

# Notes to the Consolidated Financial Statements

For the year ended 31 March 2006

## 綜合財務報表附註

截至二零零六年三月三十一日止年度

### 1. GENERAL

The Company is an exempted company incorporated in the Cayman Islands with limited liability under the Companies Law (2001 Second Revision), Chapter 22 of the laws of the Cayman Islands. Its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information of the annual report.

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

The Company is an investment holding company and the principal activities of the Group are building construction, interior and renovation works, supply and installation of building materials, trading of health products, property investment and development.

### 1. 一般事項

本公司根據開曼群島法例第二十二章公司法（二零零一年第二修訂版），在開曼群島註冊成立為一間獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處及主要營業地點之地址均載於本年報的公司資料內。

綜合財務報表以港幣呈列，港幣乃本公司之功能貨幣。

本分司乃一家投資控股公司。本集團之主要業務為樓宇建築、裝飾及維修工程、供應與安裝建築材料、健康產品貿易、物業投資及發展。

## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (“INTs”) (hereinafter collectively referred to as “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) that are effective for accounting periods beginning on or after 1 January 2005 except for HKFRS 3 “Business combinations”, HKAS 36 “Impairment of assets” and HKAS 38 “Intangible assets” which were already effective during the year ended 31 March 2005. In addition, the Group has early adopted HKAS 40 “Investment property” in last year. The application of the other new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and consolidated statement of changes in equity. In particular, the presentation of share of tax of associates and jointly controlled entities has been changed. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group’s accounting policies in the following areas that have an effect on how the results for the current and prior accounting years are prepared and presented.

### Goodwill

In the current year, the Group has applied the transitional provisions in HKFRS 3 “Business combinations” (“HKFRS 3”) and the principal effects of the application of HKFRS 3 to the Group are summarised below.

In previous years, goodwill arising on acquisitions prior to 1 April 2001 was held in reserves, and goodwill arising on acquisitions after 1 April 2001 was capitalised and amortised over its estimated useful life.

## 2. 採納香港財務報告準則

在本會計年度，本集團首次採用香港會計師公會新頒佈之若干香港財務報告準則、香港會計準則及詮釋（下文統稱「新香港財務報告準則」），除了香港財務報告準則第三號「商業合併」、香港會計準則第三十六號「資產減值」及香港會計準則第三十八號「無形資產」已於截至二零零五年三月三十一日止年度生效外，該等準則適用於二零零五年一月一日或之後開始之會計期間。再者，本集團已提早於去年採用香港會計準則第四十號「投資物業」。應用其它的新香港財務報告準則導致綜合收益表、綜合資產負債表及綜合權益變動表之呈列方法有所改變，尤其是有關應佔聯營公司及共同控制實體稅項之呈列方法已經修改。該等呈列方法之改變已追溯應用。在採立新香港財務報告準則下，本集團之會計政策在以下範圍出現了改變，因而對本會計年度及以往會計年度業績之制備及呈列有所影響。

### 商譽

於本會計年度，本集團已採用香港財務報告準則第三號「商業合併」（「香港財務報告準則第三號」）之過渡性條款，而採用香港財務報告準則第三號對本集團的主要影響撮要如下。

於以往年度，於二零零一年四月一日前因收購而產生之商譽已記錄於儲備中，而於二零零一年四月一日後因收購而產生之商譽已被資本化及根據其估計之可使用期被攤銷。

## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### Goodwill(continued)

From 1 April 2005 onwards, goodwill previously recognised in reserves continues to be held in reserves and will be transferred to the retained earnings of the Group at the time when the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired. With respect to goodwill previously capitalised on the balance sheet, the Group has discontinued amortising such goodwill from 1 April 2005 onwards and goodwill will be tested for impairment at least annually and in the financial year in which the acquisition takes place. Goodwill arising on acquisitions after 1 January 2005 is measured at cost less accumulated impairment losses (if any) after initial recognition. As a result of this change in accounting policy, no amortisation of goodwill has been charged in the current year. Comparative figures for the year ended 31 March 2005 have not been restated. The application of HKFRS 3 has had no significant impact to the Group's financial statements.

### Financial instruments

In the current year, the Group has applied HKAS 32 "Financial Instruments: Disclosure and Presentation" ("HKAS 32") and HKAS 39 "Financial Instruments: Recognition and Measurement" ("HKAS 39"). HKAS 32 requires retrospective application. The application of HKAS 32 has had no significant impact on the presentation of financial instruments in the Group's financial statements. HKAS 39, which is effective for annual periods beginning on or after 1 April 2005, generally does not permit to recognise, derecognise or measure financial assets and liabilities on a retrospective basis. The principal effects resulting from the implementation of HKAS 39 are summarised below:

## 2. 採納香港財務報告準則 (續)

### 商譽 (續)

由二零零五年四月一日起，之前被確認存於儲備之商譽繼續被記錄於儲備之中；當與該商譽有關之業務被出讓或當一個與該商譽有關之現金產生單位出現減值之情況時，該商譽將會被轉移至本集團之累計溢利中。對於之前於資產負債表中被資本化之商譽，本集團已於二零零五年四月一日起對該等商譽停止攤銷，而該商譽之減值測試將會在有關收購之財政年度進行及最少每年一次。於二零零五年一月一日之後因收購而產生之商譽是以初次確認之後之成本減去累積減值虧損（如有）來計量。由於在會計政策上出現此轉變，於本會計年度並沒有商譽被攤銷。截至二零零五年三月三十一日止年度之比較數字並沒有重列。應用香港財務報告準則第三號對本集團之財務報表並沒有出現重大影響。

### 財務工具

於本會計年度，本集團已應用香港會計準則第三十二號「財務工具：披露及呈列」（「香港會計準則第三十二號」）及香港會計準則第三十九號「財務工具：確認及計量」（「香港會計準則第三十九號」）。香港會計準則第三十二號規定作追溯應用。應用香港會計準則第三十二號對呈報本集團財務報表內之財務工具沒有重大影響。於二零零五年四月一日或以後開始的年度期間生效之香港會計準則第三十九號，基本上不容許對財務資產及負債進行追溯性的確認、不再確認或計量。因實行香港會計準則第三十九號而產生的主要影響摘要如下：

## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### Financial instruments (continued)

#### Classification and measurement of financial assets and financial liabilities

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

By 31 March 2005, the Group classified and measured its investment in equity securities in accordance with the benchmark treatment of Statement of Standard Accounting Practice 24 (“SSAP 24”). Under SSAP 24, investments in equity securities are classified as “other investments” which are measured at fair value, with unrealised gains or losses included in the profit or loss. On 1 April 2005, the Group classified and measured its investment in equity securities in accordance with the requirements of HKAS 39. As a result of the adoption of HKAS 39, the Group has reclassified “investments in securities” held for trading purposes recorded in the consolidated balance sheet at 1 April 2005 amounting to HK\$190,000 as “financial assets at fair value through profit or loss” with changes in fair values recognised in profit or loss.

#### Financial assets and financial liabilities other than debt and equity securities

From 1 April 2005 onwards, the Group classifies and measures its financial assets and financial liabilities other than debt and equity securities (which were previously outside the scope of SSAP 24) in accordance with the requirements of HKAS 39. Financial assets under HKAS 39 are classified as “financial assets at fair value through profit or loss”, “available-for-sale financial assets”, “loans and receivables” or “held-to-maturity financial assets”, as appropriate. Financial liabilities are generally classified as “financial liabilities at fair value through profit or loss” or “financial liabilities other than financial liabilities at fair value through profit or loss (other financial liabilities)”. “Other financial liabilities” are carried at amortised cost using the effective interest method.

The application of HKAS 39 has had no significant impact to the Group’s financial statements.

## 2. 採納香港財務報告準則 (續)

### 財務工具 (續)

#### 財務資產及財務負債的分類及計量

本集團已就香港會計準則第三十九號所界定之財務資產及財務負債，應用有關分類及計量的過渡條文。

直至二零零五年三月三十一日，本集團根據會計實務準則第二十四號（「實務準則第二十四號」）之基準處理方法來對本集團之股本證券作出分類及計量。根據「實務準則第二十四號」，於股本證券之投資皆被分類為「其他投資」並以公平價值來計量，而未變現之收益或虧損將計入溢利或虧損。自二零零五年四月一日開始，本集團按香港會計準則第三十九號將股本證券分類及計量。採納香港會計準則第三十九號導致本集團將於二零零五年四月一日為數港幣190,000元於綜合資產負債表列作持作買賣用途之「證券投資」再分類為「於損益賬按公平價值處理的財務資產」，並以公平價值的變動於損益賬內確認。

#### 債務證券與股本證券以外之財務資產及財務負債

自二零零五年四月一日開始，本集團就債務證券及股本證券以外的財務資產及財務負債（以往不屬於實務準則第二十四號範圍）按照香港會計準則第三十九號的規定進行分類及計量。香港會計準則第三十九號將財務資產根據合適性分類為「於損益賬按公平價值處理的財務資產」、「可出售財務資產」、「貸款及應收款項」及「持有至到期日財務資產」。財務負債基本上分類為「於損益賬按公平價值處理的財務負債」或「於損益賬按公平價值處理的財務負債以外之財務負債（其他財務負債）」。「其他財務負債」以實際利率法按攤銷成本記賬。

應用香港會計準則第三十九號對本集團之財務報表沒有重大影響。



## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS *(continued)*

### Owner-occupied leasehold interest in land

In previous years, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the cost model. In the current year, the Group has applied HKAS 17 “Leases” (“HKAS 17”). Under HKAS 17, the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term on a straight line basis. This change in accounting policy has been applied retrospectively. Alternatively, where the allocation between the land and buildings elements cannot be made reliably, the leasehold interests in land continue to be accounted for as property, plant and equipment. As the directors consider the allocation between the land and buildings elements cannot be made reliably, no restatement has been made in the financial statements.

## 2. 採納香港財務報告準則 (續)

### 業主自用的土地租賃權益

在以往會計年度，業主自用的租賃土地及樓宇，包括於物業、廠房及設備賬內並以成本值計量。在本會計年度，本集團應用香港會計準則第十七號「租賃」(香港會計準則第十七號)。根據此會計準則，土地及樓宇租賃之土地及樓宇應視乎租賃類別獨立入賬，除非有關租賃款項未能可靠地分配為土地及樓宇部份，在此情況下整個租賃則一概視為融資租賃。若能就租賃款項可靠地分配為土地及樓宇部份，於土地的租賃權益應重新分類為經營租賃下之預付租賃款項，以成本入賬並按租賃期作直線攤銷。該等會計政策之改變已追溯應用。如土地及樓宇部份並不能可靠地分配，土地租賃之權益將繼續作物業、廠房和設備入賬。因為董事認為土地及樓宇部份並不能可靠地分配，於財務報表內並沒有重列。

## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS *(continued)*

### Deferred taxes related to investment properties

In previous years, deferred tax consequences in respect of revalued investment properties were assessed on the basis of the tax consequence that would follow from recovery of the carrying amount of the properties through sale in accordance with the predecessor interpretation. In the current year, the Group has applied HK(SIC) Interpretation 21 “Income Taxes — Recovery of Revalued Non-Depreciable Assets” (“HK(SIC) Interpretation 21”) which removes the presumption that the carrying amount of investment properties are to be recovered through sale. Therefore, the deferred tax consequences of the investment properties are now assessed on the basis that reflect the tax consequences that would follow from the manner in which the Group expects to recover the property at each balance sheet date. In the absence of any specific transitional provisions in HK(SIC) Interpretation 21, this change in accounting policy has been applied retrospectively. Comparative figures have been restated. The effect of this change is to increase the Group’s deferred tax liabilities at 1 April 2004 and 1 April 2005 by HK\$479,000 and HK\$8,210,000 respectively. The taxation for the year ended 31 March 2005 and 31 March 2006 has been increased by HK\$7,731,000 and HK\$7,711,000 respectively.

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

## 2. 採納香港財務報告準則 (續)

### 與投資物業有關之遞延稅項

於以往會計年度，根據以往之詮釋，重估投資物業所產生之遞延稅項乃根據有關物業出售時可收回之賬面值而引致之稅項作出評估。在本會計年度，本集團應用香港會計準則 — 詮釋第二十一號「所得稅 — 收回經重估之不可折舊資產」(「香港會計準則詮釋第二十一號」)，不再假設投資物業賬面值可透過出售收回。因此，投資物業之遞延稅項影響評估現按本集團預期於每一結算日有關物業以某形式可收回之數額的稅務影響計算。在香港會計準則詮釋第二十一號沒有任何指定過渡性之條文下，此會計政策之轉變已追溯應用。比較數字已作出重列。此轉變之影響為本集團之遞延稅項負債分別於二零零四年四月一日及二零零五年四月一日分別增加了港幣479,000元及港幣8,210,000元。截至二零零五年三月三十一日及二零零六年三月三十一日止年度的稅項分別增加了港幣7,731,000元及港幣7,711,000元。

本集團並未提早應用下列已頒佈但尚未生效之新準則、修訂或詮釋。本公司董事預期應用該等新準則、修訂或詮釋對本集團之財務報表並無重大影響。

## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS *(continued)*

HKAS 1 (Amendment)	Capital disclosures <sup>1</sup>
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures <sup>2</sup>
HKAS 21 (Amendment)	Net investment in a foreign operation <sup>2</sup>
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions <sup>2</sup>
HKAS 39 (Amendment)	The fair value option <sup>2</sup>
HKAS 39 and HKFRS 4 (Amendments)	Financial guarantee contracts <sup>2</sup>
HKFRS 6	Exploration for and evaluation of mineral resources <sup>2</sup>
HKFRS 7	Financial instruments: Disclosures <sup>1</sup>
HK(IFRIC) — INT 4	Determining whether an arrangement contains a lease <sup>2</sup>
HK(IFRIC) — INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds <sup>2</sup>

## 2. 採納香港財務報告準則 (續)

香港會計準則第一號 (經修訂)	資本披露 <sup>1</sup>
香港會計準則第十九號 (經修訂)	精算損益、團體計劃及披露 <sup>2</sup>
香港會計準則第二十一號 (經修訂)	投資海外營運淨額 <sup>2</sup>
香港會計準則第三十九號 (經修訂)	預期集團內部間交易之現金流量對沖會計處理法 <sup>2</sup>
香港會計準則第三十九號 (經修訂)	期權之公平價值 <sup>2</sup>
香港會計準則第三十九號及香港財務報告準則第四號 (經修訂)	財務擔保合約 <sup>2</sup>
香港財務報告準則第六號	礦產資源之勘探及評估 <sup>2</sup>
香港財務報告準則第七號	財務工具：披露 <sup>1</sup>
香港 (國際財務匯報準則) — 詮釋第四號	釐定一項安排有否包含租賃 <sup>2</sup>
香港 (國際財務匯報準則) — 詮釋第五號	解除委託、復原及環境修復基金所產生權益之權利 <sup>2</sup>

**2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS** *(continued)*

HK(IFRIC) — INT 6	Liabilities arising from participating in a specific market-waste electrical and electronic equipment <sup>3</sup>
HK(IFRIC) — INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies <sup>4</sup>
HK(IFRIC) — INT 8	Scope of HKFRS 2 <sup>5</sup>
HK(IFRIC) — INT 9	Reassessment of embedded derivatives <sup>6</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2007.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2006.

<sup>3</sup> Effective for annual periods beginning on or after 1 December 2005.

<sup>4</sup> Effective for annual periods beginning on or after 1 March 2006.

<sup>5</sup> Effective for annual periods beginning on or after 1 May 2006.

<sup>6</sup> Effective for annual periods beginning on or after 1 June 2006.

**2. 採納香港財務報告準則 (續)**

香港(國際財務匯報準則)— 詮釋第六號	參與特定市場所產生之負債—棄置電機及電子設備 <sup>3</sup>
香港(國際財務匯報準則)— 詮釋第七號	採用按香港會計準則第二十九號高通脹經濟體之重列方法 <sup>4</sup>
香港(國際財務匯報準則)— 詮釋第八號	香港財務報告準則第二號之範圍 <sup>5</sup>
香港(國際財務匯報準則)— 詮釋第九號	嵌入式衍生工具之重新評估 <sup>6</sup>

<sup>1</sup> 由二零零七年一月一日起或以後年度期間生效

<sup>2</sup> 由二零零六年一月一日起或以後年度期間生效

<sup>3</sup> 由二零零五年十二月一日起或以後年度期間生效

<sup>4</sup> 由二零零六年三月一日起或以後年度期間生效

<sup>5</sup> 由二零零六年五月一日起或以後年度期間生效

<sup>6</sup> 由二零零六年六月一日起或以後年度期間生效



### 3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared in accordance with HKFRSs, HKASs and INTs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 March each year.

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

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

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

### 3. 主要會計政策

除投資物業及若干財務工具乃以公平價值來計量外(詳列於下列會計政策), 本綜合財務報表乃根據歷史成本慣例編製。

綜合財務報表是根據由香港會計師公會頒佈之香港財務報告準則、香港會計準則及詮釋編製。此外, 本綜合財務報表已因應聯交所證券上市規則(「上市規則」)和香港公司條例之要求作出適當披露。

#### 綜合基準

綜合財務報表內, 包括本公司及其附屬公司截至每年三月三十一日止之財務報表。

年內已購入或出售之附屬公司業績分別由收購生效之日起或截至出售生效之日止(在適用情況下)計入綜合收益表。

若有需要, 附屬公司之財務報表會作出修訂以至使其會計政策與其他本集團成員所使用的一致。

集團內公司間之所有交易、結餘、收入及支出均已於綜合時撇銷。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Goodwill

*Goodwill arising on acquisitions prior to 1 January 2005*

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

Goodwill arising on acquisitions prior to 1 April 2001 continues to be held in reserves, and will be charged to the retained earnings at the time when the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill is related becomes impaired.

For previously capitalised goodwill arising on acquisitions after 1 April 2001, the Group has discontinued amortisation from 1 April 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired.

*Goodwill arising on acquisitions on or after 1 January 2005*

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

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

### 3. 主要會計政策 (續)

#### 商譽

於二零零五年一月一日前因收購而產生之商譽

因收購附屬公司產生之商譽(收購之協議日期為二零零五年一月一日或之前)，乃指在收購日期收購成本超出本集團於有關附屬公司可識別資產及負債中之權益的公平價值之差額。

於二零零一年四月一日前因收購產生之商譽繼續保留於儲備，當與該商譽有關之業務出售時或與該商譽有關之現金生產單位減值時，該商譽將直接轉至累計溢利。

對於之前被資本化之商譽(二零零一年四月一日後因收購產生)，本集團已於二零零五年四月一日起停止對該等商譽攤銷，而該商譽之減值測試將會每年進行一次及每當有跡象顯示與商譽相關之現金產生單位可能出現減值時進行。

於二零零五年一月一日或之後因收購而產生之商譽

因收購附屬公司產生之商譽(收購之協議日期為二零零五年一月一日或之後)，乃指在收購日期收購成本超出本集團於有關附屬公司之可識別資產、負債及或然負債之權益的公平價值之差額。有關商譽乃按成本減累計減值虧損列賬。

收購附屬公司產生之已被資本化商譽於綜合資產負債表內獨立呈列。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Goodwill (continued)

*Goodwill arising on acquisitions on or after 1 January 2005 (continued)*

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

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

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

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

### 3. 主要會計政策 (續)

#### 商譽 (續)

*於二零零五年一月一日或之後因收購而產生之商譽 (續)*

就減值測試而言，因收購產生之商譽會分配至預期自收購而產生協同效益之有關現金產生單位或多個現金產生單位。獲分配商譽之現金產生單位會每年進行減值測試，或於有跡象顯示該單位可能出現減值時進行減值測試。於因收購產生商譽之財政年度，獲分配商譽之現金產生單位會於該財政年度結束前進行減值測試。倘現金產生單位之可收回數額少於其賬面值，則減值虧損會先用作減低任何分配至該單位之商譽之賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。商譽減值虧損乃直接於綜合收益表內確認，商譽減值虧損不會於往後期間撥回。

於往後出售之附屬公司，已被資本化的有關商譽金額會被包括在用作釐定出售損益數額之內。

*收購方應佔被收購公司之可識別資產、負債及或然負債之權益的公平價值淨額高於成本之差額 (「收購折讓」)*

於協議日期為二零零五年一月一日或之後收購一間附屬公司產生之收購折讓，指應佔被收購公司之可識別資產、負債及或然負債之公平價值淨額高出業務合併成本之差額。收購折讓即時確認為損益。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Revenue

Revenue on construction or interior and renovation contracts is recognised using the percentage of completion method by reference to the value of work carried out during the year.

Income from sales of completed properties are recognised on the execution of legally binding, unconditional and irrevocable contracts.

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

Service income is recognised when services are provided.

Dividend income is recognised when the Group's right to receive dividends has been established.

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

#### Investment properties

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

### 3. 主要會計政策 (續)

#### 收入

建築工程或裝飾及維修合約之收益採用完成百分比法，按年內進行工程之價值確認入賬。

出售落成物業所產生之收入，於簽訂具法律約束力、無條件及不可撤回之合約時確認入賬。

銷售貨品之收入於交付貨品及移交所有權後確認入賬。

服務收入於提供服務後確認入賬。

股息收入於本集團收取有關股息之權利確立時確認入賬。

財務資產之利息收入乃經參考未償還本金並按時間基準及實際利率確認，該利率為於財務資產之預計可使用年內貼現估計將來現金收入至該等資產之賬面淨值。

#### 投資物業

於初次確認時，投資物業按成本(包括任何直接應佔費用)計量。於初次確認後，投資物業採用公平價值模式計量。因投資物業之公平價值變動而產生之損益計入該變動期間之溢利或虧損。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Investment properties (continued)

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

#### Property, plant and equipment

Property, plant and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives using the straight line method.

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

### 3. 主要會計政策 (續)

#### 投資物業 (續)

投資物業於出售、或當投資物業永久地撤銷用途或預期有關出售不會產生經濟利益時，方會解除確認。因解除確認資產而產生之任何損益(按出售該項資產之所得款項淨額與其賬面值之差額計算)於該項資產被解除確認之年度計入綜合收益表。

#### 物業、廠房及設備

物業、廠房及設備按成本值減後續累計折舊及累計減值虧損列賬。

折舊乃按直線法及估計可使用年期計算，以撇銷物業、廠房及設備之成本值。

於物業、廠房及設備出售後或當預計不會因持續使用資產而產生未來經濟效益時，該項物業、廠房及設備被解除確認。因解除確認資產而產生之任何損益(按出售該項資產之所得款項淨額與其賬面值之差額計算)於該項資產被解除確認之年度計入綜合收益表。



**3. SIGNIFICANT ACCOUNTING POLICIES***(continued)***Properties held for development for future sale**

Properties held for development for future sale are classified as current assets and carried at the lower of cost and net realisable value. Cost includes land cost, development costs and directly attributable costs including, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

**Properties held for sale**

Properties held for sale are classified as current assets and are stated at the lower of cost and net realisable value.

**Interests in associates**

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

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

**3. 主要會計政策 (續)****持作發展後出售之物業**

持作發展後出售之物業均列作流動資產，並按成本值及可變現淨值兩者之較低者列賬。成本包括土地成本、發展成本及直接應佔成本，對於合乎條件資產則包括根據本集團會計政策可作為資本化之借貸成本。

**持作出售之物業**

持作出售之物業列作流動資產，並按成本值及可變現淨值兩者之較低者列賬。

**聯營公司之權益**

聯營公司之業績及資產與負債以權益會計法計入綜合財務報表內。根據權益法，於聯營公司之權益乃按成本，並就本集團於收購後分佔溢利或虧損之變動及聯營公司權益之變動作出調整，再減任何已識別減值虧損計入綜合資產負債表。當本集團所佔聯營公司虧損等於或超出於該聯營公司之權益(包括任何實質上構成本集團於該聯營公司之投資淨額之長期權益)時，本集團終止確認其所佔之進一步虧損。惟倘本集團須向聯營公司承擔法律或推定義務，或已代其支付款項，則須就額外所佔虧損撥備及確認負債。

當一間集團實體與本集團一間聯營公司進行交易時，溢利及虧損會以本集團於相關聯營公司之權益為限予以撇銷。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Interests in jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

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

When a group entity transacts with a jointly controlled entity of the Group, unrealised profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred, in which case, the full amount of losses is recognised.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average method.

### 3. 主要會計政策 (續)

#### 共同控制實體之權益

任何涉及成立一間企業，各經營者均擁有權益的獨立企業的合營安排乃列為共同控制實體。

共同控制實體之業績及資產與負債乃以權益會計法計入綜合財務報表內。根據權益法，於共同控制實體之權益乃按成本，並就本集團於收購後分佔溢利或虧損之變動及共同控制實體權益之變動作出調整，再減任何已識別減值虧損計入綜合資產負債表。當本集團所佔共同控制實體虧損等於或超出該共同控制實體之權益(包括任何實質上構成本集團於該共同控制實體之投資淨額之長期權益)時，本集團終止確認其所佔之進一步虧損。惟倘本集團須向共同控制實體承擔法律或推定義務，或已代其支付款項，則須就額外所佔虧損撥備及確認負債。

當一間集團實體與本集團一間共同控制實體進行交易時，未變現溢利及虧損會以本集團於相關共同控制實體之權益為限予以撇銷，惟未變現虧損顯示所轉讓資產已出現減值時，則確認所有虧損金額。

#### 存貨

存貨按成本值及可變現淨值兩者之較低者列賬。成本乃按加權平均法計算，其中包括所有採購成本，及(倘適用)促使存貨達至現行地點及狀況之其他費用。

**3. SIGNIFICANT ACCOUNTING POLICIES***(continued)***Construction contracts**

Where the outcome of a construction or interior and renovation contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date, as measured by surveys of work performed except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction or interior and renovation contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as an amount receivable on contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as an amount payable on contract work. Amounts received before the related work is performed are included in the consolidated balance sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated balance sheet under progress payment receivable.

**3. 主要會計政策 (續)****建築合約**

當建築或裝飾及維修合約之成果可以合理地評估時，其收益及成本將參考於結算日時合約活動之竣工程度予以確認。竣工程度乃依據工程進度測量而定(如工程進度測量不能反映竣工程度除外)。如與客戶已取協定，則因合約工程改動、索償及獎勵金之款項亦會確認入賬。

當建築或裝飾及維修合約之成果未能合理地評估時，合約收益只會按可能將可收回之已產生之合約成本確認，而合約成本則於產生時確認為支出。

倘工程產生之合約成本加確認溢利減虧損超逾工程之進度款，該差額以應收合約工程賬款列賬。若工程之進度款超逾其產生之合約成本加確認溢利減虧損，該差額以應付合約工程賬款列賬。在綜合資產負債表上，有關工程進行前已收之數額列作預收款(分類為負債)。已履行之工程並已開賬單但尚未收取之款項會在綜合資產負債表內列作應收進度款項。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments

Financial assets and financial liabilities are recognised on the consolidated balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Financial assets

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

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss has two subcategories, including financial assets held for trading and those designated at fair value through profit or loss on initial recognition. At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

### 3. 主要會計政策 (續)

#### 財務工具

倘一間集團實體成為財務工具合約條文之訂約方，則須於綜合資產負債表中確認財務資產及財務負債。財務資產及財務負債初步按公平價值計算。因收購或發行財務資產及財務負債(不包括透過損益按公平價值計算之財務資產及財務負債)而直接產生之交易成本，於初次確認時加入財務資產或財務負債(如適用)之公平價值或自財務資產或財務負債(如適用)之公平價值扣除。因收購透過損益按公平價值計算之財務資產或財務負債而直接產生之交易成本即時於收益表確認。

#### 財務資產

本集團之財務資產分為兩個類別：包括透過損益按公平價值計算之財務資產和貸款及應收賬款。所有日常買賣之財務資產於交易日確認及不再確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之財務資產買賣。就各類別財務資產所採納之會計政策載列於下文。

##### *透過損益按公平價值計算之財務資產*

透過損益按公平價值計算之財務資產可細分為兩個類別，包括持作買賣之財務資產及於首次確認時指定為透過損益按公平價值計算之財務資產。於首次確認後之每一結算日，透過損益按公平價值計算之財務資產按公平價值計量。公平價值之變動於變動產生期間直接在損益內確認。



**3. SIGNIFICANT ACCOUNTING POLICIES***(continued)***Financial instruments (continued)****Financial assets (continued)***Loans and receivables*

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

**Financial liabilities and equity**

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

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

**3. 主要會計政策 (續)****財務工具 (續)****財務資產 (續)***貸款及應收賬款*

貸款及應收賬款為附帶固定或可釐定付款之非衍生性質財務資產，且並無在活躍市場計算報價。於初次確認後每一個結算日，貸款及應收賬款(包括應收進度款項、應收保固金、應收賬款、按金、應收聯營公司款項、應收共同控制實體款項及銀行結餘)採用實際利息法計算之攤銷成本，減任何已識別減值虧損列賬。倘客觀證據證明資產出現減值，則減值虧損會於收益表確認，並按資產賬面值與按原實際利率計算之估計未來現金流量之現值之差額計算。當資產之可收回金額增加可客觀地與確認減值後所發生之事件聯繫，則減值虧損於其後之期間撥回，惟於撥回減值日期該資產之賬面值並沒有超出倘沒有確認減值之原有攤銷成本，方可進行撥回。

**財務負債及股本權益**

由本集團發行之財務負債及股本權益工具按所訂立之合約安排的本質，以及財務負債及股本權益工具之定義而分類。

股本權益工具為帶有集團資產剩餘權益(經扣除其所有負債)之任何合約。本集團之財務負債一般包括其他財務負債。就財務負債及股本權益工具而採納之會計政策載列如下。



### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

#### Financial liabilities and equity (continued)

##### Other financial liabilities

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

##### Equity instruments

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

#### Derecognition

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

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

#### Impairment (other than goodwill)

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

### 3. 主要會計政策 (續)

#### 財務工具 (續)

#### 財務負債及股本權益 (續)

##### 其他財務負債

其他財務負債包括銀行貸款及應付賬款，乃其後採用實際利息法按攤銷成本計算。

##### 股本權益工具

本公司所發行之股本權益工具乃按已收取之所得款項減直接發行成本記賬。

#### 不再確認

若從資產收取現金流之權利已屆滿，或財務資產已轉讓及本集團已將其於財務資產擁有權之絕大部分風險及回報轉移，則財務資產將被不再確認。於不再確認財務資產時，資產賬面值與已收代價及已直接於權益確認之累計損益之總和之差額，將於損益中確認。

至於財務負債，則於本集團之綜合資產負債表中剔除(即倘於有關合約訂明之特定責任獲解除、取消或屆滿)。不再確認之財務負債賬面值與已付代價之差額乃於損益中確認。

#### 減值 (除了商譽外)

於各個結算日，本集團審核其資產之賬面值，以決定是否有跡象顯示該等資產蒙受減值虧損。倘一項資產之預計可收回金額少於其賬面值，則將該資產之賬面值減至其可收回金額。減值虧損予以即時確認為支出。

**3. SIGNIFICANT ACCOUNTING POLICIES***(continued)***Impairment (other than goodwill) (continued)**

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

**Taxation**

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

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

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

**3. 主要會計政策 (續)****減值 (除了商譽外) (續)**

若其後將減值虧損撥回，資產之賬面值將增至其可收回金額之經修訂估計值，但該增加後賬面值不可超過就該資產尤若於過往年度並無確認減值虧損而釐定之賬面值。減值虧損撥回即時確認為收入。

**稅項**

所得稅指本年度應付稅項及遞延稅項之總額。

本年度應付稅項乃按本年度之應課稅溢利計算。應課稅溢利與綜合收益表所載之溢利有別，此乃由於其不包括其他年度之應課稅或可扣減之收入或支出，亦不包括永不課稅或不可扣減之收益表項目。本集團之即期稅項負債是根據於結算日已頒布或實質上已頒布之稅率計算。

遞延稅項指按資產負債表負債法，就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用之相關稅基產生之差異計算予以確認之稅項。遞延稅項負債一般就一切應課稅臨時差異而予以確認，而遞延稅項資產則按可抵銷可動用之可扣減暫時差異之未來應課稅溢利而予以確認。倘於交易時產生之商譽或初步確認其他資產及負債所產生之暫時差異 (業務合併除外)，概不影響應課稅溢利或會計溢利之情況下，遞延資產及負債則不會予以確認。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Taxation (continued)

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

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

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

#### Borrowing costs

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

All other borrowing costs are recognised as an expense in the period in which they are incurred.

#### Leasing

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

### 3. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項負債就於附屬公司及聯營公司之投資，以及共同控制實體之權益所產生之應課稅暫時差異而予以確認，惟本集團在可控制暫時差異之撥回以及暫時差異於可預見將來不可能撥回時之情況下除外。

遞延稅項資產之賬面值於各結算日均予以檢討，而減少之總額相等於不可能再有充足應課稅溢利可容許收回所有或部份有關資產的金額。

遞延稅項按預期於償還負債或資產變現之期間適用之稅率計算。遞延稅項於收益表扣除或入賬，惟當與直接於股東資金扣除或入賬之項目有關之情況下，遞延稅項則同樣於股東資金中處理。

#### 借貸成本

因購買、建築或生產合資格資產而直接產生之借貸成本撥作該等資產之部份成本。該等借貸成本於資產大致投入計劃之用途或出售時終止資本化。

所有其他借貸成本均列作開支於產生時扣除。

#### 租賃

倘租賃之條款將擁有資產之絕大部份風險及回報轉移予承租人，則該等租賃分類為融資租賃。而其他所有租賃均分類為經營租賃。

**3. SIGNIFICANT ACCOUNTING POLICIES***(continued)***Leasing (continued)***The Group as lessor*

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

*The Group as lessee*

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

**Retirement benefits cost**

Payments to the Group's defined contribution retirement benefits schemes and the Mandatory Provident Fund Scheme are charged as an expense as they fall due.

**Foreign currencies**

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

**3. 主要會計政策 (續)****租賃 (續)***本集團作為出租人*

經營租賃應收之租金乃於有關租賃期內按直線法在綜合收益表內確認。於磋商及安排一項經營租賃引起之初期直接成本乃加於租賃資產之賬面值上，並按租約年期以直線法確認作開支。

*本集團作為承租人*

經營租賃應付之租金乃於有關租賃期內按直線法在收益表內扣除。因簽訂經營租賃而獲得之已收或應收之收益於租賃期內按直線法攤銷扣減租賃費用。

**退休福利成本**

向本集團退休福利計劃及強積金計劃應付之供款在到期時列作支出扣除。

**外幣**

於編製本集團各個實體之財務報告表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易乃按交易日期之適用匯率折算為其功能貨幣(即該實體進行經營之主要經濟環境所使用之貨幣)記錄。於各結算日，以外匯列值之貨幣項目按該結算日之適用匯率換算。按公平價值入賬及以外幣結算之非貨幣項目按公平價值釐定當日之適用匯率換算。以外幣按歷史成本計算之非貨幣項目不進行換算。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Foreign currencies (continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

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

### 3. 主要會計政策 (續)

#### 外幣 (續)

因結算貨幣項目及換算貨幣項目而產生之匯兌差額，於該等差額產生期間之損益內確認。因重新換算按公平價值入賬之非貨幣項目而產生之匯兌差額計入當期損益，惟重新換算非貨幣項目(其收益及虧損直接於權益內確認)而產生之差額除外，於此情況下，匯兌差額亦直接於權益中確認。

就綜合財務報告表呈列而言，本集團之海外業務資產及負債乃按於結算日之適用匯率換算為本公司之呈列貨幣(即港幣)，而其收入及開支則按該年度之平均匯率換算，除非於該期間之匯率大幅波動則除外，於此情況下，則按各項交易之日所使用之適用匯率換算。產生之匯兌差額(如有)乃確認為權益中之一個獨立成分(匯兌儲備)。該等匯兌差額乃於海外業務出售年度於損益內確認。



#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

##### Allowance for prepayment to a supplier

The management regularly reviews the recoverability of the prepayment to a supplier. Allowance for prepayment to a supplier is made based on the evaluation of recoverability by offsetting with the trade payable to that supplier and the management's judgement by reference to the sales forecast of the products purchased from that supplier.

#### 5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include retention money receivable, progress payments receivable, debtors, deposits, amounts due from jointly controlled entities, bank balances and cash, creditors and accrued charges and bank loans. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

##### Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 March 2006 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

#### 4. 估計不明朗因素的主要來源

##### 給予一名供應商之預付款項之撥備

管理層會定期覆核給予一名供應商之預付款項的可回收性。給予一名供應商之預付款項之撥備乃透過評核與應付該供應商之賬款相抵的可回收性，及管理層之判斷（經參考對購自該供應商產品的預計銷量後）為基準而作出。

#### 5. 財務風險管理目標及政策

本集團的主要財務工具包括應收保固金、應收進度款項、應收賬款、按金、應收共同控制實體款項、銀行結餘及現金、應付賬款及累計費用及銀行貸款。以上財務工具的詳情在各附註披露。與上述財務工具相關的風險以及減輕風險的政策載於下文。管理層透過管理和監控該等風險，確保採取及時有效適當措施。

##### 信貸風險

倘交易對手未能履行在二零零六年三月三十一日就各類已確認財務資產之責任，則本集團的最高信貸風險為綜合資產負債表所列該等資產的賬面值。為了減低信貸風險，本集團管理層已委任一組人員負責釐定信貸限額、信貸批核及其他監控措施，以確保已採取跟進行動收回逾期欠款。此外，本集團於每個結算日定期檢討個別應收賬款之可收回金額，以確保已就無法收回數額撥出足夠的減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

## 5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### Credit risk (continued)

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

### Cash flow interest rate risk

The Group's bank balances have exposure to cash flow interest rate due to the fluctuation of the prevailing market interest rate on bank balances. The directors consider the Group's exposure of short term bank deposits to interest rate risk is not significant as interest bearing bank balances are within short maturity periods.

In addition, the Group's cash flow interest rate risk relates primarily to variable-rate bank loans (see note 32). The Group currently does not have policy on cash flow hedges of interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arises.

## 6. TURNOVER

Turnover represents the aggregate of the value of contract work carried out, the sales proceeds derived from supply and installation of building materials, sales proceeds of goods and properties sold, revenue from provision of properties agency and management services and gross rental income during the year, and is analysed as follows:

		2006 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 <b>HK\$'000</b> 港幣千元
Construction	建築	<b>558,086</b>	513,474
Interior and renovation	裝飾及維修	<b>87,337</b>	111,413
Building materials	建築材料	<b>66,765</b>	93,914
Health products	健康產品	<b>59,312</b>	53,453
Properties investment	物業投資	<b>17,308</b>	10,114
Properties agency and management	物業代理及管理	<b>3,508</b>	3,759
Properties development	物業發展	<b>84,248</b>	134,590
		<b>876,564</b>	920,717

## 5. 財務風險管理目標及政策 (續)

### 信貸風險 (續)

本集團並無重大集中信貸風險，所涉及風險已分佈於不同的交易對手及客戶。

### 現金流量利率風險

本集團之銀行結餘面對現金流量利率風險，因銀行結餘之普遍市場利率波動所致。董事認為本集團之短期銀行存款面對的利率風險不太高，因帶息銀行結餘只是短期存款。

此外，本集團的現金流量利率風險主要與浮息銀行貸款(見附註32)有關。本集團現時並沒有任何政策以對沖現金流量利率風險。然而，管理層會密切監控利率風險，在有需要時，會考慮對沖重大利率風險。

## 6. 營業額

營業額指於本年度已進行之合約工程價值、供應及安裝建築材料所得銷售款項、出售貨品及物業所得款項、提供物業代理及管理服務之收入，以及租金總收入之總值，分析如下：

## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS

For management purposes, the Group is currently organised into seven principal operating divisions — construction, interior and renovation, building materials, health products, properties investment, properties agency and management and properties development. These divisions are the basis on which the Group reports its primary segment information.

### (a) Business segments

		Construction	Interior and renovation	Building materials	Health products	Properties investment	Properties agency and management	Properties development	Eliminations	Consolidated
		建築	裝飾及維修	建築材料	健康產品	物業投資	物業代理及管理	物業發展	撇銷	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>For the year ended</b>	截至二零零六年									
<b>31 March 2006</b>	三月三十一日止年度									
<b>TURNOVER</b>	營業額									
External sales	對外銷售	558,086	87,337	66,765	59,312	17,308	3,508	84,248	—	876,564
Inter-segment sales	各類業務間之銷售	61	3,731	48,915	2,400	—	1,145	—	(56,252)	—
Total	總計	<u>558,147</u>	<u>91,068</u>	<u>115,680</u>	<u>61,712</u>	<u>17,308</u>	<u>4,653</u>	<u>84,248</u>	<u>(56,252)</u>	<u>876,564</u>
Inter-segment sales are charged at prevailing market rates.	各類業務間之銷售是以現行市場價格計算									
<b>RESULTS</b>	業績									
Segment result	分類業績	<u>10,289</u>	<u>3,079</u>	<u>5,589</u>	<u>962</u>	<u>57,046</u>	<u>1,566</u>	<u>23,448</u>	<u>2,914</u>	<u>104,893</u>
Finance costs	財務費用	—	—	—	—	—	—	—	—	(3,142)
Share of result of associates	分佔聯營公司業績	—	—	—	—	—	—	(153)	—	(153)
Share of result of jointly controlled entities	分佔共同控制實體業績	832	—	—	—	—	—	(10)	—	822
Gain on change in fair value of investments held for trading	持作買賣之投資之公平價值變動之收益	—	—	—	—	—	—	—	—	27
Unallocated other income	其他未分配收入	—	—	—	—	—	—	—	—	783
Unallocated expenses	未分配開支	—	—	—	—	—	—	—	—	(6,106)
Profit before taxation	除稅前溢利									<u>97,124</u>
Taxation	稅項									<u>(15,167)</u>
Profit for the year	年度溢利									<u>81,957</u>
<b>As at 31 March 2006</b>	於二零零六年三月三十一日									
<b>ASSETS</b>	資產									
Segment assets	分類資產	278,719	13,487	95,053	38,897	297,379	1,917	213,921	—	939,373
Interests in associates	聯營公司之權益	—	—	—	—	—	—	9,769	—	9,769
Interests in jointly controlled entities	共同控制實體之權益	26,887	—	—	—	—	—	—	—	26,887
Amounts due from associates	應收聯營公司款項	—	—	—	—	—	—	534	—	534
Amounts due from jointly controlled entities	應收共同控制實體款項	—	—	—	—	—	—	90,695	—	90,695
Unallocated corporate assets	未分配公司資產	—	—	—	—	—	—	—	—	14,870
Consolidated total assets	綜合總資產									<u>1,082,128</u>
<b>LIABILITIES</b>	負債									
Segment liabilities	分類負債	263,907	10,237	28,136	8,131	8,083	427	4,390	—	323,311
Unallocated corporate liabilities	未分配公司負債	—	—	—	—	—	—	—	—	203,446
Consolidated total liabilities	綜合總負債									<u>526,757</u>
<b>OTHER INFORMATION</b>	其他資料									
Additions of property, plant and equipment	添置物業、廠房及設備	3,698	—	77	4,775	289	63	—	—	8,902
Additions of investment properties	購入投資物業	—	—	—	—	70,327	—	—	—	70,327
Depreciation	折舊	1,709	47	394	1,826	—	63	—	—	4,039

## 7. 業務及地區分類資料

為方便管理，本集團現將主要經營範圍分為七項 — 建築、裝飾及維修、建築材料、健康產品、物業投資、物業代理及管理，以及物業發展。本集團報告其主要分類資料均以上述經營範圍為基準。

### (a) 業務類別

## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS

(continued)

## (a) Business segments (continued)

		Construction 建築 HK\$'000 港幣千元	Interior and renovation 裝飾及維修 HK\$'000 港幣千元	Building materials 建築材料 HK\$'000 港幣千元	Health products 健康產品 HK\$'000 港幣千元	Properties investment 物業投資 HK\$'000 港幣千元	Properties agency and management 物業代理 及管理 HK\$'000 港幣千元	Properties development 物業發展 HK\$'000 港幣千元	Eliminations 撇銷 HK\$'000 港幣千元	Consolidated 綜合 HK\$'000 港幣千元
<b>For the year ended</b>	截至二零零五年									
<b>31 March 2005</b>	三月三十一日止年度									
<b>TURNOVER</b>	營業額									
External sales	對外銷售	513,474	111,413	93,914	53,453	10,114	3,759	134,590	—	920,717
Inter-segment sales	各類業務間之銷售	45,281	9,333	19,125	86	—	1,815	—	(75,640)	—
Total	總計	<u>558,755</u>	<u>120,746</u>	<u>113,039</u>	<u>53,539</u>	<u>10,114</u>	<u>5,574</u>	<u>134,590</u>	<u>(75,640)</u>	<u>920,717</u>
Inter-segment sales are charged at prevailing market rates.	各類業務間之銷售是以現行市場價格計算									
<b>RESULTS</b>	業績									
Segment result	分類業績	<u>15,586</u>	<u>2,771</u>	<u>6,447</u>	<u>1,850</u>	<u>52,297</u>	<u>827</u>	<u>38,339</u>	<u>(1,018)</u>	117,099
Finance costs	財務費用									(872)
Share of result of associates	分佔聯營公司業績	—	—	—	—	—	—	(54)	—	(54)
Share of result of jointly controlled entities	分佔共同控制實體業績	1,999	—	—	—	—	—	—	—	1,999
Unrealised holding gain on investments in securities	證券投資未變現收益									11
Unallocated other income	其他未分配收入									1,502
Unallocated expenses	未分配開支									(9,563)
Profit before taxation	除稅前溢利									110,122
Taxation	稅項									(17,733)
Profit for the year	年度溢利									<u>92,389</u>
<b>As at 31 March 2005</b>	於二零零五年三月三十一日									
<b>ASSETS</b>	資產									
Segment assets	分類資產	308,451	18,914	84,234	33,424	183,707	2,461	260,716	—	891,907
Interests in associates	聯營公司之權益	—	—	—	—	—	—	9,922	—	9,922
Interests in jointly controlled entities	共同控制實體之權益	26,065	—	—	—	—	—	—	—	26,065
Amounts due from associates	應收聯營公司款項	—	—	—	—	—	—	532	—	532
Amounts due from jointly controlled entities	應收共同控制實體款項	—	—	—	—	—	—	8,565	—	8,565
Unallocated corporate assets	未分配公司資產									12,028
Consolidated total assets	綜合總資產									<u>949,019</u>
<b>LIABILITIES</b>	負債									
Segment liabilities	分類負債	268,211	12,289	22,521	7,304	7,292	328	3,079	—	321,024
Unallocated corporate liabilities	未分配公司負債									144,830
Consolidated total liabilities	綜合總負債									<u>465,854</u>
<b>OTHER INFORMATION</b>	其他資料									
Additions of property, plant and equipment	添置物業、廠房及設備	3,393	—	75	1,436	—	30	—	—	4,934
Additions of investment properties	購入投資物業	—	—	—	—	9,771	—	—	—	9,771
Amortisation of goodwill	商譽攤銷	—	—	—	30	—	—	—	—	30
Depreciation	折舊	1,867	73	402	1,117	—	35	—	—	3,494
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	—	—	20	113	—	—	—	—	133
Allowance for prepayment to a supplier	給予一名供應商之預付款項之撥備	—	—	—	3,000	—	—	—	—	3,000

**7. BUSINESS AND GEOGRAPHICAL SEGMENTS**

(continued)

**(b) Geographical segments**

All the Group's significant operations, geographical market and segment assets during the two years ended 31 March 2006 were located in Hong Kong.

**8. OTHER INCOME**

Other income includes:

Dividend income

Interest income

其他收入包括：

股息收入

利息收入

**9. FINANCE COSTS**

Interest on bank borrowings  
wholly repayable within five years

Less: Amount capitalised

須於五年內悉數償還之

銀行借款利息

減除：已資本化金額

**7. 業務及地區分類資料 (續)**

**(b) 地區分類**

於截至二零零六年三月三十一日止兩個年度，本集團全部重要業務、地區市場分類及分類資產均位於香港。

**8. 其他收入**

<b>2006</b>	2005
二零零六年	二零零五年
<b>HK\$'000</b>	HK\$'000
港幣千元	港幣千元

<b>4</b>	—
<b>191</b>	114
<u>          </u>	<u>          </u>

**9. 財務費用**

<b>2006</b>	2005
二零零六年	二零零五年
<b>HK\$'000</b>	HK\$'000
港幣千元	港幣千元

<b>5,390</b>	1,362
<b>(2,248)</b>	(490)
<u>          </u>	<u>          </u>
<b>3,142</b>	872
<u>          </u>	<u>          </u>



## 10. PROFIT BEFORE TAXATION

## 10. 除稅前溢利

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Profit before taxation has been arrived at after charging and (crediting):	除稅前溢利已扣除及(計入)下列各項:		
Directors' emoluments (note 11(i))	董事酬金 (附註11(i))		
— Fees	— 袍金	650	575
— Other emoluments	— 其他酬金	8,270	7,717
		<b>8,920</b>	8,292
Other staff costs	其他員工成本	<b>113,051</b>	104,065
Retirement benefit scheme contributions for other staff (note 42)	其他員工退休福利計劃供款 (附註42)	<b>6,321</b>	5,937
Total staff costs	員工成本總額	<b>128,292</b>	118,294
Depreciation	折舊	<b>4,039</b>	3,494
Auditors' remuneration	核數師酬金	<b>824</b>	768
Amortisation of goodwill included in administrative expenses	包括在行政開支內之商譽攤銷	—	30
Operating lease rentals in respect of rented premises	租賃物業經營租賃租金	<b>7,693</b>	6,832
Share of tax of associates (included in share of result of associates)	分佔聯營公司之稅項 (包括在分佔聯營公司之業績內)	—	2
Share of tax of jointly controlled entities (included in share of result of joint controlled entities)	分佔共同控制實體之稅項 (包括在分佔共同控制實體之業績內)	<b>177</b>	426
Allowance for prepayment to a supplier	給予一名供應商之預付款項之撥備	—	3,000
Discount on acquisition of a subsidiary	收購一間附屬公司之折讓	—	(23)
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	<b>(765)</b>	133
Gain on disposal of investment properties	出售投資物業之收益	—	(342)
Gross rental income under operating leases	經營租賃租金收入總額	<b>(17,308)</b>	(10,114)
Less: Direct operating expenses that generated rental income during the year	減: 於本年度因產生租金收入而引起的直接經營支出	<b>2,438</b>	2,115
		<b>(14,870)</b>	(7,999)
Sub-leasing income	分租收入	<b>(414)</b>	(383)
Less: Direct operating expenses that generated sub-leasing income during the year	減: 於本年度因產生分租收入而引起的直接經營支出	<b>179</b>	178
		<b>(235)</b>	(205)
Expenses capitalised in cost of contract work:	資本化為合約工程成本之開支:		
Depreciation	折舊	<b>2,282</b>	2,676
Rentals under operating leases in respect of:	經營租賃之租金:		
— plant and machinery	— 廠房及機器	<b>4,544</b>	7,753
— others	— 其他	<b>1,040</b>	960

**11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS**
**(i) Details of directors' remuneration are as follows:**

The emoluments paid or payable to each of the ten (2005: ten) directors were as follows:

		Other emoluments 其他酬金				
		Fees 袍金 HK\$'000 港幣千元	Salaries and other benefits 薪金及其他福利 HK\$'000 港幣千元	Performance related incentive payments 工作表現獎勵金 HK\$'000 港幣千元	Retirement benefit scheme contributions 退休福利計劃供款 HK\$'000 港幣千元	Total emoluments 酬金總額 HK\$'000 港幣千元
Cha Mou Sing, Payson	查懋聲	—	—	—	—	—
Wong Sue Toa, Stewart	王世濤	—	2,254	2,700	338	5,292
Cha Mou Daid, Johnson	查懋德	—	—	—	—	—
Cha Yiu Chung, Benjamin	查耀中	—	—	—	—	—
Chan Pak Joe	陳伯佐	150	—	—	—	150
Lam Chat Yu	林澤宇	100	—	—	—	100
Lau Tze Yiu, Peter	劉子耀	150	—	—	—	150
Shen Tai Hing	沈大馨	100	—	—	—	100
Sun Tai Lun	孫大倫	150	—	—	—	150
Tai Sai Ho	戴世豪	—	1,416	1,350	212	2,978
Total for 2006	二零零六年總額	<u>650</u>	<u>3,670</u>	<u>4,050</u>	<u>550</u>	<u>8,920</u>

  

		Other emoluments 其他酬金				
		Fees 袍金 HK\$'000 港幣千元	Salaries and other benefits 薪金及其他福利 HK\$'000 港幣千元	Performance related incentive payments 工作表現獎勵金 HK\$'000 港幣千元	Retirement benefit scheme contributions 退休福利計劃供款 HK\$'000 港幣千元	Total emoluments 酬金總額 HK\$'000 港幣千元
Cha Mou Sing, Payson	查懋聲	—	—	—	—	—
Wong Sue Toa, Stewart	王世濤	—	2,200	2,400	330	4,930
Cha Mou Daid, Johnson	查懋德	—	—	—	—	—
Cha Yiu Chung, Benjamin	查耀中	—	—	—	—	—
Chan Pak Joe	陳伯佐	150	—	—	—	150
Lam Chat Yu	林澤宇	100	—	—	—	100
Lau Tze Yiu, Peter	劉子耀	75	—	—	—	75
Shen Tai Hing	沈大馨	100	—	—	—	100
Sun Tai Lun	孫大倫	150	—	—	—	150
Tai Sai Ho	戴世豪	—	1,380	1,200	207	2,787
Total for 2005	二零零五年總額	<u>575</u>	<u>3,580</u>	<u>3,600</u>	<u>537</u>	<u>8,292</u>

Note: The performance related incentive payment is determined by the performance of the individual and the Company's performance and profitability for the two years ended 31 March 2006.

During the two years ended 31 March 2006, no director waived any emoluments.

**11. 董事及僱員酬金**
**(i) 以下是董事酬金之詳情**

已付或應付十名(二零零五年:十名)董事之個別酬金如下:

		Other emoluments 其他酬金				
		Fees 袍金 HK\$'000 港幣千元	Salaries and other benefits 薪金及其他福利 HK\$'000 港幣千元	Performance related incentive payments 工作表現獎勵金 HK\$'000 港幣千元	Retirement benefit scheme contributions 退休福利計劃供款 HK\$'000 港幣千元	Total emoluments 酬金總額 HK\$'000 港幣千元
Cha Mou Sing, Payson	查懋聲	—	—	—	—	—
Wong Sue Toa, Stewart	王世濤	—	2,254	2,700	338	5,292
Cha Mou Daid, Johnson	查懋德	—	—	—	—	—
Cha Yiu Chung, Benjamin	查耀中	—	—	—	—	—
Chan Pak Joe	陳伯佐	150	—	—	—	150
Lam Chat Yu	林澤宇	100	—	—	—	100
Lau Tze Yiu, Peter	劉子耀	150	—	—	—	150
Shen Tai Hing	沈大馨	100	—	—	—	100
Sun Tai Lun	孫大倫	150	—	—	—	150
Tai Sai Ho	戴世豪	—	1,416	1,350	212	2,978
Total for 2006	二零零六年總額	<u>650</u>	<u>3,670</u>	<u>4,050</u>	<u>550</u>	<u>8,920</u>

		Other emoluments 其他酬金				
		Fees 袍金 HK\$'000 港幣千元	Salaries and other benefits 薪金及其他福利 HK\$'000 港幣千元	Performance related incentive payments 工作表現獎勵金 HK\$'000 港幣千元	Retirement benefit scheme contributions 退休福利計劃供款 HK\$'000 港幣千元	Total emoluments 酬金總額 HK\$'000 港幣千元
Cha Mou Sing, Payson	查懋聲	—	—	—	—	—
Wong Sue Toa, Stewart	王世濤	—	2,200	2,400	330	4,930
Cha Mou Daid, Johnson	查懋德	—	—	—	—	—
Cha Yiu Chung, Benjamin	查耀中	—	—	—	—	—
Chan Pak Joe	陳伯佐	150	—	—	—	150
Lam Chat Yu	林澤宇	100	—	—	—	100
Lau Tze Yiu, Peter	劉子耀	75	—	—	—	75
Shen Tai Hing	沈大馨	100	—	—	—	100
Sun Tai Lun	孫大倫	150	—	—	—	150
Tai Sai Ho	戴世豪	—	1,380	1,200	207	2,787
Total for 2005	二零零五年總額	<u>575</u>	<u>3,580</u>	<u>3,600</u>	<u>537</u>	<u>8,292</u>

附註: 工作表現獎勵金是根據截至二零零六年三月三十一日止兩個年度的個人之表現及公司之表現及盈利而釐定。

於截至二零零六年三月三十一日止兩個年度內,並無董事放棄任何酬金。

## 11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

### (ii) Employees' emoluments

During the year, the five highest paid individuals included two directors (2005: two directors), details of whose emoluments are set out above. The emoluments of the remaining three (2005: three) highest paid individuals were as follows:

Salaries and other benefits	薪金及其他福利
Performance related incentive payments	工作表現獎勵金
Retirement benefit scheme contributions	退休福利計劃供款

The emoluments of the aforesaid employees were within the following band:

HK\$1,000,001 — HK\$1,500,000	港幣1,000,001元 — 港幣1,500,000元
----------------------------------	--------------------------------

During the year, no emolument was paid by the Group to the directors or highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

## 11. 董事及僱員酬金 (續)

### (ii) 僱員酬金

本年度，五名最高薪人士包括兩名董事(二零零五年：兩名董事)，該兩名董事之酬金詳情載於上文。其餘三名(二零零五年：三名)最高薪人士之酬金如下：

2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
2,072	2,016
1,100	900
273	265
<b>3,445</b>	<b>3,181</b>

上述僱員之酬金屬於下列組別：

2006 二零零六年	2005 二零零五年
<b>3</b>	<b>3</b>

本年度，本集團並無向董事及最高薪僱員支付酬金，作為鼓勵加入本集團或加入本集團之獎勵，或離職補償。

## 12. TAXATION

## 12. 稅項

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Hong Kong Profits Tax	香港利得稅		
Current year	本年度	<b>6,214</b>	8,516
Underprovision in prior years	過往年度撥備不足	<b>5</b>	30
		<b>6,219</b>	8,546
Deferred taxation (note 33)	遞延稅項 (附註33)		
Current year	本年度	<b>8,948</b>	9,187
		<b>15,167</b>	17,733

Hong Kong Profits Tax is calculated at 17.5% (2005: 17.5%) of the estimated assessable profit for the year.

香港利得稅以本年度估計應課稅溢利按17.5% (二零零五年：17.5%) 計算。

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

年度稅項與綜合收益表之除稅前溢利對賬如下：

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Profit before taxation	除稅前溢利	<b>97,124</b>	110,122
Tax at the domestic income tax rate of 17.5% (2005: 17.5%)	按本地利得稅率17.5% (二零零五年：17.5%)	<b>16,996</b>	19,271
Tax effect of share of result of associates	應佔聯營公司業績之稅務影響	<b>27</b>	9
Tax effect of share of result of jointly controlled entities	應佔共同控制實體業績之稅務影響	<b>(144)</b>	(350)
Tax effect of expenses that are not deductible in determining taxable profit	於釐定應課稅溢利時不可扣減之開支之稅務影響	<b>1,386</b>	2,772
Tax effect of income that is not taxable in determining taxable profit	於釐定應課稅溢利時毋須課稅之收入之稅務影響	<b>(2,342)</b>	(3,022)
Tax effect of utilisation of tax losses not previously recognised	已動用之前未確認之稅務虧損之稅務影響	<b>(771)</b>	(982)
Tax effect of tax losses not recognised	未確認之稅務虧損之稅務影響	<b>10</b>	19
Underprovision in prior years	過往年度撥備不足	<b>5</b>	30
Others	其他	<b>—</b>	(14)
Taxation for the year	年度稅項	<b>15,167</b>	17,733

### 13. DIVIDENDS

An interim dividend at HK1 cent (2005: HK1 cent) per share, totalling HK\$4,432,000 (2005: HK\$2,837,000) was declared and paid by the Company during the year.

A final dividend of HK1.5 cents (2005: HK1.5 cents) per share, totalling HK\$6,649,000 (2005: HK\$5,319,000) has been proposed by the directors and is subject to approval by the shareholders at the annual general meeting.

### 14. EARNINGS PER SHARE

The calculation of the basic earnings per share for the year is based on the profit for the year of HK\$81,957,000 (2005: HK\$92,389,000 as restated) and on 443,236,000 shares (2005: 443,236,000 shares) after adjusting for the bonus issue for the year ended 31 March 2006.

There were no potential dilutive ordinary shares in existence for the two years ended 31 March 2006. Accordingly, no diluted earnings per share has been presented.

The effect on basic earnings per share as a result of the change in accounting policies as shown in note 2 is as follows:

Figures before adjustments	調整前之數字
Adjustment arising from changes in accounting policies (note 2)	會計政策變動之調整 (附註2)
Reported/restated	呈列/重列

### 13. 股息

本公司已於本年內，宣派中期息每股港幣1仙(二零零五年：港幣1仙)，總金額共港幣4,432,000元(二零零五年：港幣2,837,000元)。

董事會建議派發末期股息每股港幣1.5仙(二零零五年：每股港幣1.5仙)，總金額共港幣6,649,000元(二零零五年：港幣5,319,000元)。建議的股息須待股東於股東周年大會上批准。

### 14. 每股盈利

本年每股基本盈利乃根據本年度溢利港幣81,957,000元(二零零五年：港幣92,389,000元(經重列))及截至二零零六年三月三十一日止年度內已發行股份為443,236,068股(二零零五年：443,236,068股)(經調整紅股後)計算。

截至二零零六年三月三十一日止兩個年度並無具潛在攤薄影響之普通股，因此，並無呈報每股攤薄盈利。

由於附註2中列明之會計政策改變，對每股基本盈利之調整如下：

#### Basic earnings per share

#### 每股基本盈利

2006 二零零六年 HK cents 港仙	2005 二零零五年 HK cents 港仙
20.2	22.5
(1.7)	(1.7)
<b>18.5</b>	<b>20.8</b>



## 15. INVESTMENT PROPERTIES

## 15. 投資物業

		HK\$'000 港幣千元
<b>FAIR VALUE</b>	公平價值	
At 1 April 2004	於二零零四年四月一日	126,190
Acquisition of a subsidiary	收購一間附屬公司	4,000
Additions	添置	5,771
Disposal	出售	(436)
Gain on change in fair value	公平價值變動之收益	45,357
Transfer to land and buildings under property, plant and equipment	轉往物業、廠房及設備中之土地及樓宇	(322)
At 31 March 2005	於二零零五年三月三十一日	<b>180,560</b>
Additions	添置	<b>70,327</b>
Transfer to land and buildings under property, plant and equipment	轉往物業、廠房及設備中之土地及樓宇	<b>(764)</b>
Gain on change in fair value	公平價值變動之收益	<b>44,967</b>
At 31 March 2006	於二零零六年三月三十一日	<b><u>295,090</u></b>

The carrying value of investment properties comprises properties in Hong Kong under leases as follows:

投資物業之賬面值包括位於香港之物業，其租賃期如下：

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Long lease	長期租賃	<b>1,100</b>	968
Medium-term lease	中期租賃	<b>293,990</b>	179,592
		<b><u>295,090</u></b>	<b><u>180,560</u></b>

The fair value of the Group's investment properties at 31 March 2006 has been arrived at on the basis of a valuation carried out on that date by Jones Lang LaSalle Limited, an independent property valuer not connected with the Group. Jones Lang LaSalle Limited has appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation, which was carried out in accordance with the HKIS Valuation Standards on Properties published by the Hong Kong Institute of Surveyors, was arrived at by reference to market evidence of transaction prices for similar properties.

本集團投資物業於二零零六年三月三十一日之公平價值已由獨立專業物業估值師行仲量聯行有限公司按當日之估值釐定。仲量聯行有限公司與本集團並無關連，並具備合適資格並於近期曾在相關地區就同類物業進行估值。有關估值乃按照香港測量師學會所頒物業估值標準而進行及釐定，並已參考同類物業之市場交易價格。

All of the Group's property interests in land held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

本集團所有以經營租賃方式持有，並以賺取租金或資本增值為目的之土地物業權益歸類為投資物業，並已按公平價值模式列賬。

## 16. PROPERTY, PLANT AND EQUIPMENT

## 16. 物業、廠房及設備

		<b>Land and buildings</b>	<b>Plant and equipment</b>	<b>Furniture and fixtures</b>	<b>Leasehold improvements</b>	<b>Motor vehicles</b>	<b>Total</b>
		土地及樓宇	廠房及 設備	傢俬及 裝置	裝修	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>COST</b>	成本						
At 1 April 2004	於二零零四年 四月一日	49,610	22,216	7,819	2,973	9,784	92,402
Additions	添置	—	1,229	634	1,109	1,962	4,934
Transfer from investment properties	由投資物業 轉入	322	—	—	—	—	322
Disposals/write-off	出售/注銷	—	(774)	(896)	(627)	(1,066)	(3,363)
At 31 March 2005	於二零零五年 三月三十一日	<b>49,932</b>	<b>22,671</b>	<b>7,557</b>	<b>3,455</b>	<b>10,680</b>	<b>94,295</b>
Additions	添置	—	<b>2,850</b>	<b>1,061</b>	<b>4,750</b>	<b>241</b>	<b>8,902</b>
Transfer from investment properties	由投資物業 轉入	<b>764</b>	—	—	—	—	<b>764</b>
Transfer to properties held for development for future sale	轉往持作發展 後出售物業	<b>(15,745)</b>	—	—	—	—	<b>(15,745)</b>
Disposals/write-off	出售/注銷	—	<b>(3,735)</b>	<b>(1,137)</b>	<b>(29)</b>	—	<b>(4,901)</b>
At 31 March 2006	於二零零六年 三月三十一日	<b>34,951</b>	<b>21,786</b>	<b>7,481</b>	<b>8,176</b>	<b>10,921</b>	<b>83,315</b>
<b>DEPRECIATION</b>	折舊						
At 1 April 2004	於二零零四年 四月一日	4,296	18,343	5,033	671	7,667	36,010
Provided for the year	年度撥備	1,228	1,708	1,162	974	1,098	6,170
Eliminated on disposals/ write-off	出售時撇銷/ 注銷	—	(774)	(875)	(225)	(1,066)	(2,940)
At 31 March 2005	於二零零五年 三月三十一日	<b>5,524</b>	<b>19,277</b>	<b>5,320</b>	<b>1,420</b>	<b>7,699</b>	<b>39,240</b>
Provided for the year	年度撥備	<b>1,158</b>	<b>1,477</b>	<b>945</b>	<b>1,700</b>	<b>1,041</b>	<b>6,321</b>
Eliminated on transferring to properties held for development for future sale	轉往持作發展後 出售物業時 撇銷	<b>(2,017)</b>	—	—	—	—	<b>(2,017)</b>
Eliminated on disposals/ write-off	出售時撇銷/注銷	—	<b>(3,735)</b>	<b>(1,113)</b>	<b>(29)</b>	—	<b>(4,877)</b>
At 31 March 2006	於二零零六年 三月三十一日	<b>4,665</b>	<b>17,019</b>	<b>5,152</b>	<b>3,091</b>	<b>8,740</b>	<b>38,667</b>
<b>CARRYING VALUES</b>	賬面值						
At 31 March 2006	於二零零六年 三月三十一日	<b>30,286</b>	<b>4,767</b>	<b>2,329</b>	<b>5,085</b>	<b>2,181</b>	<b>44,648</b>
At 31 March 2005	於二零零五年 三月三十一日	<b>44,408</b>	<b>3,394</b>	<b>2,237</b>	<b>2,035</b>	<b>2,981</b>	<b>55,055</b>

**16. PROPERTY, PLANT AND EQUIPMENT** *(continued)*

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

Leasehold land and buildings	Over the shorter of the unexpired term of the relevant lease or 20 years
Leasehold improvements	Over the shorter of the term of the lease or 5 years
Other assets	5 years

The carrying value of land and buildings comprises properties in Hong Kong under leases as follows:

Long lease	長期租賃
Medium-term lease	中期租賃

**16. 物業、廠房及設備** *(續)*

以上物業、廠房及設備乃是依據直線法為基準以計算折舊，年期如下：

租賃土地及樓宇	有關租約未屆滿年期或二十年(以較短者為計算基準)
裝修	有關租約未屆滿年期或五年(以較短者為計算基準)
其他資產	五年

土地及樓宇之賬面值包括位於香港之物業，其租賃期如下：

<b>2006</b>	2005
二零零六年	二零零五年
<b>HK\$'000</b>	HK\$'000
港幣千元	港幣千元
<b>2,454</b>	2,495
<b>27,832</b>	41,913
<b><u>30,286</u></b>	<u>44,408</u>

## 17. INTERESTS IN ASSOCIATES

## 17. 聯營公司之權益

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Cost of unlisted investments in associates	於非上市聯營公司 之投資成本	<b>10,000</b>	10,000
Share of post-acquisition losses	分佔收購後虧損	<b>(231)</b>	(78)
		<b><u>9,769</u></b>	<b><u>9,922</u></b>

Details of the Group's associates as at 31 March 2006 are as follows:

於二零零六年三月三十一日本集團聯營公司之詳情如下：

<b>Name of associate</b> 聯營公司之名稱	<b>Place of incorporation/ registration and principal place of operation</b> 註冊成立/ 主要經營之地點	<b>Attributable equity interest held by the Group</b> 本集團應佔 股本權益之比率	<b>Principal activities</b> 主要業務
Berville Investment Limited 寶耀投資有限公司	Hong Kong 香港	50%	Investment holding 投資控股
Dongguan Kee Hing Real Estate Development Limited 東莞其興置業開發有限公司	People's Republic of China 中華人民共和國	50%	Property development 物業發展
Dongguan Kee Sing Real Estate Development Limited 東莞其勝置業開發有限公司	People's Republic of China 中華人民共和國	50%	Property development 物業發展
Fairwide Limited 輝華有限公司	Hong Kong 香港	50%	Investment holding 投資控股

All the associates are incorporated/registered.

所有聯營公司均為有限公司。

**17. INTERESTS IN ASSOCIATES (continued)**

The summarised financial information in respect of the Group's associates is set out below:

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Total assets	資產總額	<b>30,756</b>	30,912
Total liabilities	負債總額	<b>(11,218)</b>	(11,068)
Net assets	資產淨值	<b>19,538</b>	19,844
Share of net assets	分佔資產淨值	<b>9,769</b>	9,922
Turnover	營業額	—	—
Loss for the year	本年度虧損	<b>(306)</b>	(108)
Share of result of associates for the year	分佔本年度聯營公司業績	<b>(153)</b>	(54)

**18. INTERESTS IN JOINTLY CONTROLLED ENTITIES**

Cost of unlisted investments in jointly controlled entities	於非上市共同控制實體之投資成本	<b>23,000</b>	23,000
Share of post-acquisition profits	分佔收購後溢利	<b>3,887</b>	3,065

**17. 聯營公司之權益 (續)**

本集團聯營公司之財務資料摘要如下：

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Total assets	資產總額	<b>30,756</b>	30,912
Total liabilities	負債總額	<b>(11,218)</b>	(11,068)
Net assets	資產淨值	<b>19,538</b>	19,844
Share of net assets	分佔資產淨值	<b>9,769</b>	9,922
Turnover	營業額	—	—
Loss for the year	本年度虧損	<b>(306)</b>	(108)
Share of result of associates for the year	分佔本年度聯營公司業績	<b>(153)</b>	(54)

**18. 共同控制實體之權益**

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Cost of unlisted investments in jointly controlled entities	於非上市共同控制實體之投資成本	<b>23,000</b>	23,000
Share of post-acquisition profits	分佔收購後溢利	<b>3,887</b>	3,065
		<b>26,887</b>	26,065



## 18. INTERESTS IN JOINTLY CONTROLLED ENTITIES (continued)

Details of the Group's jointly controlled entities as at 31 March 2006 are as follows:

Name of jointly controlled entity 共同控制實體 之名稱	Form of business structure 業務架構形式	Place of incorporation and principal place of operation 註冊成立/ 主要經營之地點	Attributable interest held by the Group 本集團應佔 權益之比率	Principal activities 主要業務
Hip Hing-Hanison Joint Venture 協興 — 興勝合營企業	Body unincorporate 未註冊為法團之實體	Hong Kong 香港	50%	Building construction for a basement, podium and transfer plate at Tung Chung 興建位於東涌之地庫、平台及轉力層
Hanison-Hip Hing Joint Venture 興勝 — 協興合營企業	Body unincorporate 未註冊為法團之實體	Hong Kong 香港	50%	Building construction for townhouse development at Tung Chung 興建位於東涌之獨立花園洋房
Hip Hing-Hanison Joint Venture 協興 — 興勝合營企業	Body unincorporate 未註冊為法團之實體	Hong Kong 香港	50%	Building construction for superstructure works at Tung Chung 位於東涌之上蓋興建工程
Crown Cosmos Investments Limited 冠宇投資有限公司	Limited liability company 有限公司	British Virgin Islands 英屬處女群島	50%	Investment holding 投資控股
Poly Rising Development Limited 新高發展有限公司	Limited liability company 有限公司	Hong Kong 香港	50%	Property development 物業發展

## 18. 共同控制實體之權益 (續)

於二零零六年三月三十一日本集團共同控制實體之詳情如下：

**18. INTERESTS IN JOINTLY CONTROLLED ENTITIES** *(continued)*

The summarised financial information in respect of the Group's jointly controlled entities is set out below:

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Current assets	流動資產	<b>291,458</b>	96,571
Current liabilities	流動負債	<b>237,684</b>	44,441
Total net assets	資產淨值總額	<b><u>53,774</u></b>	<u>52,130</u>
Share of net assets	分佔資產淨值	<b><u>26,887</u></b>	<u>26,065</u>
Income	收入	<b>213,864</b>	98,286
Expenses	支出	<b>212,220</b>	94,288
Profit for the year	本年度溢利	<b><u>1,644</u></b>	<u>3,998</u>
Share of results of jointly controlled entities for the year	分佔本年度共同控制實體業績	<b><u>822</u></b>	<u>1,999</u>

18. 共同控制實體之權益 (續)

本集團共同控制實體之財務資料摘要如下：

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Current assets	流動資產	<b>291,458</b>	96,571
Current liabilities	流動負債	<b>237,684</b>	44,441
Total net assets	資產淨值總額	<b><u>53,774</u></b>	<u>52,130</u>
Share of net assets	分佔資產淨值	<b><u>26,887</u></b>	<u>26,065</u>
Income	收入	<b>213,864</b>	98,286
Expenses	支出	<b>212,220</b>	94,288
Profit for the year	本年度溢利	<b><u>1,644</u></b>	<u>3,998</u>
Share of results of jointly controlled entities for the year	分佔本年度共同控制實體業績	<b><u>822</u></b>	<u>1,999</u>

## 19. GOODWILL

## 19. 商譽

		<i>HK\$'000</i> 港幣千元
<b>COST</b>	成本	
At 1 April 2004 and 31 March 2005	於二零零四年四月一日 及二零零五年三月三十一日	600
Elimination of accumulated amortisation upon the application of HKFRS 3	因採用香港財務報告 準則第三號而撇銷 之累計攤銷	<u>(60)</u>
At 1 April 2005 and 31 March 2006	於二零零五年四月一日 及二零零六年三月三十一日	<u>540</u>
<b>AMORTISATION</b>	攤銷	
At 1 April 2004	於二零零四年四月一日	30
Charge for the year	本年度費用	<u>30</u>
At 31 March 2005	於二零零五年三月三十一日	<b>60</b>
Elimination of accumulated amortisation upon the application of HKFRS 3	因採用香港財務報告 準則第三號而撇銷 之累計攤銷	<u>(60)</u>
At 1 April 2005 and 31 March 2006	於二零零五年四月一日 及二零零六年三月三十一日	<u>—</u>
<b>CARRYING VALUES</b>	賬面值	
At 31 March 2006	於二零零六年三月三十一日	<u><b>540</b></u>
At 31 March 2005	於二零零五年三月三十一日	<u>540</u>

Until 31 March 2005, goodwill had been amortised over its estimated useful life of 20 years.

直至二零零五年三月三十一日，商譽所採納之攤銷時期為二十年之估計可用年期。

## 20. PROPERTIES HELD FOR DEVELOPMENT FOR FUTURE SALE

At balance sheet date, total borrowing costs capitalised in the properties held for development for future sale were HK\$2,738,000 (2005: HK\$490,000).

The carrying value of properties held for development for future sale comprises properties in Hong Kong under medium-term lease.

The amount is expected to be recovered more than twelve months after the balance sheet date.

## 21. INVENTORIES

Building materials	建築材料
Health products	健康產品
— finished goods	— 製成品

## 20. 持作發展後出售之物業

於年結日，被資本化於持作發展後出售之物業內之借貸成本總額為港幣2,738,000元（二零零五年：港幣490,000元）。

持作發展後出售之物業之賬面值乃位於香港以中期租賃形式持有的物業。

預期該款項將於年結日後不少於十二個才可收回。

## 21. 存貨

<b>2006</b>	2005
二零零六年	二零零五年
<b>HK\$'000</b>	HK\$'000
港幣千元	港幣千元
<b>18,748</b>	17,991
<b>14,824</b>	12,640
<b><u>33,572</u></b>	<u>30,631</u>

## 22. AMOUNTS RECEIVABLE (PAYABLE) ON CONTRACT WORK

Contract costs incurred plus recognised profits less recognised losses  
Less: progress billings

所產生之合約成本加已確認利潤減已確認虧損  
減：進度賬款

<b>2006</b>	2005
二零零六年	二零零五年
<b>HK\$'000</b>	HK\$'000
港幣千元	港幣千元
<b>3,983,647</b>	3,556,364
<b>(4,016,842)</b>	(3,630,160)
<b><u>(33,195)</u></b>	<b><u>(73,796)</u></b>

Analysed for reporting purposes as:

報告目的之分析：

Amounts receivable on contract work  
Amounts payable on contract work

應收合約工程賬款  
應付合約工程賬款

<b>88,697</b>	61,985
<b>(121,892)</b>	(135,781)
<b><u>(33,195)</u></b>	<b><u>(73,796)</u></b>

## 23. PROGRESS PAYMENTS RECEIVABLE

Progress payments receivable represent the amounts receivable, after deduction of retention money, for construction services which usually fall due within 30 days after the work is certified. Retention money is usually withheld from the amounts receivable for work certified. 50% of the retention money is normally due upon completion and the remaining 50% portion is due upon finalisation of construction accounts.

## 23. 應收進度款項

應收進度款項指在扣除保固金後之應收建築服務款項，通常須於工程獲驗證後三十日內支付。相對於已驗證工程之應收款項，保固金通常會被扣起，其中百分之五十通常在完工時發還，而其餘百分之五十則於建築項目獲最後結賬時發還。



**23. PROGRESS PAYMENTS RECEIVABLE**

(continued)

23. 應收進度款項 (續)

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Progress payments receivable from:	應收下列各項之進度款項：		
Subsidiaries of HKR International Limited ("HKRI")	香港興業國際集團有限公司 (「興業國際」) 之附屬公司	<b>11,369</b>	14,336
Third parties	第三者	<b>22,411</b>	43,235
		<b>33,780</b>	57,571

The aged analysis of progress payments receivable is as follows:

應收進度款項之賬齡分析如下：

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Within 30 days	三十日內	<b>32,120</b>	48,107
31 - 60 days	三十一至六十日	<b>1,660</b>	7,646
61 - 90 days	六十一至九十日	—	192
Over 90 days	超過九十日	—	1,626
		<b>33,780</b>	57,571

The directors consider the carrying amount of progress payments receivable approximates its fair value.

董事認為應收進度款項之賬面值跟其公平價值相若。

## 24. RETENTION MONEY RECEIVABLE

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Retention money receivable from Subsidiaries of HKRI	應收下列各項之保固金 興業國際之附屬公司	<b>42,249</b>	55,639
A company associated with a substantial shareholder of the Company	一間與本公司一名 主要股東有關連 之公司	—	3,000
Third parties	第三者	<b>54,130</b>	51,073
		<b>96,379</b>	109,712
Amount receivable within one year	一年內應收 款項	<b>57,419</b>	66,969
Amount receivable after one year	一年後應收 款項	<b>38,960</b>	42,743
		<b>96,379</b>	109,712

The directors consider the carrying amount of retention money receivable approximates its fair value.

董事認為應收保固金之賬面值跟其公平價值相若。

## 25. DEBTORS, DEPOSITS AND PREPAYMENTS

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Debtors	應收賬款	<b>42,070</b>	40,204
Other receivables	其他應收款項	<b>3,871</b>	2,421
Deposits	按金	<b>13,336</b>	8,441
Prepayments	預付款項	<b>13,244</b>	10,283
		<b>72,521</b>	61,349

The credit period allowed by the Group to its customers is normally 30 days.

本集團一般給予其客戶三十日之賒賬期。

**25. DEBTORS, DEPOSITS AND PREPAYMENTS**
*(continued)*

The aged analysis of debtors included in debtors, deposits and prepayments is as follows:

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Within 30 days	三十日內	<b>33,480</b>	23,717
31 - 60 days	三十一至六十日	<b>1,925</b>	11,709
61 - 90 days	六十一至九十日	<b>1,440</b>	1,254
Over 90 days	超過九十日	<b>5,225</b>	3,524
		<b>42,070</b>	40,204

Included in the above debtors are amounts due from related parties of a trading nature as follows:

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Subsidiaries of HKRI	興業國際之附屬公司	—	401
A company associated with a substantial shareholder of the Company	一間與本公司一名主要股東有關連之公司	—	6,716
Property management funds which are managed by subsidiaries of HKRI	由興業國際之附屬公司所管理之物業管理基金	<b>13</b>	78
Jointly controlled entities of the Group	本集團之共同控制實體	<b>13</b>	535
		<b>26</b>	7,730

The directors consider the carrying amount of debtors and deposits approximate its fair value.

**25. 應收賬款、按金及預付款項 (續)**

包括在應收賬款、按金及預付款項之應收賬款之賬齡分析如下：

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Within 30 days	三十日內	<b>33,480</b>	23,717
31 - 60 days	三十一至六十日	<b>1,925</b>	11,709
61 - 90 days	六十一至九十日	<b>1,440</b>	1,254
Over 90 days	超過九十日	<b>5,225</b>	3,524
		<b>42,070</b>	40,204

在以上應收賬款內包括應收關連人士具貿易性質之款項如下：

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Subsidiaries of HKRI	興業國際之附屬公司	—	401
A company associated with a substantial shareholder of the Company	一間與本公司一名主要股東有關連之公司	—	6,716
Property management funds which are managed by subsidiaries of HKRI	由興業國際之附屬公司所管理之物業管理基金	<b>13</b>	78
Jointly controlled entities of the Group	本集團之共同控制實體	<b>13</b>	535
		<b>26</b>	7,730

董事認為應收賬款及按金之賬面值跟其公平價值相若。

**26. AMOUNTS DUE FROM ASSOCIATES**

The amounts are unsecured, interest-free and repayable on demand. The directors consider the carrying amount of amounts due from associates approximates its fair value.

**27. AMOUNTS DUE FROM JOINTLY CONTROLLED ENTITIES**

The amounts are unsecured, interest-free and repayable on demand. The directors consider the carrying amount of amounts due from jointly controlled entities approximates its fair value.

**28. INVESTMENTS HELD FOR TRADING**

Investments held for trading as at 31 March 2006 include investment in listed equity securities listed in Hong Kong amounting to HK\$217,000. The fair values of the above held for trading investments are determined based on the closing price of the listed equity securities as stated in daily quotations sheet issued by the Stock Exchange.

**29. INVESTMENTS IN SECURITIES**

Upon the application of HKAS 39 on 1 April 2005, investments in securities were reclassified to appropriate categories under HKAS 39 (see note 2 for details). Investment in securities as at 31 March 2005 include investments in listed equity securities listed in Hong Kong amounting to HK\$190,000.

**30. BANK BALANCES AND CASH**

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less at an average interest rate of 0.20% (2005: 0.04%). The directors consider that the carrying amount of the bank balances and cash approximates its fair value.

**26. 應收聯營公司款項**

該款項無抵押、免利息及可要求即時償還。董事認為應收聯營公司款項之賬面值跟其公平價值相若。

**27. 應收共同控制實體款項**

該款項無抵押、免利息及可要求即時償還。董事認為應收共同控制實體款項之賬面值跟其公平價值相若。

**28. 持作買賣之投資**

於二零零六年三月三十一日之持作買賣之投資，包括於香港上市之上市股本證券投資總額為港幣217,000元。上述持作買賣之投資之公平價值乃根據聯交所發出之每日報價表所述之上市股本證券收市價而釐定。

**29. 證券投資**

因於二零零五年四月一日採用香港會計準則第三十九號，證券投資將根據香港會計準則第三十九號（詳情載於附註2）重新分類到適當的類別。於二零零五年三月三十一日之證券投資，包括於香港上市之上市股本證券投資總額為港幣190,000元。

**30. 銀行結餘及現金**

銀行結餘及現金包括本集團持有之現金及存放於銀行原本到期日少於三個月或三個月之短期銀行存款，平均利率為0.20%（二零零五年：0.04%）。董事認為銀行結餘及現金之賬面值跟其公平價值相若。

**31. CREDITORS AND ACCRUED CHARGES**

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Creditors	應付賬款	<b>64,085</b>	68,174
Retention payable	應付保固金	<b>59,723</b>	55,784
Accrued costs and charges	累計成本及費用	<b>76,127</b>	65,630
Temporary receipts	臨時收取之款項	<b>5,265</b>	4,991
Deposits received	已收取按金	<b>6,413</b>	5,711
		<b>211,613</b>	200,290

The aged analysis of creditors included in creditors and accrued charges is as follows:

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Within 30 days	三十日內	<b>58,962</b>	61,532
31 - 60 days	三十一至六十日	<b>832</b>	987
61 - 90 days	六十一至九十日	<b>1,326</b>	1,398
Over 90 days	超過九十日	<b>2,965</b>	4,257
		<b>64,085</b>	68,174

Included in the above creditors are amounts due to related parties of trading nature as follows:

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Subsidiaries of HKRI	興業國際之附屬公司	<b>99</b>	103

The directors consider the carrying amount of creditors approximates its fair value.

**31. 應付賬款及累計費用**

	<b>2006</b>	2005
	二零零六年	二零零五年
	<b>HK\$'000</b>	HK\$'000
	港幣千元	港幣千元
Creditors	<b>64,085</b>	68,174
Retention payable	<b>59,723</b>	55,784
Accrued costs and charges	<b>76,127</b>	65,630
Temporary receipts	<b>5,265</b>	4,991
Deposits received	<b>6,413</b>	5,711
	<b>211,613</b>	200,290

包括在應付賬款及累計費用中之應付賬款之賬齡分析如下：

	<b>2006</b>	2005
	二零零六年	二零零五年
	<b>HK\$'000</b>	HK\$'000
	港幣千元	港幣千元
Within 30 days	<b>58,962</b>	61,532
31 - 60 days	<b>832</b>	987
61 - 90 days	<b>1,326</b>	1,398
Over 90 days	<b>2,965</b>	4,257
	<b>64,085</b>	68,174

在上述應付賬款內包括應付關連人士具貿易性質之款項如下：

	<b>2006</b>	2005
	二零零六年	二零零五年
	<b>HK\$'000</b>	HK\$'000
	港幣千元	港幣千元
Subsidiaries of HKRI	<b>99</b>	103

董事認為應付賬款之賬面值跟其公平價值相若。

**32. SECURED BANK LOANS**

The bank loans are repayable as follows:

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Within one year	一年內	<b>82,200</b>	68,200
In the second year	第二年	<b>6,200</b>	4,200
In the third to fifth years inclusive	第三至五年 (包括首尾兩年)	<b>82,500</b>	42,700
		<b>170,900</b>	115,100
Less: Amount due within one year	減：一年內到期款額	<b>(82,200)</b>	(68,200)
Amount due after one year	一年後應償還款額	<b>88,700</b>	46,900

During the year, the Group obtained new loans in the amount of HK\$60,000,000 (2005: HK\$64,000,000) for general working capital and for refinancing the purchase of investment properties.

The bank loans are secured by charges over certain properties of the Group, which are disclosed in note 38.

The Group's bank borrowings are floating-rate borrowings which are denominated in Hong Kong dollars. The interest is charged at a range from HIBOR + 0.625% to HIBOR + 1.000%. Interest is repricing every month.

The range of effective interest rates on the Group's borrowings are 2.465% to 5.178%.

The directors consider the carrying amount of the bank borrowings approximates to its fair value.

**32. 有抵押銀行貸款**

應償還之銀行貸款如下：

	<b>2006</b>	2005
	二零零六年	二零零五年
	<b>HK\$'000</b>	HK\$'000
	港幣千元	港幣千元
Within one year	<b>82,200</b>	68,200
In the second year	<b>6,200</b>	4,200
In the third to fifth years inclusive	<b>82,500</b>	42,700
	<b>170,900</b>	115,100
Less: Amount due within one year	<b>(82,200)</b>	(68,200)
Amount due after one year	<b>88,700</b>	46,900

於本年度，本集團取得總額港幣60,000,000元(二零零五年：港幣64,000,000元)之新銀行貸款，作為一般營運資金，以及為收購物業作投資用途再作融資。

該等銀行貸款以本集團若干物業作抵押，詳情於附註38中披露。

本集團之銀行借款是港幣浮動利率貸款。利率由香港銀行同業拆息加0.625%至香港銀行同業拆息加1.000%計算。利率每月重新釐定一次。

本集團貸款之實際利率由2.465%至5.178%。

董事認為銀行貸款之賬面值跟其公平價值相若。



### 33. DEFERRED TAXATION

The followings are the major deferred tax liabilities of the Group and movements thereon during the current and prior years:

### 33. 遞延稅項

本集團主要遞延稅項負債及於今個及之前年度由此而產生之變動如下：

		<b>Accelerated tax depreciation</b>	<b>Properties</b>	<b>Total</b>
		加速 稅務折舊 <b>HK\$'000</b> 港幣千元	物業 <b>HK\$'000</b> 港幣千元	總額 <b>HK\$'000</b> 港幣千元
At 1 April 2004	於二零零四年 四月一日	203	2,402	2,605
Effect of changes in accounting policies (note 2)	會計政策變動影響 (附註2)	—	479	479
Charge to consolidated income statement for the year	本年度綜合 收益表中支出	1,512	7,675	9,187
At 31 March 2005	於二零零五年 三月三十一日	<b>1,715</b>	<b>10,556</b>	<b>12,271</b>
Charge to consolidated income statement for the year	本年度綜合 收益表中支出	<b>1,237</b>	<b>7,711</b>	<b>8,948</b>
At 31 March 2006	於二零零六年 三月三十一日	<b>2,952</b>	<b>18,267</b>	<b>21,219</b>

At 31 March 2006, the Group has unused tax losses of HK\$14,801,000 (2005: HK\$19,151,000) available for offset against future profits. No deferred tax asset has been recognised in respect of these tax losses due to the unpredictability of future profit streams. All the tax losses may be carried forward indefinitely.

於二零零六年三月三十一日，本集團未用之稅務虧損為港幣14,801,000元（二零零五年：港幣19,151,000元），可用作抵銷未來之溢利。由於不能估計未來之溢利流，有關此等稅務虧損之遞延稅項資產沒有確認。所有稅務虧損均可無限期結轉。

## 34. SHARE CAPITAL

## 34. 股本

		No. of shares 股份數目	HK\$'000 港幣千元
Authorised:	法定：		
Shares of HK\$0.10 each	面值港幣0.10元之股份		
Balance as at	於		
1 April 2004,	二零零四年四月一日、		
31 March 2005	二零零五年及二零零六年		
and 2006	三月三十一日		
	之結餘	800,000,000	80,000
Issued and fully paid:	已發行及繳足：		
Shares of HK\$0.10 each	面值港幣0.10元之股份		
Balance as at 1 April 2004	於二零零四年四月一日之結餘	283,671,086	28,367
Bonus shares issued	年內已發行		
during the year	紅股	70,917,770	7,092
Balance as	於二零零五年三月三十一日		
at 31 March 2005	之結餘	<b>354,588,856</b>	<b>35,459</b>
Bonus shares issued	年內已發行		
during the year	紅股	<b>88,647,212</b>	<b>8,865</b>
Balance as	於二零零六年三月三十一日		
at 31 March 2006	之結餘	<b>443,236,068</b>	<b>44,324</b>

By an ordinary resolution passed on 7 January 2005, the issued share capital was increased by way of a bonus issue by applying HK\$7,092,000 charging to the share premium account of the Company in payment in full at par of 70,917,770 shares of HK\$0.10 each on the basis of one bonus share for every four shares held on 31 December 2004.

By an ordinary resolution passed on 2 August 2005, the issued share capital was increased by way of a bonus issue by applying HK\$8,865,000 charging to the share premium account of the Company in payment in full at par of 88,647,212 shares of HK\$0.10 each on the basis of one bonus share for every four shares held on 2 August 2005.

All the bonus shares rank pari passu with the then existing shares.

根據於二零零五年一月七日通過之普通決議案，動用本公司股份溢價賬中港幣7,092,000元，按於二零零四年十二月三十一日每持有四股股份可獲發行一股紅股之基準，發行每股面值港幣0.10元已繳足股本之紅股，增加發行股本70,917,770股股份。

根據於二零零五年八月二日通過之普通決議案，動用本公司股份溢價賬中港幣8,865,000元，按於二零零五年八月二日每持有四股股份可獲發行一股紅股之基準，發行每股面值港幣0.10元已繳足股本之紅股，增加發行股本88,647,212股股份。

所有紅股將與其時之現有股份在各方面享有同等權利。

### 35. RESERVES

Contributed surplus of the Group represents the difference between the aggregate share capital of the subsidiaries at the date on which they were acquired by the Company, the nominal amount of the Company's shares issued at the time of the group corporate reorganisation and the par value of the bonus shares issued by the Company.

Special reserve of the Group represents the aggregate of contributions from the then shareholders of the companies comprising the Group and other subsidiaries of HKRI before the group corporate reorganisation.

### 36. SHARE OPTION SCHEME

Pursuant to the Company's existing share option scheme (the "Scheme") which was adopted on 3 January 2002 and became effective on 9 January 2002, all directors (including independent non-executive directors), full-time employees and consultants of the Company, its subsidiaries and/or its associates are eligible to participate in the Scheme.

The purpose of the Scheme is to provide the participants who have been granted options under the Scheme to subscribe for ordinary shares in the Company with the opportunity to acquire proprietary interest in the Company and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole.

### 35. 儲備

本集團之繳入盈餘，指於本公司收購該等附屬公司時，該等附屬公司之股本總額、與於公司重組時本公司已發行股份面值及與本公司已發行紅股之面值之差額。

本集團特別儲備，指組成本集團之公司及於公司重組前興業國際之當時股東投入資金總額。

### 36. 購股權計劃

根據本公司現時之購股權計劃（「該計劃」）（於二零零二年一月三日獲採納，二零零二年一月九日生效）本公司、其附屬公司及／或聯營公司所有董事（包括獨立非執行董事）、全職僱員及顧問符合參與該計劃之資格。

該計劃之目的是為向根據該計劃獲授購股權以認購本公司普通股之參與者，提供購入本公司股本權益之機會，並鼓勵參與者為本公司及其股東之整體利益，提高本公司及其股份之價值而努力。

**36. SHARE OPTION SCHEME (continued)****(a) Maximum number of shares available for issuance**

Subject to the condition that the total number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company must not exceed 30% of the shares of the Company in issue from time to time, a total of 28,367,108 shares is available for issue under the Scheme which represents approximately 6.4% of the issued share capital of the Company as at the date of the report.

**(b) Maximum entitlement of each participant**

(a) The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and unexercised options) under the Scheme or any other share option schemes adopted by the Company in any 12-month period must not exceed 1% of the shares in issue unless otherwise approved by shareholders of the Company.

(b) Where any grant of options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates (as defined in rule 1.01 of the Listing Rules), would result in the shares issued and to be issued upon exercise of all options already granted and to be granted to such person in any 12-month period up to and including the date of the grant:

- (i) representing in aggregate over 0.1% of the shares in issue; and

**36. 購股權計劃 (續)****(a) 可供發行之股份數目上限**

在根據該計劃及本公司任何其他計劃授出而尚未行使購股權倘獲行使而發行之股份總數不得超過本公司不時已發行股份百分之三十之規限下，該計劃可供發行的股份總數為28,367,108股，佔本公司於本年報日期之已發行股本約6.4%。

**(b) 各參與者之購股權配額上限**

(a) 除非經本公司股東另作批准，否則於任何十二個月期間，因根據該計劃或本公司採納之任何其他購股權計劃向每名參與者授出之購股權(包括已行使及未行使購股權)獲行使而發行及可予發行之股份總數，不得超過已發行股份之1%。

(b) 倘向本公司之主要股東或獨立非執行董事或其各自之聯繫人(定義見上市規則第1.01條)授出購股權，會導致於截至授出日期(包括該日)止任何十二個月期間向該人士已授出及將授出之一切購股權獲行使而發行及可發行之股份：

- (i) 合共佔已發行股份0.1%以上；及

**36. SHARE OPTION SCHEME (continued)**

**(b) Maximum entitlement of each participant (continued)**

- (ii) having an aggregate value, based on the closing price of the shares on date of grant in excess of HK\$5.0 million,

such grant of option shall be subject to prior approval of the shareholders of the Company who are not connected persons of the Company as defined in the Listing Rules.

**(c) Period within which the shares must be taken up under an option**

Within ten years from the date on which an option is granted or such shorter period as the directors or the relevant committee thereof may specify.

**(d) Minimum period, if any, for which an option must be held before it can be exercised**

At the time of granting an option, the directors or the relevant committee thereof must specify the minimum period(s) and/or achievement of performance targets, if any, for which an option must be held before it can be exercised.

Options may be exercised at any time after the minimum periods of time held and/or achievement of performance targets, if any, specified in the terms of grant at the time of grant.

**36. 購股權計劃 (續)**

**(b) 各參與者之購股權配額上限 (續)**

- (ii) 總值超過港幣5,000,000元(根據購股權於授出日期的股份之收市價計算)。

授出該項購股權須取得本公司股東(並非本公司之關連人士(定義見上市規則))預先批准。

**(c) 根據購股權必須認購股份之期限**

由授出購股權之日起十年期間(或董事或有關董事委員會指定之較短期間)。

**(d) 購股權於可予行使前之最短持有期間(如有)**

於授出購股權之時，董事或有關董事委員會必須指定購股權於可予行使前之最短持有及／或達致表現目標期間(如有)。

購股權可於授出時之條款訂明最短持有及／或達致表現目標期間(如有)過後任何時間行使。

**36. SHARE OPTION SCHEME (continued)****(e) Remaining life of the Scheme**

The Scheme has a life of 10 years and will expire on 3 January 2012 unless otherwise terminated in accordance with the terms of the Scheme.

The exercise price of the option shall be no less than the higher of:

- (i) the closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant, which must be a business day;
- (ii) the average closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange for the five Stock Exchange business days immediately preceding the date of grant; and
- (iii) the nominal value of the shares of the Company on the date of grant.

A consideration of HK\$1 shall be paid upon the acceptance of the option.

No option has been granted by the Company since its adoption.

**36. 購股權計劃 (續)****(e) 該計劃之餘下年限**

除非根據該計劃條款予以終止，否則該計劃之有效年限為十年，並將於二零一二年一月三日屆滿。

購股權之行使價必須不低於下列三者之最高者：

- (i) 聯交所於授出日期發出之每日報價表所述之本公司股份收市價(該日必須為營業日)；
- (ii) 聯交所於緊接授出日期前五個聯交所營業日發出之每日報價表所述之本公司股份平均收市價；及
- (iii) 本公司股份於授出日期之面值。

於接納購股權時須付港幣1元作為代價。

本公司於該計劃獲採納起並無授出任何購股權。



### 37. ACQUISITION OF A SUBSIDIARY

For the year ended 31 March 2005

On 21 March 2005, the Group acquired a 100% interest in General Target Limited which is a property investment company whose assets and liabilities on acquisition were as follows:

		HK\$'000 港幣千元
Investment properties	投資物業	4,000
Debtors, deposits and prepayments	應收賬款、按金 及預付款項	73
Creditors and accrued charges	應付賬款及累計費用	(138)
Net assets acquired by the Group	本集團收購之 資產淨值	3,935
Discount on acquisition	收購折讓	(23)
Cash consideration	現金代價	<u>3,912</u>
Net cash outflow arising on acquisition:	因收購產生之現金流出淨額：	
Cash consideration	現金代價	<u>3,912</u>

The subsidiary acquired contributed an insignificant amount to the Group's turnover and profit before taxation during the year.

If the acquisition had been completed on 1 April 2004, the Group's turnover for the year would have been HK\$921,117,000 and profit for the year would have been HK\$92,011,000. The pro forma information is presented for illustrative purposes only and is not necessarily an indicative revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2004, nor is not intended to be a projection of future results.

The acquisition has been accounted for by the acquisition method of accounting.

### 37. 收購附屬公司

截至二零零五年三月三十一日止年度

於二零零五年三月二十一日，本集團收購了祥加有限公司之100%權益，該公司乃一家物業投資公司。於收購時該公司之資產及負債如下：

		HK\$'000 港幣千元
投資物業		4,000
應收賬款、按金 及預付款項		73
應付賬款及累計費用		(138)
本集團收購之 資產淨值		3,935
收購折讓		(23)
現金代價		<u>3,912</u>
因收購產生之現金流出淨額：		
現金代價		<u>3,912</u>

於本年度，收購該附屬公司只為本集團帶來少量的營業額及稅前溢利。

如收購於二零零四年四月一日完成，本集團本年度之營業額將為港幣921,117,000元而溢利將為港幣92,011,000元。備考資料只列作參考用途，並不代表本集團如於二零零四年四月一日完成收購後確實達到之營業額及業績，或作為未來業績之預測。

該收購以會計之收購方法入賬。

**38. PLEDGE OF ASSETS**

At 31 March 2006, the Group's bank loans were secured by the Group's assets as follows:

		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		港幣千元	港幣千元
Investment properties	投資物業	<b>207,014</b>	117,241
Land and buildings	土地及樓宇	<b>11,790</b>	12,283
		<b>218,804</b>	129,524

**39. CONTINGENT LIABILITIES**

At 31 March 2006, the Group had given guarantees to a bank in respect of performance bonds granted to the jointly controlled entities amounting to HK\$33,488,000 (2005: HK\$33,488,000).

During the year ended 31 March 2004, legal actions in respect of allegations of copyright infringement and defamation have been taken against certain subsidiaries of the Company carrying on its health products business. At 31 March 2006, as the relevant actions are at a preliminary stage, the directors are of the opinion that it is impractical to assess their impact to the Group.

**38. 資產抵押**

於二零零六年三月三十一日，以本集團之資產作抵押之銀行貸款如下：

	<b>2006</b>	2005
	二零零六年	二零零五年
	<b>HK\$'000</b>	HK\$'000
	港幣千元	港幣千元
Investment properties	<b>207,014</b>	117,241
Land and buildings	<b>11,790</b>	12,283
	<b>218,804</b>	129,524

**39. 或然負債**

於二零零六年三月三十一日，本集團就共同控制實體取得之履約保證共港幣33,488,000元(二零零五年：港幣33,488,000元)向一間銀行作出擔保。

截至二零零四年三月三十一日止年度內，本公司若干從事健康產品業務之附屬公司就侵犯版權及誹謗之指控被提出法律行動。於二零零六年三月三十一日，由於有關行動現正處於初步階段，董事認為不能切實地評估其對本集團之影響。

#### 40. CAPITAL COMMITMENTS

At the balance sheet date, the Group had the following commitments:

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Contracted for but not provided in consolidated financial statements	已訂約但未列於綜合財務報表內		
Commitments for the acquisition of investment properties	購入投資物業之承擔	<b>9,090</b>	<b>4,410</b>
Commitments for the acquisition of property, plant and equipment	購入物業、廠房及設備之承擔	<b>7,750</b>	—

#### Authorised but not contracted for

During the year, the Group entered into a development agreement with an independent third party in respect of the joint development of a site in So Kwun Wat. Under the terms of the development agreement, the Group has an obligation to fund HK\$231,500,000, representing 23.63% of the anticipated project costs.

The Group's associates also entered into another joint development agreement in relation to the joint development of a site in Dongguan, the PRC. Under the terms of the joint development agreement, the Group has an obligation to fund RMB101,500,000 (equivalent to HK\$98,544,000), representing 50% of the anticipated development costs.

#### 40. 資本承擔

於結算日，本集團有下列承擔：

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Contracted for but not provided in consolidated financial statements	已訂約但未列於綜合財務報表內		
Commitments for the acquisition of investment properties	購入投資物業之承擔	<b>9,090</b>	<b>4,410</b>
Commitments for the acquisition of property, plant and equipment	購入物業、廠房及設備之承擔	<b>7,750</b>	—

#### 已授權但未訂約

於本年度，本集團與一名獨立第三者簽訂了一份發展協議，聯合發展一塊位於掃管笏的土地。根據發展協議的條款，本集團有責任支付港幣231,500,000元，佔預計項目成本之23.63%。

本集團的聯營公司亦簽訂了另一份的聯合發展協議，聯合發展一塊位於中華人民共和國東莞市之土地。根據聯合發展協議的條款，本集團有責任支付人民幣101,500,000元（相等於港幣98,544,000元），佔預計項目成本之50%。

## 41. OPERATING LEASE COMMITMENTS

### As lessee

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

Within one year	一年內
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)
Over five years	超過五年

Operating lease payments represent rentals payable by the Group for its office properties, warehouses and shops. Except for a lease with a remaining term of 43 years, leases are negotiable for an average term of three years.

### As lessor

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments in respect of the investment properties:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)

## 41. 經營租賃承擔

### 承租人

於結算日，本集團根據不可撤銷經營租賃有關租用物業之日後最低租金承擔如下：

2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
-----------------------------------	-----------------------------------

9,383	6,814
8,478	5,012
8,240	8,360
<b>26,101</b>	<b>20,186</b>

經營租賃租金指本集團就辦公室物業、倉庫及商舖應付之租金。租約為可磋商，平均年期為三年除了其中一份租約之未屆滿年期為四十三年以外。

### 出租人

於結算日，本集團已與租戶訂約，有關投資物業之日後最低租金如下：

2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
-----------------------------------	-----------------------------------

18,315	15,523
14,941	26,247
<b>33,256</b>	<b>41,770</b>

**41. OPERATING LEASE COMMITMENTS** (continued)  
**As lessor** (continued)

Property rental income earned from investment properties during the year was HK\$17,308,000 (2005: HK\$10,114,000). Leases are negotiable for an average term of three years.

**42. RETIREMENT BENEFIT SCHEMES**

With the implementation of Mandatory Provident Fund Scheme in Hong Kong on 1 December 2000, the Group has maintained the defined contribution scheme registered under the Occupational Retirement Schemes Ordinance and has obtained an exemption satisfying the requirements of the Mandatory Provident Fund Schemes Ordinance (“MPFO”).

To comply with the MPFO, a Mandatory Provident Fund Scheme (“MPF Scheme”) with voluntary contributions has been established. New employees must join the MPF Scheme after it commenced on 1 December 2000.

The amounts charged to the consolidated income statements represent contributions payable to the schemes by the Group at rates specified in the rules of the schemes less forfeitures arising from employees leaving the Group prior to completion of qualifying service period. The amount for the year is as follows:

Contributions payable	應付供款
Forfeiture	沒收供款

**41. 經營租賃承擔** (續)  
**出租人** (續)

本年度來自投資物業之租金收入為港幣17,308,000元(二零零五年：港幣10,114,000元)。租約為可磋商，平均年期為三年。

**42. 退休福利計劃**

隨著於二零零零年十二月一日香港實行強制性公積金計劃，本集團已設立根據職業退休計劃條例註冊之定額供款計劃，並已獲豁免遵守強制性公積金計劃條例(「強積金條例」)之規定。

為遵照強積金條例，本集團已經設立具自願性供款之強積金計劃。於二零零零年十二月一日開始實行強積金計劃後，新僱員必須加入強積金計劃。

在綜合收益表內扣除之金額指本集團按該等計劃規則指定之比率向計劃支付之供款，減去未達到足夠服務年資領取僱主供款前離開本集團之僱員所沒收供款。本年度之款項如下：

<b>2006</b>	2005
二零零六年	二零零五年
<b>HK\$'000</b>	HK\$'000
港幣千元	港幣千元
<b>6,913</b>	6,539
<b>(42)</b>	(65)
<b><u>6,871</u></b>	<b><u>6,474</u></b>

**42. RETIREMENT BENEFIT SCHEMES** (continued)

At the balance sheet date, the total amount of forfeited contributions, which arose upon employees leaving the retirement benefit schemes and which are available to reduce contributions payable in future years are as follows:

	<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Balance of forfeited contributions 沒收供款結餘	<b>30</b>	—

**43. RELATED PARTY TRANSACTIONS**

During the year, the following related party transactions took place:

	<b>2006</b> 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Construction income from subsidiaries of HKRI 來自興業國際附屬公司之建築收入	<b>187,455</b>	180,870
Interior and renovation income from a company associated with a substantial shareholder of the Company 來自一間與本公司一名主要股東有關連之公司之裝飾及維修收入	<b>2,748</b>	5,443
Supply and installation of building materials to jointly controlled entities 向共同控制實體供應及安裝建築材料	<b>1,554</b>	1,298
Interior and renovation income from subsidiaries of HKRI and its associates 來自興業國際附屬公司及其聯繫人士之裝飾及維修收入	<b>717</b>	1,434
Properties agency fees and manager's fee income from a company associated with a substantial shareholder of the Company 來自一間與本公司一名主要股東有關連之公司之物業代理及管理收入	<b>2,227</b>	3,171
Interior and renovation income from property management funds which are managed by subsidiaries of HKRI 來自興業國際附屬公司管理之物業管理基金之裝飾及維修收入	<b>263</b>	561
Acquisition of a subsidiary from HKRI 從興業國際收購一間附屬公司	—	3,912

**42. 退休福利計劃 (續)**

於結算日，因僱員退出退休福利計劃而產生及可用以減少未來年度應付之供款之沒收供款總額如下：

**43. 關連人士交易**

本年度，曾進行下列關連人士交易：



**43. RELATED PARTY TRANSACTIONS (continued)**

**Compensation of key management personnel**

Details of the remuneration of key management personnel, which are the directors, during the year were set out in note 11.

**44. POST BALANCE SHEET EVENT**

On 4 May 2006, the Group entered into a provisional sale and purchase agreement with an independent third party to dispose of certain land and buildings in Hong Kong at a consideration of HK\$15,734,000 and the estimated gain was amounting to HK\$7,100,000. The transaction was completed on 8 June 2006. Such property was not separately disclosed as assets classified as held for sale as criteria are not met at the balance sheet date.

**43. 關連人士交易 (續)**

**主要管理人員之薪酬**

本年度主要管理人員(董事)之薪酬詳情已載於附註11內。

**44. 結算日後事項**

於二零零六年五月四日，本集團和一名獨立第三者簽訂了一份臨時買賣協議，出售於香港的一些地皮及樓宇，代價約為港幣15,734,000元，而估計之收益約為港幣7,100,000元。是次交易已於二零零六年六月八日完成。於年結日，並無將該物業分類為持作出售之物業並分別呈列，因其並未符合有關之標準。

## 45. FINANCIAL INFORMATION OF THE COMPANY

## 45. 本公司之財務資料

		NOTES 附註	2006 二零零六年 <b>HK\$'000</b> 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司之投資	46	<b>326,739</b>	326,739
Current assets	流動資產			
Other debtors, deposits and prepayments	其他應收賬款、按金 及預付款項		<b>117</b>	152
Amounts due from subsidiaries	應收附屬公司款項		<b>17,266</b>	15,884
Amounts due from associates	應收聯營公司款項		<b>534</b>	532
Bank balances	銀行結餘		<b>818</b>	509
			<b>18,735</b>	17,077
Current liabilities	流動負債			
Amounts due to subsidiaries	應收附屬公司款項		—	37
Accrued expenses	累計費用		<b>521</b>	676
			<b>521</b>	713
Net current assets	流動資產淨值		<b>18,214</b>	16,364
			<b>344,953</b>	343,103
Capital and reserves	資本及儲備			
Share capital	股本	34	<b>44,324</b>	35,459
Reserves	儲備	47	<b>300,629</b>	307,644
			<b>344,953</b>	343,103

**46. INVESTMENTS IN SUBSIDIARIES**

**46. 於附屬公司之投資**

2006 & 2005  
 二零零五年及二零零六年  
*HK\$'000*  
 港幣千元

Unlisted shares, at cost	非上市股份，按成本值	<u>326,739</u>
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The deemed cost of the investments in subsidiaries is based on the book values of the underlying net assets of the subsidiaries at the time they became subsidiaries of the Company pursuant to the group corporate reorganisation in December 2001.

視為於附屬公司之投資的成本，乃根據於二零零一年十二月公司重組期間，該等公司成為本公司附屬公司時，附屬公司之相關資產淨值之帳面值計算。

Particulars of the Company's subsidiaries at 31 March 2006 are set out in note 48.

於二零零六年三月三十一日本公司附屬公司之詳情載於附註48。

## 47. RESERVES

## 47. 儲備

		<b>Share premium</b>	<b>Dividend reserve</b>	<b>Retained profits</b>	<b>Total</b>
		股份溢價 HK\$'000 港幣千元	股息儲備 HK\$'000 港幣千元	累計溢利 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
At 1 April 2004	於二零零四年 四月一日	298,372	4,255	19,200	321,827
Profit for the year	年度溢利	—	—	1	1
Final dividend paid in respect of the year ended 31 March 2004	截至二零零四年 三月三十一日止 年度已付 末期股息	—	(4,255)	—	(4,255)
Interim dividend paid in respect of the year ended 31 March 2005	截至二零零五年 三月三十一日止 年度已付 中期股息	—	—	(2,837)	(2,837)
Bonus shares issued during the year	年內已發行 紅股	(7,092)	—	—	(7,092)
Proposed final dividend in respect of the year ended 31 March 2005	截至二零零五年 三月三十一日止 年度建議派發 末期股息	—	5,319	(5,319)	—
		<b>291,280</b>	<b>5,319</b>	<b>11,045</b>	<b>307,644</b>
At 31 March 2005	於二零零五年 三月三十一日	<b>291,280</b>	<b>5,319</b>	<b>11,045</b>	<b>307,644</b>
Profit for the year	年度溢利	—	—	<b>11,601</b>	<b>11,601</b>
Final dividend paid in respect of the year ended 31 March 2005	截至二零零五年 三月三十一日止 年度已付末期股息	—	<b>(5,319)</b>	—	<b>(5,319)</b>
Interim dividend paid in respect of the year ended 31 March 2006	截至二零零六年 三月三十一日止 年度已付中期股息	—	—	<b>(4,432)</b>	<b>(4,432)</b>
Bonus shares issued during the year	年內已發行 紅股	<b>(8,865)</b>	—	—	<b>(8,865)</b>
Proposed final dividend in respect of the year ended 31 March 2006	截至二零零六年 三月三十一日止 年度建議派發 末期股息	—	<b>6,649</b>	<b>(6,649)</b>	—
		<b>282,415</b>	<b>6,649</b>	<b>11,565</b>	<b>300,629</b>
At 31 March 2006	於二零零六年 三月三十一日	<b>282,415</b>	<b>6,649</b>	<b>11,565</b>	<b>300,629</b>

The share premium of the Company represents the difference between the aggregate net asset values of the subsidiaries at the date on which they became subsidiaries of the Company, and the nominal amount of the Company's shares issued at the time of the group corporate reorganisation in December 2001.

本公司之股份溢價，指該等附屬公司成為本公司之附屬公司當日，附屬公司之資產淨值總額，與公司於二零零一年十二月重組時本公司已發行股份之面值之間之差額。

**48. PARTICULARS OF SUBSIDIARIES**

Particulars of the Company's subsidiaries, all of which are wholly owned, at 31 March 2006 are as follows:

**48. 附屬公司詳情**

於二零零六年三月三十一日，本公司附屬公司均為全資附屬公司，詳情如下：

<b>Name of subsidiary</b> 附屬公司名稱	<b>Place of incorporation</b> 註冊成立地點	<b>Issued and fully paid ordinary share capital/ registered capital</b> 已發行及繳足股本／註冊資本	<b>Principal activities</b> 主要業務
Amwell Investments Limited	British Virgin Islands	US\$1	Investment holding*
Amwell Investments Limited	英屬處女群島	1美元	投資控股*
Brilliant Advance Limited	British Virgin Islands	US\$2	Investment holding*
Brilliant Advance Limited	英屬處女群島	2美元	投資控股*
Care & Health Limited	Hong Kong	HK\$2	Trading of health products
康而健有限公司	香港	港幣2元	健康產品貿易
Emwell Limited	Hong Kong	HK\$2	Property investment
興偉有限公司	香港	港幣2元	物業投資
Forever Gainer Development Limited	Hong Kong	HK\$2	Property development
永暉發展有限公司	香港	港幣2元	物業發展
General Target Limited	Hong Kong	HK\$10,000	Property investment
祥加有限公司	香港	港幣10,000元	物業投資
Hamfield Enterprises Limited	Hong Kong	HK\$2	Property holding
軒福企業有限公司	香港	港幣2元	物業持有

## 48. PARTICULARS OF SUBSIDIARIES (continued)

## 48. 附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足股本／註冊資本	Principal activities 主要業務
Hanison Construction Company Limited	Hong Kong	Ordinary shares HK\$1,000 Deferred shares HK\$60,000,000 (note 3)	Property construction
興勝建築有限公司	香港	普通股港幣1,000元 遞延股 港幣60,000,000元 (附註3)	物業建築
Hanison Contractors Limited 興勝營造有限公司	Hong Kong 香港	HK\$2 港幣2元	Property construction 物業建築
Hanison Eco Services Limited 興勝環保服務有限公司	Hong Kong 香港	HK\$2 港幣2元	Property investment 物業投資
Hanison Estate Services Limited 興勝物業服務有限公司	Hong Kong 香港	HK\$2 港幣2元	Provision of property management services 物業管理服務
Hanison Holdings Limited (formerly known as "King Gainer Development Limited") 興勝控股有限公司 (前名為信景發展有限公司)	Hong Kong 香港	HK\$1 港幣1元	Investment holding 投資控股
Hanison Interior & Renovation Limited 興勝室內及維修有限公司	Hong Kong 香港	HK\$2 港幣2元	Provision of interior and renovation services 裝飾及維修服務



## 48. PARTICULARS OF SUBSIDIARIES (continued)

## 48. 附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足股本／註冊資本	Principal activities 主要業務
Hanison (Macau) Limited 興勝(澳門)有限公司	Macau 澳門	MOP25,000 澳門幣25,000元	Property construction and investment* 物業建築及投資*
Hanison Project Management Limited 興勝項目管理有限公司	Hong Kong 香港	HK\$2 港幣2元	Provision of property leasing and marketing services and project management 物業租賃和推廣服務及項目管理
Healthcorp Trading Limited 健康企業有限公司	Hong Kong 香港	HK\$2 港幣2元	Trading of health products 健康產品貿易
Health Plus (Hong Kong) Limited 健怡坊(香港)有限公司	Hong Kong 香港	HK\$2 港幣2元	Dormant 暫時未有業務
Heatex Ceramic Limited 益金有限公司	Hong Kong 香港	HK\$400,000 港幣400,000元	Property development 物業發展
Media Group International Limited Media Group International Limited	British Virgin Islands 英屬處女群島	US\$2 2美元	Investment holding* 投資控股*
Tai Kee Pipes Limited 泰記有限公司	Hong Kong 香港	HK\$2,000,000 港幣2,000,000元	Trading of building materials 建築材料貿易

## 48. PARTICULARS OF SUBSIDIARIES (continued)

## 48. 附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足股本／註冊資本	Principal activities 主要業務
Retailcorp Limited 零售企業有限公司	Hong Kong 香港	HK\$2 港幣2元	Sales of health products 健康產品銷售
Rich Color Limited 彩豐有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	Dormant 暫時未有業務
Sental Investment Limited 興都投資有限公司	Hong Kong 香港	HK\$2 港幣2元	Property development 物業發展
Senior Rich Development Limited 先滿發展有限公司	Hong Kong 香港	HK\$10,380 港幣10,380元	Property investment 物業投資
Team Forward Limited Team Forward Limited	British Virgin Islands 英屬處女群島	US\$2 2美元	Investment holding* 投資控股*
Top Rising Development Limited 康陞發展有限公司	Hong Kong 香港	HK\$1 港幣1元	Investment holding 投資控股
Trigon Building Materials Limited 華高達建材有限公司	Hong Kong 香港	HK\$2 港幣2元	Supply and installation of building materials 建築材料供應及安裝

## 48. PARTICULARS OF SUBSIDIARIES (continued)

## 48. 附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足股本／註冊資本	Principal activities 主要業務
Trigon Interior Fitting-Out Works (Macau) Limited 華高達室內裝修(澳門)有限公司	Macau 澳門	MOP25,000 澳門幣25,000元	Building materials, renovation and trading* 建築材料、維修及貿易*
Wisdom Concept Development Limited 聰勁發展有限公司	Hong Kong 香港	HK\$2 港幣2元	Property development 物業發展

## Notes:

## 附註：

- |  |   |
|--|---|
| (1) Other than those companies marked*, all the above companies operate in Hong Kong.  | (1) 除有*號標記之公司外，上述所有公司均在香港經營。  |
| (2) Other than Media Group International Limited, which is directly held by the Company, all other companies are indirectly held by the Company.   | (2) 除本公司直接持有之Media Group International Limited外，所有其他公司均由本公司間接持有。  |
| (3) The HK\$60,000,000 deferred shares are held by a subsidiary of HKRI. The deferred shares held by the subsidiary of HKRI are shares whose shareholders are neither entitled to receive notices, attend, vote at any general meetings nor to receive any dividend out of operating profit and have very limited rights on return of capital of the subsidiary. | (3) 港幣60,000,000元之遞延股由興業國際一間附屬公司持有。其持有人無權接收任何股東大會通告、無權出席任何股東大會及在會上投票、亦無權收取自經營溢利派發之股息及在附屬公司發還股本時只擁有非常有限權利。 |