

賬目附註 Notes to the Financial Statements

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

1. 一般資料

本公司在百慕達註冊成立為一間獲豁免之有限公司，本公司之股份及認股權證在香港聯合交易所有限公司（「聯交所」）上市。董事認為 Accufit Investments Inc.（其為一間在英屬處女群島註冊成立之公司）乃本公司之最終控股公司。本公司之註冊辦事處地址及主要營業地點為香港文咸東街68號興隆大廈1字樓。

綜合賬目乃以港元列示，港元亦為本公司之功能貨幣。

本公司乃一間投資控股公司。本公司之主要附屬公司之主要業務載於附註45。

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares and warrants are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The directors consider Accufit Investments Inc., a company incorporated in the British Virgin Islands to be the parent and ultimate holding company of the Company. The address of the registered office and principal place of business of the Company is 1st Floor, Hing Lung Commercial Building, 68 Bonham Strand East, Hong Kong.

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

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in Note 45.

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2. 應用香港財務報告準則／會計政策之變動

於本年度，本集團首次採納香港會計師公會（「香港會計師公會」）頒佈之多項新香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋（「詮釋」）（下文統稱為「新香港財務報告準則」），該等準則均適用於二零零五年一月一日或以後開始之會計期間。採納新香港財務報告準則致使綜合收益表、綜合資產負債表及綜合股權變動表之呈列方式有所變動，尤其令少數股東權益之呈列方式有所變動，該等呈列方式之改變已追溯應用。採納新香港財務報告準則致使本集團之會計政策於下列範疇有所改變，影響本會計期間及／或以往會計期間之業績編製及呈列：

業務合併

於本年度，本集團已應用香港財務報告準則第3號「業務合併」，該準則適用於協議訂立日期為二零零五年一月一日或其後之業務合併及於二零零五年一月一日存在之商譽及負商譽。應用香港財務報告準則第3號對本集團之主要影響概述如下：

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 (the “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. In particular, the presentation of minority interests has been changed. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group’s accounting policies in the following areas that have an effect on how the results for the current and/or prior accounting periods are prepared and presented:

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 goodwill and negative goodwill as on 1st January, 2005. The principal effects of the application of HKFRS 3 to the Group are summarised as follows:

2. 應用香港財務報告準則／會計政策之變動 (續)

業務合併 (續)

商譽

本集團已應用香港財務報告準則第3號之相關過渡性條文。就先前於聯營公司之權益已資本化之商譽而言，本集團於二零零五年一月一日已對銷相關累計攤銷之賬面值9,509,000港元，而商譽成本亦相應減少(見附註18)。本集團已自二零零五年一月一日起不再攤銷有關商譽，而該商譽將於每年最少進行一次減值測試。

本集團應佔被收購方之可識別資產、負債及或然負債之公平淨值高於成本之差額(以往稱為「負商譽」)

根據香港財務報告準則第3號，本集團應佔被收購方之可識別資產、負債及或然負債之公平淨值高於收購成本之差額(「收購折讓」)，在進行收購期間之損益即時在本年度內反映及確認。於以往年度，於二零零一年一月一日以前因收購所產生之負商譽乃列作儲備，而於二零零一年一月一日後因收購而產生之負商譽乃列作資產減項，再按該結餘產生原因之分析轉入收益。根據香港財務報告準則第3號之有關過渡條文，本集團不再確認於二零零五年一月一日之所有負商譽(其中負商譽4,997,000港元以往列作資產減項)，故保留溢利相應增加。此外，本集團已確認於本年度收購附屬公司之權益所產生之收購折讓4,730,000港元。

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

Business combinations (continued)

Goodwill

The Group has applied the relevant transitional provisions in HKFRS 3. For goodwill previously capitalised in interest in an associate, the Group on 1st January, 2005 eliminated the carrying amount of the related accumulated amortisation of HK\$9,509,000 with a corresponding decrease in cost of goodwill (see note 18). The Group has discontinued amortising such goodwill from 1st January, 2005 onwards and goodwill will be tested for impairment at least annually.

Excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost (previously known as "negative goodwill")

In accordance with HKFRS 3, any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition ("discount on acquisition") is recognised immediately in profit or loss in the period in which the acquisition takes place. In previous years, negative goodwill arising on acquisitions prior to 1st January, 2001 was held in reserves, and negative goodwill arising on acquisitions after 1st January, 2001 was presented as a deduction from assets and released to income based on an analysis of the circumstances from which the balance resulted. In accordance with the relevant transitional provisions in HKFRS 3, the Group derecognised all negative goodwill on 1st January, 2005 (of which negative goodwill of HK\$4,997,000 was previously presented as a deduction from assets), with a corresponding increase to the Group's retained profits. In addition, a discount on acquisition at an amount of HK\$4,730,000 had been recognised by the Group during the year in respect of acquisition of interest in a subsidiary.

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2. 應用香港財務報告準則／會計政策之變動 (續)

金融工具

於本年度，本集團已採用香港會計準則第32號「金融工具：披露及呈列」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號規定作追溯應用，而採用香港會計準則第32號並無對本集團於本會計年度或過往會計年度之業績編製方式產生重大影響。於二零零五年一月一日或以後開始之年度期間生效之香港會計準則第39號，基本上不容許對財務資產及負債進行追溯性之確認、不再確認或計量。應用香港會計準則第32號並無對本集團金融工具於本會計年度及過往會計年度之呈列方式造成重大影響。因實行香港會計準則第39號而產生之主要影響概述如下：

財務資產及財務負債之分類及計量

本集團已就香港會計準則第39號所界定之財務資產及財務負債範圍內，採用香港會計準則第39號有關分類及計量之過渡性條文。

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

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 and the adoption of HKAS 32 has had no material effect on how the results for the current or prior accounting years are prepared. 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 years. The principal effects resulting from the implementation of HKAS 39 are summarised as follows:

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. 應用香港財務報告準則／會計政策之變動 (續)

金融工具 (續)

自二零零五年一月一日開始，本集團按照香港會計準則第39號之規定將財務資產及財務負債分類及計量。根據香港會計準則第39號，財務資產分類為「按公平值計入損益之財務資產」、「可供出售財務資產」、「貸款及應收款項」或「持有至到期日財務資產」。財務負債基本上分類為「按公平值計入損益之財務負債」或「其他財務負債」。按公平值計入損益之財務負債以公平值計量，公平值之變動在損益表內直接確認。其他財務負債於初步確認後以實際利息法按攤銷成本列賬。本集團已應用香港會計準則第39號之相關過渡性條文。然而，對本會計期間之業績之呈列方式並無重大影響。

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

Financial instruments (continued)

From 1st January, 2005 onwards, the Group has classified and measured its financial assets and financial liabilities in accordance with the requirements of HKAS 39. Financial assets under HKAS 39 are classified as “financial assets at fair value through profit or loss”, “available-for-sale financial assets”, “loans and receivables” or “held-to-maturity financial assets”. 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 Group had applied the relevant transitional provisions in HKAS 39. However, there has been no material impact on how the results for the current accounting period are presented.

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2. 應用香港財務報告準則／ 會計政策之變動 (續)

業主自用土地租賃權益

於過往年度，業主自用租賃土地及樓宇乃計入物業、機器及設備，並以重估模式計量。於本年度，本集團已應用香港會計準則第17號「租賃」。根據香港會計準則第17號，就租賃分類而言，租賃土地及樓宇中土地及樓宇部分乃分開計算，除非租賃支出無法可靠地在土地及樓宇部分之間作出分配，則在該情況下，整份租賃一般作為融資租賃處理。倘租賃款項能夠可靠地在土地及樓宇部分之間作出分配，則土地租賃權益將重新分類為經營租賃項下之預付租賃款項，該租賃款項乃按成本入賬，並於租賃期內以直線法攤銷。此項會計政策變動已被追溯採用。於二零零四年十二月三十一日，先前列作物業、機器及設備之金額7,995,000港元已重新分類為預付租賃付款。

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

Owner-occupied Leasehold Interest in Land

In previous years, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the revaluation model. 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. This change in accounting policy has been applied retrospectively. As at 31st December, 2004, an amount of HK\$7,995,000 previously classified under property, plant and equipment has been reclassified to prepaid lease payments.

賬目附註 Notes to the Financial Statements

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

3. 會計政策變動之影響概要

上述會計政策變動對本年度及去年業績之影響如下：

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

The effects of the changes in the accounting policies described above on the results for the current and prior years are as follows:

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
負商譽攤銷減少	Decrease in release of negative goodwill	(189)	-
計入聯營公司之 不作攤銷商譽	Non-amortisation of goodwill included in an associate	2,304	-
收購折讓轉撥至收入	Discount on acquisition released to income	4,730	-
預付租賃付款之 攤銷減少	Decrease in amortisation of prepaid lease payments	406	228
本年度溢利增加	Increase in profit for the year	7,251	228

按職能分析之本年度溢利增加呈列如下：

Analysis of increase in profit for the year by line items presented according to their function:

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
行政開支減少	Decrease in administrative expenses	406	228
應佔聯營公司業績減少	Decrease in share of result on an associate	2,304	-
撥至收入之收購折讓增加	Increase in discount on acquisition to income	4,730	-
撥至收入之負商譽減少	Decrease in negative goodwill released to income	(189)	-
本年度溢利增加	Increase in profit for the year	7,251	228

賬目附註 Notes to the Financial Statements

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

3. 會計政策變動之影響概要 (續)

應用新香港財務報告準則對於二零零四年十二月三十一日及二零零五年一月一日之累計影響概述如下：

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

The cumulative effects of the application of the new HKFRSs as at 31st December, 2004 and 1st January, 2005 are summarised as follows:

		香港會計準則 第1號及香港 會計準則 第27號 之影響		香港會計 準則第17號 之影響	於二零零四年 十二月 三十一日 (重列)	香港財務 報告準則 第3號之影響	於二零零五年 一月一日 (重列)
		At 31st December, 2004 (Originally stated)	Effect of HKAS 1 and HKAS 27	Effect of HKAS 17	At 31st December, 2004 (restated)	Effect of HKFRS 3	At 1st January, 2005 (restated)
		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
資產負債表項目	Balance sheet items						
物業、機器及設備	Property, plant and equipment	371,476	-	(15,900)	355,576	-	355,576
預付租賃付款	Prepaid lease payments	-	-	7,995	7,995	-	7,995
負商譽	Negative goodwill	(4,997)	-	-	(4,997)	4,997	-
遞延稅項負債	Deferred tax liabilities	(22,030)	-	692	(21,338)	-	(21,338)
對資產及負債之 總體影響	Total effects on assets and liabilities		-	(7,213)		4,997	
資產重估儲備	Asset revaluation reserve	40,386	-	(5,338)	35,048	-	35,048
保留溢利	Retained profits	68,869	-	785	69,654	4,997	74,651
匯兌儲備	Translation reserve	7,415	-	(25)	7,391	-	7,391
少數股東權益	Minority interests	-	172,851	(2,635)	170,216	-	170,216
對股權之總體影響	Total effects on equity		172,851	(7,213)		4,997	
少數股東權益	Minority interests	172,851	(172,851)	-	-	-	-

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3. 會計政策變動之影響概要 (續)

應用新香港財務報告準則對於二零零四年一月一日母公司股權持有人應佔本集團股權之財務影響概述如下：

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

The financial effects of application of the new HKFRSs to the Group's equity attributable to equity holders of the parent at 1st January, 2004 are summarised as follows:

		香港會計 準則第1號及 香港會計準則 第27號之影響	香港會計 準則 第17號之影響	重列	
	原先呈列	Effect of	Effect of	As restated	
	As originally stated	HKAS 1 and HKAS 27	HKAS 17	As restated	
	千港元	千港元	千港元	千港元	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
資產重估儲備	Asset revaluation reserve	27,835	-	(1,950)	25,885
保留溢利	Retained profits	60,222	-	982	61,204
少數股東權益	Minority interests	-	155,273	(632)	154,641
對股權之總體影響	Total effects on equity		155,273	(1,600)	
少數股東權益	Minority interests	155,273	(155,273)	-	-

本集團並無提早應用下列已頒佈但未生效之新準則、修訂及詮釋。本公司董事預期應用該等準則、修訂及詮釋將不會對本集團之綜合賬目造成重大影響。

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

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3. 會計政策變動之影響概要 (續)

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)	海外業務之投資淨額 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 處理法 ²
香港會計準則 第39號 (修訂本)	期權之公平價值 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	礦物資源之勘探及 評估 ²
香港財務報告 準則第7號	金融工具：披露 ¹
香港(IFRIC)－ 詮釋第4號	釐定安排是否包括 租賃 ²
香港(IFRIC)－ 詮釋第5號	解除運作、復原及 環境修復基金 所產生權益之權利 ²
香港(IFRIC)－ 詮釋第6號	參與特定市場所產生 之負債-廢料、電力 及電子設備 ³
香港(IFRIC)－ 詮釋第7號	根據香港會計準則 第29號惡性通貨 膨脹經濟中之財務 報告採用重述法 ⁴

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

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

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.

4. 主要會計政策

有關綜合賬目乃根據原值成本法編製，惟若干於初步確認時按公平值計算之重估金額列賬之物業、機器及設備以及金融工具(如適用)除外，並於下列會計政策作出闡釋。

綜合賬目乃根據香港會計師公會頒佈之新香港財務報告準則編製。此外，綜合賬目載有聯交所證券上市規則及香港公司條例規定之適用披露事項。

綜合基準

綜合賬目包括本公司及其附屬公司編製之賬目。

年內收購或出售附屬公司之業績乃由收購生效日期起計或計至出售生效日期止(如適用)計入綜合收益表。

如有需要，本集團會對附屬公司之財務報告作出調整，使其會計政策與本集團其他成員公司所採用者保持一致。

所有集團內交易、結餘、收入及支出均於綜合賬目時對銷。

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost convention, except for certain property, plant and equipment and financial instruments, which are measured at revalued amounts or fair values on initial recognition, as appropriate, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with the new HKFRS(s) issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange 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 the 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.

賬目附註 Notes to the Financial Statements

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

4. 主要會計政策 (續)

綜合基準 (續)

於收購附屬公司之額外權益時，已付代價、商譽及與應佔附屬公司額外權益之相關資產及負債賬面值之差額乃計入特殊儲備內。於出售附屬公司後，計入特殊儲備之款項乃計入釐定出售損益之金額內。

綜合附屬公司淨資產內之少數股東權益與本集團所佔之權益分開列賬。少數股東於淨資產之權益包括該等權益於原業務合併日期之數額及少數股東應佔該合併日期以來之股權變動。適用於少數股東的虧損超出於附屬公司股權的少數股東權益的數額將在本集團的權益中作出分配，惟少數股東具約束力責任及可以其他投資補足虧損者除外。

業務合併

收購附屬公司以購併法入賬。收購成本乃按本集團為換取被收購方控制權而給予之資產、所產生或承擔之負債及發行之股權工具於交換當日之公平值總額，另加業務合併之任何直接成本計算。被收購方符合香港財務報告準則第3號確認條件之可識別資產、負債及或然負債按收購日期之公平值確認。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

On acquisition of additional interest in a subsidiary, the difference between the consideration paid and the goodwill and the carrying values of the underlying assets and liabilities attributable to the additional interests in a subsidiary is debited to special reserve. On subsequent disposal of a subsidiary, the attributable special reserve is included in the determination of the amount of profit or loss on disposal.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 are recognised at their fair values at the acquisition date.

4. 主要會計政策 (續)

業務合併 (續)

在重新評估後，本集團所佔被收購方可識別資產、負債與或然負債的公平淨值超出業務合併成本之差額須即時於損益表確認。

少數股東所佔之被收購方權益初步按所佔已確認資產、負債及或然負債公平淨值之比例計算。

商譽

於二零零五年一月一日前因收購而產生之商譽

收購一家附屬公司或聯營公司(協議日期為於二零零五年一月一日之前)產生之商譽乃指收購成本超過本集團在收購當日應佔相關附屬公司或聯營公司可識別資產及負債之公平值。

對於二零零一年一月一日後因收購產生而原先已資本化之商譽，本集團自二零零五年一月一日起不再攤銷，而有關商譽每年進行減值測試，以及凡與商譽有關之賺取現金單位可能出現減值之跡象時進行減值測試。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations (continued)

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill

Goodwill arising on acquisitions prior to 1st January, 2005

Goodwill arising on an acquisition of a subsidiary or an associate 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 or an associate at the date of acquisition.

For previously capitalised goodwill arising on acquisitions after 1st January, 2001, 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.

賬目附註 Notes to the Financial Statements

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

4. 主要會計政策 (續)

減值

就減值測試而言，收購所產生之商譽乃被分配到各有關賺取現金單位，或賺取現金單位之組別，預期彼等從收購之協同效應中受益。已獲分配商譽之賺取現金單位每年及凡單位有可能出現減值之跡象時進行減值測試。就於某個財政年度之收購所產生之商譽而言，已獲分配商譽之現金賺取單位於該財政年度完結前進行減值測試。當賺取現金單位之可收回金額少於該單位之賬面值，則減值虧損被分配，以削減首先分配到該單位，及其後以單位各資產之賬面值為基準按比例分配到該單位之其他資產之任何商譽之賬面值。商譽之任何減值虧損乃直接於損益表內確認。商譽之減值虧損於其後期間不予撥回。

收購者所佔被收購者可識別資產、負債及或然負債之公平淨值超逾成本值之差額 (「收購折讓」)

收購一間附屬公司 (協議日期為於二零零五年一月一日或之後) 產生之收購折讓，指被收購者之可識別資產、負債及或然負債之公平淨值超逾業務合併成本之差額。收購折讓於重估後須即時於損益表內確認。

誠如上文附註2所述，於二零零五年一月一日之所有負商譽均不再予以確認，以致本集團之保留溢利出現相應調整。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment

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.

Excess of an acquirer's interest in the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over cost ("discount on acquisition")

A discount on acquisition arising on an acquisition of a subsidiary for which an agreement date is on or after 1st January, 2005 represents the excess of the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination. Discount on acquisition, after reassessment, is recognised immediately in profit or loss.

As explained in Note 2 above, all negative goodwill as at 1st January, 2005 has been derecognised with a corresponding adjustment to the Group's retained profits.

4. 主要會計政策 (續)

物業、機器及設備

物業、機器及設備(不包括在建工程)乃按其公平值減累計折舊及累計減值虧損入賬。

持作生產或供應貨品或服務或作行政用途之樓宇、廠房及機器、辦公室設備及車輛乃按彼等之重估價值在資產負債表列賬。就此而言，重估價值乃指彼等在重估之日釐定之公平價值減任何其後之累計折舊及任何其後之累計減值虧損。重估會不時定期進行，因此有關之賬面值不會與在結算日採用公平價值釐定之款額出現大幅度之差距。重估所產生之任何增加均撥入資產重估儲備，惟倘重估所得盈餘能扭轉該有關資產以往被確認為支出之重估虧損情況，則作別論。在此情況下，該筆增加其中相等於以往列作減少之款額將撥入收益表。倘重估資產所產生之賬面淨值減少，而有關款額超逾該資產以往重估時撥入資產重估儲備之結餘款額(如有)時，不足之數將作為一項支出處理。其後出售或棄用重估資產時之相應重估增值乃轉入保留溢利內。

物業、機器及設備(不包括在建工程)乃按其估計之使用年限及在計入其估計剩餘價值後，按直線法將其成本值或公平值折舊。

4. SIGNIFICANT ACCOUNTING POLICIES
(continued)

Property, plant and equipment

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

Buildings, plant and machinery, office equipment and motor vehicles held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at their revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and any subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date. Any revaluation increase arising on revaluation is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense, in which case the increase is credited to the consolidated income statement to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of an asset is dealt with as an expense to the extent that it exceeds the balance, if any, on the revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to retained profits.

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

賬目附註 Notes to the Financial Statements

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4. 主要會計政策 (續)

物業、機器及設備 (續)

物業、機器及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時不再確認。不再確認資產產生之任何損益(按該項目之出售所得款項淨額及賬面值間之差額計算)於不再確認該項目之年度計入收益表。

在建工程按成本減任何已識別減值虧損列賬。在建工程於可供使用(即其達致管理層預期方式之所需運作地點及狀況)時開始計提折舊。

於聯營公司之權益

聯營公司之業績、資產及負債乃以會計權益法綜合入賬目。根據權益法，於聯營公司之投資乃按成本於綜合資產負債表中列賬，並就本集團在收購後分佔該聯營公司損益及權益變動之變更作出調整，以及減去任何已識別之減值虧損。當本集團分佔某聯營公司之虧損相等於或超出其於該聯營公司之權益(其包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司之投資淨額之一部份)，則本集團不再繼續確認其分佔之進一步虧損。額外分佔之虧損乃被撥備，而負債僅以本集團已產生法定或推定責任或已代表該聯營公司作出付款者為限被確認。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

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.

Construction in progress are carried at cost, less any identified impairment losses. Depreciation of construction in progress commence 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).

Interest in an associate

The results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investment in an associate is carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

4. 主要會計政策 (續)

於聯營公司之權益 (續)

收購成本超出本集團於收購日期佔聯營公司已確認之可識別資產、負債及或然負債之公平淨值之任何數額確認為商譽。商譽被列入投資之賬面值內，並作為投資之一部分進行減值評估。本集團佔可識別資產、負債及或然負債之公平淨值超出收購成本之數額，於評估後即時於損益賬內確認。

倘與本集團之一間聯營公司進行一組交易，則未變現損益以本集團於有關聯營公司中之權益為限撇銷。

金融工具

財務資產及財務負債乃當某集團實體成為工具合同條文之訂約方時在資產負債表上確認。財務資產及財務負債按公平值初步確認。收購或發行財務資產及財務負債直接應佔之交易成本(於損益表按公平值計算之財務資產及財務負債除外)乃於初步確認時加入財務資產或財務負債之公平值或自財務資產或財務負債之公平值內扣除(如合適)。收購於損益表按公平值計算之財務資產或財務負債直接應佔之交易成本即時於損益表內確認。

財務資產

本集團就財務資產所採納之會計政策載列如下。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest in an associate (continued)

Any excess of the cost of acquisition over the Group's interest of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's interest of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised in profit or loss.

Where a group entity transacts with an associate of the Group, unrealised profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

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. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The accounting policies adopted for the Group's financial assets are set out below.

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4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

貸款及應收款項

貸款及應收款項乃於現行市場所報之固定或可釐定付款之非衍生財務資產。於初步確認後之各結算日，貸款及應收款項(包括應收第三者貿易賬款及其他應收賬項、短期應收貸款、遞延應收款項、應收少數股東貿易賬款及其他應收賬項)均按採用實際利率法計算之已攤銷成本減任何已識別減值虧損入賬。減值虧損於可客觀證明資產減值時於損益表中確認，並按該資產之賬面值與按原先實際利率折讓之估計未來現金流量之現值間的差額計量。當資產之可收回數額增加乃客觀地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會計期間予以回撥，惟該資產於減值被回撥之日之賬面值不得超過未確認減值時之已攤銷成本。

現金及現金等值項目

現金及現金等值項目包括手頭現金及活期存款且價值變動風險很小。

財務負債及權益

集團實體發行之財務負債及股權工具乃根據合同安排之性質與財務負債及股本工具之定義分類。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

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 from third parties, short-term loans receivable, deferred receivable, trade and other receivables from minority shareholders) 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and are subject to an insignificant risk of changes in value.

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.

4. 主要會計政策 (續)

金融工具 (續)

財務負債及權益 (續)

股權工具乃證明本集團於扣減所有負債後之資產中擁有剩餘權益之任何合同。就財務負債及股權工具所採納之會計政策乃載於下文。

財務負債

財務負債 (包括應付少數股東款項、應付少數股東股息、借貸及應付貿易賬款及其他應付賬款) 乃隨後採用實際利息法按已攤銷成本計量。

股權工具

本公司發行之股權工具乃按已收所得款項 (扣除直接發行成本) 記賬。

不再確認

若從資產收取現金流之權利已到期，或財務資產已轉讓及本集團已將其於財務資產擁有權之絕大部份風險及回報轉移，則財務資產將被取消確認。於不再確認財務資產時，資產賬面值與已收或應收代價之差額及直接於股權確認之累計損益將於損益賬中確認。

就財務負債而言，則於本集團之資產負債表中移除 (即倘於有關合約之特定責任獲解除、取消或到期)。不再確認之財務負債賬面值與已付或應付代價之差額乃於損益賬中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

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

Financial liabilities

Financial liabilities including amount due to a minority shareholder, dividend payable to minority shareholders, borrowings, trade and other payables are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

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 or payable is recognised in profit or loss.

賬目附註 Notes to the Financial Statements

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

4. 主要會計政策 (續)

減值 (商譽除外)

本集團於年結日評估其資產之賬面值，以確定該等資產有否減值虧損之跡象。倘若一項資產之可收回值低於其賬面值，則該項資產之賬面值即被減至與可收回值。減值虧損應立即確認為支出，除非相關資產根據另一會計準則以重估值列賬，則其減值虧損可當作以該準則重估減值入賬。

於回撥減值虧損時，資產之賬面值可調高至重新釐定之可收回值，惟不可高於該資產於過往未減值虧損前之賬面值。撥回之減值虧損可即時被確認為收入。假若有關資產因按其他準則以重估值列賬，其回撥額可當作重估值增額入賬。

存貨

存貨乃以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。

收入確認

收入乃根據已收或應收代價之公平值列賬，並指於一般業務過程中提供貨品及服務時之應收款項，扣除折扣及相關銷售稅。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment (other than goodwill)

At each balance sheet date, the Group reviews the carrying amounts of its 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, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

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, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

Inventories

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

Revenue recognition

Revenue is measured at the fair values of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related tax.

4. 主要會計政策 (續)

收入確認 (續)

銷售貨品之收入在貨品送抵目的地及擁有權易手之時確認。

財務資產之利息收入乃以時間為基準按未償還本金及適用實際利率累計，而實際利率為透過財務資產之預期可用年期將估計日後現金收據實際折讓至該資產之賬面淨值之比率。

經營租約之租金收入乃按相關租約年期以直線法於收益表確認。於協商及安排時引致之初步直接成本乃加至租約資產之賬面值，並按租約年期以直線法確認作一項支出。

租賃

凡租賃條款將擁有權之絕大部分風險及回報轉移至承租人的租賃，均列作融資租賃之類別。所有其他租賃則列作經營租賃之類別。

本集團作為出租人

經營租賃之租金收入乃按有關租賃的租期以直線法於確認綜合收益表。因商議及安排經營租賃所引致之首次直接成本則計入已出租資產之賬面值並按租期以直線法確認為支出。

本集團作為承租人

經營租賃之應付租金乃按有關租賃之租期以直線法計入損益表內。作為訂立經營租賃獎勵之已收及應收利益已按租期以直線法確認為租金支出減少。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

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

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.

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

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.

The Group as lessor

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Rentals payables 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.

賬目附註 Notes to the Financial Statements

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4. 主要會計政策 (續)

稅項

所得稅開支乃指現時應繳稅項及遞延稅項。

現時應繳稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合收益表所報之溢利有所不同，此乃由於其不包括在其他年度之應課稅或可予扣減之收入或支出項目，亦不包括收益表內永遠毋須課稅及扣減之項目。本集團之即期稅項負債乃按結算日已實行或大致上已實行之稅率計算。

遞延稅項乃根據綜合賬目內資產及負債賬面值與計算應課稅溢利所採用相應稅基之差額而確認，並採用資產負債表負債法計入。遞延稅項負債一般就所有應課稅暫時差異確認，遞延稅項資產則於可扣減暫時差異有可能用以抵銷應課稅溢利時予以確認。倘暫時差異由商譽或初步確認（業務合併除外）不影響應課稅溢利或會計溢利之交易之其他資產及負債所產生，有關資產及負債將不予以確認。

遞延稅項負債須就投資於附屬公司及聯營公司所產生應課稅暫時差異予以確認，除非本集團可控制暫時差異回撥及暫時差異在可預見之將來可能不會回撥。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 consolidated income statement because it excludes items of income and expense that are taxable or deductible in other years and it further excludes income statement items that are never taxable 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 base 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.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and an associate, 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.

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

4. 主要會計政策 (續)

稅項 (續)

遞延稅項資產之賬面值乃於各個結算日進行檢討，並在不可能有足夠應課稅溢利以收回全部或部份資產之金額時作調減。

遞延稅項按預期適用於清償負債或變現資產期間之稅率計算。遞延稅項從損益表扣除或計入綜合收益表，除非遞延稅項關乎直接從權益扣除或直接計入權益之項目，在該情況下遞延稅項亦於權益中處理。

退休福利計劃供款

強制性公積金計劃及國營退休福利計劃款項於到期時扣除列作支出。

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適用匯率換算為功能貨幣(如該實體經營所在主要經濟地區之貨幣)記賬。於各結算日，以外幣為定值之貨幣項目均按結算日之適用匯率重新換算。按公平值以外幣定值之非貨幣項目乃按於公平值釐定當日之適用匯率重新換算。按外幣過往成本計量之非貨幣項目毋須重新換算。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

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

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

Retirement benefits costs

Payments to Mandatory Provident Fund Scheme and state-managed retirement benefit schemes are charged as an expense as they fall due.

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.

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

4. 主要會計政策 (續)

外幣 (續)

於結算及換算貨幣項目時產生之匯兌差額均於彼等產生期間內於損益賬中確認。以公平值定值之非貨幣項目經重新換算後產生之匯兌差額於該期間列作損益，惟換算直接於股權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權權益內確認。

就呈列綜合賬目而言，本集團海外經營業務之資產及負債乃按於結算日之適用匯率換算為本公司之列賬貨幣（如港元），而其他收入及支出乃按該年度之平均匯率進行換算，除非匯率於該期間內出動大幅波動則作別論，於此情況下，則採用於換算當日之適用匯率。所產生之匯兌差額（如有）乃確認作股權之獨立部分（匯兌儲備）。該等匯兌差額乃於海外業務被出售之期間內於損益賬內確認。

借貸成本

直接涉及收購、建設或生產合資格資產（如有）之借貸成本均撥充資本，作為該等資產之部份成本。當資產大致上可準備投入作擬訂用途或出售時，該等借貸成本即停止撥充資本。

所有其他借貸成本均於其產生期間於損益賬為支出。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

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. 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.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets if any, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

5. 估計不明朗因素之主要來源

於應用本集團的會計政策時，管理層根據過往經驗、對未來之預期及其他資料作出各種估計。可能對於賬目中所確認之數額產生重大影響之估計不明朗因素之主要來源披露如下：

應收第三者貿易賬款及其他應收賬款、應收少數股東貿易賬款及其他應收賬款以及應收貸款之估計減值

管理層定期檢討應收貿易賬款、應收少數股東貿易賬款及其他應收賬款以及應收貸款之可回收性及／或賬齡情況。當有客觀證據顯示資產已減值，則估計不可收回款項之適當減值，將於損益內確認。

在釐定是否確認減值虧損時，本集團已考慮到賬齡情況及收回賬項之可能性。只會就不可能收回之應收賬款作出特定準備，並根據有效之利率對未來預期可收取現金流之折現值及現值之差額入賬。

折舊

本集團物業、機器及設備於二零零五年十二月三十一日之賬面值約為454,270,000港元。本集團以直線法對樓宇於土地之相關租賃權益之年期或二十五年(以較短者為準)內進行折舊。本集團以直線法對其機器及設備於彼等之估計可使用年期五年至二十五年內進行折舊，由設備投入生產之日開始計算。估計可使用年期及本集團將設備投入生產之日期乃反映董事估計本集團計劃將來從物業、機器及設備之使用中可獲取之經濟利益的期間。

5. KEY SOURCES 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 sources of estimation uncertainty that may significantly affect the amounts recognised in the financial statements are disclosed below:

Estimated impairment on trade and other receivables from third parties, trade and other receivables from minority shareholders, and loans receivable

Management regularly reviews the recoverability and/or aging of trade receivables, trade and other receivables from minority shareholders and loans receivable. Appropriate impairment for estimated irrecoverable amounts are recognised in profit and loss when there is objective evidence that the asset is impaired.

In determining whether impairment loss is recognised, the Group takes into consideration the aging status and likelihood of collection. Specific allowance is only made for receivables that are unlikely to be collected and is recognised on the difference between the estimated future cash flow expected to receive discounted using the original effective interest rate and its carrying value.

Depreciation

The Group's carrying value of property, plant and equipment as at 31st December, 2005 was approximately HK\$454,270,000. The Group depreciates the factory buildings on a straight-line basis over the term of the relevant leasehold interest in land or 25 years, if shorter. The Group depreciates the plant and machinery on a straight-line basis over the estimated useful life of five to twenty-five years, commencing from the date the equipment is placed into productive use. The estimated useful life and dates that the Group places the equipment into productive use reflects the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment.

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6. 財務風險管理目標及政策

本集團之主要金融工具包括銀行結餘及現金、借貸、應收貸款、應收第三方貿易賬款及其他應收賬款、應收少數股東貿易賬款及其他應收賬款、應付少數股東款項、應付貿易賬款及其他應付賬款、及應付予少數股東之股息。該等金融工具之詳情於各附註內披露。與該等金融工具相關之風險，以及如何降低該等風險之政策載列如下。管理層對該等風險進行管理及監控以確保可以及時有效之方式實施合適之措施。

信貸風險

本集團於二零零五年十二月三十一日就每類別已確認金融資產因對方未能履行其責任而產生之最大風險承擔，為綜合資產負債表內所列該等資產之賬面值。此外，本公司之信貸風險主要集中於五大主要客戶，佔本集團總收益約75%。為盡量減低信貸風險，本集團之管理層已指派一隊隊伍，負責釐定信貸限額、信貸審批及其他監督程序，確保就逾期未付債項採取跟進行動。

此外，本集團於每個結算日就每筆個別應收賬款之可收回款項，以確保就不可收回款項確認足夠減值虧損。就此而言，本集團董事認為，本集團之信貸風險已大幅減少。

流動資金之信貸風險有限，原因為對方均為信譽良好之銀行。

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include bank balances and cash, borrowings, loans receivable, trade and other receivables from third parties, trade and other receivables from minority shareholders, amount due to a minority shareholder, trade and other payables, and dividend payable to minority shareholders. 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.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31st December, 2005 is the carrying amount of those assets as stated in the consolidated balance sheet. In addition, the Company has concentration of credit risk on top five major customers which accounted for approximately 75% of the Group's total revenue. In order to minimise the 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.

In addition, the Group reviews the recoverable amount of each individual debtor at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Group consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are reputable banks.

6. 財務風險管理目標及政策 (續)

市場風險

(i) 外匯風險

本集團於中國經營業務，大部份交易均以人民幣（「人民幣」）計值及結算。然而，外幣（主要為美元、港元及歐元）須用於結算本集團之支出及借款。此外，人民幣不可自由兌換為其他外幣，而人民幣兌換為外幣亦受中國政府公佈之外匯管制規則及規例所限。本集團現時並無就外幣債項或交易制定外幣對沖政策。然而，管理層會密切監控相關外幣風險，並將於必要時考慮對沖重大貨幣風險。

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk

(i) Foreign exchange risk

The Group operates in the PRC with most of the transactions denominated and settled in Renminbi (“RMB”). However, foreign currencies, mainly United States dollars, Hong Kong dollars and Euros dollars, are required to settle the Group’s expenses and borrowings. In addition, RMB is not freely convertible into other foreign currencies and conversion of RMB into foreign currencies is subject to rules and regulations of foreign exchange control promulgated by the PRC government. The Group currently does not have a foreign currency hedging policy in respect of foreign currency debts or transactions. However, the management monitors the related foreign currency exposure closely and will consider hedging significant currency exposure should the need arise.

賬目附註 Notes to the Financial Statements

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

6. 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險

本集團之收入及經營現金流量很大程度上視乎市場利率之變動。本集團於利率變動之風險來自其銀行結餘、短期應收貸款及浮息借貸。

本集團現時並無任何利率對沖政策。董事持續監控本集團之風險，倘有需要則將會考慮對沖利率風險。

7. 收益

收益乃指年內已收及應收之款項淨額，分析如下：

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

(ii) Interest rate risk

The Group's income and operating cash flows are substantially independent of change in market interest rate. The Group's exposure to change in interest rate is mainly attributable to its bank balances, short-term loans receivable and variable-rate borrowings.

The Group currently does not have any interest rate hedging policy. The directors monitor the Group's exposure on ongoing basis and will consider hedging interest rate risk should the need arise.

7. REVENUE

Revenue represents the net amounts received and receivable during the year and is analysed as follows:

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
銷售貨品	Sale of goods	1,378,226	1,185,407
提供財務服務 所得利息收入	Interest income from the provision of financial services	1,860	2,038
根據經營租約之廠房 及機器租金收入	Rental income under operating leases in respect of plant and machinery	1,086	1,086
		1,381,172	1,188,531

賬目附註 Notes to the Financial Statements

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

8. 業務及地區分類

業務分類

就管理而言，本集團按業務分為兩個營運部門，包括印刷及生產包裝產品以及分銷產品。本集團基於此等部門呈列主要分類資料。

有關該等業務之分類資料呈列如下：

二零零五年	2005	印刷及生產 包裝產品 Printing and manufacturing of packaging products 千港元 HK\$'000	分銷產品 Distribution of products 千港元 HK\$'000	其他 Others 千港元 HK\$'000	總額 Total 千港元 HK\$'000
收益	REVENUE	350,225	1,028,001	2,946	1,381,172
業績	RESULT				
分類業績	Segment result	89,759	8,126	(651)	97,234
利息收入	Interest income				10,946
未劃撥之企業支出淨額	Net unallocated corporate expenses				(14,922)
融資成本	Finance costs				(17,728)
應佔聯營公司業績	Share of result of an associate			11	11
出售聯營公司之收益	Gain on disposal of an associate			6,919	6,919
出售附屬公司之收益	Gain on disposal of a subsidiary		633		633
收購折讓轉撥至收入	Discount on acquisition released to income	4,730			4,730
除稅前溢利	Profit before taxation				87,823
所得稅支出	Income tax expense				(13,254)
本年度溢利	Profit for the year				74,569
資產負債表	BALANCE SHEET				
資產	ASSETS				
分類資產	Segment assets	667,647	205,197	60,623	933,467
未劃撥之企業資產	Unallocated corporate assets				231,211
綜合總資產	Consolidated total assets				1,164,678
負債	LIABILITIES				
分類負債	Segment liabilities	67,542	51,893	611	120,046
未劃撥之企業負債	Unallocated corporate liabilities				513,207
綜合總負債	Consolidated total liabilities				633,253
其他資料	OTHER INFORMATION				
資本性開支	Capital expenditures	116,685	-	215	116,900
物業、機器及設備之折舊	Depreciation of property, plant and equipment	22,461	-	1,751	24,212
預付租賃付款之攤銷	Amortisation of prepaid lease payments	551	-	-	551
出售物業、機器及設備之虧損	Loss on disposal of property, plant and equipment	1,171	-	-	1,171
應收第三者貿易賬款及其他應收賬款、訂金及預付款項之減值	Impairment of trade and other receivables from third parties, deposits and prepayments	207	1,545	-	1,752

8. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business Segments

For management purposes, the Group is currently organised into two operating divisions – printing and manufacturing of packaging products, and distribution of products. These divisions are the basis on which the Group reports its primary segment information.

Segment information about these businesses is presented below:

賬目附註 Notes to the Financial Statements

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8. 業務及地區分類 (續)

業務分類 (續)

二零零四年

2004

		印刷及生產 包裝產品 Printing and manufacturing of packaging products 千港元 HK\$'000	分銷產品 Distribution of products 千港元 HK\$'000	其他 Others 千港元 HK\$'000	總額 Total 千港元 HK\$'000 (重列) (restated)
收益	REVENUE	329,802	855,605	3,124	1,188,531
業績	RESULT				
分類業績	Segment result	71,608	22,933	332	94,873
利息收入	Interest income				4,168
未劃撥之企業支出淨額	Net unallocated corporate expenses				(13,817)
融資成本	Finance costs				(10,188)
應佔聯營公司業績	Share of result of an associate			(8,548)	(8,548)
視作出售聯營公司之收益	Gain on deemed disposal of an associate			4,237	4,237
負商譽轉撥至收入	Negative goodwill released to income	189			189
除稅前溢利	Profit before taxation				70,914
所得稅支出	Income tax expense				(9,693)
本年度溢利	Profit for the year				61,221
資產負債表	BALANCE SHEET				
資產	ASSETS				
分類資產	Segment assets	545,129	217,630	26,972	789,731
於聯營公司之權益	Interest in an associate			21,433	21,433
未劃撥之企業資產	Unallocated corporate assets				162,155
綜合總資產	Consolidated total assets				973,319
負債	LIABILITIES				
分類負債	Segment liabilities	54,473	75,041	136	129,650
未劃撥之企業負債	Unallocated corporate liabilities				371,906
綜合總負債	Consolidated total liabilities				501,556
其他資料	OTHER INFORMATION				
資本性開支	Capital expenditures	43,345	244	1,235	44,824
物業、機器及設備 之折舊	Depreciation of property, plant and equipment	17,973	25	1,596	19,594
商譽攤銷	Amortisation of goodwill	-	-	2,304	2,304
預付租賃付款之攤銷	Amortisation of prepaid lease payments	322	-	-	322

賬目附註 Notes to the Financial Statements

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

8. 業務及地區分類 (續)

地域分類

本集團之業務位於香港、中國及歐洲。印刷及生產包裝產品業務於中國進行，而分銷產品業務則於中國、香港及歐洲進行。

下表載列本集團按地域市場(不論貨品/服務來源)劃分之銷售額：

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Geographical Segments

The Group's operations are located in Hong Kong, the PRC and Europe. Printing and manufacturing of packaging products are carried out in the PRC and distribution of products is carried out in the PRC, Hong Kong and Europe.

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

		按地域市場劃分之銷售收益 Sales revenue by geographical market		除稅前溢利之貢獻 Contribution to profit before taxation	
		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000 (重列) (restated)
中國	PRC	715,831	732,206	94,610	78,210
香港	Hong Kong	649,212	353,982	1,961	4,105
歐洲	Europe	16,059	96,823	640	12,558
其他	Others	70	5,520	23	-
		1,381,172	1,188,531		
未劃撥之企業支出	Unallocated corporate expenses			(2,224)	(9,649)
應收第三者貿易及其他應收賬款、訂金及預付款項之減值	Impairment of trade and other receivables from third parties, deposits and prepayments			(1,752)	-
應佔聯營公司業績	Share of result of an associate			11	(8,548)
融資成本	Finance costs			(17,728)	(10,188)
視作出售聯營公司之收益	Gain on deemed disposal of an associate			-	4,237
出售聯營公司之收益	Gain on disposal of an associate			6,919	-
出售附屬公司之收益	Gain on disposal of a subsidiary			633	-
收購折讓/負商譽轉撥至收入	Discount on acquisition/negative goodwill released to income			4,730	189
除稅前溢利	Profit before taxation			87,823	70,914

賬目附註 Notes to the Financial Statements

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

8. 業務及地區分類 (續)

地域分類 (續)

以下為分類資產之賬面值及物業、機器及設備之添置按資產所在之地域市場劃分之分析：

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Geographical Segments (continued)

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:

		分類資產之賬面值 Carrying amount of segment assets		物業、機器及設備之添置 Additions to property, plant and equipment	
		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000 (重列) (restated)	二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000 (重列) (restated)
中國	PRC	864,019	694,228	116,685	43,352
香港	Hong Kong	294,610	216,499	215	1,236
歐洲	Europe	4,651	44,955	-	236
其他	Others	20	16,324	-	-
		1,163,300	972,006	116,900	44,824

賬目附註 Notes to the Financial Statements

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

9. 融資成本

9. FINANCE COSTS

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
應計利息：	Interest on:		
銀行借貸－須於	Bank borrowings wholly repayable		
五年內全數償還	within five years	16,960	9,202
其他貸款－須於	Other loans wholly repayable		
五年內全數償還	within five years	768	986
		17,728	10,188

10. 應佔聯營公司業績

10. SHARE OF RESULT OF AN ASSOCIATE

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
應佔聯營公司業績	Share of result an of associate comprises:		
包括：			
應佔聯營公司溢利	Share of profit (loss) of an associate		
(虧損)		11	(6,244)
因收購而產生之	Amortisation of goodwill arising		
商譽攤銷	on acquisition	–	(2,304)
		11	(8,548)

賬目附註 Notes to the Financial Statements

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

11. 所得稅支出

11. INCOME TAX EXPENSE

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000 (重列) (restated)
稅項包括：	The charge comprises:		
即期稅項：	Current tax:		
香港利得稅	Hong Kong Profits Tax	–	398
中國企業所得稅	PRC Enterprise Income Tax	12,186	8,345
其他司法權區	Other jurisdictions	–	136
		12,186	8,879
中國企業所得稅：	PRC Enterprise Income Tax:		
於往年度撥備不足	Underprovision in prior years	–	9
		12,186	8,888
遞延稅項 (附註34)	Deferred taxation (Note 34)		
本年度	Current year	1,068	805
由本公司及其附屬 公司所產生之稅項	Taxation attributable to the Company and its subsidiaries	13,254	9,693

香港利得稅乃根據兩個年度估計應課稅溢利按17.5%之稅率計算。

Hong Kong Profits Tax is calculated at 17.5% of the estimated assessable profit for both years.

中國企業所得稅乃根據與位於中國之附屬公司有關之適用稅率計算。

PRC Enterprise Income Tax is calculated at the applicable rates relevant to the PRC subsidiaries.

根據中國有關法例及規例，本公司在中國經營業務之若干附屬公司在其經營業務之首個獲利年度起計兩年內可獲豁免繳納中國企業所得稅，其後三年則獲半數減免繳納中國企業所得稅（「減免稅期」）。

Pursuant to the relevant laws and regulations in the PRC, certain of the Company's PRC subsidiaries are entitled to exemption from PRC Enterprise Income Tax for two years commencing from their first profit-making year of operation and thereafter, they are entitled to a 50% relief from PRC Enterprise Income Tax for the following three years ("Tax Holiday").

賬目附註 Notes to the Financial Statements

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

11. 所得稅支出 (續)

雲南僑通包裝印刷有限公司(「雲南僑通合資企業」)之減免稅期於二零零零年屆滿。然而，根據當地稅務機關發出之批文，雲南僑通合資企業獲分類為認可「外商投資先進技術型企業」之一。故此，雲南僑通合資企業可於截至二零零五年十二月三十一日止，按中國優惠企業所得稅稅率15%課稅。

年內稅項支出可與綜合收益表之除稅前溢利對賬如下：

11. INCOME TAX EXPENSE (continued)

The Tax Holiday for Yunnan Qiaotong Package Printing Co., Ltd. ("Yunnan Qiaotong JV") expired in 2000. However, pursuant to an approval received from local tax authorities, Yunnan Qiaotong JV is classified as one of the approved "Advanced Technology Enterprise with Foreign Investment 外商投資先進技術型企業". Accordingly, Yunnan Qiaotong JV is entitled to a preferential PRC Enterprise Income tax rate of 15% up to 31st December, 2005.

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

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000 (重列) (restated)
除稅前溢利	Profit before taxation	87,823	70,914
按適用稅率33% (二零零四年：33%) 計算的稅項	Tax at the applicable tax rate of 33% (2004: 33%)	28,981	23,402
毋須課稅收入之 稅務影響	Tax effect of income not taxable for tax purpose	(4,634)	(2,593)
不可扣稅開支之 稅務影響	Tax effect of expenses not deductible for tax purpose	2,861	804
未確認稅項虧損之 稅務影響	Tax effect of tax losses not recognised	1,055	600
應佔聯營公司業績之 稅務影響	Tax effect of share of result of an associate	(4)	2,061
授予中國附屬公司 稅務減免之影響	Effect of tax exemptions granted to PRC subsidiaries	(14,840)	(12,848)
動用先前未確認稅項 虧損之稅務影響	Tax effect of utilisation of tax losses previously not recognised	(165)	(1,773)
於其他司法權區經營 之附屬公司之稅率 差異之稅務影響	Tax effect of different tax rates of subsidiaries operating in other jurisdictions	-	31
過往年度撥備不足	Underprovision in respect of prior years	-	9
年內之稅項支出	Tax charge for the year	13,254	9,693

賬目附註 Notes to the Financial Statements

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

12. 本年度溢利

12. PROFIT FOR THE YEAR

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000 (重列) (restated)
本年度溢利已扣除 (計入)下列項目：	Profit for the year has been arrived at after charging (crediting):		
員工成本(包括董事 酬金)	Staff costs including directors' emoluments	32,370	27,950
退休福利計劃 供款(包括董事 供款)	Retirement benefits scheme contributions (including contributions to directors)	4,769	4,402
員工總成本	Total staff costs	37,139	32,352
核數師酬金	Auditors' remuneration	963	700
物業、機器及設備 之折舊	Depreciation of property, plant and equipment	24,212	19,594
預付租賃付款之攤銷	Amortisation of prepaid lease payments	551	322
出售物業、機器及 設備之虧損	Loss on disposal of property, plant and equipment	1,171	2
應收第三者貿易賬款 及其他應收賬款、 訂金及預付款項之 減值(已計入行政 開支)	Impairment of trade and other receivables from third parties, deposits and prepayments (included in administrative expenses)	1,752	—
逾期賬款之利息收入	Interest income on overdue debts	(9,982)	(3,920)
銀行利息收入	Bank interest income	(964)	(248)
已確認為支出之 存貨成本	Cost of inventories recognised as an expense	1,258,550	1,074,598
匯兌收益淨額 (已計入其他收入)	Net exchange gain (included in other income)	(1,451)	(849)

賬目附註 Notes to the Financial Statements

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

13. 董事及僱員之酬金

(a) 董事酬金

已付或應付予9名(二零零四年: 9名)董事之酬金如下:

		二零零五年 2005									
		許經振	丘少明	許攸卿	李春仁	周勁	王鳳舞	林炳昌	吳志揚	譚旭生*	總計
		Hui King	Yau Chau	Hui Bin	Li Chun			Lam Ping	Ng Chi	Tam Yuk	
		Chun,	Min,	Long	Ren	Zhou Jin	Feng Wu	Andrew	Simon	Sammy*	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
袍金	Fees	-	-	96	60	60	60	80	80	80	516
其他酬金:	Other emoluments:										
薪酬及其他福利	Salaries and other benefits	703	598	-	58	101	58	-	-	-	1,518
退休福利計劃供款	Retirement benefits scheme contributions	12	12	-	-	17	3	-	-	-	44
酬金總額	Total emoluments	715	610	96	118	178	121	80	80	80	2,078

		二零零四年 2004									
		許經振	丘少明	許攸卿	李春仁	周勁	王鳳舞	林炳昌	吳志揚	譚旭生*	總計
		Hui King	Yau Chau	Hui Bin	Li Chun			Lam Ping	Ng Chi	Tam Yuk	
		Chun,	Min,	Long	Ren	Zhou Jin	Feng Wu	Andrew	Simon	Sammy*	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
袍金	Fees	-	-	96	60	60	60	80	80	20	456
其他酬金:	Other emoluments:										
薪酬及其他福利	Salaries and other benefits	683	586	-	-	-	57	-	-	-	1,326
退休福利計劃供款	Retirement benefits scheme contributions	12	12	-	-	-	-	-	-	-	24
酬金總額	Total emoluments	695	598	96	60	60	117	80	80	20	1,806

* 譚旭生於二零零四年九月二十三日獲委任。

* Tam Yuk Sang, Sammy was appointed on 23rd September, 2004

賬目附註 Notes to the Financial Statements

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

13. 董事及僱員之酬金 (續)

(b) 最高薪酬人士之酬金

在五位最高薪酬之人士中，兩位(二零零四年：兩位)為董事，其薪酬詳情列載於上文。餘下三位(二零零四年：三位)之薪酬如下：

		二零零五年	二零零四年
		2005	2004
		千港元	千港元
		HK\$'000	HK\$'000
薪金及其他福利	Salaries and other benefits	1,557	1,417
表現獎金	Performance related incentive payments	58	58
退休福利計劃供款	Retirement benefits scheme contributions	36	36
		1,651	1,511

截至二零零四年及二零零五年十二月三十一日止年度，本集團概無向五位最高薪酬之人士(包括董事)支付酬金，作為彼等加盟本集團或於加盟本集團時之獎勵，或失去職位之賠償。此外，截至二零零四年及二零零五年十二月三十一日止年度，概無董事放棄任何酬金。

薪酬介乎下列範圍之人數載列如下：

		員工人數	
		Number of staff	
		二零零五年	二零零四年
薪酬	Emoluments	2005	2004
不超過1,000,000港元	Not exceeding HK\$1,000,000	3	3

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

(b) Emoluments of highest paid individuals

The five highest paid individuals include two (2004: two) directors, details of whose emoluments are set out above. The emoluments of the remaining three (2004: three) individuals are as follows:

During the years ended 31st December, 2004 and 2005, no emoluments were paid by the Group to the five highest paid individuals, including directors, as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, during the years ended 31st December, 2004 and 2005, no directors waived any emoluments.

The number of these individuals who emoluments fell within the following band are as follows:

賬目附註 Notes to the Financial Statements

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

14. 股息

14. DIVIDENDS

		二零零五年	二零零四年
		2005	2004
		千港元	千港元
		HK\$'000	HK\$'000
已付中期股息	Interim, paid – HK1.8 cents		
– 每股1.8港仙	(2004: HK1.5 cents) per share		
(二零零四年： 每股1.5港仙)		4,819	4,015
擬派末期股息	Final, proposed – HK7.2 cents		
– 每股7.2港仙	(2004 final dividend: HK3.5 cents)		
(二零零四年：末期 股息每股3.5港仙)	per share	19,274	9,369
並無擬派特別股息	No special dividend has been proposed		
(二零零四年 特別股息： 每股3.0港仙)	(2004 special dividend: HK3.0 cents per share)	–	8,031
		24,093	21,415

董事會建議派發二零零五年末期股息每股7.2港仙(二零零四年：3.5港仙)及特別股息每股零港仙(二零零四年：3.0港仙)，惟仍須待股東在即將舉行之股東週年大會上批准後，方可作實。

The 2005 final and special dividends of HK7.2 cents (2004: HK3.5 cents) and nil (2004: HK3.0 cents) cents per share respectively have been proposed by the Directors and are subject to approval by the shareholders in the forthcoming annual general meeting.

賬目附註 Notes to the Financial Statements

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

15. 每股盈利

本年度之母公司股權持有人應佔每股基本及攤薄盈利乃根據以下數據計算：

15. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to equity holders of the parent for the year is based on the following data:

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000 (重列) (restated)
每股基本盈利之盈利	Earnings for the purpose of basic earnings per share	47,838	40,644
每股基本盈利之普通股加權平均數	Weighted average number of ordinary shares for the purpose of basic earnings per share	267,693,600	267,300,552
攤薄潛在普通股之影響 — 認股權證	Effect of dilutive potential ordinary shares — warrants	—	5,635,240
每股攤薄盈利之普通股加權平均數	Weighted average number of ordinary shares for the purpose of diluted earnings per share	267,693,600	272,935,792

賬目附註 Notes to the Financial Statements

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

15. 每股盈利 (續)

會計政策變動之影響

本集團會計政策於年內之變動已詳載於附註2。就該等變動對二零零五年及二零零四年所申報之業績之影響而言，該等變動對每股盈利所申報之款額構成影響。下表概述對每股基本及攤薄盈利之影響：

15. EARNINGS PER SHARE (continued)

Impact of changes in accounting policies

Changes in the Group's accounting policies during the year are described in detail in Note 2. To the extent that those changes have had an impact on results reported for 2005 and 2004, they have had an impact on the amounts reported for earnings per share. The following table summarises that impact on both basic and diluted earnings per share:

		對每股基本盈利之影響		對每股攤薄盈利之影響	
		Impact on basic earnings per share		Impact on diluted earnings per share	
		二零零五年	二零零四年	二零零五年	二零零四年
		2005	2004	2005	2004
		港仙	港仙	港仙	港仙
		HK cents	HK cents	HK cents	HK cents
調整前數字	Figures before adjustments	15.16	15.12	N/A 不適用	14.81
會計政策變動之調整	Adjustments arising from changes in accounting policies	2.71	0.09	N/A 不適用	0.08
申報/重列	As reported/restated	17.87	15.21	N/A 不適用	14.89

賬目附註 Notes to the Financial Statements

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

16. 物業、機器及設備

16. PROPERTY, PLANT AND EQUIPMENT

		樓宇 Buildings	廠房 及機器 Plant and machinery	車輛 Motor vehicles	辦公室 設備 Office equipment	在建 工程 Construction in progress	總計 Total
		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
成本值或估值	COST OR VALUATION						
於二零零四年一月一日	At 1st January, 2004						
– 原先呈列	– as originally stated	47,053	296,753	3,734	3,868	235	351,643
– 採納香港會計準則第17號	– adoption of HKAS 17	(6,473)	–	–	–	–	(6,473)
– 重列	– as restated	40,580	296,753	3,734	3,868	235	345,170
滙兌調整	Currency realignment	45	316	3	3	–	367
收購業務時收購	Acquired on acquisition of business	–	636	391	–	508	1,535
添置	Additions	1,924	11,751	2,654	510	26,450	43,289
轉撥	Transfer	–	26,158	–	–	(26,158)	–
重估調整	Adjustment on revaluation	(7,120)	(24,350)	(1,261)	(2,049)	–	(34,780)
出售	Disposals	–	–	–	(5)	–	(5)
於二零零五年一月一日	At 1st January, 2005	35,429	311,264	5,521	2,327	1,035	355,576
滙兌調整	Currency realignment	817	7,025	93	36	23	7,994
收購業務時收購	Acquired on acquisition of business	–	6,904	–	15	14,128	21,047
添置	Additions	588	53,666	804	481	40,314	95,853
轉撥	Transfer	–	4,479	–	–	(4,479)	–
出售附屬公司	Disposal of a subsidiary	–	–	–	(226)	–	(226)
出售	Disposals	–	(1,729)	(53)	(76)	–	(1,858)
於二零零五年十二月三十一日	At 31st December, 2005	36,834	381,609	6,365	2,557	51,021	478,386
包括：	Comprising:						
成本值	At cost	–	–	–	–	51,021	51,021
估值 – 二零零五年	At valuation – 2005	36,834	381,609	6,365	2,557	–	427,365
		36,834	381,609	6,365	2,557	51,021	478,386

賬目附註 Notes to the Financial Statements

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

16. 物業、機器及設備 (續)

16. PROPERTY, PLANT AND EQUIPMENT (continued)

		樓宇 Buildings	廠房 及機器 Plant and machinery	車輛 Motor vehicles	辦公室 設備 Office equipment	在建 工程 Construction in progress	總計 Total
		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
折舊及攤銷		DEPRECIATION AND AMORTISATION					
於二零零四年一月一日		At 1st January, 2004					
	– 原先呈列	5,131	31,304	1,506	1,285	–	39,226
	– 採納香港會計準則第17號	(799)	–	–	–	–	(799)
	– 重列	4,332	31,304	1,506	1,285	–	38,427
	滙兌調整	5	33	1	1	–	40
	年內撥備	1,954	16,232	642	766	–	19,594
	重估撇銷	(6,291)	(47,569)	(2,149)	(2,049)	–	(58,058)
	出售撇銷	–	–	–	(3)	–	(3)
於二零零五年一月一日		At 1st January, 2005					
	年內撥備	2,255	20,131	1,062	764	–	24,212
	出售附屬公司	–	–	–	(26)	–	(26)
	出售撇銷	–	(68)	–	(2)	–	(70)
於二零零五年十二月三十一日		At 31st December, 2005					
		2,255	20,063	1,062	736	–	24,116
賬面淨值		CARRYING VALUES					
於二零零五年十二月三十一日		At 31st December, 2005					
		34,579	361,546	5,303	1,821	51,021	454,270
於二零零四年十二月三十一日		At 31st December, 2004					
		35,429	311,264	5,521	2,327	1,035	355,576

賬目附註 Notes to the Financial Statements

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

16. 物業、機器及設備 (續)

上述物業、機器及設備之項目乃以直線法按下列年利率折舊：

樓宇	有關土地租賃權益之年期或25年(以較短者為準)
廠房及機器	4%至20%
車輛	20%
辦公室設備	20%

本集團之樓宇均位於中國並以中期租約持有土地之租賃權益。

本集團之樓宇、廠房及機器以及車輛由獨立專業估值師行普敦國際評估有限公司經參考同類物業及資產之市場交易價於二零零四年十二月三十一日重新估值。辦公室設備由董事按相同基準於二零零四年十二月三十一日重新估值。本集團應佔之重估盈餘已計入資產重估儲備。

年內，董事已檢討按重估金額列賬之本集團物業、機器及設備，並估計賬面值與採用於結算日之公平值釐定之金額並無重大差異。

16. PROPERTY, PLANT AND EQUIPMENT (continued)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Buildings	Over the term of the relevant leasehold interest in land or 25 years, whichever is shorter
Plant and machinery	4% – 20%
Motor vehicles	20%
Office equipment	20%

The Group's buildings are situated in the PRC over the leasehold interest in land under medium-term leases.

The Group's buildings, plant and machinery and motor vehicles were revalued by Norton Appraisals Limited, an independent firm of professional valuers, as at 31st December, 2004 by reference to market evidence of recent transactions for similar properties and assets. Office equipment was revalued by the directors as at 31st December, 2004 on the same basis. The Group's share of surplus arising on the revaluation has been credited to the asset revaluation reserve.

During the year, the directors conducted a review of the Group's property, plant and equipment carried at revalued amounts and have estimated that the carrying amounts do not differ significantly from which would be determined using fair values at the balance sheet date.

賬目附註 Notes to the Financial Statements

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

16. 物業、機器及設備 (續)

倘本集團之物業、機器及設備(不包括在建工程)乃按成本值減累積折舊列賬,則物業、機器及設備應以下列方式列賬:

16. PROPERTY, PLANT AND EQUIPMENT (continued)

Had the Group's property, plant and equipment, other than construction in progress, been carried at cost less accumulated depreciation, the carrying values of property, plant and equipment would have been stated as follows:

		二零零五年 2005			二零零四年 2004		
		成本值 Cost	累積折舊 Accumulated depreciation	賬面值 Carrying values	成本值 Cost	累積折舊 Accumulated depreciation	賬面值 Carrying values
		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
					(重列) (restated)	(重列) (restated)	(重列) (restated)
樓宇(重列)	Buildings (restated)	51,554	7,824	43,730	50,966	6,793	44,173
廠房及機器	Plant and machinery	396,185	63,416	332,769	335,613	47,569	288,044
車輛	Motor vehicles	7,586	3,666	3,920	6,782	2,149	4,633
辦公室設備	Office equipment	4,635	2,949	1,686	4,139	2,022	2,117
		459,960	77,855	382,105	397,500	58,533	338,967

17. 預付租賃付款

17. PREPAID LEASE PAYMENTS

		二零零五年 2005	二零零四年 2004
		千港元 HK\$'000	千港元 HK\$'000
本集團之預付租賃付款包括:	The Group's prepaid lease payments comprises:		
於中國以中期持有之土地租賃權益	Leasehold interest in land under medium-term in the PRC	18,897	7,995
就申報所分析:	Analysed for reporting purposes as:		
流動資產	Current assets	551	322
非流動資產	Non-current assets	18,346	7,673
		18,897	7,995

賬目附註 Notes to the Financial Statements

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

18. 於聯營公司之權益／應收 聯營公司款項

18. INTEREST IN AN ASSOCIATE/AMOUNT DUE FROM AN ASSOCIATE

		二零零五年	二零零四年
		2005	2004
		千港元	千港元
		HK\$'000	HK\$'000
			(重列)
			(restated)
於聯營公司之投資 之成本，非上市	Cost of investment in an associate, unlisted	-	34,572
應佔收購後虧損	Share of post-acquisition loss	-	(13,139)
		-	21,433
應收聯營公司款項	Amount due from an associate	-	12,690

應收聯營公司款項為無抵押、按最優惠利率之浮動息率加年利率1.5%計算，並須於一年內償還。該筆金額已於出售於聯營公司之權益完成後在二零零五年十二月三十一日重新分類為短期應收貸款。

於二零零四年十二月三十一日，計入於聯營公司之投資成本為於過往年度因收購聯營公司所產生之商譽25,063,000港元。

The amount due from an associate was unsecured, carried at variable-rate of prime rate plus 1.5% per annum and repayable within one year. The amount was reclassified to short-term loans receivable as at 31st December, 2005 upon the completion of disposal of the interest in an associate.

As at 31st December, 2004, included in the cost of investment in an associate is goodwill of HK\$25,063,000 arising on acquisition of an associate in prior years.

賬目附註 Notes to the Financial Statements

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

18. 於聯營公司之權益／應收 聯營公司款項 (續)

商譽變動如下：

18. INTEREST IN AN ASSOCIATE/AMOUNT DUE FROM AN ASSOCIATE (continued)

The movements of goodwill are as follows:

		千港元 HK\$'000
成本	COST	
於二零零四年一月一日及 於二零零五年一月一日	At 1st January, 2004 and 1st January, 2005	34,572
於應用香港財務報告準則第3號 時撇銷累計攤銷 (見附註2)	Elimination of accumulated amortisation upon the application of HKFRS 3 (see Note 2)	(9,509)
出售聯營公司	Disposal of an associate	(25,063)
於二零零五年十二月三十一日	At 31st December, 2005	-
攤銷	AMORTISATION	
於二零零四年一月一日	At 1st January, 2004	3,072
本年度攤銷	Charge for the year	2,304
撇銷視作出售聯營公司	Eliminated on deemed disposal of an associate	4,133
於二零零四年十二月三十一日及 於二零零五年一月一日	At 31st December, 2004 and at 1st January, 2005	9,509
於應用香港財務報告準則第3號 時撇銷累計攤銷 (見附註2)	Elimination of accumulated amortisation upon the application of HKFRS 3 (see Note 2)	(9,509)
於二零零五年十二月三十一日	At 31st December, 2005	-
賬面值	CARRYING VALUES	
於二零零五年十二月三十一日	At 31st December, 2005	-
於二零零四年十二月三十一日	At 31st December, 2004	25,063

直至二零零四年十二月三十一日，商譽已按15年期攤銷。

Until 31st December, 2004, goodwill had been amortised over a period of 15 years.

於二零零五年十二月十五日，本集團已出售其於3togo Globalcom Limited (「3togo」) 之全部24.26%間接股權予一名獨立第三方，代價為29,112,000港元。該公司為一家於英屬處女群島註冊成立之公司，主要從事提供電訊服務。是項出售錄得收益約7,668,000港元。

On 15th December, 2005, the Group disposed of its entire 24.26% indirect equity interest in 3togo Globalcom Limited ("3togo"), a company incorporated in the British Virgin Islands and is principally engaged in the provision of telecommunication services, to an independent third party, for a consideration of HK\$29,112,000. The disposal resulted in a gain of approximately HK\$7,668,000.

賬目附註 Notes to the Financial Statements

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

19. 負商譽

19. NEGATIVE GOODWILL

		千港元 HK\$'000
毛額 GROSS AMOUNT		
收購業務所產生及於二零零四年十二月三十一日之結餘	Arising on acquisition of business and balance at 31st December, 2004	5,186
應用香港財務報告準則第3號時不再確認(見附註2)	Derecognised upon the application of HKFRS 3 (see Note 2)	(5,186)
<hr/>		
於二零零五年十二月三十一日	At 31st December, 2005	-
<hr/>		
轉撥至收入 RELEASED TO INCOME		
本年度及於二零零四年十二月三十一日轉撥	Released for the year and at 31st December, 2004	(189)
應用香港財務報告準則第3號時不再確認(見附註2)	Derecognised upon the application of HKFRS 3 (see Note 2)	189
<hr/>		
於二零零五年十二月三十一日	At 31st December, 2005	-
<hr/>		
賬面值 CARRYING AMOUNT		
於二零零五年十二月三十一日	At 31st December, 2005	-
<hr/>		
於二零零四年十二月三十一日	At 31st December, 2004	4,997

負商譽乃由於在二零零四年收購附屬公司額外25%股權及收購業務所產生，負商譽已以直線法按20年，即所收購應計折舊資產之估計平均可使用年期轉撥至收入。截至二零零四年十二月三十一日止年度，轉撥至收益表之負商譽金額約為189,000港元。

The negative goodwill arose from the acquisition of 25% additional equity interest in a subsidiary and the acquisition of a business in 2004 and the negative goodwill was released to income on a straight-line basis of 20 years, representing the estimated average useful life of the depreciable assets acquired. The amount of negative goodwill released to income statement for the year ended 31st December, 2004 was approximately HK\$189,000.

所有負商譽已於應用香港財務報告準則第3號時於二零零五年一月一日不再確認(見附註2)。

All negative goodwill was derecognised on 1st January, 2005 upon the application of HKFRS 3 (see Note 2).

賬目附註 Notes to the Financial Statements

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

20. 遞延應收款項

20. DEFERRED RECEIVABLE

		二零零五年	二零零四年
		2005	2004
		千港元	千港元
		HK\$'000	HK\$'000
遞延應收款項	Deferred receivable	25,452	–
就申報分析之	Carrying amount analysed for		
賬面值：	reporting purposes:		
流動資產	Current assets	10,480	–
非流動資產	Non-current assets	14,972	–
		25,452	–

於二零零五年十二月十五日，本集團出售其於3togo之全部間接股權，代價為29,112,000港元，當中2,911,200港元以現金支付，而26,200,800港元則自出售日期起計分五期每半年等額支付。遞延應收款項於二零零五年十二月三十一日之現值估計約為25,452,000港元，乃於簽訂買賣協議日期根據估計折讓之未來現金流量按實際年利率5%計算。

董事認為，透過於結算日按現行市場利率折讓之未來現金流量計算之遞延應收款項之公平值與相應賬面值相若。

On 15th December, 2005, the Group disposed of its entire indirect equity interest in 3togo for a consideration of HK\$29,112,000, of which an amount of HK\$2,911,200 was settled in cash and HK\$26,200,800 is to be repaid in five equal half-yearly instalments starting from the date of disposal. The present value of the deferred receivable at 31st December, 2005 is estimated at approximately HK\$25,452,000, based on discounting the estimated future cash flows at the effective interest rate of 5% per annum at the date of signing the sales and purchase agreement.

The directors consider the fair value of the deferred receivable, by discounting their future cash flows at the prevailing market rate at the balance sheet date, approximates the corresponding carrying amount.

賬目附註 Notes to the Financial Statements

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

21. 存貨

21. INVENTORIES

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
原料	Raw materials	65,715	72,192
在製品	Work in progress	7,700	12,051
貿易存貨及製成品	Trading inventories and finished goods	4,591	8,678
		78,006	92,921

22. 應收第三者貿易賬款及其他應收賬款、訂金及預付款項

本集團給予其貿易客戶之賒賬期平均由30日至90日不等。應收第三者貿易賬款及其他應收賬款、訂金及預付款項包括應收貿易賬款結餘283,768,000港元(二零零四年: 281,399,000港元)，有關結餘之賬齡分析如下：

22. TRADE AND OTHER RECEIVABLES FROM THIRD PARTIES, DEPOSITS AND PREPAYMENTS

The Group allows an average credit period of 30 to 90 days to its trade customers. Included within trade and other receivables from third parties, deposits and prepayments are trade receivables balance of HK\$283,768,000 (2004: HK\$281,399,000), the aged analysis of this balance is as follows:

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
60日內	Within 60 days	165,347	197,486
61 – 90日內	Within 61 – 90 days	40,512	35,633
90日以上	More than 90 days	77,909	48,280
		283,768	281,399

本集團應收第三者貿易賬款及其他應收賬款於二零零五年十二月三十一日之公平值與其相應之賬面值相若。應收賬款於賒賬期內不會收取任何利息，其後則根據未償還貿易賬款結餘每年按最優惠利率加10%計息。

The fair values of the Group's trade and other receivables from third parties at 31st December, 2005 approximate their corresponding carrying amounts. No interests is charged on trade receivables which are within the credit period. Thereafter, interest is charged at prime rate plus 10% per annum on the outstanding trade balance.

賬目附註 Notes to the Financial Statements

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

23. 應收少數股東貿易賬款及其他應收賬款

本集團給予少數股東之除賬期平均由30日至90日不等。應收少數股東貿易賬款及其他應收賬款包括應收貿易賬款結餘18,028,000港元(二零零四年：13,519,000港元)，有關結餘之賬齡分析如下：

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
60日內	Within 60 days	16,256	11,693
90日以上	More than 90 days	1,772	1,826
		18,028	13,519

本集團應收少數股東貿易賬款及其他應收賬款於二零零五年十二月三十一日之公平值與其相應之賬面值相若。

23. TRADE AND OTHER RECEIVABLES FROM MINORITY SHAREHOLDERS

The Group allows an average credit period of 30 to 90 days to the minority shareholders. Included within trade and other receivables from minority shareholders are trade receivables balance of HK\$18,028,000 (2004: HK\$13,519,000), and the aged analysis of this balance is as follows:

The fair values of the Group's trade and other receivables from minority shareholders at 31st December, 2005 approximate their corresponding carrying amounts.

24. 短期應收貸款

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
應收定息貸款	Fixed-rate loans receivable	1,000	—
應收浮息貸款	Variable-rate loans receivable	27,617	7,790
		28,617	7,790

截至二零零五年十二月三十一日及二零零四年十二月三十一日止年度，本集團之所有應收浮息貸款乃按最優惠利率加1.5%計息。

24. SHORT-TERM LOANS RECEIVABLE

For the year ended 31st December, 2005 and 31st December, 2004, all of the Group's variable-rate loans receivable carry interest at prime rate plus 1.5%.

賬目附註 Notes to the Financial Statements

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

24. 短期應收貸款 (續)

此外，於二零零五年十二月三十一日，本集團有應收定息貸款1,000,000港元，乃按2%計息（二零零四年：無）。

於二零零五年十二月三十一日，除一筆為數3,000,000港元之應收浮息貸款乃按一項物業之法定質押作為抵押外，概無就餘下應收貸款訂立其他抵押品協議。

25. 銀行結餘及現金

銀行結餘及現金包括本集團所持有之現金及原定到期日為三個月或以下之短期銀行存款。該等資產之賬面值與公平值相若。

26. 應付貿易賬款及其他應付賬款

應付貿易賬款及其他應付賬款包括應付貿易賬款結餘97,792,000港元（二零零四年：114,390,000港元），有關結餘之賬齡分析如下：

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000 (重列) (restated)
60日內	Within 60 days	83,928	102,150
61 – 90日內	Within 61 – 90 days	358	192
90日以上	More than 90 days	13,506	12,048
		97,792	114,390

本集團應付貿易賬款及其他應付賬款於二零零五年十二月三十一日之公平值與其相應之賬面值相若。

24. SHORT-TERM LOANS RECEIVABLE (continued)

In addition, the Group has a fixed-rate loans receivable of HK\$1,000,000 which carries interest at 2% as at 31st December, 2005 (2004: nil).

As at 31st December, 2005, except for one variable-rate loans receivable of HK\$3,000,000 that is secured by legal charge on a property, no other collateral agreement has been entered into in respect of the remaining loans receivable.

25. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

26. TRADE AND OTHER PAYABLES

Included within trade and other payables are trade payables balance of HK\$97,792,000 (2004: HK\$114,390,000), the aged analysis of this balance is as follows:

The fair values of the Group's trade and other payables at 31st December, 2005 approximate their corresponding carrying amounts.

賬目附註 Notes to the Financial Statements

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

27. 借貸

27. BORROWINGS

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
銀行貸款	Bank loans	228,416	131,543
信託收據貸款	Trust receipt loans	255,104	195,381
		483,520	326,924
其他貸款－按固定 年利率4.536% (二零零四年： 4.698%)計息	Other loans – interest bearing at fixed interest rate of 4.536% (2004: 4.698%) per annum	–	19,913
		483,520	346,837
分析：	Analysed as:		
－有抵押	– secured	–	19,003
－無抵押	– unsecured	483,520	327,834
		483,520	346,837
於下列期限到期 之借貸：	The maturity of borrowings is as follows:		
一年內即期償還	On demand within one year	438,353	295,670
一年以上但不超過 兩年	More than one year but not exceeding two years	45,167	51,167
借貸總額	Total borrowings	483,520	346,837
減：一年內到期並 列作流動負債	Less: Amount due within one year shown under current liabilities	(438,353)	(295,670)
一年後到期	Amounts due after one year	45,167	51,167

銀行貸款包括一筆約111,253,000港元(二零零四年：28,156,000港元)之定息借款，須於一年內償還，並按於二零零五年十二月三十一日介乎1.6%至6.0%之實際年利率計息(二零零四年：年利率1.4%至4.1%)。

Bank loans included an amount of approximately HK\$111,253,000 (2004: HK\$28,156,000) were fixed-rate borrowings and repayable within one year which carry interest ranged from effective interest rates of 1.6% to 6.0% per annum (2004: 1.4% to 4.1% per annum) as at 31st December, 2005.

賬目附註 Notes to the Financial Statements

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

27. 借貸 (續)

此外，本集團有浮息借貸117,163,000港元（二零零四年：103,387,000港元），按香港銀行同業拆息加1%至1.3%計息。於二零零五年十二月三十一日，實際年利率介乎1.8%至5.3%（二零零四年：年利率1.49%至1.9%）。利率於每月重定價格。

信貸收據貸款一般須自新增貸款日期起計六個月內償還，按現行市場利率計息。信託收據貸款之平均實際年利率約為1.6%至5.3%（二零零四年：年利率1.4%至1.9%）。

董事認為，借貸之賬面值與公平值相若。

本集團以相關集團實體之功能貨幣以外之其他貨幣計值之借貸載列如下：

27. BORROWINGS (continued)

In addition, the Group has variable-rate borrowings of HK\$ 117,163,000 (2004: HK\$103,387,000), which carry interest ranging from HIBOR rate plus 1% to 1.3% and the effective interest rate ranging from 1.8% to 5.3% per annum (2004: 1.49% to 1.9% per annum) as at 31st December, 2005. Interest rates are repricing monthly.

Trust receipt loans were normally repayable within six months from the date the loans were raised and carried at prevailing market interest rate. The average effective interest rate on trust receipt loans approximately 1.6% to 5.3% per annum (2004: 1.4% to 1.9% per annum).

The directors consider that the carrying amounts of borrowings approximate their fair values.

The Group's borrowings that are denominated in currencies other than the functional currencies of the relevant group entities as follows:

		人民幣 RMB 千元 '000	歐元 EUR 千元 '000	港元 HK\$ 千元 '000	總計 Total 千港元 HK\$'000
於二零零五年 十二月三十一日	As at 31st December, 2005				
銀行貸款	Bank loans	115,800	–	117,163	228,416
信託收據貸款	Trust receipt loans	–	–	255,104	255,104
		115,800	–	372,267	483,520
於二零零四年 十二月三十一日	As at 31st December, 2004				
銀行貸款	Bank loans	–	2,650	99,196	131,543
信託收據貸款	Trust receipt loans	–	–	195,381	195,381
其他貸款	Other loans	21,205	–	–	19,913
		21,205	2,650	294,577	346,837

賬目附註 Notes to the Financial Statements

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

28. 應付少數股東款項

應收少數股東款項乃按固定年利率4.689%計息，為無抵押及按要求時償還。此筆款項之公平值與賬面值相若。

29. 應付少數股東股息

此筆款項之公平值與賬面值相若。

30. 本公司股本

28. AMOUNT DUE TO A MINORITY SHAREHOLDER

The amount due to a minority shareholder is carried at fixed-rate at 4.689% per annum, unsecured and repayable on demand. The fair value of this amount approximates its carrying amount.

29. DIVIDEND PAYABLE TO MINORITY SHAREHOLDERS

The fair value of this amount approximates its carrying amount.

30. SHARE CAPITAL OF THE COMPANY

		股份數目 Number of shares	金額 Amounts 千港元 HK\$'000
每股面值0.10港元之普通股	Ordinary shares of HK\$0.10 each		
法定：	Authorised:		
於二零零四年一月一日、 二零零四年及二零零五年 十二月三十一日	At 1st January, 2004, 31st December, 2004 and 2005	1,000,000,000	100,000
已發行及繳足股款：	Issued and fully paid:		
於二零零四年一月一日	At 1st January, 2004	266,255,600	26,626
行使認股權證(附註)	Exercise of warrants (Note)	1,438,000	143
於二零零四年十二月三十一日、 二零零五年一月一日及 二零零五年十二月三十一日	At 31st December, 2004, 1st January, 2005 and 31st December, 2005	267,693,600	26,769

附註：截至二零零四年十二月三十一日止年度，1,438,000份認股權證按2.20港元之價格獲行使，致使本公司發行每股面值0.10港元之普通股1,438,000股。年內已發行之股份與當時之現有股份在各方面均享有同等權益。

Note: During the year ended 31st December, 2004, 1,438,000 ordinary shares of HK\$0.10 each in the Company were issued upon the exercise of 1,438,000 warrants at a price of HK\$2.20. The shares issued during the year rank pari passu with the then existing shares in all respects.

賬目附註 Notes to the Financial Statements

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

31. 認股權證

根據於二零零一年六月二十九日舉行之本公司董事會會議上通過之決議案，本公司批准派送紅利認股權證，有關基準為於二零零一年七月六日名列本公司股東登記冊之股東可按其每持有五股面值0.10港元之股份獲發一份認股權證。合共53,200,000份總認購額為117,040,000港元之認股權證於二零零一年七月十一日發行。每份認股權證賦予登記持有人權利，可由發行日期起至二零零四年六月三十日（包括首尾兩天）止期間內任何時間按初步認購價每股2.20港元（可予調整）以現金認購一股本公司之新股份。

所有未行使之認股權證已於二零零四年六月三十日屆滿。

31. WARRANTS

Pursuant to a resolution passed at a board of directors' meeting of the Company held on 29th June, 2001, a bonus issue of warrants on the basis of one warrant for every five shares of HK\$0.10 each held by shareholders on the register of members of the Company as at 6th July, 2001 was approved. A total of 53,200,000 units of warrants with an aggregate subscription amount of HK\$117,040,000 were issued on 11th July, 2001. Each warrant confers rights to the registered holder to subscribe for one new share of the Company in cash at an initial subscription price of HK\$2.20 per share, subject to adjustment, at any time from the date of issue to 30th June, 2004 (both days inclusive).

All unexercised warrants expired on 30th June, 2004.

32. 購股權計劃

根據本公司於二零零二年五月十五日舉行之股東週年大會，本公司採納購股權計劃（「該計劃」），該計劃之主要目的乃就特定參與者為本集團所作之貢獻向彼等提供獎勵，並將於二零一二年五月十四日屆滿。根據該計劃，本公司董事會可向本公司所有董事（包括獨立非執行董事）及本集團任何全職／兼職僱員，以及董事會不時決定向曾經或可能對本集團之發展及增長作出貢獻之任何參與者授予購股權，以認購本公司股份。

根據該計劃授出之購股權可認購之股份總數，不得超逾本公司不時已發行股份之10%。授予任何個人之購股權可認購之股份數目，不得超逾本公司當時已發行股本之1%。

已授予之購股權必須於授出日期起計30日內接納，接納時須支付每份購股權1港元。購股權可於授出日期至授出日期十年屆滿之日期間內任何時間行使。於每次授出購股權時，董事會可酌情決定行使期及行使價。行使價不得少於下列三者之中最高者：(i)股份於購股權授出日期在聯交所之收市價；(ii)股份於購股權授出日期前五個交易日在聯交所之平均收市價；及(iii)股份面值。

該計劃自採納以來直至二零零五年十二月三十一日，並無據此授予或同意授予任何購股權。

32. SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted pursuant to the annual general meeting of the Company held on 15th May, 2002 for the primary purpose of providing incentives to selected participants for their contribution to the Group, and will expire on 14th May, 2012. Under the Scheme, the Board of Directors of the Company may grant options to all directors of the Company (including independent non-executive directors) and any full-time/part-time employees of the Group, and any participants from time to time determined by the Board of Directors as having contributed or may contribute to the development and growth of the Group to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time. The number of shares in respect of which options may be granted to any individual is not permitted to exceed 1% of the issued share capital of the Company for the time being.

Options granted must be taken up within 30 days from the date of grant, upon payment of HK\$1 per each grant of option(s). Options may be exercised at any time from the date of grant to the 10th anniversary of the date of grant. In each grant of options, the Board of Directors may at its discretion determine the specific exercise period and exercise price. The exercise price shall not be less than the highest of (i) the closing price of shares on the Stock Exchange on the date of the offer of grant; (ii) the average closing price of shares on the Stock Exchange for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares.

No option has been granted under the Scheme since its adoption up to 31st December, 2005.

賬目附註 Notes to the Financial Statements

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

33. 儲備

企業發展基金及儲備基金乃在中國境內成立及經營之附屬公司根據中國有關之法律及規則，自除稅後溢利中分配部份款項而設立。根據「中華人民共和國外商投資企業會計制度」之規定，倘取得有關政府機關之同意，該企業發展基金可用作增加於中國經營業務之有關附屬公司之資本，而儲備基金則可用作抵銷虧損或用作增加該等附屬公司之資本。

其他儲備乃指由於中國經營業務之有關附屬公司予以資本化之企業發展基金。

資本儲備乃指在一九九八年進行集團重組當時，被收購之附屬公司之股份面值與本公司因進行有關收購而發行之股份之面值兩者之差額。

33. RESERVES

The enterprise expansion fund and reserve fund are set up by subsidiaries established and operated in the PRC by way of appropriation from the profit after taxation in accordance with the relevant laws and regulations in the PRC. Pursuant to the "Accounting Regulations of the People's Republic of China for Enterprises with Foreign Investment", if approvals are obtained from the relevant government authorities, the enterprise expansion fund can be used to increase the capital of the relevant PRC subsidiaries and the reserve fund can be used in setting off deficit or to increase the capital of the relevant PRC subsidiaries.

Other reserve represents the amount of the enterprise expansion fund capitalised by the relevant PRC subsidiaries.

The capital reserve represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation in 1998.

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34. 遞延稅項

以下為本集團確認之主要遞延稅項負債及資產及於現期及前期報告期內之變動：

34. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting periods:

		物業、機器及 設備重估 Revaluation of property, plant and equipment	加速 稅項折舊 Accelerated tax depreciation	稅項虧損 Tax losses	其他 Others	總額 Total
		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
於二零零四年一月一日， 原先呈列	At 1st January, 2004, as originally stated	7,730	10,492	(1,424)	(259)	16,539
會計政策變動之影響 (見附註3)	Effects of changes in accounting policies (see Note 3)	(692)	-	-	-	(692)
- 重列	- as restated	7,038	10,492	(1,424)	(259)	15,847
年內於收益表扣除 (計入)	Charge (credit) to the income statement for the year	-	1,879	(1,210)	136	805
年內於股權扣除	Charge to equity for the year	3,373	-	-	-	3,373
於二零零五年一月一日， 重列	At 1st January, 2005 as restated	10,411	12,371	(2,634)	(123)	20,025
年內於收益表扣除 (計入)	Charge (credit) to the income statement for the year	-	956	(436)	548	1,068
年內於股權扣除	Charge to equity for the year	612	-	-	-	612
於二零零五年 十二月三十一日	At 31st December, 2005	11,023	13,327	(3,070)	425	21,705

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34. 遞延稅項 (續)

就資產負債表之呈列而言，若干遞延稅項資產及負債已經對銷。以下為作財務申報用途之遞延稅項結餘分析：

34. DEFERRED TAXATION (continued)

For the purposes of balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000 (重列) (restated)
遞延稅項負債	Deferred tax liabilities	23,083	21,338
遞延稅項資產	Deferred tax assets	(1,378)	(1,313)
		21,705	20,025

於二零零五年十二月三十一日，本集團之未動用稅項虧損為19,577,000港元（二零零四年：16,880,000港元），可用作對銷未來溢利。遞延稅項資產3,070,000港元（二零零四年：2,634,000港元）已就該未動用稅項虧損19,012,000港元（二零零四年：16,436,000港元）而作出確認。由於未能預測日後溢利，故未有就餘下565,000港元（二零零四年：444,000港元）確認遞延稅項資產。其中自課稅年度起計五年到期之虧損零港元（二零零四年：260,000港元）已計入確認稅項虧損內。其他虧損可無限期結轉。

At 31st December, 2005, the Group has unused tax losses of HK\$19,577,000 (2004: HK\$16,880,000) available for offset against future profits. A deferred tax asset amounting to HK\$3,070,000 (2004: HK\$2,634,000) has been recognised in respect such losses of HK\$19,012,000 (2004: HK\$16,436,000). No deferred tax asset has been recognised in respect of the remaining HK\$565,000 (2004: HK\$444,000) due to the unpredictability of future profit streams. Included in recognised tax losses are losses of nil (2004: HK\$260,000) that will expire in five years from the year of assessment. Other losses may be carried forward indefinitely.

35. 收購業務

於二零零五年六月三十日，本集團收購安徽僑豐包裝印刷有限公司之65%股權，代價約為32,925,000港元。是項收購已採用購買法入賬。本集團於收購日期應佔安徽僑豐包裝印刷有限公司之可識別資產、負債及或然負債之公平值合共約為49,097,000港元。公平值高於收購成本之數額為已計入年內綜合收益表中之收購折讓。

於二零零五年十月三十一日，本集團透過持有60%權益之附屬公司收購昆明市穗江彩印包裝有限責任公司之60%股權，代價約為4,324,000港元。是項收購已採用購買法入賬。

35. ACQUISITION OF BUSINESSES

On 30th June, 2005, the Group acquired a 65% equity interest in Anhui Qiaofeng Package Printing Co., Ltd. at a consideration of approximately HK\$32,925,000. The acquisition has been accounted for using the purchase method. The fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities of Anhui Qiaofeng Package Printing Co., Ltd. at the date of acquisition, in aggregate, amounted to approximately HK\$49,097,000. The excess of fair value over the cost of acquisition represented the discount on acquisition credited to the consolidated income statement for the year.

On 31st October, 2005, the Group acquired a 60% equity interest in 昆明市穗江彩印包裝有限責任公司 through its 60% owned subsidiary at a consideration of approximately HK\$4,324,000. The acquisition has been accounted for using the purchase method.

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35. 收購業務 (續)

於交易所收購之資產淨值及所產生之收購折讓如下：

35. ACQUISITION OF BUSINESSES (continued)

The net assets acquired in the transactions, and the discount on acquisition arising are as follows:

	安徽僑豐包裝 印刷有限公司 Auhui Qiaofeng Package Printing Co., Ltd.		昆明市穩江 彩印包裝 有限責任公司		公平值	
	合併前被 收購方 之賬面值	公平值調整	公平值	公平值	二零零五年	二零零四年
Acquiree's carrying amount before combination	Fair value adjustments	Fair values	Fair values	Fair values	2005	2004
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 HK\$'000
所收購之資產淨值：	Net assets acquired:					
物業、機器及設備	Property, plant and equipment	13,666	292	13,958	7,089	21,047
預付租賃付款	Prepaid lease payments	2,779	8,269	11,048	-	11,048
存貨	Inventories	-	-	-	1,028	1,028
應收貿易賬款及 其他應收賬款	Trade and other receivables	-	-	-	1,985	1,985
銀行結餘及現金	Bank balances and cash	24,933	-	24,933	175	25,108
應付貿易賬款及 其他應付賬款	Trade and other payables	(7)	-	(7)	(1,601)	(1,608)
銀行借貸	Bank loans	-	-	-	(1,729)	(1,729)
遞延稅項負債	Deferred tax liabilities	-	(835)	(835)	-	(835)
		41,371	7,726	49,097	6,947	56,044
少數股東權益	Minority interests			(11,442)	(2,623)	(14,065)
收購折讓轉撥至收入	Discount on acquisition released to income			(4,730)	-	(4,730)
				32,925	4,324	37,249
總代價之方式支付：	Total consideration satisfied by:					
現金	Cash			32,925	4,324	37,249
收購所產生之現金 流出淨額：	Net cash outflow arising on acquisition:					
已付現金代價	Cash consideration paid			32,925	4,324	37,249
所收購之現金及等值物	Cash and equivalents acquired			(24,933)	(175)	(25,108)
				7,992	4,149	12,141

35. 收購業務 (續)

附註： 昆明市穗江彩印包裝有限責任公司之資產淨值於合併前之賬面值與公平值相若。

收購附屬公司產生收購折讓乃由於所收購之土地租賃權益之賬面值低於其公平市值。

由收購日期起至結算日止，所收購之附屬公司分別為本集團之營業額及本年度溢利帶來約392,000港元之貢獻及錄得1,075,000港元之虧損。

倘若收購於二零零五年一月一日已經完成，則年度集團總收益及溢利分別為1,381,172,000港元及74,165,000港元。備考資料僅為說明的用途，有關資料可能未能真實全面反映假設收購事項於二零零五年一月一日已經完成，本集團實際上會達到之收益及業績，有關資料亦並非未來業績之預測。

35. ACQUISITION OF BUSINESSES (continued)

Note: The carrying amounts of net assets of 昆明市穗江彩印包裝有限責任公司 acquired before combination approximate their fair values.

The discount on acquisition arising on the acquisition of subsidiaries is contributed to the fact that the carrying amount of leasehold interest in land acquired was well below its fair market value.

The subsidiaries acquired contributed approximately HK\$392,000 and recorded a loss of HK\$1,075,000 to the Group's turnover and profit for the year, respectively, during the year between the dates of acquisition and the balance sheet date.

Had the acquisitions been completed on 1st January 2005, total group revenue and profit for the year would have been HK\$1,381,172,000 and HK\$74,165,000 respectively. This proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of the Group that would actually have been achieved had the acquisitions been completed on 1st January, 2005, nor is it intended to be a projection of future results.

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36. 收購附屬公司

於二零零五年六月二十四日，本集團出售其於Espace IT B.V.（「ESPACE」）之全部權益予一名獨立人士，代價為800,000港元。ESPACE於出售日期及於二零零四年十二月三十一日之資產淨值如下：

36. DISPOSAL OF A SUBSIDIARY

On 24th June, 2005, the Group disposed of its entire interest in Espace IT B.V. ("ESPACE"), to an outsider for a consideration of HK\$800,000. The net assets of ESPACE at the date of disposal and at 31st December, 2004 were as follows:

		二零零五年 六月二十四日 24th June, 2005 千港元 HK\$'000	二零零四年 十二月三十一日 31st December, 2004 千港元 HK\$'000
出售之資產淨值：	NET ASSETS DISPOSED OF:		
物業、機器及設備	Property, plant and equipment	200	211
存貨	Inventories	-	413
應收貿易賬款及 其他應收賬款	Trade and other receivables	47,189	48,069
銀行結餘及現金	Bank balances and cash	150	526
應付貿易賬款及 其他應付賬款	Trade and other payables	(47,372)	(44,563)
		167	4,656
出售之收益	Gain on disposal	633	
總代價	Total consideration	800	
支付方式：	Satisfied by:		
現金	Cash	800	
出售所產生之現金 流入淨額：	Net cash inflow arising on disposal:		
現金代價	Cash consideration	800	
出售之銀行結餘及現金	Bank balances and cash disposed of	(150)	
		650	

36. 收購附屬公司 (續)

年內，ESPACE為本集團之本年度溢利帶來約274,000港元之虧損(二零零四年：溢利484,000港元)及為本集團之現金流量帶來經營現金流量減少淨額約376,000港元(二零零四年：505,000港元)。

37. 主要非現金交易

於二零零五年十二月，本集團出售其於聯營公司3togo之全部權益予一名獨立第三方，代價為29,112,000港元，當中2,911,200港元已於訂立買賣協議時以現金支付。餘額於二零零五年十二月三十一日尚未支付。於二零零五年十二月三十一日，應收3togo之款項約12,690,000港元已於是項出售時重新分類為短期應收貸款。

38. 或然負債

於結算日，本集團並無任何重大或然負債。

36. DISPOSAL OF A SUBSIDIARY (continued)

During the year, ESPACE recorded a loss of approximately HK\$274,000 (2004: profit of HK\$484,000) to the Group's profit for the year and net decrease in operating cash flow of approximately HK\$376,000 (2004: HK\$505,000) to the Group's cash flows.

37. MAJOR NON-CASH TRANSACTIONS

In December 2005, the Group disposed of its entire interest in 3togo, an associate to an independent third party, for consideration of HK\$29,112,000 of which HK\$2,911,200 was paid in cash upon the signing of the sales and purchase agreement. The remaining balance was unpaid as at 31st December, 2005. At 31st December, 2005, the amount due from 3togo of approximately HK\$12,690,000 was reclassified to short-term loans receivable upon this disposal.

38. CONTINGENT LIABILITIES

The Group had no significant contingent liabilities at the balance sheet date.

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39. 經營租約承擔

本集團作為承租人

根據經營租約，有關土地及樓宇於年內支付之最低租賃款項為494,000港元（二零零四年：830,000港元）。

於結算日，本集團於以下期間屆滿之不可取消經營租約須承擔支付之未來最低租賃款項如下：

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
一年內	Within one year	521	470
第二至第五年 (包括首尾兩年)	In the second to fifth years inclusive	1,644	1,549
超過五年	Over five years	2,402	2,723
		4,567	4,742

經營租約款項指本集團就其若干辦公室物業應付之租金。租約乃經磋商達成，平均租期為8年，租賃期間之租金不變。

39. OPERATING LEASE COMMITMENTS

The Group as lessee

Minimum lease payments paid under operating leases in respect of office premises during the year amounted to approximately HK\$494,000 (2004: HK\$830,000).

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

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for an average term of 8 years and rental are fixed throughout the lease period.

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39. 經營租約承擔 (續)

本集團作為出租人

於年內所賺取之廠房及機器租金收入為1,086,000港元(二零零四年: 1,086,000港元)。預期廠房及機器可按持續方式,帶來每年11%之租金回報。所有持有之廠房及機器均已租戶承諾於來年租賃。

於結算日,本集團有最低租約收入1,801,000港元(二零零四年: 1,815,000港元)。最低租約收入指本集團就根據不可取消經營租約之廠房及機器而應收之租金,該等不可取消經營租約將於結算日起計一年內屆滿。

40. 資本承擔

39. OPERATING LEASE COMMITMENTS (continued)

The Group as lessor

Plant and machinery rental income earned during the year was approximately HK\$1,086,000 (2004: HK\$1,086,000). The plant and machinery are expected to generate rental yields of 11% per annum on an ongoing basis. All of the plant and machinery held have committed tenants for the next year.

At the balance sheet date, the Group had minimum lease receipts of approximately HK\$1,801,000 (2004: HK\$1,815,000), which represent rentals receivable by the Group for their plant and machinery under non-cancellable operating leases which fall due within one year after the balance sheet date.

40. CAPITAL COMMITMENTS

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
收購物業、機器及設備之資本性開支,已訂約但未於綜合賬目撥備	Capital expenditure in respect of the acquisition of property, plant and equipment contracted but not provided in the consolidated financial statements	10,270	42,121
收購物業、機器及設備之資本性開支,已授權但未訂約	Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for	1,491	—

賬目附註 Notes to the Financial Statements

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

41. 抵押資產

於二零零四年十二月三十一日，本集團賬面值合共為29,454,000港元之若干物業、機器及設備已抵押予銀行，作為本集團所獲銀行信貸之保證。有關抵押已於本年度解除。

42. 退休福利計劃

本集團已為本公司及其香港附屬公司之所有合資格僱員管理一項強制性公積金計劃，並按僱員之基本薪金之5%供款。該計劃之資產存放於信託人控制之基金，與本集團之資產分開持有。

在中國經營業務之附屬公司均須參加一個由有關地方政府機關管理之定額供款退休金計劃，並須按僱員之基本薪金之20%至23%不等，向有關退休金計劃供款。本集團就退休福利計劃之責任僅為作出特定供款。

於結算日，並無因僱員悉數取得供款前退出退休福利計劃而可用作本集團在未來年度應繳供款之沒收供款。

41. PLEDGE OF ASSETS

As at 31st December, 2004, certain of the Group's property, plant and equipment with an aggregate carrying value amounting HK\$29,454,000 were pledged to banks for banking facilities granted to the Group. Such security was released during the current year.

42. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees of the Company and its subsidiaries in Hong Kong at the rate of 5% of the basic salaries of their employees. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees.

The subsidiaries operating in the PRC are required to participate in a defined contribution retirement scheme organised by relevant local government authorities and contribute to the retirement scheme at rates ranging from 20% to 23% of the basic salaries of their employees. The only contribution of the Group with respect to the retirement benefit plan is to make the specified contributions.

At the balance sheet date, there were no forfeited contributions in respect of employees leaving the retirement benefits schemes before they were fully vested in the contributions and which were available to reduce the contributions payable by the Group in future years.

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43. 關連人士交易

本集團在年內與關連人士進行之交易如下：

關連人士名稱 Name of related parties	交易性質 Nature of transactions	二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
雲南省昭通市財政局 (附註a) Finance Bureau of Zhaotong City, Yunnan Province (Note a)	本集團已付之租金 Rental paid by the Group	96	94
任我行通訊網 有限公司(附註b) 3togo.com Limited (Note b)	本集團收取之利息收入 Interest income received by the Group	855	455

附註：

(a) 雲南省昭通市財政局乃雲南昭通資產管理有限公司(「雲南昭通資產管理」)之監管單位。雲南昭通資產管理持有本公司附屬公司之30%股權。

(b) 任我行通訊網有限公司為本集團前聯營公司3togo Globalcom Limited之全資附屬公司。

本集團與關連人士於二零零五年十二月三十一日之尚未清算款項餘額詳情分別載於綜合資產負債表及附註23、28及29。

43. RELATED PARTY TRANSACTIONS

During the year, the Group had transactions with the related parties as follows:

Notes:

(a) Finance Bureau of Zhaotong City, Yunnan Province, is the supervisory unit of Yunnan Zhaotong stated-owned Asset Administration Company Limited ("YZSAACL"). YZSAACL holds a 30% equity interest in a subsidiary of the Company.

(b) 3togo.com Limited is a wholly-owned subsidiary of 3togo Globalcom Limited, a former associate of the Group.

Details of the Group's outstanding balances with the related parties at 31st December, 2005 are set out on the consolidated balance sheet and Notes 23, 28 and 29.

賬目附註 Notes to the Financial Statements

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44. 本公司之資產負債表

本公司於各結算日之資產負債表如下：

44. BALANCE SHEET OF THE COMPANY

The balance sheet of the Company at each of the balance sheet dates are as follows:

		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
	附註 Note		
非流動資產	Non-Current Assets		
於附屬公司之投資	Investments in subsidiaries	44,088	44,088
流動資產	Current Assets		
應收附屬公司款項	Amounts due from subsidiaries	553	121,618
其他應收款項、訂金 及預付款項	Other receivables, deposits and prepayments	108,227	1,302
銀行結餘及現金	Bank balances and cash	357	243
		109,137	123,163
流動負債	Current Liabilities		
其他應付款項	Other payables	850	750
應付附屬公司款項	Amount due to subsidiaries	-	13,216
		850	13,966
流動資產淨值	Net Current Assets	108,287	109,197
		152,375	153,285
股本及儲備	Capital and Reserves		
股本	Share capital	26,769	26,769
儲備	Reserves (a)	125,606	126,516
		152,375	153,285

賬目附註 Notes to the Financial Statements

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

44. 本公司之資產負債表 (續)

附註：

(a) 儲備

44. BALANCE SHEET OF THE COMPANY (continued)

Note:

(a) Reserves

		股份溢價 Share premium 千港元 HK\$'000	實繳盈餘 Contributed surplus 千港元 HK\$'000	保留溢利 Retained profits 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零零四年一月一日	At 1st January, 2004	87,029	29,509	–	116,538
發行股份所產生之溢價	Premium arising from issue of shares	3,020	–	–	3,020
本年度溢利	Profit for the year	–	–	28,332	28,332
已付股息	Dividend paid	–	–	(21,374)	(21,374)
於二零零四年十二月三十一日	At 31st December, 2004	90,049	29,509	6,958	126,516
本年度溢利	Profit for the year	–	–	21,309	21,309
已付股息	Dividend paid	–	–	(22,219)	(22,219)
於二零零五年十二月三十一日	At 31st December, 2005	90,049	29,509	6,048	125,606

本公司之實繳盈餘乃指 Kith Limited 之綜合股東資金於被本公司購入當日之現值與本公司在一九九八年進行集團重組當時因進行有關收購而發行之本公司股份之面值兩者之差額。

The contributed surplus of the Company represents the difference between the consolidated shareholders' funds of Kith Limited at the date on which they were acquired by the Company, and the nominal amount of the Company's shares issued for the acquisition at the time of the group reorganisation in 1998.

賬目附註 Notes to the Financial Statements

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

44. 本公司之資產負債表 (續)

附註：(續)

根據百慕達一九八一年公司法案(經修訂)，本公司之實繳盈餘賬可供分派。然而，本公司在下列情況下不可以實繳盈餘賬內之款項宣派或派付股息或作出任何分派：

- (a) 倘本公司當時或在派付股息後無法償還到期應付之欠債；或
- (b) 其資產之可變現價值少於其欠債、已發行股本及股份溢價賬之總和。

於二零零五年十二月三十一日，本公司可供向股東派發之儲備約為35,557,000港元(二零零四年：36,467,000港元)。

44. BALANCE SHEET OF THE COMPANY (continued)

Note: (continued)

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

The reserve available for distribution by the Company to the shareholders as at 31st December, 2005 is approximately HK\$35,557,000 (2004: HK\$36,467,000).

賬目附註 Notes to the Financial Statements

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

45. 主要附屬公司之資料

於二零零五年十二月三十一日，本公司之主要附屬公司之資料如下：

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES

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

附屬公司名稱	註冊成立/ 登記地點	已發行及繳足 普通股股本/ 註冊股本 Issued and fully paid ordinary share capital/ registered capital	已發行/註冊股本百分比		主要業務	
Name of subsidiary	Place of incorporation/ registration		Percentage of issued/ registered capital	本公司/ 附屬公司所持 Held by the Company/ subsidiaries %	本集團 應佔 Attributable to the Group %	Principal activities
安徽僑豐包裝印刷 有限公司(附註1)	中國	6,380,000美元	65	65	印刷及製造包裝產品	
Anhui Qiaofeng Package Printing Co., Ltd. (Note 1)	PRC	US\$6,380,000	65	65	Printing and manufacturing of packaging products	
永發實業有限公司	香港	2港元	100	100	投資控股	
Ever Honest Industries Limited	Hong Kong	HK\$2	100	100	Investment holding	
勁富投資有限公司	香港	2港元	100	100	投資控股	
Gainful Investments Limited	Hong Kong	HK\$2	100	100	Investment holding	
寶駿有限公司	香港	2港元	100	100	投資控股	
Good Cheers Limited	Hong Kong	HK\$2	100	100	Investment holding	
Grand Vista Investments Limited#	英屬處女群島	4美元	100	100	投資控股	
	British Virgin Islands	US\$4	100	100	Investment holding	
哈爾濱高美印刷有限公司 (附註1)	中國	2,500,000美元	80	80	印刷及製造包裝產品	
Harbin Gaomei Printing Company Limited (Note 1)	PRC	US\$2,500,000	80	80	Printing and manufacturing of packaging products	
Kith Commulink Limited#	英屬處女群島	1美元	100	100	投資控股	
	British Virgin Islands	US\$1	100	100	Investment holding	
僑威信貸有限公司	香港	4港元	100	100	提供財務服務	
Kith Credit Limited	Hong Kong	HK\$4	100	100	Provision of financial services	

賬目附註 Notes to the Financial Statements

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

45. 主要附屬公司之資料 (續)

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

附屬公司名稱	註冊成立/ 登記地點	已發行及繳足 普通股股本/ 註冊股本 Issued and fully paid ordinary share capital/ registered capital	已發行/註冊股本百分比		主要業務	
Name of subsidiary	Place of incorporation/ registration		Percentage of issued/ registered capital	本公司/ 附屬公司所持 Held by the Company/ subsidiaries %	本集團 應佔 Attributable to the Group %	Principal activities
僑威電子有限公司 Kith Electronics Limited	香港 Hong Kong	4港元 HK\$4	100 100	100 100	100 100	分銷電子零件 Distribution of electronic components
Kith Limited*	英屬處女群島 British Virgin Islands	4美元 US\$4	100 100	100 100	100 100	投資控股 Investment holding
僑威設備有限公司 Kith OE Limited	香港 Hong Kong	4港元 HK\$4	100 100	100 100	100 100	出租資產 Leasing of assets
僑威資源有限公司 Kith Resources Limited	香港 Hong Kong	4港元 HK\$4	100 100	100 100	100 100	向集團公司 提供財務服務 Provision of financial services to group companies
僑威供應有限公司 Kith Supplies Limited	香港 Hong Kong	4港元 HK\$4	100 100	100 100	100 100	分銷其他產品 Distribution of miscellaneous products
Prime View Investments Limited*	英屬處女群島 British Virgin Islands	4美元 US\$4	100 100	100 100	100 100	投資控股 Investment holding
雲南僑通包裝印刷有限公司 (附註1)	中國	18,000,000美元	60	60	60	印刷及製造包裝產品
Yunnan Qiaotong Package Printing Co., Ltd. (Note 1)	PRC	US\$18,000,000	60	60	60	Printing and manufacturing of packaging products

賬目附註 Notes to the Financial Statements

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

45. 主要附屬公司之資料 (續)

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

附屬公司名稱	註冊成立/ 登記地點	已發行及繳足 普通股股本/ 註冊股本 Issued and fully paid ordinary share capital/ registered capital	已發行/註冊股本百分比		主要業務
Name of subsidiary	Place of incorporation/ registration		Percentage of issued/ registered capital		Principal activities
			本公司/ 附屬公司所持 Held by the Company/ subsidiaries %	本集團 應佔 Attributable to the Group %	
昆明市穗江彩印包裝有限 責任公司 (附註2) (Note 2)	中國 PRC	人民幣7,500,000元 RMB7,500,000	60	36	印刷及製造包裝產品 Printing and manufacturing of packaging products
昆明僑通印刷設計有限公司 (附註2) (Note 2)	中國 PRC	人民幣830,000元 RMB830,000	70	42	提供印刷及設計服務 Provision of printing and design services
昭通新僑彩印有限公司 (附註2) Zhaotong Xinqiao Printing Co., Ltd. (Note 2)	中國 PRC	人民幣6,200,000元 RMB6,200,000	100	60	印刷及製造包裝產品 Printing and manufacturing of packaging products

主要在香港(而並非在彼等各自之註冊/成立地點)經營業務之公司。

Companies operate principally in Hong Kong instead of in their respective places of incorporation/establishment.

本公司直接持有Kith Limited之權益。上述之所有其他權益均由本公司間接持有。

The Company directly holds the interest in Kith Limited. All other interests above are indirectly held by the Company.

賬目附註 Notes to the Financial Statements

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

45. 主要附屬公司之資料 (續)

附註：

- (1) 該等公司均為於中國成立之中外合資合營企業。
- (2) 該公司為於中國成立之有限公司。

上述各附屬公司在年終時或在年內任何時間概無任何仍然存在之債務證券。

上表載列董事認為主要影響本集團本年度業績或構成本集團年終時資產淨值主要部份之本公司附屬公司。董事相信，如載列全部附屬公司之詳情，會使資料過於冗長。

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Notes:

- (1) These companies are sino-foreign equity joint ventures established in the PRC.
- (2) The company is a limited liability company established in the PRC.

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

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