

14. FIXED ASSETS

14 固定資產

Group		本集團						
		Leasehold land and buildings 租賃土地及 樓宇	Machinery and equipment 機器及 設備	Furniture and fixtures 傢俬及 裝置	Motor vehicles 車輛	Leasehold improve- ments 租賃物業 裝修	Construction in progress 在建工程	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cost or valuation:	成本值或估值：							
At beginning of year	年初	12,725	289,262	12,140	3,892	23,851	-	341,870
Additions	添置	22,683	48,010	838	1,601	964	17,764	91,860
Disposals	出售	-	(67)	(21)	-	-	-	(88)
Surplus on revaluation	重估增值	4,114	-	-	-	-	-	4,114
Exchange realignment	匯兌調節	-	453	8	4	38	-	503
At 31 December 2004	於二零零四年十二月三十一日	39,522	337,658	12,965	5,497	24,853	17,764	438,259
Analysis of cost and valuation:	成本值及估值之分析：							
At cost	成本值	-	337,658	12,965	5,497	24,853	17,764	398,737
At 2004 valuation	二零零四年估值	39,522	-	-	-	-	-	39,522
		<u>39,522</u>	<u>337,658</u>	<u>12,965</u>	<u>5,497</u>	<u>24,853</u>	<u>17,764</u>	<u>438,259</u>
Accumulated depreciation and impairment:	累計折舊及減值：							
At beginning of year	年初	-	74,962	8,439	2,010	12,999	-	98,410
Provided during the year	本年度撥備	254	28,770	918	567	4,384	-	34,893
Disposals	出售	-	(52)	(14)	-	-	-	(66)
Write back on revaluation	重估撥回	(254)	-	-	-	-	-	(254)
Exchange realignment	匯兌調節	-	110	3	1	23	-	137
At 31 December 2004	於二零零四年十二月三十一日	-	103,790	9,346	2,578	17,406	-	133,120
Net book value:	帳面淨值：							
At 31 December 2004	於二零零四年十二月三十一日	39,522	233,868	3,619	2,919	7,447	17,764	305,139
At 31 December 2003	於二零零三年十二月三十一日	12,725	214,300	3,701	1,882	10,852	-	243,460

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

14. FIXED ASSETS (continued)

The net book value of the Group's fixed assets held under finance leases included in the total amount of machinery and equipment at 31 December 2004 amounted to HK\$28,246,000 (2003: HK\$33,948,000).

At 31 December 2004, certain of the Group's machinery and equipment in Mainland China with an aggregate net book value of approximately HK\$10,566,000 (2003: HK\$24,472,000) were pledged to banks to secure general banking facilities granted to the Group, as set out in note 25 to the financial statements.

The Group's land and buildings were revalued individually at the balance sheet date by Chung, Chan & Associates, independent chartered surveyors, at an aggregate open market value of HK\$39,522,000, based on their existing use. A revaluation surplus of HK\$3,182,000, resulting from the above valuations and net of deferred tax charge of HK\$1,186,000, has been credited to the revaluation reserve. Had these land and buildings been carried at historical cost less accumulated depreciation and impairment losses, their carrying amounts would have been approximately HK\$37,377,000 (2003: HK\$15,055,000).

Included in the additions of leasehold land and buildings for the year is a government grant of HK\$12,374,000, details of which are set out in note 29 to the financial statements.

14 固定資產 (續)

計入二零零四年十二月三十一日之機器及設備總額以融資租賃持有之本集團固定資產帳面淨值達28,246,000港元(二零零三年: 33,948,000港元)。

於二零零四年十二月三十一日,本集團帳面淨值總額約10,566,000港元(二零零三年: 24,472,000港元)在中國內地之若干機器及設備已抵押予銀行以取得財務報表附註25所載授予本集團之一般銀行貸款額度。

本集團各項土地及樓宇已由獨立特許測量師 Chung, Chan & Associates 依照公開市場價值及現有用途基準作出估值,評定其於結算日之市值總額為39,522,000港元。上述估值產生之重估增值3,182,000港元在扣除遞延稅項支出1,186,000港元後已計入重估儲備。倘若該等土地及樓宇按歷史成本減累計折舊及減值虧損列帳,則該等帳面值原應約為37,377,000港元(二零零三年: 15,055,000港元)。

年內租賃土地及樓宇之增加乃包括政府補助金12,374,000港元,詳情載於財務報表附註29。

14. FIXED ASSETS (continued)

14 固定資產 (續)

An analysis of the Group's land and buildings is as follows:

上述本集團之土地及樓宇之分析如下：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Medium term leases:	中期租約		
Hong Kong	香港	12,835	12,725
Mainland China	中國內地	26,687	-
At valuation	按估值	<u>39,522</u>	<u>12,725</u>

15. INTANGIBLE ASSETS

15. 無形資產

Group	本集團	Technology know-how 技術知識 HK\$'000 千港元
Cost:	成本值：	
At beginning of year and at 31 December 2004	年初及 於二零零四年十二月三十一日	<u>1,319</u>
Accumulated amortisation and impairment:	累計攤銷及減值：	
At beginning of year	年初	546
Provided during the year	年內撥備	326
At 31 December 2004	於二零零四年十二月三十一日	<u>872</u>
Net book value:	帳面淨值：	
At 31 December 2004	於二零零四年十二月三十一日	<u>447</u>
At 31 December 2003	於二零零三年十二月三十一日	<u>773</u>

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

16. GOODWILL AND NEGATIVE GOODWILL

The amounts of the goodwill and negative goodwill capitalised as an asset or recognised in the consolidated balance sheet, arising from the acquisition of subsidiaries and a jointly controlled entity, are as follows:

Group

16. 商譽及負商譽

以下為收購附屬公司及共同控制公司而資本化為資產或於綜合資產負債表中確認之商譽及負商譽：

本集團

		Goodwill arising from acquisition of interest in a subsidiary 因收購附屬 公司權益 而產生之商譽 HK\$'000 千港元	Negative goodwill arising from acquisition of a subsidiary 因收購附屬 公司而產生 之負商譽 HK\$'000 千港元	Negative goodwill arising from acquisition of a jointly controlled entity 因收購共同 控制公司而 產生之負商譽 HK\$'000 千港元 (note 18) (附註 18)
Cost:	成本值：			
At the beginning of the year	年初	606	(1,488)	(507)
Additions	增加	181	-	-
At 31 December 2004	於二零零四年十二月三十一日	787	(1,488)	(507)
Accumulated amortisation/ (recognition as income):	累計攤銷/ (確認為收入)：			
At the beginning of the year	年初	182	(646)	(203)
Amortisation provided/ (recognised as income) during the year	年內攤銷/ (確認為收入)	121	(276)	(101)
At 31 December 2004	於二零零四年十二月三十一日	303	(922)	(304)
Net book value:	帳面淨值：			
At 31 December 2004	於二零零四年十二月三十一日	484	(566)	(203)
At 31 December 2003	於二零零三年十二月三十一日	424	(842)	(304)

16. GOODWILL AND NEGATIVE GOODWILL (continued)

As detailed in note 3 to the financial statements, on the adoption of SSAP 30 in 2001, the Group applied the transitional provision of SSAP 30 that permitted negative goodwill in respect of acquisitions which occurred prior to the adoption of the SSAP, to remain credited to the capital reserve. The amount of negative goodwill remaining in consolidated reserves, arising from the acquisition of a subsidiary, was HK\$417,000 at 1 January and 31 December 2004. The amount of negative goodwill is stated at its cost.

16. 商譽及負商譽 (續)

如財務報表附註3就二零零一年採納會計實務準則第30號所詳述，本集團已採納會計實務準則第30號之過渡條文，容許於採納該項會計實務準則前因收購而產生之負商譽保留計入資本儲備。於二零零四年一月一日及十二月三十一日因收購附屬公司產生之負商譽417,000港元仍計入綜合儲備。負商譽乃按成本列帳。

17. INTERESTS IN SUBSIDIARIES

17. 於附屬公司之權益

		Company	
		本公司	
		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost	非上市股份，按成本值	63,823	63,823
Due from subsidiaries	附屬公司欠款	240,349	262,193
Due to a subsidiary	欠附屬公司款項	(5,687)	-
		298,485	326,016

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

附屬公司欠款／欠附屬公司款項乃無抵押、免息且無固定還款期。

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

17. INTERESTS IN SUBSIDIARIES (continued)

17. 於附屬公司之權益 (續)

Particulars of the principal subsidiaries are as follows:

主要附屬公司資料如下：

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued/ registered capital 已發行股本/ 註冊資本	Percentage of equity attributable to the Company 本公司應佔 股本百分比		Principal activities 主要業務
			2004 二零零四年	2003 二零零三年	
Man Yue Holdings (BVI) Limited	British Virgin Islands/Hong Kong 英屬處女群島/香港	Ordinary US\$10,000 普通股 10,000美元	100	100	Investment holding 投資控股
Johnstone International Limited	British Virgin Islands/Hong Kong 英屬處女群島/香港	Ordinary US\$1 普通股1美元	100*	100*	Investment holding 投資控股
Man Yue Electronics Company Limited 萬裕電子有限公司	Hong Kong 香港	Ordinary HK\$2 Non-voting deferred HK\$3,000,000 普通股2港元 無投票權遞延股 3,000,000港元	100*	100*	Trading of electrical products and electronic components 買賣電子產品 及電子零件
Man Yue Technology Limited	British Virgin Islands/Hong Kong 英屬處女群島/香港	Ordinary US\$10 普通股10美元	100*	100*	Investment holding 投資控股
Manyue Samxon Electronics (Dongguan) Co., Ltd. ("Samxon Electronics") [#] 萬裕三信電子(東莞)有限公司 [#] (「萬裕三信」)	PRC 中國	Registered US\$29,103,000 註冊資本 29,103,000美元	100*	100*	Manufacture and sale of electronic components 製造及銷售 電子零件

17. INTERESTS IN SUBSIDIARIES (continued)

17. 於附屬公司之權益 (續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued/ registered capital 已發行股本/ 註冊資本	Percentage of equity attributable to the Company 本公司應佔 股本百分比		Principal activities 主要業務
			2004 二零零四年	2003 二零零三年	
Searange Investment Limited 海韻投資有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	100*	100*	Investment holding 投資控股
TradeUNIT Limited	British Virgin Islands/Hong Kong 英屬處女群島/香港	Ordinary HK\$9,500,000 普通股 9,500,000港元	100*	100*	Trading of raw materials 買賣原材料
Wuxi Heli Electronic Co., Ltd. ("Wuxi Heli") [#] 無錫和利電子有限公司 〔無錫和利〕 [#]	PRC 中國	Registered US\$6,000,000 註冊資本 6,000,000美元	100*	81.7*	Manufacture and sale of electronic components 製造及銷售 電子零件
Man Yue Electronics (Xiamen) Company Limited [#] 萬宜電子(廈門)有限公司 [#]	PRC 中國	Registered US\$1,500,000 註冊資本 1,500,000美元	100*	100*	Manufacture and sale of electronic components 製造及銷售 電子零件
Samxon Electronic Components LLC	USA 美國	Contributed US\$1,000 實繳1,000美元	100*	100*	Provision of marketing-related services 提供市場推廣 相關服務
Man Fat International Trading (Shanghai) Co., Ltd. [#] 萬發國際貿易(上海) 有限公司 [#]	PRC 中國	Registered US\$200,000 註冊資本 200,000美元	100*	100*	Trading of electrical products and electronic components 買賣電子產品及 電子零件

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

17. INTERESTS IN SUBSIDIARIES (continued)

17. 於附屬公司之權益 (續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued/ registered capital 已發行股本/ 註冊資本	Percentage of equity attributable to the Company 本公司應佔 股本百分比		Principal activities 主要業務
			2004 二零零四年	2003 二零零三年	
Dongguan Ostor-Samxon Electronics Co. Ltd.* 東莞奧斯特電子有限公司*	PRC 中國	Registered US\$3,234,800 註冊資本 3,234,800美元	100*	100*	Manufacture and sale of electronic components 製造及銷售 電子零件
MMS Logistics Company Limited	Hong Kong 香港	Ordinary HK\$10,000 普通股10,000港元	100*	100*	Trading of electrical products and electronic components 買賣電子產品及 電子零件
MMS Electronics Company Limited 萬盛電子有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股10,000港元	100*	-	Trading of electrical products and electronic components 買賣電子產品及 電子零件
Wuxi Man Yue Electronics Co. Ltd.* 無錫萬裕電子有限公司*	PRC 中國	Registered US\$20,000,000 註冊資本 20,000,000美元	100*	-	Manufacture and sale of electronic components 製造及銷售 電子零件
Rifeng Qingyuan Electronic Co. Ltd.* 日豐(清遠)電子有限公司*	PRC 中國	Registered HK\$20,000,000 註冊資本 20,000,000港元	100*	-	Manufacture and sale of electronic components 製造及銷售 電子零件

17. INTERESTS IN SUBSIDIARIES (continued)

- * Held indirectly through subsidiaries.
- # The subsidiaries are registered as wholly foreign-owned enterprises under the PRC law.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

18. INTERESTS IN JOINTLY CONTROLLED ENTITIES

17. 於附屬公司之權益 (續)

- * 透過附屬公司間接持有。
- # 此等附屬公司乃根據中國法律註冊為外商獨資企業。

董事認為上表所列示之附屬公司乃影響年度業績或構成本集團資產淨值重要部份之主要附屬公司。董事認為提供其他附屬公司詳情將使資料過於冗長。

18. 於共同控制公司之權益

		Group 本集團	
		2004 二零零四年	2003 二零零三年
		HK\$'000 千港元	HK\$'000 千港元
		Note 附註	
Share of net assets	應佔資產淨值	3,483	7,821
Negative goodwill on acquisition (note 16)	收購產生之負商譽 (附註 16)	(203)	(304)
		3,280	7,517
Due from jointly controlled entities	共同控制公司欠款	30	116
Due to jointly controlled entities	欠共同控制公司款項	-	(3,650)
Deferred profits	遞延溢利	-	(1,674)
		3,310	2,309

Note:

- (a) The amounts due from jointly controlled entities are unsecured, interest-free and have no fixed terms of repayment.

附註：

- (a) 共同控制公司欠款乃無抵押、免息且並無固定還款期。

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

18. INTERESTS IN JOINTLY CONTROLLED ENTITIES (continued)

Particulars of the principal jointly controlled entities, all of which are held indirectly through a subsidiary, are as follows:

18. 於共同控制公司之權益 (續)

於結算日透過一家附屬公司間接持有之主要共同控制公司資料如下：

Name 公司名稱	Business structure 業務架構	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Percentage of 百分比			Principal activities 主要業務
			Ownership interest 所有權 權益	Voting power 投票權	Profit sharing 攤佔 溢利	
Guizhou Xin Yu Electronics Co., Ltd. 貴州新裕電子有限公司	Corporate 公司	PRC 中國	49	33	49	Manufacture and sale of electronic components 生產及銷售 電子零件
Foshan Rifeng Electronic Co., Ltd. 佛山日豐電子有限公司	Corporate 公司	PRC 中國	33	33	33	Manufacture and sale of electronic components 生產及銷售 電子零件

The above jointly controlled entities are not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.

上述共同控制公司並非經香港安永會計師事務所或安永會計師事務所其他國際成員事務所審核。

The above table lists the jointly controlled entities of the Group which, in the opinion of the directors, principally affect the results for the year or formed a substantial portion of the net assets of the Group. To give details of other jointly controlled entities would, in the opinion of the directors, result in particulars of excessive length.

董事認為上表所列示之本集團共同控制公司乃影響年度業績或構成本集團資產淨值重要部份之主要共同控制公司。董事認為提供其他共同控制公司詳情將使資料過於冗長。

19. LONG TERM INVESTMENTS

19. 長期投資

		Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Non-Hong Kong listed equity investments, at cost	非香港上市股份證券，按成本值	12,382	—
Unlisted equity investments, at cost	非上市股份證券，按成本值	1,000	13,880
Less: Provision for impairment	減：減值撥備	(1,000)	(1,000)
		—	12,880
		12,382	12,880

The market value of the Group's long term listed equity investments at the balance sheet date was HK\$15,236,000.

本集團長期股份證券於結算日之市值為15,236,000港元。

20. SHORT TERM INVESTMENTS

20. 短期投資

		Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Hong Kong listed equity investments, at market value	香港上市股份證券，按市值	190	190

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

21. INVENTORIES

21. 存貨

		Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Raw materials	原材料	59,533	47,891
Work in progress	在製品	10,790	16,178
Finished goods	產成品	87,151	66,389
		157,474	130,458

The above inventories are stated at cost.

以上之存貨乃按成本價計算。

22. TRADE RECEIVABLES

22. 貿易應收帳款

The Group's trading terms with its customers are largely on credit, except for new customers, where payment in advance is normally required. Invoices are normally payable within 90 days of issuance, except for certain well-established customers, where the credit terms range from 120 to 180 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk and hedges its credit risk through Export Credit Insurance Cover. Overdue balances are regularly reviewed by senior management.

除新客戶外，與大部份客戶進行之貿易均以信貸形式進行，而新客戶一般則須預先付款。通常貨款須於發出發票後90天內支付，惟信譽超卓之客戶可享有120至180天不等之信貸期。每名客戶均訂有最高信貸額。本集團致力嚴格控制未收之應收帳款，並設有信貸控制部門將信貸風險減至最低，並以出口信用保險對沖信貸風險。高級管理層會定期審核到期未償還之結餘。

22. TRADE RECEIVABLES (continued)

An aged analysis of the trade receivables at the balance sheet date, based on invoice date, is as follows:

Group

		2004 二零零四年		2003 二零零三年	
		Balance	Percentage	Balance	Percentage
		結餘	百分比	結餘	百分比
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Less than 3 months	少於3個月	154,183	78	150,751	80
4 – 6 months	4至6個月	34,283	17	27,952	15
7 – 12 months	7至12個月	4,458	2	3,016	1
Over 1 year	超過1年	5,621	3	7,150	4
		198,545	100	188,869	100
Less: Provision for bad and doubtful debts	減：呆壞帳撥備	(4,900)		(7,126)	
		193,645		181,743	

22. 貿易應收帳款 (續)

於結算日，按發票日期計算之貿易應收帳款帳齡分析如下：

本集團

		2004 二零零四年		2003 二零零三年	
		Balance	Percentage	Balance	Percentage
		結餘	百分比	結餘	百分比
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Less than 3 months	少於3個月	154,183	78	150,751	80
4 – 6 months	4至6個月	34,283	17	27,952	15
7 – 12 months	7至12個月	4,458	2	3,016	1
Over 1 year	超過1年	5,621	3	7,150	4
		198,545	100	188,869	100
Less: Provision for bad and doubtful debts	減：呆壞帳撥備	(4,900)		(7,126)	
		193,645		181,743	

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

23. CASH AND CASH EQUIVALENTS

23. 現金及現金等價物

		Group 本集團		Company 本公司	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	39,134	33,875	44	224
Time deposits	定期存款	11,827	15,541	-	-
		50,961	49,416	44	224
Less: Non-cash equivalent deposits	減：非現金等值存款				
Pledged for bills payable	就應付票據抵押	-	(3,100)	-	-
Pledged for bank loans	就銀行貸款抵押	-	(97)	-	-
Cash and cash equivalents	現金及現金等值物	50,961	46,219	44	224

24. TRADE PAYABLES

An aged analysis of the trade payables at the balance sheet date, based on invoice date, is as follows:

Group

		本集團			
		2004 二零零四年		2003 二零零三年	
		Balance	Percentage	Balance	Percentage
		結餘	百分比	結餘	百分比
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Accounts payable:	應付帳款				
Less than 3 months	少於3個月	76,539	83	75,813	75
4 – 6 months	4至6個月	8,296	9	16,822	17
7 – 12 months	7至12個月	164	–	1,338	1
Over 1 year	超過1年	7,618	8	6,582	7
		92,617	100	100,555	100
Bills payable	應付票據	40,911		24,685	
		133,528		125,240	

Included in the Group's accounts payable are trade payables of HK\$2,474,000 (2003: Nil) due to jointly controlled entities, which are repayable within three months.

24. 貿易應付帳款

於結算日，按發票日期計算之貿易應付帳款按帳齡分析如下：

本集團

		2004 二零零四年		2003 二零零三年	
		Balance	Percentage	Balance	Percentage
		結餘	百分比	結餘	百分比
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Accounts payable:	應付帳款				
Less than 3 months	少於3個月	76,539	83	75,813	75
4 – 6 months	4至6個月	8,296	9	16,822	17
7 – 12 months	7至12個月	164	–	1,338	1
Over 1 year	超過1年	7,618	8	6,582	7
		92,617	100	100,555	100
Bills payable	應付票據	40,911		24,685	
		133,528		125,240	

本集團之應付帳款包括應付共同控制公司之貿易應付帳款2,474,000港元(二零零三年：無)，須於三個月內繳清。

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

25. INTEREST-BEARING BANK LOANS

25. 計息銀行貸款

		Group 本集團		Company 本公司	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Trust receipts	信託收據貸款	67,301	24,352	-	-
Term loans	定期貸款	147,193	158,504	114,000	142,500
Other bank loans	其他銀行貸款	6,167	4	-	-
		220,661	182,860	114,000	142,500
Portion classified as current liabilities:	列作流動負債部份：				
Trust receipts	信託收據貸款	(67,301)	(24,352)	-	-
Term loans (repayable within one year or on demand)	定期貸款（須於一年內或要求時償還）	(72,193)	(44,504)	(57,000)	(28,500)
Other bank loans	其他銀行貸款	(6,167)	(4)	-	-
		(145,661)	(68,860)	(57,000)	(28,500)
Long term portion of term loans:	定期貸款之長期部份：				
Repayable in the second year	須於第二年償還	65,000	57,000	57,000	57,000
Repayable in the third to fifth years, inclusive	須於第三至五年（包括首尾兩年）償還	10,000	57,000	-	57,000
		75,000	114,000	57,000	114,000
Secured	有抵押	3,195	8,999	-	-
Unsecured	無抵押	217,466	173,861	114,000	142,500
		220,661	182,860	114,000	142,500

Certain of the Group's bank borrowings are secured by fixed charges over certain of the Group's machinery and equipment in Mainland China with an aggregate net book value of approximately HK\$10,566,000 (2003: HK\$24,472,000).

本集團若干銀行借貸乃以本集團帳面淨值總額約10,566,000港元（二零零三年：24,472,000港元）在中國內地之若干機器及設備之固定押記作為抵押。

26. FINANCE LEASE PAYABLES

The Group leases certain of its machinery and equipment for its manufacturing of electronic components business. These leases are classified as finance leases and have remaining lease terms ranging from one to two years.

At the balance sheet date, the total future minimum lease payments under finance leases and their present values were as follows:

Group

		Minimum lease payments 最低租金		Present value of minimum lease payments 最低租金之現值	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Amounts payable:	應付款項：				
Within one year	一年內	7,501	11,067	7,286	10,462
In the second year	第二年	1,936	7,506	1,902	7,293
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	—	1,929	—	1,895
Total minimum finance lease payments	融資租賃最低 租金總額	9,437	20,502	9,188	19,650
Future finance charges	未來融資租賃費用	(249)	(852)		
Total net finance lease payables	融資租賃應付款 項淨額總數	9,188	19,650		
Portion classified as current liabilities	列作流動負債 部份	(7,286)	(10,462)		
Long term portion	長期部份	1,902	9,188		

26. 融資租賃之應付款項

本集團就製造電子零件業務租用若干機器及設備。該等租賃分類為融資租賃，而餘下租期由1至2年不等。

於結算日，根據融資租賃之未來最低租金總額及其現值如下：

本集團

		Minimum lease payments 最低租金		Present value of minimum lease payments 最低租金之現值	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Amounts payable:	應付款項：				
Within one year	一年內	7,501	11,067	7,286	10,462
In the second year	第二年	1,936	7,506	1,902	7,293
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	—	1,929	—	1,895
Total minimum finance lease payments	融資租賃最低 租金總額	9,437	20,502	9,188	19,650
Future finance charges	未來融資租賃費用	(249)	(852)		
Total net finance lease payables	融資租賃應付款 項淨額總數	9,188	19,650		
Portion classified as current liabilities	列作流動負債 部份	(7,286)	(10,462)		
Long term portion	長期部份	1,902	9,188		

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

27. PROVISION FOR LONG SERVICE PAYMENTS**27. 長期服務金撥備**

		Group
		本集團
		HK\$'000
		千港元
<hr/>		
At 1 January 2004	於二零零四年一月一日	2,984
Write-back for the year	年內撥回	(475)
		<hr/>
At 31 December 2004	於二零零四年十二月三十一日	<u>2,509</u>

The Group provides for the probable future long service payments expected to be made to employees under the Hong Kong Employment Ordinance, as further explained under the heading "Employee benefits" in note 3 to the financial statements. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group to the balance sheet date.

本集團根據香港僱傭條例預期可能須向僱員支付之未來長期服務金計提撥備，詳情如財務報表附註3「僱員福利」所闡述。該撥備乃基於對截至結算日按僱員服務年資計算僱員所賺取而可能須於日後支付之估計最接近款額計算。

28. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

Group

28. 遞延稅項

年內之遞延稅項資產與負債變動如下：

遞延稅項資產

本集團

		Deductible tax depreciation 可扣減稅項折舊 HK\$'000 千港元	Provisions 撥備 HK\$'000 千港元	Losses available for offset against future taxable profits 可用作抵銷未來 應課稅溢利之 稅項虧損 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2003	於二零零三年一月一日	200	1,316	992	3	2,511
Deferred tax credited/(charged) to the profit and loss account during the year (note 10)	年內於損益表之遞延稅項抵免/(開支)(附註10)	18	1,343	(992)	-	369
At 31 December 2003 and at 1 January 2004	於二零零三年十二月三十一日及二零零四年一月一日	218	2,659	-	3	2,880
Deferred tax credited/(charged) to the profit and loss account during the year (note 10)	年內於損益表之遞延稅項抵免/(開支)(附註10)	(58)	361	-	1,709	2,012
At 31 December 2004	於二零零四年十二月三十一日	160	3,020	-	1,712	4,892

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

28. DEFERRED TAX (continued)

28. 遞延稅項 (續)

Deferred tax liabilities

遞延稅項負債

Group

本集團

		Revaluation of properties 重估物業 HK\$'000 千港元	Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2003	於二零零三年一月一日	-	298	298
Deferred tax credited to the profit and loss account during the year (note 10)	年內於損益表之遞延稅項抵免 (附註10)	-	(82)	(82)
At 31 December 2003 and at 1 January 2004	於二零零三年十二月三十一日及二零零四年一月一日	-	216	216
Deferred tax charged to the profit and loss account during the year (note 10)	年內於損益表之遞延稅項開支 (附註10)	-	408	408
Deferred tax debited to equity during the year	年內於股東權益之遞延稅項開支	1,186	-	1,186
At 31 December 2004	於二零零四年十二月三十一日	1,186	624	1,810

28. DEFERRED TAX (continued)

At 31 December 2004, the Group had tax losses arising in Hong Kong of HK\$5,164,000 (2003: HK\$5,169,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as the utilisation of which is uncertain.

At 31 December 2004, there was no significant unrecognised deferred tax liability (2003: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries or joint ventures.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

29. DEFERRED INCOME

The deferred income related to a non-cash subsidy granted by Jiangsu Province Xishan Economic Development Management Committee in the form of a reduction of the consideration for the acquisition of a parcel of land in Wuxi, the PRC, paid by the Group. The deferred income amount represented the fair value of the land at the date of acquisition less the total consideration paid by the Group. The purpose of the subsidy is for industrial development in that area.

28. 遞延稅項 (續)

本集團有源於香港之稅務虧損5,164,000港元(二零零三年: 5,169,000港元), 可無限期用以抵銷呈虧公司將來之應課稅溢利。由於未能肯定因虧損而產生之遞延稅項資產得以使用, 故並無確認該等資產。

於二零零四年十二月三十一日, 本集團並無因若干附屬公司、聯營公司或合營企業之未匯出盈利而應付之重大未確認遞延稅項負債(二零零三年: 無)。

本公司向其股東作出之分派毋須繳付所得稅。

29. 遞延收入

遞延收入乃關於江蘇省錫山經濟開發區管理委員會以減收本集團為收購一幅位於中國無錫土地而需支付代價的形式給予之非現金補助。遞延收入指該土地在收購日期之公允值減本集團所支付之總代價。有關補助乃用於在該地方作工業發展。

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

30. SHARE CAPITAL

30. 股本

Shares	股份	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Authorised:	法定:		
1,000,000,000 ordinary shares of HK\$0.10 each	1,000,000,000股 每股面值0.10港元 之普通股	<u>100,000</u>	<u>100,000</u>
Issued and fully paid:	已發行及已繳足:		
372,855,666 (2003: 373,440,000) ordinary shares of HK\$0.10 each	372,855,666 (二零零三年: 373,440,000股) 每股面值 0.10港元之普通股	<u>37,286</u>	<u>37,344</u>

A summary of the transactions involving the Company's share capital during the year is as follows:

年內涉及本公司股本之交易摘要如下:

		Number of shares in issue 已發行股份數目	Issued share capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價帳 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2003 and 2004	於二零零三年及 二零零四年一月一日	373,440,000	37,344	72,641	109,985
Shares repurchased (note)	購回股份 (附註)	(16,286,000)	(1,628)	(4,560)	(6,188)
Share options exercised	行使購股權	15,700,000	1,570	4,925	6,495
Warrants exercised	行使認股權證	1,666	-	-	-
At 31 December 2004	於二零零四年 十二月三十一日	<u>372,855,666</u>	<u>37,286</u>	<u>73,006</u>	<u>110,292</u>

30. SHARE CAPITAL (continued)

Note:

On 26 April 2004, the Company proposed a conditional voluntary cash offer (the "Offer") to repurchase up to 66,000,000 issued ordinary shares of HK\$0.10 each of the Company at a price of HK\$0.38 per share. The ordinary resolution proposed to approve the Offer was passed by the independent shareholders at a special general meeting of the Company held on 24 June 2004.

On 8 July 2004, being the time when the Offer was closed, the Company received valid acceptances in respect of 16,286,000 ordinary shares of the Company from the accepting shareholders. As such, the Company repurchased and cancelled 16,286,000 ordinary shares of the Company and the number of the Company's issued ordinary shares was reduced from 373,440,000 to 357,154,000. The total consideration paid by the Company under the Offer was approximately HK\$6,188,000

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 31 to the financial statements below.

Warrants

On 23 September 2004, the Company proposed a conditional bonus warrant issue to the shareholders of the Company on the register of members on 26 October 2004. The bonus warrant issue was made in the proportion of one warrant for every six shares of the Company, resulting in 62,142,333 warrants being issued. Each warrant entitles the holder thereof to subscribe for one ordinary share of HK\$0.10 at a subscription price of HK\$0.48 per share, subject to amendment, from 4 November 2004 to 3 November 2006 (both days inclusive). The warrants were issued to the shareholders of the Company on 2 November 2004.

At 31 December 2004, the Company had 62,140,667 warrants outstanding. The exercise in full of such warrants would, under the present capital structure of the Company, result in the issue of 62,140,667 additional shares of HK\$0.10 each.

30. 股本 (續)

附註：

於二零零四年四月二十六日，本公司提出一項有條件自願現金收購建議（「收購建議」），按收購價每股股份0.38港元購回最多不超過66,000,000股面值0.10港元之本公司已發行普通股。有關批准該收購建議之普通決議案已於二零零四年六月二十四日由獨立股東在股東特別大會上通過批准收購建議。

於二零零四年七月八日，即收購建議結束期限，本公司接獲接納股東就16,286,000股本公司普通股之有關接納文件。因此，本公司已購回及註銷16,286,000本公司普通股，致使本公司已發行普通股數目由373,440,000股減少至357,154,000股。本公司就收購建議已付之總代價約為6,188,000港元。

購股權

本公司購股權計劃以及根據計劃所發行之購股權詳情載於下文財務報表附註31。

認股權證

於二零零四年九月二十三日，本公司建議向於二零零四年十月二十六日名列股東名冊之本公司股東，按每持有六股本公司股份獲發一份認股權證之基準，有條件發行紅利認股權證，並因此發行62,142,333份認股權證。每份認股權證賦予持有人於二零零四年十一月四日至二零零六年十一月三日（包括首尾兩日）期間內按每股0.48港元（可予調整）之認購價認購一股面值0.10港元之普通股之權利。認股權證於二零零四年十一月二日向本公司股東發出。

於二零零四年十二月三十一日，本公司有62,140,667份認股權證尚未行使。根據本公司現時之股本結構，悉數行使尚未行使之認股權證會導致本公司額外發行62,140,667股每股面值0.10港元之股份。

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

31. SHARE OPTION SCHEME

On 13 February 1997, the Company adopted a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include any executive director or employee (excluding independent non-executive directors) of the Group. The Scheme is effective from 13 February 1997 to 12 February 2007.

The subscription price is determined by the directors and is the higher of a price not less than 80% of the average closing price of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the five trading days immediately preceding the date of grant of the option or the nominal value of the shares.

The maximum number of shares on which options may be granted under the Scheme may not exceed 10% of the ordinary share capital of the Company in issue from time to time.

The offer of a grant of share options may be accepted within 40 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee.

31. 購股權計劃

於一九九七年二月十三日，本公司採納一項購股權計劃（「計劃」），以向曾對本集團營運作出貢獻之合資格參與者提供獎勵及回報。計劃之合資格參與者包括本集團任何執行董事或僱員（不包括獨立非執行董事）。計劃於一九九七年二月十三日至二零零七年二月十二日期間生效。

認購價由董事釐定，為不低於購股權授出日期前五個交易日本公司股份在香港聯合交易所有限公司（「聯交所」）之平均收市價80%之價格或股份面值（以較高者為準）。

根據該計劃所授購股權所涉之最高股數不得超過本公司不時已發行之普通股本10%。

購股權可於授出日期起計40日內接納，而承授人於接納時須支付象徵代價合共1港元。

31. SHARE OPTION SCHEME (continued)

Subsequent to the adoption of the Scheme, the Stock Exchange has introduced a number of amendments to the Listing Rules on share option schemes. These new rules came into effect on 1 September 2001. Options granted by the Company under the Scheme after 1 September 2001 are subject to the new rules which include, inter alia, the following:

- (a) the maximum number of shares issuable under share options to each eligible participant within any 12-month period is limited to 1% of the shares in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in advance in a general meeting;
- (b) share options granted to a director, chief executive or substantial shareholder, or to any of their associates, are subject to approval in advance by the independent non-executive directors; and
- (c) the exercise price of share options is determined by the directors, but may not be less than the higher of: (i) the Stock Exchange closing price of the shares on the date of grant of the share options; and (ii) the average Stock Exchange closing price of the shares for the five trading days immediately preceding the date of the grant.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

31. 購股權計劃 (續)

採納計劃後，聯交所對有關購股權計劃之上市規則作出多項修訂。該等新規則於二零零一年九月一日起生效。本公司根據計劃於二零零一年九月一日後授出之購股權須受下列新規則約束：

- (a) 各合資格參與者根據購股權於任何十二個月內可獲發行之股份最高數目將以任何時間已發行股份之1%為限。再行授出超過有關上限之購股權須事先獲股東於股東大會批准；
- (b) 向董事、主要行政人員、主要股東，或彼等之任何聯繫人士授出之購股權須獲獨立非執行董事事先批准；及
- (c) 行使價由董事釐定，為不低於：(i)購股權授出日期股份在聯交所之收市價；及(ii)購股權授出日期前五個交易日股份在聯交所之平均收市價(以較高者為準)。

購股權並未賦予持有人權利獲享股息或於股東大會上投票。

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

31. SHARE OPTION SCHEME (continued)

31. 購股權計劃 (續)

The following share options were outstanding under the Scheme during the year:

年內，根據該計劃之未行使購股權如下：

Name or category of participant 參與者姓名或類別	Number of share options 購股權數目				Date of grant of share options 授出購股權日期	Exercise period of share options 購股權行使期	Exercise price of share options ⁺ 購股權行使價 ⁺ HK\$ 港元	Price of Company's shares ^{**} 本公司股價 ^{**}	
	At 1 January 2004 於二零零四年一月一日	Exercised during the year 年內行使	Lapsed/cancelled during the year 年內失效/註銷	At 31 December 2004 於二零零四年十二月三十一日				At grant date of options 於授出購股權當日	At exercise date of options 於行使購股權當日
Directors									
Chan Ho Sing									
陳浩成	11,000,000	-	-	11,000,000	30.12.1997	30.12.1997 to 12.2.2007	0.7856	1.02	-
	12,000,000	(12,000,000)	-	-	5.6.2000	5.6.2000 to 12.2.2007	0.432	0.60	0.53
	23,000,000	(12,000,000)	-	11,000,000					
Ko Pak On									
高怡安	1,500,000	-	-	1,500,000	30.12.1997	30.12.1997 to 12.2.2007	0.7856	1.02	-
	300,000	-	-	300,000	5.6.2000	5.6.2000 to 12.2.2007	0.432	0.60	-
	1,800,000	-	-	1,800,000					
Other employees									
其他僱員									
In aggregate 合共	2,500,000	-	(1,500,000)	1,000,000	30.12.1997	30.12.1997 to 12.2.2007	0.7856	1.02	-
In aggregate 合共	880,000	(880,000)	-	-	21.1.2000	21.1.2000 to 12.2.2007	0.3192	0.39	0.53
In aggregate 合共	3,220,000	(2,120,000)	(300,000)	800,000	5.6.2000	5.6.2000 to 12.2.2007	0.432	0.60	0.53
In aggregate 合共	700,000	(700,000)	-	-	15.5.2002	15.5.2002 to 12.2.2007	0.163	0.163	0.53
	7,300,000	(3,700,000)	(1,800,000)	1,800,000					
	32,100,000	(15,700,000)	(1,800,000)	14,600,000					

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

* 購股權行使價或會因供股、紅利發行，或本公司股本之其他類似變動而作出調整。

** The price of the Company's shares disclosed as at the date of grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of grant of the options. The price of the Company's shares disclosed as at the date of exercise of the share options is the weighted average of the Stock Exchange closing prices over all of the exercises of options within the disclosure line.

** 於授出購股權當日所披露之本公司股份價格乃授出購股權當日前一個交易日在聯交所之收市價，而於行使購股權當日所披露之本公司股份價格則為所披露同類已行使之購股權在聯交所之加權平均收市價。

31. SHARE OPTION SCHEME (continued)

The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 14,600,000 additional ordinary shares of the Company and additional share capital of HK\$1,460,000 and share premium of approximately HK\$9,621,000 (before issue expenses).

32. RESERVES

Group

	Share premium account	Contributed surplus*	Capital reserve [®]	Revaluation reserve	Exchange fluctuation reserve	PRC reserve funds [#]	Retained profits/ losses (accumulated)	Total
	股份溢價帳	繳入盈餘*	資本儲備 [®]	重估儲備	匯兌波動儲備	中國儲備金 [#]	保留溢利/ (累積虧損)	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2003	72,641	2,800	417	1,795	1,043	767	106,938	186,401
Revaluation surplus	-	-	-	85	-	-	-	85
Exchange realignment	-	-	-	-	(1,264)	-	-	(1,264)
Net profit for the year	-	-	-	-	-	-	37,053	37,053
Transferred from retained profits	-	-	-	-	-	1,665	(1,665)	-
At 31 December 2003 and at 1 January 2004	72,641	2,800	417	1,880	(221)	2,432	142,326	222,275
Shares repurchased	(4,560)	-	-	-	-	-	-	(4,560)
Share options exercised	4,925	-	-	-	-	-	-	4,925
Revaluation surplus	-	-	-	3,182	-	-	-	3,182
Exchange realignment	-	-	-	-	468	-	-	468
Net profit for the year	-	-	-	-	-	-	61,949	61,949
Transferred from retained profits	-	-	-	-	-	5,607	(5,607)	-
Proposed final dividend	-	-	-	-	-	-	(7,457)	(7,457)
At 31 December 2004	73,006	2,800	417	5,062	247	8,039	191,211	280,782

31. 購股權計劃 (續)

根據本公司現時之股本結構，悉數行使尚未行使之購股權會導致本公司發行14,600,000股額外普通股，產生1,460,000港元之額外股本及約9,621,000港元(未計發行開支)之額外股份溢價。

32. 儲備

本集團

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

32. RESERVES (continued)

32. 儲備 (續)

Group	本集團								
	Share premium account	Contributed surplus*	Capital reserve [®]	Revaluation reserve	Exchange fluctuation reserve	PRC reserve (accumulated funds) [#]	Retained profits/ losses	Total	
	股份溢價帳	繳入盈餘*	資本儲備 [®]	重估儲備	匯兌波動儲備	中國儲備金 [#]	保留溢利/ (累積虧損)	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Retained by:	由下列公司								
	保留之儲備:								
Company and subsidiaries	本公司及附屬公司	73,006	2,800	417	5,062	247	8,039	205,820	295,391
Jointly controlled entities	共同控制公司	-	-	-	-	-	-	(14,609)	(14,609)
31 December 2004	二零零四年十二月三十一日	73,006	2,800	417	5,062	247	8,039	191,211	280,782
Company and subsidiaries	本公司及附屬公司	72,641	2,800	417	1,880	(327)	1,753	142,130	221,294
Jointly controlled entities	共同控制公司	-	-	-	-	106	679	196	981
31 December 2003	二零零三年十二月三十一日	72,641	2,800	417	1,880	(221)	2,432	142,326	222,275

* The Group's contributed surplus represents the difference between the nominal value of the shares of the subsidiaries acquired over the nominal value of the Company's shares issued in exchange therefor.

® Capital reserve includes negative goodwill arising on the acquisition of a subsidiary prior to 1 January 2001, as further explained in note 16 to the financial statements.

Pursuant to the relevant laws and regulations in the PRC, a portion of the profits of the Group's subsidiaries in Mainland China has been transferred to reserve funds which are restricted as to use.

* 本集團之繳入盈餘指為交換附屬公司已發行股本而發行之本公司股份之面值與所收購附屬公司資產淨值之差額。

® 資本儲備包括於二零零一年一月一日前收購附屬公司所產生之負商譽，詳情載於財務報表附註16。

根據中國相關法律及法規，本集團位於中國內地之附屬公司有部份溢利已轉撥至儲備金，其動用受到限制。

32. RESERVES (continued)

32. 儲備 (續)

Company		本公司			
		Share premium account	Contributed surplus	Retained profits	Total
		股份溢價帳	繳入盈餘	保留溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2003	於二零零三年一月一日	72,641	63,623	9,812	146,076
Net profit for the year	本年度溢利淨額	—	—	194	194
At 31 December 2003 and at 1 January 2004	於二零零三年十二月三十一日及於二零零四年一月一日	72,641	63,623	10,006	146,270
Shares repurchased	購回股份	(4,560)	—	—	(4,560)
Share options exercised	行使購股權	4,925	—	—	4,925
Net loss for the year	本年度虧損淨額	—	—	(1,880)	(1,880)
Proposed final dividend	擬派末期股息	—	—	(7,457)	(7,457)
At 31 December 2004	於二零零四年十二月三十一日	73,006	63,623	669	137,298

The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired over the nominal value of the Company's shares issued in exchange therefor. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to shareholders in certain circumstances.

本公司之繳入盈餘指為交換附屬公司已發行股本而發行之本公司股份之公允值與所收購附屬公司資產淨值之差額。根據百慕達一九八一年公司法(修訂本)，繳入盈餘在若干情況下可分派予股東。

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

33. CONTINGENT LIABILITIES

The Company had guarantees amounting to HK\$483,857,000 (2003: HK\$387,719,000) in respect of banking facilities and finance lease contracts granted to its subsidiaries, and approximately HK\$156,574,000 (2003: HK\$90,447,000) of which was utilised at the balance sheet date.

34. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties, factories and warehouses under operating lease arrangements. Leases for office properties, factories and warehouses are negotiated for terms ranging from one to seven years.

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

33. 或然負債

本公司於結算日就授予其附屬公司之銀行融資及融資租賃作出為數達483,857,000港元(二零零三年: 387,719,000港元)之擔保, 其中約156,574,000港元(二零零三年: 90,447,000港元)已被動用。

34. 經營租約安排

本集團根據經營租約安排租用若干辦公室物業、廠房及貨倉。辦公室物業、廠房及貨倉之租約為期1至7年不等。

於結算日, 本集團根據不可撤銷經營租約之日後最低租金總額將於下列期間到期:

		Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Within one year	一年內	10,725	10,766
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	23,875	32,424
After five years	五年後	1,430	5,461
		36,030	48,651

35. COMMITMENTS

In addition to the operating lease commitments detailed in note 34 above, the Group had the following capital commitments at the balance sheet date:

		Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但並未撥備：		
Plant and machinery	廠房及機器	7,025	2,910
Construction in progress	在建工程	11,343	-
		<u>18,368</u>	<u>2,910</u>

At the balance sheet date, the Company did not have any significant commitments (2003: Nil).

於結算日，本公司並無任何重大承擔（二零零三年：無）。

36. RELATED PARTY TRANSACTIONS

(a) During the year, the Group had the following material transactions with its jointly controlled entities:

		2004 二零零四年 HK\$'000 千港元		2003 二零零三年 HK\$'000 千港元	
Purchases of raw materials	購買原材料	15,013	9,048		
Sale of raw materials	出售原材料	4,022	2,769		

The above purchases of raw materials were carried out at terms similar to those offered by other suppliers, except that a longer credit period was granted. The above sales transactions were carried out in accordance with the Group's pricing policy, and were calculated on a cost-plus basis.

35. 承擔

除上文附註34所詳述之經營租約外，本集團於結算日有以下資本承擔：

36. 關連人士交易

(a) 年內，本集團與其共同控制公司之重大交易如下：

除了獲給予較長之信貸期外，上述採購原材料乃按其他供應商給予之類似條款進行。上述銷售交易乃根據本集團之定價政策，並以成本為基礎加上利潤計算。

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

36. RELATED PARTY TRANSACTIONS
(continued)

(b) During the year, the Group had the following material transactions with Wuxi Heli's PRC joint venture partner or associates of the PRC joint venture partner:

(i)

Purchases of raw materials	購買原材料
Rent, utilities and other operating expenses	租金、水電及其他經營費用

The above purchases of raw materials and payments for rent, utilities and other operating expenses were carried out in the ordinary course of business, and according to terms and conditions similar to those offered by other suppliers, except that a longer credit period was granted.

(ii) On 30 December 2004, the Group and the PRC joint venture partner entered into a sale and purchase agreement pursuant to which the Group agreed to purchase and the PRC joint venture partner agreed to sell 18.33% interest in Wuxi Heli for a consideration of RMB8,959,700, calculated with reference to the net asset value of Wuxi Heli at 31 March 2004. The transaction was completed on 31 December 2004 and Wuxi Heli has become an indirect wholly-owned subsidiary of the Company.

36. 關連人士交易 (續)

(b) 本集團就無錫和利與中國合營夥伴或中國合營夥伴之聯繫人士於年內曾進行以下重大交易：

(i)

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
171	1,046
3,356	2,790

上述購買原材料及所付租金、水電及其他經營費用乃於日常業務中，並根據其他供應商所給予之類似條款及條件進行，惟可享較長信貸期。

(ii) 於二零零四年十二月三十日，本集團與中國合營夥伴訂立買賣協議，據此，本集團同意購買而中國合營夥伴同意出售無錫和利之18.33%權益，作價人民幣8,959,700元（乃按無錫和利於二零零四年三月三十一日之資本淨值計算）。此項交易已於二零零四年十二月三十一日完成而無錫和利亦已成為本公司之間接全資附屬公司。

37. POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date, on 24 January 2005, the Group has entered into a shareholders' agreement with Golden Faith Mfg. Limited ("Golden Faith") and Wintop Intertrade Limited ("Wintop"), both of which are independent third parties. The shareholders' agreement sets out, among other things, the funding arrangements for Ever Reliance Industrial Investments Limited ("Ever Reliance"), which is owned as to 49% by Golden Faith, 48% by the Group and 3% by Wintop, to invest in a Sino-foreign co-operative joint venture established in the PRC, namely Dongguan Ever Reliance Property Development Limited (the "Project Company").

The purpose of the Project Company is to acquire from the Dongguan Land Bureau a parcel of industrial land and to develop it into industrial buildings and ancillary facilities, and to lease out those factory space and facilities upon completion. The cost of the development is estimated to be approximately HK\$60,000,000 and will be funded out of the registered capital of the Project Company contributed by Ever Reliance.

It is the intention of Ever Reliance and the Project Company that Samxon Electronics, a wholly-owned subsidiary of the Company, will lease part of the industrial buildings and related ancillary facilities from the Project Company upon completion of the development (expected to be in 2007).

37. 結算日後事項

於結算日後，在二零零五年一月二十四日，本集團與 Golden Faith Mfg. Limited (「Golden Faith」) 及 Wintop Intertrade Limited (「Wintop」) (兩者均為獨立第三方) 訂立股東協議。股東協議載列(其中包括)長信工業投資有限公司(「長信」，由 Golden Faith、本集團及 Wintop 分別擁有 49%、48% 及 3%) 注資到東莞長信物業開發有限公司(「項目公司」，於中國成立之中外合作合營企業)之資金安排。

項目公司之成立目的為向東莞國土資源局收購一幅工業用地，將之發展為工業大廈及附屬設施，並於落成後出租該等工廠空間及設施。估計發展成本約為 60,000,000 港元，將以長信出繳之項目公司註冊股本撥付。

長信及項目公司有意讓本公司之全資附屬公司萬裕三信於該發展項目落成後(預期為二零零七年)向項目公司租賃部分工業大廈及相關附屬設施。

Notes to Financial Statements 財務報表附註

31 December 2004 二零零四年十二月三十一日

37. POST BALANCE SHEET EVENTS (continued)

According to the shareholders' agreement, the Group, Golden Faith and Wintop agreed to advance shareholders' loan of HK\$28,800,000, HK\$29,400,000 and HK\$1,800,000, respectively, to Ever Reliance in accordance with their shareholding percentage in Ever Reliance. The shareholders' loans are capital in nature and are non-interest bearing, without security, not repayable on demand, and with no fixed repayment terms. As at the date of this report, the Group has advanced a shareholders' loan of HK\$8,640,000 to Ever Reliance.

In addition, a call option was granted to the Group by Golden Faith and Wintop pursuant to which the Group is entitled to acquire from Golden Faith and Wintop, at any time, commencing from the 7th year of the shareholders' agreement, at the pre-determined price, their entire shareholding and the relevant shareholders' loans in Ever Reliance. The pre-determined price shall be equal to the net asset value per share of Ever Reliance, taking into account the valuation adjustments for the land and the industrial buildings thereon based on independent professional valuation as at the date when the Group serves the notice to exercise its call option.

38. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 19 April 2005.

37. 結算日後事項 (續)

根據股東協議，本集團、Golden Faith及Wintop同意按照彼等各自於長信之股權百分比，向長信提供股東貸款分別28,800,000港元、29,400,000港元及1,800,000港元。股東貸款屬於股本性質、免息、無抵押、毋須應要求償還及無固定還款期。於本報告日期，本集團已向長信提供8,640,000港元之股東貸款。

此外，Golden Faith及Wintop向本集團授出認購期權，據此，本集團有權於股東協議訂立日期起計第七年後任何時間按預先釐定價格向Golden Faith及Wintop收購彼等於長信之全部股權及有關股東貸款。計及該土地及建於該土地之工業大廈之估值調整（按照於本集團送達通知行使其認購期權當日之獨立專業估值計算），預先釐定價格將相等於長信之每股資產淨值。

38. 批准財務報表

本財務報表已於二零零五年四月十九日獲董事會批准及授權刊發。