

1. Corporate Information

Shenzhen Investment Limited is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Kowloon, Hong Kong.

During the year, the Group was involved in the following principal activities:

- Property development
- Property investment
- Property management
- Provision of transportation services
- Manufacture and sale of industrial and commercial products
- Infrastructure investment
- Provision of information technological services

In the opinion of the directors, the parent and the ultimate holding company of the Group is Shum Yip Holdings Company Limited (“Shum Yip Holdings”), which is a private company incorporated in Hong Kong.

2.1 Basis of Preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which also include Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, certain buildings and equity investments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司資料

深圳控股有限公司乃一家香港成立之有限責任公司。本公司之註冊辦事處位於香港九龍科學館道9號新東海商業中心八樓。

年內，本集團主要從事下列業務：

- 物業發展
- 物業投資
- 物業管理
- 提供運輸服務
- 工業及商業產品之製造及銷售
- 基建投資
- 提供資訊科技服務

董事認為，本集團之母公司及最終控股公司為於香港註冊成立之私人公司－深業（集團）有限公司（「深業集團」）。

2.1 編製之基準

此等財務報表乃按香港會計師公會頒佈之香港財務報告準則（亦包括香港會計準則及詮釋）、香港公認會計原則及香港公司條例編製。報表乃根據歷史成本記賬法編製，除投資物業、若干物業及權益性投資已按其公允價值衡量。該等財務報表以香港元（「港元」）代表，而除另有所指外，所有數值已四捨五入至最接近千位。

2.1 Basis of Preparation (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2005. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

2.2 Impact of New and Revised Hong Kong Financial Reporting Standards

The following new and revised HKFRSs affect the Group and are adopted for the first time for the current year's financial statements:

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 11	Construction Contracts
HKAS 12	Income Taxes
HKAS 14	Segment Reporting
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 19	Employee Benefits
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 23	Borrowing Costs
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 28	Investments in Associates
HKAS 32	Financial Instruments: Disclosure and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets

2.1 編製之基準 (續)

綜合賬目之基準

綜合財務報表收納本公司及其附屬公司截至二零零五年十二月三十一日止年度之財務報表。附屬公司之業績乃由收購之日起合併，即自被集團控制起之日，而繼續合併直至控制權停止為止。所有集團公司間之重大交易及結餘乃於合併賬目時對銷。

少數股東權益指街外股東佔本公司之附屬公司之業績及淨資產之權益。

2.2 新訂及經修訂香港財務報告準則之影響

影響本集團並於本年度財務報表首次採用之新訂及經修訂香港財務報告準則如下：

香港會計準則第1號	財務報表之呈列
香港會計準則第2號	存貨
香港會計準則第7號	現金流量表
香港會計準則第8號	會計政策、會計估計之變動及差錯
香港會計準則第10號	結算日後事項
香港會計準則第11號	建築合約
香港會計準則第12號	所得稅
香港會計準則第14號	分部報告
香港會計準則第16號	物業、廠房及設備
香港會計準則第17號	租賃
香港會計準則第18號	收益
香港會計準則第19號	僱員福利
香港會計準則第21號	外幣匯率變動之影響
香港會計準則第23號	借款成本
香港會計準則第24號	關連人士之披露
香港會計準則第27號	綜合及獨立財務報表
香港會計準則第28號	於聯營公司之投資
香港會計準則第32號	金融工具：披露及呈列
香港會計準則第33號	每股盈利
香港會計準則第36號	資產減值

2.2 Impact of New and Revised Hong Kong Financial Reporting Standards (continued)

HKAS 37	Provisions, Contingent Liabilities and Contingent Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKAS 39 Amendment	Transition and Initial Recognition of Financial Assets and Financial Liabilities
HKAS 40	Investment Property
HKFRS 2	Share-based Payment
HKFRS 3	Business Combinations
HK(SIC)-Int 21	Income Taxes – Recovery of Revalued Non-depreciable Assets
HK-Int 3	Revenue – Pre-completion Contracts for the Sale of Development Properties
HK-Int 4	Lease – Determination of the Length of Lease Term in respect of Hong Kong Land Leases

The adoption of HKASs 2, 7, 8, 10, 11, 12, 14, 16, 18, 19, 21, 23, 27, 28, 33, 37, 38, 39 Amendment, HK-Int 4 and HK(SIC)-Int 21 has had no material impact on the accounting policies of the Group and the Company and the methods of computation in the Group's and the Company's financial statements.

HKAS 1 has affected the presentation of minority interests on the face of the consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity and other disclosures. In addition, in prior years, the Group's share of tax attributable to associates was presented as a component of the Group's total tax charge/(credit) in the consolidated income statement. Upon the adoption of HKAS 1, the Group's share of the post-acquisition results of associates is presented net of the Group's share of tax attributable to associates.

HKAS 24 has expanded the definition of related parties and affected the Group's related party disclosures.

2.2 新訂及經修訂香港財務報告準則之影響 (續)

香港會計準則第37號	撥備、或然負債及或然資產
香港會計準則第38號	無形資產
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39號修訂本	金融資產及金融負債過渡及初步確認
香港會計準則第40號	投資物業
香港財務報告準則第2號	以股份支付之款項
香港財務報告準則第3號	商業合併
香港(常設解釋委員會)詮釋第21號	所得稅－無折舊資產之重估值回收
香港詮釋第3號	收益－發展中物業完工前之預售合約
香港詮釋第4號	租賃－釐定香港土地租賃之租期期限

採納香港會計準則第2、7、8、10、11、12、14、16、18、19、21、23、27、28、33、37、38號、39號修訂本、香港詮釋第4號及香港(常設解釋委員會)詮釋第21號對本集團及本公司之會計政策及本集團及本公司財務報表之計算方法並無重大影響。

香港會計準則第1號影響綜合資產負債表、綜合收益表及綜合權益變動表及其他披露內之少數股東權益呈報。此外，在過往年度，本集團應佔之聯營公司應佔稅項於綜合收益表中乃呈列作本集團總稅項支出/(抵免)之部分。於採納香港會計準則第1號後，本集團應佔聯營公司收購後業績乃於扣除本集團之應佔聯營公司應佔稅項後入賬。

香港會計準則第24號已將關連人士之定義擴大，並影響本集團之關連人士披露。

2.2 Impact of New and Revised Hong Kong Financial Reporting Standards (continued)

The impact of adopting the other HKFRSs is summarised as follows:

(a) HK-Int 3 Revenue – Pre-completion Contracts for the Sale of Development Properties

In prior years, properties under development which had been pre-sold were stated at cost plus attributable profits less sales deposits/instalments received and any foreseeable losses, and were classified under current assets. When properties under development had been pre-sold, the total estimated profit was apportioned over the entire period of construction to reflect the progress of the development. On this basis, profit recognised on properties pre-sold during the period was calculated by reference to the proportion of construction costs incurred up to the balance sheet date to the estimated total construction costs to completion, limited to the amount of sales deposits/instalments received under legally binding contracts at the balance sheet date, with due allowances for contingencies. Revenue was recognised from the pre-sale of properties under development, when the construction work had progressed to a stage where the ultimate realisation of profit can be reasonably determined.

Upon the adoption of HK-Int 3, revenue from development properties sold before the completion of construction is recognised only when the following conditions are satisfied:

- (i) The risks and rewards of ownership have been transferred to the buyers;
- (ii) The Group does not retain continuing managerial involvement to the extent usually associated with ownership nor effective control over the properties sold;
- (iii) The amounts of revenue and costs can be measured reliably; and
- (iv) It is probable that the economic benefits associated with the transaction will flow to the Group.

2.2 新訂及經修訂香港財務報告準則之影響 (續)

採納其他香港財務報告準則之影響概述如下：

(a) 香港詮釋第3號 收益－發展中物業完工前之預售合約

於過往年度，已作預售之發展中物業以成本加應佔溢利減已收銷售按金／分期款項及任何可預見虧損列賬，並分類為流動資產。倘已預售發展中物業，估計溢利總額將按整個建築期間分攤以反映發展進度。就此，於期間預售物業之已確認溢利將參照直至結算日產生之建築成本與估計竣工時之總建築成本之比例計算，惟以於結算日根據具法律約束力之合約已收取之銷售按金／分期款項數額為限，並就或然事項作出適當撥備。預售發展中物業所得收入乃於建築工程達至可合理地計算最終變現之利潤時確認。

於採納香港詮釋第3號後，建築工程完成前之出售發展物業收入僅於符合下列條件時方獲確認：

- (i) 擁有權之風險及報酬已轉讓予買家；
- (ii) 本集團不再參與一般與擁有權相聯繫之持續管理，對已出售之物業亦無實際控制權；
- (iii) 收入及成本可作出可靠計算；及
- (iv) 與交易相聯之經濟利益將可能流入本集團。

2.2 Impact of New and Revised Hong Kong Financial Reporting Standards *(continued)*

(a) HK-Int 3 Revenue – Pre-completion Contracts for the Sale of Development Properties *(continued)*

In accordance with the transitional provision of HK-Int 3, the Group chooses not to apply this interpretation retrospectively to pre-completion contracts for the sale of development properties entered into before 1 January 2005. It continues to account for those contracts under the accounting policies used prior to the application of this interpretation until all revenue on those contracts has been recognised. Any pre-completion contracts for the sale of development properties entered into on or after 1 January 2005 are accounted for using the new accounting policy. Upon the adoption of HK-Int 3, properties under development, for which pre-sales have not yet commenced, and those which have been pre-sold on or after 1 January 2005 are stated at cost less any impairment losses. The effects of the above changes are the decrease in revenue and profit attributable to equity holders of the parent of HK\$133,653,000 and HK\$36,096,000, respectively, for the year ended 31 December 2005.

(b) HKAS 17 – Leases

In prior years, leasehold land and buildings held for own use were stated at cost or 1997 valuation less accumulated depreciation and any impairment losses.

Upon the adoption of HKAS 17, the Group's leasehold interest in land and buildings is separated into leasehold land and leasehold buildings. The Group's leasehold land is classified as an operating lease, while buildings continue to be classified as part of property, plant and equipment. Prepaid land premiums for land lease payments under operating leases are initially stated at cost and subsequently amortised on the straight-line basis over the lease term. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

2.2 新訂及經修訂香港財務報告準則之影響 (續)

(a) 香港詮釋第3號 收益－發展中物業完工前之預售合約 (續)

根據香港詮釋第3號之過渡條文，本集團不選擇於二零零五年一月一日前簽訂之發展中物業完工前之預售合約追溯應用本詮釋。本集團將繼續使用本詮釋應用前之會計政策對該等合約進行會計處理，直至該等合約之所有收入獲確認為止。任何於二零零五年一月一日或之後訂立之發展中物業完工前之預售合約均使用新會計政策入賬。於採納香港詮釋第3號後，未開始預售及已於二零零五年一月一日或之後預售之發展中物業，均以成本減任何減值虧損入賬。上述變動之影響為截至二零零五年十二月三十一日止年度之收益及母公司權益持有人應佔溢利分別減少133,653,000港元及36,096,000港元。

(b) 香港會計準則第17號－租賃

於過往年度，持作自用之租賃土地及樓宇乃按成本值入賬，或按一九九七年之估值減任何累計折舊及任何減值虧損入賬。

於採納香港會計準則第17號後，本集團之土地及樓宇租賃權益將分開為租賃土地及租賃樓宇。本集團將租賃土地歸類為經營租賃，而樓宇則繼續歸類為物業、廠房及設備之一部分。經營租賃項下土地租賃款項之預付土地租金最初按成本入賬，其後則按租賃期以直線基準攤銷。倘租賃款項無法可靠地於土地及樓宇之間作出分配，整筆租賃款項則計入土地及樓宇成本作為物業、廠房及設備之融資租賃。

2.2 Impact of New and Revised Hong Kong Financial Reporting Standards (continued)

(b) HKAS 17 – Leases (continued)

This change in accounting policy has had no effect on the consolidated income statement and retained profits.

(c) HKAS 32 and HKAS 39 – Financial Instruments

Equity securities

In prior years, the Group classified its investments in equity securities as long term investments, which were held for non-trading purposes and were stated at their fair values on an individual basis with gains and losses recognised as movements in the investment revaluation reserve. Upon the adoption of HKAS 39, these securities held by the Group at 1 January 2005 in the amount of HK\$31,191,000 are designated as available-for-sale investments under the transitional provisions of HKAS 39 and accordingly are stated at fair value with gains or losses being recognised as a separate component of equity until subsequent derecognition or impairment.

In prior years, the Group classified its investments in equity securities for trading purposes as short term investments, and were stated at their fair values on an individual basis with gains and losses recognised in the income statement. Upon the adoption of HKAS 39, these securities held by the Group at 1 January 2005 in the amount of HK\$2,900,000 are designated as financial assets at fair value through profit or loss under the transitional provisions of HKAS 39 and accordingly are stated at fair value with gains or losses being recognised in the income statement.

The adoption of HKAS 39 has not resulted in any change in the measurement of these equity securities.

2.2 新訂及經修訂香港財務報告準則之影響 (續)

(b) 香港會計準則第17號 – 租賃 (續)

此項會計政策之變動對綜合收益表及保留溢利並無造成任何影響。

(c) 香港會計準則第32及39號 — 金融工具

權益性證券

於過往年度，本集團將其於權益性證券之投資分類為長期投資，持作非買賣用途，並按個別基準以其之公允值入賬，投資盈虧確認為投資重估儲備之變動。於採納香港會計準則第39號後，本集團於二零零五年一月一日持有為數31,191,000港元之該等證券，根據香港會計準則第39號之過渡條文乃列作可供出售投資，亦因此而按公允值入賬，產生之盈虧作為權益之一個單獨之組成部分來確認，直至其後終止確認或減值為止。

於過往年度，本集團將其持作買賣用途之權益性證券投資分類為短期投資，並按個別基準以其公允值入賬，投資盈虧於收益表中確認。於採納香港會計準則第39號後，本集團於二零零五年一月一日持有為數2,900,000港元之該等證券，根據香港會計準則第39號之過渡條文列作透過損益按公允值計算之金融資產，亦因此按公允值入賬，而其盈虧於收益表確認。

採納香港會計準則第39號對此等權益性證券之計量並無造成任何變動。

2.2 Impact of New and Revised Hong Kong Financial Reporting Standards *(continued)*

(d) HKAS 40 – Investment Property

In prior years, changes in the fair values of investment properties were dealt with as movements in the investment property revaluation reserve. If the total of this reserve was insufficient to cover a deficit, on a portfolio basis, the excess of the deficit was charged to the income statement. Any subsequent revaluation surplus was credited to the income statement to the extent of the deficit previously charged.

Upon the adoption of HKAS 40, gains or losses arising from changes in the fair values of investment properties are included in the income statements of the Group and its associates in the year in which they arise. In accordance with the transitional provisions of HKAS 40, the opening balance of retained profits and the results for the comparative period have been restated to reflect this change retrospectively. The effects of the above change are summarised in note 2.4 to the financial statements.

(e) HKFRS 2 – Share-based Payment

In prior years, no recognition and measurement of share-based payment transactions in which employees (including directors) were granted share options over shares in the Company was required until such options were exercised by employees that the share capital and share premium were credited with the proceeds received.

Upon the adoption of HKFRS 2, when employees (including directors) render services as consideration for equity instruments (“equity-settled transactions”), the cost of the equity-settled transactions with employees is measured by reference to the fair value at the date at which the instruments are granted.

2.2 新訂及經修訂香港財務報告準則之影響 (續)

(d) 香港會計準則第40號 – 投資物業

於過往年度，投資物業公允值之變動乃作為投資物業重估儲備之變動處理。按組合基準而言，倘儲備總額不足以彌補虧絀，虧絀數額之多出部分則在收益表中扣除。任何其後之重估盈餘會按過往扣除之虧絀為限計入收益表。

於採納香港會計準則第40號後，投資物業公允值變動產生之收益或虧損乃計入產生年度之本集團或本集團之聯營公司之收益表中。根據香港會計準則第40號之過渡條文，保留溢利之期初結餘及比較期間之業績已予以重列，以追溯反映此項變動。上述變動之影響於下文附註2.4中概述。

(e) 香港財務報告準則第2號 – 以股份支付之款項

於過往年度，並無確認或計算以股份支付款項之交易，即僱員（包括董事）獲授本公司股份之購股權，直至僱員行使該等購股權時，以收到之所得款項貸記股本及股份溢價。

於採納香港財務報告準則第2號後，當僱員（包括董事）以提供服務為股本工具之代價（「以股本結算之交易」）時，與僱員進行以股本結算之交易之成本將參考授出該等工具當日之公允值計算。

2.2 Impact of New and Revised Hong Kong Financial Reporting Standards (continued)

(e) HKFRS 2 – Share-based Payment (continued)

The main impact of HKFRS 2 on the Group is the recognition of the cost of these transactions and a corresponding entry to equity for employee share options. The revised accounting policy for share-based payment transactions is described in more detail in note 2.5 “Summary of significant accounting policies” below.

The Group has adopted the transitional provisions of HKFRS 2 under which the new recognition and measurement policies have not been applied to all options granted to employees on or before 7 November 2002.

The Group has recognised the cost of options which were granted during the year in the current year’s income statement in accordance with the revised accounting policy. The adoption of HKFRS 2 has had no impact on the retained profit as at 31 December 2003 and at 31 December 2004.

The effects of adopting HKFRS 2 are summarised in note 2.4 to the financial statements.

(f) HKFRS 3 – Business Combinations and HKAS 36 – Impairment of Assets

In prior years, goodwill arising on acquisitions prior to 1 January 2001 was eliminated against consolidated retained profits in the year of acquisition and was not recognised in the income statement until disposal or impairment of the acquired business.

Negative goodwill arising on acquisitions on or after 1 January 2001 was carried in the balance sheet and was recognised in the consolidated income statement on a systematic basis over the remaining average useful life of the acquired depreciable/amortisable assets.

2.2 新訂及經修訂香港財務報告準則之影響 (續)

(e) 香港財務報告準則第2號 – 以股份支付之款項 (續)

香港財務報告準則第2號對本集團之主要影響為就僱員之購股權而言之此等交易成本及相應權益入賬之確認。經修訂的以股份支付之稅項之會計政策在下文附註2.5「主要會計政策之概要」中詳述。

本集團已採納香港財務報告準則第2號之過渡條文，據此，新訂之確認及計量政策並不適用於二零零二年十一月七日或之前向僱員授出之所有購股權。

本集團已根據經修訂之會計政策在本年度之收益表中確認於年內所授出購股權之成本。採納香港財務報告準則第2號對二零零三年十二月三十一日及二零零四年十二月三十一日之保留溢利並無影響。

採納香港財務報告準則第2號之影響於下文附註2.4中概述。

(f) 香港財務報告準則第3號 – 商業合併及香港會計準則第36號 – 資產減值

於過往年度，於二零零一年一月一日前因收購產生之商譽於收購年度之綜合保留溢利中撇銷，且不會於收益表內確認，直至收購業務出售或減值為止。

於二零零一年一月一日或之後因收購產生之負商譽計入資產負債表中，並將有系統地按所收購可折舊／可攤銷資產餘下之平均可使用年期於綜合收益表內確認。

2.2 Impact of New and Revised Hong Kong Financial Reporting Standards *(continued)*

(f) HKFRS 3 – Business Combinations and HKAS 36 – Impairment of Assets *(continued)*

The adoption of HKFRS 3 and HKAS 36 has resulted in the Group ceasing annual goodwill amortization. Goodwill previously eliminated against the retained earnings remains eliminated against the retained earnings and is not recognised in the income statement when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired. Any excess of the Group's interest in the net fair values of the acquirees' identifiable assets, liabilities and contingent liabilities over the cost of the acquisition of subsidiaries and associates (previously referred to as "negative goodwill"), after reassessment, is recognised immediately in the income statement.

The transitional provisions of HKFRS 3 have required the Group to derecognise at 1 January 2005 the carrying amounts of negative goodwill against retained profits.

The effects of the above changes are summarised in note 2.4 to the financial statements. In accordance with the transitional provisions of HKFRS 3, comparative amounts have not been restated.

2.2 新訂及經修訂香港財務報告準則之影響 *(續)*

(f) 香港財務報告準則第3號 – 商業合併及香港會計準則第36號 – 資產減值 *(續)*

採納香港財務報告準則第3號及香港會計準則第36號後，本集團停止年度商譽攤銷。過往已撇銷保留盈利之商譽則繼續於保留盈利撇銷，且當出售所有或部分與商譽有關之業務，或與商譽有關之現金產生單位減值時，不會於收益表內確認。任何本集團於所收購可辨別資產、負債及或然負債之公允淨值之權益超出收購附屬公司及聯營公司之成本數額（即過往所指之「負商譽」），經重新評估後，即時於收益表內確認。

香港財務報告準則第3號之過渡條文規定，本集團須於二零零五年一月一日對保留盈利終止確認負商譽之賬面值。

上述變動之影響已於下文附註2.4中概述。根據香港財務報告準則第3號之過渡條文，比較數字並無因而重列。

2.3 Impact of Issued but not yet Effective Hong Kong Financial Reporting Standards

The HKICPA has issued a number of new and revised HKFRSs that are not mandatory for these financial statements. The Group has not early applied these HKFRSs in these financial statements. The following new and revised HKFRSs, although not early adopted by the Group, will have impact on the Group's financial statements in the period of initial application:

HKAS 1 Amendment	Capital Disclosures
HKAS 39 & HKFRS 4 Amendments	Financial Guarantee Contracts
HKFRS 7	Financial Instruments: Disclosures

HKAS 1 Amendment shall be applied for annual periods beginning on or after 1 January 2007. The revised standard will affect the disclosures about qualitative information about the Group's objective, policies and processes for managing capital; quantitative data about what the Company regards as capital; compliance with any capital requirements; and the consequences of any non-compliance.

HKFRS 7 will replace HKAS 32 and has modified the disclosure requirements of HKAS 32 relating to financial instruments. This HKFRS shall be applied for annual periods beginning on or after 1 January 2007.

In accordance with the amendments to HKAS 39 regarding financial guarantee contracts, financial guarantee contracts are initially recognised at fair value and are subsequently measured at the higher of (i) the amount determined in accordance with HKAS 37 and (ii) the amount initially recognised, less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18.

2.3 已頒布但仍未生效香港財務報告準則之影響

香港會計師公會已頒布若干新訂及經修訂之香港財務報告準則，惟在此等財務報表中並無強制應用。本集團並無提早在此等財務報表中應該等香港財務報告準則。下列新訂及經修訂之香港財務報告準則儘管未被本集團提早採納，但將會在其開始應用期間對本集團之財務報表造成影響：

香港會計準則第1號(修訂本)	資本披露
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
香港財務報告準則第7號	金融工具：披露

香港會計準則第1號(修訂本)適用於二零零七年一月一日或之後開始之年度。經修訂之準則將影響以下事項之披露：有關本集團管理資本之目標、政策及程序之描述性資料披露；有關本公司視為資本項目之描述性數據披露；以及是否符合任何資本規定及不符合有關規定之後果。

香港財務報告準則第7號將取代香港會計準則第32號，並已修改香港會計準則第32號對金融工具之披露要求。此項香港財務報告準則適用於二零零七年一月一日或之後開始之年度。

根據香港會計準則第39號對財務擔保合約作出之修訂，財務擔保合約起初乃按公允值予以確認，惟最終乃以(i)根據香港會計準則第37號釐訂之金額；及(ii)最初確認之金額扣除(倘適用)根據香港會計準則第18號所確認之累計攤銷(以較高者為準)計量。

2.4 Summary of the Impact of Changes in Accounting Policies

2.4 會計政策變動影響之概要

(a) Effect on the consolidated balance sheet

(a) 對綜合資產負債表之影響

At 1 January 2005 於二零零五年一月一日	Effect of adopting 採納下列政策之影響			Share of opening adjustments of an associate Δ 應佔聯營 公司之 期初調整 Δ	Total 總額
	HKASs 32* and 39* 香港會計 準則第32號* 及第39號*	HKAS 40# 香港 會計準則 第40號#	HKFRS 3* 香港 財務報告 準則第3號*		
Effect of new policies (Increase/(decrease))	Changes in classification of equity investments	Surplus on revaluation of investment properties	Derecognition of negative goodwill		
新政策之影響 (增加/(減少))	權益性投資 分類變動	投資物業 重估盈餘	終止確認 負商譽	公司之 期初調整 Δ	總額
	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
Assets	資產				
Available-for-sale equity investments	可供出售權益性投資	31,191	-	-	31,191
Long term investments	長期投資	(31,191)	-	-	(31,191)
Equity investments at fair value through profit or loss	透過損益按公允值計算 之權益性投資	2,900	-	-	2,900
Short term investments	短期投資	(2,900)	-	-	(2,900)
Negative goodwill	負商譽	-	-	113,001	113,001
Interests in associates	於聯營公司之權益	-	-	436,094	437,946
					550,947
Liabilities/equity	負債/權益				
Investment property revaluation reserve	投資物業重估儲備	-	(223,180)	-	(223,180)
Investment revaluation reserve	投資重估儲備	6,485	-	-	6,485
Available-for-sale equity investments revaluation reserve	可供出售之權益性投資重估儲備	(6,485)	-	-	(6,485)
Retained profits	保留溢利	-	223,180	538,383	763,415
Minority interests	少數股東權益	-	-	10,712	10,712
					550,947

* Adjustments taken effect prospectively from 1 January 2005

* 調整於二零零五年一月一日起生效

Adjustments/presentation taken effect retrospectively

調整/呈報追溯生效

 Δ The opening adjustments of an associate were related to the derecognition of negative goodwill and financial instruments' adjustments. Δ 應佔聯營公司之期初調整與終止確認負商譽及調整金融工具有關

2.4 Summary of the Impact of Changes in Accounting Policies (continued)

2.4 會計政策變動影響之概要 (續)

(a) Effect on the consolidated balance sheet (continued)

(a) 對綜合資產負債表之影響 (續)

At 31 December 2005 於二零零五年 十二月三十一日	Effect of adopting 採納下列政策之影響				Share of opening adjustments of an associate 應佔 聯營公司 之期初調整	Total 總額
	HKASs 32 and 39 香港會計 準則第32號 及第39號	HKAS 40 香港會計 準則第40號	HKFRS 3 香港 財務報告 準則第3號	HKFRS 2 香港 財務報告 準則第2號		
Effect of new policies (Increase/(decrease)) 新政策之影響 (增加/(減少))	Changes in classification of equity investment 權益性投資 分類變動	Surplus on revaluation of investment properties 投資物業 重估盈餘	Derecognition of negative goodwill 終止確認 負商譽	Equity- settled share option arrangements 以股本 結算之 購股權安排		
	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
Assets 資產						
Available-for-sale equity investments 可供出售權益性投資	41,250	-	-	-	-	41,250
Long term investments 長期投資	(41,250)	-	-	-	-	(41,250)
Equity investments at fair value through profit or loss 透過損益按公允值計算 之權益性投資	560	-	-	-	-	560
Short term investments 短期投資	(560)	-	-	-	-	(560)
Negative goodwill 負商譽	-	-	99,590	-	-	99,590
Interests in associates 於聯營公司之權益	-	-	413,001	-	(630)	412,371
						511,961
Liabilities/equity 負債/權益						
Investment property revaluation reserve 投資物業重估儲備	-	(317,844)	-	-	-	(317,844)
Share option reserve 購股權儲備	-	-	-	16,800	-	16,800
Investment revaluation reserve 投資重估儲備	4,094	-	-	-	-	4,094
Available-for-sale equity investments revaluation reserve 可供出售權益性投資 重估儲備	(4,094)	-	-	-	-	(4,094)
Retained profits 保留溢利	-	317,844	503,528	(16,800)	(630)	803,942
Minority interests 少數股東權益	-	-	9,063	-	-	9,063
						511,961

2.4 Summary of the Impact of Changes in Accounting Policies (continued)

2.4 會計政策變動影響之概要 (續)

(b) Effect on the balances of equity at 1 January 2004 and at 1 January 2005

(b) 對於二零零四年一月一日及二零零五年一月一日權益結餘之影響

Effect of new policies (Increase/(decrease))	Effect of adopting 採納下列政策之影響					Total
	HKASs 32 and 39 香港會計 準則第32號 及第39號	HKAS 40 香港會計 準則第40號	HKFRS 3 香港 財務報告 準則第3號	Share of opening adjustments of an associate 應佔 聯營公司 之期初調整		
新政策之影響 (增加/(減少))	Changes in classification of equity investments 權益性投資 分類變動	Surplus on revaluation of investment properties 投資物業 重估盈餘	Negative goodwill 負商譽			
	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	
1 January 2004	於二零零四年一月一日					
Investment property revaluation reserve	投資物業重估儲備	-	(176,290)	-	-	(176,290)
Retained profits	保留溢利	-	176,290	-	-	176,290
						-
1 January 2005	於二零零五年一月一日					
Investment property revaluation reserve	投資物業重估儲備	-	(223,180)	-	-	(223,180)
Investment revaluation reserve	投資重估儲備	6,485	-	-	-	6,485
Available-for-sale equity investments revaluation reserve	可供出售權益性投資 重估儲備	(6,485)	-	-	-	(6,485)
Retained profits	保留溢利	-	223,180	538,383	1,852	763,415
Minority interests	少數股東權益	-	-	10,712	-	10,712
						550,947

2.4 Summary of the Impact of Changes in Accounting Policies (continued)

2.4 會計政策變動影響之概要 (續)

(c) Effect on the consolidated income statement for the years ended 31 December 2005 and 2004

(c) 對截至二零零五年及二零零四年十二月三十一日止年度綜合收益表之影響

Effect of new policies	Effect of adopting 採納下列政策之影響					Total
	HKAS 1 香港會計 準則第1號	HKAS 40 香港會計 準則第40號	HKFRS 2 香港 財務報告 準則第2號	HKFRS 3 香港 財務報告 準則第3號	Discontinuation of recognition of negative goodwill as income	
新政策之影響	應佔 聯營公司 之除稅後 溢利及虧損 HK\$'000 千港元	投資物業 重估盈餘 HK\$'000 千港元	僱員 購股權計劃 HK\$'000 千港元	負商譽不再 確認為收入 HK\$'000 千港元	應佔 聯營公司 之期初調整 HK\$'000 千港元	總額 HK\$'000 千港元
Year ended 31 December 2005	截至二零零五年十二月三十一日止年度					
Decrease in other income and gains	-	-	-	(13,411)	-	(13,411)
Increase in fair value of investment properties	-	128,111	-	-	-	128,111
Increase in other operating expenses	-	-	(16,800)	-	-	(16,800)
Decrease in amortisation of negative goodwill arising from acquisition of associates	-	-	-	(23,093)	-	(23,093)
Increase/(decrease) in share of profits and losses of associates	(26,280)	13,792	-	-	(2,482)	(14,970)
(Increase)/decrease in tax	26,280	(20,223)	-	-	-	6,057
Total increase/(decrease) in profit	-	121,680	(16,800)	(36,504)	(2,482)	65,894
Attributable to:	下列應佔:					
Equity holders of the parent	-	94,664	(16,800)	(36,504)	(2,482)	38,878
Minority interests	-	27,016	-	-	-	27,016
	-	121,680	(16,800)	(36,504)	(2,482)	65,894
Increase/(decrease) in basic earnings per share attributable to ordinary equity holders of the parent	-	HK3.82 cents 港仙	(HK0.68 cents 港仙)	(HK1.47 cents 港仙)	(HK0.10 cents 港仙)	HK1.57 cents 港仙
Increase/(decrease) in diluted earnings per share attributable to ordinary equity holders of the parent	-	HK3.82 cents 港仙	(HK0.68 cents 港仙)	(HK1.47 cents 港仙)	(HK0.10 cents 港仙)	HK1.57 cents 港仙

2.4 Summary of the Impact of Changes in Accounting Policies (continued)

(c) Effect on the consolidated income statement for the years ended 31 December 2005 and 2004 (continued)

2.4 會計政策變動影響之概要 (續)

(c) 對截至二零零五年及二零零四年十二月三十一日止年度綜合收益表之影響 (續)

Effect of new policies		Effect of adopting 採納下列政策之影響		
		HKAS 1 香港會計 準則第1號 Share of post-tax profits and losses of associates 應佔聯營公司 之除稅後 溢利及虧損 HK\$'000 千港元	HKAS 40 香港會計 準則第40號 Surplus on revaluation of investment properties 投資物業 重估盈餘 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Year ended 31 December 2004	截至二零零四年 十二月三十一日止年度			
Increase in fair value of investment properties	投資物業公允值增加	-	155,844	155,844
Increase in loss on disposal of investment properties	出售投資物業之虧損增加	-	(2,348)	(2,348)
Increase/(decrease) in share of profits and losses of associates	應佔聯營公司溢利及虧損增加 ／(減少)	(49,463)	9,218	(40,245)
(Increase)/decrease in tax	稅項(增加)／減少	49,463	(8,811)	40,652
Total increase in profit	溢利增加總額	-	153,903	153,903
Attributable to:	下列應佔:			
Equity holders of the parent	母公司權益持有人	-	67,782	67,782
Minority interests	少數股東權益	-	86,121	86,121
		-	153,903	153,903
Increase in basic earnings per share attributable to ordinary equity holders of the parent	母公司普通權益 持有人應佔 每股基本盈利增加	-	HK2.73 cents 港仙	HK2.73cents 港仙
Increase in diluted earnings per share attributable to ordinary equity holders of the parent	母公司普通權益 持有人應佔 每股攤薄盈利增加	-	HK2.72 cents 港仙	HK2.72cents 港仙

2.5 Summary of Significant Accounting Policies

Subsidiaries

A subsidiary is an entity in which the Company, directly or indirectly, controls more than half of its voting power or issued share capital or controls the composition of its board of directors; or over which the Company has a contractual right to exercise a dominant influence with respect to that entity's operation and financial policies.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Associates

An associate is an entity, not being a subsidiary or jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The results of associates are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in associates are treated as non-current assets and are stated at cost less any impairment losses.

2.5 主要會計政策之概要

附屬公司

附屬公司乃一家由本公司直接或間接控制其過半數投票權或已發行股本或控制其董事會之組成之實體；或本公司有合約上之權力，為該實體之運作及財務政策帶來主導性之影響。

計入本公司之損益表之附屬公司業績只限於已收及應收股息。本公司於附屬公司之權益乃以成本值減去任何減損後列賬。

聯營公司

聯營公司為除附屬公司及共同控制實體以外本集團持有一般不少於20%投票權之長期權益，並可對其行使重大影響力之實體。

綜合收益表及綜合儲備分別包括本集團分佔其聯營公司於收購後之業績及儲備。在綜合資產負債表上，本集團於聯營公司之權益乃根據會計權益法按本集團所佔資產淨值扣除任何減損後在綜合資產負債表上列賬。

本公司之收益表包括聯營公司之業績，惟不可多於已收股息及應收股息。本公司於聯營公司之權益被視為非流動資產，並按成本扣除任何減損列賬。

2.5 Summary of Significant Accounting Policies (continued)

Goodwill

Goodwill arising on the acquisition of subsidiaries and associates represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

Goodwill on acquisitions for which the agreement date is on or after 1 January 2005

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses. In the case of associates, goodwill is included in the carrying amount thereof, rather than as a separately identified asset on consolidated balance sheet.

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with HKAS 14 "Segment Reporting".

2.5 主要會計政策之概要 (續)

商譽

收購附屬公司及聯營公司所產生之商譽，乃指商業合併之收購成本超逾本集團於收購當日應佔被收購者之已購入可辨別資產、負債及或然負債之公允價值之數額。

協議日期為二零零五年一月一日或之後之購入商譽

因收購所產生之商譽乃作為資產於綜合資產負債表內確認，初始以成本計算，之後以成本減任何累積減值虧損計算。至於聯營公司，商譽列入其賬面值，而並非作為分開辨別之資產列入綜合資產負債表內。

每年均會檢討商譽之賬面值有否出現減值，倘出現任何事件或情況變動顯示賬面值有可能出現減值，則會作更頻繁之檢討。

用作測試減值時，由商業合併所購入之商譽，由收購日起計，分配予集團每個現金產生單位，或預期會因合併協同作用受惠之現金產生單位組，不論集團是否分配其他資產及負債至該些單位或該些單位組。每單位或單位組之商譽分配方法如下：

- 本集團為內部管理目的監察商譽的最低層次；及
- 按照香港會計準則第14號「分部報告」劃分，而不大於集團主要或次要報告之分部。

2.5 Summary of Significant Accounting Policies (continued)

Goodwill (continued)

Goodwill on acquisitions for which the agreement date is on or after 1 January 2005 (continued)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

An impairment loss recognised for goodwill is not reversed in a subsequent period.

Goodwill previously eliminated against the consolidated reserves

Prior to the adoption of SSAP 30 "Business Combinations" in 2001, goodwill arising on acquisition of subsidiaries and associates was eliminated against the consolidated retained profits in the year of acquisition. On the adoption of HKFRS 3, such goodwill remains eliminated against the consolidated retained profits and is not recognised in income statement when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

2.5 主要會計政策之概要 (續)

商譽 (續)

協議日期為二零零五年一月一日或之後之購入商譽 (續)

減值乃根據估計與商譽有關之現金產生單位 (現金產生單位組合) 之可收回數額釐訂。倘現金產生單位 (現金產生單位組合) 之可收回數額少於其賬面值，則會確認減值虧損。

倘商譽組成部份現金產生單位 (現金產生單位組合)，而該單位之業務部份經已出售，則在釐訂出售業務之盈虧時，與所出售業務有關之商譽將計入業務之賬面值。在此情況下，所出售之商譽將按所出售業務之相關價值及所保留之現金產生單位部份計算。

就商譽確認之減值虧損不會於其後期間撥回。

先前與綜合儲備對銷之商譽

於二零零一年採納會計實務準則第30號「企業合併」之前，收購產生之商譽在收購附屬公司及聯營公司年度之綜合保留溢利中對銷。於採納香港財務報告準則第3號時，當所有或部份與商譽有關的業務出售或與商譽有關的現金產生單位減值時，相關商譽繼續與綜合保留溢利對銷，而不會於收益表中確認。

2.5 Summary of Significant Accounting Policies *(continued)*

Negative goodwill (applicable to the year ended 31 December 2004)

Negative goodwill arising on the acquisition of subsidiaries and associates represents the excess of the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition, over the cost of the acquisition.

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the acquisition plan and that can be measured reliably, but which do not represent identifiable liabilities as at the date of acquisition, that portion of negative goodwill is recognised as income in the consolidated income statement when the future losses and expenses are recognised.

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the consolidated income statement on a systematic basis over the remaining average useful life of the acquired depreciable/amortisable assets. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

In the case of associates, any negative goodwill not yet recognised in the consolidated income statement is included in the carrying amount thereof, rather than as a separately identified item on the consolidated balance sheet.

On disposal of subsidiaries or associates, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of negative goodwill which has not been recognised in the consolidated income statement and any relevant reserves as appropriate. Any attributable negative goodwill previously credited to the capital reserve at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

2.5 主要會計政策之概要 (續)

負商譽 (截至二零零四年十二月三十一日止年度適用)

收購附屬公司及聯營公司產生之負商譽，乃指在收購當日本集團應佔所收購可辨別資產及負債之公允值超出收購成本之數額。

倘負商譽關乎在收購計劃中確定之預計未來虧損及支出，而且能夠可靠地計量(惟並不代表在收購當日之可確認負債)，該部份之負商譽於未來虧損及支出確認時，於綜合收益表中確認為收入。

倘負商譽於收購當日與可確定之預計未來虧損及支出無關，負商譽將有系統地按所收購可折舊／可攤銷資產餘下之平均可使用年期於綜合收益表內確認。任何負商譽之數額超過所收購之非貨幣資產公允價值之數額，將立刻確認為收入。

對於聯營公司而言，任何尚未在綜合收益表內確認之負商譽會計入其賬面值，而非以個別可確定項目於綜合資產負債表呈列。

出售附屬公司或聯營公司時，出售所得收益或虧損均參考出售當日之淨資產計算(包括尚未在綜合收益表確認之負商譽應佔數額及任何相關儲備(如適用))。以往於收購時計入資本儲備之任何應佔負商譽乃予以撥回，以計算出售之收益或虧損。

2.5 Summary of Significant Accounting Policies (continued)

Negative goodwill (applicable to the year ended 31 December 2004) (continued)

Upon the adoption of HKFRS 3, previously recognised negative goodwill was derecognised at 1 January 2005 against the opening balance of retained profits.

Excess over the cost of business combinations (applicable to business combinations for which the agreement date is on or after 1 January 2005)

Any excess of the Group's interest in the net fair value of the acquirees' identifiable assets, liabilities and contingent liabilities over the cost of acquisition of subsidiaries and associates (previously referred to as negative goodwill), after reassessment, is recognised immediately in the income statement.

The excess for associates is included in the Group's share of the associates' profit or loss in the period in which the investments are acquired.

Impairment of assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

2.5 主要會計政策之概要 (續)

負商譽 (截至二零零四年十二月三十一日止年度適用) (續)

於採納香港財務報告準則第3號時，先前被確認之負商譽已於二零零五年一月一日在保留溢利中解除確認。

超出商業合併成本的部份 (協議日期為二零零五年一月或之後之商業合併適用)

任何集團於所收購可辨別資產、負債及或然負債之公允淨值之權益超出收購附屬公司及聯營公司之成本數額 (即過往所指之「負商譽」)，經重新評估後，即時於收益表內確認。

聯營公司之超出額，乃列入投資獲收購期間內本集團應佔聯營公司溢利或虧損中。

資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試 (存貨、遞延稅項資產、金融資產及投資物業除外)，則會估計資產之可收回數額。資產之可收回數額按資產或產生現金單位之使用價值或公允值 (以較高者為準) 減銷售成本而計算，並就個別資產而確定，除非有關資產並無產生現金流入，且在頗大程度上獨立於其他資產或資產類別。在此情況下，可收回數額就資產所屬之產生現金單位而確定。

2.5 Summary of Significant Accounting Policies *(continued)*

Impairment of assets *(continued)*

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2.5 主要會計政策之概要 (續)

資產減值 (續)

只有當資產之賬面值超出其可收回值時，減值虧損才予以確認。在評估使用價值時，估計之未來現金流量乃按稅前折現率折現至彼等的現值，而稅前折現率乃反映現時市場就金錢時間價值及資產特定風險之評估。除非資產以重估值來計算價值（即減值虧損根據該重估資產之相關會計政策計算之時），否則減值虧損將計入其產生期間之收益表中。

在每個報告日會評估有否於任何過往已確認之資產減值虧損可能不再存在或可能減少之跡象。倘出現任何該等跡象，會估計可收回數額。只有當用以確定資產可收回值之估計出現更改時，才可將以往確認之減值虧損（除商譽外）回撥，但有關價值並不可高於假設過往年度並無就該資產確認任何減值虧損之情況下，該資產本來確定之賬面值（經扣除任何折舊／攤銷）。除非資產正以重估值來計算價值（即減值虧損撥回根據該重估資產之相關會計政策計算之時），否則減值虧損撥回至其產生期間之收益表中。

2.5 Summary of Significant Accounting Policies (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than constructions in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Land and buildings	Over the lease terms
Leasehold improvements	20%
Furniture, fixtures and equipment	10% to 25%
Motor vehicles	9% to 20%
Plant and machinery	10% to 25%

2.5 主要會計政策之概要 (續)

物業、廠房及設備以及折舊

除在建工程外，物業、廠房及設備乃按成本值或估值減累計折舊及任何減值虧損列值。物業、廠房及設備項目之成本值包括其購買價及任何令該資產達至現時營運狀況及地點以作原定用途之直接應佔成本。物業、廠房及設備項目投入運作後產生之開支（如修理及維修）一般按其產生之期間在收益表內扣除。倘能清楚顯示費用令物業、廠房及設備項目用途取得之預期未來經濟效益有所增加，而該項目之成本能可靠地計量，則該筆費用將撥充資本作為資產之額外成本。

物業、廠房及設備價值之變動乃於資產重估儲備變動中處理。倘儲備總額不足以彌補虧絀，按個別資產基礎，虧絀數額之多出部份將按個別資產於收益表中扣除。其後任何重估盈餘會按過往扣除之虧絀計入收益表。於出售重估資產時，就過往估值而變現之資產重估儲備之有關部份會轉撥至保留溢利作為儲備變動。

折舊乃按各項物業、廠房及設備項目之估計可使用年期以直線法撇銷其成本或估值至其殘值計算。折舊之主要年率如下：

土地及樓宇	租賃年期
租賃物業裝修	20%
傢俬、裝置及設備	10%—25%
汽車	9%—20%
廠房及機器	10%—25%

2.5 Summary of Significant Accounting Policies *(continued)*

Property, plant and equipment and depreciation *(continued)*

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Constructions in progress represents buildings under construction, which are stated at cost less any impairment losses, and are not depreciated. Cost comprises direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Constructions in progress are reclassified to the appropriate category of property, plant and equipment or investment properties when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date.

2.5 主要會計政策之概要 (續)

物業、廠房及設備以及折舊 (續)

倘一項物業、廠房及設備項目之部份之使用年期不同，該項目之成本或估值乃於有關部份按合理基準分配，而各部份均獨立折舊。

殘值、使用年期及折舊方法乃於各結算日審核及調整（如適用）。

物業、廠房及設備項目，乃於出售後或預期將來其用途或出售並無經濟利益時終止確認。於資產終止確認之年度內，於收益表中確認之出售或報廢之任何收益或虧損乃出售所得款項淨額與相關資產賬面值之差額。

在建工程指興建中之樓宇，乃以成本值減減值虧損列賬，並不予以折舊。成本包括直接建築成本及於建築期內有關借貸資金之資本化借貸成本。在建工程於竣工及備用時將重新分類至適當之物業、廠房及設備或投資物業之類別。

投資物業

投資物業乃指持作賺取租金收入及／或持作資本增值之土地及樓宇權益（包括物業經營租約項下之租賃權益，而該物業符合投資物業之定義），並非作生產或供應產品或服務或作行政目的；或作日常業務中的銷售。該等物業按成本（包括交易成本）初步計量。於初步確認後，投資物業乃按公允值列賬，反映於結算日之市場環境。

2.5 Summary of Significant Accounting Policies (continued)

Investment properties (continued)

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above. For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the income statement.

Properties under development

Properties under development for which pre-sale contracts were entered into on or after 1 January 2005 are stated at cost less any impairment losses. Cost includes all costs attributable to such development, including financing charges. Impairment is assessed by the directors based on prevailing market prices, on an individual property basis.

Properties under development, for which pre-sales have not yet commenced, are stated at cost less any impairment losses. Cost includes all costs attributable to such development, including financing charges.

2.5 主要會計政策之概要 (續)

投資物業 (續)

投資物業之公允值變動產生之收益或虧損乃於其產生之年度收益表內列賬。

任何報廢或出售投資物業之收益或虧損乃於報廢或出售年度內於收益表內確認。

倘物業由本集團佔用作業主佔用物業成為投資物業，則本集團根據截至該物業用途變更當日「物業、廠房及設備以及折舊」所載政策將該物業列賬，而於當日任何該物業之面值及公允值之差額則根據上文「物業、廠房及設備以及折舊」所載政策以重估值列賬。倘物業由存貨轉撥至投資物業，任何該物業在轉撥當日之賬面值及公允值之任何差額於收益表內確認。

發展中物業

於二零零五年一月一日或之後訂立預售合約之發展中物業以成本減任何減值虧損列賬。成本包括應佔該等發展（包括融資費用）之所有成本。減值乃由董事按個別物業以現行之市場價格為基準評估。

並未開始預售之發展中物業以成本減任何減值虧損列賬。成本包括應佔該等發展（包括融資費用）之所有成本。

2.5 Summary of Significant Accounting Policies *(continued)*

Properties under development *(continued)*

The Group applied the transitional provision of HK- Int 3 that permitted that properties under development for which pre-sale contracts were entered into before 1 January 2005 are stated at cost plus attributable profits less sales deposits/instalments received and any foreseeable losses. Properties under development which have been pre-sold are classified under current assets. When properties under development have been pre-sold, the total estimated profit is apportioned over the entire period of construction to reflect the progress of the development. On this basis, profit recognised on properties pre-sold during the period is calculated by reference to the proportion of construction costs incurred up to the balance sheet date to the estimated total construction costs to completion, limited to the amount of sales deposits/instalments received under legally binding contracts at the balance sheet date, with due allowances for contingencies.

Completed properties for sale

Completed properties for sale are stated at the lower of cost and net realisable value. Cost is determined by apportioning of the total land and development cost attributable to the unsold properties. Net realisable value is estimated by the directors based on prevailing market prices, on an individual property basis.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.5 主要會計政策之概要 (續)

發展中物業 (續)

本集團應用香港一詮釋3之過渡性條文，該條文准許於二零零五年一月一日之前訂立預售合約之發展中物業以成本加應佔溢利減已收銷售按金／分期款項及任何可預見虧損列賬。已作預售之發展中物業分類為流動資產。倘發展中物業已預售，估計溢利總額將按整個建築期間分攤以反映發展進度。就此，於期間預售物業之已確認溢利將參照直至結算日產生之建築成本與估計竣工時之總建築成本之比例計算，惟以於結算日根據具法律約束力之合約已收取之銷售按金／分期款項數額為限，並就或然事項作出適當撥備。

已落成之待銷物業

已落成之待銷物業以成本值及可變現淨值兩者之較低者列賬。成本乃按未出售物業應佔之土地及發展成本總額分攤計算。可變現淨值乃由董事按個別物業當時之現行市場價格估計。

存貨

存貨以成本值及可變現淨值兩者之較低者列賬。成本按加權平均法釐定，而對於在製品及產成品而言，則包括直接材料、直接工資及經常性費用之適當部份。可變現淨值按估計售價減完成及出售產生之任何估計成本而定。

2.5 Summary of Significant Accounting Policies (continued)

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payment under operating leases is initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

Intangible assets

Vehicle licences acquired by the Group is stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 15 to 20 years.

Investments and other financial assets

Applicable to the year ended 31 December 2004:

The Group classified its equity investments, other than subsidiaries and associates, as long term investments and short term investments.

Long term investments

Long term investments are non-trading investments in listed and unlisted equity securities intended to be held on a long term basis.

2.5 主要會計政策之概要 (續)

經營租約

凡資產擁有權帶來之絕大部份回報及風險仍歸出租人所有，則有關租賃乃列為經營租賃。倘本集團為出租人，由本集團於經營租賃項下出租之資產乃計入為非流動資產，而經營租賃項下之應收租金則按租期以直線法計入收益表。倘本集團為承租人，經營租賃項下之應付租金將按租期以直線法於收益表扣除。

根據經營租約預付之土地租金首次乃成本列賬，而隨後則按租期以直線法確認。租金不可於土地及樓宇部份可靠地分配時，全部租金乃於土地及樓宇之成本列賬為物業、廠房及設備之融資租賃。

無形資產

本集團購入之車輛執照乃按成本減任何減值虧損列賬，並按其估計可使用年期15至20年以直線法攤銷。

投資及其他金融資產

適用於截至二零零四年十二月三十一日止年度：

本集團將其權益性投資（附屬公司及聯營公司除外）分類為長期投資及短期投資。

長期投資

長期投資乃指擬長期持有之非買賣上市投資及非上市股本證券。

2.5 Summary of Significant Accounting Policies *(continued)*

Investments and other financial assets *(continued)*

Long term investments *(continued)*

Listed securities are stated at their fair values on the basis of their quoted market prices at the balance sheet date, on an individual investment basis. Unlisted securities are stated at their estimated fair values, on an individual basis. The estimated fair values of unlisted investments are determined by the directors having regard to, inter alia, the prices of the most recent reported sales or purchases of the securities, or comparison of price/earnings ratios and dividend yields of the securities with those of similar listed securities, with allowance made for the lower liquidity of the unlisted securities.

The gains or losses arising from changes in the fair value of a security are dealt with as movements in the investment revaluation reserve, until the security is sold, collected, or otherwise disposed of, or until the security is determined to be impaired, when the cumulative gain or loss derived from the security recognised in the investment revaluation reserve, together with the amount of any further impairment, is charged to the income statement in the period in which the impairment arises.

Short term investments

Short term investments are investments in equity securities held for trading purposes and are stated at their fair values on the basis of their quoted market prices at the balance sheet date, on an individual investment basis. The gains or losses arising from changes in the fair value of a security are credited or charged to the income statement in the period in which they arise.

2.5 主要會計政策之概要 (續)

投資及其他金融資產 (續)

長期投資 (續)

上市證券乃按個別投資於結算日之市價以其公允值列賬。非上市證券乃按個別投資之估計公允值列賬。非上市投資之估計公允值乃由董事經考慮(其中包括)最近期呈報之證券買賣價或就證券之市盈率及股息收益與該等類似上市證券進行比較後釐定,並就流通量較低之非上市證券作出撥備。

證券公允值變動所產生之收益或虧損均於投資重估儲備中處理,直至證券已出售、收回或以其他方式處置或直至證券被釐定為出現減值時,則投資重估儲備中證券所產生之已確認累積收益或虧損連同任何其他減值會於產生之期間自收益表扣除。

短期投資

短期投資乃指持作買賣用途之股本證券投資,並按個別投資於結算日之市價以公允值列賬。證券公允值變動所產生之收益或虧損乃在其產生之期間於收益表中計入或扣除。

2.5 Summary of Significant Accounting Policies (continued)

Investments and other financial assets (continued)

Short term investments (continued)

Applicable to the year ended 31 December 2005:

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, i.e., the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category "financial assets at fair value through profit or loss". Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Gains or losses on investments held for trading are recognised in the income statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

2.5 主要會計政策之概要 (續)

投資及其他金融資產 (續)

短期投資 (續)

適用於截至二零零五年十二月三十一日止年度

根據香港會計準則第39號所界定之金融資產乃分類為透過損益按公允值計算之金融資產、貸款及應收款項，以及可供出售金融資產（如適用）。金融資產被初步確認時，乃按公允值加上直接應佔交易成本計算。本集團於初步確認後釐定其金融資產之分類，並在許可及適用之情況下於結算日重新評核有關分類。

所有一般買賣之金融資產概於交易日（即本集團承諾購買資產之日期）予以確認。一般買賣指按照一般市場規定或慣例所定之期間內交付資產之金融資產買賣。

透過損益按公允值計算之金融資產

分類為持作買賣之金融資產乃包括於「透過損益按公允值計算之金融資產」類別中。倘金融資產以短期出售為目的而購入，則分類為持作買賣。持作買賣之投資之收益或虧損於收益表內確認。

貸款及應收款項

貸款及應收款項乃按固定或可釐定款項且並無於活躍市場報價之非衍生金融資產。該等資產按實際利率法以攤銷成本列賬。於貸款及應收款項終止確認或出現減值時，收益及虧損乃透過攤銷處理於收益表確認。

2.5 Summary of Significant Accounting Policies *(continued)*

Investments and other financial assets *(continued)*

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in listed and unlisted equity securities that are designated as available for sale or are not classified in any of the other two categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and option pricing models.

Impairment of financial assets (applicable to the year ended 31 December 2005)

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

2.5 主要會計政策之概要 (續)

投資及其他金融資產 (續)

可供出售金融資產

可供出售金融資產乃上市非衍生金融資產及持作可供出售或並非分類為其他兩類任何一類之非上市股本證券。於初步確認後，可供出售金融資產乃按公允值計算，產生之收益或虧損作為權益之一個單獨之組成部分來確認，直至投資終止確認或直至投資被釐定為減值，屆時過往呈報於權益之累積收益或虧損乃包括於收益表中。

公允值

就於有秩序之金融市場上交投活躍之投資而言，其公允值乃參考結算日營業時間結束時於證券交易所之市場買入報價後釐定。至於沒有活躍市場之投資，其公允值則以估值方法釐定。該等方法包括以最近按公平原則進行之市場交易，以另外大致相同之工具之現行市值作參考，以現金流量折現分析及期權定價模型。

金融資產之減值 (適用於截至二零零五年十二月三十一日止年度)

本集團於各結算日評估有否客觀證據顯示金融資產或一組金融資產出現減值。

2.5 Summary of Significant Accounting Policies (continued)

Impairment of financial assets (applicable to the year ended 31 December 2005) (continued)

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

2.5 主要會計政策之概要 (續)

金融資產之減值 (適用於截至二零零五年十二月三十一日止年度) (續)

按攤銷成本列賬之資產

倘有客觀證據顯示按攤銷成本列賬之貸款及應收款項出現減值虧損，虧損數額按該資產之賬面值與估計未來現金流量（不包括尚未出現之未來信貸虧損）之現值（按金融資產之原來實際利率（即初步確認時所計之實際利率）折現）之差額計算。資產之賬面值可直接或透過使用備抵項目減少。減值虧損數額於收益表確認。

本集團首先評估有否客觀證據顯示減值單獨地存在於獨立具有重要性之金融資產，還是單獨或整體地存在於不獨立具有重要性之金融資產。倘確定並無客觀證據顯示減值存在於單獨評估之金融資產，無論重要與否，該資產將包括於具類似信貸風險特徵之一組金融資產，並整體進行減值評估。單獨進行減值評估且其減值虧損已確認或將持續確認之資產並不包括於整體減值評估。

倘於隨後期間內，減值虧損數額減少，且減少客觀上與確認減值後發生之事項相關，則過往確認之減值虧損可予撥回。隨後任何減值虧損之撥回於收益表確認，惟資產之賬面值不得超過其於撥回日期之攤銷成本。

2.5 Summary of Significant Accounting Policies *(continued)*

Impairment of financial assets (applicable to the year ended 31 December 2005) *(continued)*

Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the income statement. Impairment losses on equity instruments classified as available for sale are not reversed through profit or loss.

Derecognition of financial assets (applicable to the year ended 31 December 2005)

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay in full without material delay to a third party under a "pass-through" arrangement; or

2.5 主要會計政策之概要 (續)

金融資產之減值 (適用於截至二零零五年十二月三十一日止年度) (續)

按成本列值之資產

倘有客觀證據顯示，因未能可靠計量公允值而未按公允值列值之如非上市股本工具，則虧損金額按該資產之賬面值與預期未來現金流量之現值（按類似金融資產之現行市率折現）之差額入賬。該等資產之減值虧損不予撥回。

可供出售之金融資產

倘一項可供出售資產出現減值，其成本值（扣除任何主要付款及攤銷）與其現行公允值之差額，在扣減以往在溢利或虧損中確認之任何減值虧損後會由權益轉撥至收益表。分類作可供出售之股本工具之減值虧損不會透過溢利或虧損撥回。

終止確認金融資產 (適用於截至二零零五年十二月三十一日止年度)

在下列情況下，將終止確認金融資產，或（如適當）一項金融資產之一部份或一組類似金融資產之一部份：

- 可獲取資產所得現金流量之權利期滿；
- 本集團保留可獲取資產所得現金流量之權利，但根據交付協議須無重大延誤地向第三方清償；或

2.5 Summary of Significant Accounting Policies (continued)

Derecognition of financial assets (applicable to the year ended 31 December 2005) (continued)

- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

2.5 主要會計政策之概要 (續)

終止確認金融資產 (適用於截至二零零五年十二月三十一日止年度) (續)

- 本集團已轉讓其可獲取資產所得現金流量之權利，並(a)轉讓資產之一切回報及風險絕大部份，或(b)既無轉讓亦無保留資產之一切回報及風險絕大部份，但已轉讓資產之控制權。

倘本集團已轉讓其可獲取資產所得現金流量之權利，但既無轉讓亦無保留資產之一切回報及風險絕大部份，亦無轉讓資產之控制權，則本集團將繼續確認該資產。以轉讓資產擔保形式發生之持續相關乃按該資產之原賬面值及本集團須支付之最高代價額 (以較低者為準) 計算。

倘持續相關以轉讓資產書面及/ 或購買期權 (包括現金結算期權或類似條文) 形式發生，則本集團之持續相關部份為本集團購回之轉讓資產部份。倘資產之書面認沽期權 (包括現金結算期權或類似條文) 按公允值計算，則本集團之持續相關部份僅限於轉讓資產之公允值及期權行使價兩者之較低者。

帶息貸款及借貸

所有貸款及借貸首次均按應收代價之公允值減直接應佔之交易成本確認。

首次確認後，計息貸款及借貸隨後按實際利率法以攤銷成本列值。

2.5 Summary of Significant Accounting Policies *(continued)*

Interest-bearing loans and borrowings *(continued)*

Gains and losses are recognised in net profit or loss when the liabilities are derecognised as well as through the amortisation process.

Derecognition of financial liabilities (applicable to the year ended 31 December 2005)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

2.5 主要會計政策之概要 (續)

帶息貸款及借貸 (續)

倘負債撤銷確認或在進行攤銷處理，則其盈虧按純利或淨損確認。

撤銷確認財務負債 (適用於截至二零零五年十二月三十一日止年度)

債務被解除或取消或到期時，撤銷確認財務負債。

倘現有財務負債由同一貸方授予條款迥異之其他債項取代，或現有負債之條款經重大修訂，則該等變更或修訂視作撤銷確認原負債及確認新負債，各賬面值之差額於損益表確認。

撥備

倘因過往事宜產生目前債務 (法定或推定) 及將來可能需要有資源流出，以償還債務，則撥備予以確認，惟該債務之金額可可靠估計。

倘折現之影響屬重大者，就撥備之已確認金額即為於結算日償還債務預期所需費用之現值。倘隨著時間過去，折現現值金額之增幅於收益表計入財務成本。

所得稅

所得稅包括即期及遞延稅項。所得稅乃於損益賬中確認，或倘其與同期或不同期間所確認之權益項目有關，則於權益中確認。

2.5 Summary of Significant Accounting Policies *(continued)*

Income tax *(continued)*

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liabilities arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary differences arises from negative goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

2.5 主要會計政策之概要 (續)

所得稅 (續)

即期及前期之即期稅項資產及負債乃按預期從稅務機關收回或向其支付之金額計量。

遞延稅項乃以負債法按於結算日就財務申報而言資產及負債之稅基與彼等賬面值兩者間之所有暫時差異作出撥備。

遞延稅項負債乃就所有應課稅暫時差異而確認：

- 惟倘遞延稅項負債乃因商譽或因並非商業合併交易之資產或負債之初步確認而產生，且於交易時並不影響會計溢利及應課稅溢利或虧損者則除外；及
- 就與在附屬公司及聯營公司投資有關之應課稅暫時差異而言，則倘暫時差異撥回之時間可被控制及暫時差異於可預見將來可能將不能撥回者除外。

遞延稅項資產乃就所有可扣減暫時差異、未動用稅項資產及未動用稅項虧損之轉結而確認，惟以可扣減暫時差異、未動用稅項資產及未動用稅項虧損之轉結可獲動用作抵銷應課稅溢利為限：

- 惟倘可扣減暫時差異之遞延稅項資產乃因負商譽或因並非商業合併交易之資產或負債之初步確認而產生，且於交易時並不影響會計溢利及應課稅溢利或虧損者則除外；及

2.5 Summary of Significant Accounting Policies *(continued)*

Income tax *(continued)*

- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.5 主要會計政策之概要 (續)

所得稅 (續)

- 就與在附屬公司及聯營公司投資有關之可扣減暫時差異而言，遞延稅項資產之確認僅以暫時差異於可預見將來可撥回及暫時差異可獲動用作抵銷應課稅溢利為限。

遞延稅項資產之賬面值於每個結算日作出檢討，並扣減至應課稅溢利不再足以供所有或部份遞延資產可被動用。相反，以往未被確認之遞延稅項資產乃於各結算日重新評估，並於應課稅溢利足以供所有或部份遞延稅項資產可被動用時確認。

遞延稅項資產及負債乃按預期適用於變現資產或償還負債期間之稅率，按照於結算日已制定或實質制定之稅率（及稅務法）計算。

倘存在法律上可強制執行之權利，令即期稅項資產及即期稅項負債可互相抵銷，而遞延稅項關於同一應課稅實體及同一稅務機關，則遞延稅項資產及遞延稅項負債將會抵銷。

2.5 Summary of Significant Accounting Policies (continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries and associates are currencies other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the balance sheet date and, their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.5 主要會計政策之概要 (續)

外幣

該等財務報表乃以本公司之功能及呈報貨幣港元編制。本集團之每個實體釐定其本身之功能貨幣，而載於各實體之財務報表之項目乃以功能貨幣計量。外幣交易按交易日之功能貨幣之匯率初步記錄。於結算日以外幣訂值之貨幣資產及負債乃按結算日之功能貨幣匯率重新換算。所有差額均撥入溢利或虧損。按外幣之歷史成本計量之非貨幣項目乃於首次交易日期按匯率換算。按外幣之公允值計量之非貨幣項目乃於公允值釐定當日按匯率換算。

若干海外附屬公司及聯營公司之功能貨幣乃香港貨幣以外之貨幣。於結算日，該等實體之資產及負債乃按結算日之匯率換算為本公司之呈報貨幣，而彼等之收益表乃按年內之加權平均匯率換算為港元。於綜合時產生之匯兌差額均撥往匯兌變動儲備中處理。出售一家外國實體時，於有關該指定外國業務之權益確認之遞延累積金額乃於收益表確認。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量當日之匯率換算為港元。海外附屬公司在年內恆常產生之現金流按年度之加權平均匯率換算為港元。

2.5 Summary of Significant Accounting Policies *(continued)*

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) income from the sale of properties, industrial and commercial products, when the significant risk and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods and properties sold;
- (b) income from the pre-sale of properties under development for which the pre-sale contracts were entered into before 1 January 2005, when the construction work has progressed to a stage where the ultimate realisation of profit can be reasonably determined and on the basis set out under the accounting policy headed "Properties under development"; pre-sale of properties under development for which the pre-sale contract that are entered into on or after 1 January 2005 is not recognised as revenue after 1 January 2005;
- (c) rental income, on a time proportion basis over the lease terms;

2.5 主要會計政策之概要 (續)

借貸成本

因收購、興建或生產有條件資產(即需一段長時間籌備作原定用途或銷售者)所直接產生之借貸成本乃撥作該等資產之部份成本,直至該等資產已大致準備作原定用途或銷售為止。將未用於認可資產開支之特定借貸撥作臨時投資所賺取之投資收入從已撥充資本之借貸成本中扣除。

收入確認

倘經濟利益將可能流入本集團且在收入可作出可靠計算之情況下,收入乃按下列基準予以確認:

- (a) 出售物業、工業及商業產品之收入在擁有權之重大風險及報酬已轉讓給買家時確認,惟前提是本集團不再參與一般與擁有權相聯繫之管理,對已出售之貨品及物業亦無實際控制權;
- (b) 預售於二零零五年一月一日前訂立預售合約之發展中物業之所得收入乃於建築工程達至可合理地釐訂最終變現之利潤時,按會計政策「發展中物業」一節所述基準確認;預售於二零零五年一月一日或之後訂立預售合約之發展中物業之收入概無於二零零五年一月一日後確認為收入;
- (c) 物業出租期間之租金收入按租賃時間確認;

2.5 Summary of Significant Accounting Policies *(continued)*

Revenue recognition *(continued)*

- (d) income from the provision of transportation services, when the transportation services have been rendered;
- (e) services income, when the relevant services have been rendered;
- (f) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset; and
- (g) dividend income, when the shareholder's right to receive payment has been established.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Related parties

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;

2.5 主要會計政策之概要 (續)

收入確認 (續)

- (d) 運輸服務收入於已提供運輸服務時予以確認;
- (e) 服務費用收入乃於已提供該服務時予以確認;
- (f) 利息收入以應計方式按金融工具的估計年期用實際利率法將未來估計的現金收入折扣計算金融資產的賬面淨值; 及
- (g) 股息收入於確定股東有權收取款項時予以確認。

股息

董事建議之末期股息歸類為資產負債表中權益部份項下獨立分配之保留溢利，直至股東在股東週年大會上批准。當股東批准及宣派該等股息時，該等股息會確認為負債。

因本公司章程大綱及細則授權董事宣派中期股息，故中期股息可同時建議派付並宣派。因此，中期股息在建議派付及宣派時，隨即確認為負債。

關連人士

在下列情況下，有關方將被視為本集團的關連人士：

- (a) 有關方直接或透過一名或多名中介人間接：
 - (i) 控制本集團，或受到本集團控制或共同控制；(ii) 擁有本公司的權益，並可對本集團實施重大影響力；或(iii) 與他人共同擁有本集團的控制權；

2.5 Summary of Significant Accounting Policies *(continued)*

Related parties *(continued)*

- (b) the party is an associate;
- (c) the party is a member of the key management personnel of the Group or its parent;
- (d) the party is a close member of the family of any individual referred to in (a) or (c);
- (e) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (c) or (d); or
- (f) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a maturity of generally within three months when acquired, less banks overdrafts which are repayable on demand and from an integral part of the Group's cash management.

For the purpose of the balance sheets, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

2.5 主要會計政策之概要 (續)

關連人士 (續)

- (b) 有關方為聯營方；
- (c) 有關方為本集團或其母公司的主要管理人員；
- (d) 有關方為(a)或(c)項所述人士的直系親屬；
- (e) 有關方乃(c)或(d)項所述人士直接或間接控制、與他人共同控制或發揮重大影響力，或擁有重大投票權之實體；或
- (f) 有關方為本集團或其關聯方的僱員終止受雇後的福利計劃的受益人。

現金及現金等值

就綜合現金流量表而言，現金及現金等值包括手頭現金、活期存款、可隨時轉換為已確定數額現金、價值變動風險極微及自收購起三個月內到期之短期高流動性投資，經扣減須按要求償還之銀行透支額（構成本集團現金管理之一部份）。

就資產負債表而言，現金及現金等值指手頭現金及銀行存款，包括定期存款，並無限定用途。

2.5 Summary of Significant Accounting Policies (continued)

Employee benefits

Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by the management using the Black-Scholes model, further details of which are given in note 34. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period. If the share options granted vested immediately, the Group recognised the fair value of the share options in the period in which the options are granted.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

2.5 主要會計政策之概要 (續)

僱員福利

以股份支付的交易

本公司實施購股權計劃，為對本集團業務成功作出貢獻之合資格參與者，提供激勵與獎勵。本集團僱員（包括董事）以股本支付之交易方式收取報酬，僱員提供服務作為收取股本工具之代價（「以股本支付之交易」）。

與僱員進行以股本支付之交易之成本，乃參照授出日期之公允值而計量。公允值根據 Black-Scholes 模型確定。評定以股本支付交易之價值時，除了對本公司股份價格有影響之條件（「市場條件」）（如適用）外，並無將任何績效條件計算在內。

以股本支付之交易之成本，連同權益相應增加部分，在績效及／或服務條件獲得履行期間（於有關僱員完全有權獲得授予之日（「歸屬日期」）結束）內確認。在歸屬日期前，每屆結算日確認之以股本支付之交易之累計開支，反映歸屬期已到期部分及本集團對最終將會歸屬之股本工具數目之最佳估計。在某一期間內在損益表內扣除或進賬，乃反映累計開支於期初與期終確認時的變動。倘授出之購股權即時歸屬，本集團則於購股權授出期間確認購股權之公允值。

對於已授出但尚未歸屬之購股權，不會確認任何開支，但視乎市場條件而決定歸屬與否的已授出購股權則除外，對於該類購股權而言，只要所有其他績效條件已經達成，不論市場條件是否達成，均會被視為已歸屬。

2.5 Summary of Significant Accounting Policies *(continued)*

Employee benefits *(continued)*

Share-based payment transactions *(continued)*

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards before 7 November 2002 and has applied HKFRS 2 only to equity-settled awards granted on or after 1 January 2005.

2.5 主要會計政策之概要 (續)

僱員福利 (續)

以股份支付的交易 (續)

倘若以股本支付之購股權之條款有所變更，所確認之開支最少須達到猶如條款並無任何變更之水平。此外，倘若按變更日期之計量，任何變更導致以股份支付之安排的總公平值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

倘若以股本支付之購股權被註銷，應被視為已於註銷日期歸屬，任何尚未確認之授予購股權之開支，均應立刻確認，然而，若授予新購股權代替已註銷之購股權，並於授出日期指定為替代購股權，則已註銷之購股權及新購股權，均應被視為原購股權的變更，一如前段所述。

計算每股盈利時，未行使購股權之攤薄效應，反映為額外股份攤薄。

本集團已採納香港財務報告準則第2號有關以股本支付購股權之過渡性條文，其應用於二零零二年十一月七日之前授出之購股權，並僅應用香港財務報告準則第2號於二零零五年一月一日或之後授出之購股權。

2.5 Summary of Significant Accounting Policies (continued)

Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

Each of the subsidiaries operating in Mainland China participates in the central pension scheme (the "CPS") operated by the local municipal government for all of its staff. These subsidiaries are required to contribute 8% to 20% of their payroll costs to the CPS. The contributions are charged to the income statement as they become payable in accordance with the rules of the CPS.

3. Significant Accounting Judgements and Estimates

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

2.5 主要會計政策之概要 (續)

退休福利計劃

本集團根據強制性公積金計劃條例為合資格參與強積金計劃之僱員實施一項界定供款強積金退休計劃(「強積金計劃」)。所有作出之供款乃按僱員基本薪金之某一百分比計算,並依照強積金計劃之規定在須支付供款時在損益表中扣除。強積金計劃之資產乃與本集團之資產分開由獨立管理之基金持有。根據強積金計劃條例,若僱員於可全數收取供款前離職,則僱主之自願供款將歸本集團所有,惟本集團就強積金計劃作出之僱主供款全數歸僱員所有。

所有於中國內地經營之附屬公司參與中央退休金計劃(「中央退休金計劃」),此計劃由地方政府為該等公司所有僱員制訂。此等附屬公司必須按其薪金之8%到20%就中央退休金計劃作出供款。根據中央退休金計劃作出之供款會根據中央退休金計劃之條款在須付供款時自損益賬中扣減。

3 重大會計判斷及估計

判斷

於應用本集團會計政策過程中,管理層已作出以下判斷,惟涉及估計者除外,因估計對財務報表中確認之金額影響最大。

3. Significant Accounting Judgements and Estimates *(continued)*

Judgements *(continued)*

Impairment of assets

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Group has to exercise judgement in the area of asset impairment, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could material affect the net present value used in the impairment test.

Income tax

Deferred tax is provided using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognised for unused tax losses carried forward to the extent that it is probable (i.e., more likely than not) that future taxable profits will be available against which the unused tax losses can be utilised, based on all available evidence. Recognition primarily involves judgement regarding the future performance of the particular legal entity or tax group in which the deferred tax asset has been recognised. A variety of other factors are also evaluated in considering whether there is convincing evidence that it is probable that some portion or all of the deferred tax assets will ultimately be realised, such as the existence of taxable temporary differences, tax planning strategies and the periods in which estimated tax losses can be utilised. The carrying amount of deferred tax assets and related financial models and budgets are reviewed at each balance sheet date and to the extent that there is insufficient convincing evidence that sufficient taxable profits will be available within the utilisation periods to allow utilisation of the carry forward tax losses, the asset balance will be reduced and charged to the income statement.

3 重大會計判斷及估計 (續)

判斷 (續)

資產減值

本集團在釐定是否出現資產減值或曾經造成減值但不復存在之事項時，需要就資產減值作出判斷，特別是評估：(1)是否發生可能影響資產價值之事件，或該影響資產價值之事件是否已不復存在；(2)資產賬面值與其未來現金流量之折現淨值（以現金流量預測釐定）是否相符；及(3)編製現金流量預測時應用之適當重要假設，包括現金流量是否按適當折現率折現。管理層用以釐定任何減值程度之假設（包括作出現金流量預測時假設的折現率和增長率）如有改變，即可能大幅影響減值測試中之折現淨值。

所得稅

遞延稅項採用負債法，就資產負債之稅基與在財務報告賬面值兩者之於結算日之短暫差異作全數撥備。遞延稅項被確認為未被動用之稅務虧損之結轉，惟只限於（基於所有證據）有可能出現的未來應計稅利潤用以抵扣未被動用之稅項虧損。確認主要涉及有關特定法律實體或稅務組織之判斷。其他不同因素亦在評估之列，以考慮是否有具說服力之證據，證明部分或所有遞延稅項資產有可能最終被確認，例如可課稅暫時性差異、稅務計劃策略及估計稅務虧損可被動用之期間。遞延稅項及相關財務模型之賬面值及財務預算於每個結算日予以檢討，惟只限於沒有足夠具說服力之證據，證明動用期間內有足夠可課稅溢利，讓結轉稅務虧損得以被動用，資產結餘將會減少並在收益表中扣減。

3. Significant Accounting Judgements and Estimates (continued)

Judgements (continued)

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

3 重大會計判斷及估計 (續)

判斷 (續)

經營租賃承諾 — 本集團作為出租人

本集團已就其投資物業組合訂立商用物業租約。本集團已確定其保留所有以經營租賃方式出租之此等物業帶來之重大風險及回報。

投資物業及業主物業之歸類

本集團確定一幢物業是否可稱作投資物業，並已制定判斷之準則。投資物業乃持有作賺取租金或資金增值或兩者兼有之用途。因此，本集團考慮一幢物業在產出現金流量時，是否大都獨立於本集團持有之其他資產。

部分物業被持有作賺取租金或資金增值用途，另一部分則被持有作生產、貨物及服務供應或行政用途。倘若此等部分可分別出售（或按一項融資租約分別出租），本集團就把此等部分分別記賬。倘若此等部分不能分別出售，則只能於一小部分作生產、貨物及服務供應或行政用途時，一幢物業方為投資物業。

按個別物業判斷以決定輔助服務之重大程度是否足以使一幢物業不再是投資物業。

3. Significant Accounting Judgements and Estimates *(continued)*

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of fair value of investment properties and available-for-sale investments

The best evidence of fair value is current prices in an active market for similar lease terms and other contracts. In the absence of such information, management determines the amount within a range of reasonable fair value estimates. In making its judgement, management considers information from (i) current prices in an active market for properties of different nature, conditions or locations by reference to available market information; (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of transactions that occurred at those prices; and (iii) discounted cash flow projections, based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts, and (where possible) from external evidence such as current market rates for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of cash flows.

Impairment test of assets

The Group determines whether an asset is impaired at least on an annual basis. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

3 重大會計判斷及估計 (續)

估計之不確定因素

有關未來之主要假設以及其他於結算日會為下個財政年度資產與負債賬面值帶來重大調整風險之主要估計不明朗因素如下。

投資物業及可供出售物業公允值估計

公允值之最佳證明為同類租約及其他合約於活躍市場之現行價格。倘欠缺有關資料，管理層會根據合理公平值估計範圍釐定有關數額。在作出有關判斷時，管理層會考慮到下述資料：(i)參考可取得的市場資料不同性質、情況或地區物業於活躍市場之現行價格；(ii)同類物業於較不活躍市場之現行價格（已就經濟狀況之變化作出調整）；及(iii)根據任何現有租約及其他合約之條款以及（如可行）外在證據（如同區狀況相同之同類物業當時之市場租值），基於對未來現金流量之可靠估計以及反映當前對現金流量金額及時間之不確定性之市場評估貼現率計算之現金流量預測。

資產減值測試

本集團每年檢討釐定資產有否減值。估計使用價值時，本集團需要估計現金產生單位之預期未來現金流量，並選用適合的貼現率以計算該等現金流量之現值。

4. Segment Information

Segment information is presented by way of the Group's primary segment reporting basis, by business segment. In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. No further geographical segment information is presented as over 90% of the Group's revenue is derived from customers based in Mainland China, and over 90% of the Group's assets are located in Mainland China.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the property development segment engages in development of residential, industrial and commercial properties;
- (b) the property investment segment invests in residential, industrial and commercial properties for their rental income potential;
- (c) the property management segment engages in the management of both Group developed properties and non-Group developed properties;
- (d) the transportation services segment consists of the provision of passenger and freight transportation services, automobile maintenance and other related services;
- (e) the manufacturing segment engages in manufacture and sale of industrial and commercial products;
- (f) the infrastructure investment segment invests in infrastructure projects of power generation and toll roads;

4. 分類資料

分類資料以業務類別為本集團之主要呈報基準。在釐定本集團地區類別時，收入乃按照客戶所在之地區分類，而資產則按照資產所在之地區分類。由於本集團超過90%之收入乃來自中國大陸之客戶，且本集團超過90%之資產均位於中國大陸，因此並無呈報進一步地區分類資料。

本集團經營業務按照其業務性質及所提供之產品及服務，以不同的架構及管理模式運作。每個集團業務分類指提供不同產品及服務之策略性業務單位，其個別所受之風險及回報均有別於其他業分類。業務分類之摘要如下：

- (a) 物業發展業務專責發展住宅、工業及商業樓宇；
- (b) 物業投資業務投資至具租務前景之住宅、工業及商業樓宇；
- (c) 物業管理業務專責管理由集團發展及非由集團發展之樓宇；
- (d) 交通運輸服務業務包括提供客運及貨運服務、汽車維修及其他相關服務；
- (e) 製造業務專責製造及銷售工業及商業產品；
- (f) 基建投資業務投資至發電基建項目及收費公路；

4. Segment Information (continued)

4. 分類資料 (續)

Business segments (continued)

業務分類 (續)

Year ended	截至二零零五年	Property	Property	Property	Transportation	Infrastructure	Information			
31 December 2005	十二月三十一日止年度	development	investment	management	services	Manufacturing	investment	technology	Others	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		物業發展	物業投資	物業管理	運輸服務	製造	基建投資	資訊科技	其他	總額
		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
Assets and liabilities	資產及負債									
Segment assets	分類資產	1,813,331	2,857,774	59,712	210,092	354,641	18,272	-	52,076	5,365,898
Interests in associates	聯營公司權益	293,954	84,759	7,855	52,300	222,010	2,236,603	147,444	1,695	3,046,620
Unallocated assets	未分類資產									3,656,857
Total assets	資產總額									12,069,375
Segment liabilities	分類負債	671,135	164,505	153,302	102,784	178,703	1,931	-	21,772	1,294,132
Unallocated liabilities	未分類負債									4,473,345
Total liabilities	負債總額									5,767,477
Other segment information:	其他分類資料:									
Depreciation	折舊	6,328	7,160	5,843	31,883	13,170	-	-	4,920	69,304
Amortisation of vehicle licenses	攤銷汽車牌照	-	-	-	2,347	-	-	-	-	2,347
Impairment losses recognised in the income statement	收益表確認之減值虧損	-	-	-	2,631	1,952	-	-	-	4,583
Increase in fair value of investment properties	物業投資公允值增加	-	(128,111)	-	-	-	-	-	-	(128,111)
Capital expenditure	資本支出	823,745	71,464	3,867	38,318	40,717	-	-	19,794	997,905

4. Segment Information (continued)

4. 分類資料 (續)

Business segments (continued)

業務分類 (續)

Year ended	截至二零零四年十二月 三十一日止年度 (重列)	Property development	Property investment	Property management	Transportation services	Manufacturing	Infrastructure investment	Information technology	Others	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		物業發展	物業投資	物業管理	運輸服務	製造	基建投資	資訊科技	其他	總額
		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
Segment revenue:	分類收益:									
Sales to customers	銷售予對外客戶	890,307	279,383	239,604	144,796	375,708	-	-	70,333	2,000,131
Segment results before increase in fair value of investment properties	未計投資物業公允價值增加之分類業績	202,281	150,770	13,500	11,043	3,063	-	-	105	380,762
Increase in fair value of investment properties	投資物業公允價值增加	-	155,844	-	-	-	-	-	-	155,844
Segment results after increase in fair value of investment properties	計入投資物業公允價值增加後之分類業績	202,281	306,614	13,500	11,043	3,063	-	-	105	536,606
Interest income, dividend income and unallocated gains, net	利息收入、股息收入及未分攤收入淨額									72,787
Unallocated expenses	未分攤開支									(82,360)
Finance costs	融資成本									(115,034)
Share of profits and losses of associates	應佔聯營公司溢利及虧損	31,921	8,025	637	2,865	13,484	256,767	20,555	-	334,254
Amortisation of negative goodwill recognised as income arising from acquisition of associates	收購聯營公司產生並確認為收入之負商譽攤銷									23,093
Profit before tax	除稅前溢利									769,346
Tax	稅項									(57,878)
Profit for the year	年度溢利									711,468

4. Segment Information (continued)

4. 分類資料 (續)

Business segments (continued)

業務分類 (續)

Year ended	截至二零零四年十二月三十一日止年度 (重列)	Property development	Property investment	Property management	Transportation services	Manufacturing	Infrastructure investment	Information technology	Others	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		物業發展	物業投資	物業管理	運輸服務	製造	基建投資	資訊科技	其他	總額
		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
Assets and liabilities	資產及負債									
Segment assets	分類資產	1,855,529	2,558,010	114,751	152,249	331,894	27,534	-	238,651	5,278,618
Interests in associates	聯營公司權益	242,876	89,516	6,157	66,017	292,345	1,791,477	180,020	185	2,668,593
Unallocated assets	未分類資產									3,384,560
Total assets	資產總額									11,331,771
Segment liabilities	分類負債	614,474	163,341	166,402	154,303	200,544	1,949	10	70,347	1,371,370
Unallocated liabilities	未分類負債									4,872,220
Total liabilities	負債總額									6,243,590
Other segment information:	其他分類資料:									
Depreciation	折舊	3,720	7,002	5,589	33,800	15,367	-	-	5,722	71,200
Amortisation of vehicle licenses	攤銷汽車牌照	-	-	-	2,107	-	-	-	-	2,107
Negative goodwill recognised as income arising from acquisition of subsidiaries	收購附屬公司產生並確認為收入之負商譽	(13,409)	-	-	-	-	-	-	-	(13,409)
Increase in fair value of investment properties	物業投資公允值增加	-	(155,844)	-	-	-	-	-	-	(155,844)
Capital expenditure	資本支出	796,722	89,189	8,430	19,427	16,251	-	-	11,709	941,728

5. Revenue, Other Income and Gains

Revenue, which is also the Group's turnover, represents proceeds from the sale of properties, sale of commercial and industrial goods, rental income, management fee income, income from the provision of transportation services and others.

An analysis of revenue, other income and gains is as follows:

5. 營業額、其他收入及收益

收入即相等於本集團之營業額指來自銷售物業、銷售商業及工業產品所得款項、租金收入、管理費收入、提供運輸服務之收入及其他收入。

本集團之營業額、其他收入及收益之分析如下：

		Group 本集團	
		2005	2004
		HK\$'000	HK\$'000
		千港元	千港元
			(Restated)
			(重列)
Revenue	營業額		
Sale of properties	銷售物業	1,798,568	890,307
Sale of commercial and industrial goods	銷售商業及工業產品	387,085	375,708
Gross management fee income	總管理費收入	295,594	239,604
Gross rental income from investment properties	投資物業之租金收入總額	299,643	279,383
Income from transportation services	運輸服務收入	148,540	144,796
Others	其他	74,005	70,333
		3,003,435	2,000,131
Other income	其他收入		
Gross rental income from property, plant and equipment	物業、廠房及設備之租金收入總額	23,318	21,789
Bank interest income	銀行利息收入	71,335	56,763
Dividend income from investments:	來自投資之股息收入：		
Listed investments	上市投資	132	395
Unlisted investments	非上市投資	2,115	1,987
Interest income from loans receivable	應收貸款之利息收入	671	13,642
Others	其他	33,938	53,155
		131,509	147,731
Gains	收益		
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之收益	-	1,214
Negative goodwill recognised as income:	確認為收入之負商譽：		
From acquisition of subsidiaries	收購附屬公司	17	10,046
From acquisition of an additional interest in a subsidiary	收購一家附屬公司之新增權益	17	3,363
Gain on disposal of associates	出售聯營公司收益	10,787	-
Exchange gains	外匯收益	5,147	601
		15,934	15,224
Other income and gains	其他收入及收益	147,443	162,955

6. Profit Before Tax

The Group's profit before tax is arrived at after charging/(crediting):

6. 除稅前溢利

本集團之除稅前溢利已扣除／(計入)下列各項後達至：

	Note	2005 HK\$'000 千港元	2004 HK\$'000 千港元 (Restated) (重列)
Cost of inventories sold		1,371,760	920,722
Cost of services provided		236,631	135,710
Auditors' remuneration		6,013	6,305
Depreciation	14	69,304	71,200
Provision for bad and doubtful debts		10,752	2,730
Write-down of inventories to net realisable value		9,353	11,879
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties		41,710	51,214
Impairment of items of property, plant and equipment	14	4,583	—
Loss on disposal of investment properties		3,239	4,627
(Gains)/losses on disposal of items of property, plant and equipment		4,856	(1,214)
Minimum lease payments under operating leases in respect of land and buildings		11,133	7,479
Amortisation of vehicle licences *	15	2,347	2,107
Fair value losses, net:			
Equity investments at fair value through profit or loss	28	2,340	—
Employee benefits expense (excluding directors' remuneration – note 8):			
Wages and salaries		279,581	273,964
Equity-settled share option expenses		7,080	—
Pension scheme contributions		27,727	26,697
Less: Forfeited contributions		—	—
Net: Pension scheme contributions **		27,727	26,697
		314,388	300,661
Foreign exchange differences, net		(5,147)	(601)
Bad and doubtful debts recovered		—	(2,601)
Reversal of bad debts written off		—	(9,052)
Bank interest income		(71,335)	(56,763)
Dividend income from investments:			
Listed investments		(132)	(395)
Unlisted investments		(2,115)	(1,987)
Interest income from loans receivable		(671)	(13,642)
Losses on disposal of subsidiaries	36	—	25,212
Gain on disposal of associates		(10,787)	—
Negative goodwill recognised as income:***			
Arising from acquisition of subsidiaries	17	—	(13,409)
Arising from acquisition of associates	21	—	(23,093)
Gross rental income from investment properties		(299,643)	(279,383)
Net rental income from land and buildings		(19,161)	(17,247)

6. Profit Before Tax (continued)

- * The amortisation of vehicle licences for the year is included in "Cost of sales" on the face of the consolidated income statement.
- ** At 31 December 2005, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2004: Nil).
- *** The negative goodwill arising from acquisition of subsidiaries and associates recognised as income in the consolidated income statement for the year ended 31 December 2004 is included in "Other income and gains" and "Amortisation of negative goodwill arising from acquisition of associates" on the face of the consolidated income statement, respectively.

6. 除稅前溢利 (續)

- * 本年度攤銷汽車牌照已被納入綜合收益表之「銷售成本」項目之內。
- ** 於二零零五年十二月三十一日，本集團並無已沒收供款可供減少其於未來數年之退休金計劃供款（二零零四年：無）。
- *** 於二零零四年十二月三十一日止年度，由收購附屬公司及聯營公司產生並於綜合收益表確認為收入之負商譽分別在綜合收益表中，計入「其他收入及收益」及「收購聯營公司產生之負商譽攤銷」。

7. Finance Costs

7. 融資成本

		Group 本集團	
		2005	2004
		HK\$'000	HK\$'000
		千港元	千港元
Interest on:	利息支出：		
Bank loans wholly repayable within five years	須於五年內悉數償還之 銀行貸款利息	197,305	142,815
Other loans	其他貸款利息	3,289	1,776
Total interest	利息總額	200,594	144,591
Less: Interest capitalised	減：資本化利息	(22,059)	(29,557)
		178,535	115,034

8. Directors' Remuneration

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Companies Ordinance, is as follows:

		Group 本集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Fees:	袍金:	1,645	700
Other emoluments:	其他酬金:		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	4,929	4,382
Employee share option benefits	僱員購股權利益	9,720	-
Pension scheme contributions	退休金計劃供款	175	81
		14,824	4,463
		16,469	5,163

During the year, certain directors were granted share options, in respect of their services to the Group, under the share option schemes of the Company, further details of which are set out in note 34 to the financial statements. The fair value of such options, which has been recognised in the income statement for the year, was determined as at the date of the grant and was included in the above directors' remuneration disclosures.

8. 董事酬金

本年度根據上市規則及公司條例第161條之董事酬金披露如下：

		Group 本集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Fees:	袍金:	1,645	700
Other emoluments:	其他酬金:		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	4,929	4,382
Employee share option benefits	僱員購股權利益	9,720	-
Pension scheme contributions	退休金計劃供款	175	81
		14,824	4,463
		16,469	5,163

於本年度，若干董事因對本集團之服務，按本公司購股權計劃獲授購股權，詳情載於財務報表附註34。該等認購權之公允值（已於本年收益表內確認）乃在授予日期計算，並已包括在上述董事酬金披露。

8. Directors' Remuneration (continued)**8. 董事酬金** (續)**(a) Independent non-executive directors****(a) 獨立非執行董事**

The fees paid to independent non-executive directors during the year were as follows:

本年度已付獨立非執行董事袍金如下：

		Employee share option	
	Fees	benefits	Total
	袍金	僱員 購股權利益	總額
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
2005	二零零五年		
Wong Po Yan	黃保欣	250	430
Wu Wai Chung, Michael	吳偉聰	250	430
Li Wai Keung	李偉強	250	430
		750	1,290
2004	二零零四年		
Wong Po Yan	黃保欣	200	200
Wu Wai Chung, Michael	吳偉聰	200	200
Li Wai Keung	李偉強	100	100
		500	500

There were no other emoluments payable to the independent non-executive directors during the year (2004: Nil).

本年並無應付其他獨立非執行董事之酬金 (二零零四年：無)。

8. Directors' Remuneration (continued)

8. 董事酬金 (續)

(b) Executive directors and non-executive directors

(b) 執行董事及非執行董事

		Fees	Salaries, allowances and benefits in kind	Employee share option benefits	Pension scheme contributions	Total
		袍金	薪金、津貼及 實物利益	僱員 購股權利益	退休金 計劃供款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
2005	二零零五年					
Executive directors:	執行董事:					
Hu Aimin	胡愛民	–	1,250	1,800	53	3,103
Zhang Yijun	張宜均	–	1,235	1,500	41	2,776
Liu Jianhua	劉建華	–	618	1,200	33	1,851
Zhao Mingfeng	趙明豐	–	628	1,200	24	1,852
Liang Kaiping	梁開平	–	619	1,200	24	1,843
Xu Ruxin	徐汝心	260	350	1,050	–	1,660
Zhu Huoyang	朱火養	260	229	1,050	–	1,539
		520	4,929	9,000	175	14,624
Non-executive directors	非執行董事					
Lee Yip Wah, Peter	李業華	250	–	180	–	430
Hu Zuoyuan	胡作元	125	–	–	–	125
		895	4,929	9,180	175	15,179

8. Directors' Remuneration (continued)**8. 董事酬金** (續)**(b) Executive directors and non-executive directors**
(continued)**(b) 執行董事及非執行董事** (續)

		Fees	Salaries, allowances and benefits in kind	Employee share option benefits	Pension scheme contributions	Total
		袍金	薪金、津貼及 實物利益	僱員 購股權利益	退休金 計劃供款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
2004	二零零四年					
Executive directors:	執行董事:					
Hu Aimin	胡愛民	–	1,274	–	22	1,296
Zhang Yijun	張宜均	–	248	–	17	265
Liu Jianhua	劉建華	–	475	–	10	485
Zhao Mingfeng	趙明豐	–	449	–	9	458
Liang Kaiping	梁開平	–	464	–	9	473
Xu Ruxin	徐汝心	–	260	–	–	260
Zhu Huoyang	朱火養	–	260	–	–	260
Liu Zixian	劉子先	–	952	–	14	966
		–	4,382	–	81	4,463
Non-executive director	非執行董事					
Lee Yip Wah, Peter	李業華	200	–	–	–	200
		200	4,382	–	81	4,663

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

於本年度內，概無任何董事放棄或同意放棄任何酬金之安排。

9. Five Highest Paid Employees**9. 五名最高薪僱員**

The five highest paid employees during the year included five (2004: five) directors, details of whose remuneration are set out in note 8 above.

本年度之五名最高薪僱員包括五名(二零零四年:五名)董事，該等董事之酬金詳情載列於上文附註8。

10. Tax

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the year (2004: Nil). Taxes on profits assessable in Mainland China are calculated at the rates of tax prevailing in the locations in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Major subsidiaries of the Group operate in Shenzhen, Mainland China, which are subject to the corporate income tax rate of 15%.

10. 稅項

本集團並無在香港產生任何應課稅溢利，因此於年內並無計提香港利得稅撥備（二零零四年：無）。中國大陸應課稅溢利須納稅項根據本集團營運地點當時之稅率按現行有關法例、註釋及慣例計算。

本集團之主要附屬公司在中國大陸深圳營運，按15%繳納企業所得稅。

		2005	2004
		HK\$'000	HK\$'000
		千港元	千港元
			(Restated)
			(重列)
Group:	本集團：		
Current – Hong Kong	即期 – 香港		
Overprovision in prior years	往年超額撥備	–	(10,435)
Current – Mainland China	即期 – 中國大陸	114,114	79,981
Deferred Mainland China Corporate Income Tax (note 32)	遞延中國大陸企業所得稅 (附註32)	38,365	(11,668)
Total tax charge for the year	本年度稅項支出總額	152,479	57,878

10. Tax (continued)

A reconciliation of the income tax expense applicable to profit before income tax at the statutory income tax rates to the income tax expense at the Group's effective income tax rate for the year is as follows:

		2005		2004	
		HK\$'000	%	HK\$'000	%
		千港元		千港元	
Profit before tax	除稅前溢利	997,529		769,346	
Tax at the domestic rates applicable to profits in the provinces concerned	按適用於有關省份溢利之當地稅率計算之稅項	154,092		112,024	
Higher tax rate for specific provinces or local authority	特定省份及地方當局較高之稅率	(885)		88	
Profits and losses attributable to associates	聯營公司之溢利及虧損	(37,097)		(49,201)	
Incomes not subject to tax	毋須繳納稅款之收入	(23,159)		(29,109)	
Tax losses not recognised	未確認之稅項虧損	39,808		32,454	
Tax loss utilised	已動用之稅項虧損	(1,583)		(1,229)	
Expenses not deductible for tax	不可就稅項扣減之開支	20,392		2,886	
Adjustments in respect of current tax of previous periods	就前期即期稅項作出調整	911		(10,035)	
Tax charge at the Group's effective rate	按本集團有效稅率扣除之稅項	152,479	15.3	57,878	7.5

The share of tax attributable to associates of approximately HK\$26,280,000 (2004: HK\$49,463,000) is included in "Share of profits and losses of associates" on the face of the consolidated income statement.

下文所載為以法定稅率計算適用於除所得稅前溢利之所得稅稅項開支及按本集團本年度之有效所得稅稅率計算所得稅稅項開支之對賬：

聯營公司之應付稅款約為26,280,000港元(二零零四年:49,463,000港元)·已在綜合收益表包括於「應佔聯營公司溢利及虧損」。

11. Net Profit from Ordinary Activities Attributable to Equity Holders of the Parent

The net profit from ordinary activities attributable to equity holders of the parent for the year ended 31 December 2005 dealt with in the financial statements of the Company was HK\$147,390,000 (2004: HK\$154,316,000) (note 35(b)).

11. 母公司權益持有人應佔日常業務純利

截至二零零五年十二月三十一日止年度母公司權益持有人應佔日常業務純利147,390,000港元(二零零四年:154,316,000港元)已於本公司之財務報表中處理(附註35(b))。

12. Dividends

12. 股息

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Interim – HK2.00 cents (2004: HK2.00 cents) per ordinary share	中期股息 – 每股普通股2.00港仙 (二零零四年: 2.00港仙)	49,648	49,648
Adjustment to prior year's final dividend	上年度末期股息之調整	–	603
Proposed final – HK11.00 cents (2004: HK3.00 cents) per ordinary share	擬派末期股息 – 每股普通股11.00港仙 (二零零四年: 3.00港仙)	273,066	74,472
		322,714	124,723

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

本年度擬派末期股息有待本公司股東於應屆股東週年大會上批准。

13. Earnings per Share Attributable to Ordinary Equity Holders of the Parent

13. 母公司普通權益持有人應佔每股盈利

The calculation of basic earnings per share amounts is based on the net profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the year.

每股基本盈利乃按照本年度母公司普通權益持有人應佔本年度純利及年內已發行普通股加權平均數計算。

The calculation of the diluted earnings per share amount of 2004 is based on the net profit for the year attributable to ordinary equity holders of parent. The weighted average number of ordinary shares used in the calculation is the ordinary shares in issue during the year, as used in the basic earnings per share calculation and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

二零零四年每股攤薄盈利乃按照年內之母公司普通權益持有人應佔純利計算。用以此項計算之普通股加權平均數為年內已發行普通股(即用以計算每股基本盈利者)以及所有潛在攤薄普通股視作行使或轉為普通股而假設已無代價發行普通股加權平均股數。

A diluted earnings per share amount for the year ended 31 December 2005 has not been disclosed as no diluting events existed during the year.

由於全年並無攤薄事件發生，故並無披露截至二零零五年十二月三十一日止年度之每股攤薄盈利。

13. Earnings per Share Attributable to Ordinary Equity Holders of the Parent

(continued)

The calculations of basic and diluted earnings per share are based on:

13. 母公司普通權益持有人應佔每股盈利 (續)

每股基本及攤薄盈利乃按以下方法計算：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元 (Restated) (重列)
Earnings	盈利		
Net profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	用以計算每股基本盈利之母公司普通權益持有人應佔純利	534,339	422,561
		Number of shares 股份數目	
		2005	2004
Shares	股份		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	用以計算每股基本盈利之年內已發行普通股加權平均股數	2,482,413,966	2,482,413,966
Effect of dilution – weighted average number of ordinary shares:	攤薄影響 – 普通股之加權平均數：		
Share options	購股權	–	5,952,105
		2,482,413,966	2,488,366,071

14. Property, Plant and Equipment

14. 物業、廠房及設備

Group		Land and buildings in Hong Kong under medium term leases	Land and buildings in Mainland China under medium term leases	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Plant and machinery	Constructions in progress	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
本集團		以中期租約於香港持有之土地及樓宇 千港元	以中期租約於中國大陸持有之土地及樓宇 千港元	租賃物業裝修 千港元	傢俬、裝置及設備 千港元	汽車 千港元	廠房及設備 千港元	在建工程 千港元	總額 千港元
31 December 2005	二零零五年十二月三十一日								
At 31 December 2004 and at 1 January 2005:	於二零零四年十二月三十一日及於二零零五年一月一日:								
Cost or valuation	成本或估值	2,034	451,137	1,304	49,844	243,868	134,455	7,688	890,330
Accumulated depreciation and impairment	累積折舊及減值	(28)	(30,011)	(130)	(36,204)	(137,645)	(39,997)	-	(244,015)
Net carrying amount	賬面淨值	2,006	421,126	1,174	13,640	106,223	94,458	7,688	646,315
At 1 January 2005, net of accumulated depreciation and impairment	於二零零五年一月一日，經扣除累積折舊及減值	2,006	421,126	1,174	13,640	106,223	94,458	7,688	646,315
Additions	添置	-	24,633	2,776	8,400	24,434	33,591	4,709	98,543
Disposals	出售	-	(16,538)	-	(755)	(10,014)	(1,205)	(4,328)	(32,840)
Transfer to investment properties (note 19)	轉撥至投資物業(附註19)	-	(40,079)	-	-	-	-	-	(40,079)
Impairment	減值	-	-	-	-	(2,631)	(1,952)	-	(4,583)
Depreciation provided during the year	本年度折舊撥備	-	(14,956)	(580)	(9,859)	(33,945)	(9,964)	-	(69,304)
Exchange realignment	匯兌調整	50	7,914	26	458	2,305	1,940	111	12,804
At 31 December 2005, net of accumulated depreciation and impairment	於二零零五年十二月三十一日，經扣除累積折舊及減值	2,056	382,100	3,396	11,884	86,372	116,868	8,180	610,856
At 31 December 2005:	於二零零五年十二月三十一日:								
Cost or valuation	成本或估值	2,086	410,479	4,109	54,647	222,845	154,058	8,180	856,404
Accumulated depreciation and impairment	累積折舊及減值	(30)	(28,379)	(713)	(42,763)	(136,473)	(37,190)	-	(245,548)
Net carrying amount	賬面淨值	2,056	382,100	3,396	11,884	86,372	116,868	8,180	610,856
Analysis of cost or valuation:	成本或估值分析:								
At cost	成本	52	246,177	4,109	54,647	222,845	154,058	8,180	690,068
At 1997 valuation	一九九七年估值	2,034	164,302	-	-	-	-	-	166,336
		2,086	410,479	4,109	54,647	222,845	154,058	8,180	856,404

14. Property, Plant and Equipment (continued)

14. 物業、廠房及設備 (續)

Group	Land and buildings in Hong Kong under medium term leases	Land and buildings in Mainland China under medium term leases	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Plant and machinery	Constructions in progress	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (Restated)
本集團	以中期租約於香港持有之土地及樓宇 千港元	以中期租約於中國大陸持有之土地及樓宇 千港元	租賃物業裝修 千港元	傢俬、裝置及設備 千港元	汽車 千港元	廠房及設備 千港元	在建工程 千港元	總額 千港元 (重列)
31 December 2004	二零零四年十二月三十一日							
At 31 December 2003 and at 1 January 2004:	於二零零三年十二月三十一日及於二零零四年一月一日							
Cost or valuation	2,346	469,616	-	36,829	261,487	153,137	35,329	958,744
Accumulated depreciation and impairment	(81)	(29,860)	-	(35,491)	(132,979)	(31,191)	-	(229,602)
Net carrying amount	2,265	439,756	-	1,338	128,508	121,946	35,329	729,142
At 1 January 2004, net of accumulated depreciation and impairment	2,265	439,756	-	1,338	128,508	121,946	35,329	729,142
Additions	-	11,577	1,304	14,259	19,151	8,969	19,731	74,991
Transfer from completed properties for sales (note 25)	-	21,970	-	-	-	-	-	21,970
Disposals	-	(2,384)	-	(876)	(5,397)	(2,292)	(4,923)	(15,872)
Transfer to investment properties (note 19)	-	(22,161)	-	-	-	-	-	(22,161)
Transfer to properties under development (note 18)	-	-	-	-	-	-	(42,504)	(42,504)
Disposal of subsidiaries (note 36)	(263)	(1,910)	-	(8,437)	(1,504)	(17,112)	-	(29,226)
Reclassifications	-	(11,605)	-	17,064	448	(5,907)	-	-
Depreciation provided during the year	-	(14,710)	(130)	(9,803)	(35,191)	(11,366)	-	(71,200)
Exchange realignment	4	593	-	95	208	220	55	1,175
At 31 December 2004, net of accumulated depreciation and impairment	2,006	421,126	1,174	13,640	106,223	94,458	7,688	646,315
At 31 December 2004:	於二零零四年十二月三十一日:							
Cost or valuation	2,034	451,137	1,304	49,844	243,868	134,455	7,688	890,330
Accumulated depreciation and impairment	(28)	(30,011)	(130)	(36,204)	(137,645)	(39,997)	-	(244,015)
Net carrying amount	2,006	421,126	1,174	13,640	106,223	94,458	7,688	646,315
Analysis of cost or valuation:	成本或估值分析:							
At cost	-	286,835	1,304	49,844	243,868	134,455	7,688	723,994
At 1997 valuation	2,034	164,302	-	-	-	-	-	166,336
	2,034	451,137	1,304	49,844	243,868	134,455	7,688	890,330

14. Property, Plant and Equipment (continued)

Certain of the Group's land and buildings were revalued at 31 December 1997 by RHL Appraisal Ltd. (formerly known as Francis Lau & Co., (Surveyors) Ltd.), an independent firm of professionally qualified property valuers. These land and buildings were revalued at their open market values based on their existing use. In the opinion of the directors, there has been no material change in the values of these land and buildings as at 31 December 2005.

Had these land and buildings been carried at historical cost less accumulated depreciation, their carrying amounts would have been approximately HK\$113,000,000 (2004: HK\$124,000,000), as compared to their carrying amounts included in property, plant and equipment of approximately HK\$99,000,000 (2004: HK\$107,000,000). At 31 December 2005, certain of the Group's land and buildings with a net book value of approximately HK\$2,432,000 (2004: HK\$28,000,000) were pledged to bank loans (note 30).

14. 物業、廠房及設備 (續)

本集團之若干土地及樓宇已於一九九七年十二月三十一日由獨立專業物業估值師永利行評估顧問有限公司(前稱劉紹鈞產業測量師行有限公司)進行重估。該等土地及樓宇乃根據公開市值基準按其現時之用途進行重估。董事認為於二零零五年十二月三十一日土地及樓宇之價值並無重大變動。

假如該等土地及樓宇按歷史成本減累積折舊列賬，其賬面值會變為約113,000,000港元(二零零四年: 124,000,000港元)，相對於物業、廠房及設備所計之賬面值約99,000,000港元(二零零四年: 107,000,000港元)。於二零零五年十二月三十一日，本集團賬面淨值約2,432,000港元(二零零四年: 28,000,000港元)之若干土地及樓宇已用作銀行貸款之抵押(附註30)。

Company		Leasehold improvements and fixtures	Furniture and fixtures	Motor vehicles	Total
本公司		租賃物業裝修	傢俬及裝置	汽車	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31 December 2005	二零零五年十二月三十一日				
At 1 January 2005, net of accumulated depreciation	於二零零五年一月一日，經扣除累積折舊	—	445	1,776	2,221
Additions	添置	593	209	—	802
Cost of disposals	出售成本	—	(37)	(1,356)	(1,393)
Depreciation written back on disposal	出售撥回折舊	—	37	1,356	1,393
Depreciation provided during the year	本年度折舊撥備	—	(141)	(671)	(812)
At 31 December 2005, net of accumulated depreciation	於二零零五年十二月三十一日，經扣除累積折舊	593	513	1,105	2,211
At 31 December 2005:	於二零零五年十二月三十一日:				
Cost	成本	593	795	2,868	4,256
Accumulated depreciation	累積折舊	—	(282)	(1,763)	(2,045)
Net carrying amount	賬面淨值	593	513	1,105	2,211

14. Property, Plant and Equipment (continued)

14. 物業、廠房及設備 (續)

Company		Leasehold improvements 租賃 物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元 (Restated) (重列)
31 December 2004	二零零四年十二月三十一日				
At 1 January 2004:	於二零零四年一月一日				
Cost	成本	–	585	3,486	4,071
Accumulated depreciation	累積折舊	–	(366)	(1,678)	(2,044)
Net carrying amount	賬面淨值	–	219	1,808	2,027
At 1 January 2004, net of accumulated depreciation	於二零零四年一月一日， 經扣除累積折舊	–	219	1,808	2,027
Additions	添置	–	319	739	1,058
Disposals	出售	–	(17)	–	(17)
Depreciation provided during the year	本年度折舊撥備	–	(76)	(771)	(847)
At 31 December 2004, net of accumulated depreciation	於二零零四年 十二月三十一日， 經扣除累積折舊	–	445	1,776	2,221
At 31 December 2004 and at 1 January 2005	於二零零四年十二月三十一日 及於二零零五年一月一日				
Cost	成本	–	623	4,225	4,848
Accumulated depreciation	累積折舊	–	(178)	(2,449)	(2,627)
Net carrying amount	賬面淨值	–	445	1,776	2,221

15. Intangible Assets

15. 無形資產

Group	本集團	HK\$'000 千港元
Vehicle licences	汽車牌照	
31 December 2005	二零零五年十二月三十一日	
Cost at 1 January 2005, net of accumulated amortisation	於二零零五年一月一日之成本，經扣除累積攤銷	28,679
Additions	添置	10,617
Amortisation provided during the year	本年度攤銷撥備	(2,347)
Exchange realignment	匯兌調整	634
At 31 December 2005, net of accumulated amortisation	於二零零五年十二月三十一日，經扣除累積攤銷	37,583
At 31 December 2005:	於二零零五年十二月三十一日：	
Cost	成本	56,776
Accumulated amortisation	累積攤銷	(19,193)
Net carrying amount	賬面淨值	37,583
31 December 2004	二零零四年十二月三十一日	
At 1 January 2004:	於二零零四年一月一日：	
Cost	成本	42,771
Accumulated amortisation	累積攤銷	(14,352)
Net carrying amount	賬面淨值	28,419
Cost at 1 January 2004, net of accumulated amortisation	於二零零四年一月一日之成本，經扣除累積攤銷	28,419
Additions	添置	2,321
Amortisation provided during the year	本年度攤銷撥備	(2,107)
Exchange realignment	匯兌調整	46
At 31 December 2004, net of accumulated amortisation	於二零零四年十二月三十一日，經扣除累積攤銷	28,679
At 31 December 2004 and at 1 January 2005:	於二零零四年十二月三十一日及於二零零五年一月一日：	
Cost	成本	45,160
Accumulated amortisation	累積攤銷	(16,481)
Net carrying amount	賬面淨值	28,679

16. Prepaid Land Lease Payment

16. 已預付土地租金款項

		Group 本集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Addition during the year and carrying amount at 31 December	本年度添置及於十二月三十一日之賬面值	3,747	—

The leasehold land is held under a medium term lease and is situated in Mainland China.

租賃土地以中期租約持有，位於中國大陸。

17. Negative Goodwill

17. 負商譽

Group	本集團	HK\$'000 千港元
31 December 2005	二零零五年十二月三十一日	
At 1 January 2005:	於二零零五年一月一日：	
Cost as previously reported	成本，如過往呈報	(150,439)
Effect of adopting HKFRS 3 (note 2.4(a))	採納香港財務報告準則第3號之影響（附註2.4(a)）	150,439
Cost as restated	成本，經重列	—
Accumulated amortisation as previously reported	累積攤銷，如過往呈報	37,438
Effect of adopting HKFRS 3 (note 2.4(a))	採納香港財務報告準則第3號之影響（附註2.4(a)）	(37,438)
Accumulated amortisation as restated	累積攤銷，經重列	—
Net carrying amount	賬面淨值	—

17. Negative Goodwill (continued)

17. 負商譽 (續)

Group	本集團	HK\$'000 千港元
31 December 2004	二零零四年十二月三十一日	
At 1 January 2004:	於二零零四年一月一日:	
Cost	成本	(150,393)
Accumulated amortisation	累積攤銷	24,024
Net carrying amount	賬面淨值	(126,369)
Cost at 1 January 2004, net of accumulated amortisation	於二零零四年一月一日之成本，經扣除累積攤銷	(126,369)
Amortisation provided during the year	本年度攤銷撥備	13,409
Exchange realignment	匯兌調整	(41)
At 31 December 2004	於二零零四年十二月三十一日	(113,001)
At 31 December 2004:	於二零零四年十二月三十一日:	
Cost	成本	(150,439)
Accumulated amortisation	累積攤銷	37,438
Net carrying amount	賬面淨值	(113,001)

As details in note 2.5 to the financial statements, on the adoption of SSAP 30 in 2001, the Group applied the transitional provision of SSAP 30 that permitted goodwill in respect of acquisitions which occurred prior to the adoption of SSAP, to remain eliminated against consolidated retained profits.

At 31 December 2005, the amount of goodwill remaining in consolidated retained profits, arising from the acquisition of subsidiaries prior to the adoption of SSAP 30 in 2001, was HK\$45,525,000 (2004: HK\$45,525,000).

誠如財務報表附註2.5所述，於二零零一年採用了會計實務準則第30號後，本集團採納了會計實務準則第30號當中之過渡條文，容許於採納該會計實務準則前之收購活動中產生之商譽，繼續於綜合保留溢利中扣除。

於二零零五年十二月三十一日，綜合保留溢利記錄於二零零一年採納會計實務準則第30號前收購附屬公司產生之商譽為45,525,000港元（二零零四年：45,525,000港元）。

18. Properties under Development

18. 發展中物業

		Group 本集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Land in Mainland China held under medium term leases, at cost:	以中期租約於中國大陸持有之土地，按成本：		
At beginning of year	年初	648,689	1,005,343
Additions	添置	418,414	125,840
Transfer from property, plant and equipment (note 14)	轉撥自物業、廠房及設備(附註14)	-	18,906
Transfer to properties under development for sales	轉撥至發展中待銷物業	(129,276)	(194,065)
Disposals	出售	(26,356)	(29,079)
Disposal of subsidiaries (note 36)	出售附屬公司(附註36)	-	(279,863)
Exchange realignment	匯兌調整	14,335	1,607
At 31 December	於十二月三十一日	925,806	648,689
Development expenditure, at cost:	開發支出，按成本：		
At beginning of year	年初	256,020	206,042
Additions	添置	398,554	606,777
Transfer from property, plant and equipment (note 14)	轉撥自物業、廠房及設備(附註14)	-	23,598
Transfer to properties under development for sales	轉撥至發展中待銷物業	(516,489)	(561,171)
Disposals	出售	-	(6,873)
Disposal of subsidiaries (note 36)	出售附屬公司(附註36)	-	(12,682)
Exchange realignment	匯兌調整	5,657	329
At 31 December	於十二月三十一日	143,742	256,020
		1,069,548	904,709

At 31 December 2005, the Group's properties under development with a net book value of approximately HK\$68,310,000 (2004: HK\$51,397,000) were pledged to bank loans (note 30).

於二零零五年十二月三十一日，本集團賬面淨值約為68,310,000港元(二零零四年：51,397,000港元)之發展中物業已用作銀行貸款之抵押(附註30)。

19. Investment Properties

19. 投資物業

		Group 本集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	2,357,094	2,148,975
Transfer from property, plant and equipment (note 14)	轉撥自物業、廠房及設備(附註14)	40,079	22,161
Additions	添置	68,029	20,324
Disposal of subsidiaries (note 36)	出售附屬公司(附註36)	–	(75,372)
Net profit from a fair value adjustment	公允值調整之純利	128,111	155,844
Reclassified from completed properties for sales (note 25)	重新分類自己落成之待銷物業(附註25)	45,005	87,850
Disposals	出售	(36,698)	(6,129)
Exchange realignment	匯兌調整	52,181	3,441
Carrying amount at 31 December	於十二月三十一日之賬面值	2,653,801	2,357,094

The Group's investment properties are situated in Mainland China and are held under the following lease terms:

本集團之投資物業位於中國大陸，並以下列租約持有：

		HK\$'000 千港元
Medium term leases	中期租約	2,653,801

The Group's investment properties were revalued on 31 December 2005 by RHL Appraisal Ltd., an independent firm of professionally qualified property valuers, at approximately HK\$2,653,801,000 on an open market, existing use basis. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 37(i) to the financial statements. The net surplus arising on revaluation was credited to the consolidated income statement.

本集團之投資物業已於二零零五年十二月三十一日由獨立專業物業估值師永利行評值顧問有限公司按公開市場目前採用之基準重估為約2,653,801,000港元。投資物業以經營租約出租予第三方，有關摘要載於財務報表附註37(i)。重估盈餘淨額已計入綜合收益表中。

At 31 December 2005, the Group's investment properties with an aggregate value of approximately HK\$33,628,000 (2004: HK\$14,070,000) were pledged to bank loans (note 30).

於二零零五年十二月三十一日，本集團總值約33,628,000港元(二零零四年：14,070,000港元)之投資物業已用作銀行貸款之抵押(附註30)。

20. Interests in Subsidiaries

20. 附屬公司權益

		Company 本公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Unlisted shares, at cost	非上市股份·按成本	1,746,719	1,746,719
Due from subsidiaries *	應收附屬公司款項*	1,039,960	1,046,397
		2,786,679	2,793,116

* The amounts due from subsidiaries are unsecured and have no fixed repayment date. Except for the amounts due from subsidiaries of HK\$774,064,604 (2004: HK\$870,402,477) which are interest-free, the remaining balance of HK\$265,894,981 (2004: HK\$175,994,538) bears interest at rates ranging from 3% to 7.75% (2004: 3% to 6%) per annum.

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

The carrying amounts of these amounts due from subsidiaries approximate to their fair values.

Particulars of the principal subsidiaries are as follows:

* 應收附屬公司之款項為無抵押·並無固定還款日期。除應收附屬公司之774,064,604港元(二零零四年: 870,402,477港元)免息款項以外·餘額265,894,981港元(二零零四年: 175,994,538港元)按每年3%至7.75%(二零零四年: 3%至6%)計算年息。

應收/應付附屬公司款項分類為流動資產/負債·為無抵押·免息及無固定還款期。

該等應收附屬公司之款項之賬面值與其公允值相若。

主要附屬公司詳情如下:

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration and operations 成立/註冊 成立及經營地點	Nominal value of issued and fully paid-up capital/ registered capital 已發行及繳足 股本/註冊資本面值	Percentage of equity interest attributable to the Company 本公司應佔 之股本權益百分比		Principal activities 主要業務
			2005 %	2004 %	
Shum Yip Holdings (Shenzhen) Co., Ltd. (Note 3) 深業集團(深圳)有限公司(附註3)	Mainland China 中國大陸	HK\$430,320,000 430,320,000港元	100	100	Property development 物業發展
Shum Yip Centre Development (Shenzhen) Co., Ltd. (Notes 1 & 4) 深業中心發展(深圳)有限公司(附註1及4)	Mainland China 中國大陸	HK\$40,000,000 40,000,000港元	100	100	Property development 物業發展
Shenzhen Shengong Industrial (Group) Co., Ltd. (Note 5) 深圳深港實業(集團)有限公司(附註5)	Mainland China 中國大陸	RMB95,500,000 人民幣95,500,000元	80	80	Provision of transportation services 提供運輸服務

20. Interests in Subsidiaries (continued)

20. 附屬公司權益 (續)

Particulars of the principal subsidiaries are as follows: (continued)

主要附屬公司詳情如下: (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration and operations 成立/註冊 成立及經營地點	Nominal value of issued and fully paid-up capital/ registered capital 已發行及繳足股本/註冊資本面值	Percentage of equity interest attributable to the Company 本公司應佔之股本權益百分比		Principal activities 主要業務
			2005 %	2004 %	
Shenzhen Shengkong Taxi Co., Ltd. (Notes 1 & 4) 深圳市深港汽車出租有限公司(附註1及4)	Mainland China 中國大陸	RMB13,780,000 人民幣13,780,000元	80	80	Vehicle rentals 汽車租賃
Shenzhen Ganglong Transportation Industrial Co., Ltd. (Notes 1 & 4) 深圳市港龍運輸實業有限公司(附註1及4)	Mainland China 中國大陸	RMB10,000,000 人民幣10,000,000元	80	80	Provision of transportation services 提供運輸服務
Shenzhen Terra (Holdings) Co., Ltd. (Note 5) 深圳泰然(集團)股份有限公司(附註5)	Mainland China 中國大陸	RMB200,000,000 人民幣200,000,000元	51	51	Property development 物業發展
Shenzhen Terra Aluminum Alloy Works Co., Ltd. (Notes 1 & 4) 深圳市泰然鋁合金工程有限公司(附註1及4)	Mainland China 中國大陸	RMB10,000,000 人民幣10,000,000元	49	49	Aluminum engineering 鋁器工程
Shenzhen Terra Property Management Service Co., Ltd. (Notes 1 & 4) 深圳市泰然物業管理服務有限公司(附註1及4)	Mainland China 中國大陸	RMB5,060,000 人民幣5,060,000元	51	51	Property management 物業管理
Shenzhen Shengkong Winglee Cross Border Bus Co., Ltd. (Notes 1, 2 & 5) 深圳深港榮利直通巴有限公司(附註1、2及5)	Mainland China 中國大陸	RMB20,000,000 人民幣20,000,000元	40	40	Provision of cross-border bus services and vehicle repairs 直通巴士服務及汽車維修
Shenzhen Shum Yip Logistics Group Holdings Co., Ltd. (Note 5) 深圳深業物流集團股份有限公司(附註5)	Mainland China 中國大陸	RMB160,764,662 人民幣160,764,662元	51	51	Operation of warehouses and property development 經營貨倉及物業發展
Shenzhen Pengji (Holdings) Company Limited (Note 3) 深圳鵬基(集團)有限公司(附註3)	Mainland China 中國大陸	RMB231,911,337 人民幣231,911,337元	100	100	Property trading investment and development 物業買賣、投資及發展
Shenzhen PJLD Securities Products Co., Ltd. (Notes 1 & 4) 深圳龍電安防股份有限公司(附註1及4)	Mainland China 中國大陸	RMB75,000,000 人民幣75,000,000元	63.46	63.46	Manufacturing of security products 製造安防產品

20. Interests in Subsidiaries (continued)

Particulars of the principal subsidiaries are as follows: (continued)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration and operations 成立/註冊 成立及經營地點	Nominal value of issued and fully paid-up capital/ registered capital 已發行及繳足股本/註冊資本面值	Percentage of equity interest attributable to the Company 本公司應佔之股本權益百分比		Principal activities 主要業務
			2005	2004	
			%	%	
Shenzhen Pengji Property Management Services Limited (Notes 1 & 4) 深圳市鵬基物業管理服務有限公司(附註1及4)	Mainland China 中國大陸	RMB20,000,000 人民幣20,000,000元	100	100	Property management 物業管理
Huizhou Dayawan Shenkong Sanwei Transportation Industrial Limited (Notes 1 & 4) 惠州大亞灣深港三維交通實業有限公司(附註1及4)	Mainland China 中國大陸	RMB10,000,000 人民幣10,000,000元	64	64	Provision of transportation services 提供運輸服務
Shenzhen Shum Yip Steel Centre Ltd. (Notes 1 & 5) 深圳深業五金有限公司(附註1及5)	Mainland China 中國大陸	RMB19,920,000 人民幣19,920,000元	100	100	Manufacturing of steel products 製造五金產品
Shenzhen Pengsheng Property Industrial Company Limited (Notes 1, 2 & 5) 深圳鵬盛地產實業有限公司(附註1、2及5)	Mainland China 中國大陸	RMB45,000,000 人民幣45,000,000元	50	50	Property trading investment and development 物業買賣、投資及發展
Shenzhen Wondershine Residence Company Limited (Notes 1 & 4) 深圳萬廈居業有限公司(附註1及4)	Mainland China 中國大陸	RMB7,114,288 人民幣7,114,288元	100	100	Property management 物業管理
Shum Yip Investment (Shenzhen) Co., Ltd. (Note 3) 深業控股(深圳)有限公司(附註3)	Mainland China 中國大陸	RMB41,393,574 人民幣41,393,574元	100	100	Investment holding 投資控股
Newton Industrial Limited	BVI 英屬處女群島	US\$34 34美元	55.88	55.88	Investment holding 投資控股

None of the subsidiaries had any loan capital outstanding as at 31 December 2005.

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

20. 附屬公司權益 (續)

主要附屬公司詳情如下: (續)

於二零零五年十二月三十一日,各附屬公司概無任何未償還借貸資本。

以上為董事認為對本年度業績構成主要影響或組成本集團資產淨值之主要部份之本公司附屬公司名單。董事認為,列載其他附屬公司詳情將導致資料過於冗長。

20. Interests in Subsidiaries (continued)**20. 附屬公司權益** (續)

Particulars of the principal subsidiaries are as follows: (continued)

主要附屬公司詳情如下: (續)

Notes:

附註:

- Indirectly held by the Company.
- The Company has control of the board of directors of this entity and therefore this entity is regarded as a subsidiary of the Company.
- Established in the Mainland China as a wholly foreign-owned enterprise.
- Established in the Mainland China as a domestic enterprise with limited liability.
- Established in the Mainland China as a co-operative joint venture enterprise.

- 由本公司間接持有。
- 本公司對該實體之董事會具控制權，故該實體被視為本公司之附屬公司。
- 於中國大陸成立為外商獨資企業。
- 於中國大陸成立為國內有限責任企業。
- 於中國大陸成立為合作經營企業。

21. Interests in Associates**21. 聯營公司權益**

		Group		Company	
		2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Unlisted shares, at cost	非上市股份，按成本	-	-	88,053	90,053
Share of net assets	應佔資產淨值	3,027,489	3,125,859	-	-
Negative goodwill on acquisition	收購時產生之負商譽	-	(436,094)	-	-
Loans from associates	聯營公司給予之貸款	(7,999)	(53,200)	-	-
Loans to associates	給予聯營公司之貸款	27,130	32,028	-	-
		3,046,620	2,668,593	88,053	90,053
Market value of listed shares	上市股份市值	1,431,478	788,773	-	-

The loans from/to associates are unsecured, interest-free and have no fixed repayment date. The carrying amounts of these loans approximate to their fair values.

聯營公司所給予／給予聯營公司之貸款為無抵押、免息，且無固定償還日期。該等貸款之賬面值與其公允值相若。

The amounts due to associates classified under the Company's current liabilities are unsecured, interest-free and fully repaid during the year.

計入本公司流動負債之應付聯營公司款項為無抵押、免息及於本年度內悉數償還。

21. Interests in Associates (continued)

21. 聯營公司權益 (續)

A reconciliation of the above amounts of negative goodwill arising on the acquisition of associates is as follows:

收購聯營公司所產生負商譽之上述金額調整如下:

		Group 本集團 HK\$'000 千港元
31 December 2005		
二零零五年十二月三十一日		
At 1 January 2005:	於二零零五年一月一日:	
Cost as previously reported	成本·如過往呈報	(459,720)
Effect of adopting HKFRS 3 (note 2.4(a))	採納香港財務報告準則第3號之影響(附註2.4(a))	459,720
Cost as restated	成本·經重列	-
Accumulated amortisation as previously reported	累積攤銷·如過往呈報	23,626
Effect of adopting HKFRS 3 (note 2.4(a))	採納香港財務報告準則第3號(附註2.4(a))	(23,626)
Accumulated amortisation as restated	累積攤銷·經重列	-
Net carrying amount	賬面淨值	-
31 December 2004		
二零零四年十二月三十一日		
At 1 January 2004:	於二零零四年一月一日:	
Cost	成本	(6,397)
Accumulated amortisation	累積攤銷	533
Net carrying amount	賬面淨值	(5,864)
Cost at 1 January 2004, net of accumulated amortisation	於二零零四年一月一日之成本·經扣除累積攤銷	(5,864)
Arising from acquisition of an associate	因收購聯營公司所產生	(453,323)
Amortisation provided during the year	本年度攤銷撥備	23,093
At 31 December 2004	於二零零四年十二月三十一日	(436,094)
At 31 December 2004:	於二零零四年十二月三十一日:	
Cost	成本	(459,720)
Accumulated amortisation	累積攤銷	23,626
Net carrying amount	賬面淨值	(436,094)

As details in note 2.5 to the financial statements, on the adoption of SSAP 30 in 2001, the Group applied the transitional provision of SSAP 30 that permitted goodwill in respect of acquisitions which occurred prior to the adoption of SSAP, to remain eliminated against consolidated retained profits.

誠如財務報表附註2.5所述·於二零零一年採用會計實務準則第30號後·本集團採納其過渡性條文·容許於採納該會計實務準則前之收購活動中產生之商譽·繼續於綜合保留溢利中扣除。

21. Interests in Associates (continued)

At 31 December 2005, the amount of goodwill remaining in consolidated retained profits, arising from the acquisition of associates, was HK\$61,259,000 (2004: HK\$61,259,000).

Particulars of the principal associates are as follows:

Name of associates 聯營公司名稱	Business structure 業務架構	Place of establishment/ incorporation and operations 成立/註冊 成立及經營地點	Nominal value of issued and fully paid-up capital/ registered capital 已發行及繳足股本 /註冊資本面值	Percentage of ownership interest attributable to the Group 本集團應佔 之股本權益百分比		Principal activities 主要業務
				2005 %	2004 %	
Road King Infrastructure Ltd. ("Road King") *	Corporate	Bermuda	HK\$58,414,000	24.72	24.92	Provision of investment and management of toll roads
路勁基建有限公司(「路勁」)*	公司	百慕達	58,414,000港元			提供收費公路投資及管理
Shenzhen Tianan Industrial Development Co., Ltd. 深圳天安工業開發有限公司	Corporate 公司	Mainland China 中國大陸	US\$18,000,000 18,000,000美元	25.5	25.5	Property trading, investment and development 物業買賣、投資及發展
Shenzhen Mawan Power Co., Ltd. ("Mawan") 深圳媽灣電力有限公司(「媽灣」)	Corporate 公司	Mainland China 中國大陸	RMB560,000,000 人民幣560,000,000元	19	19	Power generation 發電
Shenzhen Topway Video Communication Co., Ltd. 深圳市天威視訊有限公司	Corporate 公司	Mainland China 中國大陸	RMB200,000,000 人民幣200,000,000元	31.1	31.1	Provision of cable TV and other communication network technology services 有線電視網絡及其他通訊網絡技術服務
Shenzhen SEG-CNEDC Color Display Device Corp. 深圳市賽格中電彩色顯示器有限公司	Corporate 公司	Mainland China 中國大陸	RMB300,000,000 人民幣300,000,000元	26.76	26.76	Investment holding 投資控股
Shenzhen Gaofa Investment Holding Ltd. ("Gaofa") 深圳高發投資有限公司(「高發」)	Corporate 公司	Mainland China 中國大陸	RMB309,200,000 人民幣309,200,000元	29	29	Property development and investment 物業發展及投資

None of above associates are audited by Ernst & Young, Certified Public Accountants, Hong Kong or other Ernst & Young International member firms.

* Road King is a limited liability company incorporated in Bermuda and the ordinary shares of nominal value of HK\$0.10 each are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The principal place of Road King's business is in Mainland China.

21. 聯營公司權益 (續)

於二零零五年十二月三十一日，於綜合保留溢利中記錄因收購聯營公司所產生之商譽為61,259,000港元(二零零四年：61,259,000港元)。

主要聯營公司詳情如下：

上述聯營公司均非經香港執業會計師安永會計師事務所或安永會計師事務所國際會員公司審核。

* 路勁乃於百慕達註冊成立之有限公司，其普通股股份以每股面值0.10港元在香港聯合交易所有限公司主板上市。路勁之主要營業地點為中國大陸。

21. Interests in Associates (continued)

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

The following is a summarised financial information of all associates:

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Assets	資產	15,373,423	15,242,599
Liabilities	負債	5,185,136	4,764,455
Revenue	收入	5,035,696	5,270,974
Profit	溢利	553,612	1,032,843

22. Amounts due from Minority Shareholders

The amounts due from minority shareholders as at 31 December 2005 are unsecured, interest-free and repayable within one year.

The amount due from a minority shareholder of approximately HK\$110,047,000 at 31 December 2004, which bore interest at a rate of 9% per annum, was repaid in 2005.

The carrying amounts of amounts due from minority shareholders approximate to their fair values.

21. 聯營公司權益 (續)

以上為董事認為對本年度業績構成主要影響或組成本集團資產淨值之重大部份之本集團主要聯營公司名單。董事認為，列載其他聯營公司詳情將導致資料過於冗長。

所有聯營公司之財務資料摘要如下：

22. 應收少數股東賬款

於二零零五年十二月三十一日之應收少數股東賬款為無抵押、免息及於一年內償還。

於二零零四年十二月三十一日，應收少數股東賬款中約110,047,000港元以9%年息率計息，已於二零零五年償還。

應收少數股東賬款之賬面值與其公允值相若。

23. Long Term Receivables

23. 長期應收款項

		Group 本集團		Company 本公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Long term receivables	長期應收款項	-	10,340	-	-

As at 31 December 2005, the Group had no outstanding long term receivable from independent third party. The amounts of long term receivables are unsecured and interest-free.

於二零零五年十二月三十一日，本集團概無尚未收回之獨立第三方長期應收款項。長期應收款項之金額為無抵押及免息。

24. Available-for-sale Equity Investments/
Long Term Investments

24. 可供出售權益性投資／長期投資

		Group 本集團		Company 本公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
At fair value:	按公允值：				
Listed equity investments in Mainland China	在中國大陸之 上市權益性投資	23,072	19,622	-	-
Unlisted equity investments in Mainland China	在中國大陸之 非上市權益性投資	18,178	11,569	1,720	1,720
		41,250	31,191	1,720	1,720

During the year, the gross gain of the Group's available-for-sale equity investments recognised directly in equity amounted to HK\$2,280,000 (2004: HK\$238,000).

年內，直接於權益中確認之本集團可供出售權益性投資之總收益金額達2,280,000港元（二零零四年：238,000港元）。

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted equity investments have been estimated using a valuation technique based on assumptions that are supported by net asset value and observable market prices.

上市權益性投資之公允值以市價為基準。非上市權益性投資之公允值已按照以資產淨值及可觀察市價為基礎之假設，採用估值技術進行評估。

25. Inventories

25. 存貨

		Group 本集團		Company 本公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Raw materials	原材料	33,486	30,933	-	-
Work in progress	在製品	12,644	9,975	-	-
Finished goods	產成品	38,744	48,273	-	-
Completed properties for sales	已落成之待銷物業	280,544	358,503	-	-
		365,418	447,684	-	-

At 31 December 2005, the Group's inventories with a net book value of approximately HK\$5,986,000 (2004: nil) were pledged as security for the Group's bank loans (note 30).

於二零零五年十二月三十一日，賬面淨值約為5,986,000港元（二零零四年：無）之本集團存貨已作為本集團銀行貸款之抵押（附註30）。

During the year, completed properties for sales that amounted to approximately HK\$45,005,000 (2004: HK\$87,850,000) and nil (2004: HK\$21,970,000) was transferred to investment properties and property, plant and equipment for the purposes of investment properties and office premises of the Group, respectively (notes 19 & 14, respectively).

年內，已落成之待銷物業約45,005,000港元（二零零四年：87,850,000港元）及無（二零零四年：21,970,000港元）已轉撥至投資物業及物業、廠房及設備，分別用作本集團之投資物業及辦公室（分別為附註19及14）。

26. Properties under Development for Sales

26. 發展中待銷物業

		Group 本集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Costs incurred	產生成本	153,460	404,699
Add: Attributable profits on incomplete projects	加：未落成項目之應佔溢利	-	14,993
		153,460	419,692
Less: Sale deposits/instalments received	減：已收銷售訂金／分期款項	-	(44,211)
		153,460	375,481

The properties under development for sale are located in Mainland China and are held under medium term leases. Upon the adoption of HK-Int 3, properties under development for sales are stated at cost less impairment losses for the year ended 31 December 2005.

於中國大陸發展中待銷物業乃以中期租約持有。採納香港詮釋第3號後，截至二零零五年十二月三十一日止年度，發展中待銷物業按成本減減值虧損列賬。

27. Trade Receivables

Under normal circumstances, the Group does not grant credit terms to its customers. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are regularly reviewed by management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

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

		Group 本集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Within 1 year	一年內	290,699	150,141
1 to 2 years	一年至兩年內	18,932	26,629
2 to 3 years	兩年至三年內	12,355	3,987
Over 3 years	三年以上	379	3,528
		322,365	184,285
Less: Provision for bad and doubtful debts 減：呆壞賬撥備		(18,704)	(20,954)
		303,661	163,331

28. Equity Investments at Fair Value Through Profit or Loss/Short Term Investments

28. 透過損益按公允值計算之權益性投資／短期投資

		Group 本集團		Company 本公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
At market value:	按市值：				
Listed equity investments in Hong Kong	在香港之上市 權益性投資	560	2,900	560	2,900

The above equity investments at 31 December 2005 were classified as held for trading.

以上於二零零五年十二月三十一日之權益性投資分類為持作買賣用途。

29. Cash and Cash Equivalents

29. 現金及現金等值

		Group 本集團		Company 本公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Cash and bank balances	現金及銀行結存	2,213,165	882,594	78,541	104,323
Time deposits	定期存款	1,295,365	2,501,966	1,052,339	1,207,672
Cash and cash equivalents	現金及現金等值	3,508,530	3,384,560	1,130,880	1,311,995

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$2,306,938,000 (2004: HK\$2,008,429,000). The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for the other currencies through banks authorised to conduct foreign exchange business.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The carrying amounts of the cash and cash equivalents approximate to their fair values.

於結算日，本集團以人民幣訂值之現金及銀行結存共2,306,938,000港元（二零零四年：2,008,429,000港元）。人民幣並不可自由兌換為其他貨幣。然而，根據中國外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過有權進行外匯業務之銀行將人民幣兌換為其他貨幣。

存放於銀行之現金根據日常銀行存款息率按浮動利率賺取利息。短期定期存款之存款期為一日至三個月不等，視乎本集團之即時現金需要而定，並按相關短期定期存款息率賺取利息。現金及現金等價物之賬面值與其公允值相若。

30. Interest-bearing Bank Loans

30. 帶息銀行貸款

		Effective interest rate (%) 實際利率(%)	Maturity 到期	Group 本集團		Company 本公司	
				2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Current	流動						
Secured	有抵押	6.70 – 6.75	2006	50,922	63,360	–	–
Unsecured	無抵押	4.52 – 6.90, LIBOR+0.55 –LIBOR+1.5, SIBOR+0.75	2006	1,998,582	1,994,873	736,735	388,630
				2,049,504	2,058,233	736,735	388,630
Non-current	非流動						
Unsecured	無抵押	LIBOR+0.63 – LIBOR+0.85	2007-2009	2,132,653	2,813,795	2,132,653	2,759,273
				4,182,157	4,872,028	2,869,388	3,147,903

	Analysed into:	分析:	Group 本集團		Company 本公司	
			2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Bank loans repayable:		須償還之銀行貸款:				
Within one year		一年內	2,049,504	2,058,233	736,735	388,630
In the second year		兩年內	542,857	676,330	542,857	621,808
		三年至五年內				
In the third to fifth years, inclusive		(包括首尾兩年)	1,589,796	2,137,465	1,589,796	2,137,465
			4,182,157	4,872,028	2,869,388	3,147,903

(a) Bank loans amounting to HK\$50,922,000 (2004: HK\$63,360,000) were secured by:

- (i) certain of the Group's land and buildings which have an aggregate net book value of approximately HK\$2,432,000 (2004: HK\$28,000,000), and investment properties of the Group with an aggregate value of approximately HK\$33,628,000 (2004: HK\$14,070,000) (notes 14 & 19 respectively); and
- (ii) certain of the Group's properties under development with a net book value of approximately HK\$68,310,000 (2004: HK\$51,397,000) (note 18).

(a) 銀行貸款金額為50,922,000港元(二零零四年: 63,360,000港元)·由以下資產作抵押:

- (i) 本集團若干土地及樓宇(其總賬面淨值約2,432,000港元(二零零四年: 28,000,000港元))及本集團投資物業(其總值約33,628,000港元(二零零四年: 14,070,000港元))(附註14及19);及
- (ii) 賬面淨值約68,310,000港元(二零零四年: 51,397,000港元)(附註18)之若干本集團發展中之物業。

30. Interest-bearing Bank Loans (continued)

(iii) certain of the Group's completed properties for sales with a net book value of approximately HK\$5,986,000 (2004: HK\$ Nil) (note 25).

(b) Except for the bank loan equivalent to approximately HK\$2,885,296,000, which is denominated in United States dollars, all borrowings are in RMB.

Other interest rate information:

30. 帶息銀行貸款 (續)

(iii) 賬面淨值約5,986,000港元(二零零四年:無)(附註25)之若干本集團落成之待銷物業。

(b) 除了相當於約2,885,296,000港元之銀行貸款以美元計值外,其餘貸款均以人民幣計值。

其他貸款利率信息:

		Group 本集團			
		2005		2004	
		Fixed rate	Floating rate	Fixed rate	Floating rate
		固定利率	浮動利率	固定利率	浮動利率
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank loans—secured	銀行貸款—有抵押	50,922	—	63,360	—
Bank loans—unsecured	銀行貸款—無抵押	1,245,939	2,885,296	1,660,765	3,147,903
		Company 本公司			
		2005		2004	
		Fixed rate	Floating rate	Fixed rate	Floating rate
		固定利率	浮動利率	固定利率	浮動利率
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank loans—unsecured	銀行貸款—無抵押	—	2,869,388	—	3,147,903

The carrying amounts of bank loans approximate to their fair values.

銀行貸款之賬面值與其公允值相若。

31. Trade and Notes Payables

An aged analysis of the trade and notes payables as at the balance sheet date, based on the payment due date, is as follows:

		Group 本集團	
		2005	2004
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 year	一年內	135,606	140,317
1 to 2 years	一年至兩年內	12,501	24,394
2 to 3 years	兩年至三年內	5,448	18,272
Over 3 years	三年以上	41,904	26,513
		195,459	209,496

32. Deferred Tax

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

Group	Timing differences on sales recognition	Revaluation of investment properties	Revaluation of assets	Fair value adjustment arising from acquisition of a subsidiary	Accelerated tax depreciation on investment properties	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
本集團	銷售	投資		因收購一家	投資物業	合計	
遞延稅項負債：	確認之時差	物業重估	資產重估	附屬公司產生之公允價值調整	加速稅項折舊	合計	
	千港元	千港元	千港元	千港元	千港元	千港元	
At 1 January 2005	於二零零五年一月一日	778	39,386	7,707	11,717	32,164	91,752
Deferred tax charged to the income statements during the year (note 10)	本年度於收益表中扣除之遞延稅項(附註10)	11,811	18,155	-	-	8,399	38,365
At 31 December 2005	於二零零五年十二月三十一日	12,589	57,541	7,707	11,717	40,563	130,117

31. 應付賬款及應付票據

於結算日按付款到期日計算之應付賬款及應付票據之賬齡分析如下：

32. 遞延稅項

本年度遞延稅項負債及資產之變動如下：

32. Deferred Tax (continued)

32. 遞延稅項 (續)

Deferred tax assets:		Revaluation of investments	Others	Total
遞延稅項資產:		HK\$'000 投資重估 千港元	HK\$'000 其他 千港元	HK\$'000 合計 千港元
At 1 January 2005	於二零零五年一月一日	1,145	326	1,471
Deferred tax charged to equity during the year	本年度於權益中扣除之 遞延稅項	(422)	-	(422)
At 31 December 2005	於二零零五年十二月三十一日	723	326	1,049

Group	Timing differences on sales recognition	Revaluation of investment properties	Revaluation of assets	Fair value adjustment arising from acquisition of a subsidiary	Accelerated tax depreciation on investment properties	Total	
Deferred tax liabilities:	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
本集團	銷售 確認之時差	投資 物業重估	資產重估	因收購一家 附屬公司產生 之公允價值調整	投資物業 加速稅項折舊	合計	
遞延稅項負債:	千港元	千港元	千港元	千港元	千港元	千港元	
At 1 January 2004	於二零零四年一月一日	28,657	30,575	7,707	11,717	103,420	
Deferred tax charged to the income statements during the year (note 10)	本年度於收益表中 扣除之遞延稅項 (附註10)	(27,879)	8,811	-	-	7,400	(11,668)
At 31 December 2004	於二零零四年十二月三十一日	778	39,386	7,707	11,717	32,164	91,752

Deferred tax assets:		Revaluation of investments	Others	Total
遞延稅項資產:		HK\$'000 投資重估 千港元	HK\$'000 其他 千港元	HK\$'000 合計 千港元
At 1 January 2004	於二零零四年一月一日	1,179	326	1,505
Deferred tax charged to equity during the year	本年度於權益中扣除之 遞延稅項	(34)	-	(34)
At 31 December 2004	於二零零四年十二月三十一日	1,145	326	1,471

32. Deferred Tax (continued)

The Group has tax losses arising in Hong Kong of HK\$405,838,000 (2004: HK\$216,591,000) and in Mainland China of HK\$160,245,000 (2004: HK\$120,861,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for years.

At 31 December 2005, there was no significant unrecognised deferred tax liability (2004: Nil).

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

32. 遞延稅項 (續)

本集團於香港之稅務虧損為405,838,000港元(二零零四年:216,591,000港元)·而於中國大陸之稅務虧損為160,245,000港元(二零零四年:120,861,000港元)可用作抵銷產生虧損之公司之未來應課稅溢利·由於該等虧損乃來自虧損多年之附屬公司·故並無就該等虧損確認遞延稅項資產。

於二零零五年十二月三十一日·並無任何重大未確認遞延稅項負債(二零零四年:零)。

本公司向其股東派付股息·不會附帶任何所得稅後果。

33. Share Capital**33. 股本**

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Authorised:	法定:		
3,000,000,000 (2004:3,000,000,000) ordinary shares of HK\$0.05 (2004: HK\$0.05) each	每股面值0.05港元(二零零四年: 0.05港元)之普通股3,000,000,000股 (二零零四年:3,000,000,000股)	150,000	150,000
Issued and fully paid:	已發行及繳足:		
2,482,413,966 (2004:2,482,413,966) ordinary shares of HK\$0.05 (2004: HK\$0.05) each	每股面值0.05港元(二零零四年: 0.05港元)之普通股2,482,413,966股 (二零零四年:2,482,413,966股)	124,121	124,121

There was no change in the authorised and issued capital of the Company during the year.

年內本公司之法定及已發行資本並無任何變動。

34. Share Option Scheme

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include any employee or director (including executive, non-executive and independent non-executive director) of any member of the Group, or any employee, partner or director of any business consultant, joint venture partner, financial adviser and legal adviser of and to any member of the Group, as absolutely determined by the board of directors. The Scheme became effective on 5 June 2002 and, unless otherwise cancelled or amended, shall be valid and effective for a period of 10 years from that date, after which period no further options will be issued but in all other respects the provisions of the Scheme shall remain in full force and effect. The remaining life of the Scheme as at 31 December, 2005 was six and a half years.

The maximum number of ordinary shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue as at the date of approval of the Scheme unless the Company obtains a fresh approval from its shareholders. Options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating such 10% limit. Notwithstanding the above, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not exceed 30 percent of the shares in issue from time to time. As at the date of this report, the total number of shares available for issue under the Scheme was 215,760,000 shares (including options for 203,400,000 shares that have been granted but not yet lapsed or exercised) which represented 8.69% of the issued share capital of the Company at 31 December 2005.

34. 購股權計劃

本公司設有一項購股權計劃(「該計劃」)，為對本集團業務作出貢獻之合資格參與者提供鼓勵及獎勵。該計劃之合資格參與者包括本集團任何成員之僱員或董事(包括執行、非執行及獨立非執行董事)、或本集團任何成員之任何商業顧問、合營夥伴、財務顧問及法律顧問之僱員、夥伴或董事，全部由董事會決定。該計劃於二零零二年六月五日生效，惟除非獲註銷或修訂，該計劃將於當日起計十年內維持有效，該期限過後，將不會進一步授出購股權，但在所有其他方面，該計劃的撥備仍將維持及生效。於二零零五年十二月三十一日，該計劃餘下的年期為六年半。

除非本公司獲其股東另外批准，否則因悉數行使根據該計劃及任何其他本公司之購股權計劃授出之購股權而可能予以發行之普通股股數上限不得超過於批准該計劃當日已發行股份總數之10%。根據該計劃條款失效之購股權將不作為計算該10%限額之目的。除上文所披露者外，因悉數行使根據該計劃及任何其他本公司之購股權計劃授出而將予行使之尚未行使購股權而可能予以發行之股份數目上限不得超過不時已發行股份總數之30%。於本報告日期，根據該計劃可予發行之股份總數為215,760,000股(包括已授出但尚未失效或行使之可認購203,400,000股股份之購股權)，佔本公司於二零零五年十二月三十一日已發行股本之8.69%。

34. Share Option Scheme (續)

The maximum entitlement of each participant under the Scheme is that the total number of shares issued and to be issued upon exercise of the options granted to each Participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

The period under which an option may be exercised will be determined by the board of directors at their absolute discretion and notified by the directors to each grantee as being the period during which an option may be exercised, and shall expire no later than 10th Anniversary of the date upon which the option is granted and accepted in accordance with the Scheme. Unless otherwise determined by the Board and specified in the offer letter at the time of the offer, there is no minimum period for which an option must be held before the option can be exercised.

An option is open for acceptance for a period of 28 days from the date of offer. The amount payable on acceptance of an option is HK\$1. The full amount of exercise price for the subscription for shares has to be paid upon exercise of an option.

The exercise price shall be a price determined by the board of directors and notified to a participant and shall be at least the highest of (i) the closing price of the shares as stated in The Stock Exchange of Hong Kong Limited's daily quotations sheet on the date of offer of grant, which must be a business day, (ii) a price being the average of the closing prices of the shares as stated in The Stock Exchange of Hong Kong Limited's daily quotations sheets for the 5 business days immediately preceding the date of offer of grant, and (iii) the nominal value of a share in the Company.

34. 購股權計劃 (續)

每名參與者於該計劃項下之授權上限為因行使於任何12個月期間授予各參與者之購股權(包括已獲行使及尚未行使之購股權)而已發行及將予以發行之股份總數不得超過已發行股份總數之1%。

購股權之可行使期間由董事會全權決定, 並由董事通知各承授人可行使購股權之期間; 另根據該計劃, 該購股權之行使期限應於其被授出及被接納當日起計10週年內屆滿。除非董事會決定及在授出購股權時於授予信件中指明, 否則在行使購股權前不設必須持有購股權的最低期限。

購股權從授出當日起的二十八天內接受認購, 接納購股權時應付款項為1港元。認購股份之行使價全數須於行使購股權時支付。

行使價乃由董事會釐定並通知參與者有關價格。行使價須至少為以下之最高者: (i) 於授出當日(必須為營業日)在香港聯合交易所有限公司每日報價表所載之股份收市價; (ii) 於緊接授出當日前5個營業日在香港聯合交易所有限公司每日報價表所載之平均股份收市價; 及(iii)本公司股份之面值。

34. Share Option Scheme (續)

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

34. 購股權計劃 (續)

在本年度內，該計劃項下尚未行使之購股權如下：

	Number of share options 購股權數目					At 31 December 2005 於二零零五年 十二月 三十一日	Date of grant of share options 授出購股權 日期	Exercise period of share options 行使購股權 期間	Exercise price of share options HK\$ 行使購股權 價格 港元	Price of Company's shares* 本公司股份之價格*	
	At 1 January 2005 於二零零五年 一月一日	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Cancelled during the year 於年內註銷					At grant date of options HK\$ 於購股權 授出之日期 港元	At exercise date of options HK\$ 於購股權 行使之日期 港元
Directors 董事											
HU Aimin 胡愛民	-	6,000,000	-	-	-	6,000,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
ZHANG Yijun 張宜均	-	5,000,000	-	-	-	5,000,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
LIU Jianhua 劉建華	2,000,000 (Note 1) (附註1)	4,000,000 (Note 1) (附註1)	-	-	-	2,000,000	5/7/2002	5/7/2002 – 4/7/2007	1.265	-	-
						4,000,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
ZHAO Mingfeng 趙明豐	-	4,000,000	-	-	-	4,000,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
LIANG Kaiping 梁開平	-	4,000,000	-	-	-	4,000,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
XU Ruxin 徐汝心	2,000,000	-	-	-	-	2,000,000	27/6/2002	27/6/2002 – 26/6/2007	1.265	-	-
		3,500,000	-	-	-	3,500,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
ZHU Huoyang 朱火養	2,000,000	-	-	-	-	2,000,000	27/6/2002	27/6/2002 – 26/6/2007	1.265	-	-
		3,500,000	-	-	-	3,500,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
LIU Zixian (Note 2) 劉子先 (附註2)	2,400,000	-	-	(2,400,000)	-	-	27/6/2002	27/6/2002 – 26/6/2007	1.265	-	-
LEE Yip Wah, Peter 李業華	2,000,000	-	-	-	-	2,000,000	27/6/2002	27/6/2002 – 26/6/2007	1.265	-	-
	-	600,000	-	-	-	600,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
WONG Po Yan 黃保欣	2,000,000	-	-	-	-	2,000,000	27/6/2002	27/6/2002 – 26/6/2007	1.265	-	-
		600,000	-	-	-	600,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
WU Wai Chung, Michael 吳偉聰	1,200,000	-	-	-	-	1,200,000	5/7/2002	5/7/2002 – 4/7/2007	1.265	-	-
		600,000	-	-	-	600,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
LI Wai Keung 李偉強	-	600,000	-	-	-	600,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
	13,600,000	32,400,000	-	(2,400,000)	-	43,600,000					
Other employees 其他僱員											
In aggregate 總計	2,000,000	-	-	-	-	2,000,000	27/6/2002	27/6/2002 – 26/6/2007	1.265	-	-
	16,400,000	-	-	-	-	16,400,000	3/7/2002	3/7/2002 – 2/7/2007	1.265	-	-
	20,000,000	-	-	-	-	20,000,000	5/7/2002	5/7/2002 – 4/7/2007	1.265	-	-
	1,000,000	-	-	-	-	1,000,000	8/7/2002	8/7/2002 – 7/7/2007	1.265	-	-
	-	23,600,000	-	-	-	23,600,000	18/5/2005	18/5/2005 – 17/5/2010	1.088	1.080	-
	39,400,000	23,600,000	-	-	-	63,000,000					
	53,000,000	56,000,000	-	(2,400,000)	-	106,600,000					

34. Share Option Scheme (續)

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

Notes:1. Mr. LIU Jianhua resigned as a director of the Company on 23 December, 2005. His share options will lapsed on 23 March, 2006.

2. Mr. LIU Zixian resigned as a director of the Company on 12 November, 2004. His share options lapsed on 12 February, 2005.

During the period from 1st January, 2006 and up to the date of this report, (i) the Company has granted options to subscribe for 112,300,000 shares; (ii) options to subscribe for 13,500,000 shares have been exercised; and (iii) options to subscribe for 2,000,000 shares have been lapsed. As at the date of this report, options carrying rights to subscribe for 203,400,000 shares remain outstanding and yet to be exercised.

The fair value of the share options granted during the year was HK\$16,800,000.

The fair value of equity-settled share options granted during the year was estimated as at the date of grant, using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used for the year ended 31 December 2005:

Dividend yield (%)	4.00
Expected volatility (%)	39
Risk-free interest rate (%)	4.20
Expected life of option (year)	5
Exercise price (HK\$)	1.088
Stock price on date of grant (HK\$)	1.080

The expected life of the options is based on the historical data over the last year and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

34. 購股權計劃 (續)

- * 於購股權授出日期所披露本公司股份之價格乃緊接有關購股權於本年度內緊接授出日期前一個交易日聯交所之收市價。於購股權行使日期所披露本公司股份之價格乃聯交所收市價與於披露範圍內購股權於本年度內獲行使之全數之加權平均值。

附註1. 劉建華先生於二零零五年十二月二十三日辭任本公司董事一職。其購股權於二零零六年三月二十三日失效。

2. 劉子先先生於二零零四年十一月十二日辭任本公司董事一職。其購股權於二零零五年二月十二日失效。

於二零零六年一月一日至本報告刊發日期止期間，(i)本公司授出可認購112,300,000股股份之購股權；(ii)可認購13,500,000股股份之購股權已獲行使；及(iii)可認購2,000,000股股份之購股權已告失效。在本報告刊發日期，附帶權利認購203,400,000股股份之購股權依然在外流通但仍未行使。

年內所授購股權之公允值為16,800,000港元。

年內所授出以股本支付之購股權公允值，於授出日期按Black-Scholes模型估計，當中考慮到購股權授出之條款及條件。下表列出該模型於截至二零零五年十二月三十一日止年度之進項：

股息收益 (%)	4.00
預期波動 (%)	39
無風險利率 (%)	4.20
預期購股權壽命 (年)	5
行使價 (港元)	1.088
授出日期之股價 (港元)	1.080

預期購股權壽命以過往一年數據計算，未必可作為今後行使模式之指標。預期波動反映一項假設，該假設認為過往波動對未來動向具指標作用，但這未必是實際結果。

計量公允值時並無計入其他購股權授出特徵。

35. Reserves

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 51 to 52 of the financial statements.

Pursuant to the relevant laws and regulations for Sino-foreign joint venture enterprises, a portion of the profits of the Group's subsidiaries and associates in the PRC has been transferred to statutory reserve which is restricted as to use.

Certain amounts of goodwill arising on the acquisition of subsidiaries and associates in prior year, remain eliminated against consolidated retained profits, as explained in notes 17 and 21 to the financial statements.

(b) Company

35. 儲備

(a) 本集團

本集團本年度及過往年度之儲備金額及其變動乃於財務報表第51頁至第52頁綜合權益變動表內呈列。

根據中外合營企業之相關法例及規例，本集團於中國之附屬公司及聯營公司之部份溢利已轉撥至法定儲備，並限定其用途。

誠如財務報表附註17及21所解釋，過往年度收購附屬公司及聯營公司所產生之商譽之若干數額，繼續於綜合保留溢利中對銷。

(b) 本公司

		Notes	Share premium account HK\$'000 股份溢價賬 千港元	Share option reserve HK\$'000 購股權儲備 千港元	Retained profits HK\$'000 保留溢利 千港元	Total HK\$'000 總額 千港元
		附註				
At 1 January 2004	於二零零四年一月一日		1,472,906	–	641,597	2,114,503
Shares issued at premium	按溢價發行股份		22,442	–	–	22,442
Net profit for the year	本年度純利	11	–	–	154,316	154,316
Interim 2004 dividend	二零零四年中期股息	12	–	–	(49,648)	(49,648)
Adjustment to prior year's final dividend	上年度末期股息之調整 二零零四年度擬派	12	–	–	(603)	(603)
Proposed final 2004 dividend	末期股息	12	–	–	(74,472)	(74,472)
At 31 December 2004	於二零零四年十二月三十一日		1,495,348	–	671,190	2,166,538
Net profit for the year	本年度純利	11	–	–	147,390	147,390
Interim 2005 dividend	二零零五年中期股息 二零零五年度擬派	12	–	–	(49,648)	(49,648)
Proposed final 2005 dividend	末期股息	12	–	–	(273,066)	(273,066)
Equity-settled share option arrangements	以股本支付之 購股權安排		–	16,800	–	16,800
At 31 December 2005	於二零零五年十二月三十一日		1,495,348	16,800	495,866	2,008,014

36. Disposal of Subsidiaries

36. 出售附屬公司

		Notes 附註	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Net assets disposed of:	出售淨資產：			
Property, plant and equipment	物業、廠房及設備	14	—	29,226
Properties under development	發展中物業	18	—	292,545
Investment properties	投資物業	19	—	75,372
Cash and cash equivalents	現金及現金等值		—	10,182
Accounts receivable	應收賬款		—	1,420
Prepayments and other receivables	預付款項及其他應收款項		—	30,897
Inventories	存貨		—	3,863
Accounts payable	應付賬款		—	(6,649)
Accruals and other payables	應計費用及其他應付款項		—	(9,355)
Tax payable	應付稅項		—	(3)
Interest-bearing bank loans	帶息銀行貸款		—	(107,163)
Minority interests	少數股東權益		—	(142,566)
				177,769
Loss on disposal of subsidiaries	出售附屬公司之虧損		—	(25,212)
			—	152,557
Satisfied by:	支付方式：			
Cash	現金		—	66,896
Interests in an associate	聯營公司權益		—	85,661
			—	152,557

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

就出售附屬公司之現金及現金等值流入淨額之分析如下：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Cash consideration	現金代價	—	66,896
Cash and cash equivalents disposed of	出售現金及現金等值	—	(10,182)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	就出售附屬公司之現金及現金等值流入淨額	—	56,714

The results of the subsidiaries disposed of in the year ended 31 December 2004 had no significant impact on the Group's consolidated turnover or profit after tax for that year.

於截至二零零四年十二月三十一日止年度，出售附屬公司之業績對本集團該年度之綜合營業額或稅後溢利並無重大影響。

37. Operating Lease Arrangements

(i) As lessor

The Group leases its investment properties (note 19 to the financial statements) under operating lease arrangements, with leases negotiated for terms ranging from two to eighteen years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 December 2005, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

37. 經營租約安排

(i) 作為出租者

根據經營租賃安排，本集團租出旗下投資物業（財務報表附註19），租期議定為兩年至十八年不等。租約條款亦一般要求租戶先繳付保證金及規定視乎當時市場環境而週期性調整租金。

於二零零五年十二月三十一日，本集團於以下期間屆滿之不可取消經營租約在未來之最少應收租約總額如下：

		Group 本集團	
		2005	2004
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	211,337	215,367
In the second to fifth years, inclusive	第二年至第五年（包括首尾兩年）	310,360	284,025
After five years	超逾五年	141,210	151,890
		662,907	651,282

37. Operating Lease Arrangements (continued)

37. 經營租約安排 (續)

(ii) As lessee

The Group leases certain of its properties under operating lease arrangements. Leases for the properties are negotiated for terms ranging from three to twenty years.

At 31 December 2005, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

(ii) 作為租戶

本集團根據經營租賃安排租入若干物業，物業租期議定為三年至二十年不等。

於二零零五年十二月三十一日，本集團及本公司於以下期間屆滿之不可取消經營租約在未來之最少應付租約承擔總額如下：

		Group 本集團		Company 本公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Within one year	一年內	7,548	6,855	2,602	2,602
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	21,536	18,001	2,434	4,648
After five years	超逾五年	64,231	29,011	–	–
		93,315	53,867	5,036	7,250

38. Capital Commitments

38. 資本承擔

In addition to the operating lease commitments detailed in note 37(ii) above, the Group and the Company had the following commitments at the balance sheet date:

除上文附註37(ii)所述之經營租約承擔外，於結算日，本集團及本公司有以下承擔：

		Group 本集團		Company 本公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Commitments in respect of acquisition of land and buildings, and development costs attributable to properties under development:	就收購土地及樓宇以及發展中物業應佔發展成本之承擔：				
Contracted, but not provided for	已訂約惟尚未撥備	418,075	516,446	–	–

38. Capital Commitments (continued)

In addition, the Group's and the Company's shares of the associates' own capital commitments, which are not included above, were as follows:

		Group 本集團		Company 本公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Contracted, but not provided for:	已訂約惟尚未撥備:				
Investment cost to be injected into a subsidiary	就於一家附屬公司注資之承擔	-	9,863	-	-
Investment cost to be injected into an associate	就於一家聯營公司注資之承擔	41,507	-	-	-
Investment cost to be injected into infrastructure joint ventures	就於基建合營企業注資之承擔	-	8,517	-	-
		41,507	18,380	-	-

38. 資本承擔 (續)

除上述資本承擔事項以外，本集團及本公司應佔聯營公司本身之資本承擔如下：

39. Contingent Liabilities

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

		Group 本集團		Company 本公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
(i) Guarantees for credit facilities granted to:	(i) 為下列公司獲授信貸而作出之擔保:				
Subsidiaries	附屬公司	-	-	124,904	211,480
Associates	聯營公司	10,761	15,698	-	-
		10,761	15,698	124,904	211,480

39. 或然負債

於結算日，財務報表並無撥備之或然負債如下：

(ii) At 31 December 2005, the Group has given guarantees to a maximum extent of approximately HK\$1,166,133,000 (2004: HK\$915,016,000) to banks for housing loans extended by the banks to the purchasers of the Group's properties.

(ii) 於二零零五年十二月三十一日，本集團給銀行約1,166,133,000港元（二零零四年：915,016,000港元）之最高擔保額，作為銀行授予本集團物業買家之房屋貸款之擔保。

39. Contingent Liabilities (continued)

(iii) Pending litigation

A statement of claim dated 27 August 2002 was issued by Fancheng Property Development Co., Limited (the "Plaintiff") as the plaintiff against Shum Yip Group (Shenzhen) Co., Ltd. ("Shum Yip Shenzhen"), a wholly-owned subsidiary of the Company as the first defendant and Yaoheng Development Co., Ltd. as the second defendant in a civil claim at the court in Mainland China.

The Plaintiff claimed against Shum Yip Shenzhen for, inter alia, damages suffered by the Plaintiff as a result of the breach by Shum Yip Shenzhen of the terms of a cooperation agreement entered into between the Plaintiff and Shum Yip Shenzhen dated 8 July 1991, which include (i) Shum Yip Shenzhen's deliberate register of the properties named Shenfa Garden under the name of Shum Yip Shenzhen and its refusal to give the properties to the Plaintiff and (ii) Shum Yip Shenzhen's appropriation of the Plaintiff's sales proceeds to compensate the individual owners and the construction party of Shenfa Garden and keeping the income in relation to certain car parks and the kindergarten situated within the area of Shenfa Garden. The Plaintiff claimed a total compensation of approximately RMB170 million against Shum Yip Shenzhen. Shum Yip Shenzhen lodged a defence and counter claim for compensation of RMB1.3 million against the Plaintiff on 22 October 2002. This case was heard in court on 26 March 2003 and 5 November 2004, the arbitration process is complicated and time-consuming. Up to date, the parties are still waiting for the delivery of the arbitration award. Mainland China lawyers are of the view that the outcome of the case is not determinable at this stage.

As advised by Hong Kong lawyers, pursuant to a deed (the "Deed") entered into on 12 February 1997 by Shum Yip Holdings as covenantor in favour of the Company as covenantee in connection with the listing of the Company, the Company may be able to claim indemnity from Shum Yip Holdings if the Plaintiff and/or the applicant are successful in their claims against Shum Yip Shenzhen on the ground that Shum Yip Shenzhen had materially breached the cooperation agreement, and the circumstances which gave rise to the above litigation was already in existence at the time of execution of the Deed.

39. 或然負債 (續)

(iii) 待決之法律訴訟

在中國大陸法院的一宗民事索償中，原告凡成物業發展有限公司（「原告」）於二零零二年八月二十七日向本公司之全資附屬公司深業集團（深圳）有限公司（「深業深圳」）（第一被告）及躍恒發展有限公司（第二被告）提出索償。

原告對深業深圳提出索償，要求賠償（其中包括）其本身因深業深圳違反雙方於一九九一年七月八日訂立之合作協議之條款而蒙受之損失，該等違反包括：(i)深業深圳故意將一項名為深發花園之物業登記入其名下，並拒絕向原告交出該物業；(ii)深業深圳挪用原告出售物業所得之款項，用以補償個別之業主及深發花園之建築商，並保留與位於深發花園內若干停車場及幼稚園有關之收入。原告向深業深圳索償合共約人民幣170,000,000元。深業深圳於二零零二年十月二十二日提交民事答辯暨反訴狀，對原告反索償人民幣1,300,000元。此案於二零零三年三月二十六日及二零零四年十一月五日聆訊。仲裁過程既複雜且費時，各方至今尚在等待仲裁裁決。中國大陸律師認為，現時無法預料此案之裁決結果。

據香港律師提供之意見，根據深業集團（作為契諾承諾人）於一九九七年二月十二日為本公司（作為契諾受益人）之利益而訂立之契據（「該契據」），乃因應本公司上市而給予之契諾，倘若原告人及／或申請人在深業深圳之申索中勝訴，本公司或可就此向深業集團申索補償，理據為深業深圳嚴重違反合作協議，而引致上述訴訟之情況於簽訂該契據時早已存在。

40. Related Party Transactions

40. 關連人士交易

(a) The Group had the following material transactions with the following related parties during the year:

(a) 於年內，本集團與以下關連人士進行以下重大交易：

		Group 本集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
		Note 附註	
Shum Yip Holdings Company Limited, the ultimate holding company: Rental expenses paid	深業(集團)有限公司 (最終控股公司): 已付租金開支	(i)	2,577 2,541
Shenzhen Gaofa Investment Holding Ltd., an associate of the Group: Purchase of investment properties	深圳市高發投資控股有限公司 (本集團之聯營公司): 購買投資物業	(ii)	58,565 —

Notes:

附註:

- (i) The rentals were determined by the directors with reference to the market prices of similar transactions.
- (ii) The investment properties were purchased according to the directors valuation with reference to the valuation reports issued by independent professional qualified property valuers.

- (i) 租金經董事參考當時之同類交易市價後釐訂。
- (ii) 投資物業乃按董事估值購買，而董事估值乃參照獨立專業合資格物業估值師發表之估值報告。

(b) Compensation of key management personnel of the Group:

(b) 本集團主要管理人員之酬金：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Short term employee benefits	短期僱員福利	4,929	4,382
Post-employment benefits	退休福利	175	81
Share-based payments	股份支付款項	9,180	—
Total compensation paid to key management personnel	主要管理人員酬金總額	14,284	4,463

Further details of directors' emoluments are included in note 8 to the financial statements.

董事袍金詳情載於財務報表附註8。

41. Possible Reorganisation of the Business Or Shareholding Restructure of a Subsidiary

Shenzhen Shum Yip Logistics Group Holdings Co., Ltd. (“Shum Yip Logistics”) is a company incorporated under the laws of the PRC and a 51% owned subsidiary of the Company. According to the business licence of Shum Yip Logistics, its term of business will expire on 20 June 2006. The Company is currently negotiating with the other shareholders of Shum Yip Logistics on the extension of the term of business, and the potential business reorganisation or shareholding restructure of Shum Yip Logistics. In the opinion of the directors, it is not possible to determine with reasonable certainty at the current stage the ultimate outcome of the negotiations with the other shareholders of Shum Yip Logistics. If the Company and the other shareholders of Shum Yip Logistics fail to reach an agreement on the extension of its term of business, Shum Yip Logistics may need to be liquidated according to the PRC laws and regulations, in which case certain adjustments against the carrying value of the assets and liabilities of Shum Yip Logistics may be required.

Net assets after minority interests of Shum Yip Logistics as at 31 December 2005 and net profit after minority interests for the year ended 31 December 2005 represented approximately 10% (2004: 11%) and 8% (2004: 3%) of the consolidated net assets after minority interests of the Company as at 31 December 2005 and the consolidated net profit after minority interests of the Company for the year ended 31 December 2005, respectively.

As the Company continues to negotiate with the other shareholders of Shum Yip Logistics for an agreement on the extension of its term of business and the potential business reorganisation or shareholding restructure, the directors consider that no adjustments are required against the carrying value of the assets and liabilities of Shum Yip Logistics as at the balance sheet date.

41. 一家附屬公司可能進行之業務重組或股權結構重組

深圳深業物流集團股份有限公司（「深業物流」）為一家按照中國法律註冊成立之公司，亦為本公司擁有51%權益之附屬公司。根據深業物流之商業牌照，深業物流之營業期限將於二零零六年六月二十日屆滿。本公司正與深業物流之其他股東就延長營業期限，以及深業物流可能進行之業務重組或股權結構重組進行磋商。董事認為，現時未可能合理地肯定與深業物流其他股東磋商之最終結果。倘本公司與深業物流之其他股東未能就延長營業期限達成協議，深業物流或要按照中國法律法規進行清算，屆時或需要對深業物流之資產負債賬面值進行若干調整。

深業物流截至二零零五年十二月三十一日止年度之經扣減少數股東權益之資產淨值，及其截至二零零五年十二月三十一日止年度之經扣減少數股東權益之純利，分別佔本公司截至二零零五年十二月三十一日止年度之經扣減少數股東權益之綜合資產淨值約10%（二零零四年：11%），及佔本公司截至二零零五年十二月三十一日止年度之經扣減少數股東權益之綜合純利8%（二零零四年：3%）。

由於本公司仍與深業物流之其他股東進行磋商，冀就延長營業期限及或會進行之業務重組或股權結構重組達成協議，董事認為毋須調整深業物流於結算日之資產負債賬面值。

42. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise bank loans, cash and short term deposits and equity investments. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group's investment in Mainland China is mainly through its subsidiaries and associates, which conduct business within the Mainland China. Apart from interest payable, repayment of foreign currency loans obtained to finance their operations and any potential future dividend of its subsidiaries and associates may declare to its shareholders, its turnover, capitalised investments and expenses are denominated in Renminbi. The Group had not experienced any difficulties in obtaining government approval for its necessary foreign-exchange purchases. Assets and liabilities of the Group are mostly dominated in RMB and U.S. Dollars. As such, the Group has foreign exchange exposure to RMB and U.S. Dollars. During the year, the Group did not apply any foreign instruments for hedging purpose.

Credit risk

The Group trades only with recognised and creditworthy third parties except for the sales of properties, for which no credit is given to the customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents and available-for-sale financial assets, arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

42. 財務風險管理之目的及政策

本集團之主要財務工具包括銀行貸款、現金及短期存款及權益性投資。此等財務工具之主要用途乃為本集團業務籌集資金。本集團還有其他財務資產負債，例如直接來自其業務之應收貨款及應付貨款。

本集團財務工具所生之風險主要為外幣風險、信貸風險及資金流動性風險。董事會審議並同意管理此等風險之各項政策，概括如下。

外幣風險

本集團主要透過其於中國大陸經營業務之附屬公司及聯營公司，對中國大陸進行投資。除應付利息、償還作為業務資金之外幣貸款，以及本集團附屬公司及聯營公司將來或向其股東分派之任何股息外，本集團之營業額、資本化投資及開支均以人民幣訂值。本集團在獲取政府批准以購買必需之外匯時從未遇過任何困難。本集團之資產及負債主要以人民幣及美元訂值。因此，本集團面對人民幣及美元之外匯風險。年內本集團並無應用任何作對沖用途之外幣工具。

信貸風險

本集團只與知名及具信譽之第三方進行交易，惟出售物業則例外，因客戶不獲授信貸。本集團的政策，是所有希望以信貸期進行交易之客戶必須經過信貸認證程序。此外，監察應收結餘乃屬經常性質，而本集團並未面臨重大之壞賬。

本集團其他財務資產（包括現金及現金等價物及可供出售財務資產）之信貸風險因對方拖欠所致，而拖欠貸款之最高額等於此等工具之賬面值。

42. Financial Risk Management Objectives and Policies (continued)

Credit risk (continued)

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short and long term bank loans.

43. Comparative Amounts

As further explained in note 2.2 and 2.4 to the financial statements, due to the adoption of new and revised HKFRSs, during the current year, the accounting treatment and the presentation of certain items and balances in the financial statements has been revised to comply with the new requirements. Accordingly, certain prior year and opening balance adjustments have been made and certain comparative amounts have been reclassified and restated to conform with the current year's presentation and accounting treatment.

44. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 13 April 2006.

42. 財務風險管理之目的及政策 (續)

信貸風險 (續)

由於本集團只與知名及具信譽之第三方進行交易，所以毋須擔保物。

資金流動性風險

本集團旨在透過運用短期及長期銀行貸款，維持資金持續供應與彈性間之平衡。

43. 比較數額

如財務報表附註2.2及2.4所進一步解釋，因採納新經修訂之香港財務報告準則，本年度會計處理及財務報表內若干項目及結餘呈列均作出修訂，以跟新規定一致。因此，過往年度及期初若干結餘已予以調整，若干比較數額亦予以重新分類及重列，以符合本年度之呈列及會計處理。

44. 批准財務報表

財務報表已於二零零六年四月十三日獲董事會批准及授權刊發。