

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st December, 2005 截至二零零五年十二月三十一日止年度

1. GENERAL

United Metals Holdings Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 25th June, 2002 and its shares have been listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 6th January, 2003.

The address of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The principal activities of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are die casting and trading of metal products.

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards (“HKFRS(s)”), Hong Kong Accounting Standards (“HKAS(s)”) and Interpretations (hereinafter collectively referred to as “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) that are effective for accounting periods beginning on or after 1st January, 2005. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and consolidated statement of changes in equity. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has had no material effect on how the results for the current or prior accounting years are prepared and presented. Accordingly, no prior year adjustment has been required. The adoption of the new HKFRSs has resulted in changes to the Group’s accounting policies in the following areas:

1. 一般資料

科鑄技術集團有限公司(「本公司»)於二零零二年六月二十五日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司，其股份自二零零三年一月六日起在香港聯合交易所有限公司(「聯交所»)上市。

本公司之註冊辦事處及主要營業地點於年報「公司資料」一節披露。

財務報表以本公司之功能貨幣港幣列值。

本公司及其附屬公司(下文統稱「本集團»)之主要業務為壓鑄及銷售金屬產品。

2. 採納香港財務報告準則／會計政策變動

於本年度，本集團首次採納多項由香港會計師公會頒佈而於二零零五年一月一日或之後開始之會計期間生效的新訂香港財務報告準則、香港會計準則(「香港會計準則»)及詮釋(以下統稱「新訂香港財務報告準則»)。

採用新訂香港財務報告準則導致綜合收益表、綜合資產負債表及綜合資本權益變動表之呈報方式有變，且有關呈報方式變動已追溯應用。採納新訂香港財務報告準則對現行或過往會計年度業績之編製及呈報方式並無構成重大影響。因此，毋須就過往年度作出調整。採納新訂香港財務報告準則導致本集團於以下範圍之會計政策有變：

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES *(continued)*

Business Combinations

In the current year, the Group has applied HKFRS 3 “Business Combinations” which is effective for business combinations for which the agreement date is on or after 1st January, 2005 and for existing goodwill as at 1st January, 2005. The principal effects of the application of HKFRS 3 and the transitional provisions thereof to the Group are summarised below:

Goodwill

In previous years, goodwill arising on acquisitions was capitalised and amortised over its estimated useful life. The Group has applied the relevant transitional provisions in HKFRS 3. With respect to goodwill previously capitalised on the balance sheet, the Group on 1st January, 2005 eliminated the carrying amount of the related accumulated amortisation of HK\$732,000 with a corresponding decrease in the cost of goodwill (see Note 15). The Group has discontinued amortising such goodwill from 1st January, 2005 onwards and such goodwill will be tested for impairment at least annually. Goodwill arising on acquisitions after 1st January, 2005 is measured at cost less accumulated impairment losses (if any) after initial recognition. As a result of this change in accounting policy, no amortisation of goodwill has been charged in the current year. Comparative figures for 2004 have not been restated (see Note 3 for the financial impact).

Financial Instruments

In the current year, the Group has applied HKAS 32 “Financial Instruments: Disclosure and Presentation” and HKAS 39 “Financial Instruments: Recognition and Measurement”. HKAS 32 requires retrospective application. HKAS 39, which is effective for annual periods beginning on or after 1st January, 2005, generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis. The application of HKAS 32 has had no material impact on how financial instruments of the Group are presented for current and prior accounting periods. The principal effects resulting from the implementation of HKAS 39 are summarised below:

Classification and measurement of financial assets and financial liabilities

The Group has applied the relevant transitional provisions in HKAS 39 with respect to the classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

2. 採納香港財務報告準則／會計政策變動 (續)

業務合併

於本年度，本集團應用香港財務報告準則第3號「業務合併」，該準則適用於協議日期為二零零五年一月一日或之後的業務合併及於二零零五年一月一日之現有商譽。應用香港財務報告準則第3號及有關過渡條文對本集團的主要影響概述如下：

商譽

於過往年度，因收購產生之商譽予以資本化及按其估計可使用年期攤銷。本集團已應用香港財務報告準則第3號之有關過渡條文。就早前於資產負債表資本化之商譽而言，本集團已於二零零五年一月一日撤銷有關累積攤銷港幣732,000元之賬面值，並相應減少商譽成本（見附註15）。本集團已自二零零五年一月一日起終止攤銷該等商譽，有關商譽將最少每年檢測有否出現減值。二零零五年一月一日後收購產生之商譽於初次確認後按成本值減累積減值虧損（如有）計算。由於是項會計政策變動，本年度並無扣除任何商譽攤銷。二零零四年之比較數字並無重列（財務影響見附註3）。

金融工具

於本年度，本集團應用香港會計準則第32號「金融工具：披露及呈報」以及香港會計準則第39號「金融工具：確認及計量」。香港會計準則第32號規定追溯應用。香港會計準則第39號於二零零五年一月一日或之後開始之年度期間生效，一般不容許按追溯基準確認、剔除確認或計量金融資產及負債。採納香港會計準則第32號對本集團現行及過往會計期間金融工具之呈報方式並無重大影響。採納香港會計準則第39號產生之主要影響概述如下：

金融資產及金融負債分類及計量

本集團已就屬香港會計準則第39號範圍內之金融資產及金融負債分類及計量方式，應用香港會計準則第39號之有關過渡條文。

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Classification and measurement of financial assets and financial liabilities (continued)

Prior to 31st December, 2004, the Group classified and measured its investments in equity securities in accordance with the alternative treatment of Statement of Standard Accounting Practice 24 "Accounting for Investments in Securities" issued by the HKICPA ("SSAP 24"). Under SSAP 24, investments in equity securities are classified as "trading securities" or "non-trading securities" as appropriate. Both "trading securities" and "non-trading securities" are measured at fair value. Unrealised gains or losses of "trading securities" are reported in profit or loss for the period in which gains or losses arise. Unrealised gains or losses of "non-trading securities" are reported in equity until the securities are sold or determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the net profit or loss for that period. From 1st January, 2005 onwards, the Group has classified and measured its investments in equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as "financial assets at fair value through profit or loss", "available-for-sale financial assets" or "loans and receivables". "Financial assets at fair value through profit or loss" and "available-for-sale financial assets" are carried at fair value, with changes in fair values recognised in profit or loss and equity, respectively. "Loans and receivables" are measured at amortised cost using the effective interest method after initial recognition.

On 1st January 2005, the Group classified and measured its investments in equity securities in accordance with the transitional provisions of HKAS 39. Upon adoption of HKAS 39, "non-trading securities" reported under SSAP 24 with a carrying amount of HK\$1,449,000 at 1st January, 2005 were classified as "available-for-sale investments", the cumulative unrealised gains or losses previously reported in equity at 1st January, 2005 continue to be held in equity. On subsequent disposal of the investments, the unrealised gains or losses remaining in equity will be transferred to the profit or loss. "Trading securities" reported under SSAP 24 with a carrying amount of HK\$1,876,000 at 1st January, 2005 were classified as "investments held for trading". Accordingly, no adjustment to accumulated profits at 1st January, 2005 was required (see Note 3 for the financial impact).

2. 採納香港財務報告準則／會計政策變動 (續)

金融工具 (續)

金融資產及金融負債分類及計量 (續)

於二零零四年十二月三十一日前，本集團根據香港會計師公會頒佈之會計實務準則第24號「證券投資之會計處理法」（「會計實務準則第24號」）之其他處理方法分類及計量股本證券投資。根據會計實務準則第24號，股本證券投資分類為「買賣證券」或「非買賣證券」（按適用情況）。「買賣證券」及「非買賣證券」均按公平值計量。「買賣證券」之未變現收益或虧損於收益或虧損產生期間呈報為溢利或虧損。「非買賣證券」之未變現收益或虧損呈報為股本權益，直至證券售出或確定減值，方會將早前於股本權益確認之累計收益或虧損計入該期間之溢利或虧損淨額。自二零零五年一月一日起，本集團根據香港會計準則第39號分類及計量其股本證券投資。根據香港會計準則第39號，金融資產分類為「按公平值計入溢利或虧損之金融資產」、「可供出售金融資產」或「貸款及應收款項」。「按公平值計入溢利或虧損之金融資產」及「可供出售金融資產」按公平值列賬，而公平值之變動分別於溢利或虧損及股本權益中確認。「貸款及應收款項」於初步確認後以實際利率法按攤銷成本計量。

於二零零五年一月一日，本集團根據香港會計準則第39號之過渡條文分類及計量其股本證券投資。採納香港會計準則第39號後，按會計實務準則第24號所呈報於二零零五年一月一日賬面值港幣1,449,000元之「非買賣證券」分類為「可供出售投資」，早前於二零零五年一月一日呈報為股本權益之累計未變現收益或虧損繼續以股本權益列賬。其後出售投資時，股本權益內餘下未變現收益或虧損將撥往溢利或虧損。按會計實務準則第24號所呈報於二零零五年一月一日賬面值港幣1,876,000元之「買賣證券」分類為「持作買賣投資」。因此，毋須調整於二零零五年一月一日之累計溢利（財務影響見附註3）。

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial assets and financial liabilities other than debt and equity securities

From 1st January, 2005 onwards, the Group has classified and measured its financial assets and financial liabilities other than debt and equity securities (which were previously outside the scope of SSAP 24) in accordance with the requirements of HKAS 39. As mentioned above, financial assets under HKAS 39 are classified as “financial assets at fair value through profit or loss”, “available-for-sale financial assets” or “loans and receivables”. Financial liabilities are generally classified as “financial liabilities at fair value through profit or loss” or “other financial liabilities”. Financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value being recognised in profit or loss directly. Other financial liabilities are carried at amortised cost using the effective interest method after initial recognition. The adoption of HKAS 39 has had no material effect on financial assets and financial liabilities other than debt and equity securities, and accordingly, no prior year adjustment was required.

Owner-occupied Leasehold Interest in Land

In the current year, the Group has applied HKAS 17 “Leases”. Under HKAS 17, the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. The adoption of HKAS 17 has had no material effect on the Group’s financial position as the Group’s leasehold interests in land were acquired in current year, and accordingly, no prior year adjustment was required.

2. 採納香港財務報告準則／會計政策變動 (續)

金融工具 (續)

債務及股本證券以外之金融資產及金融負債

自二零零五年一月一日起，本集團根據香港會計準則第39號之規定，分類及計量其債務及股本證券以外之金融資產及金融負債（過往不屬會計實務準則第24號範圍內）。如上文所述，根據香港會計準則第39號，金融資產分類為「按公平值計入溢利或虧損之金融資產」、「可供出售金融資產」或「貸款及應收款項」。金融負債一般分類為「按公平值計入溢利或虧損之金融負債」或「其他金融負債」。按公平值計入溢利或虧損之金融負債以公平值計量，公平值變動於溢利或虧損直接確認。其他金融負債於初步確認後以實際利率法按攤銷成本列賬。採納香港會計準則第39號對債務及股本證券以外之金融資產及金融負債並無重大影響，因而毋須就去年作出調整。

業主自用之土地租賃權益

於本年度，本集團採納香港會計準則第17號「租賃」。根據香港會計準則第17號，土地及樓宇租賃之土地及樓宇部分就租賃分類獨立考慮，除非有關租賃款項未能可靠於土地及樓宇部分間分配，在此情況下則一概視為融資租賃處理。若能於土地及樓宇部分間可靠分配租賃款項，於土地之租賃權益會重新分類為經營租賃下預付租賃款項，以成本列賬並於租賃期內按直線法攤銷。由於本集團之土地租賃權益乃於本年度購入，故採納香港會計準則第17號對本集團之財務狀況並無重大影響，因而毋須就去年作出調整。

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The effect of changes in accounting policies described in note 2 above on the results for the year is a decrease in goodwill amortisation expense of approximately HK\$283,000 (2004: Nil).

The effect of the application of the new HKFRSs as at 1st January, 2005 are summarised below:

3. 會計政策變動影響概要

上文附註2所述會計政策變動對本年度業績之影響為商譽攤銷開支減少約港幣283,000元(二零零四年:無)。

於二零零五年一月一日,採納新訂香港財務報告準則之影響概述如下:

		As at 31st December, 2004 於二零零四年 十二月三十一日 HK\$'000 港幣千元	Effect of HKAS 39 香港會計準則 第39號之影響 HK\$'000 港幣千元	As at 1st January, 2005 (restated) 於二零零五年 一月一日 (重列) HK\$'000 港幣千元
Balance sheet items	資產負債表項目			
Available-for-sale investments	可供出售投資	-	1,449	1,449
Investments in securities	證券投資	3,325	(3,325)	-
Investments held for trading	持作買賣投資	-	1,876	1,876
Total effect on assets and liabilities	對資產及負債之影響總計	3,325	-	3,325

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (continued)

The Group has not early applied the following new standards, interpretations or amendments that have been issued but are not yet effective. The directors of the Company anticipate that the application of these new standards, interpretations or amendments will have no material impact on the financial statements of the Group.

HKAS 1 (Amendment)	Capital disclosures ¹
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures ²
HKAS 21 (Amendment)	Net investment in a foreign operation ²
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions ²
HKAS 39 (Amendment)	The fair value option ²
HKAS 39 & HKFRS 4 (Amendments)	Financial guarantee contracts ²
HKFRS 6	Exploration for and evaluation of mineral resources ²
HKFRS 7	Financial instruments: Disclosures ¹
HK(IFRIC) – INT 4	Determining whether an arrangement contains a lease ²
HK(IFRIC) – INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds ²
HK(IFRIC) – INT 6	Liabilities arising from participating in a specific market – waste electrical and electronic equipment ³
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ⁴

- ¹ Effective for annual periods beginning on or after 1st January, 2007.
- ² Effective for annual periods beginning on or after 1st January, 2006.
- ³ Effective for annual periods beginning on or after 1st December, 2005.
- ⁴ Effective for annual periods beginning on or after 1st March, 2006.

3. 會計政策變動影響概要 (續)

本集團並無提早應用下列已頒佈但尚未生效的新訂準則、詮釋或修訂。本公司董事預期，應用此等新訂準則、詮釋或修訂將不會對本集團財務報表構成重大影響。

香港會計準則第1號 (修訂本)	資本披露 ¹
香港會計準則第19號 (修訂本)	精算損益、集團計劃及披露 ²
香港會計準則第21號 (修訂本)	海外業務投資淨額 ²
香港會計準則第39號 (修訂本)	預測集團內部交易之現金流量對沖會計處理 ²
香港會計準則第39號 (修訂本)	選擇以公平值列賬 ²
香港會計準則第39號及香港財務報告準則第4號 (修訂本)	財務擔保合約 ²
香港財務報告準則第6號	礦產資源勘探及評估 ²
香港財務報告準則第7號	金融工具：披露 ¹
香港 (國際財務報告詮釋委員會) – 詮釋第4號	釐定安排是否包括租賃 ²
香港 (國際財務報告詮釋委員會) – 詮釋第5號	終止運作、復原及環境修復基金產生權益之權利 ²
香港 (國際財務報告詮釋委員會) – 詮釋第6號	參與特定市場產生之責任 – 廢棄電力及電子設備 ³
香港 (國際財務報告詮釋委員會) – 詮釋第7號	應用香港會計準則第29號項下重列法嚴重通脹經濟之財務報告法 ⁴

- ¹ 於二零零七年一月一日或以後開始之年度期間生效。
- ² 於二零零六年一月一日或以後開始之年度期間生效。
- ³ 於二零零五年十二月一日或以後開始之年度期間生效。
- ⁴ 於二零零六年三月一日或以後開始之年度期間生效。

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Goodwill

Goodwill arising on acquisitions prior to 1st January, 2005

Goodwill arising on an acquisition of a subsidiary for which the agreement date is before 1st January, 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary at the date of acquisition.

For previously capitalised goodwill, the Group has discontinued amortisation from 1st January, 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired (see the accounting policy below).

4. 主要會計政策

除若干金融工具乃根據下文所闡釋會計政策按公平值計量外，綜合財務報表乃按歷史成本基準編製。

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則及香港公司條例規定之適當披露。

綜合賬目基準

綜合財務報表包括本公司及其附屬公司之財務報表。

年內收購或出售之附屬公司的業績，乃由收購生效日期起或計至出售生效日期（視適用情況）計入綜合收益表。

附屬公司財務報表於需要情況下作出調整，致使其會計政策與本集團其他成員公司所採用者貫徹一致。

所有集團內公司間之交易、結餘、收入開支已於綜合賬目時對銷。

商譽

於二零零五年一月一日前收購產生之商譽

就收購附屬公司而協議日期為二零零五年一月一日前產生之商譽指收購成本超出本集團於收購日期所佔有關附屬公司可識別資產及負債公平值權益間之差額。

就早前撥充資本之商譽而言，本集團自二零零五年一月一日起終止攤銷商譽，有關商譽每年及於有跡象顯示與商譽有關之現金產生單位可能出現減值時進行減值檢測（見下文會計政策）。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

Goodwill arising on acquisitions on or after 1st January, 2005

Goodwill arising on an acquisition of a subsidiary for which the agreement date is on or after 1st January, 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiary at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the balance sheet.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

4. 主要會計政策 (續)

商譽 (續)

於二零零五年一月一日或之後收購產生之商譽就收購附屬公司而協議日期為二零零五年一月一日或之後產生之商譽指收購成本超出本集團於收購日期所佔有關附屬公司可識別資產、負債及或然負債之公平值權益間之差額。有關商譽按成本減任何累積減值虧損列賬。

收購附屬公司產生撥充資本之商譽於資產負債表內獨立呈列。

就減值檢測而言，收購產生之商譽分配至預期將自收購協同效益獲益之各有關現金產生單位或一組現金產生單位。經分配商譽之現金產生單位每年及於有跡象顯示單位可能出現減值時進行檢測。於自收購產生商譽之財政年度，經分配商譽之現金產生單位於財政年度結束時進行減值檢測。倘現金產生單位可收回款額少於該單位賬面值，則分配減值虧損，先調低分配至該單位之任何商譽賬面值，其後根據單位內各資產之賬面值按比例分配至單位其他資產。商譽任何減值虧損直接於收益表確認。商譽減值虧損不會於往後期間撥回。

其後出售附屬公司，撥充資本之商譽應佔金額於出售時計入釐定損益之金額。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Construction in progress is stated at cost which includes all development expenditure and other direct costs attributable to such projects including borrowing costs capitalised in accordance with the Group's accounting policy. Construction in progress is not depreciated or amortised until completion of construction and the asset is put into use. The cost of completed construction works is transferred to the appropriate category of assets.

Depreciation is provided to write off the cost of items of property, plant and equipment, other than construction in progress, over their estimated useful lives and after taking into account their estimated residual value, using the straight-line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year in which the item is derecognised.

Leasehold land and buildings under development for future owner-occupied purpose

When the leasehold land and buildings are in the course of development for production, rental or for administrative purposes, the leasehold land component is classified as a prepaid lease payment and amortised over a straight-line basis over the lease term. During the construction period, the amortisation charge provided for the leasehold land is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

4. 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備(在建工程除外)乃按成本值減其後累積折舊及累積減值虧損列賬。

在建工程按成本值列賬,包括所有開發支出及其他應佔直接成本,包括根據本集團會計政策撥充資本之借貸成本項目。工程竣工及資產可使用前,在建工程不予折舊或攤銷。已完成之建築成本撥往資產之適當類別。

折舊按估計可使用年期及經計及其估計剩餘價值,以直線法撇銷物業、廠房及設備(在建工程除外)等項目之成本值撥備。

物業、廠房及設備項目於出售或預期不會自持續使用資產產生經濟利益時剔除確認。剔除確認資產所產生任何損益(按出售所得款項淨額與項目賬面值間之差額計算),於項目剔除確認之年度計入收益表。

作日後業主自用之發展中租賃土地及樓宇

倘發展中租賃土地及樓宇乃作生產、出租或行政用途,有關租賃土地部分分類為預付租賃款項,並以直線法按租期攤銷。於興建期間,就租賃土地撥備之攤銷開支列作在建樓宇成本部分。在建樓宇按成本值減任何可識別減值虧損列賬。樓宇於可供使用時開始折舊(即於樓宇達致按管理層擬定方式在所需地點及環境時運作)。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value.

Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

Financial assets at fair value through profit or loss

The Group's financial assets at fair value through profit or loss are classified as financial assets held for trading. At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. 主要會計政策 (續)

金融工具

金融資產及金融負債於集團實體成為工具合約條文之訂約方時在資產負債表確認。金融資產及金融負債初步按公平值計算。

金融資產

本集團之金融資產分為三類，包括按公平值計入損益之金融資產、貸款及應收款項以及可供出售金融資產。所有以正常方式買賣之金融資產按交易日基準確認及剔除確認。以正常方式買賣之金融資產為須根據市場已定立之經常或慣常時間表交付資產之金融資產買賣。就各類別金融資產採納之會計政策載於下文。

按公平值計入損益之金融資產

本集團按公平值計入損益之金融資產分類為持作買賣金融資產。初步確認後於各結算日，按公平值計入損益之金融資產會按公平值計量，並於公平值變動之期間直接於損益確認。

貸款及應收款項

貸款及應收款項乃並無於活躍市場報價之固定或可釐定付款之非衍生金融資產。初步確認後於各結算日，貸款及應收款項（包括應收貿易賬款及其他應收款項以及銀行結餘）均按採用實際利率法計算之攤銷成本減任何已識別減值虧損列賬。減值虧損乃於貼現客觀證明資產減值時於損益確認，並按該資產之賬面值與按原先實際利率貼現之估計未來現金流量現值間的差額計算。當資產之可收回金額增加客觀上與於確認減值後所引致之事件有關時，則減值虧損會於隨後期間予以撥回，惟該資產於減值獲撥回之日之賬面值以不得超過倘未有確認減值時之已攤銷成本為限。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories (set out above). At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in subsequent periods.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The Group's financial liabilities are classified as other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Other financial liabilities

Other financial liabilities including bank loans and trade and other payables are subsequently measured at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

4. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

可供出售金融資產

可供出售金融資產為指定或並無分類為以上任何其他類別之非衍生工具。初步確認後於各結算日，可供出售金融資產按公平值計量。公平值變動於股本確認，直至金融資產出售或釐定出現減值時，過往於股本中確認之累計損益會自股本中剔除並於損益確認。可供出售金融資產任何減值虧損於損益確認。可供出售股本投資之減值虧損不會於往後期間撥回。

金融負債及股本

集團實體發行之金融負債及股本工具根據所訂立合約安排之內容與金融負債及股本工具之定義分類。

股本工具乃集團於扣減其所有負債後於資產擁有剩餘權益之合約。本集團之金融負債分類為其他金融負債。就金融負債及股本工具採納之會計政策載列如下。

其他金融負債

其他金融負債(包括銀行貸款以及應付貿易賬款及其他應付款項)其後採用實際利率法按攤銷成本計量。

股本工具

本公司發行之股本工具按所收得款項扣除直接發行成本列賬。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

For financial liabilities, they are removed from the Group's balance sheet (i.e. when the obligation specified in the relevant contract is discharged, cancelled or expires). The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Impairment (other than goodwill)

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

4. 主要會計政策 (續)

金融工具 (續)

剔除確認

金融資產於自資產獲取現金流量之權利屆滿或金融資產轉讓及本集團將金融資產擁有權之絕大部分風險及回報轉讓時剔除確認。剔除確認金融資產時，資產賬面值金額與已收代價及已於股本直接確認之累計溢利或虧損總額之差額會於損益確認。

金融負債則自本集團之資產負債表剔除（即於有關合約訂明之責任已履行、取消或到期）。剔除確認金融負債賬面值與已付代價之差額於損益確認。

存貨

存貨按成本值及可變現淨值之較低者入賬。成本值以加權平均法計算。

減值虧損 (商譽除外)

於各結算日，本集團審閱其有形及無形資產之賬面值，以釐定該等資產是否存在任何減值虧損跡象。倘資產之可收回金額估計低於其賬面值，則資產之賬面值將調低至其可收回金額。減值虧損即時確認為開支。

倘減值虧損其後撥回，則資產之賬面值會增至經調整之估計可收回金額，惟據此增加之賬面值不得超過倘於以往年度並無確認減值虧損而原應釐定之賬面值。減值虧損撥回即時確認為收入。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue represents the fair value of amounts received and receivable for goods sold, net of returns, to outsiders.

Sales of goods are recognised when goods are delivered and title has passed.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes income statement items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

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

4. 主要會計政策 (續)

收入確認

收入指向外界人士銷售貨品已收及應收款項公平值扣除退貨。

貨品銷售於貨品付運及擁有權轉讓後確認。

來自投資的股息收入於股東收取款項的權利確立時確認。

金融資產之利息收入按未提取本金及適用利率以時間基準計算，有關利率乃於金融資產預期年期將估計日後現金收款貼現至該資產賬面淨值之利率。

稅項

所得稅開支指即期應繳稅項與遞延稅項總和。

即期應繳稅項乃按年內應課稅溢利計算。由於應課稅溢利不包括在其他年度應課稅或可扣稅收支項目，亦不包括收益表中毋須課稅或扣稅項目，因此與收益表所呈報之溢利不同。本集團之即期稅項負債乃按於結算日頒佈或實質頒佈之稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與用於計算應課稅溢利之相應稅基兩者之差額確認，並採用資產負債表負債法入賬。遞延稅項負債一般按所有暫時應課稅差額確認，而遞延稅項資產則限於日後可能取得之應課稅溢利，並可用以抵銷可扣減暫時差額時確認。倘因基於商譽或一項由初步確認（非業務合併）既不影響應課稅溢利或會計溢利之交易其他資產及負債而產生之暫時差額，則不予確認有關資產及負債。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

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

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Group's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financials statements. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項負債按投資於附屬公司所產生之暫時應課稅差額確認，惟就本集團可控制暫時差額之撥回及不大可能於可見將來撥回暫時差額之情況除外。

遞延稅項資產之賬面值於每個結算日審閱，並於不可能有足夠應課稅溢利以收回全部或部分資產時減少。

遞延稅項按預計於償還負債或變現資產之期間以結算日頒佈或實質頒佈之適用之稅率計算。遞延稅項扣自損益扣除或計入，惟與股本直接扣除或計入之項目有關者除外。在此情況下，遞延稅項亦會計入股本權益。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣（外幣）進行之交易，均按交易日期之現行匯率以功能貨幣（即該實體經營所在主要經濟地區之貨幣）列賬。於各結算日，以外幣列值之貨幣項目均按結算日之現行匯率重新換算。按公平值列賬及以外幣列值之非貨幣項目，於釐定公平值時按該日之現行利率重新換算。非貨幣項目乃按外幣過往成本計算，毋須重新換算。

於結算及換算貨幣項目時產生之匯兌差額，均於產生期間內於損益中確認，惟組成本集團海外業務之投資淨額部分之貨幣項目所產生之匯兌差額除外，在此情況下，有關匯兌差額乃於綜合財務報表中確認為股本權益。以公平值列值之非貨幣項目經重新換算後產生之匯兌差額，於該期間計入損益表內，惟重新換算直接於股本內確認盈虧之非貨幣項目產生之差額除外，在此情況下，匯兌差額亦直接於股本內確認。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Government grants

Government grants are recognised as income over the periods necessary to match them with the related costs. Grants related to depreciable assets are presented as a deduction from the carrying amount of the relevant asset and are released to income over the useful lives of the assets. Grants related to expense items are recognised in the same period as those expenses are charged in the income statement and are deducted in reporting the related expense.

Retirement benefit costs

Payments to retirement benefit schemes are charged as an expense as they fall due.

5. KEY SOURCE OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies, management makes various estimates based on past experiences, expectations of the future and other information. The key source of estimation uncertainty that may significantly affect the amounts recognised in the financial statements are disclosed below:

Allowance for inventories

The management reviews the net realisable values and/or age of inventories and makes allowance for obsolete and slow moving inventory items identified with reference to existing market environment, the sales performance in previous years and estimated market value, i.e. the estimated selling price, less estimated costs of selling. A specific allowance for inventories is made if the estimated market value of the inventories is lower than its carrying value.

4. 主要會計政策 (續)

租賃

倘資產擁有權之絕大部分風險及回報轉讓予承租人之租賃，則分類為融資租賃。所有其他租賃均列作經營租賃。

經營租賃之應付租金按有關租賃年期以直線法在損益內扣除。作為訂立經營租約之優惠，其已收及應收利益亦按租賃年期以直線法確認為租金開支減少。

政府補助金

政府補助金按與有關成本相應之所需期間確認為收入。有關可折舊資產之補助金按有關資產賬面值扣減呈列，並按資產之可用年期撥往收入。與開支項目有關之補助金於相同期間確認，該等開支於收益表扣除及於呈報有關開支時扣除。

退休福利成本

向退休福利計劃之付款於到期支付時以開支扣除。

5. 估計不確定因素之主要來源

於採納本集團會計政策之過程中，管理層根據過往經驗、未來預測及其他資料作出多項估計。可能對已於財務報表確認之金額構成重大影響之估計不確定因素之主要來源披露如下：

存貨撥備

管理層審閱存貨可變現淨值及／或年期以及對參照現行市場環境、過往年度銷售表現及估計市值（即估計售價）識別之陳舊及滯銷存貨項目減估計銷售成本作出撥備。倘存貨之估計市值低於賬面值，則就該存貨作出特定撥備。

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include investments in equity securities, trade and other receivables, trade and other payables, bank loans and bank balances. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

Certain trade and other receivables and trade and other payables of the Group are denominated in foreign currencies. The Group currently does not have a foreign currency hedging policy. However, management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

(ii) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets. The Group's exposure to changes in interest rates is mainly attributable to its bank loans. Bank loans at variable rates expose the Group to cash flow interest-rate risk. Details of the Group's bank loans are disclosed in note 23.

The Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

6. 財務風險管理目標及政策

本集團之主要金融工具包括股本證券投資、應收貿易賬款及其他應收款項、應付貿易賬款及其他應付款項、銀行貸款及銀行結餘。該等金融工具之詳情於有關附註披露。該等金融工具相關之風險及減低風險之政策載列如下。管理層管理及監控有關風險，以確保能適時及有效地採取適當措施。

市場風險

(i) 貨幣風險

本集團若干應收貿易賬款及其他應收款項以及應付貿易賬款及其他應付款項乃以外幣計值。本集團現時並無採納任何外幣對沖政策。然而，管理層會監察外匯風險，並於需要時考慮對沖重大外幣風險。

(ii) 利率風險

由於本集團並無重大計息資產，故收入及經營現金流量絕大部分不受市場利率變動影響。本集團之利率變動風險主要與銀行貸款有關。按浮息率計息之銀行貸款導致本集團須面對現金流量利率風險。本集團銀行貸款詳情於附註23披露。

本集團現時並無任何利率對沖政策。然而，管理層會監察利率風險及於需要時考慮對沖重大利率風險。

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

The Group's principal financial assets include trade and other receivables and cash and cash equivalents. The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31st December, 2005 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. Also, the Group is subject to concentration of credit risks as over 60% of the Group's sales are concentrated over 10 major customers. In order to minimise the credit risk and the concentration of credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group only extends credit to customers based upon careful evaluation of the customers' financial conditions and credit history.

In addition, the Group reviews the recoverable amount of each individual receivable at each balance sheet date to ensure that adequate impairment losses are recognised for irrecoverable amounts. In this regards, the directors of the Group consider that the Group's exposure to bad debts and concentration risk is minimal.

Credit risk on bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Commodity price risk

The Group sources large quantities of metal materials which include aluminium, zinc and magnesium alloys for its manufacturing process. Accordingly, the Group is exposed to commodity price risk. The Group currently does not have a commodity future hedging policy. However, management monitors its commodity price exposure and will consider hedging significant commodity price exposure should the need arises.

6. 財務風險管理目標及政策 (續)

信貸風險

本集團之主要金融資產包括應收貿易賬款及其他應收款項以及現金及現金等價物。倘交易對方未能履行其於二零零五年十二月三十一日之責任，則本集團就各類別已確認金融資產而須承受之最高信貸風險為資產於綜合資產負債表列值之賬面值。此外，本集團之信貸風險集中，原因為本集團銷售額超過60%集中於超過十名主要客戶。為減低信貸風險及信貸風險集中情況，本集團管理層已成立隊伍負責釐定信貸限額、信貸批核及其他監控程序，以確保採取跟進行動收回逾期債務。本集團僅於審慎評估客戶財務狀況及過往信貸狀況後提供信貸。

此外，本集團已審閱各結算日之各項個別應收款項可收回金額，確保已就不可收回金額確認足夠的減值虧損。就此而言，本集團董事認為，本集團之壞賬及風險集中乃屬輕微。

由於交易對手為獲國際信貸評級機構評級為高信貸評級之銀行，故銀行結餘之信貸風險有限。

商品價格風險

本集團就其生產過程採購大量金屬材料，包括鋁、鋅及鎂合金。因此，本集團須面對商品價格風險。本集團現時並無任何商品期貨對沖政策。然而，管理層會監察商品價格風險，並於需要時考慮對沖重大商品價格風險。

7. REVENUE AND SEGMENTAL INFORMATION

Revenue represents the net amounts received and receivable for goods sold, net of returns, to outsiders during the year.

Business segments

For management purposes, the Group's business is currently organised into four operating divisions which are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Aluminium parts – sale of aluminium die casting parts manufactured and processed by the Group.

Zinc parts – sale of zinc die casting parts manufactured and processed by the Group and zinc die casting parts purchased from suppliers but processed by the Group.

Magnesium parts – sale of magnesium die casting parts manufactured and processed by the Group.

Others – sale of screw machined brass parts and other casting purchased from suppliers but processed by the Group.

7. 收益及分部資料

收益指年內向外界客戶銷售貨品已收及應收之款額淨額扣除退貨。

業務分部

就管理而言，本集團的業務目前分為四個營運單位，乃本集團呈報其主要分部資料的基準。

主要業務如下：

鋁部件 – 銷售本集團所製造及加工的鋁壓鑄部件。

鋅部件 – 銷售本集團所製造及加工的鋅壓鑄部件，以及銷售向供應商採購但由本集團加工的鋅壓鑄部件。

鎂部件 – 銷售本集團所製造及加工的鎂壓鑄部件。

其他 – 銷售向供應商採購但由本集團加工的螺絲機械黃銅部件及其他鑄件。

Notes to the Consolidated Financial Statements (continued) 綜合財務報表附註 (續)

For the year ended 31st December, 2005 截至二零零五年十二月三十一日止年度

7. REVENUE AND SEGMENTAL INFORMATION 7. 收益及分部資料 (續)

(continued)

Business segments (continued)

For the year ended 31st December, 2005

業務分部 (續)

截至二零零五年十二月三十一日止年度

		Aluminium parts 鋁部件 HK\$'000 港幣千元	Zinc parts 鋅部件 HK\$'000 港幣千元	Magnesium parts 鎂部件 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Consolidated 綜合 HK\$'000 港幣千元
REVENUE	收益	171,863	10,825	3,600	333	186,621
RESULTS	業績					
Segment results	分部業績	10,679	705	149	4	11,537
Income from available-for-sale investments	可供出售投資之收入					30
Income from investments held for trading	持作買賣投資之收入					139
Interest income	利息收入					104
Unallocated corporate expenses	未分配公司開支					(975)
Interest on bank loans wholly repayable within five years	於五年內悉數償還之銀行貸款利息					(285)
Profit before taxation	除稅前溢利					10,550
Income tax expense	所得稅開支					(221)
Profit for the year	年內溢利					10,329
BALANCE SHEET	資產負債表					
ASSETS	資產					
Segment assets	分部資產	166,514	17,619	3,835	134	188,102
Available-for-sale investments	可供出售投資					1,386
Investments held for trading	持作買賣投資					461
Unallocated corporate assets	未分配公司資產					21,715
Consolidated total assets	綜合資產總額					211,664
LIABILITIES	負債					
Segment liabilities	分部負債	21,413	7,137	-	-	28,550
Unsecured bank loans	無抵押銀行貸款					4,700
Unallocated corporate liabilities	未分配公司負債					3,060
Consolidated total liabilities	綜合負債總額					36,310
OTHER INFORMATION	其他資料					
Capital additions	資本添置	17,047	1,880	-	-	18,927
Depreciation	折舊	10,618	2,179	219	-	13,016
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	4	-	-	-	4

7. REVENUE AND SEGMENTAL INFORMATION 7. 收益及分部資料 (續)

(continued)

Business segments (continued)

For the year ended 31st December, 2004

業務分部 (續)

截至二零零四年十二月三十一日止年度

		Aluminium parts 鋁部件 HK\$'000 港幣千元	Zinc parts 鋅部件 HK\$'000 港幣千元	Magnesium parts 鎂部件 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Consolidated 綜合 HK\$'000 港幣千元
REVENUE	收益	136,249	12,205	5,754	376	154,584
RESULTS	業績					
Segment results	分部業績	8,075	807	264	7	9,153
Income from investments in securities	證券投資之收入					513
Interest income	利息收入					40
Unallocated corporate expenses	未分配公司開支					(144)
Interest on bank loans wholly repayable within five years	於五年內悉數償還之銀行貸款利息					(191)
Profit before taxation	除稅前溢利					9,371
Income tax expense	所得稅開支					(957)
Profit for the year	年內溢利					8,414
BALANCE SHEET	資產負債表					
ASSETS	資產					
Segment assets	分部資產	130,587	18,809	4,509	107	154,012
Investments in securities	證券投資					3,325
Unallocated corporate assets	未分配公司資產					43,040
Consolidated total assets	綜合資產總額					200,377
LIABILITIES	負債					
Segment liabilities	分部負債	14,834	4,966	–	–	19,800
Unsecured bank loans	無抵押銀行貸款					9,784
Unallocated corporate liabilities	未分配公司負債					5,705
Consolidated total liabilities	綜合負債總額					35,289
OTHER INFORMATION	其他資料					
Capital additions	資本添置	28,262	3,704	–	–	31,966
Depreciation	折舊	9,284	1,638	219	–	11,141

7. REVENUE AND SEGMENTAL INFORMATION 7. 收益及分部資料 (續)

(continued)

Geographical segments

The following table provides an analysis of the Group's sales revenue by geographical market, irrespective of the origin of the goods:

地區分部

本集團按地區市場劃分(不論貨品之來源地)之銷售收益分析如下:

		Sales revenue by geographical market 按地區市場劃分的銷售收益	
		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
The People's Republic of China (the "PRC"), including Hong Kong	中華人民共和國(「中國」)· 包括香港	75,200	85,851
North America	北美洲	44,693	26,545
Europe	歐洲	54,684	30,176
Others	其他	12,044	12,012
		186,621	154,584

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment, analysed by the geographical area in which the assets are located:

按資產在地區劃分之分部資產賬面值及物業、廠房及設備添置分析如下:

		Carrying amount of segment assets 分部資產賬面值		Additions to property, plant and equipment 物業、廠房及設備添置	
		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Geographical region	地區				
The PRC	中國	138,386	130,104	18,732	31,941
Hong Kong	香港	73,184	69,920	195	25
		211,570	200,024	18,927	31,966

8. OTHER INCOME

8. 其他收入

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Included in other income are the following:	其他收入當中包括以下各項:		
Dividend income from unlisted available-for-sale investments	可供出售非上市投資之股息收入	30	15
Dividend income from listed investments held for trading	持作買賣上市投資之股息收入	46	37
Exchange gain	匯兌收益	-	203
Gain on disposal of investments held for trading	出售持作買賣投資之收益	26	-
Gain on disposal of unlisted equity securities	出售非上市股本證券之收益	-	84
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	-	182
Interest income	利息收入	104	40
Gains on change in fair value of listed investments held for trading/listed trading securities	持作買賣上市投資／上市買賣證券之公平值變動之收益	67	377

9. INCOME TAX EXPENSE

9. 所得稅開支

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Current tax:	本期稅項:		
Hong Kong Profits Tax	香港利得稅		
Current year	本年度	120	241
Underprovision in previous years	過往年度撥備不足	-	1
		120	242
Taxation in other jurisdictions	其他司法權區稅項		
Current year	本年度	359	656
Overprovision in previous years	過往年度超額撥備	(303)	-
		56	656
		176	898
Deferred tax (note 24):	遞延稅項(附註24):		
Current year	本年度	45	59
Taxation attributable to the Company and its subsidiaries	本公司及其附屬公司應佔稅項	221	957

9. INCOME TAX EXPENSE (continued)

Hong Kong Profits Tax is calculated at 17.5% (2004: 17.5%) of the estimated assessable profit for the year.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Pursuant to the relevant laws and regulations in the PRC, Dongguan United Metal Products Co., Ltd. 東莞鏗利五金制品有限公司 (“Dongguan United”), United Metal Products (Shanghai) Co., Ltd. 科鑄金屬製品(上海)有限公司 (“United Shanghai”) and United Castings (Dongguan) Co., Ltd. 東莞科鑄金屬製品有限公司 (“United Castings”) are entitled to exemption from the PRC enterprise income tax for two years commencing from their first profit-making year of operation and thereafter, they are entitled to 50% relief from PRC enterprise income tax for the following three years. The reduced tax rate for the relief period is 12%.

Dongguan United’s first profit-making year is the year of 1999. Accordingly, tax relief expired in the year of 2003 and the tax rate in the year of 2004 and thereafter is 24%.

Pursuant to the relevant laws and regulations in the PRC, Dongguan United is entitled to a 50% reduction in tax rate in the year of 2005 as over 70% of Dongguan United’s turnover is for export purpose. Accordingly, the tax rate for the year of 2005 is 12%.

No provision for taxation has been made for United Shanghai and United Castings as these two companies had no assessable profit for the year.

9. 所得稅開支 (續)

香港利得稅乃按年內之估計應課稅溢利以17.5% (二零零四年:17.5%) 稅率計算。

其他司法權區之稅項乃根據有關司法權區現行稅率計算。

根據中國有關法律及法規，東莞鏗利五金制品有限公司(「東莞鏗利」、科鑄金屬製品(上海)有限公司(「科鑄上海」)及東莞科鑄金屬製品有限公司(「東莞科鑄」)於首個營運獲利年度起兩年期間獲豁免繳納中國企業所得稅，並可於其後三年獲減免50%中國企業所得稅。寬免期間之減免稅率為12%。

東莞鏗利之首個獲利年度為一九九九年。因此，稅項寬免期已於二零零三年屆滿，二零零四年及其後稅率為24%。

根據中國有關法律及法規，由於東莞鏗利超過70%之營業額源自出口，故可於二零零五年度獲減免50%稅項。因此，二零零五年之稅率為12%。

由於科鑄上海及東莞科鑄於年內並無應課稅溢利，故並無就該兩家公司作出稅項撥備。

9. INCOME TAX EXPENSE (continued)

The tax charge for the year can be reconciled to the profit before taxation per the income statement as follows:

9. 所得稅開支 (續)

本年度稅項支出可與收益表之除稅前溢利對賬如下：

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Profit before taxation	除稅前溢利	10,550	9,371
Tax at the PRC enterprise income tax rate of 24% (2004: 24%)	按中國企業所得稅率24% (二零零四年:24%) 計算之稅項	2,532	2,249
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(2,054)	(1,874)
Tax effect of expenses not deductible for tax purpose	不得扣稅開支之稅務影響	501	510
Effect of tax exemptions granted to the Company's certain subsidiaries	本公司若干附屬公司獲豁免 稅項之影響	(406)	(59)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	40	203
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之 附屬公司不同稅率之影響	(50)	(107)
Others	其他	(39)	34
(Over)underprovision in previous years	過往年度(超額撥備)撥備不足	(303)	1
Tax charge for the year	本年度稅項支出	221	957

Notes to the Consolidated Financial Statements (continued) 綜合財務報表附註 (續)

For the year ended 31st December, 2005 截至二零零五年十二月三十一日止年度

10. PROFIT FOR THE YEAR

10. 年內溢利

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Profit for the year has been arrived at after charging:	年內溢利經扣除：		
Directors' remuneration (note 11)	董事酬金(附註11)	5,665	6,089
Other staff costs	其他員工成本	41,952	37,242
Total staff costs	員工成本總額	47,617	43,331
Amortisation of prepaid lease payments	預付租賃款項攤銷	77	-
Less: Amount capitalised in construction in progress	減：款項撥充資本化於 在建工程	(77)	-
Amortisation of goodwill (included in other expenses)	商譽攤銷(計入其他開支)	-	283
Auditors' remuneration	核數師酬金	673	491
Cost of inventories recognised as expense	已確認為開支之存貨成本	158,105	128,899
Depreciation	折舊	13,016	11,141
Exchange loss	匯兌虧損	915	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	4	-
Operating lease charges on land and buildings	土地及樓宇的經營租賃費用	2,928	2,875
Retirement benefit schemes contributions (note 30)	退休福利計劃供款(附註30)	748	592

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

The emoluments paid or payable to each of the seven (2004: seven) directors are as follows:

2005

		Thomas Lau, Luen-hung 劉鑾鴻	Kong Cheuk Tsang Chiu Wai 曾昭偉	Luen, Trevor 江爵媛	Lee Tho Siem 李多森	Wang Jianguo 王健國	Loke Yu alias Loke Hoi Lam*	Wong Wing Sing 黃永勝	Total 合共
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Directors' fee	董事袍金	50	-	-	50	50	50	50	250
Other emoluments	其他酬金								
Salaries and other benefits	薪酬及其他福利	-	2,321	2,920	-	-	-	-	5,241
Discretionary bonus	酌情花紅	150	-	-	-	-	-	-	150
Retirement benefit scheme contributions	退休福利計劃供款	-	12	12	-	-	-	-	24
Total emoluments	酬金總額	200	2,333	2,932	50	50	50	50	5,665

11. 董事及僱員薪酬

本公司向七名(二零零四年:七名)董事已付或應付之酬金如下:

二零零五年

2004

二零零四年

		Thomas Lau, Luen-hung 劉鑾鴻	Kong Cheuk Tsang Chiu Wai 曾昭偉	Luen, Trevor 江爵媛	Lee Tho Siem 李多森	Wang Jianguo 王健國	Loke Yu alias Loke Hoi Lam*	Wong Wing Sing 黃永勝	Total 合共
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Directors' fee	董事袍金	50	-	-	50	50	25	50	225
Other emoluments	其他酬金								
Salaries and other benefits	薪酬及其他福利	-	2,772	2,918	-	-	-	-	5,690
Discretionary bonus	酌情花紅	150	-	-	-	-	-	-	150
Retirement benefit scheme contributions	退休福利計劃供款	-	12	12	-	-	-	-	24
Total emoluments	酬金總額	200	2,784	2,930	50	50	25	50	6,089

* Dr. Loke Yu alias Loke Hoi Lam was appointed on 12th July, 2004.

* 陸海林博士於二零零四年七月十二日獲委任。

Notes to the Consolidated Financial Statements (continued) 綜合財務報表附註 (續)

For the year ended 31st December, 2005 截至二零零五年十二月三十一日止年度

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(continued)

Of the five individuals with the highest emoluments in the Group, two individuals (2004: two individuals) were directors of the Company whose emoluments are included in the disclosure set out above. The emoluments of the remaining three individuals (2004: three individuals) were as follows:

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Salaries and other benefits	薪酬及其他福利	1,901	1,885
Retirement benefit schemes contributions	退休福利計劃供款	12	12
		1,913	1,897

		2005 二零零五年 No. of individuals 僱員人數	2004 二零零四年 No. of individuals 僱員人數
Emoluments of the employees were within the following band:	僱員薪酬介乎下列組別:		
Nil to HK\$1,000,000	零至港幣1,000,000元	3	3

During the year, no emoluments were paid by the Group to any of the directors or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

於本集團的五名最高薪酬人士中，其中兩名（二零零四年：兩名）為本公司董事，彼等之酬金已於上文披露，其餘三名人士（二零零四年：三名）的薪酬如下：

年內，本集團並無向任何董事或五名最高薪酬人士（包括董事及僱員）支付任何酬金，作為加入本集團或加入時的獎金或離職賠償。任何董事概無於年內放棄任何酬金。

12. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the ordinary equity holders of the parent is based on the following data:

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Profit for the year	年內溢利	10,329	8,414
Number of shares in issue for the purpose of basic earnings per share	計算每股基本盈利的已發行股份數目	220,000,000	220,000,000

No diluted earnings per share has been presented as there were no potential dilutive ordinary shares outstanding during the year.

12. 每股盈利

母公司普通股持有人每股基本盈利乃根據下列數據計算：

由於年內並無發行在外之具潛在攤薄效應的普通股，故並無呈列每股攤薄盈利。

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Buildings	Leasehold improve- ments	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		樓宇	租賃物業 裝修	廠房 及機器	傢俬、 裝置及設備	汽車	在建工程	合共
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
COST		成本						
At 1st January, 2004	於二零零四年一月一日	1,991	8,473	81,969	5,971	1,432	-	99,836
Additions	添置	1,563	1,436	27,026	1,877	64	-	31,966
Disposals	出售	-	-	(1,000)	(6)	-	-	(1,006)
At 31st December, 2004	於二零零四年 十二月三十一日	3,554	9,909	107,995	7,842	1,496	-	130,796
Additions	添置	-	222	11,390	2,311	14	4,990	18,927
Disposals	出售	-	-	(312)	(73)	(180)	-	(565)
At 31st December, 2005	於二零零五年 十二月三十一日	3,554	10,131	119,073	10,080	1,330	4,990	149,158
DEPRECIATION		折舊						
At 1st January, 2004	於二零零四年一月一日	1,035	2,441	28,754	2,817	936	-	35,983
Provided for the year	年度折舊	375	1,421	7,982	1,173	190	-	11,141
Eliminated on disposals	出售時撇銷	-	-	(485)	(3)	-	-	(488)
At 31st December, 2004	於二零零四年 十二月三十一日	1,410	3,862	36,251	3,987	1,126	-	46,636
Provided for the year	年度折舊	445	1,467	9,551	1,457	96	-	13,016
Eliminated on disposals	出售時撇銷	-	-	(187)	(73)	(180)	-	(440)
At 31st December, 2005	於二零零五年 十二月三十一日	1,855	5,329	45,615	5,371	1,042	-	59,212
CARRYING VALUE		賬面值						
At 31st December, 2005	於二零零五年 十二月三十一日	1,699	4,802	73,458	4,709	288	4,990	89,946
At 31st December, 2004	於二零零四年 十二月三十一日	2,144	6,047	71,744	3,855	370	-	84,160

Notes to the Consolidated Financial Statements (continued) 綜合財務報表附註 (續)

For the year ended 31st December, 2005 截至二零零五年十二月三十一日止年度

13. PROPERTY, PLANT AND EQUIPMENT (continued)

The above items of property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives and after taking into account of their estimated residual value on a straight-line basis at the following rates per annum:

Buildings	Over the term of the lease, or 20 years, whichever is the shorter
Leasehold improvements	Over the term of the lease, or 20 years, whichever is the shorter
Plant and machinery	9%
Furniture, fixtures and equipment	18% – 25%
Motor vehicles	18% – 25%

13. 物業、廠房及設備 (續)

上述物業、廠房及設備等項目除在建工程外，折舊乃按估計可使用年期及經計及其估計剩餘價值，以直線法按以下年率計提：

樓宇	按租賃年期或二十年(以較短者為準)
租賃物業裝修	按租賃年期或二十年(以較短者為準)
廠房及機器	9%
傢俬、裝置及設備	18%-25%
汽車	18%-25%

14. PREPAID LEASE PAYMENTS

14. 預付租賃款項

		HK\$'000 港幣千元
The Group's prepaid lease payments represents payments for medium-term land use right in the PRC:	本集團之預付租賃款項指繳付中國中期土地使用權之款項：	
COST	成本	
Lease payments paid during the year and at 31st December, 2005 (Note)	年內及於二零零五年十二月三十一日之已付租賃款項(附註)	6,628
AMORTISATION	攤銷	
Charged for the year and at 31st December, 2005	年內及於二零零五年十二月三十一日之攤銷	(77)
CARRYING VALUE	賬面值	
At 31st December, 2005	於二零零五年十二月三十一日	6,551
Analysed for reporting purposes as:	作報告用途之分析：	
Non-current asset	非流動資產	6,418
Current asset	流動資產	133
		6,551

Note: The amount included a government grant of approximately HK\$8,335,000 in the form of deduction of consideration paid in respect of the land use right acquired by the Group during the year. Details are set out in note 31.

附註：該筆金額包括約港幣8,335,000元之政府補助金，該補助金已由本集團年內收購土地使用權代價中扣減。詳情載於附註31。

Prepaid lease payments are amortised over the term of the land use right of 50 years on a straight-line basis.

預付租賃款項乃以直線法按土地使用權之年期50年攤銷。

15. GOODWILL

15. 商譽

HK\$'000
港幣千元

COST	成本	
At 1st January, 2004 and 1st January, 2005	於二零零四年一月一日及 二零零五年一月一日	1,417
Eliminated of accumulated amortisation upon the application of HKFRS 3	採納香港財務報告準則第3號後 撇銷累計攤銷	(732)
At 31st December, 2005	於二零零五年十二月三十一日	685
AMORTISATION	攤銷	
At 1st January, 2004	於二零零四年一月一日	449
Charged for the year	本年度攤銷	283
At 1st January, 2005	於二零零五年一月一日	732
Eliminated of accumulated amortisation upon the application of HKFRS 3	採納香港財務報告準則第3號後 撇銷累計攤銷	(732)
At 31st December, 2005	於二零零五年十二月三十一日	–
CARRYING VALUE	賬面值	
At 31st December, 2005	於二零零五年十二月三十一日	685
At 31st December, 2004	於二零零四年十二月三十一日	685

Until 31st December, 2004, goodwill had been amortised over its estimated useful life of 5 years.

直至二零零四年十二月三十一日，商譽乃按其估計可使用年期五年攤銷。

For the purpose of impairment testing, goodwill has been allocated to one individual cash generating unit (“CGU”), a subsidiary in zinc parts and magnesium parts segments, and management of the Group determines that there is no impairment of the CGU containing goodwill during the year ended 31st December, 2005.

為進行減值測試，商譽已分配至一獨立現金產生單位（「現金產生單位」），即一家生產鋅部件及鎂部件之附屬公司，本集團管理層認為，截至二零零五年十二月三十一日止年度，包含商譽之現金產生單位並無出現減值。

The recoverable amount of this unit has been determined based on a value in use calculation. The calculation uses cash flow projections based on financial budgets prepared by management covering a 5-year period, at a discount rate of 5.5% and with zero growth in the interests of prudence. Another key assumption for the value in use calculation is the budgeted gross margin, which is determined based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the unit to exceed the aggregate recoverable amount of the unit.

此單位之可收回金額乃按使用價值計算法釐定。為審慎起見，該計算方法乃使用管理層就五年期間作出財務預算之現金流量預測，並按5.5%之折讓率及零增長率計算。使用價值計算法之另一主要假設為毛利率預算，此乃根據該單位之過去表現以及管理層對市場發展之預測釐定。管理層相信，倘任何該等假設可合理出現之變動將不會使該單位之賬面總值超越該單位之可收回金額總值。

Notes to the Consolidated Financial Statements (continued) 綜合財務報表附註 (續)

For the year ended 31st December, 2005 截至二零零五年十二月三十一日止年度

16. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments as at 31st December, 2005 comprise:

16. 可供出售投資

於二零零五年十二月三十一日之可供出售投資包括：

		2005 二零零五年 HK\$'000 港幣千元
Unlisted equity securities at fair value	按公平值計算之非上市股本證券	1,386

As at the balance sheet date, all available-for-sale investments were stated at fair value. Fair values of those investments have been determined by reference to the prices quoted in active markets.

於結算日，所有可供出售投資乃按公平值列賬。該等投資之公平值乃經參考於活躍市場所報價格後釐定。

17. INVESTMENTS IN SECURITIES

Investments in securities as at 31st December, 2004 are set out below. Upon the application of HKAS 39 on 1st January, 2005, investments in securities were reclassified to appropriate categories under HKAS 39 (see note 3 for details).

17. 證券投資

於二零零四年十二月三十一日之證券投資載列如下。於二零零五年一月一日採納香港會計準則第39號後，證券投資已重新分類至香港會計準則第39號項下之相關類別（詳情見附註3）。

		HK\$'000 港幣千元
Equity securities	股本證券	
Non-trading unlisted equity securities	非上市買賣股本證券	1,449
Listed Hong Kong equity trading securities	香港上市買賣股本證券	1,876
		3,325
Market value of listed securities	上市證券市值	1,876
		HK\$'000 港幣千元
Carrying amount analysed for reporting purposes as:	作報告用途的賬面值分析如下：	
Non-current	非流動	1,449
Current	流動	1,876
		3,325

18. DEPOSITS PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

The deposits were paid by the Group in connection with the acquisition of property, plant and equipment for production facilities in the PRC. Additional amounts committed are shown as capital commitments in note 28.

18. 收購物業、廠房及設備已付之訂金

本集團支付之訂金乃有關收購位於中國之物業、廠房及設備之生產設施。額外承擔金額載於附註28資本承擔內。

19. INVENTORIES

19. 存貨

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Raw materials	原材料	10,847	10,248
Work-in-progress	在製品	16,049	12,608
Finished goods	製成品	8,772	6,978
		35,668	29,834

Notes to the Consolidated Financial Statements (continued) 綜合財務報表附註 (續)

For the year ended 31st December, 2005 截至二零零五年十二月三十一日止年度

20. TRADE AND OTHER RECEIVABLES

The Group generally allows a credit period of 30 to 90 days to its trade customers. An aged analysis of trade receivables at the balance sheet date is as follows:

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Trade receivables	應收貿易賬款		
Not yet due	尚未到期	24,023	18,125
Overdue 0 to 30 days	逾期0日至30日	13,111	11,301
Overdue 31 to 60 days	逾期31日至60日	6,261	2,977
Overdue 61 to 90 days	逾期61日至90日	479	630
Overdue 91 to 120 days	逾期91日至120日	336	342
Overdue more than 120 days	逾期超過120日	634	367
		44,844	33,742
Other receivables	其他應收款項		
Deposits paid	已付訂金	3,502	10,043
Prepayments	預付款項	226	262
Others	其他	2,300	1,302
		6,028	11,607
		50,872	45,349

The fair value of the Group's trade and other receivables at the balance sheet date approximated to the corresponding carrying amount.

20. 應收貿易賬款及其他應收款項

本集團一般給予其貿易客戶30至90日的信貸期。於結算日之應收貿易賬款賬齡分析如下：

於結算日，本集團應收貿易賬款及其他應收款項之公平值與其相關賬面值相若。

21. INVESTMENTS HELD FOR TRADING

Investments held for trading as at 31st December, 2005 include:

21. 持作買賣投資

於二零零五年十二月三十一日持作買賣投資包括：

		2005 二零零五年 HK\$'000 港幣千元
Equity securities listed in Hong Kong	於香港上市股本證券	461

The fair values of the above investments held for trading are determined based on the quoted market bid prices available on the Stock Exchange.

上述持作買賣投資之公平值乃按聯交所報市場出價釐定。

22. TRADE AND OTHER PAYABLES

An aged analysis of trade payables at the balance sheet date is as follows:

22. 應付貿易賬款及其他應付款項

於結算日之應付貿易賬款賬齡分析如下：

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Trade payables	應付貿易賬款		
Not yet due	尚未到期	4,513	5,092
Overdue 0 to 30 days	逾期0日至30日	1,809	1,397
Overdue 31 to 60 days	逾期31日至60日	87	13
Overdue 61 to 90 days	逾期61日至90日	1	–
Overdue 91 to 120 days	逾期91日至120日	32	–
Overdue more than 120 days	逾期超過120日	153	17
		6,595	6,519
Other payables	其他應付款項		
Accruals	應計欠款	17,395	13,218
Deposits received	已收訂金	6,323	3,132
		23,718	16,350
		30,313	22,869

The fair value of the Group's trade and other payables at the balance sheet date approximated to the corresponding carrying amount.

於結算日，本集團應付貿易賬款及其他應付款項之公平值與其相關賬面值相若。

Notes to the Consolidated Financial Statements (continued) 綜合財務報表附註 (續)

For the year ended 31st December, 2005 截至二零零五年十二月三十一日止年度

23. UNSECURED BANK LOANS

23. 無抵押銀行貸款

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
The unsecured bank loans are repayable as follows:	須償還的無抵押銀行貸款如下:		
Within one year	一年內	2,640	5,084
More than one year, but not exceeding two years	超過一年但不超過兩年	2,060	2,640
More than two years, but not exceeding five years	超過兩年但不超過五年	-	2,060
		4,700	9,784
Less: Amounts due within one year and shown under current liabilities	減: 流動負債所示一年內到期的金額	(2,640)	(5,084)
Amounts due after one year	一年後到期的金額	2,060	4,700

Bank loans comprise:

銀行貸款包括:

		Carrying amount 賬面值	
		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Floating-rate borrowings:	浮息借貸:		
HIBOR + 2% ⁽¹⁾	香港銀行同業拆息+2厘 ⁽¹⁾	-	2,444
HIBOR + 1.5% ⁽²⁾	香港銀行同業拆息+1.5厘 ⁽²⁾	4,700	7,340
		4,700	9,784

(1) Repayable in equal monthly instalments of HK\$222,222 each commencing 30th December, 2002.

(1) 須自二零零二年十二月三十日起每月分期等額還款港幣222,222元。

(2) Repayable in equal monthly instalments of HK\$220,000 each commencing 11th October, 2004.

(2) 須自二零零四年十月十一日起每月分期等額還款港幣220,000元。

The directors consider that the fair value of the bank loans approximated to the corresponding carrying amount.

董事認為銀行貸款之公平值與其相關賬面值相若。

24. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior years:

		Accelerated tax depreciation	Tax losses	Total
		加速稅項折舊	稅務虧損	合共
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
At 1st January, 2004	於二零零四年一月一日	2,191	(1,357)	834
Charged (credited) to the income statement for the year	於年內收益表扣除 (計入)	789	(730)	59
At 31st December, 2004	於二零零四年十二月三十一日	2,980	(2,087)	893
(Credited) charged to the income statement for the year	於年內收益表 (計入) 扣除	(21)	66	45
At 31st December, 2005	於二零零五年十二月三十一日	2,959	(2,021)	938

At the balance sheet date, the Group had unused tax losses of approximately HK\$12,560,000 (2004: HK\$12,773,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$11,547,000 (2004: HK\$11,925,000) of such losses. No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$1,013,000 (2004: HK\$848,000) due to the unpredictability of future profits streams. These unrecognised tax losses will expire in five years from the dates they were incurred.

24. 遞延稅項

已確認之主要遞延稅項負債與資產及於現行及以往申報期間之變動如下：

於結算日，本集團有未動用稅務虧損約港幣12,560,000元（二零零四年：港幣12,773,000元）可用於抵銷日後溢利。已就該等虧損中約港幣11,547,000元（二零零四年：港幣11,925,000元）確認遞延稅務資產。由於不能預測日後溢利來源，故並無就餘下稅務虧損港幣1,013,000元（二零零四年：港幣848,000元）確認遞延稅務資產。該等未確認稅務虧損將於產生日期起計五年後到期。

25. SHARE CAPITAL

25. 股本

		Number of ordinary shares 2005 & 2004	Amount 2005 & 2004
		普通股數目	金額
		二零零五及 二零零四年	二零零五及 二零零四年
			HK\$'000 港幣千元
Ordinary shares of HK\$0.01 each	每股面值港幣 0.01元的普通股		
Authorised:	法定：		
At 1st January and 31st December	於一月一日及十二月三十一日	1,000,000,000	10,000
Issued and fully paid:	已發行及繳足：		
At 1st January and 31st December	於一月一日及十二月三十一日	220,000,000	2,200

26. RESERVES

The non-distributable reserve represents the aggregate amount of the share premium of the subsidiaries.

The merger reserve represents the difference between the aggregate nominal amount of the share capital of the subsidiaries and the nominal amount of the Company's shares issued in exchange thereof pursuant to the group reorganisation effected on 13th December, 2002 (the "Group Reorganisation").

As stipulated by the relevant laws and regulations in the PRC, subsidiaries established in the PRC (the "PRC subsidiaries") are required to maintain a general reserve fund which is non-distributable. Appropriations to this reserve fund is made out of net profit after taxation of the PRC subsidiaries' PRC statutory financial statements which are prepared in accordance with the accounting principles generally accepted in the PRC. The amount and allocation basis are decided by the board of directors of the PRC subsidiaries annually and is not less than 10% of the net profit after taxation of the PRC subsidiaries for that year. The general reserve fund can be used for expanding the capital base of the PRC subsidiaries by means of capitalisation issue.

27. SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted for a period of ten years commencing from 11th December, 2002 pursuant to a written resolution of all shareholders passed on 11th December, 2002 for the primary purpose of providing incentives or rewards to directors and eligible employees. Under the Scheme, the Company may grant options to eligible employees and directors of the Company and its subsidiaries, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to outside eligible advisors and consultants to the Company and its subsidiaries at the discretion of the board of directors.

The number of shares which may be issued under the Scheme is subject to the following limits:

- (i) the maximum number of shares in respect of which options may be granted under the Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of issued shares of the Company from time to time;

26. 儲備

非可供分派儲備指附屬公司的股份溢價總額。

合併儲備為根據於二零零二年十二月十三日進行之集團重組(「集團重組」)將附屬公司股本面值總額與本公司就交換所發行股份面值的差額。

根據中國有關法律及規例規定，在中國成立的附屬公司(「中國附屬公司」)須設立一般儲備基金，而該等儲備基金乃不可分派。該儲備基金乃撥付自中國附屬公司遵照中國一般採納的會計原則編製的中國法定財務報表的除稅後溢利淨額。分配數額及分配基準由中國附屬公司之董事會每年釐定，惟該數額不可少於中國附屬公司於該年度除稅後溢利淨額 10%。一般儲備基金可用於透過資本化發行擴大中國附屬公司的資本基礎。

27. 購股權計劃

根據全體股東於二零零二年十二月十一日通過的書面決議案，本公司所採納的購股權計劃(「該計劃」)由二零零二年十二月十一日起計為期十年，主要目的是作為對董事及合資格僱員的鼓勵或獎勵。根據該計劃，本公司可授出購股權予本公司及其附屬公司合資格僱員及董事，以認購本公司股份。此外，按董事會之酌情決定，本公司可不時授出購股權予本公司及其附屬公司的外界合資格顧問及諮詢顧問。

根據該計劃可予發行之股份數目受下列限制所規限：

- (i) 該計劃及本公司任何其他購股權計劃可能授出購股所涉及股份數目上限，合共不得超過本公司不時已發行股份總數的30%；

27. SHARE OPTION SCHEME (continued)

- (ii) without prior approval from the Company's shareholders, the total number of shares in respect of which options may be granted under the Scheme and any other share option scheme is not permitted to exceed 22,000,000 shares, representing 10% of the issued share capital of the Company at 6th January, 2003; and
- (iii) the number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the issued share capital of the Company as at the date of such grant.

A nominal consideration of HK\$1 is payable upon acceptance of the grant of the option. The exercise price is determined by the directors of the Company and will be at least the higher of (i) the average of the closing prices of the ordinary shares of the Company for the five trading days immediately preceding the date of the grant; (ii) the closing price of the ordinary shares of the Company on the date of the grant; and (iii) the nominal value of the ordinary shares of the Company.

Any options granted under the Scheme must be exercised during such option period as may be determined and notified by the directors of the Company, which shall not exceed 10 years from the date of acceptance of the option.

No options have been granted under the Scheme since its adoption.

27. 購股權計劃 (續)

- (ii) 在未獲得本公司股東事先批准前，根據該計劃及任何其他購股權計劃授出購股權涉及之股份數目，合共不得超過 22,000,000 股，相當於二零零三年一月六日本公司已發行股本的10%；及
- (iii) 於任何一年內可能向任何人士授出購股權涉及之股份數目，不得超過本公司於授出日期已發行股本之1%。

於接納授出購股權時須支付港幣 1 元象徵式代價。行使價由本公司董事決定，價格不得低於下列最高者 (i) 本公司普通股於緊接授出日期前五個交易日之平均收市價；(ii) 本公司普通股於授出日期之收市價；及 (iii) 本公司普通股面值。

根據該計劃授出之購股權須於本公司董事釐定及公布之購股權期間內行使，有關期間不得超過購股權獲接納當日起 10 年。

自該計劃採納以來，並無根據該計劃授出任何購股權。

28. CAPITAL COMMITMENTS

28. 資本承擔

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Capital expenditure in respect of acquisition of property, plant and equipment	就收購物業、廠房及設備的資本開支		
Contracted for but not provided in the financial statements	已訂約但未於財務報表撥備	7,629	9,978
Authorised but not contracted for (note 33)	已批准但未訂約(附註33)	34,038	—

29. OPERATING LEASE COMMITMENTS

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases for rented premises which fall due as follows:

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Within one year	一年內	3,399	3,146
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	9,426	9,655
Over five years	五年以上	3,487	5,416
		16,312	18,217

Operating lease payments represent rentals payable by the Group for certain of its office premises and factory land and buildings. The average lease term is 13 years. Rentals are fixed and no arrangements have been entered into for contingent rental payments.

30. RETIREMENT BENEFIT SCHEMES

Effective from 1st December, 2000, the Group has participated in a Mandatory Provident Fund Scheme (the "MPF Scheme") for all its eligible employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme. No forfeited contributions are available to reduce the contribution payable in the future years.

The Group is also required to make contributions to state-management retirement benefit schemes operated by the PRC government based on a certain percentage of the monthly payroll costs of the employees of Dongguan United, Everhope Industrial Limited ("Everhope") and United Castings. The Group has no other obligations under the state-management retirement benefit schemes in the PRC other than the contribution payable.

29. 經營租賃承擔

於結算日，本集團根據就已租物業訂立的不可撤銷經營租賃，於下列年期到期支付之未到期承擔之最低應付租賃款項如下：

	2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Within one year	3,399	3,146
In the second to fifth year inclusive	9,426	9,655
Over five years	3,487	5,416
	16,312	18,217

經營租賃款項指本集團就其若干辦公室物業以及廠房土地及樓宇應付的租金。平均租賃年期為13年。租金乃固定且無就或然租金付款訂立任何安排。

30. 退休福利計劃

本集團由二零零零年十二月一日起為其香港所有合資格僱員參與一項強制性公積金計劃（「強積金計劃」）。強積金計劃根據強制性公積金計劃條例在強制性公積金計劃管理局註冊。強積金計劃的資產由獨立信託人控制，與本集團的資金分開持有。根據強積金計劃的規則，僱主及其僱員各自須按規則指定的比率就計劃作出供款。本集團就強積金計劃應負的唯一責任為根據計劃作出所需供款，並無沒收供款以減低於未來年度應付的供款。

本集團亦須就中國的國有退休金計劃，按東莞鏗利、厚鴻實業有限公司（「厚鴻」）及東莞科鑄僱員月薪成本的若干百分比，作出供款。本集團除需要根據中國的國有退休金計劃作出供款外，並無任何其他責任。

30. RETIREMENT BENEFIT SCHEMES (continued)

During the year, the total amount contributed by the Group to the relevant retirement benefit schemes are as follows:

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
MPF Scheme	強積金計劃	193	154
State-management retirement benefit schemes	國有退休金計劃	555	438
		748	592

31. GOVERNMENT GRANT

During the year, the Group received a government grant of approximately HK\$8,335,000 in relation to a piece of land use right situated in the PRC acquired by the Group during the year. The amount has been deducted from the carrying amount of the prepaid lease payments as set out in note 14. The amount is transferred to income in the form of reduced amortisation charge over the term of the prepaid lease payments.

31. 政府補助金

年內，本集團就其於年內購入位於中國之一幅土地使用權獲取政府補助金約港幣8,335,000元。如附註14所載，該筆款項已自預付租賃款項賬面值扣除。該筆款項於預付租賃款項之租賃期內以扣減攤銷支出之方式轉撥收益表。

32. RELATED PARTY DISCLOSURES

The remuneration of directors and other members of key management during the year was as follows:

32. 有關連人士披露

年內董事及其他主要管理層成員之酬金如下：

		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Short-term benefits	短期福利	7,988	8,084
Post-employment benefits	退休後福利	36	30
		8,024	8,114

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

董事及主要行政人員之薪酬乃由薪酬委員會考慮到個別表現及市場趨勢後釐定。

33. POST BALANCE SHEET EVENT

On 20th February, 2006, United Shanghai entered into four construction agreements at an aggregate amount of approximately HK\$34,038,000 with four different contractors for the construction of a new factory and production premises in the PRC. The construction agreements will be funded by bank borrowings and advances from a company incorporated in Hong Kong which is ultimately owned by the Company's executive director, Mr. Thomas Lau, Luen-hung. Details of such are set out in the Company's announcement dated 20th February, 2006.

33. 結算日後事項

於二零零六年二月二十日，科鑄上海就於中國興建新廠房及生產物業與四名不同承建商訂立合共約港幣34,038,000元之四份建築協議。該等建築協議將以銀行借貸及一家於香港註冊成立且由本公司執行董事劉鑾鴻先生最終擁有之公司提供墊款撥付。詳情載於本公司日期為二零零六年二月二十日之公佈。

34. BALANCE SHEET OF THE COMPANY

The balance sheet of the Company as at 31st December, 2005 are as follows:

34. 本公司資產負債表

本公司於二零零五年十二月三十一日之資產負債表如下：

		Notes 附註	2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元
Non-current asset	非流動資產			
Investment in a subsidiary	於一家附屬公司之投資	(i)	98,291	98,291
Current assets	流動資產			
Prepayments	預付款項		145	145
Amount due from a subsidiary	應收一家附屬公司款項	(ii)	29,368	30,419
			29,513	30,564
Current liability	流動負債			
Accruals	應計欠款		879	594
Net current assets	流動資產淨值		28,634	29,970
			126,925	128,261
Capital and reserves	股本及儲備			
Share capital	股本		2,200	2,200
Reserves	儲備	(iii)	124,725	126,061
			126,925	128,261

34. BALANCE SHEET OF THE COMPANY (continued)

Notes:

(i) Investment in a subsidiary

Cost of unlisted shares

The cost of the unlisted shares is based on the book value of the underlying net assets of the subsidiaries attributable to the Group on the date of the Group Reorganisation.

(ii) Amount due from a subsidiary

The amount is unsecured, interest free and repayable on demand. The fair value of the amount at the balance sheet date approximated to the corresponding carrying amount.

(iii) Reserves

		Share premium 股份溢價 HK\$'000 港幣千元	Contributed surplus 繳入盈餘 HK\$'000 港幣千元	Accumulated losses 累計虧損 HK\$'000 港幣千元	Total 合共 HK\$'000 港幣千元
At 1st January, 2004	於二零零四年一月一日	39,352	98,291	(5,720)	131,923
Dividends paid	已派股息	—	—	(4,400)	(4,400)
Loss for the year	年度虧損	—	—	(1,462)	(1,462)
At 31st December, 2004	於二零零四年十二月三十一日	39,352	98,291	(11,582)	126,061
Loss for the year	年度虧損	—	—	(1,336)	(1,336)
At 31st December, 2005	於二零零五年十二月三十一日	39,352	98,291	(12,918)	124,725

The contributed surplus represents the difference between the net assets of the subsidiaries and the nominal amount of the Company's shares issued in exchange thereof pursuant to the Group Reorganisation.

The Company's reserves available for distribution to its shareholders comprise contributed surplus, share premium and accumulated losses which in aggregate amounted to approximately HK\$124,725,000 (2004: HK\$126,061,000). In accordance with the Company's Articles of Association, dividends shall be payable out of the profits or other reserves, including the share premium account, of the Company and under the Companies Law (Revised) of the Cayman Islands, the Company cannot pay a dividend unless it is able to pay its debts as they fall due in the ordinary course of business immediately following the distribution of dividend.

34. 本公司資產負債表 (續)

附註:

(i) 於一家附屬公司之投資

2005 & 2004
二零零五年及
二零零四年
HK\$'000
港幣千元

非上市股份之成本

98,291

非上市股份之成本乃按於集團重組當日集團應佔附屬公司相關資產淨值賬面值計算。

(ii) 應收一家附屬公司款項

該筆款項為無抵押、免息及須按的要求償還。於結算日，該筆款項之公平值與相關賬面值相若。

(iii) 儲備

繳入盈餘指附屬公司資產淨值與本公司根據集團重組就交換而發行之股份面值之差額。

本公司可向股東分派儲備包括繳入盈餘、股份溢價及累計虧損合共約港幣124,725,000元(二零零四年:港幣126,061,000元)。按照本公司組織章程細則,股息可自本公司溢利或其他儲備(包括股份溢價)派付,而根據開曼群島公司法(經修訂),除非本公司於緊隨分派股息後能償付其日常業務中到期債務,否則不得派付股息。

Notes to the Consolidated Financial Statements (continued) 綜合財務報表附註 (續)

For the year ended 31st December, 2005 截至二零零五年十二月三十一日止年度

35. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY 35. 本公司附屬公司詳情

Particulars of the Company's subsidiaries as at 31st December, 2005 are as follows:

於二零零五年十二月三十一日，本公司附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operations 註冊成立／成立 及營運地點	Issued and fully paid share/ registered capital 已發行及 繳足股份／ 註冊股本	Proportion of nominal value of issued/registered capital held by the Company 本公司持有 已發行／ 註冊股本 面值的比例 (note i) (附註i)	Principal activities 主要業務
Dongguan United (note ii) 東莞鏗利(附註ii)	PRC 中國	Registered capital HK\$15,000,000 註冊股本 港幣15,000,000元	100%	Die casting and trading of metal products 壓鑄及銷售金屬產品
Everhope 厚鴻	Hong Kong 香港	Ordinary HK\$2 普通股港幣2元	100%	Die casting and trading of metal products 壓鑄及銷售金屬產品
United Metals Company Limited 鏗利實業有限公司	Hong Kong 香港	Ordinary HK\$1,602 普通股港幣1,602元	100%	Trading of metal products 銷售金屬產品
United Metals Asset Management Co., Ltd.	British Virgin Islands 英屬處女群島	Ordinary US\$1 普通股1美元	100%	Investment holding 投資控股
United Non-Ferrous (H.K.) Limited	Hong Kong 香港	Ordinary HK\$1,602 普通股港幣1,602元	100%	Provision of administrative services 提供行政服務
United Non-Ferrous (Overseas) Limited ("United Overseas")	British Virgin Islands 英屬處女群島	Ordinary US\$17,622 普通股17,622美元	100%	Investment holding 投資控股
United Non-Ferrous Sdn. Bhd.	Malaysia 馬來西亞	Ordinary RM2 普通股2馬元	100%	Investment holding and trading of metal products 投資控股及銷售金屬產品

35. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (continued) 35. 本公司附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operations 註冊/成立 及營運地點	Issued and fully paid share/ registered capital 已發行及 繳足股份/ 註冊股本	Proportion of nominal value of issued/registered capital held by the Company 本公司持有 已發行/ 註冊股本 面值的比例 (note i) (附註i)	Principal activities 主要業務
United Shanghai (note ii) 科鑄上海 (附註ii)	PRC 中國	Registered capital US\$12,000,000 (note iii) 註冊股本 12,000,000美元 (附註iii)	100%	Inactive 暫無業務
United Castings (note ii) 東莞科鑄 (附註ii)	PRC 中國	Registered capital HK\$8,000,000 (note iii) 註冊股本 港幣8,000,000元 (附註iii)	100%	Die casting and trading of metal products 壓鑄及銷售金屬產品

Notes:

附註:

- | | |
|---|---|
| <p>(i) Other than United Overseas which is held directly by the Company, all subsidiaries shown above are held indirectly by the Company.</p> <p>(ii) Dongguan United, United Shanghai and United Castings are established in the PRC as wholly foreign owned enterprises.</p> <p>(iii) As at 31st December, 2005, the capital of United Shanghai and United Castings were paid up as to US\$1,800,000 and HK\$7,750,000, respectively.</p> <p>(iv) None of the subsidiaries had issued any debt securities at the end of the year.</p> | <p>(i) 除United Overseas是由本公司直接持有外，上列所有附屬公司均由本公司間接持有。</p> <p>(ii) 東莞鏗利、科鑄上海及東莞科鑄為在中國成立的全外資企業。</p> <p>(iii) 於二零零五年十二月三十一日，科鑄上海及東莞科鑄之股本繳入分別為1,800,000美元及港幣7,750,000元。</p> <p>(iv) 在本年度結算日，並無任何附屬公司有任何發行在外債務證券。</p> |
|---|---|