不同於其他分部之風險和回報。

1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(t) Segment reporting (Continued)

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

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. For example, segment assets may include inventories, trade receivables and fixed assets. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between Group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

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, corporate and financing expenses.

2. TURNOVER

The principal activities of the Group are the manufacture and sale of electronic components.

Turnover represents the sales value of goods supplied to customers less goods returned and after trade discounts.

3. OTHER REVENUE

Interest income
Scrap sales
Recovery of bad debts
Others

利息收入
廢料銷售
收回壞賬
其他

1. 主要會計政策 (續)

(t) 分部報告 (續)

按照本集團之內部財務報告系統，本集團已就本財務報表選擇以業務分部為報告分部信息之主要形式，而地區分部則是次要之分部報告形式。

分部收入、支出、經營成果、資產及負債包含直接歸屬某一分部，以及可按合理之基準分配至該分部之項目之數額。例如，分部資產可能包括存貨、應收賬款及固定資產。分部收入、支出、資產及負債包含須在編製綜合財務報表時抵銷之集團內部往來之餘額和集團內部交易；但同屬一個分部之集團企業之間之集團內部往來之餘額和交易則除外。分部之間之轉移事項定價按與其他外界人士相若之條款計算。

分部資本開支是指，在期內購入預計可於超過一個會計期間使用之分部資產（包括有形和無形資產）所產生之成本總額。

未歸類之項目，主要包括財務及企業資產、企業及融資費用。

2. 營業額

本集團之主要業務是生產及銷售電子元件。

營業額包括供予客戶之產品銷售價值，扣除退貨及任何營業折扣。

3. 其他收益

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
703	781
128	95
-	181
341	764
1,172	1,821

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4. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION

Profit from ordinary activities before taxation is arrived at after charging:

4. 除稅前正常業務溢利

除稅前正常業務溢利已扣除下列各項：

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
(a) Finance costs:	(a) 融資成本：		
Interest on bank advances and other borrowing wholly repayable within five years	銀行墊款及須於五年內悉數償還之其他貸款之利息	-	29
Finance charges on obligations under hire purchase contracts	租購合約承擔的財務費用	-	2
		-	31
(b) Other items:	(b) 其他項目：		
Cost of inventories sold #	已售存貨之成本#	515,670	412,569
Staff costs #/*	員工成本 #/*		
– salaries, wages and other benefits	– 工資、薪金及其他福利	52,110	40,867
– contributions to defined contribution schemes	– 界定供款計劃之供款	1,112	590
Auditors' remuneration	核數師酬金		
– audit services	– 核數服務	605	397
– tax services	– 稅項服務	39	37
Depreciation #	折舊#	15,598	9,977
Operating lease charges in respect of properties #/*	物業之經營租賃費用 #/*	4,988	3,965
Loss on disposal of fixed assets	出售固定資產虧損	20	-

Cost of inventories sold includes \$49,726,000 (2003: \$44,661,000) relating to staff costs, depreciation expenses and operating lease charges in respect of properties, which amount is also included in the respective total amounts disclosed separately above for each of these types of expenses.

* Staff costs included operating lease charges of \$1,006,000 (2003: \$588,000) which amount is also included in operating lease charges disclosed separately above.

已售存貨之成本包括與員工成本、折舊開支及就物業之經營租賃費用有關的49,726,000元(二零零三年：44,661,000元)。這些金額已個別地計入上表分開披露之各類開支之總金額內。

* 員工成本包括經營租賃費用1,006,000元(二零零三年：588,000元)。這項金額已計入上表分開披露之經營租賃費用內。

5. INCOME TAX IN THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

(a) Taxation in the consolidated profit and loss account represents:

Current tax	本期稅項
Provision for Hong Kong Profits Tax (Over)/under-provision for Hong Kong Profits Tax in respect of prior years	香港利得稅準備 以往年度就香港利得稅之準備(過剩)/不足
PRC taxation	中國稅項
Deferred tax	遞延稅項
Origination and reversal of temporary differences	暫時性差異之產生及轉回

Provision for Hong Kong Profits Tax is calculated at 17.5% (2003: 17.5%) on the Group's estimated assessable profits arising in Hong Kong for the year.

The Group carries out manufacturing activities in the People's Republic of China ("PRC") under the terms of various assembling and processing agreements with PRC entities and has substantial involvement in these manufacturing activities undertaken in the PRC. The profits earned are thus considered to be partly arising and derived from the manufacturing activities carried out in the PRC and partly from other activities performed in Hong Kong. As such, the Company is granted a 50:50 offshore exemption in respect of Hong Kong Profits Tax.

Provision for income tax in respect of the subsidiary in the PRC is calculated at 15% (2003: 7.5%) on its estimated assessable profits for the year. In accordance with the relevant regulations and Enterprise Income Tax Law applicable in the PRC, the subsidiary was entitled to a 50% income tax relief for the three years ended 31 December 2003. As such, the applicable income tax rate for 2003 was 7.5%.

5. 綜合損益表內所列之所得稅

(a) 綜合損益表內所列之稅項為：

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
3,149	7,300
(58)	43
3,091	7,343
858	383
3,949	7,726
741	114
4,690	7,840

香港利得稅之準備乃按年內本集團於香港產生之估計應課稅溢利之17.5% (二零零三年：17.5%) 計算。

本集團根據與中國加工工廠訂立之多項裝配及加工協議之條款在中華人民共和國(「中國」)進行製造活動，並積極參與在中國進行之該等製造活動。由此所賺取之溢利，部分被視為從中國進行之製造活動所產生及取得，而部分被視為從香港進行之其他活動所產生及取得。故此，本公司就香港利得稅享有50:50之離岸豁免。

在中國之附屬公司之所得稅準備是按該年度之估計應課稅溢利之15% (二零零三年：7.5%) 計算。根據中國適用之有關法規及企業所得稅法，附屬公司於截至二零零三年十二月三十一日止三個年度獲50%所得稅減免，因此二零零三年度之適用所得稅率為7.5%。

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5. INCOME TAX IN THE CONSOLIDATED PROFIT AND LOSS ACCOUNT (Continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

Profit before tax	除稅前溢利
Notional tax on profit before tax, calculated at the rates applicable to profits in the places of operations concerned	按照在相關經營地點獲得溢利的適用稅率計算除稅前溢利的名義稅項
Tax effect of non-deductible expenses	不可扣除開支之稅務影響
Tax effect of non-taxable net revenue (Over)/under-provision in respect of prior years	毋須課稅收入淨額之稅務影響 以往年度之準備(過剩)/不足
Actual tax expense	實際稅項支出

5. 綜合損益表內所列之所得稅 (續)

(b) 所得稅費用和會計溢利按適用稅率計算的對賬：

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
43,631	83,885
7,505	14,169
266	218
(3,023)	(6,590)
(58)	43
4,690	7,840

6. DIRECTORS' REMUNERATION

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

Fees	袍金
Salaries and other emoluments	薪金及其他酬金
Retirement scheme contributions	退休計劃供款

Included in the directors' remuneration were fees of \$183,000 (2003: \$160,000) paid to the independent non-executive directors during the year. As approved by the board of directors on 31 December 2004, certain executive directors agreed to waive 20% of their salaries for the period from 1 January 2005 to 30 June 2005 (2004: \$Nil).

In addition to the above remuneration, certain directors were granted share options under the Company's share option scheme. Details of these benefits in kind are disclosed under the paragraph "Share option scheme" in the directors' report and note 19.

6. 董事酬金

根據香港《公司條例》第161條作出披露之董事酬金如下：

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
638	579
3,612	3,000
44	44
4,294	3,623

董事酬金包括年內支付予獨立非執行董事之袍金183,000元(二零零三年：160,000元)。誠如董事會於二零零四年十二月三十一日所批准，部分執行董事同意放棄二零零五年一月一日至二零零五年六月三十日期間薪金之20%(二零零四年：零元)。

除上述酬金外，若干董事亦根據本公司之購股權計劃獲授購股權。該等實物利益之詳情乃於董事會報告「購股權計劃」一段及附註19作出披露。

6. DIRECTORS' REMUNERATION (Continued)

The directors' remuneration is within the following bands:

\$Nil – \$1,000,000	零元至1,000,000元
\$1,000,001 – \$1,500,000	1,000,001元至1,500,000元

6. 董事酬金 (續)

董事酬金介乎以下範圍：

Number of directors 董事數目

2004 二零零四年	2003 二零零三年
7	5
1	1
8	6

7. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, four (2003: three) are directors (one of them was appointed during the year) whose emoluments are disclosed in note 6. In respect of the director appointed during the year, \$685,000 of his emoluments is disclosed in note 6. The aggregate of the emoluments for the year in respect of the two individuals (2003: two), including the director who was appointed during the year, with the highest emoluments are as follows:

Salaries and other emoluments	薪金及其他酬金
Bonus payable on joining the Group	加入本集團時支付之獎金
Discretionary bonuses	酌情花紅
Retirement scheme contributions	退休計劃供款

The emoluments of the two (2003: two) individuals, one of which was appointed as director during the year and his emoluments as director of \$685,000 has been included in note 6, with the highest emoluments are within the following bands:

\$Nil – \$1,000,000	零元至1,000,000元
\$2,000,001 – \$2,500,000	2,000,001元至2,500,000元

7. 最高薪人士

五名最高薪人士中，其中四名(二零零三年：三名)為董事(其中一名於年內委任)，其酬金已於上文附註6作出披露。就於年內獲委任之董事而言，其於附註6所披露之酬金為685,000元。該兩名最高薪人士(包括於年內獲委任之董事)(二零零三年：兩名)於年內之酬金總額載列如下：

2004 二零零四年	2003 二零零三年
\$'000 千元	\$'000 千元
1,846	1,484
1,170	–
45	8
24	24
3,085	1,516

兩名(二零零三年：兩名)最高薪人士(其中一名於年內獲委任為董事，其董事酬金為685,000元，並已載於附註6中)之酬金範圍如下：

Number of individuals 人數

2004 二零零四年	2003 二零零三年
1	2
1	–
2	2

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8. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The consolidated profit attributable to shareholders includes a profit of \$38,941,000 (2003: \$76,045,000) which has been dealt with in the Company's financial statements.

8. 股東應佔溢利

綜合股東應佔溢利包括一筆已列入本公司財務報表的38,941,000元之溢利(二零零三年: 76,045,000元)。

9. DIVIDENDS

(a) Dividends attributable to the year

Interim dividend declared and paid of \$0.024 (2003: \$Nil) per share
Final dividend proposed after the balance sheet date \$0.014 (2003: \$0.055) per share (note (i))
Special dividend declared and paid of approximately \$0.7813 per share (note (ii))

已宣派及支付中期股息每股0.024元(二零零三年: 零元)
結算日後建議末期股息每股0.014元(二零零三年: 0.055元)(附註(i))
已宣派及支付特別股息每股約0.7813元(附註(ii))

Notes:

- (i) The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date. The calculation of the 2004 final dividend is based on the number of ordinary shares outstanding at the date of this annual report.
- (ii) The special dividend declared in 2003 was based on 7,000,000 ordinary shares outstanding and was paid to the then shareholders of the Company prior to the listing of the Company's shares on the Main Board of the Stock Exchange on 4 July 2003.

9. 股息

(a) 本年度股息

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
7,519	–
4,386	17,232
–	5,469
11,905	22,701

附註:

- (i) 於結算日後建議分派的末期股息尚未在結算日被確認為負債。二零零四年末期股息乃根據本年報日期已發行普通股之數目計算。
- (ii) 該項特別股息是本公司股份於二零零三年七月四日在聯交所主板上市前，就7,000,000股已發行普通股而於二零零三年宣派並已付予本公司當時之股東。

(b) Dividends attributable to the previous financial year, approved and paid during the year

Final dividend in respect of the previous financial year, approved and paid during the year, of \$0.055 (2003: \$Nil) per share

年內批准及派付之過往財政年度末期股息每股0.055元(二零零三年: 零元)

(b) 年內批准及派付之過往財政年度股息

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
17,232	–

10. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to shareholders of \$38,941,000 (2003: \$76,045,000) and the weighted average number of ordinary shares of 313,300,000 (2003: 275,620,000) in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to shareholders of \$38,941,000 (2003: \$76,045,000) and the weighted average number of ordinary shares of 315,293,642 (2003: 276,297,920) after adjusting for the effects of all dilutive potential ordinary shares.

(c) Reconciliations

Weighted average number of ordinary shares used in calculating basic earnings per share	用以計算每股基本盈利之普通股加權平均數
Deemed issue of ordinary shares for no consideration	視作為不計價款發行之普通股
Weighted average number of ordinary shares used in calculating diluted earnings per share	用以計算每股攤薄盈利之普通股加權平均數

10. 每股盈利

(a) 每股基本盈利

每股基本盈利是按股東應佔溢利 38,941,000 元 (二零零三年: 76,045,000 元) 及年內已發行普通股的加權平均數 313,300,000 股 (二零零三年: 275,620,000 股) 計算。

(b) 每股攤薄盈利

每股攤薄盈利是按股東應佔溢利 38,941,000 元 (二零零三年: 76,045,000 元) 及已就所有具備潛在攤薄影響的普通股作出調整得出的普通股加權平均數 315,293,642 股 (二零零三年: 276,297,920 股) 計算。

(c) 對賬

Number of shares	
股份數目	
2004	2003
二零零四年	二零零三年
313,300,000	275,620,000
1,993,642	677,920
315,293,642	276,297,920

11. SEGMENTAL REPORTING

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

11. 分部資料

分部資料乃按本集團之業務及地區分部呈列。本集團選擇以業務分部資料為首要呈報格式，因為這樣更切合本集團內部之財務申報。

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11. SEGMENTAL REPORTING (Continued)

(a) Business segment

The Group is engaged in the manufacture and sale of electronic components which can be divided into two product segments – composite components and unit electronic components. An analysis of the Group's results of operations and the Group's financial position by product segments is as follows:

11. 分部資料 (續)

(a) 業務分部

本集團從事製造及銷售電子元件，電子元件可分為兩大類－複合元件及單位電子元件。本集團之經營業績及本集團之財務狀況按產品分類分析如下：

		Composite components 複合元件		Unit electronic components 單位電子元件		Consolidated 綜合	
		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元	2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元	2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Turnover	營業額	494,449	406,585	119,158	135,224	613,607	541,809
Segment results	分部業績	33,687	58,058	11,007	24,037	44,694	82,095
Unallocated operating income and expenses	未分配經營收入及費用					(1,063)	1,821
Profit from operations	經營溢利					43,631	83,916
Finance costs	融資成本					-	(31)
Income tax	所得稅					(4,690)	(7,840)
Profit attributable to shareholders	股東應佔溢利					38,941	76,045
Depreciation	折舊	12,511	7,451	3,087	2,526	15,598	9,977
Segment assets	分部資產	220,529	161,671	42,692	50,310	263,221	211,981
Unallocated assets	未分配資產					133,350	191,862
Total assets	資產總值					396,571	403,843
Segment liabilities	分部負債	41,285	54,995	17,556	23,415	58,841	78,410
Unallocated liabilities	未分配負債					9,794	11,687
Total liabilities	負債總額					68,635	90,097
Capital expenditure incurred during the year	年內產生之資本開支	43,062	22,720	7,473	8,807	50,535	31,527

11. SEGMENTAL REPORTING (Continued)

(b) Geographical segments

The Group's business is principally managed in Hong Kong and other parts of the PRC. The principal markets for the Group's products are the PRC (including Hong Kong) and Korea.

In presenting information on the basis of geographical segments, segment turnover is based on the destination of the Group's products. Segment assets and capital expenditure are based on the geographical location of the assets.

11. 分部資料 (續)

(b) 地區分部

本集團之業務主要於香港及中國其他地方進行。本集團產品之主要市場為中國(包括香港)及韓國。

按地區分部呈列資料時，分部營業額乃按本集團產品目的地釐定。分部資產及資本開支乃按資產之地理位置釐定。

	Turnover 營業額		Segment assets 分部資產		Capital expenditure incurred during the year 年內產生之資本開支		
	2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元	2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元	2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元	
PRC (other than Hong Kong)	中國(香港 以外)	327,046	282,254	190,481	146,872	18,275	27,625
Hong Kong	香港	155,093	167,625	155,531	214,617	3,343	603
Korea	韓國	106,371	55,343	49,932	29,738	28,917	3,299
Others	其他	25,097	36,587	627	12,616	-	-
		613,607	541,809	396,571	403,843	50,535	31,527

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12. FIXED ASSETS

(a) The Group

12. 固定資產

(a) 本集團

		Land and buildings 土地及 樓宇 \$'000 千元	Plant and machinery 機器及 設備 \$'000 千元	Other fixed assets 其他 固定資產 \$'000 千元	Total 總計 \$'000 千元
Cost or valuation:	成本或估值：				
At 1 January 2004	於二零零四年一月一日	1,200	66,100	14,301	81,601
Additions	增添	14,996	27,228	8,311	50,535
Disposals	出售	–	–	(103)	(103)
		<u>16,196</u>	<u>93,328</u>	<u>22,509</u>	<u>132,033</u>
At 31 December 2004	於二零零四年十二月三十一日	16,196	93,328	22,509	132,033
<i>Representing:</i>	代表：				
Cost	成本	14,996	93,328	22,509	130,833
Valuation – 2003	二零零三年估值	1,200	–	–	1,200
		<u>16,196</u>	<u>93,328</u>	<u>22,509</u>	<u>132,033</u>
Accumulated depreciation:	累計折舊：				
At 1 January 2004	於二零零四年一月一日	25	28,638	8,298	36,961
Charge for the year	年度折舊費用	271	12,070	3,257	15,598
Written back on disposal	因出售撥回	–	–	(83)	(83)
		<u>296</u>	<u>40,708</u>	<u>11,472</u>	<u>52,476</u>
At 31 December 2004	於二零零四年十二月三十一日	296	40,708	11,472	52,476
Net book value:	賬面淨值：				
At 31 December 2004	於二零零四年十二月三十一日	<u>15,900</u>	<u>52,620</u>	<u>11,037</u>	<u>79,557</u>
At 31 December 2003	於二零零三年十二月三十一日	<u>1,175</u>	<u>37,462</u>	<u>6,003</u>	<u>44,640</u>

12. FIXED ASSETS (Continued)

(b) The Company

Cost or valuation:

At 1 January 2004
Additions
Disposals

成本或估值：
於二零零四年一月一日
增添
出售

At 31 December 2004

於二零零四年十二月三十一日

Representing:

Cost
Valuation – 2003

代表：
成本
二零零三年估值

Accumulated depreciation:

At 1 January 2004
Charge for the year
Written back on disposal

累計折舊：
於二零零四年一月一日
年度折舊費用
因出售撥回

At 31 December 2004

於二零零四年十二月三十一日

Net book value:

At 31 December 2004

At 31 December 2003

賬面淨值：
於二零零四年十二月三十一日

於二零零三年十二月三十一日

(c) The analysis of net book value of land and buildings held for own use is as follows:

Freehold outside Hong Kong
Medium-term leases in Hong Kong

在香港境外按永久業權持有
在香港按中期租約持有

12. 固定資產 (續)

(b) 本公司

Land and buildings	Plant and machinery	Other fixed assets	Total
土地及樓宇	機器及設備	其他固定資產	總計
\$'000	\$'000	\$'000	\$'000
千元	千元	千元	千元

1,200	4,110	3,210	8,520
14,996	11,397	5,865	32,258
–	–	(103)	(103)
<u>16,196</u>	<u>15,507</u>	<u>8,972</u>	<u>40,675</u>
14,996	15,507	8,972	39,475
1,200	–	–	1,200
<u>16,196</u>	<u>15,507</u>	<u>8,972</u>	<u>40,675</u>
25	727	1,554	2,306
271	1,815	1,187	3,273
–	–	(83)	(83)
<u>296</u>	<u>2,542</u>	<u>2,658</u>	<u>5,496</u>
<u>15,900</u>	<u>12,965</u>	<u>6,314</u>	<u>35,179</u>
<u>1,175</u>	<u>3,383</u>	<u>1,656</u>	<u>6,214</u>

(c) 持有作自用之土地及樓宇之賬面淨值分析如下：

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2004	2003
二零零四年	二零零三年
\$'000	\$'000
千元	千元
14,766	–
1,134	1,175
<u>15,900</u>	<u>1,175</u>

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12. FIXED ASSETS (Continued)

- (d) The Group's and the Company's land and buildings held for own use in Hong Kong were revalued at 30 April 2003 by DTZ Debenham Tie Leung Limited, an independent firm of professional surveyors who have among their staff members of the Hong Kong Institute of Surveyors, on an open market value basis. Revaluation deficit of \$2,424,000 was charged to the profit and loss account in 2003.

Based on the above revaluation, the directors of the Company are of the opinion that the carrying value of land and buildings did not differ materially from the fair value.

- (e) The carrying amount of the land and buildings held for own use of the Group and the Company at 31 December 2004 would have been \$3,378,000 (2003: \$3,522,000) had they been carried at cost less accumulated depreciation.

12. 固定資產 (續)

- (d) 於二零零三年四月三十日，戴德梁行有限公司按公開市值基準就本集團及本公司在香港持有作自用之土地及樓宇進行重估。戴德梁行有限公司為獨立專業估價師，其部份員工為香港測量師學會成員。重估虧絀2,424,000元已於二零零三年度之損益表中扣除。

根據上述估值，本公司董事認為土地及樓宇之賬面值與公允值並無重大差別。

- (e) 倘本集團及本公司持有作自用之土地及樓宇於二零零四年十二月三十一日之賬面值乃按成本減累積折舊列賬，則其數目將為3,378,000元（二零零三年：3,522,000元）。

13. INTEREST IN A SUBSIDIARY

Investment, at cost
Amount due (to)/from subsidiary

投資，按成本值
(應付)／應收附屬公司金額

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
56,719	33,949
(12,341)	4,477
44,378	38,426

Details of the subsidiary are as follows:

附屬公司之詳情如下：

Name of Company	Country of establishment and operation	Particulars of paid-up capital	Proportion of ownership interest held by the Company	Principal activity
公司名稱	成立及經營國家	實繳股本詳情	本公司持有所有權權益比例	主要業務
Shenzhen Kwang Sung Electronics Co., Ltd. 深圳光星電子有限公司	PRC 中國	US\$7,271,780 7,271,780美元	100%	Manufacture and sale of electronic components 製造及銷售電子元件

The subsidiary is a wholly-foreign owned enterprise established in the PRC with an operating period of 30 years up to 2024.

該附屬公司為於中國成立之外商獨資企業，經營期為直至二零二四年止三十年。

14. INVESTMENT SECURITIES

Unlisted equity securities, at cost
Less: Impairment loss

非上市股本證券，按成本值
減：減值虧損

During the year, the Company acquired certain equity interest in an unlisted corporate entity (the "entity") for \$1,500,000, satisfied in cash. During the year ended 31 December 2004, the directors of the Company carried out a review of the recoverable amount of the investment securities. Based on their review which was by reference to the net assets value of the entity, a provision for impairment loss of \$1,500,000 has been made.

15. INVENTORIES

Raw materials
Work in progress
Finished goods

原材料
在製品
製成品

Included in inventories, there are raw materials and finished goods totalling \$4,910,000 (2003: \$195,000) stated net of a provision, made in order to state the inventories at the lower of their cost and estimated net realisable value.

14. 投資證券

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2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
1,500	—
(1,500)	—
<u>—</u>	<u>—</u>
<u>—</u>	<u>—</u>

於本年度，本公司購入一家非上市企業之若干股權，代價1,500,000元乃以現金支付。於截至二零零四年十二月三十一日止年度內，本公司董事曾評估投資證券之可收回金額，及根據該評估（其已參考該非上市企業之資產淨值）作出1,500,000元之減值虧損撥備。

15. 存貨

The Group and the Company
本集團及本公司

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
32,857	25,664
12,272	14,689
20,889	15,453
<u>66,018</u>	<u>55,806</u>

於存貨內，包括了總數4,910,000元（二零零三年：195,000元）經扣除準備後之原材料及製成品，以求按成本或估計可變現淨值兩者中的較低數額列示這些存貨。

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16. TRADE RECEIVABLES

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

Current	未逾期
Less than 1 month overdue	逾期少於一個月
Over 1 month but less than 3 months overdue	逾期超過一個月但不超過三個月
Over 3 months but less than 12 months overdue	逾期超過三個月但不超過十二個月

Included in trade receivables is an amount of \$12,820,000 (2003: \$11,406,000) due from a shareholder (note 24).

The credit terms granted by the Group to its customers (including the shareholder) generally range from one to two months.

All of the above balances are expected to be recovered within one year.

16. 應收貿易賬款

應收貿易賬款(減去呆壞賬撥備)之賬齡分析如下:

The Group and the Company 本集團及本公司	
2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
69,614	56,454
18,326	23,549
23,438	27,496
4,831	2,613
116,209	110,112

應收貿易賬款包含應收一名股東之款項12,820,000元(二零零三年:11,406,000元)(附註24)。

本集團給予客戶(包括股東)之賒賬期一般介乎一至兩個月。

預期上述所有餘額將可於一年內收回。

17. CASH AND CASH EQUIVALENTS

Deposits with banks	銀行存款
Cash at bank and in hand	銀行存款及現金
Cash and cash equivalents in the balance sheets	資產負債表之現金及現金等價物
Less: deposits with banks with more than three months of maturity when placed	減: 存入銀行時到期日多於三個月之存款
Cash and cash equivalents for the purpose of consolidated cash flow statement	就編製綜合現金流量表之現金及現金等價物

17. 現金及現金等價物

The Group and the Company 本集團及本公司	
2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
94,379	130,690
36,442	52,708
130,821	183,398
(9,435)	-
121,386	183,398

18. TRADE PAYABLES

The ageing analysis of trade payables is as follows:

Due within 1 month or on demand	於一個月內到期或須於 提出要求時支付
Due after 1 month but within 3 months	一個月後但三個月內到期

Included in trade payables is an amount of \$3,722,000 (2003: \$3,430,000) due to a shareholder (note 24).

The credit terms granted by the suppliers (including the shareholder) to the Group generally range from one to two months.

All of the above balances are expected to be settled within one year.

19. EMPLOYEE BENEFITS

(a) Employee retirement benefits

- (i) The Group operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of \$20,000. Contributions to the MPF scheme vest immediately.
- (ii) Employees in Korea participate in a National Pension Scheme which is a mandatory insurance scheme under the National Pension Act (the "scheme"). Under the scheme, the employer and its employees are each required to make contributions to the scheme at 4.5% of the employees' monthly income, subject to adjustments stipulated in the scheme and a cap of monthly income of KRW3.6 million (equivalent to approximately \$27,000). Contributions to the scheme vest immediately.

18. 應付貿易賬款

應付貿易賬款之賬齡分析如下：

The Group and the Company 本集團及本公司

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
35,987	66,684
20,722	5,510
56,709	72,194

應付貿易賬款包括應付一名股東之款項 3,722,000元 (二零零三年：3,430,000元) (附註24)。

供應商 (包括股東) 給予本集團之賒賬期一般介乎一至兩個月。

預期上述之餘額將於一年內償還。

19. 僱員福利

(a) 僱員退休福利

- (i) 本集團根據《香港強制性公積金計劃條例》為根據香港《僱傭條例》所僱用之僱員提供強制性公積金計劃 (「強積金計劃」)。強積金計劃乃由獨立信託人管理之界定供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入之5%之比例就計劃作出供款，而每月相關收入之上限為20,000元。強積金計劃之供款即時成為既定僱員福利。
- (ii) 在韓國之僱員參與國家退休金計劃，其為一項按國家退休金法設立之強制性保險計劃 (「計劃」)。根據計劃，僱主及其僱員各自須按僱員每月收入之4.5%之比例就計劃作出供款 (每月收入須就計劃之規定調整及上限為3,600,000韓圓 (約相等於27,000元))。計劃之供款即時成為既定僱員福利。

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19. EMPLOYEE BENEFITS (Continued)

(a) Employee retirement benefits (Continued)

- (iii) The subsidiary in the PRC participates in a defined contribution scheme organised by the PRC municipal government. The subsidiary is required to make contributions at 13% (2003: 8%) of the relevant PRC employees' salaries to the scheme. Contributions to the scheme vest immediately.

Save as set out above, the Group has no other material obligations to make payments in respect of retirement benefits of the employees.

(b) Equity compensation benefits

The Company has a share option scheme which was adopted on 16 June 2003 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any Company in the Group, advisers and consultants, to take up options to subscribe for shares of the Company. The exercise price of options is the highest of (i) the nominal value of the shares, (ii) the closing price of the shares on the Stock Exchange on the date of grant; and (iii) the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant. The options are exercisable progressively between one to three years from the date of grant and will expire at the end of a period to be notified by the directors to each option-holder upon the grant of option, such period not to exceed ten years from the date of grant. Each option gives the holder the right to subscribe for one share.

(i) Movements in share options

At 1 January	於一月一日
Issued during the year	年內發行
At 31 December	於十二月三十一日
Options vested at 31 December	於十二月三十一日界定 為既定僱員福利的購股權

19. 僱員福利 (續)

(a) 僱員退休福利 (續)

- (iii) 於中國之附屬公司參與由中國市政府籌辦之定額供款計劃。附屬公司須按相關中國僱員薪金之13% (二零零三年：8%) 之比例就計劃作出供款。計劃之供款即時成為既定僱員福利。

除上文披露者外，本集團概無就僱員退休福利作出付款之其他重大承擔。

(b) 權益計酬福利

根據本公司一項於二零零三年六月十六日採納之購股權計劃，本公司董事獲授權酌情向本集團僱員 (包括本集團內任何公司之董事)、顧問及諮詢人提出接納購股權之要約，以認購本公司股份。購股權之行使價為以下三者之最高者：(i) 股份面值；(ii) 於授出日期股份在聯交所之收市價；及 (iii) 緊接授出日期前五個營業日股份在聯交所之平均收市價。購股權可由授出日期起計一年至三年內逐步行使，並將於董事授出購股權時知會各個購股權持有人之期間終結時屆滿，惟該期間不得超過由授出日期起計十年。各份購股權均授權持有人認購一股股份。

(i) 購股權之變動

Number of options 購股權數目	
2004 二零零四年	2003 二零零三年
20,900,000	—
1,000,000	20,900,000
21,900,000	20,900,000
6,270,000	—

19. EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

- (ii) Terms of share options granted during the year which remained unexpired and unexercised at the balance sheet date:

Date granted 授出日期	Exercise period 行使期間	Exercise price 行使價	Number of options 購股權數目	
			2004 二零零四年	2003 二零零三年
7 July 2003 二零零三年七月七日	1 July 2004 to 30 June 2008 二零零四年七月一日至 二零零八年六月三十日	\$1.294 1.294元	20,900,000	20,900,000
6 May 2004 二零零四年五月六日	1 May 2005 to 30 April 2009 二零零五年五月一日至 二零零九年四月三十日	\$1.666 1.666元	1,000,000	—
			21,900,000	20,900,000

All the share options were granted at nominal consideration. The maximum percentage of the share options which may be exercised is determined in stages as follows:

On or after the first year anniversary 於一週年當日或之後	30%
On or after the second year anniversary 於兩週年當日或之後	another 30% 另外30%
On or after the third year anniversary 於三週年當日或之後	another 40% 另外40%

19. 僱員福利 (續)

(b) 權益計酬福利 (續)

- (ii) 於年內授出並於結算日尚未到期及尚未行使之購股權詳情：

所有購股權均按象徵式價款授出。可行使購股權之最高百分比乃按下列階段釐定：

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20. INCOME TAX IN THE BALANCE SHEETS

(a) Current taxation in the balance sheets represents:

Provision for Hong Kong Profits Tax for the year	本年度之香港利得稅準備	3,149
Provisional Profits Tax paid	已付暫繳利得稅	(3,709)
PRC taxation	中國稅項	(560) 240
Representing:	代表：	(320)
Current tax recoverable	本期可收回稅項	(560)
Current tax payable	本期應付稅項	240

20. 資產負債表內所列之所得稅

(a) 資產負債表內所列本期稅項為：

The Group and the Company 本集團及本公司	
2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
3,149	7,300
(3,709)	(4,477)
(560) 240	2,823 142
(320)	2,965
(560)	—
240	2,965
(320)	2,965

20. INCOME TAX IN THE BALANCE SHEETS

(Continued)

(b) Deferred tax (assets)/liabilities recognised:

The components of deferred tax (assets)/liabilities recognised in the balance sheets and the movements during the year are as follows:

Deferred tax arising from:

由以下項目產生之遞延稅項：

Charged/(credited) to
profit and loss account
and balance at
31 December 2003

於損益表中扣除／(計入)
及於二零零三年十二月
三十一日之結餘

At 1 January 2004
Charged/(credited) to
profit and loss account

於二零零四年一月一日
於損益表中扣除／(計入)

At 31 December 2004

於二零零四年十二月三十一日

20. 資產負債表內所列之所得稅 (續)

(b) 已確認之遞延稅項(資產)／負債：

於資產負債表內確認之遞延稅項(資產)／負債組成部份及於年內之變動如下：

The Group and the Company 本集團及本公司

	Depreciation allowances in excess of related depreciation 超過相關折舊的折舊免稅額 \$'000 千元	Revaluation of land and buildings 重估土地及樓宇 \$'000 千元	Provisions 準備 \$'000 千元	Total 總計 \$'000 千元
Charged/(credited) to profit and loss account and balance at 31 December 2003	402	(106)	(182)	114
At 1 January 2004	402	(106)	(182)	114
Charged/(credited) to profit and loss account	743	4	(6)	741
At 31 December 2004	1,145	(102)	(188)	855

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21. SHARE CAPITAL

21. 股本

	2004 二零零四年		2003 二零零三年	
	Number of shares 股份數目 '000 千股	Amount 金額 \$'000 千元	Number of shares 股份數目 '000 千股	Amount 金額 \$'000 千元
Authorised:				
Ordinary shares of \$0.1 each at 1 January			7,000	700
Increase in authorised share capital (note (a))	1,500,000	150,000	1,493,000	149,300
Ordinary shares of \$0.1 each at 31 December	1,500,000	150,000	1,500,000	150,000
Issued and fully paid:				
At 1 January	313,300	31,330	7,000	700
Capitalisation issue (note (b))	-	-	233,000	23,300
New issue on placement and public offer (note (c))	-	-	60,000	6,000
Exercise of over-allotment options (note (d))	-	-	13,300	1,330
At 31 December	313,300	31,330	313,300	31,330

Notes:

- (a) Pursuant to a resolution in writing passed by the shareholders on 16 June 2003, the authorised share capital of the Company was increased from \$700,000 to \$150,000,000 on 3 July 2003 by the creation of a further 1,493,000,000 shares of \$0.1 each, ranking pari passu in all respects with the existing ordinary shares in the Company.
- (b) On 16 June 2003, conditional on the share premium account of the Company being credited as a result of the issue of new ordinary shares to the public as set out in note (c) below, a total of 233,000,000 ordinary shares of \$0.1 each were allotted as fully paid at par to the shareholders whose names appeared on the register of members of the Company on 2 July 2003 in proportion to their respective shareholdings by way of capitalising the sum of \$23,300,000 standing to the credit of the share premium account of the Company.
- (c) On 3 July 2003, 60,000,000 new shares were issued at an issue price of \$1.3 each prior to the listing of the Company's shares on the Main Board of the Stock Exchange on 4 July 2003. An amount of \$6,000,000 and \$72,000,000 was credited to the share capital and the share premium account respectively.

附註：

- (a) 根據股東於二零零三年六月十六日通過之書面決議案，藉增設1,493,000,000股每股面值0.1元之股份，將本公司之法定股本由700,000元增加至於二零零三年七月三日之150,000,000元。增設之股份將在各方面與本公司之現有普通股享有同等權益。
- (b) 於二零零三年六月十六日，待因下文附註(c)所述向公眾人士發行新普通股所產生之股份溢價賬列作進賬後，透過資本化本公司股份溢價賬進賬中之23,300,000元，向於二零零三年七月二日名列本公司股東名冊之股東按彼等相關之持股比例，按面值配發合共233,000,000股每股面值0.1元之股份。該等股份已入賬列作繳足股本。
- (c) 於二零零三年七月三日，在本公司股份於二零零三年七月四日在聯交所主板上市前，60,000,000股新股份獲按發行價每股1.3元予以發行。為數6,000,000元及72,000,000元之金額已分別計入股本及股份溢價賬。

21. SHARE CAPITAL (Continued)

- (d) On 23 July 2003, the over-allotment option granted by the Company referred to in the prospectus of the Company dated 24 June 2003 was exercised in part. As such, 13,300,000 additional new shares of \$0.1 each were issued on 24 July 2003 at \$1.3 each to meet the over-allocations in the placing. An amount of \$1,330,000 and \$15,960,000 was credited to the share capital and the share premium account respectively.

22. RESERVES

(a) The Group

		Share premium 股份溢價 \$'000 千元 (note (i)) (附註(i))	General reserve fund 一般儲備金 \$'000 千元 (note (ii)) (附註(ii))	Retained profits 保留溢利 \$'000 千元	Total 總計 \$'000 千元
At 1 January 2003	於二零零三年一月一日	–	–	158,940	158,940
Transfer between reserves	儲備間之轉撥	–	360	(360)	–
Capitalisation issue (note 21(b))	資本化發行 (附註21(b))	(23,300)	–	–	(23,300)
Premium on shares issued pursuant to placement and public offer (notes 21(c) & (d))	根據配售及公開發售發行股份之溢價 (附註21(c)及(d))	87,960	–	–	87,960
Public offer expenses	公開發售開支	(11,760)	–	–	(11,760)
Profit for the year	年度溢利	–	–	76,045	76,045
Special dividends declared in respect of the current year (note 9(a))	就本年度宣派之特別股息 (附註9(a))	–	–	(5,469)	(5,469)
At 31 December 2003	於二零零三年十二月三十一日	<u>52,900</u>	<u>360</u>	<u>229,156</u>	<u>282,416</u>
At 1 January 2004	於二零零四年一月一日	52,900	360	229,156	282,416
Dividends approved in respect of the previous year (note 9(b))	就上年度批准之股息 (附註9(b))	–	–	(17,232)	(17,232)
Transfer between reserves	儲備間之轉撥	–	442	(442)	–
Profit for the year	年度溢利	–	–	38,941	38,941
Dividends declared in respect of the current year (note 9(a))	就本年度宣派之股息 (附註9(a))	–	–	(7,519)	(7,519)
At 31 December 2004	於二零零四年十二月三十一日	<u>52,900</u>	<u>802</u>	<u>242,904</u>	<u>296,606</u>

21. 股本 (續)

- (d) 於二零零三年七月二十三日，本公司日期為二零零三年六月二十四日之招股章程所述由本公司授出之超額配股權之一部份獲行使。據此，13,300,000股每股面值0.1元之額外新股份已於二零零三年七月二十四日按每股1.3元之價格發行，以應付配售中之超額配發。為數1,330,000元及15,960,000元之金額已分別計入股本及股份溢價賬。

22. 儲備

(a) 本集團

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22. RESERVES (Continued)

(a) The Group (Continued)

Notes:

- (i) The application of the share premium account is governed by section 48B of the Hong Kong Companies Ordinance.
- (ii) In accordance with the PRC laws applicable to wholly-foreign owned investment enterprises, the subsidiary of the Company is required to set up a general reserve fund and appropriate at least 10% of its annual net profit after taxation, as determined under PRC accounting rules and regulations, to the general reserve fund until the balance of the reserve equals to 50% of the subsidiary's registered capital. This fund can be used to make good losses and to convert into paid-up capital.

(b) The Company

22. 儲備 (續)

(a) 本集團 (續)

附註：

- (i) 股份溢價賬之動用須受香港《公司條例》第48B條之監管。
- (ii) 根據適用於全外資企業之中國法律，本公司之附屬公司須按中國會計規則及規定設立一般儲備金，並將其年度除稅後純利最少10%撥入該一般儲備金，直至其結餘達到該附屬公司註冊資本50%為止。該儲備金可用作抵銷累計虧損及轉為已繳股本。

(b) 本公司

		Share premium	General reserve fund	Retained profits	Total
		股份溢價	一般儲備金	保留溢利	總計
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
At 1 January 2003	於二零零三年一月一日	-	-	158,940	158,940
Capitalisation issue (note 21(b))	資本化發行 (附註21(b))	(23,300)	-	-	(23,300)
Premium on shares issued pursuant to placement and public offer (notes 21(c) & (d))	根據配售及公開發售發行股份之溢價 (附註21(c)及(d))	87,960	-	-	87,960
Public offer expenses	公開發售開支	(11,760)	-	-	(11,760)
Profit for the year	年度溢利	-	-	76,045	76,045
Special dividends declared in respect of the current year (note 9(a))	就本年度宣派之特別股息 (附註9(a))	-	-	(5,469)	(5,469)
At 31 December 2003	於二零零三年十二月三十一日	52,900	-	229,516	282,416
At 1 January 2004	於二零零四年一月一日	52,900	-	229,516	282,416
Dividends approved in respect of the previous year (note 9(b))	就上年度批准之股息 (附註9(b))	-	-	(17,232)	(17,232)
Transfer between reserves	儲備間之轉撥	-	802	(802)	-
Profit for the year	年度溢利	-	-	38,941	38,941
Dividends declared in respect of the current year (note 9(a))	就本年度宣派之股息 (附註9(a))	-	-	(7,519)	(7,519)
At 31 December 2004	於二零零四年十二月三十一日	52,900	802	242,904	296,606

At 31 December 2004, the amount of reserves available for distribution to shareholders of the Company was \$242,904,000 (2003: \$229,516,000). After the balance sheet date, the directors proposed a final dividend of \$0.014 (2003: \$0.055) per share, amounting to \$4,386,000 (2003: \$17,232,000). This dividend has not been recognised as a liability at the balance sheet date.

於二零零四年十二月三十一日，可供分派予本公司股東之儲備為242,904,000元(二零零三年：229,516,000元)。於結算日後，董事建議派發末期股息每股0.014元(二零零三年：0.055元)，合共4,386,000元(二零零三年：17,232,000元)。於結算日，該股息並未確認為負債。

23.COMMITMENTS

- (a) Capital commitments outstanding at 31 December 2004 not provided for in the financial statements are as follows:

Contracted for:	已訂約：
- Purchase of land and buildings	- 購買土地及樓宇
- Others	- 其他

- (b) At 31 December 2004, the total future minimum lease payments under non-cancellable operating leases in respect of land and buildings are payable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

The Group and the Company lease a number of properties under operating leases. The leases typically run for an initial period of two to ten years, with an option to renew the leases when all terms are renegotiated. None of the leases includes contingent rentals.

- (c) At 31 December 2004, there was no commitment in respect of forward foreign exchange contracts entered into for hedging purposes (2003: \$7,800,000).

23.承擔

- (a) 於二零零四年十二月三十一日未償付而又未在財務報表內提撥準備之資本承擔如下：

The Group 本集團		The Company 本公司	
2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元	2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
-	11,094	-	11,094
48	1,063	-	-
48	12,157	-	11,094

- (b) 於二零零四年十二月三十一日，根據不可解除經營租賃就土地及樓宇在日後應付之最低租賃付款總數如下：

The Group 本集團		The Company 本公司	
2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元	2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
3,145	3,115	824	723
9,294	9,636	48	379
7,755	10,065	-	-
20,194	22,816	872	1,102

本集團及本公司根據經營租約租入若干物業。租約一般初步為期兩年至十年，並可於重新磋商所有條款時續約。該等租約均不包含或然租金。

- (c) 於二零零四年十二月三十一日，並無為對沖而訂立之外匯遠期合約之承擔（二零零三年：7,800,000元）。

NOTES ON THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2004
(Expressed in Hong Kong dollars)

截至二零零四年十二月三十一日止年度
(以港元為單位)

24. MATERIAL RELATED PARTY TRANSACTIONS

During the year, the Group entered into the following transactions with Kwang Sung Electronics Co., Ltd. ("Kwang Sung Korea"), a major shareholder of the Company:

Sales of finished goods	銷售製成品
Purchases of raw materials	購買原材料
Referral commission paid/payable	已付／應付轉介佣金
Research and development and technical support fee paid/payable	已付／應付研發及技術支援費用

At 31 December 2004, included in the following balance sheet items are the amounts due from/(to) Kwang Sung Korea:

Trade receivables	應收貿易賬款
Trade payables	應付貿易賬款
Accrued expenses and other payables	應計費用及其他應付款項

The directors of the Company are of the opinion that the above transactions were conducted in the ordinary course of business on normal commercial terms.

The above transactions constituted connected transactions for the Company under the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange. Further details of these transactions are disclosed under the section "Connected transactions" in the directors' report.

25. POST BALANCE SHEET EVENT

After the balance sheet date, the directors proposed a final dividend. Further details are disclosed in note 9.

24. 重大關連人士交易

於年內，本集團與本公司主要股東株式會社光星電子（「韓國光星」）訂立以下交易：

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
90,333	53,475
62,584	54,673
10,471	9,148
5,148	9,511

於二零零四年十二月三十一日，下列資產負債表項目中包括應收／（應付）韓國光星之款項：

2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
12,820	11,406
(3,722)	(3,430)
(1,549)	(6,216)

本公司之董事認為，上述交易，是在日常及一般業務過程中按正常商業條款進行。

根據聯交所主板證券上市規則，上述交易構成本公司之關連交易。該等交易之進一步詳情已於董事會報告書內「關連交易」一節中披露。

25. 結算日後事項

於結算日後，董事建議派發末期股息。進一步詳情於附註9中披露。

26. COMPARATIVE FIGURES

Research and development expenses have been separately shown on the face of the consolidated profit and loss account. Comparative figures have been reclassified to conform with the current year's presentation.

In addition, certain of the comparative figures among "selling and distribution expenses", "administrative expenses" and "other operating expenses" as shown on the face of the consolidated profit and loss account and between "trade payables" and "accrued expenses and other payables" as shown on the balance sheets have also been reclassified to conform with the current year's presentation. The directors of the Company consider that the revised presentation reflects more appropriately the nature of these balances.

26. 比較數字

研究及開發開支已於綜合損益表內分開列示。比較數字已重新分類，以便與本年度之呈列方式一致。

另外，綜合損益表上列示之若干「銷售及分銷開支」、「行政開支」及「其他經營開支」比較數字及資產負債表上列示之「應付貿易賬款」及「應計費用及其他應付款項」比較數字亦已重新分類，以便與本年度之呈列方式一致。本公司董事認為，修訂後之呈列方式更恰當地反映該等結餘之性質。