

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報告附註

For the year ended 30 June 2006 截至二零零六年六月三十日止年度

1. GENERAL

The Company was originally incorporated in the Cayman Islands but subsequently re-domiciled to Bermuda and 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 Section of the annual report.

The Company is an investment holding company. The principal activities of its subsidiaries and associate are set out in notes 41 and 23 respectively.

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

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

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations ("INT") (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. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and the consolidated statement of changes in equity. In particular, the presentation of minority interests has been changed as required by HKAS 1 "Presentation of financial statements". The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have an effect on how the results for the current and/or prior accounting years are prepared and presented.

1. 簡介

本公司原於開曼群島註冊成立，惟其後已遷冊往百慕達，其股份在香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點之地址已於年報企業資信一節中披露。

本公司乃一間投資控股公司。其附屬公司及聯營公司之主要業務分別載於附註41及23。

綜合財務報告乃以港元呈列，而港元亦為本公司之功能貨幣。

2. 採納新香港財務報告準則／更改會計政策

於本年度內，本集團已首次採納多項香港會計師公會（「香港會計師公會」）頒佈，且於二零零五年一月一日或之後開始之會計期間生效之新訂香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋（「詮釋」）（下文統稱「新香港財務報告準則」）。採用新香港財務報告準則導致綜合損益表、綜合資產負債表及綜合股本權益變動表之呈列方式發生變動。尤為重要者，少數股東權益之呈列方式已按香港會計準則第1號「財務報告之呈列」之規定作出變動。呈列方式之變動已追溯應用。採納新香港財務報告準則導致本集團下列項目之會計政策發生變動，從而對當前及／或過往會計年度之業績之編製及呈列方式造成影響。

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

BUSINESS COMBINATIONS

The Group has applied HKFRS 3 “Business combinations” which is effective for business combination for which the agreement date is on or after 1 January 2005. The principal effects of the application of HKFRS 3 to the Group is summarised below:

Goodwill

In previous years, goodwill arising on acquisitions prior to 1 July 2001 was held in reserves. Goodwill previously recognised in reserves approximately HK\$396,184,000 has been transferred to the Group’s retained profits on 1 July 2005 (see note 3 for the financial impact).

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 in respect of the business combination in the current year (see note 3 for the financial impact).

FINANCIAL INSTRUMENTS

In the current year, the Group has applied HKAS 32 “Financial instruments: disclosure and presentation” and HKAS 39 “Financial instruments: recognition and measurement”. HKAS 32 requires retrospective application. HKAS 39, which is effective for annual periods beginning on or after 1 January 2005, generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis. The principal effects resulting from the implementation of HKAS 32 and HKAS 39 are summarised below:

Convertible bonds

Previously, the convertible bonds were classified as liabilities and recorded at the proceeds received on the balance sheet. The additional subscription rights granted to the convertible bond holders to subscribe for shares of a subsidiary at a fixed price was not recognised on the balance sheet.

2. 採納新香港財務報告準則／更改會計政策 (續)

業務合併

本集團已應用香港財務報告準則第3號「業務合併」，該準則適用於協議訂立日期為二零零五年一月一日或其後之業務合併。本集團應用香港財務報告準則第3號之過渡性條文之主要影響概述如下：

商譽

於過往年度，於二零零一年七月一日前進行收購所產生之商譽乃持作儲備。過往於儲備確認之商譽約396,184,000港元已於二零零五年七月一日轉撥至本集團之保留溢利（財務影響詳見附註3）。

於二零零五年一月一日後由收購產生之商譽按成本減初始確認時之累計減值虧損（如有）計算。由於此項會計政策之變動，本年度並無（就本年度之業務合併而言）商譽攤銷之開支（財務影響見附註3）。

金融工具

於本年度內，本集團已採納香港會計準則第32號「金融工具：披露及呈列」以及香港會計準則第39號「金融工具：確認及計量」。香港會計準則第32號須追溯應用。而於二零零五年一月一日或之後開始之年度期間生效之香港會計準則第39號，一般不容許追溯確認、取消確認或計量財務資產及負債。採納香港會計準則第32號及香港會計準則第39號之主要影響概述如下：

可換股債券

可換股債券以往分類為負債，並按已收所得款項記錄於資產負債表。授予債券持有人之額外認購權可按固定行使價認購一間附屬公司之股份並無於資產負債表確認。

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

FINANCIAL INSTRUMENTS (Continued)

Convertible bonds (Continued)

On application of HKAS 32, the additional subscription rights granted are recorded at fair value and the amount is deducted from the carrying amount of the convertible bonds. The fair value of the subscription rights amounting to HK\$1,850,000 will remain in subscription right reserve until the subscription rights are exercised (in which case the balance stated in subscription right reserve will be transferred to share premium). Where the subscription rights remain unexercised at the expiry date, the balance stated in subscription right reserve will be released to the retained profits of the subsidiary. No gain or loss is recognised in profit or loss upon exercise or expiration of the subscription rights. In accordance with HKAS 32, the adjustment has been retrospectively applied.

On application of HKAS 39, on 1 July 2005, the convertible bonds were classified into a liability component, a conversion option, a call and put option and an early redemption option. As the conversion option of the convertible bonds will not result in the settlement of a fixed amount for fixed number of equity instrument it is regarded as derivatives. Derivatives embedded in a financial instrument are treated as separated derivatives when their economic risks and characteristics are not closely related to those of the host contract (the liability component) and the host contract is not carried a fair value through profit or loss.

On 1 July 2005, the Group has elected to designate its convertible bonds with embedded derivatives as whole as financial liabilities at fair value through profit or loss on initial recognition. At each balance sheet date subsequent to initial recognition, the entire convertible bonds are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. In accordance with relevant transitional provisions of HKAS 39, convertible bonds as at 1 July 2005 was increased by approximately HK\$12,860,000 with a corresponding decrease in retained profits and minority interests, being their fair value adjustment on 1 July 2005 (see note 3 for the financial impact).

Transaction costs that are directly attributable to the issue of the convertible bonds designated as financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2. 採納新香港財務報告準則／更改會計政策 (續)

金融工具 (續)

可換股債券 (續)

按採用香港會計準則第32號，授出額外認購權以公平價值記錄，有關金額於可換股債券之賬面值扣減，約值1,850,000港元之認購權之公平價值將於認購權儲備內保留，直至內含之認購權獲行使為止（在該情況下，有關認購權儲備之結餘將轉撥至股份溢價賬）。倘認購權於有效期屆滿時尚未行使，則有關認購權儲備之結餘將轉撥至附屬公司之保留溢利。認購權之行使或有效期屆滿均不會在損益表內確認盈虧。根據香港會計準則第32號，有關調整已追溯應用。

在應用香港會計準則第39號後，於二零零五年七月一日，可換股債券乃分類為負債部份、兌換權、認購及認沽權及提早贖回權。由於可換股債券之兌換權將不會導致按固定金額交換固定數目股本工具之交收，故被列為衍生工具。當財務工具內含衍生工具之經濟風險及特徵未與主合約（負債部份）密切相關，及主合約未按公平價值於損益表列賬時，財務工具之內含衍生工具被視為個別衍生工具。

於二零零五年七月一日，本集團決定於初步確認時指定內含衍生工具之可換股債券整體為按公平價值於損益表列賬之財務負債。於初步確認後各結算日，所有可換股債券按公平價值計算，公平價值之變動於發生期內直接於損益表內確認。根據香港會計準則第39號之相關過渡性條文，於二零零五年七月一日可換股債券增加約12,860,000港元，保留溢利及少數股東權益則按二零零五年七月一日之公平價值所作相對調整而相應減少（財務影響詳見附註3）。

發行指定為按公平價值於損益表列賬之財務負債之可換股債券，其直接應佔交易成本即於損益表確認入賬。

2. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES (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 30 June 2005, the Group classified and measured its equity securities in accordance with the benchmark treatment of Statement of Standard Accounting Practice 24 (SSAP 24). Under SSAP 24, investments in debt or equity securities are classified as "investment securities", "other investments" or "held-to-maturity investments" as appropriate. "Investment securities" are carried at cost less impairment losses (if any) while "other investments" are measured at fair value, with unrealised gains or losses included in the profit or loss. "Held-to-maturity investments" are carried at amortised cost less impairment losses (if any). From 1 July 2005 onwards, the Group classifies and measures its debt and equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as "financial assets at fair value through profit and loss", "available-for-sale financial assets", "loans and receivables", or "held-to-maturity financial assets". "Financial assets at fair value through profit or loss" and "available-for-sale financial assets" are carried at fair value, with changes in fair values recognised in profit or loss and equity respectively. Available-for-sale equity investments that do not have quoted market prices in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are measured at cost less impairment after initial recognition. "Loans and receivables" and "held-to-maturity financial assets" are measured at amortised cost using the effective interest method.

On 1 July 2005, the Group classified and measured its equity securities in accordance with the requirements of HKAS 39. As a result of the adoption of HKAS 39, the Group reclassified "Interest in e-commerce projects", "Interest in telecommunications projects" and "Investments" recorded in the consolidated balance sheet at 1 July 2005 amounting to HK\$256,067,000, HK\$233,233,000 and HK\$975,985,000 respectively as "Available-for-sale investments". The changes have not had any significant impact on the results for the current or prior periods. No prior period adjustments were required.

2. 採納新香港財務報告準則／更改會計政策 (續)

金融工具 (續)

財務資產及財務負債之分類及計量

本集團已應用香港會計準則第39號之相關過渡性條文，有關準則關於香港會計準則第39號範疇內之財務資產及財務負債之分類及計量。

於二零零五年六月三十日，本集團乃按照會計實務準則第24號（「會計實務準則第24號」）之基準處理方法以分類及計量其股本證券。根據會計實務準則第24號，債務或股本證券之投資適當分類為「投資證券」、「其他投資」或「持有至到期之投資」。「投資證券」按成本減減值虧損（如有）列賬；「其他投資」按公平價值列賬，其未變現盈虧計入損益表。持有至到期之投資按攤銷成本減減值虧損（如有）列賬。自二零零五年七月一日起，本集團乃根據香港會計準則第39號分類及計量其債務及股本證券。根據香港會計準則第39號，財務資產分類為「按公平價值於損益表列賬之財務資產」、「可供出售財務資產」、「貸款及應收款項」或「持有至到期之財務資產」。「按公平價值於損益表列賬之財務資產」及「可供出售財務資產」按公平價值列賬，而有關公平價值之變動則分別於損益表及股本中確認。在活躍市場上並無已報市價之可供出售股本投資，其公平值無法可靠地計算，與該等非上市股本工具有關並須以交付該等工具結算之衍生工具，則須於初步確認後按成本減減值損失計量。「貸款及應收款項」及「持有至到期之財務資產」以實際利息法按攤銷成本計算。

於二零零五年七月一日，本集團乃根據香港會計準則第39號之規定分類及計量其股本證券。採納香港會計準則第39號後，本集團將於二零零五年七月一日在綜合資產負債表內分別錄得256,067,000港元、233,233,000港元及975,985,000港元之「於電子商貿項目之權益」、「於電信項目之權益」及「投資」，重新分類為「可供出售投資」。有關變動對本期或前期業績並無任何重大影響，故毋須就前期作出調整。

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

FINANCIAL INSTRUMENTS (Continued)

Financial assets and financial liabilities other than debt and equity securities

From 1 July 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”. Financial liabilities are generally classified as “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. Except for convertible bonds mentioned above, the adoption of HKAS 39 has had no material effect on the Group’s results for current and prior accounting periods.

OWNER-OCCUPIED LEASEHOLD INTEREST IN LAND

In previous year, 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”. 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. The adoption of this standard has had no material effect on how the results for the current or prior accounting periods are prepared and presented.

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

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

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Loss in fair value change of convertible bonds	可換股債券公平價值變動之虧損	50,411	—
Decrease in amortisation of goodwill (included in general and administrative expenses)	商譽攤銷之減少(計入一般及行政支出)	(1,533)	—
Net decrease in profit for the year	年度溢利減少淨額	48,878	—

2. 採納新香港財務報告準則／更改會計政策 (續)

金融工具 (續)

債務及股本證券以外之財務資產及財務負債

自二零零五年七月一日起，本集團乃根據香港會計準則第39號之規定分類及計算債務及股本證券以外之財務資產及財務負債（先前不屬會計實務準則第24號範疇）。根據香港會計準則第39號，財務資產分類為「按公平價值於損益表列賬之財務資產」、「可供出售財務資產」、「貸款及應收款項」或「持有至到期之財務資產」。財務負債一般分類為「按公平價值於損益表列賬之財務負債（其他財務負債）」、「其他財務負債」以實際利息法按攤銷成本列賬。除上述可換股債券外，採納香港會計準則第39號對本集團於本年及過往會計期間之業績概無造成重大影響。

業主自用租賃土地之權益

於過往年度，業主自用之租賃土地及樓宇乃計入物業、廠房及設備，並使用成本模式計量。於本年度，本集團已應用香港會計準則第17號「租賃」。根據香港會計準則第17號，土地及樓宇之租賃之土地及樓宇成分乃就租賃分類分開考慮，除非土地及樓宇成分之間之租賃付款不能可靠地分配，在該情況下，整項租賃一般均視作融資租賃處理。採納此項準則對編製及呈列本期或過往會計期間之業績並無重大影響。

3. 會計政策變動所產生之影響概要

(ii) 上文所述會計政策變動對本年度及過往年度之業績之影響如下：

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

(Continued)

(ii) The cumulative effects of the application of the new HKFRSs as at 30 June 2005 and 1 July 2005 are summarised below:

3. 會計政策變動所產生之影響概要 (續)

(ii) 於二零零五年六月三十日及二零零五年七月一日採用新香港財務報告準則之累積影響概述如下：

		Retrospective adjustment 追溯調整		Opening adjustment 期初調整		As at 1 July 2005	
		As at 30 June 2005 (originally stated)	Effect of HKAS 32	As at 30 June 2005 (restated)	Effect of HKFRS 3		Effect of HKAS 39
		於二零零五年 六月三十日 HK\$'000 千港元 (原列)	香港會計準則 第32號之影響 HK\$'000 千港元	於二零零五年 六月三十日 HK\$'000 千港元 (已重列)	香港財務 報告準則 第3號之影響 HK\$'000 千港元	香港會計準則 第39號之影響 HK\$'000 千港元	於二零零五年 七月一日 HK\$'000 千港元
Available-for-sale investments	可供出售投資	-	-	-	-	1,465,294	1,465,294
Interest in e-commerce projects	於電子商貿項目之權益	256,076	-	256,076	-	(256,076)	-
Interest in telecommunications projects	於電信項目之權益	233,233	-	233,233	-	(233,233)	-
Investments	投資	975,985	-	975,985	-	(975,985)	-
Convertible bonds	可換股債券	(124,800)	1,850	(122,950)	-	(12,860)	(135,810)
Total effects on assets and liabilities	對資產及負債之整體影響	1,340,494	1,850	1,342,344	-	(12,860)	1,329,484
Goodwill reserve	商譽儲備	(396,184)	-	(396,184)	396,184	-	-
Subscription right reserve	認購權券儲備	-	1,850	1,850	-	-	1,850
Retained profits	保留溢利	2,266,534	-	2,266,534	(396,184)	(9,240)	1,861,110
Minority interests	少數股東權益	458,344	-	458,344	-	(3,620)	454,724
Total effects on equity	對股本之整體影響	2,328,694	1,850	2,330,544	-	(12,860)	2,317,684

There are no financial effects on the adoption of the new HKFRSs to the Group as at 1 July 2004 and 30 June 2005.

於二零零四年七月一日及二零零五年六月三十日，採納新香港財務報告準則並無對本集團造成任何財務影響。

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

(Continued)

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 the application of these new standards, amendments and interpretations will have no material impact on the Group's consolidated financial statements.

HKAS 1 (Amendment)	Capital disclosures ¹	香港會計準則第1號 (經修訂)	資本披露 ¹
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures ²	香港會計準則第19號 (經修訂)	精算損益、集團計劃及披露 ²
HKAS 21 (Amendment)	Net investment in a foreign operation ²	香港會計準則第21號 (經修訂)	境外業務投資淨額 ²
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions ²	香港會計準則第39號 (經修訂)	預測集團內部交易之現金流量對沖會計處理法 ²
HKAS 39 (Amendment)	The fair value option ²	香港會計準則第39號 (經修訂)	公平價值購股權 ²
HKAS 39 and HKFRS 4 (Amendments)	Financial guarantee contracts ²	香港會計準則第39號及香港財務報告準則第4號(經修訂)	財務擔保合約 ²
HKFRS 6	Exploration for and evaluation of mineral resources ²	香港財務報告準則第6號	礦物資源之勘探及評估 ²
HKFRS 7	Financial instruments: Disclosures ¹	香港財務報告準則第7號	金融工具:披露 ¹
HKFRS – INT 4	Determining whether an arrangement contains a lease ²	香港(國際財務報告及詮釋委員會) – 詮釋第4號	釐定安排是否包括租賃 ²
HKFRS – INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds ²	香港(國際財務報告及詮釋委員會) – 詮釋第5號	終止運作、復原及環境修復基金所產生權益之權利 ²
HK(IFRIC) – INT 6	Liabilities arising from participating in a specific market – waste electrical and electronic equipment ³	香港(國際財務報告及詮釋委員會) – 詮釋第6號	參與特定市場所產生之負債 – 廢料、電力及電子設備 ³
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ⁴	香港(國際財務報告及詮釋委員會) – 詮釋第7號	根據香港會計準則第29號高通貨膨脹經濟中之財務報告採用重列法 ⁴
HK(IFRIC) – INT 8	Scope of HKFRS 2 ⁵	香港(國際財務報告及詮釋委員會) – 詮釋第8號	香港財務報告準則第2號之範圍 ⁵
HK(IFRIC) – INT 9	Reassessment of embedded derivatives ⁶	香港(國際財務報告及詮釋委員會) – 詮釋第9號	重估內嵌式衍生工具 ⁶
HK(IFRIC) – INT 10	Interim financial reporting and impairment ⁷	香港(國際財務報告及詮釋委員會) – 詮釋第10號	中期財務報告及減值 ⁷

3. 會計政策變動所產生之影響概要 (續)

本集團並無提前採用下列已頒佈但未生效之新準則、修訂及詮釋。本公司董事預期，採用該等新準則、修訂及詮釋對本集團之綜合財務報告並無重大影響。

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

(Continued)

- 1 Effective for annual periods beginning on or after 1 January 2007.
- 2 Effective for annual periods beginning on or after 1 January 2006.
- 3 Effective for annual periods beginning on or after 1 December 2005.
- 4 Effective for annual periods beginning on or after 1 March 2006.
- 5 Effective for annual periods beginning on or after 1 May 2006.
- 6 Effective for annual periods beginning on or after 1 June 2006.
- 7 Effective for annual periods beginning on or after 1 November 2006.

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

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

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Group made up to 30 June each year.

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

All significant inter company transactions and balances within the Group are eliminated on consolidation.

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

3. 會計政策變動所產生之影響概要 (續)

- 1 於二零零七年一月一日或其後開始之年度期間生效。
- 2 於二零零六年一月一日或其後開始之年度期間生效。
- 3 於二零零五年十二月一日或其後開始之年度期間生效。
- 4 於二零零六年三月一日或其後開始之年度期間生效。
- 5 於二零零六年五月一日或其後開始之年度期間生效。
- 6 於二零零六年六月一日或其後開始之年度期間生效。
- 7 於二零零六年十一月一日或其後開始之年度期間生效。

4. 主要會計政策

綜合財務報告乃根據歷史成本慣例而編製，惟若干金融工具於初步確認時乃按公平價值計算。

綜合財務報告乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報告載有聯交所證券上市規則及香港公司條例規定之適用披露資料。

綜合基準

綜合財務報告包括本集團截至每年六月三十日止之財務報告。

年內收購之附屬公司業績由收購生效日期起計入綜合損益表，至於出售之附屬公司則結算至出售生效日期止（如適用）。

所有集團內公司間之重大交易及結餘於綜合賬目時對銷。

綜合附屬公司資產淨值內之少數股東權益與本集團於當中之權益分開呈列。資產淨值內之少數股東權益包括該等權益於原業務合併日期之金額，以及自合併日期起少數股東應佔之權益變動。少數股東應佔虧損超出少數股東於附屬公司權益中之利益之數額會於本集團之權益作出分配，惟具約束力責任及可以其他投資彌補虧損之少數股東除外。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF CONSOLIDATION (Continued)

Acquisition of additional interests in subsidiaries is recorded at historical cost and the excess of the cost of acquisition over the carrying amounts of net assets acquired is recognised as goodwill.

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 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 net 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.

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.

4. 主要會計政策 (續)

綜合基準 (續)

收購附屬公司之額外權益以歷史成本入賬，而收購成本超逾所收購淨資產賬面值之數額會確認為商譽。

商譽

於二零零五年一月一日前進行收購事項產生之商譽

就協議日期為二零零五年一月一日或之前之附屬公司收購所產生之商譽，指於收購當日之收購成本高於本集團應佔有關附屬公司可識別資產及負債之公平價值之差額。

於二零零五年一月一日或之後進行收購事項產生之商譽

就收購協議日期為二零零五年一月一日或以後之附屬公司所產生之商譽，指於收購當日之收購成本高於本集團應佔有關附屬公司可識別資產、負債及或然負債之淨公平價值之差額。該等商譽乃按成本減任何累積減值虧損列賬。

收購附屬公司產生之撥充資本商譽乃於綜合資產負債表中單獨呈列。

就減值測試而言，收購所產生之商譽乃被分配到預期自收購所產生協同效益中受益之各有關變現單位或一組變現單位。獲分配商譽之變現單位須每年進行減值測試及於有關單位有跡象出現減值時進行減值測試。就於某個財政年度之收購所產生之商譽而言，獲分配商譽之變現單位於該財政年度完結前進行減值測試。倘變現單位之可收回金額少於該單位之賬面值，則減值虧損先用作減低任何分配至該單位之商譽賬面值，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。商譽之任何減值虧損乃直接於綜合收益表內確認。商譽之減值虧損於其後期間不予撥回。

倘其後出售附屬公司，計算出售盈虧金額時會計入已撥充資本之商譽之應佔金額。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

REVENUE RECOGNITION

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

Service income is recognised when the services are rendered.

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

Income from licensing is recognised when the relevant licensing agreements are formally concluded.

Income from certain available-for-sale investments/investments where the Group is contracted to receive a pre-determined minimum sum over the period of the projects is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment in these available-for-sale investments. Income from other available-for-sale investments are recognised when the Group's right to receive the distributions has been established.

Rental income, including rental invoiced in advance from properties under operating leases, is recognised on a straight line basis over the term of the relevant lease.

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.

PROPERTY, PLANT AND EQUIPMENT

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

Costs incurred by the Group in establishing its telecommunication networks include, among other things, property and equipment, internally developed and acquired software and the acquisition of required licenses.

4. 主要會計政策 (續)

收入之確認

收入以已收或應收代價之公平價值計量，並為於一般業務過程中提供服務應收之金額（扣除折扣及相關銷售稅項）。

服務收入乃於提供服務時確認。

貨物銷售乃於貨物付運及擁有權轉移時確認。

源自特許權之收入乃於有關特許權協議正式訂立後確認。

就本集團已訂約據此於項目期間收取預定最低金額之若干可供出售投資／投資而言，其收入乃於會計期間分配，以便於該等可供出售投資之投資淨值反映固定之定期回報率。其他可供出售投資之收入乃於本集團收取分派之權利獲得確立時予以確認。

租金收入（包括來自經營租賃項下物業之預收租金）乃根據直線法在有關租約之年期內確認。

財務資產之利息收入乃參考尚餘本金額及適用實際利率（即於財務資產估計可用年期內將估計未來現金收款貼現至該資產之淨賬面值之比率）並以時間基準累計。

物業、廠房及設備

物業、廠房及設備乃按成本減除折舊及攤銷及任何累計減值虧損後列賬。

本集團設立電信網絡所涉及之成本包括物業及設備、內部發展及收購軟件及購入所需特許權等。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation and amortisation is provided to write off the cost of property, plant and equipment over their estimated useful lives after taking into account their estimated residue value, using the straight line method, at the following rates per annum:

Freehold land	Nil
Leasehold land	Over the shorter of the remaining unexpired terms of the relevant leases or 50 years
Buildings	2% – 5%
Plant and machinery and telecommunication networks	10% – 50%
Furniture and fixtures	20% – 33 $\frac{1}{3}$ %
Motor vehicles	25%

Assets held under finance leases are depreciated on the same basis as owned assets over their estimated useful lives or, where shorter, the terms of the leases.

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.

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.

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

4. 主要會計政策 (續)

物業、廠房及設備 (續)

物業、廠房及設備之成本值在考慮其預計剩餘價值後，以直線法折舊及攤銷，按其估計可用年期予以撇銷，每年之折舊率如下：

永久業權土地	無
按契約持有之土地	有關契約之尚餘年期或50年，以較短者為準
樓宇	2% – 5%
廠房、機器及電信網絡	10% – 50%
傢俬及裝置	20% – 33 $\frac{1}{3}$ %
汽車	25%

按融資租賃持有之資產乃按其估計可使用年期或按租賃年期（以較短者為準）以自置資產相同之基準計算折舊。

物業、廠房及設備項目會在出售或預期繼續使用不會帶來未來經濟利益時解除確認。解除確認資產的任何損益（按出售所得款項淨額與該項目的賬面值之間的差額計算）在項目解除確認的年度計入綜合損益表。

減值（商譽除外）

於各結算日，本集團會審閱其資產之賬面值，以釐定是否有任何情況顯示該等資產已出現減值虧損。倘估計資產之可收回數額少於其賬面值，則資產之賬面值將會減少至其可收回數額。減值虧損乃即時確認作開支。

倘其後撥回減值虧損，則資產之賬面值會調高至重新估計之可收回數額，以使所增加之賬面值不會高於倘以往年度並無就資產確認減值虧損而原應釐定之賬面值。所撥回之減值虧損即時確認作收入。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

INTANGIBLE ASSETS

On initial recognition, intangible assets acquired separately and from business combinations are recognised at cost and at fair value respectively. After initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Research and development expenditures

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life, and carried at cost less subsequent accumulated amortisation and any accumulated impairment losses.

Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased assets to the Group. Assets held under finance leases are capitalised at their fair values at the date of acquisition. The corresponding liability to the lessor, net of interest charges, is included in the balance sheet as a finance lease obligation of the Group. The finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the consolidated income statement over the period of the respective leases so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

All other leases are classified as operating leases and their rentals payable are charged to the consolidated income statement on a straight line basis over the term of the relevant lease.

4. 主要會計政策 (續)

無形資產

於初步確認時，得自獨立收購及業務合併之無形資產分別按成本及公平價值確認。於初步確認後，可使用年期有限之無形資產按成本減累計攤銷及任何累計減值虧損列值。可使用年期有限之無形資產按直線法於其估計可使用年期攤銷。

解除確認無形資產所產生損益按出售所得款項淨額與資產賬面值之差額計算，於解除確認資產時在損益表確認。

研究開發開支

研究活動開支於產生之期間支銷。

開發開支所帶來之自有無形資產，僅在預期可透過未來商業活動收回內容清楚界定之項目所產生之開發費用之情況，方獲確認。項目完成之資產按直線法在可使用年內攤銷，並按成本減其後之累計攤銷及任何累計減值虧損列賬。

倘並無自有無形資產可予確認，則開發開支於產生期間在損益扣除。

租賃

凡租賃條款規定，將擁有租賃資產之所有風險及報酬大部分轉移至本集團之租賃，均列為融資租賃。根據融資租賃持有之資產，均按於收購日期之公平價值撥作資本。結欠出租人之相應債務（已扣除利息）以本集團融資租賃承擔計入資產負債表。融資費用（即租賃承擔總額與所收購資產之公平價值兩者間之差額）乃按有關租賃年期，自綜合損益表扣除，以設定餘下租賃承擔於各會計期間之固定定期收費額。

所有其他租賃均列為經營租賃，其應付之租金以直線法按有關租賃之年期自綜合損益表扣除。

4. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

DEVELOPMENT COSTS FOR SYSTEMS AND NETWORKS

Development costs for systems and networks are stated at cost less amortisation and any accumulated impairment losses.

Development costs for systems and networks represent all direct costs incurred by the Group in setting up systems and networks, including the cost of equipment, development cost and subcontracting expenditure. Such assets are recognised only if all of the following conditions are met:

- the technical feasibility of completing the asset so that it will be available for use or sale.
- its intention to complete the asset and use or sell it.
- its ability to use or sell the asset.
- how the asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the asset or the asset itself or, if it is to be used internally, the usefulness of the asset.
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the asset.
- its ability to measure reliably the expenditure attributable to the asset during its development.

Development costs that cannot fulfil the above conditions are recognised as expenses in the period in which it is incurred. Development costs for systems and networks which are developed and fulfil the above conditions are amortised on a straight line basis over their estimated useful lives, subject to a maximum of five years. Where the recoverable amount of development costs for systems and networks has declined below their carrying amount, the carrying amount is reduced to reflect the decline in value.

Development costs for systems and networks that are not yet available for intended use are stated at cost less any accumulated impairment losses. Impairment testing is performed at least annually.

An item of development costs for systems and networks 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.

4. 主要會計政策 (續)

系統及網絡開發成本

系統及網絡開發成本乃按成本減攤銷及任何累計減值虧損列賬。

系統及網絡開發成本為本集團於設立系統及網絡時所產生之所有直接成本，包括設備成本、開發成本及外判工作費用。該等資產僅於滿足下列條件時方會確認：

- 使資產完成以供使用或銷售之技術可行性。
- 使資產完成並予以使用或銷售之意向。
- 使用或銷售資產之能力。
- 資產將如何帶來未來經濟收益。除其他事項外，實體可展示資產出品或資產本身存有市場，或倘資產供內部使用，則展示資產之可用性。
- 具備充裕技術、財務及其他資源以完成開發及使用或銷售資產。
- 能可靠地計量於開發資產期間之應佔開支。

未能滿足上述條件之開發成本於產生期間確認為支出。能滿足上述條件之開發系統及網絡之開發成本以直線法按其估計可使用年期（最多為五年）予以攤銷。倘系統及網絡之可收回款額減至低於其賬面值，則扣減其賬面值以反映有關減值。

尚未投入作擬定用途之系統及網絡之開發成本按成本減任何累計減值虧損列賬。最少每年進行一次減值測試。

系統及網絡之開發成本項目會在出售或預期繼續使用該資產不會帶來未來經濟利益時解除確認。解除確認該資產的任何損益（按出售所得款項淨額與該項目的賬面值之間的差額計算）在項目解除確認的年度計入綜合損益表。

4. 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 mainly classified into one of the two categories, including loans and receivables and available-for-sale financial assets. The accounting policies adopted in respect of each category of financial assets are set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, amount due from an associate, deposits, bank balances and cash) 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.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories.

For available-for-sale debt investments with guaranteed return, payments receivables each year for investments are apportioned between income and reduction of the carrying value of the investments so as to reflect a constant periodic rate of return. As the available-for-sale debt investments do not have a quoted market price in an active market and whose fair values cannot be reliably measured, they are measured at cost less any identified important losses at each balance sheet date subsequent to initial recognition.

4. 主要會計政策 (續)

金融工具

當集團個體成為工具合約條款的一方時，會在綜合資產負債表上確認財務資產及財務負債。財務資產和財務負債在初始確認時會以公平值進行計量。直接歸屬於購置或發行財務資產及財務負債（按公平值計入損益之財務資產及財務負債除外）之交易費用在初始確認時計入或扣自各財務資產或財務負債（視何者適用而定）之公平值。直接歸屬於購置按公平值計入損益之財務資產或財務負債之交易費用立即在損益中確認。

財務資產

本集團之財務資產主要歸入兩個類別其中一類，包括貸款及應收款項以及可供出售財務資產。就各類別財務資產所採納之會計政策載列如下。

貸款及應收款項

貸款及應收款項指並非於活躍市場報價而具有固定或可確定付款之非衍生財務資產。於初步確認後之各個結算日，貸款及應收款項（包括應收貿易賬款及應收其他款項、應付一家聯營公司款項、存款、銀行結餘及現金）乃利用實際利息法按攤銷成本扣除任何已確定減值虧損列賬。減值虧損在有客觀證據顯示資產出現減值時在損益確認，並按該項資產賬面值及以原有實際利率折現所得估計未來現金流量現值兩者間之差額計算。當該項資產之可收回金額增加可客觀地與該項減值獲確認後出現之事件關連，則減值虧損可於其後期間撥回，惟於撥回減值時該項資產所撥回之賬面值不得超出倘該項資產並無確認減值時之攤銷成本。

可供出售財務資產

可供出售財務資產為指定為或並非分類為任何其他類別之非衍生工具。

具保證回報之可供出售債務投資每年之投資應收款項在收入與投資賬面值消滅之間分配，以反映均衡之週期率。由於可供出售債務投資並無於活躍市場掛牌市價且公平價值未能可靠地計量，該等投資之價值會於初次確認後於每個結算日以成本減任何認定之減值虧損計算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Available-for-sale financial assets (Continued)

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not reverse in subsequent periods.

Financial liabilities and equity

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

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

Financial liabilities

Financial liabilities including trade and other payables and bank and other borrowings are subsequently measured at amortised cost, using the effective interest method.

Convertible bonds

Convertible bonds that will not be or may not be settled by the exchange of a fixed amount of cash for a fixed number of the Company's own equity instruments are financial liabilities with embedded derivatives. Derivatives embedded in a financial instrument are treated as separate derivatives when their economic risks and characteristics are not closely related to those of the host contract (the liability component) and the host contract is not carried at fair value through profit or loss.

The convertible bonds with embedded derivatives as a whole is designated as financial liabilities at fair value through profit or loss on initial recognition. At each balance sheet date subsequent to initial recognition, the entire convertible bond is measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

4. 主要會計政策 (續)

金融工具 (續)

財務資產 (續)

可供出售財務資產 (續)

至於並無於活躍市場有掛牌市價且公平價值未能可靠地計量之可供出售股本投資，以及與該等並無掛牌之股本工具掛鉤並必須以交付該等股本工具結算之衍生工具，則於初步確認後之各結算日按成本減去任何已認定之減值虧損計量。當有客觀憑證顯示資產出現減值時，減值虧損會於損益表確。減值虧損數額乃計量作資產賬面值與按類似財務資產之現行市場回報率貼現之估計未來現金流量之現值兩者間的差額。該等減值虧損將不會於其後期間撥回。

財務負債及權益

由一集團實體發行之財務負債及股本工具乃根據所訂立合約安排之性質及財務負債及股本工具之釋義而分類。

股本工具乃為本集團於資產在扣除其所有負債後證實擁有剩餘權益之任何合約。就財務負債及股本工具所採用之會計政策載列如下。

財務負債

財務負債包括應付貿易及其他賬款、銀行及其他借貸，其後以實際利息法按攤銷成本計量。

可換股債券

可換股債券如將不會或可能不會以固定現金金額交換固定數目之本公司本身股本工具之方式交收，則屬具內含衍生工具之財務負債。當其經濟風險及特徵未與主合約（負債部分）密切相關時，及主合約未按公平價值於損益表列賬時，內含衍生工具之財務工具被視為個別衍生工具。

於初步確認時，具內含衍生工具之可換股債券整體指定為按公平價值於損益表列賬之財務負債。於初步確認後各結算日，所有可換股債券按公平價值計算，公平價值之變動於發生期內直接於損益表內確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (Continued)

Financial liabilities and equity (Continued)

Convertible bonds (Continued)

The equity component of the subscription rights, representing the option to subscribe the ordinary shares of the Company/subsidiary, will remain in subscription right reserve until the embedded option is exercised (in which case the balance in the subscription right reserve will be transferred to share premium of the Company/subsidiary). Where the option remains unexercised at the expiry date, the balance in the subscription right reserve will be released to retained profit/minority interests. No gain or loss is recognised in profit or loss upon exercise or expiration of the option.

Transaction costs that are directly attributable to the issue of the convertible bonds designated as financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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 and control 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 or payable is recognised in profit or loss.

INTEREST IN AN ASSOCIATE

The results and assets and liabilities of associate is incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments 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.

4. 主要會計政策 (續)

金融工具 (續)

財務負債及權益 (續)

可換股債券 (續)

認購權之股本部分乃指將認購本公司/附屬公司普通股之權利，將於認購權儲備內保留，直至內含之認購權獲行使為止，如認購權獲行使後，有關認購權儲備之結餘將轉撥至股份溢價賬。倘認購權於有效期屆滿時尚未行使，則有關認購權儲備之結餘將轉撥至保留溢利/少數股東權益。於購股權獲行使或有效期屆滿後，不會在損益表內確認盈虧。

發行指定為按公平價值於損益表列賬之財務負債之可換股債券，其直接應佔交易成本即於損益表確認入賬。

股本工具

本公司所發行之股本工具乃按所收取之所得款項(扣除直接發行成本)記錄。

取消確認

當收取資產之現金流量之權利屆滿或財務資產已予轉讓並本集團已大致轉讓財務資產之擁有權及控制權所附帶之所有風險及回報後，將取消確認財務資產。於取消確認財務資產時，資產賬面值與所收代價及已於股本權益內直接確認之累計收益或虧損總和兩者之差額乃於損益表確認。

就財務負債而言，其已自本集團之綜合資產負債表移除(即當於有關合約所列明之承擔被解除、註銷或屆滿時)。取消確認之財務負債賬面值與所付或應付價兩者間之差額乃於損益表確認。

於聯營公司之投資

於聯營公司業績及資產與負債乃以權益會計法計入綜合財務報告內。根據該權益法，於聯營公司之投資乃按成本另就本集團攤佔聯營公司之損益及股本權益變動於收購後之變動調整，減任何已識別減值虧損列於綜合資產負債表。當本集團攤佔聯營公司之虧損等同或超過其於該聯營公司之權益(包括實質構成本集團於該聯營公司投資淨額一部分之長期權益)，本集團不再確認其攤佔之進一步虧損。惟當因招致之法定或推定責任或已代表該聯營公司支付之款項，本集團會撥備額外攤佔虧損並確認為負債。

4. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

INTEREST IN AN ASSOCIATE *(Continued)*

When 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.

PROVISIONS

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

BORROWING COSTS

All borrowing costs are expensed as incurred.

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 the profit as reported in the consolidated income statement because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable and deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable 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 assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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.

4. 主要會計政策 (續)

於聯營公司之投資 (續)

當集團個體與本集團之聯營公司進行交易，損益會互相抵銷，數額以本集團於有關聯營公司之權益為限。

撥備

若本集團須就過往事件承擔現有責任，及本集團預期須履行該項責任，即會確認撥備。撥備乃根據董事對結算日履行該項責任所須支出作出的最佳估算釐定，並在出現重大影響時貼現至現值。

存貨

存貨乃按成本值與可變現淨值兩者中之較低者入賬。成本按先入先出法計算。

借貸成本

所有借貸成本於產生期間列為開支。

稅項

所得稅支出指現時應繳之稅項及遞延稅項總和。

現時應繳之稅項乃按年度之應課稅溢利計算。應課稅溢利與計入損益表之溢利有別，因為其不包括其他年度之應課稅或可扣稅收支項目，且其不包括永不課稅及永不扣稅之損益表項目。

遞延稅項指預期就綜合財務報告中資產與負債之賬面值與計算應課稅溢利所用之相應稅基之間之差額所應付或可收回之稅項，並按資產負債表負債法計算。遞延稅項負債一般就所有臨時應課稅差額確認，而遞延稅項資產亦會予以確認，直至應課稅溢利將可用作抵銷可扣稅臨時差額。倘因商譽或因初步確認交易中（業務合併除外）資產與負債所產生之臨時差額並不影響應課稅溢利或會計溢利，則該等資產與負債乃不予確認。

遞延稅項資產之賬面值乃於各結算日審閱，並於再無足夠之應課稅溢利將容許收回全部或部分資產時扣減。

4. 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 joint ventures, 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.

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 consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

FOREIGN CURRENCIES

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

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

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

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on an acquisition of a foreign operation on or after 1 July 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising are recognised in the translation reserve.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項負債乃就附屬公司及聯營公司投資及合營企業權益所產生之應課稅暫時性差額而確認，惟倘本集團能控制暫時性差額之撥回，且暫時性差額有可能於可見將來不予撥回則除外。

當負債已清償或資產已變現時，遞延稅項乃按預期於期間適用之稅率計算。遞延稅項乃於綜合損益表中扣除或計入，惟倘遞延稅項與直接計入股本或自股本中扣除項目有關時，則遞延稅項亦於股本中處理。

外幣

編製各集團實體之財務報告時，以該實體功能貨幣以外之貨幣（外幣）進行之交易乃按交易當日之當前匯率以功能貨幣（該實體經營所在之主要經濟環境貨幣）列賬。於各結算日，以外幣列值之貨幣項目乃按於結算日之當時適用匯率重新換算。以外幣計值按公平價值列賬之非貨幣項目乃以公平價值釐定日期之當時適用匯率重新換算。按外幣歷史成本計量之非貨幣項目不作重新換算。

結算貨幣項目及換算貨幣項目所產生之匯兌差額乃於產生期間在損益表確認。重新換算以公平價值列賬之非貨幣項目所產生之匯兌差額乃納入期內之損益表，惟重新換算有關直接於股本權益確認盈虧之非貨幣項目所產生之差額除外，於該等情況下，匯兌差額亦直接於股本權益確認。

就呈列綜合財務報告而言，本集團海外業務之資產及負債乃按於結算日之當時適用匯率換算為本公司之呈報貨幣（港元），而收入及開支乃按照年度平均匯率換算，除非期內匯兌大幅波動，於該情況下，則使用交易日期之當時適用匯率。所產生之匯兌差額（如有）乃確認為獨立權益部分（換算儲備）。該等匯兌差額乃於出售海外業務期內於損益確認。

於二零零五年七月一日或之後因收購海外業務所產生之已收購可識別資產及負債商譽及公平價值調整乃列為該海外業務之資產及負債處理，並按於結算日之當時適用匯率換算。所產生之匯兌差額於換算儲備確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FOREIGN CURRENCIES (Continued)

As mentioned in note 2, goodwill and fair value adjustments arising on acquisitions of foreign operations prior to 1 July 2005 are treated as non-monetary foreign currency items of the acquirer and reported using the historical exchange rate prevailing at the date of the acquisition.

RETIREMENT BENEFIT COST

Payments to the Group's defined contribution retirement benefit schemes are charged as expenses as they fall due.

For the Group's defined benefit retirement benefit schemes, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses which exceed 10% of the greater of the present value of the Group's pension obligations and the fair value of scheme assets are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight line basis over the average period until the amended benefits become vested. Any assets resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contribution to the scheme.

The amount recognised in the consolidated balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service cost, and as reduced by the fair value of scheme assets.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies described in note 4, management makes various estimations based on past experiences, expectations of the future and other information. The key source of estimation uncertainty that may significantly affect the amounts recognised in the consolidated financial statements is disclosed below:

ESTIMATED IMPAIRMENT OF GOODWILL

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. As at 30 June 2006, the carrying amount of goodwill was HK\$36,795,000. Details of the recoverable amount calculation are disclosed in note 17.

4. 主要會計政策 (續)

外幣 (續)

正如附註2所述，於二零零五年七月一日前收購海外業務所產生之商譽及公平值調整乃視作收購方之非貨幣外幣項目處理，並按收購日期當時適用之過往匯率呈報。

退休福利成本

向本集團定額供款退休福利計劃支付供款於到期付款日列作支出。

就本集團之定額退休福利計劃而言，提供福利之成本乃以預計單位貸記法釐定，並於各結算日進行精算估值。精算收益及虧損如超出本集團公積金承擔之現值及計劃資產之公平價值（以較高者為準）10%，則會按參與計劃之僱員之預期餘下服務年期予以攤銷。過往之服務成本乃即時確認，惟以經已歸屬之福利為限，否則會於平均期間按直線基準攤銷，直至經修訂之福利收入歸屬為止。該計算產生之任何資產只限於未確認精算虧損及過往服務成本，另加可動用退款現值及對計劃之未來供款之扣減。

於綜合資產負債表所確認之金額乃指定額福利承擔之現值，並經就未確認之精算盈虧及未確認之過往服務成本作出調整，以及按計劃資產之公平價值扣減。

5. 估計不確定性之主要來源

於應用附註4所述之本集團會計政策過程中，管理層根據過往經驗、未來預期及其他資料作出多種估算。以下載列估計不確定性之主要來源或會對於綜合財務報告確認之金額構成重大影響：

商譽之估計減值

釐定商譽是否減值須對獲分派商譽之變現單位之使用價值作出估計。使用價值計算要求本集團估計預期產生自變現單位日後之現金流量及合適之折現率以計算現值。於二零零六年六月三十日，商譽之賬面值為36,795,000萬港元。可收回金額計算方法之詳情於附註17披露。

5. KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

FAIR VALUE OF CONVERTIBLE BONDS AT FAIR VALUE THROUGH PROFIT OR LOSS

The fair value of convertible option included in the convertible bonds designated at fair value through profit or loss is subject to the limitation of the Binominal model that incorporated market data and involved uncertainty in estimates used by management in the assumptions. Because the Binomial model requires the input of highly subjective assumptions, including the volatility of share price, changes in subjective assumptions can materially affect the fair value estimate. Details of the assumptions disclosed in note 33.

ESTIMATED USEFUL LIFE OF DEVELOPMENT COSTS FOR SYSTEMS AND NETWORKS

As at 30 June 2006, the carrying value of development costs for systems and networks amounts to HK\$1,694,548,000. The estimated useful life of the assets reflects the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the development.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include trade and other receivables, amount due from an associate, deposits, bank balances and cash, trade and other payables and bank and other borrowings. 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 financial assets are trade and other receivables, amount due from an associate and deposits, bank balances and cash, the carrying amounts of those assets stated in the consolidated balance sheet represent the Group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at 30 June 2006 in relation to financial assets.

In order to minimise the credit risk in relation to trade receivables, the management of the Group will only advance credit to customers with good credit history. In addition, the management reviews the recoverable amount of each individual debt at each balance sheet date, taking into account of future discounted cash flows, 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.

5. 估計不確定性之主要來源 *(續)*

按公平價值於損益表列賬之可換股債券之公平價值

計入按公平價值於損益表列賬之可換股債券之兌換權公平價值乃受二項式期權定價模式所限，該模式包括市場數據並涉及管理層於假設時所使用之估算之不確定性。由於二項式期權定價模式須引入高度主觀假設—包括股價波幅、主觀假設之變動均可對公平價值估計構成重大影響。該等假設之詳情於附註33披露。

系統及網絡開發成本之估計可用年期

於二零零六年六月三十日，系統及網絡開發成本之賬面值為1,694,548,000港元。資產之估計可用年期反映董事估計本集團可自使用開發項目獲得未來經濟利益之年期。

6. 財務風險管理目標及政策

本集團之主要財務工具包括應收貿易及其他賬款、應收一間聯營公司款項、存款、銀行結存及現金、應付貿易及其他賬款，以及銀行及其他借貸。該等財務工具之詳情於各自之附註披露。與該等財務工具相關的風險及如何減低該等風險之政策載於下文。管理層管理及監控該等風險，以確保及時並有效採取適當措施。

信貸風險

本集團之財務資產為應收貿易及其他賬款、應收一間聯營公司款項、存款，以及銀行結存及現金。倘對方於二零零六年六月三十日未能履行彼等就財務資產之責任，則該等於綜合資產負債表列賬之資產之賬面值為本集團承受之最大信貸風險。

為盡量減低有關應收貿易款項之信貸風險，本集團僅向具良好信譽記錄之客戶提供信貸。此外，管理層於各結算日審閱各個別債項之可收回金額，並考慮未來貼現現金流，以確保已就不可收回金額作出足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

CREDIT RISK *(Continued)*

At 30 June 2006, the Group maintains approximately HK\$785,690,000 of deposits with overseas financial institutions. The management considers that there are no significant credit risks due to the long and good credit history with the financial institutions.

The credit risk on trade receivables is concentrated on a few distributors for the goods of the Group. Receivables from top five distributors represented approximately 91% of trade receivables at the balance sheet date. In addition, the credit risk on guaranteed distribution receivable is also concentrated on a few number of guarantors of investments. Receivables from the top five guarantors of investments represented approximately 33% of guaranteed distribution receivables at the balance sheet date. The management considers that there are no significant credit risks due to the long and good credit history of these debtors.

INTEREST RATE RISK

The Group's cash flow interest rate risk relates primarily to variable-rate bank borrowings. The Group currently does not have a 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.

FOREIGN CURRENCY RISK

Foreign currency risk refers to the risk that movement in foreign currency exchange rate which will affect the Group's financial results and its cash flows. Certain deposits and bank balances of the Group are denominated in foreign currencies. The Group does not have a foreign currency hedging policy. However, the management monitors foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

7. TURNOVER AND SEGMENT INFORMATION

Turnover represents the net amounts received and receivable for goods sold and services provided by the Group to outside customers, licensing fees received and receivable and distributions/dividend received and receivable from the Group's investments in telecommunications and e-commerce projects and strategic investments during the year.

6. 財務風險管理目標及政策 *(續)*

信貸風險 *(續)*

於二零零六年六月三十日，本集團有約785,690,000港元之存款存放於海外金融機構。管理層認為，由於該金融機構具有長期及良好信用記錄，故並無重大信貸風險。

應收貿易賬款之信貸風險集中於本集團貨品之少數分銷商。五大分銷商之應收賬款佔結算日之應收貿易賬款約91%。此外，保證分派應收賬款之信貸風險亦集中於少數投資擔保人。五大投資擔保人之應收賬款佔結算日之保證分派應收賬款約33%。管理層認為，由於該等債務人具有悠久歷史及良好信譽記錄，故信貸風險並不重大。

利率風險

本集團之現金流利率風險主要與浮息銀行借貸有關。本集團目前並無利率風險之現金流對沖政策。然而，管理層已監控利率風險，並在需要時將考慮對沖重大利率風險。

外幣風險

外幣風險指外幣匯率變動將影響本集團之財務業績及現金流之風險。本集團若干存款及銀行結餘以外幣計值。本集團並無制訂外幣對沖政策。然而，管理層已監控外幣風險，並在需要時將考慮對沖重大外幣風險。

7. 營業額及分類資料

營業額指年內本集團就向外界顧客出售產品及提供服務之已收及應收款項淨額，已收及應收之特許權費用，以及源自本集團於電信及電子商貿項目之投資及策略性投資之已收及應收分派／股息。

7. TURNOVER AND SEGMENT INFORMATION (Continued)

(a) BUSINESS SEGMENTS

For management purposes, the Group is currently organised into six main operating business – sales of general systems products, provision of services (including software customisation and provision of e-lottery services) and software licensing, leasing of systems products, investments in telecommunications networks and projects and e-commerce projects and holding strategic investments in advanced technology product development companies. These businesses are the basis on which the Group reports its primary segment information.

7. 營業額及分類資料 (續)

(a) 業務分類

為方便管理，本集團之業務現分為六項主要經營業務—銷售一般系統產品、提供服務（包括軟件特設及提供電子博彩服務）及軟件特許權、租賃系統產品、電信網絡及項目與電子商貿項目之投資、以及持有高科技產品開發公司之策略投資。此等業務乃本集團主要分類資料之報告基準。

		Sales of general systems products	Provision of services and software licensing	Leasing of systems products	Investments in telecommunications networks and projects	Investments in e-commerce projects	Strategic investments	Consolidated
		銷售一般系統產品	提供服務及軟件特許權	租賃系統產品	電信網絡及項目之投資	電子商貿項目之投資	策略性投資	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Year ended 30 June 2006	截至二零零六年六月三十日止年度							
TURNOVER	營業額							
External and total revenue	對外銷售及總收益	1,731,631	1,151,578	10,508	21,533	23,802	57,616	2,996,668
RESULTS	業績							
Segment result	分類業績	204,290	456,092	4,654	18,662	21,534	10,874	716,106
Interest income	利息收入							22,291
Gain on deemed disposal of subsidiaries	被視作出售附屬公司之收益							37,648
Loss on fair value change of convertible bonds	可換股債券公平估值變動之虧損							(50,411)
Unallocated corporate expenses, net	未分配公司開支—淨額							(11,508)
Finance costs	財務成本							(9,780)
Profit before taxation	除稅前溢利							704,346
Taxation	稅項							(85)
Profit for the year	本年度溢利							704,261

7. TURNOVER AND SEGMENT INFORMATION (Continued)

(a) BUSINESS SEGMENTS (Continued)

7. 營業額及分類資料 (續)

(a) 業務分類 (續)

		Sales of general systems products 銷售一般 系統產品 HK\$'000 千港元	Provision of services and software licensing 提供服務及 軟件特許權 HK\$'000 千港元	Leasing of systems products 租賃系統 產品 HK\$'000 千港元	Investments in telecom- munications networks and projects 電信網絡及 項目之投資 HK\$'000 千港元	Investments in e-commerce projects 電子商貿 項目之投資 HK\$'000 千港元	Strategic investments 策略性投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
As at 30 June 2006	於二零零六年六月三十日							
ASSETS	資產							
Segment assets	分類資產	3,080,085	629,869	7,282	220,100	230,957	1,350,018	5,518,311
Unallocated corporate assets	未分配公司資產							934,889
Consolidated total assets	綜合總資產							6,453,200
LIABILITIES	負債							
Segment liabilities	分類負債	101,372	51,196	8,495	-	-	10,452	171,515
Unallocated corporate liabilities	未分配公司負債							188,043
Consolidated total liabilities	綜合總負債							359,558
OTHER INFORMATION	其他資料							
Capital additions of property, plant and equipment and intangible assets	物業、廠房及設備及 無形資產之資本添置	5,182	15,745	347	-	-	-	21,274
Capital additions of available-for-sale investments	策略性投資之資本添置	-	-	-	-	-	176,756	176,756
Capital additions of systems and networks	系統及網絡之資本添置	-	5,558	-	-	-	-	5,558
Additions of deposits	按金之添置	1,080,300	971	-	-	-	132,600	1,213,871
Depreciation and amortisation	折舊及攤銷	7,484	376,453	500	-	-	-	384,437
Impairment losses recognised for investments	就投資所確認之減值虧損	-	-	-	-	-	43,081	43,081
Loss on disposal of development costs for systems and networks	出售系統及網絡開發成本 之虧損	-	-	-	-	-	1,560	1,560

7. TURNOVER AND SEGMENT INFORMATION (Continued)

(a) BUSINESS SEGMENTS (Continued)

7. 營業額及分類資料 (續)

(a) 業務分類 (續)

		Sales of general systems products 銷售一般 系統產品 HK\$'000 千港元	Provision of services and software licensing 提供服務及 軟件特許權 HK\$'000 千港元	Leasing of systems products 租賃系統 產品 HK\$'000 千港元	Investments in telecom- munications networks and projects 電信網絡及 項目之投資 HK\$'000 千港元	Investments in e-commerce projects 電子商貿 項目之投資 HK\$'000 千港元	Strategic investments 策略性投資 HK\$'000 千港元 (附註)	Consolidated 綜合 HK\$'000 千港元
Year ended 30 June 2005	截至二零零五年六月三十日止年度							
TURNOVER	營業額							
External and total revenue	對外銷售及總收益	1,562,813	772,841	10,999	28,357	30,685	56,015	2,461,710
RESULTS	業績							
Segment result	分類業績	193,740	314,553	3,329	27,096	29,268	14,619	582,605
Interest income	利息收入							17,776
Unallocated corporate expenses, net	未分配公司開支—淨額							(14,240)
Finance costs	財務成本							(12,557)
Profit before taxation	除稅前溢利							573,584
Taxation	稅項							(517)
Profit for the year	本年度溢利							573,067

7. TURNOVER AND SEGMENT INFORMATION (Continued)

(a) BUSINESS SEGMENTS (Continued)

	Sales of general systems products	Provision of services and software licensing	Leasing of systems products	Investments in telecommunication networks and projects	Investments in e-commerce projects	Strategic investments	Consolidated
	銷售一般系統產品	提供服務及軟件特許權	租賃系統產品	電信網絡及項目之投資	電子商貿項目之投資	策略性投資	綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
						(Note)	
						附註	
As at 30 June 2005 (restated)	於二零零五年六月三十日(已重列)						
ASSETS	資產						
Segment assets	2,747,515	262,500	7,436	305,910	304,996	1,183,298	4,811,655
Unallocated corporate assets							749,427
Consolidated total assets							5,561,082
LIABILITIES	負債						
Segment liabilities	140,360	42,520	7,743	-	8,580	-	199,203
Unallocated corporate liabilities							196,818
Consolidated total liabilities							396,021
OTHER INFORMATION	其他資料						
Allowance for bad and doubtful debts	-	558	-	-	-	-	558
Capital additions of property, plant and equipment	5,829	2,901	392	-	-	-	9,122
Capital addition of investments	-	-	-	-	-	159,900	159,900
Additions of deposits	920,400	-	-	-	-	132,600	1,053,000
Depreciation and amortisation	11,426	186,464	764	-	-	-	198,654
Impairment losses recognised for investments	-	-	-	-	-	36,429	36,429
Loss on disposal of development costs, for systems and networks	123	(47)	-	-	-	-	76

Note: Included in turnover of strategic investments is dividend income from investments of HK\$618,000.

附註：計入策略性投資之營業額為源自投資之股息收入618,000港元。

7. 營業額及分類資料 (續)

(a) 業務分類 (續)

7. TURNOVER AND SEGMENT INFORMATION (Continued)

(b) GEOGRAPHICAL SEGMENTS

- (i) The following table provides an analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services:

		Revenue by geographical segment Year ended 30 June 按地區分類劃分之收入 截至六月三十日止年度	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
People's Republic of China (the "PRC") including Hong Kong and Macau	中華人民共和國 (「中國」)·包括香港 及澳門	2,256,569	1,823,409
Europe	歐洲	486,801	408,875
Others	其他	253,298	229,426
		2,996,668	2,461,710

- (ii) The following is an analysis of the carrying amount of segment assets, and capital additions to property, plant and equipment, systems and networks, interest in e-commerce projects and telecommunications projects and strategic investments in advanced technology product development companies, analysed by the geographical market to which the assets are located:

		Carrying amount of segment assets 分類資產之賬面值		Capital additions 資本添置	
		30.6.2006 二零零六年 六月三十日 HK\$'000 千港元	30.6.2005 二零零五年 六月三十日 HK\$'000 千港元	30.6.2006 二零零六年 六月三十日 HK\$'000 千港元	30.6.2005 二零零五年 六月三十日 HK\$'000 千港元
The PRC including Hong Kong and Macau	中國·包括 香港及 澳門	2,946,219	2,935,382	20,709	1,190
Europe	歐洲	116,357	124,922	7,010	269
Others	其他	2,455,735	1,751,351	1,389,740	1,220,563
		5,518,311	4,811,655	1,417,459	1,222,022

7. 營業額及分類資料 (續)

(b) 地區分類

- (i) 下表載列本集團按地區市場劃分之收入分析(不論貨品/服務之來源地):

- (ii) 下表載列本集團按資產所在地區市場劃分之分類資產賬面值,以及物業、廠房及設備、系統及網絡之資本添置、電子商貿項目及電信項目之權益,以及於高科技產品開發公司之策略性投資之分析:

8. OTHER INCOME

Included in income is interest earned on bank deposits and balances of HK\$22,291,000 (2005: HK\$17,776,000) and discount on acquisition of additional interest in a subsidiary of HK\$2,852,000.

8. 其他收入

收入指銀行存款及結存22,291,000港元(二零零五年:17,776,000港元)所賺取之利息及收購附屬公司額外權益之折讓2,852,000港元。

9. LOSS ON DISPOSAL OF DEVELOPMENT COSTS FOR SYSTEMS AND NETWORKS

During the year, the Group transferred its interest in certain systems and networks with an aggregate carrying value of HK\$79,560,000 (2005: nil) to various investment holding companies and in return obtained certain equity interests in these investment holding companies (classified as available-on-sales investments). The fair values of these investments of HK\$78,000,000 (2005: nil) were estimated based on expected cash flows projection from such investments resulting in a loss on disposal of HK\$1,560,000 (2005: nil).

9. 出售系統及網絡開發成本之虧損

年內，本集團將其於若干系統及網絡總面值為79,560,000港元(二零零五年:無)之權益轉讓予多家投資控股公司，據此，本集團獲得此等投資控股公司之若干股權作為回報(分類為可供出售投資)。此等投資之公平值為78,000,000港元(二零零五年:無)，乃按預期來自該等投資之現金流量估計所得，導致出售虧損1,560,000港元(二零零五年:無)。

10. FINANCE COSTS

10. 財務成本

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Interest on bank and other borrowings wholly repayable within five years	須於五年內悉數償還之銀行及其他借貸之利息	9,776	8,141
Finance charges on finance leases	融資租賃之財務費用	4	37
Issue costs of convertible bonds	可換股債券之發行成本	—	4,379
		9,780	12,557

11. PROFIT BEFORE TAXATION

11. 除稅前溢利

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit before taxation has been arrived at after charging:	除稅前溢利已扣除：		
Directors' remuneration (Note (i))	董事酬金 (附註(ii))	7,050	6,650
Staff costs excluding directors' remuneration	職工成本 (不包括董事酬金)	96,618	104,048
Retirement benefit scheme contributions other than directors (Note (ii))	退休福利計劃供款 (董事除外) (附註(ii))	8,586	8,208
Total staff costs	職工成本總額	112,254	118,906
Amortisation on:	攤銷：		
Development cost for systems and networks, included in direct operating expenses	系統及網絡之開發成本 (計入直接經營成本)	369,697	180,508
Intangible assets, included in general and administrative expenses	無形資產 (計入一般及行政開支)	1,770	-
Depreciation on:	物業、廠房及設備之折舊 (計入一般及行政開支)：		
Owned assets, included in general and administrative expenses	自置資產	12,970	18,115
Assets under finance leases, included in general and administrative expenses	融資租賃之資產	-	31
		384,437	198,654
Allowance for bad and doubtful debts	呆壞賬撥備	-	558
Auditors' remuneration	核數師酬金	5,269	3,610
Cost of inventories recognised	已確認存貨之成本	1,599,233	1,343,931
Research and development	研究與發展	7,295	7,235
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	50	76
Minimum lease payments paid under operating leases in respect of:	按照經營租賃之租賃最低付款額包括：		
Rented premises	租賃物業	4,447	4,723
Machinery and equipment	機器及設備	1,120	1,479
and after crediting:	及已計入：		
Net foreign exchange gain	外幣收益淨額	35,431	7,613
Release of negative goodwill	負商譽之收入	-	2,478
Rental income from leasing of plant and machinery and telecommunications networks	租賃廠房與機器及電信網絡所得之租金收入	10,508	15,325

Gain on deemed disposal of subsidiaries mainly arises on issue of shares to minority shareholders and on conversion of convertible bonds of a subsidiary.

被視作出售附屬公司之收益主要因發行股份予少數股東及因兌換附屬公司之可換股債券而產生。

11. PROFIT BEFORE TAXATION (CONTINUED)

Notes:

(i) Information regarding directors' and employees' emoluments

Year ended 30 June 2006

		Fees	Salaries and other benefits	Performance related incentive payments	Retirement benefits contributions	Total directors' emoluments
		袍金	薪金及其他福利	按工作表現發放之獎金	退休福利計劃供款	董事酬金總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Name of executive directors		執行董事姓名				
	Mr. Paul Kan Man Lok*	—	2,110	162	20	2,292
	Mr. Leo Kan Kin Leung*	15	1,121	650	12	1,798
	Mr. Lai Yat Kwong*	10	816	612	15	1,453
Name of non-executive directors		非執行董事姓名				
	Mr. Francis Gilbert Knight [†]	15	95	—	—	110
	Prof. Liang Xiong Jian [#]	10	5	—	—	15
	Prof. Ye Pei Da [#]	10	5	—	—	15
	Mr. Frank Bleackley [#]	10	35	—	—	45
	Mr. Terry John Miller	5	237	—	—	242
	Ms. Shirley Ha Suk Ling*	10	750	308	12	1,080
		85	5,174	1,732	59	7,050

* The director is also a director of Kantone Holdings Limited ("Kantone") and DIGITALHONGKONG.COM ("Digital HK"), both of which are the listed subsidiaries of the Company.

The director is also a director of Kantone.

+ The director is also a director of Digital HK.

11. 除稅前溢利 (續)

附註:

(i) 有關董事與僱員酬金之資料

截至二零零六年六月三十日止年度

		Fees	Salaries and other benefits	Performance related incentive payments	Retirement benefits contributions	Total directors' emoluments
		袍金	薪金及其他福利	按工作表現發放之獎金	退休福利計劃供款	董事酬金總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Name of executive directors		執行董事姓名				
	Mr. Paul Kan Man Lok*	—	2,110	162	20	2,292
	Mr. Leo Kan Kin Leung*	15	1,121	650	12	1,798
	Mr. Lai Yat Kwong*	10	816	612	15	1,453
Name of non-executive directors		非執行董事姓名				
	Mr. Francis Gilbert Knight [†]	15	95	—	—	110
	Prof. Liang Xiong Jian [#]	10	5	—	—	15
	Prof. Ye Pei Da [#]	10	5	—	—	15
	Mr. Frank Bleackley [#]	10	35	—	—	45
	Mr. Terry John Miller	5	237	—	—	242
	Ms. Shirley Ha Suk Ling*	10	750	308	12	1,080
		85	5,174	1,732	59	7,050

* 該董事亦為看通集團有限公司(「看通」)及數碼香港(「數碼香港」之董事)兩間公司均為本公司之上市附屬公司。

該董事亦為看通之董事。

+ 該董事亦為數碼香港之董事。

11. PROFIT BEFORE TAXATION (Continued)

Notes: (Continued)

(i) Information regarding directors' and employees' emoluments

(Continued)

Year ended 30 June 2005

	Fees	Salaries and other benefits	Performance related incentive payments	Retirement benefits scheme contributions	Total directors' emoluments
	袍金	薪金及其他福利	按工作表現發放之獎金	退休福利計劃供款	董事酬金總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
			Note		
			附註		
Name of executive directors 執行董事姓名					
Mr. Paul Kan Man Lok 簡文樂先生	—	2,109	162	21	2,292
Mr. Leo Kan Kin Leung 簡堅良先生	5	1,100	700	12	1,817
Mr. Lai Yat Kwong 黎日光先生	2	805	624	15	1,446
Name of non-executive directors 非執行董事姓名					
Mr. Francis Gilbert Knight Francis Gilbert Knight 先生	10	90	—	—	100
Prof. Liang Xiong Jian 梁雄健教授	10	5	—	—	15
Prof. Ye Pei Da 葉培大教授	10	5	—	—	15
Mr. Frank Bleackley Frank Bleackley先生	10	33	—	—	43
Mr. Terry John Miller 苗禮先生	5	92	—	—	97
Ms. Shirley Ha Suk Ling 夏淑玲女士	5	675	133	12	825
	57	4,914	1,619	60	6,650

The remuneration for non-executive directors comprises directors' fees and other emoluments which vary with the number of committees on which they serve.

Note: The performance related incentive payment is discretionary as may be decided by the board of directors provided that the total amount of bonus payable to all the members of the board of directors for such year shall not exceed eight percent of consolidated profit after taxation of the Group.

Employees

The five highest paid individuals of the Group included three (2005: three) directors of the Company, details of whose emoluments are set out above. The emoluments of the remaining two (2005: two) highest paid employees of the Group, not being a director of the Company, are as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,116	2,427
Performance related incentive payments	按工作表現發放之獎金	508	181
Retirement benefit scheme contributions	退休福利計劃供款	565	431
		3,189	3,039

11. 除稅前溢利 (續)

附註: (續)

(i) 有關董事與僱員酬金之資料 (續)

截至二零零五年六月三十日止年度

	Fees	Salaries and other benefits	Performance related incentive payments	Retirement benefits scheme contributions	Total directors' emoluments
	袍金	薪金及其他福利	按工作表現發放之獎金	退休福利計劃供款	董事酬金總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
			Note		
			附註		

Name of executive directors 執行董事姓名					
Mr. Paul Kan Man Lok 簡文樂先生	—	2,109	162	21	2,292
Mr. Leo Kan Kin Leung 簡堅良先生	5	1,100	700	12	1,817
Mr. Lai Yat Kwong 黎日光先生	2	805	624	15	1,446

Name of non-executive directors 非執行董事姓名					
Mr. Francis Gilbert Knight Francis Gilbert Knight 先生	10	90	—	—	100
Prof. Liang Xiong Jian 梁雄健教授	10	5	—	—	15
Prof. Ye Pei Da 葉培大教授	10	5	—	—	15
Mr. Frank Bleackley Frank Bleackley先生	10	33	—	—	43
Mr. Terry John Miller 苗禮先生	5	92	—	—	97
Ms. Shirley Ha Suk Ling 夏淑玲女士	5	675	133	12	825

57 4,914 1,619 60 6,650

非執行董事之酬金包括董事袍金及其他酬金，視乎董事出任之委員會數目而有所不同。

附註：按工作表現發放之獎勵花紅屬酌情性質並可由董事會決定，惟於該年度應付各董事會成員之花紅總額不得超過本集團附稅後綜合溢利8%。

僱員

本集團五名最高薪人士包括三名(二零零五年:三名)本公司董事，其酬金詳情載於上文。本集團其餘兩名(二零零五年:兩名)最高薪人士(並非本公司之董事)之酬金如下：

11. PROFIT BEFORE TAXATION (Continued)

Notes: (Continued)

(i) Information regarding directors' and employees' emoluments (Continued)

Emoluments of these employees were within the following bands:

		Number of employee(s) 僱員人數	
		2006 二零零六年	2005 二零零五年
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元	1	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元	1	1

(ii) Retirement benefit scheme contributions

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Retirement benefit scheme contributions to the Group's defined contribution scheme	向本集團之定額供款計劃支付之退休福利計劃供款	364	874
Retirement benefit scheme contributions to the Group's defined benefit scheme	向本集團之定額福利計劃支付之退休福利計劃供款	8,281	7,394
		8,645	8,268

Defined contribution scheme

Certain subsidiaries of the Company participate in a retirement benefit scheme covering a portion of their employees. The assets of the scheme are held separately from those of the Group in funds under the control of an independent trustee.

The retirement benefit scheme contributions charged to the consolidated income statement represent contributions payable to the funds by the Group at rates specified in the rules of the scheme. Where there are employees who leave the scheme prior to vesting fully in the contributions, the contribution payable by the Group is reduced by the amount of forfeited contributions.

At the balance sheet date, there were no forfeited contributions which arose upon employees leaving the scheme and which are available to reduce the contributions payable in the future years (2005: nil).

Commencing from December 2000, the Group enrolled all eligible employees in Hong Kong into a mandatory provident fund (the "MPF") scheme. The retirement benefit cost of the MPF scheme charged to the consolidated income statement represents contributions to the MPF scheme by the Group at rates specified in the rules of the MPF scheme.

Defined benefit scheme

Certain subsidiaries of the Company operates a self-administered, funded pension scheme. The scheme provides defined pension benefits related to service, and final earnings and capital sums on death. Membership is optional for all staff paid monthly and aged over 21 years.

定額供款計劃

本公司屬下若干附屬公司為大部分僱員參與一項退休福利計劃。該項計劃之資產與本集團之資產分開持有，並存於由獨立受託人控制之基金內。

自綜合損益表扣除之退休福利計劃供款乃本集團按計劃規則指定之比率應付有關基金之供款。倘僱員於合資格領取全部供款之前退出計劃，本集團須於應付之供款減除已沒收之供款。

於結算日，並無因僱員退出計劃而產生之沒收供款，此等供款可用以扣減未來之應付供款（二零零五年：無）。

自二零零零年十二月起，本集團讓其於香港之所有合資格僱員參與強制性公積金（「強積金」）計劃。自綜合損益表扣除之強積金計劃退休福利費用指本集團按強積金計劃規例指定之比率就強積金計劃作出之供款。

定額福利計劃

本公司屬下若干附屬公司設立一項自行管理之退休福利計劃。上述計劃乃提供有關僱員服務期間之定額退休福利、僱員身故時之最後收益及撫恤金。以月薪計及年滿21歲之所有僱員可選擇參加上述計劃。

11. 除稅前溢利 (續)

附註：(續)

(i) 有關董事與僱員酬金之資料 (續)

此等僱員之酬金介乎下列範圍：

11. PROFIT BEFORE TAXATION (Continued)

Notes: (Continued)

(ii) Retirement benefit scheme contributions (Continued)

Defined benefit scheme (Continued)

The contributions which are determined by a qualified actuary on the basis of triennial valuations using the projected unit credit method are charged to the consolidated income statement. Under the scheme, the employees are entitled to a pension between 1.67% and 2.50% of final salary for each year of pensionable service at a normal age of 65. No other post-retirement benefits are provided. The most recent actuarial valuation of scheme assets and the present value of the defined benefit obligations were carried out at 31 December 2003 by Ms. Alison Bostock, Fellow of the Institute of Actuaries, and were updated to 30 June 2006 for the accounting purpose. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries, pensions and share dividends.

The main actuarial assumptions used were as follows:

		30.6.2006 二零零五年 六月三十日	30.6.2005 二零零四年 六月三十日
Discount rate	貼現率	5.30%	5.00%
Expected return on scheme assets	預期之計劃資產回報	6.60%	6.40%
Expected rate of salary increase	預期之薪金升幅	2.80%	2.80%
Future pension increases	未來之退休金升幅	2.80%	2.80%

The actual valuation updated to 30 June 2006 showed that the market value of the scheme assets was HK\$229,349,000 (2005: HK\$207,735,000) and that the actuarial value of these assets represented 67% (2005: 61%) of the benefits that had accrued to members. The shortfall of HK\$12,777,000 was to be cleared over the estimated remaining service period of current membership of 10 years.

Amounts recognised in the consolidated income statement in respect of the defined benefit pension scheme are as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Current service cost	現行服務成本	3,513	3,154
Interest on obligation	承擔之利息	16,571	16,914
Expected return on plan assets	計劃資產之預期回報	(13,059)	(12,674)
Net actuarial losses	精算虧損淨額	1,256	—
		8,281	7,394

The charge for the year has been included in direct operating expenses.

11. 除稅前溢利 (續)

附註: (續)

(ii) 退休福利計劃供款 (續)

定額福利計劃 (續)

根據合資格精算師每三年按預計單位貸記法進行估值釐定之供款，乃於綜合損益表中扣除。根據該計劃，僱員一般於年屆65歲時就每年提供可獲退休金之服務應得之退休金介乎最終薪金之1.67%至2.50%之間。本集團並無提供其他退休後福利。最近之計劃資產精算估值及定額福利承擔現值乃於二零零三年十二月三十一日由精算學會成員Alison Bostock女士進行，並已於二零零六年六月三十日更新以便進行會計事宜。對估值結果最具影響之假設乃有關投資回報率及薪金、退休金與股息之升幅方面之假設。

所用之主要精算假設如下：

更新至二零零六年六月三十日之精算估值顯示，計劃資產之市值為229,349,000港元（二零零五年：207,735,000港元），而該等資產之精算價值為僱員應得福利之67%（二零零五年：61%）。為數12,777,000港元之缺額，於現職僱員之預計剩餘服務年期（以10年估計）內清還。

就定額福利退休計劃於綜合損益表中確認之金額如下：

本年度支出已計入直接經營成本。

11. PROFIT BEFORE TAXATION (Continued)

Notes: (Continued)

(ii) Retirement benefit scheme contributions (Continued)

Defined benefit scheme (Continued)

The amount included in the consolidated balance sheet arising from the Group's obligations in respect of its defined benefit pension scheme is as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Fair value of scheme assets	計劃資產之公平值	229,349	207,735
Present value of funded obligations	注資承擔之現值	(344,682)	(339,292)
Net unrecognised actuarial losses	未確認之精算虧損淨額	27,319	46,706
		(88,014)	(84,851)

Movements in the present value of the defined benefit obligation are as follows:

兩個年度之負債淨額變動如下:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
At beginning of the year	年初	339,292	294,417
Currency realignment	匯兌調整	7,347	(4,710)
Service cost	服務成本	3,513	3,154
Interest cost	利息成本	16,571	16,914
Actuarial (gain) loss	精算(收益)虧損	(12,949)	42,047
Benefits paid	所付福利	(9,092)	(12,530)
At end of the year	年結	344,682	339,292

Movements in the fair value of plan assets are as follows:

計劃資產之公平值變動如下:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
At beginning of the year	年初	207,735	189,951
Currency realignment	匯兌調整	5,195	(2,675)
Expected return on plan assets	計劃資產之預期回報	13,059	12,674
Actuarial gain (loss)	精算收益(虧損)	4,146	8,768
Contributions	供款	8,306	11,547
Benefits paid	所付福利	(9,092)	(12,530)
At end of the year	年結	229,349	207,735

11. 除稅前溢利 (續)

附註: (續)

(ii) 退休福利計劃供款 (續)

定額福利計劃 (續)

因本集團之定額福利退休計劃承擔而產生之金額已計入綜合資產負債表, 載述如下:

11. PROFIT BEFORE TAXATION (Continued)

Notes: (Continued)

(ii) Retirement benefit scheme contributions (Continued) Defined benefit scheme (Continued)

The fair value of plan assets at the balance sheet date is analysed as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Equity instruments	股本工具	169,262	144,338
Debt instruments	債務工具	54,616	53,265
Other assets	其他資產	5,471	10,132
		229,349	207,735

The history of the plan for the current and prior period is as follows:

11. 除稅前溢利 (續)

附註: (續)

(ii) 退休福利計劃供款 (續) 定額福利計劃 (續)

計劃資產於結算日之公平值分析如下:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Present value of defined benefit obligation	定額福利承擔之現值	344,682	339,292
Fair value of plan assets	計劃資產之公平價值	(229,349)	(207,735)
Deficit	虧絀	115,333	131,557
Experience adjustments on plan liabilities	計劃負債之過往調整	(12,949)	42,047
Experience adjustments on plan assets	計劃資產之過往調整	4,146	8,768

本期間及以往期間之計劃歷史如下:

12. TAXATION

12. 稅項

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
The charge comprises:	稅項支出包括:		
Hong Kong Profits Tax	香港利得稅		
– current year	– 本年度	–	30
– underprovision in prior years	– 過往年度不足撥備	36	62
Taxation in other jurisdictions	其他司法權區稅項	47	443
Deferred taxation (Note 34)	遞延稅項 (附註34)	83 2	535 (18)
		85	517

12. TAXATION (Continued)

Hong Kong Profits Tax is calculated at 17.5% (2005: 17.5%) on the estimated assessable profits derived from Hong Kong. Taxation in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The low effective tax rate is attributable to the fact that a substantial portion of the Group's profit neither arises in, nor is derived from, Hong Kong and is accordingly not subject to Hong Kong Profits Tax and such profit is either exempted or not subject to taxation in any other jurisdictions.

Details of deferred taxation for the year are set out in note 34.

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

12. 稅項 (續)

香港利得稅乃以源自香港之估計應課稅溢利按17.5% (二零零五年: 17.5%) 之稅率計算。其他司法權區稅項乃按個別司法權區各自採用之稅率計算。

實際稅率偏低之原因為本集團大部分溢利既非於香港賺取，亦非源自香港，故毋須繳納香港利得稅，而此等溢利已獲豁免或毋須繳納任何其他司法權區之稅項。

本年度遞延稅項之詳情載於附註34。

本年度之稅項支出與綜合損益表之溢利對賬如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit before taxation	除稅前溢利	704,346	573,584
Tax at Hong Kong Profits Tax rate of 17.5% (2005: 17.5%)	按香港利得稅率17.5%計算之稅項(二零零五年: 17.5%)	123,261	100,377
Tax effect of profit exempted or not subject to taxation in other jurisdictions	於其他司法權區獲豁免繳稅或毋須課稅之溢利之稅務影響	(141,206)	(105,111)
Effect of different tax rates of subsidiaries operating in other jurisdictions	附屬公司於其他司法權區經營之不同稅率之影響	138	177
Tax effect of expenses not deductible for tax purposes	不可就稅務目的扣減之開支之稅務影響	10,947	2,272
Tax effect of income not taxable for tax purposes	毋須就稅務目的繳稅之收入之稅務影響	(1,102)	(1,098)
Tax effect on utilisation of tax losses previously not recognised	動用過往未確認稅項虧損之稅務影響	(363)	(387)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	10,206	6,238
Underprovision in prior years	過往年度不足撥備	36	62
Others	其他	(1,832)	(2,013)
Taxation for the year	本年度之稅項	85	517

13. DIVIDENDS

13. 股息

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Final dividend proposed in scrip form equivalent to HK3.3 cents (2005: HK3.1 cents) per share, with a cash option	按以股代息方式派付之擬派發末期股息相等於每股3.3港仙(二零零五年:3.1港仙) 可選擇現金	43,369	38,514
Interim dividend paid in scrip form equivalent to HK2.2 cents (2005: HK1.7 cents) per share, with a cash option	按以股代息方式派付之中期股息相等於每股2.2港仙(二零零五年:1.7港仙) 可選擇現金	28,619	20,954
Underprovision in prior year	上年度不足撥備	1,108	399
		73,096	59,867

The proposed final dividend for 2006 is based on 1,314,201,045 shares in issue at 30 June 2006.

二零零六年度擬派發末期股息乃按於二零零六年六月三十日之已發行股份1,314,201,645股為基準計算。

14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

14. 每股盈利

基本及經攤薄每股盈利乃按下列數據計算：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Earnings for the purpose of calculating basic earnings per share	以計算基本每股盈利之盈利	549,994	458,726
Effect of dilutive potential ordinary shares:	普通股之潛在攤薄影響：		
Interest and fair value change of convertible bonds (Note)	可換股債券之利息及公平價值之變動(附註)	930	466
Issue costs of convertible bonds	可換股債券之發行費用	-	2,072
Effect of options attached to convertible bonds of a subsidiary	一家附屬公司可換股債券行使權所附期權之影響	(355)	(3,473)
Earnings for the purpose of calculating diluted earnings per share	以計算經攤薄每股盈利之盈利	550,569	457,791

14. EARNINGS PER SHARE (Continued)

14. 每股盈利 (續)

		Number of shares (In '000) 股份數目 (以千股計)	
		2006 二零零六年	2005 二零零五年
Weighted average number of shares for the purpose of calculating basic earnings per share	以計算基本每股盈利之加權平均股份數目	1,276,589	1,209,115
Effect of dilutive potential ordinary shares:	普通股之潛在攤薄影響:		
Convertible bonds (Note)	可換股債券 (附註)	20,312	35,659
Warrants (Note)	認股權證 (附註)	6,495	—
		26,807	35,659
Weighted average number of shares for the purpose of calculating diluted earnings per share	以計算經攤薄每股盈利之加權平均股份數目	1,303,396	1,244,774

Note:

The computation of diluted earnings per share does not assume (1) the exercise of certain of the Company's outstanding warrants as the exercise price of those warrants is higher than the average market price for shares for the period during which such warrants were outstanding; and (2) the conversion of convertible bonds issued by a subsidiary as the effect is anti-dilutive.

The following table summarises the impact on both basic and diluted earnings per share as a result of the application of new HKFRSs:

附註:

計算每股攤薄盈利時並無假設(1)本公司若干尚未行使之認股權證獲行使,原因為該等認股權證之行使價均高於認股權證未獲行使期間股份之平均市價;及(2)附屬公司所發行之可換股債券獲兌換,原因為其具備反攤薄作用。

下表概述因採用新香港財務報告準則對每股基本及攤薄盈利之影響:

		Impact on basic earnings per share 對每股基本盈利之影響		Impact on diluted earnings per share 對每股攤薄盈利之影響	
		2006 二零零六年 HK cents 港仙	2005 二零零五年 HK cents 港仙	2006 二零零六年 HK cents 港仙	2005 二零零五年 HK cents 港仙
Reported figures before adjustments	調整前所呈報之數字	46.91	37.94	45.99	36.78
Adjustments arising from changes in accounting policies (see Note 3)	會計政策變動所產生之調整 (見附註3)	(3.83)	—	(3.75)	—
Restated/reported	已重列/按呈報	43.08	37.94	42.24	36.78

15. PROPERTY, PLANT AND EQUIPMENT 15. 物業、廠房及設備

		Land and buildings	Plant and machinery and tele- communications networks	Furniture and fixtures	Motor vehicles	Total
		土地及樓宇 HK\$'000 千港元	廠房與機器 及電信網絡 HK\$'000 千港元	傢俬及裝置 HK\$'000 千港元	汽車 HK\$'000 千港元	總計 HK\$'000 千港元
COST						
At 1 July 2004	於二零零四年七月一日	61,321	1,001,774	15,478	12,177	1,090,750
Currency realignment	匯兌調整	(216)	(832)	–	–	(1,048)
Additions	添置	–	8,394	151	577	9,122
Disposals	出售	–	(24,133)	–	(2,509)	(26,642)
Transferred to inventories	撥入存貨	–	(393)	–	–	(393)
At 1 July 2005	於二零零五年七月一日	61,105	984,810	15,629	10,245	1,071,789
Currency realignment	匯兌調整	511	6,971	–	–	7,482
Acquisition of a subsidiary	收購一附屬公司	–	1,627	–	–	1,627
Additions	添置	–	7,786	61	–	7,847
Disposals	出售	–	(12,985)	–	–	(12,985)
Transferred to inventories	撥入存貨	–	(99)	–	–	(99)
At 30 June 2006	於二零零六年六月三十日	61,616	988,110	15,690	10,245	1,075,661
DEPRECIATION						
At 1 July 2004	於二零零四年七月一日	18,802	967,117	15,058	11,065	1,012,042
Currency realignment	匯兌調整	(63)	(2,149)	–	–	(2,212)
Provided for the year	年內撥備	1,985	15,368	333	460	18,146
Eliminated on disposals	出售時撇除	–	(23,816)	–	(2,450)	(26,266)
Eliminated on transfer to inventories	撥入存貨時撇除	–	(368)	–	–	(368)
At 1 July 2005	於二零零五年七月一日	20,724	956,152	15,391	9,075	1,001,342
Currency realignment	匯兌調整	145	6,680	–	–	6,825
Provided for the year	年內撥備	1,679	10,730	107	454	12,970
Eliminated on disposals	出售時撇除	–	(12,790)	–	–	(12,790)
Eliminated on transfer to inventories	撥入存貨時撇除	–	(83)	–	–	(83)
At 30 June 2006	於二零零六年六月三十日	22,548	960,689	15,498	9,529	1,008,264
CARRYING VALUES						
At 30 June 2006	於二零零六年六月三十日	39,068	27,421	192	716	67,397
At 30 June 2005	於二零零五年六月三十日	40,381	28,658	238	1,170	70,447

15. PROPERTY, PLANT AND EQUIPMENT 15. 物業、廠房及設備 (續)

(Continued)

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
The carrying values of the Group's property interests comprise:	本集團之物業權益賬面值包括：		
Freehold properties held outside Hong Kong	於香港以外地區持有之永久業權物業	15,130	15,042
Leasehold properties:	契約物業：		
Held in Hong Kong	於香港持有		
– long leases	– 長期契約	15,796	17,013
– medium term leases	– 中期契約	3,334	3,334
Held outside Hong Kong	於香港以外地區持有		
– long leases	– 長期契約	1,226	1,198
– medium term leases	– 中期契約	3,582	3,794
		39,068	40,381
Carrying value of plant and machinery and telecommunications networks held under finance leases	按融資租賃持有之廠房與機器及電信網絡之賬面值	–	133
The Group leases equipment to customers on operating leases terms. The carrying value of such equipment, which is included in plant and machinery and telecommunications networks, is as follows:	本集團按經營租賃條款租賃器材予客戶。有關器材之賬面值已包括在廠房與機器及電信網絡內，載列如下：		
Customer equipment at cost	客戶器材，按成本值	92,317	110,060
Less: Accumulated depreciation	減：累計折舊	(90,511)	(103,137)
Carrying value	賬面值	1,806	6,923

At 30 June 2006, certain land and buildings of the Group with a carrying value of HK\$11,865,000 (2005: HK\$10,277,000) were pledged to a bank as security for banking facilities granted to the Group.

本集團於二零零六年六月三十日賬面值為11,865,000港元(二零零五年:10,277,000港元)之若干土地及樓宇已抵押予銀行，作為本集團獲授銀行融資之擔保。

Note: Owner-occupied leasehold land is included in property, plant and equipment only when the allocations between the land and buildings elements cannot be made reliably.

附註：擁有人佔用之租賃土地僅於土地及樓宇部分作出不可依據分配時而納入物業、廠房及設備。

16. DEVELOPMENT COSTS FOR SYSTEMS AND NETWORKS

16. 系統及網絡之開發成本

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
COST			
At beginning of the year	按成本值 年初	1,760,574	1,230,128
Currency realignment	匯兌調整	36	-
Additions	添置	747	-
Acquisition of subsidiaries	收購附屬公司	4,775	-
Transferred from deposits	撥自按金	803,400	530,446
Transferred to investments	撥入投資	(93,600)	-
At end of the year	年結	2,475,932	1,760,574
AMORTISATION			
At beginning of the year	攤銷 年初	425,727	245,219
Provided for the year	本年度撥備	369,697	180,508
Eliminated on transfer	撥入時抵銷	(14,040)	-
At end of the year	年結	781,384	425,727
CARRYING VALUE			
At end of the year	賬面值 年結	1,694,548	1,334,847

Development costs for systems and networks include all direct costs incurred in the setting up and development of internet based knowledge systems and networks. The Group's development costs for systems and networks are amortised over the estimated economic useful lives of the projects from the date of commencement of commercial operations subject to a maximum of five years.

系統及網絡之開發成本包括設立及開發互聯網為本知識系統及網絡之所有直接成本。本集團之系統及網絡之開發成本按個別項目由開始投入運作日期起計之估計可使用經濟年期(最多五年)予以攤銷。

17. GOODWILL

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units ("CGU"s) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

17. 商譽

業務合併所收購之商譽乃於收購時分配至預期受惠於業務合併之變現單位(「變現單位」)。商譽之賬面值已分配如下:

		2006 二零零六年 HK\$'000 千港元
Provision of e-lottery services	電子博彩服務撥備	36,795

17. GOODWILL (Continued)

During the year ended 30 June 2006, management of the Group determines that there was no impairment of any of its CGUs containing goodwill.

The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

During the year, the Group performed impairment review for goodwill based on cash flow forecasts derived from the most recent financial budgets for the next five years approved by management using the same discount rate of 10% which reflects current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. No impairment loss was considered necessary.

17. 商譽 (續)

截至二零零六年六月三十日止年度，本集團管理層確定，其任何變現單位並無商譽減值。

變現單位之可收回數額乃以使用價值計算方法釐定。使用價值計算法之主要假設涉及期內之貼現率、增長率以及售價及直接成本之預期變動。管理層使用可反映市場現時評估之金額時值及變現單位之特定風險之稅前比率對貼現率作出估算。增長率以行業增長預測為基準。售價及直接成本之變動乃以過往慣例及市場預期之未來變動為基準。

年內，本集團已按現金流量預測（源自管理層所批准未來五年之最近期財務預算）基準對商譽進行減值審閱，並使用10%之相同貼現率，以反映市場現時評估之金額時值及變現單位之特定風險。增長率乃以行業增長預測為基準。本集團認為毋須作出減值虧損。

18. INTANGIBLE ASSETS

COST	
Acquired on acquisition of a subsidiary during the year and balance at 30 June 2006	
AMORTISATION	
Charge for the year and balance at 30 June 2006	
CARRYING VALUE	
At 30 June 2006	

成本	
於收購一間附屬公司時購入及於二零零六年六月三十日之結餘	
攤銷	
本年度攤銷及於二零零六年六月三十日之結餘	
賬面值	
於二零零六年六月三十日	

License rights
特許權
HK\$'000
千港元

11,800

(1,770)

10,030

The license rights for provision of e-lottery businesses were acquired as part of a business combination during the year. The license rights have definite useful lives and are amortised on a straight-line basis over the period of the right granted or 5 years, whichever is shorter.

年內，本公司已收購提供電子博彩服務之特許權作為業務合併之一部分。特許權具特定可用年期，並於所授權利之期間或五年（以較短者為準）以直線法攤銷。

19. AVAILABLE-FOR-SALE INVESTMENTS

19. 可供出售投資

		2006 二零零六年 HK\$'000 千港元
Unlisted equity securities, at cost, in respect of:	就以下各項按成本計之非上市股本證券:	
– Interest in e-commerce projects	– 於電子商貿項目之權益	104,410
– Interest in telecommunication projects	– 於電信項目之權益	34,974
– Others	– 其他	474,023
Impairment loss recognised	已確認之減值虧損	(236,674)
		376,733
Unlisted debt securities with guaranteed return, in respect of:	就以下各項具有保證回報之非上市債務證券:	
– Interest in e-commerce projects	– 於電子商貿項目之權益	377,750
– Interest in telecommunication projects	– 於電信項目之權益	360,201
– Others	– 其他	967,799
Capital receipts from the investment	投資之資本收益	(613,901)
		1,091,849
		1,468,582

On 1 July 2005, the Group classified and measured its debt and equity securities in accordance with the requirements of HKAS 39. As a result of the adoption of HKAS 39, the Group reclassified "Interest in e-commerce projects", "Interest in telecommunications projects" and "Investments" recorded in the consolidated balance sheet at 1 July 2005 amounting to HK\$256,076,000, HK\$233,233,000 and HK\$975,985,000 respectively as "Available-for-sale investments". The changes have not had any significant impact on the results for the current or prior periods. No prior period adjustments were required.

The unlisted debt securities with guaranteed return represent the Group's investments in certain securities which have guaranteed a pre-determined return to the Group over a fixed period of time. The pre-determined returns are non-interest bearing and denominated in United States dollars. Payments receivable each year for investments with pre-determined return are apportioned between income and reduction of the carrying value of the investments so as to reflect a constant periodic rate of return. The pre-determined sums will be received for a period of 5 years by half-yearly instalments and are discounted at the effective interest rate of 10% per annum.

The unlisted investments represent investments in unlisted equity securities issued by private entities incorporated outside Hong Kong. They are measured at cost less impairment losses at each balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

於二零零五年七月一日，本集團根據香港會計準則第39號之規定分類及計量其債務及股本證券。由於採納香港會計準則第39號，本集團將記錄於二零零五年七月一日之綜合資產負債表內之「於電子商貿項目之權益」、「於電信項目之權益」及「投資」分別為256,076,000港元、233,233,000港元及975,985,000港元，重新分類至「可供出售投資」。該等變動對本期間或以往期間之業績並無構成任何重大影響。毋須作出前期調整。

有保證回報之非上市債務證券指本集團於若干固定年期為本集團帶來預定保證回報之證券之投資。預定回報不附帶利息，並以美元計值。每年按預定回報應收投資之款項乃於投資之收入與投資賬面值減少之間分配，以反映固定之定期回報率。預定金額將於5年期間內每半年分期收取，並按每年10%之實際利率貼現。

非上市投資指於香港以外地區註冊成立之私人實體所發行之非上市股本證券之投資。該等投資於各結算日按成本減去減值虧損計量，此乃由於合理公平價值估算範圍甚大，本公司董事認為未能可靠地計量其公平價值。

19. AVAILABLE-FOR-SALE INVESTMENTS *(Continued)*

In 2006, the directors of the Company reviewed the carrying amount of the unlisted securities in light of the current market condition with reference to the financial results and business operated by the investees. The directors identified an impairment loss of HK\$43,801,000 estimated based on expected cash flows projection from such investments.

19. 可供出售投資 (續)

於二零零六年，本公司董事按現行市況並參考被投資公司之財務業績及業務營運審閱非上市證券之賬面值。董事根據該等被投資公司之預期現金流量預測估算減值虧損43,801,000港元。

20. INTEREST IN E-COMMERCE PROJECTS

Interest in e-commerce projects as at 30 June 2005 are set out below. Upon the application of HKAS 39 on 1 July 2005, interest in e-commerce projects were reclassified to available-for-sale investments.

20. 於電子商貿項目之權益

於二零零五年六月三十日之於電子商貿項目之權益載列如下。於二零零五年七月一日採納香港會計準則第39號後，於電子商貿項目之權益已重新分類至可供出售投資。

		HK\$'000 千港元
Unlisted investments in e-commerce projects with guaranteed return, at cost	電子商貿項目非上市投資之有保證回報·按成本值	482,160
Capital receipts from the investments	投資之資本收益	(121,674)
Impairment losses recognised	已確認減值虧損	(104,410)
		256,076

21. INTERESTS IN TELECOMMUNICATIONS PROJECTS

Interest in telecommunications projects as at 30 June 2005 are set out below. Upon the application of HKAS 39 on 1 July 2005, interest in telecommunications projects were reclassified to available-for-sale investments.

21. 於電信項目之權益

於二零零五年六月三十日之於電信項目之權益載列如下。於二零零五年七月一日採納香港會計準則第39號後，於電信項目之權益已重新分類至可供出售投資。

		HK\$'000 千港元
Unlisted investments in telecommunication projects, with guaranteed return, at cost	電信項目之非上市投資 保證回報·按成本值	395,176
Capital receipts from the investments	投資之資本收益	(126,969)
Impairment losses recognised	已確認減值虧損	(34,974)
		233,233

22. INVESTMENTS

Investments as at 30 June 2005 are set out below. Upon application of HKAS 39 on 1 July 2005, investments were reclassified to available-for-sale investments.

22. 投資

於二零零五年六月三十日之投資載列如下。於二零零五年七月一日採納香港會計準則第39號後，投資已重新分類至可供出售投資。

		Investments with guaranteed return	Investment securities without guaranteed return	Total
		設有保證回報 之投資 HK\$'000 千港元	並無保證回報 之證券投資 HK\$'000 千港元	總額 HK\$'000 千港元
Unlisted equity securities, at cost/ carrying value	非上市股本證券， 按成本值／賬面值	753,869	369,633	1,123,502
Capital receipts from the investments	投資之資本收益	(94,028)	—	(94,028)
Impairment loss recognised	已確認減值虧損	(53,489)	—	(53,489)
		606,352	369,633	975,985

23. INTEREST IN AN ASSOCIATE

23. 於聯營公司之權益

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	31	31
Share of post acquisition profits	應佔收購後溢利	—	—
Amount due from an associate	應收聯營公司款項	31 281	31 281
		312	312

23. INTEREST IN AN ASSOCIATE (Continued)

Particulars of the Group's associates at 30 June 2006 are as follows:

23. 於聯營公司之權益 (續)

於二零零六年六月三十日，本集團之聯營公司詳情如下：

Name of company	Place of incorporation	Proportion of nominal value of issued capital directly held by the Company 本公司直接持有之已發行股本面值比例	Principal activities
公司名稱	註冊成立地點		主要業務
Belcher Technology Limited	Samoa 薩摩亞群島	31%	Investment holding in software consultation and the development of software systems 有關軟件顧問及軟件系統開發之投資控股

The directors consider the carrying amount of interest in associate approximates its fair values.

董事認為，於聯營公司之權益之賬面值與其公平價值相若。

The amount due from an associate is unsecured, interest-free and is repayable on demand. The directors consider that the carrying amount of amount due from an associate approximates its fair value.

聯營公司所欠款項為無抵押、免息並須按要求償還。董事認為，聯營公司所欠款項之賬面值與其公平價值相若。

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

本集團聯營公司之財務資料概述並載列如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Total assets	總資產	780	780
Total liabilities	總負債	(702)	(702)
Net assets	資產淨值	78	78
Group's share of net assets of an associate	本集團應佔聯營公司資產淨值	31	31

24. DEPOSITS

Deposits were paid in connection with the following:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Development costs of systems and networks projects	系統及網絡項目 開發成本	1,197,300	920,400
Acquisition of investments	收購投資	133,571	132,600
		1,330,871	1,053,000

24. 按金

就以下項目已付之按金：

25. INVENTORIES

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Raw materials	原料	9,641	14,297
Work in progress	在製品	2,874	2,326
Finished goods	製成品	15,541	10,375
		28,056	26,998

25. 存貨

26. TRADE AND OTHER RECEIVABLES

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Trade receivables	應收貿易賬款	451,857	452,348
Guaranteed distribution receivables	應收保證分派	187,091	188,283
Other receivables	應收其他賬款	256,096	230,352
		895,044	870,983

26. 應收貿易及其他賬款

26. TRADE AND OTHER RECEIVABLES

(Continued)

The Group maintains a well-defined credit policy regarding its trade customers dependent on their credit worthiness, nature of services and products, industry practice and condition of the market with credit period ranging from 30 to 180 days. The aged analysis of trade receivables at the reporting date is as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
0 – 60 days	0 – 60日	375,820	364,994
61 – 90 days	61 – 90日	68,214	52,400
91 – 180 days	91 – 180日	5,996	1,750
> 180 days	>180日	1,827	33,204
		451,857	452,348

The directors consider the carrying amounts of trade receivables at 30 June 2006 approximate their fair values.

本集團就其貿易客戶實行明確之信貸政策。根據彼等之信用、服務及貨品之性質、行內規範及市場情況而給予介乎30至180日之信貸期。應收貿易賬款於報告日期之賬齡分析如下：

董事認為，於二零零六年六月三十日之應收貿易賬款之賬面值與其公平價值相若。

27. DEPOSITS, BANK BALANCES AND CASH

27. 存款、銀行結存及現金

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Interest bearing deposits	計息存款	880,758	690,742
Bank balances and cash	銀行結存及現金	40,506	47,572
		921,264	738,314

27. DEPOSITS, BANK BALANCES AND CASH (Continued)

The Group's deposits, bank balances and cash that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
United States dollar	美元	76,581	62,640
Hong Kong dollar	港幣	8,393	3,964
RMB	人民幣	98,910	341,557
Others	其他	2,777	4,479

The deposits, bank balances and cash comprise short-term deposits with maturity of three months or less and cash held by the Group. The deposits carries interest at an average rate of 0.1% (2005: 0.1%). The directors consider that the carrying amounts of deposits, bank balances and cash at 30 June 2006 approximate the fair value.

Certain bank balances and cash of HK\$105,624,924 (2005: HK\$341,525,529) were denominated in RMB which is not freely convertible currency in the international market. The exchange rate of RMB is determined by the Government of the PRC and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the Government of the PRC.

27. 存款、銀行結存及現金 (續)

本集團之存款、銀行結存及現金乃以有關集團實體之功能貨幣以外之貨幣計值，茲列如下：

存款、銀行結存及現金包括到期日為三個月或以內之短期存款及本集團持有之現金。存款按浮動利率計息，平均利率為0.1厘（二零零五年：0.1厘）。董事認為，於二零零六年六月三十日之存款、銀行結存及現金之賬面值與其公平價值相若。

105,624,924港元（二零零五年：341,525,529港元）之部分銀行結存及現金以人民幣計值，而人民幣並非於國際市場自由兌換之貨幣。人民幣之匯率由中華人民共和國政府釐定。由中華人民共和國匯出該等資金，須受中華人民共和國政府實施之外匯管制所規限。

28. TRADE AND OTHER PAYABLES

At 30 June 2006, the balance of trade and other payables included trade payables of HK\$11,272,000 (2005: HK\$10,740,000). The aged analysis of trade payables at the reporting date is as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
0 – 60 days	0 – 60日	7,615	5,984
61 – 90 days	61 – 90日	630	622
91 – 180 days	91 – 180日	268	1,301
> 180 days	> 180日	2,759	2,833
		11,272	10,740

The directors consider that the carrying amounts of trade and other payables approximate their fair values.

28. 應付貿易及其他賬款

於二零零六年六月三十日，應付貿易及其他賬款之結餘中包括11,272,000港元（二零零五年：10,740,000港元）之應付貿易賬款。應付貿易賬款於報告日期之賬齡分析如下：

董事認為，應收貿易及其他賬款之賬面值與其公平價值相若。

29. WARRANTY PROVISION

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
At beginning of the year	年初	1,716	1,766
Currency realignment	匯兌調整	55	(8)
Provided during the year	年內已撥備	2,495	2,870
Utilised during the year	年內已動用	(2,583)	(2,912)
At end of the year	年結	1,683	1,716

The warranty provision represents the management's best estimate of the Group's liability under 12 month warranties granted on manufactured products, based on prior experience and industry average for defective products.

29. 保養撥備

保養撥備指管理層按照過往經驗及業內對有瑕疵產品之慣常做法，根據就製成品給予之12個月保養期而對本集團責任作出之最佳評估。

30. BANK BORROWINGS

30. 銀行借貸

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Bank borrowings comprise the following:	銀行借貸包括以下各項：		
Bank loans	銀行貸款	153,329	56,054
Mortgage loan	按揭貸款	1,751	2,347
Bank overdrafts	銀行透支	—	519
		155,080	58,920

Included in the Group's balance above were bank borrowings of HK\$1,751,000 (2005: HK\$2,866,000), which were secured by the Group's land and buildings with carrying value of HK\$11,888,000 (2005: HK\$10,277,000).

包括於本集團上述結餘為銀行借貸1,751,000港元(二零零五年:2,866,000港元)·已由本集團以賬面值為11,888,000港元(二零零五年:10,277,000港元)之土地及樓宇作抵押。

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Bank borrowings bear interest at prevailing market rates and are repayable as follows:	按現行市場利率計息之銀行借貸之還款期如下：		
On demand or within one year	按通知或一年內	154,019	57,202
More than one year, but not exceeding two years	超過一年但不超過兩年	735	672
More than two years, but not exceeding three years	超過兩年但不超過三年	326	717
More than three years, but not exceeding four years	超過三年但不超過四年	—	329
		155,080	58,920
Less: Amount due within one year shown under current liabilities	減：一年內到期並已列作流動負債之金額	(154,019)	(57,202)
Amount due after one year	一年後到期之金額	1,061	1,718

The above bank borrowings bears variable interest at an average rate of 6.06% (2005: 6.81%). The directors consider that the carrying amounts of the above borrowings approximate their fair values.

上述銀行借貸按平均6.06厘(二零零五年:6.81厘)之不同利率計息。董事認為上述借貸之賬面值與其公平價值相若。

31. OTHER BORROWINGS

31. 其他借貸

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
The other borrowings represent block discounting loans and are payable as follows:			
其他借貸指大宗折扣貸款其還款期如下：			
Within one year	一年內	2,650	4,309
Between one to two years	一至兩年內	1,717	2,594
Between two to three years	兩至三年內	632	1,680
Between three to four years	三至四年內	—	451
Between four to five years	四至五年內	—	168
		4,999	9,202
Less: Amount due within one year shown under current liabilities	減：一年內須償還並列作流動負債之款項	(2,650)	(4,309)
Amount due after one year	一年後償還之款項	2,349	4,893

The above other borrowings bears variable interest at an average rate of 7.16% (2005; 7.37%). The directors consider the carrying amounts of other borrowings approximate their fair values.

上述其他借貸按不同利率計息，平均利率為7.16厘（二零零五年：7.37厘）。董事認為其他借貸之賬面值與其公平價值相若。

32. OBLIGATIONS UNDER FINANCE LEASES

32. 融資租賃承擔

Obligations under finance lease as at 30 June 2005 are set out below:

於二零零五年六月三十日之融資租賃承擔載列如下：

		Minimum lease payments 租賃最低 付款額 HK\$'000 千港元	Present value of minimum lease payments 租賃最低 付款額之現值 HK\$'000 千港元
Amount payable under finance leases:			
根據融資租賃於以下期間應付之金額：			
Within one year	一年內	20	16
Less: Finance charges	減：財務費用	(4)	—
Present value of lease obligations	租賃承擔之現值	16	16

32. OBLIGATIONS UNDER FINANCE LEASES *(Continued)*

The Group entered into finance leases to acquire certain of its plant and machinery and telecommunications networks. The term of the finance leases ranged from 3 to 5 years and the average effective borrowing rate was 11.75%. Interest rate was fixed at the contract date. The leases were on a fixed repayment basis and no arrangement had been entered into for contingent rental payments.

The obligation under finance leases were fully repaid during the year.

32. 融資租賃承擔 (續)

本集團已訂立融資租賃，以購入其若干廠房與機器及電信網絡。融資租賃年期由三至五年不等，而實際平均借貸率為11.75%。利率已於訂約日期釐訂。租金乃按固定還款基準繳付，且並無就或然租金款項訂立任何安排。

融資租賃承擔已於年內悉數償還。

33. CONVERTIBLE BONDS

33. 可換股債券

		HK\$'000 千港元
As at 1 July 2004	於二零零四年七月一日	51,480
1.5% convertible bonds issued during the year	年內發行之1.5厘可換股債券	62,400
1% convertible bonds issued during the year	年內發行之1厘可換股債券	62,400
Repayment during the year	年內償還	(10,920)
Converted during the year	年內兌換	(40,560)
As at 30 June 2005 – as originally stated	於二零零五年六月三十日 – 原列	124,800
Effect of adoption of HKAS 32	採納香港會計準則第32號之影響	(1,850)
As restated	已重列	122,950
Effect on adoption of HKAS 39	採納香港會計準則第39號之影響	12,860
As at 1 July 2005	於二零零五年七月一日	135,810
Currency realignment	匯兌調整	(561)
Change in fair value during the year	年內公平價值變動	50,411
Converted by bondholders of the Company during the year	年內本公司債券持有人 兌換	(39,496)
Repayment during the year	年內償還	(24,180)
Converted by bondholders of a subsidiary during the year	年內附屬公司債券持有人 兌換	(103,765)
As at 30 June 2006	於二零零六年六月三十日	18,219

The convertible bonds are convertible any time before maturity and thus classified as current liabilities.

可換股債券可於到期前隨時予以兌換，因此，分類為流動負債。

33. CONVERTIBLE BONDS (Continued)

CONVERTIBLE BONDS ISSUED BY THE COMPANY

On 22 May 2002, the Company entered into a subscription agreement (the "Subscription Agreement") with an independent third party (the "Bondholder") for the subscription of an aggregate principal amount of up to US\$24,000,000 1.5% convertible bonds due May 2005 (the "Convertible Bonds") issued by the Company. The principal terms of the Convertible Bonds are as follows:

- (a) The outstanding principal amount of the Convertible Bonds may be converted at the option of the Bondholders in whole or in part into shares of HK\$0.1 each in the Company at any time from the date of issue of the Convertible Bonds, up to one week prior to 22 May 2005, the maturity date of the Convertible Bonds, at a price equal to either 125% of the average of the closing prices per share for the 30 consecutive business days immediately prior to the date of Subscription Agreement, subject to adjustment (the "Fixed Conversion Price") or 94% of the average of any five closing prices per share as selected by the Bondholder during the 30 consecutive business days immediately prior to the date on which notice of exercise of the conversion right is received by the Company (the "Floating Conversion Price"), provided that both the Fixed Conversion Price and the Floating Conversion Price shall not be less than the par value of the Company's shares.
- (b) The Convertible Bonds bear interest at the rate of 1.5% per annum and interest will be payable semi-annually in arrears in June and December in each year.
- (c) Unless previously redeemed, converted or purchased and cancelled, the Convertible Bond will be redeemed at 100% of the principal amount at maturity.

The Convertible Bonds are redeemable (i) by the Company at maturity; and (ii) by the Company or the Bondholder when the closing price of the Company falls below a certain level as described in the Subscription Agreement, at 110% of the outstanding principal amount of the Convertible Bonds.

Pursuant to the Subscription Agreement, the Company issued part of the Convertible Bonds of US\$8,000,000 in May 2002 (the "Original Convertible Bonds"), the Bondholder has an option to require the Company to issue additional Convertible Bonds of US\$8,000,000 (the "Additional Tranche 1 Convertible Bonds") within a defined period and the Company was also granted an option to issue and require the Bondholder to subscribe an aggregate principal amount of Convertible Bonds of US\$8,000,000 (the "Tranche 2 Convertible Bonds") within a defined period.

33. 可換股債券 (續)

本公司發行之可換股債券

於二零零二年五月二十二日，本公司就認購本公司所發行於二零零五年五月到期，本金總額多達24,000,000美元之1.5厘可換股債券（「可換股債券」），與獨立第三者（「債券持有人」）訂立協議（「認購協議」）。可換股債券之主要條款如下：

- (a) 可換股債券之尚未償還本金額可按債券持有人之意願，自可換股債券發行日期至可換股債券到期日二零零五年五月二十二日前一個星期期間內任何時間，按相等於股份於緊接認購協議日期前30個連續營業日之每股平均收市價之125%之價格（可予調整）（「固定兌換價」），或緊接本公司取得兌換權行使通知前30個連續營業日期間，債券持有人所選擇之任何五個每股收市價平均數之94%之價格（「浮動兌換價」），全部或部分兌換為本公司每股面值0.1港元之股份，惟固定兌換價及浮動兌換價兩者均不得低於本公司股份之面值。
- (b) 可換股債券乃按年利率1.5厘計息，而利息於每年六月及十二月每半年分期支付。
- (c) 除非可換股債券已於早前贖回、兌換或購入及註銷，否則可換股債券於到期時可贖回全數本金。

可換股債券乃(i)可由本公司於到期時；及(ii)可由本公司或債券持有人於本公司之收市價低於認購協議所載若干水平時按可換股債券未償還本金額之110%予以贖回。

根據認購協議，本公司於二零零二年五月發行部分金額達8,000,000美元之可換股債券（「原有可換股債券」），債券持有人有權要求本公司於指定期間內發行額外8,000,000美元之可換股債券（「第一批額外可換股債券」），而本公司亦已獲授予一項可於指定期限內發行及要求債券有人認購本金總額為8,000,000美元之可換股債券（「第二批可換股債券」）之權利。

33. CONVERTIBLE BONDS (Continued)

CONVERTIBLE BONDS ISSUED BY THE COMPANY

(Continued)

In September 2003, the Company exercised its option to issue the Tranche 2 Convertible Bonds of US\$8,000,000. The issued Original Convertible Bonds and Tranche 2 Convertible Bonds were fully converted or redeemed by 22 May 2005.

As part of the Subscription Agreement, the Company also granted to the Bondholder the right to subscribe for 4,949,905 shares of the Company at a subscription price of HK\$2.3635 per share and 5,881,515 shares in the Company at a subscription price of HK\$1.98 per share as a result of the issuance of the Original Convertible Bonds and the Tranche 2 Convertible Bonds respectively. The outstanding subscription rights granted to the Bondholder was expired on 22 May 2005.

On 28 April 2005, the Company entered into a supplemental agreement with amended terms (the "Supplemental Agreement") with the Bondholder, for the issuance and subscription of US\$8,000,000 Additional Tranche 1 Convertible Bonds. The amended terms included the extension of the maturity date of the Additional Tranche 1 Convertible Bonds to 22 November 2005 and the determination of conversion price. The Additional Tranche 1 Convertible Bonds may be converted at the price equal to either the Fixed Conversion Price or 94% of the average of any five consecutive closing prices per share as selected by the Bondholder during the 30 consecutive business days immediately prior to the date on which notice of exercise of the Conversion right is received by the Company.

As the conversion price is not fixed thus the conversion option of the Convertible Bonds will not result in settlement by the exchange of a fixed amount for fixed number of equity instrument. The conversion option is regarded as derivative.

The fair value of the liability component of the convertible bonds at 1 July 2005 was determined based on the present value of the estimated future cash flows discounted at the expected borrowing rate of the Company of Hong Kong Inter-bank Offered Rate ("HIBOR") plus 1.9%.

33. 可換股債券 (續)

本公司發行之可換股債券 (續)

於二零零三年九月，本公司選擇發行金額為8,000,000美元之第二批可換股債券。已發行原有可換股債券及第二批可換股債券已於二零零五年五月二十二日前悉數兌換或贖回。

作為認購協議之一部分，本公司亦因分別發行原有可換股債券及第二批可換股債券而向債券持有人授予認購權，可按認購價每股2.3635港元認購4,949,905股本公司股份，及按認購價每股1.98港元認購5,881,515股本公司股份。已授予債券持有人而尚未行使之認購權已於二零零五年五月二十二日屆滿。

於二零零五年四月二十八日，本公司與債券持有人訂立附有經修訂條款之補充協議（「補充協議」），以認購金額為8,000,000美元之第一批額外可換股債券。經修訂條款包括延展第一批額外可換股債券之到期日至二零零五年十一月二十二日，且第一批額外可換股債券可按相等於固定兌換價或緊接本公司取得兌換權行使通知前30個連續營業日期間，債券持有人所選擇之任何連續五個每股收市價平均數之94%之價格兌換。

由於兌換價並非固定，因此可換股債券之兌換權不會導致按固定金額交換固定數目股本工具之交收。故兌換權被視為衍生工具。

於二零零五年七月一日，可換股債券之負債部分之公平價值乃根據估計未來現金流按本公司之預期借貸利率香港銀行同業拆息（「香港銀行同業拆息」）加1.9厘貼現之現值釐定。

33. CONVERTIBLE BONDS (Continued)

CONVERTIBLE BONDS ISSUED BY THE COMPANY

(Continued)

The fair value of the embedded derivatives were calculated using the Binomial model. The inputs into the model were as follows:

		1 July 2005 二零零五年七月一日
Stock price	股價	HK\$1.2 1.2港元
Exercise price	行使價	HK\$2.3635 2.3635港元
Expected volatility	預期波幅	33%
Expected life	預期年期	0.4 year 0.4年
Risk-free rate	無風險利率	3.6%
Expected dividend yield	預期股息收益率	3.3%

Under the Subscription Agreement and the Supplemental Agreement, the Company also granted to the Bondholder the right to subscribe for 4,949,397 shares in the Company at a subscription price of HK\$2.3635 per share. The outstanding subscription rights expired on 22 November 2005. In the opinion of the directors of the Company, the fair value of such right is immaterial and accordingly, no adjustment has been made to the financial statements.

During the year, US\$4,900,000 (2005: US\$5,200,000) of the issued Convertible Bonds were converted into 35,727,987 (2005: 36,268,415) shares of HK\$0.1 each of the Company at a price ranged from HK\$1.0436 to HK\$1.1222 (2005: HK\$0.9871 to HK\$1.4905) per share. The remaining Convertible Bonds were redeemed at maturity on 22 November 2005. At 30 June 2006, no (2005: US\$6,600,000) Convertible Bonds remained outstanding.

33. 可換股債券 (續)

本公司發行之可換股債券 (續)

內含衍生工具之公平價值以二項式期權定價模式計算。該模式所用數據如下：

作為認購協議及補充協議之一部分，本公司亦已授予債券持有人權利，按認購價每股2.3635港元認購本公司4,949,397股股份。尚未行使之認購權已於二零零五年十一月二十二日屆滿。本公司董事認為，該認購權之公平價值並不重大，因此，並無對財務報告作出調整。

於本年度內，4,900,000美元（二零零五年：5,200,000美元）之已發行可換股債券已按每股介乎1.0436港元至1.1222港元（二零零五年：介乎0.9871港元至1.4905港元）不等之價格，兌換為本公司35,727,987股（二零零五年：36,268,415股）每股面值0.1港元之股份。餘下之可換股債券已於二零零五年十一月二十二日到期時贖回。於二零零六年六月三十日，概無（二零零五年：6,600,000美元）可換股債券尚未行使。

33. CONVERTIBLE BONDS (Continued)

CONVERTIBLE BONDS ISSUED BY KANTONE

On 1 April 2005, Kantone Holdings Limited ("Kantone"), a 51% (2005: 58%) owned subsidiary of the Company entered into a subscription agreement (the "Subscription Agreement of Kantone") with an independent third party (the "Bondholder of Kantone") for the subscription of an aggregate principal amount of up to US\$24,000,000 1% convertible bonds due 2008 (the "Convertible Bonds of Kantone") issued by Kantone. The principal terms of the Convertible Bonds of Kantone are as follows:

- (a) The outstanding principal amount of the Convertible Bonds of Kantone may be converted at the option of the Bondholders of Kantone in whole or in part into shares of HK\$0.1 each in Kantone at any time from the date of issue of the Convertible Bonds of Kantone up to one week prior to 1 April 2008, the maturity date of the Convertible Bonds of Kantone, at a price equal to either 125% of the average of the closing prices per share of Kantone for the 30 consecutive business days immediately prior to the date of the Subscription Agreement of Kantone, subject to adjustment (the "Fixed Conversion Price of Convertible Bonds of Kantone") or 93% of the average of any five consecutive closing prices per share of Kantone as selected by the Bondholder of Kantone during the 30 consecutive business days immediately prior to the date on which notice of exercise of the conversion right is received by Kantone (the "Floating Conversion Price of Convertible Bonds of Kantone"), provided that both the Fixed Conversion Price of Convertible Bonds of Kantone and the Floating Conversion Price of Convertible Bonds of Kantone shall not be less than the par value of the Kantone's shares.
- (b) The Convertible Bonds of Kantone bear interest at the rate of 1% per annum and interest will be payable semi-annually in arrears in June and December in each year.
- (c) Unless previously redeemed, converted or purchased and cancelled, the Convertible Bonds of Kantone will be redeemed at 100% of the principal amount at maturity.
- (d) The Convertible Bonds of Kantone may be early redeemed at any time up to one week prior to 1 April 2008, at the option of Kantone subject to certain conditions.

Pursuant to the Subscription Agreement of Kantone, Kantone issued part of the Convertible Bonds of Kantone with an aggregate principal amount of US\$8,000,000, the Bondholder of Kantone has an option to require Kantone to issue additional Convertible Bonds of Kantone of US\$8,000,000 (the "Call Option") within a defined period and Kantone was also granted an option to issue and require the Bondholder of Kantone to subscribe an aggregate principal amount of Convertible Bonds of Kantone of US\$8,000,000 (the "Put Option") within a defined period.

33. 可換股債券 (續)

看通發行之可換股債券

於二零零五年四月一日，本公司擁有51%（二零零五年：58%）權益之附屬公司看通集團有限公司（「看通」）就認購看通所發行於二零零八年到期，本金總額最多為24,000,000美元之1厘可換股債券（「看通可換股債券」），與獨立第三者（「看通債券持有人」）訂立認購協議（「看通認購協議」）。看通可換股債券之主要條款如下：

- (a) 看通可換股債券之尚未償還本金額可按看通債券持有人之意願，自看通可換股債券發行日期至看通可換股債券到期日二零零八年四月一日前一個星期期間內任何時間，按相等於看通股份於緊接看通認購協議日期前30個連續營業日之每股平均收市價之125%之價格（可予調整）（「看通可換股債券固定兌換價」），或緊接看通取得兌換權行使通知前30個連續營業日期間，看通債券持有人所選擇之任何五個每股看通股份收市價平均數之93%之價格（「看通可換股債券浮動兌換價」），全部或部分兌換為看通每股面值0.1港元之股份，惟看通可換股債券固定兌換價及看通可換股債券浮動兌換價兩者均不得低於看通股份之面值。
- (b) 看通可換股債券乃按年利率1厘計息，而利息於每年六月及十二月每半年分期支付。
- (c) 除非看通可換股債券已於早前贖回、兌換或購入及註銷，否則看通可換股債券於到期時可贖回全數本金。
- (d) 看通可換股債券可由看通選擇於二零零八年四月一日前一週為止按指定條款隨時提前贖回。

根據看通認購協議，看通已發行部分本金總額達8,000,000美元之看通可換股債券，看通債券持有人有權要求看通於指定期間內發行額外8,000,000美元之看通可換股債券（「認購權」），而看通亦已獲授予一項可於指定期限內發行及要求看通債券持有人認購本金總額為8,000,000美元之看通可換股債券之權利（「認沽權」）。

33. CONVERTIBLE BONDS (Continued)

CONVERTIBLE BONDS ISSUED BY KANTONE (Continued)

As the conversion price is not fixed thus the conversion option of the Convertible Bonds of Kantone will not result in settlement by the exchange of a fixed amount for fixed number of equity instrument. The conversion option is regarded as derivative.

The Convertible Bonds of Kantone includes the liability component and embedded derivative (including the conversion option, the Call and Put Option and an early redemption option). On application of HKAS 39 on 1 July 2005, the Group has elected to designate the entire Convertible Bond of Kantone as financial liability at fair value through profit or loss.

The fair value of the liability component of the convertible bonds at 30 June 2006 was determined based on the present value of the estimated future cash flows discounted at the expected borrowing rate of Kantone of Hong Kong Inter-bank Offered Rate ("HIBOR") plus 1.9% (1 July 2005: HIBOR + 1.9%).

The fair value of the embedded derivatives were calculated using the Binomial model. The inputs into the model were as follows:

33. 可換股債券 (續)

看通發行之可換股債券 (續)

由於兌換價並非固定，因此看通可換股債券之兌換權將不會導致按固定金額交換固定數目股本工具之交收。故兌換權被視為衍生工具。

看通可換股債券包括負債部分及內含衍生工具（包括兌換權、認購及認沽權及提早贖回選擇權）。於二零零五年七月一日採用香港會計準則第39號時，本集團選擇按公平價值透過損益表將全部看通可換股債券重新指定為財務負債。

於二零零六年六月三十日，可換股債券之負債部分之公平價值乃根據估計未來現金流按看通之預期借貸利率香港銀行同業拆息（「香港銀行同業拆息」）加1.9厘（二零零五年七月一日：香港銀行同業拆息加1.9厘）貼現之現值釐定。

內含衍生工具之公平價值以二項式期權定價模式計算。該模式所用數據如下：

		30 June 2006 二零零六年 六月三十日	1 July 2005 二零零五年 七月一日
Stock price	股價	HK\$0.44 0.44港元	HK\$0.385 0.385港元
Exercise price	行使價	HK\$0.3844 0.3844港元	HK\$0.3844 0.3844港元
Expected volatility	預期波幅	40%	40%
Expected life	預期年期	1.75 years 1.75年	2.76 years 2.76年
Risk-free rate	無風險利率	4.53%	3.2%
Expected dividend yield	預期股息收益率	5%	5%

33. CONVERTIBLE BONDS (Continued)

Convertible Bonds issued by Kantone (Continued)

The fair value of the Call and Put options was calculated using the Binominal model. The inputs into the model were as follows:

		Call Option 認購權		Put Option 認沽權	
		30 June 2006 二零零六年 六月三十日	1 July 2005 二零零五年 七月一日	30 June 2006 二零零六年 六月三十日	1 July 2005 二零零五年 七月一日
Underlying asset price	相關資產價格	HK\$80,200,000 80,200,000港元	HK\$68,500,000 68,500,000港元	HK\$71,760,000 71,760,000港元	HK\$63,500,000 63,500,000港元
Exercise price	行使價	HK\$62,240,000 62,240,000港元	HK\$62,240,000 62,240,000港元	HK\$62,240,000 62,240,000港元	HK\$62,240,000 62,240,000港元
Expected volatility	預期波幅	11%	7.57%	11%	7.57%
Maturity	屆滿期	1.75 years 1.75年	2.76 years 2.76年	1.75 years 1.75年	2.76 years 2.76年
Risk free rate	無風險利率	4.53%	3.2%	4.53%	3.2%
Expected dividend yield	預期股息收益率	1%	5%	1%	5%

As part of the Subscription Agreement of Kantone, Kantone has also granted to the Bondholder of Kantone the right to subscribe for up to 30,437,073 new shares in Kantone at a subscription price of HK\$0.3844 per share.

As the additional subscription right granted to the Bondholder of Kantone will result in settlement by the exchange of a fixed amount for fixed number of equity instrument, the fair value of the subscription right granted is recognised as an equity component in the subscription right reserve. Such redesignation was retrospectively applied.

The fair value of the additional subscription option at date of grant was calculated using the Binominal model. The inputs into the model was as follows:

Stock price	股價	HK\$0.33 0.33港元
Exercise price	行使價	HK\$0.3844 0.3844港元
Expected volatility	預期波幅	40%
Expected life	預期年期	3 years 3年
Risk-free rate	無風險利率	3.57%
Expected dividend yield	預期股息收益率	5%

33. 可換股債券 (續)

看通發行之可換股債券 (續)

認購及認沽權之公平價值以二項式期權定價模式計算。該模式所用數據如下：

作為看通認購協議之一部分，看通亦已授予看通債券持有人權利，以按認購價每股0.3844港元認購最多30,437,073股看通新股份。

由於授予看通債券持有人之額外認購權將導致按固定金額交換固定數目股本工具之交收，故已授出認購權之公平價值乃於認購權儲備確認為股本部分。該重新指派已追溯應用。

額外認購期權於授出日期之公平價值以二項式期權定價模式計算。該模式所用數據如下：

34. DEFERRED TAXATION

The following is the deferred taxation liability recognised and movement thereon:

		Accelerated for Depreciation 加速折舊	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	193	193
Currency realignment	匯兌調整	11	18
Movement for the year (Note 12)	本年度變動(附註12)	2	(18)
Balance at end of the year	年結結餘	206	193

At the balance sheet date, the Group has unused tax losses of approximately HK\$228,943,000 (2005: HK\$170,625,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. These tax losses may be carried forward indefinitely.

34. 遞延稅項

已確認之遞延稅項負債及其變動載列如下：

於結算日，本集團有未動用之稅項虧損約228,943,000港元（二零零五年：170,625,000港元），以抵銷日後之溢利。由於無法預計日後之溢利來源，故並無確認遞延稅項資產。此等稅項虧損或將無限期承前結轉。

35. SHARE CAPITAL

35. 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised share capital of HK\$0.1 each:	每股面值0.1港元之法定股本:		
Balance at 1 July 2004, 30 June 2005 and 30 June 2006	於二零零四年七月一日、 二零零五年六月三十日及 二零零六年六月三十日之結餘	30,000,000	3,000,000
Issued and fully paid share capital of HK\$0.1 each:	每股面值0.1港元之已發行及 繳足股本:		
Balance at 1 July 2004	於二零零四年七月一日之結餘	1,183,599	118,360
Issue of shares upon conversion of Convertible Bonds	兌換可換股債券而發行股份	36,268	3,627
Issue of shares upon exercise of 2005 Warrants	行使二零零五年認股權證而發行股份	6	1
Issue of shares upon exercise of 2006 Warrants	行使二零零六年認股權證而發行股份	4	—
Issue of shares as 2004 final scrip dividend	發行股份作為二零零四年末期以股代息	13,429	1,343
Issue of shares as 2005 interim scrip dividend	發行股份作為二零零五年中期以股代息	9,081	908
Balance at 30 June 2005 and 1 July 2005	於二零零五年六月三十日及 二零零五年七月一日之結餘	1,242,387	124,239
Issue of shares upon conversion of Convertible Bonds	兌換可換股債券而發行股份	35,728	3,572
Issue of shares upon exercise of 2006 Warrants	行使二零零六年認股權證而發行股份	47	5
Issue of shares upon exercise of 2007 Warrants	行使二零零七年認股權證而發行股份	3,395	340
Issue of shares as 2005 final scrip dividend	發行股份作為二零零五年末期以股代息	19,349	1,935
Issue of shares as 2006 interim scrip dividend	發行股份作為二零零六年中期以股代息	13,295	1,329
		1,314,201	131,420

During the year, the following changes in the share capital of the Company took place:

於本年度，本公司之股本有以下變動：

- | | |
|---|--|
| <p>(a) During the year, US\$4,900,000 of the issued Convertible Bonds were converted into 35,727,987 shares of HK\$0.1 each of the Company at a price ranged from HK\$1.0436 to HK\$1.1222 per share;</p> | <p>(a) 年內，為數4,900,000美元之已發行可換股債券已按介乎每股1.0436港元至1.1222港元之價格，兌換為35,727,987股本公司每股面值0.1港元之股份；</p> |
| <p>(b) During the year, 47,212 shares and 3,394,664 shares of HK\$0.1 each were issued at HK\$1.38 and HK\$1.15 per share respectively as a result of the exercise of the 2006 Warrants and 2007 Warrants (as defined under the section headed "Warrants" below) of the Company by the warrant holders;</p> | <p>(b) 年內，由於認股權證持有人行使本公司之二零零六年認股權證及二零零七年認股權證（定義見下文「認股權證」一節），故此，47,212股及3,394,664股每股面值0.1港元之股份已分別按每股1.38港元及每股1.15港元之價格予以發行；</p> |

35. SHARE CAPITAL (Continued)

- (c) In January 2006, 19,348,509 shares of HK\$0.1 each were issued at a price of HK\$1.1 per share upon election by shareholders to receive shares in the Company in lieu of the 2005 final dividend pursuant to the scrip dividend scheme as detailed in a circular dated 19 December 2005; and
- (d) In June 2006, 13,295,336 shares of HK\$0.1 each were issued at a price of HK\$1.22 per share upon election by shareholders to receive shares in the Company in lieu of the 2006 interim dividend pursuant to the scrip dividend scheme as detailed in a circular dated 24 April 2006.

All shares issued rank pari passu with the then existing shares in issue in all respects.

WARRANTS

On 23 December 2003, the Company proposed a bonus issue of new warrants ("2005 Warrants") to subscribe for shares equal to 20% of the issued number of shares of HK\$0.1 each on 30 January 2004 (the "Record Date"), less 10,831,420 shares if the outstanding subscription right granted to Credit Suisse (Hong Kong) Limited (formerly known as Credit Suisse First Boston (Hong Kong) Limited) ("CS") to subscribe for a total of (i) 4,949,905 shares at HK\$2.3635 per share; and (ii) 5,881,515 shares at HK\$1.98 per share had not been exercised by the Record Date, to the shareholders of the Company whose names appeared on the register of members on the Record Date. Pursuant to an ordinary resolution passed on 2 February 2004, 194,501,407 units of 2005 Warrants were issued to the shareholders of the Company at an initial subscription price of HK\$1.68 per share of HK\$0.1 each of the Company as a result of the bonus issue of new warrants. The 2005 Warrants expired on 7 February 2005.

On 21 October 2004, the Company proposed a bonus issue of new warrants ("2006 Warrants") to subscribe for shares equal to 20% of the issued number of shares of HK\$0.1 each on 8 February 2005, less 4,949,905 shares if the outstanding subscription right granted to CS to subscribe for a total of 4,949,905 shares at HK\$2.3635 per share had not been exercised by 8 February 2005, to the shareholders of the Company whose names appeared on the register of members on 26 November 2004. Pursuant to an ordinary resolution passed on 17 February 2005, 232,182,661 units of 2006 Warrants were issued to the shareholders of the Company at an initial subscription price of HK\$1.38 per share of HK\$0.1 each of the Company as a result of the bonus issue of new warrants. The warrants expired on 16 February 2006.

35. 股本 (續)

- (c) 於二零零六年一月，股東選擇根據日期為二零零五年十二月十九日之通函所詳述之以股代息計劃，收取本公司股份代替二零零五年末期股息後，本公司按每股1.1港元之價格發行19,348,509股每股面值0.1港元之股份；及
- (d) 於二零零六年六月，股東選擇根據日期為二零零六年四月二十四日之通函所詳列之以股代息計劃，收取本公司股份代替二零零六年中期股息後，本公司按每股1.22港元之價格發行13,295,336股每股面值0.1港元之股份。

所有據此而發行之股份在各方面與當時現有已發行股份享有同等權益。

認股權證

於二零零三年十二月二十三日，本公司建議向於二零零四年一月三十日（「記錄日期」）名列股東名冊之本公司股東發行新紅利認股權證（「二零零五年認股權證」），以認購相當於記錄日期每股面值0.1港元之已發行股份數目20%之股份，並在瑞士信貸（香港）有限公司（前稱瑞士信貸第一波士頓（香港）有限公司）（「CS」）並未於記錄日期行使其所獲授可合共認購(i) 4,949,905股股份（按每股2.3635港元之價格）；及(ii) 5,881,515股股份（按每股1.98港元之價格）之未行使認購權之情況下，減去10,831,420股股份。根據一項於二零零四年二月二日通過之普通決議案，由於發行新紅利認股權證，故194,501,407份二零零五年認股權證已按本公司每股面值0.1港元之股份之初步認購價每股1.68港元發行予本公司股東。二零零五年認股權證已於二零零五年二月七日屆滿。

於二零零四年十月二十一日，本公司建議向於二零零四年十一月二十六日名列股東名冊之本公司股東發行新紅利認股權證（「二零零六年認股權證」），以認購相當於二零零五年二月八日每股面值0.1港元之已發行股份數目20%之股份，並在CS並未於二零零五年二月八日前行使其所獲授可按每股2.3635港元之價格認購合共4,949,905股股份之未行使認購權之情況下，減去4,949,905股股份。根據於二零零五年二月十七日通過之普通決議案，由於發行新紅利認股權證，故232,182,661份二零零六年認股權證已按本公司每股面值0.1港元之股份之初步認購價每股1.38港元發行予本公司股東。該等認股權證將於二零零六年二月十六日屆滿。

35. SHARE CAPITAL (Continued)

WARRANTS (Continued)

On 27 October 2005, the Company proposed a bonus issue of new warrants ("2007 warrants") to subscribe for shares equal to 20% of the issued number of shares of HK\$0.1 each on 17 February 2006, less 4,949,397 shares if the outstanding subscription right granted to CS to subscribe for a total of 4,949,397 shares at HK\$2.3635 per share had not been exercised by 17 February 2006, to the shareholders of the Company whose names appeared on the register of members on 25 November 2005. Pursuant to an ordinary resolution passed on 27 February 2006, 259,502,209 units of 2007 warrants were issued to the shareholders of the Company at an initial subscription price of HK\$1.15 per share of HK\$0.1 each of the Company as a result of the bonus issue of new warrants. The warrants will expire on 26 February 2007.

During the year, 2006 Warrants and 2007 Warrants carrying subscription rights of HK\$65,153 and HK\$3,903,864 respectively were issued.

36. SHARE OPTION SCHEMES

The Company, Kantone, a 51% owned subsidiary of the Company, and DIGITALHONGKONG.COM, a 78% owned subsidiary of the Company, each has a share option scheme under which eligible persons, including directors of the Company, Kantone, DIGITALHONGKONG.COM or any of their respective subsidiaries, may be granted options to subscribe for shares in the Company, Kantone and DIGITALHONGKONG.COM respectively.

35. 股本 (續)

認股權證 (續)

於二零零五年十月二十七日，本公司建議向於二零零五年十一月二十五日名列股東名冊之本公司股東發行新紅利認股證（「二零零七年認股證」），以認購相當於二零零六年二月十七日每股面值0.1港元之已發行股份數目20%之股份，並在CS並未於二零零六年二月十七日前行使其所獲授可按每股2.3635港元之價格認購合共4,949,397股股份之未行使認購之情況下，減去4,949,397股股份。根據於二零零六年二月二十七日通過之普通決議案，由於發行新紅利認股證，故259,502,209份二零零七年認股證已按本公司每股面值0.1港元之股份之初步認購價每股1.15港元發行予本公司股東。該等認股證將於二零零七年二月十六日屆滿。

年內，已發行分別附有65,153港元及3,903,864港元認購權之二零零六年認股權證及二零零七年認股權證。

36. 購股權計劃

本公司、本公司持有51%股權之附屬公司看通及本公司持有78%股權之附屬公司數碼香港各設有購股權計劃。據此，合資格人士（包括本公司、看通及數碼香港或其各自任何附屬公司之董事）可獲授購股權以分別認購本公司、看通及數碼香港之股份。

36. SHARE OPTION SCHEMES (Continued)

(I) THE COMPANY

On 29 November 2002, the Company adopted a share option scheme (the "Champion Option Scheme") which, with a remaining life of about 6 years, will expire on 28 November 2012. The purpose of the Champion Option Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of the Group. Under the Champion Option Scheme, the directors may grant options to any directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of the Company, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of the Group, to subscribe for shares of the Company. The share option granted by the Company is exercisable at any time for a period determined by its directors which will be less than ten years from the date of grant, where the acceptance date should not be later than 21 days after the date of offer.

The exercise price (subject to adjustment as provided therein) of the option under the Champion Option Scheme is equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the daily quotation sheet of the Stock Exchange on the date of grant, which must be a business day; or (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant of the options. The maximum number of shares in respect of which the options may be granted under the Champion Option Scheme shall not exceed 10% of the issued share capital of the Company at the date of approval of the Champion Option Scheme. However, the total maximum number of shares which may be issued upon exercise of all outstanding share options must not exceed 30% of the issued share capital of the Company from time to time. The number of shares in respect of which options may be granted to any one grantee in any 12 months period is not permitted to exceed 1% of the shares of the Company in issue on the last date of such 12-month period, without prior approval from the Company's shareholders. No share option under the Champion Option Scheme has been granted by the Company since its adoption.

36. 購股權計劃 (續)

(II) 本公司

於二零零二年十一月二十九日，本公司採納一項購股權計劃（「冠軍購股權計劃」）。冠軍購股權計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等對本集團之業務及營運作出貢獻。根據冠軍購股權計劃，董事可向涉及本公司、其附屬公司或聯屬公司之業務、營運、管理、科技、法律、會計及財務事宜之董事、僱員、顧問、諮詢人，或就任何全權信託而其受益人包括任何上述人士或其實益擁有之公司，以及本集團之客戶及供應商授出購股權，以認購本公司之股份。本公司已授出之購股權可於董事所釐定之期間任何時間行使，惟所釐定之期間不可多於有關購股權授出日期起計十年，而接納日期須不遲於要約日期後二十一日。

冠軍購股權計劃授出之購股權之行使價（可按其中之規定作出調整）為(i)股份面值；(ii)於授出日期（須為營業日）在聯交所每日報價表所報之每股股份收市價；或(iii)緊接授出購股權日期前五個營業日在聯交所每日報價表所報之每股股份平均收市價，三者以最高者為準。根據冠軍購股權計劃授出之購股權所涉及之股份數目上限不得超過本公司於冠軍購股權計劃批准日期之已發行股本10%。然而，因行使全部未行使購股權而可予發行之股份總數上限不得超出本公司於任何時間內已發行股本之30%。在未經本公司股東事先批准之情況下，於任何十二個月期間，向任何單一承授人授出購股權所涉及之股份數目，不得超出本公司在該十二個月期間最後一日之已發行股份1%。自採納以來，本公司概無根據冠軍購股權計劃授出任何購股權。

36. SHARE OPTION SCHEMES (Continued)

(II) KANTONE

On 29 November 2002, Kantone adopted a share option scheme (the "Kantone Option Scheme") which will expire on 28 November 2012. The purpose of the Kantone Option Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of Kantone and its subsidiaries (the "Kantone Group"). Under the Kantone Option Scheme, the directors may grant options to any eligible persons of Kantone, including directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of Kantone, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of the Kantone Group, to subscribe for shares in Kantone. Options granted are exercisable at any time for a period determined by its directors which will be less than ten years from the date of grant of the options, where the acceptance date should not be later than 21 days after the date of offer.

The exercise price (subject to adjustment as provided therein) of the option under the Kantone Option Scheme is equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; or (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant. No share option under the Kantone Option Scheme was granted by Kantone since its adoption.

36. 購股權計劃 (續)

(II) 看通

於二零零二年十一月二十九日，看通採納購股權計劃（「看通購股權計劃」），該計劃將於二零一二年十一月二十八日屆滿。看通購股權計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等對看通及其附屬公司（「看通集團」）之業務及營運作出貢獻。根據看通購股權計劃，董事可向任何合資格人士授出購股權，包括涉及看通、其附屬公司或聯屬公司之業務、營運、管理、科技、法律、會計及財務事宜之董事、僱員、顧問、諮詢人，或就任何全權信託而其受益人包括任何上述人士或其實益擁有之公司，以及看通集團之客戶及供應商，以認購看通之股份。所授出之購股權可於董事所釐定之期間任何時間行使，惟所釐定之期間不可多於有關購股權授出日期起計十年，而接納日期須不遲於要約日期後二十一日。

看通購股權計劃授出之購股權之行使價（可按其中之規定作出調整）為(i)股份面值；(ii)於授出日期（須為營業日）在聯交所每日報價表所報之每股股份收市價；或(iii)緊接授出日期前五個營業日在聯交所每日報價表所報之每股股份平均收市價，三者以最高者為準。自採納至今，看通並無根據看通購股權計劃授出任何購股權。

36. SHARE OPTION SCHEMES *(Continued)*

(III) DIGITALHONGKONG.COM

On 29 November 2002, DIGITALHONGKONG.COM adopted a share option scheme (the "DHK Option Scheme"). The purpose of the DHK Option Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of DIGITALHONGKONG.COM and its subsidiaries (the "DIGITALHK Group"). Under the DHK Option Scheme, the directors may grant options to any directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of DIGITALHONGKONG.COM, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of the DIGITALHK Group, to subscribe for shares of DIGITALHONGKONG.COM. Options granted by DIGITALHONGKONG.COM are exercisable at any time for a period determined by its directors which will be less than ten years from the date of grant. The exercise price of the option is the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; or (iii) the average closing price of the shares on the five business days immediately preceding the date of grant of the options. No share option under the DHK Option Scheme has been granted by DIGITALHONGKONG.COM since its adoption.

37. ACQUISITION OF A SUBSIDIARY

On 4 October 2005, the Group acquired 60% of the issued share capital of Aspire Management Limited and its subsidiaries (the "AML Group") for cash consideration of HK\$52 million and HK\$18 million for subscription of new shares in AML. AML Group is principally engaged in the provision of e-lottery services. This transaction has been accounted for using the purchase method of accounting.

36. 購股權計劃 *(續)*

(III) 數碼香港

於二零零二年十一月二十九日，數碼香港採納一項購股權計劃（「數碼香港購股權計劃」）。數碼香港購股權計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等對數碼香港及其附屬公司（「數碼香港集團」）之業務及營運作出貢獻。根數碼香港購股權計劃，董事可向涉及數碼香港、其附屬公司或聯屬公司之業務、營運、管理、科技、法律、會計及財務事宜之董事、僱員、顧問、諮詢人，或就任何全權信託而其受益人包括任何上述人士或其實益擁有之公司，以及數碼香港集團之客戶及供應商授出購股權，以認購數碼香港之股份。數碼香港已授出之購股權可於董事所釐定之期間任何時間行使，惟所釐定之期間不可多於有關購股權授出日期起計十年。購股權之行使價為(i)股份面值；(ii)於授出日期（須為營業日）在聯交所每日報價表所報之每股股份收市價；或(iii)緊接購股權授出日期前五個營業日之股份平均收市價，三者以最高者為準。自採納以來，數碼香港概無根據數碼香港購股權計劃授出任何購股權。

37. 收購附屬公司

於二零零五年十月四日，本集團收購Aspire Management Limited及其附屬公司（「AML Group」）已發行股本60%權益，現金代價為5千2百萬港元。並以1千8百萬港元認購AML之新股。AML Group主要從事提供電子博彩之服務。此項交易乃採用購買會計法列賬。

37. ACQUISITION OF A SUBSIDIARY

(Continued)

The book value and fair value of net assets of subsidiaries acquired and the goodwill during the year are as follows:

		Book value	Fair value adjustment	Fair value
		賬面值	公平價值調整	公平價值
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Net assets acquired:	收購資產淨值:			
Property, plant and equipment	物業、廠房及設備	1,627	—	1,627
Development cost for systems and networks	系統及網絡開發成本	4,775	—	4,775
License rights	特許權	—	11,800	11,800
Inventories	存貨	203	—	203
Trade and other receivables	應收貿易及其他賬款	1,459	—	1,459
Bank and cash balances	銀行及現金結餘	33,520	—	33,520
Trade and other payables	應付貿易及其他賬款	(2,898)	—	(2,898)
Taxation payable	應付稅項	(16)	—	(16)
		38,670	11,800	50,470
Minority interests	少數股東權益			(17,265)
Goodwill	商譽			36,795
Total consideration, satisfied by cash	總代價·以現金支付			70,000
Net cash outflow arising on acquisition	因收購產生之現金淨額流出			
Cash consideration paid	已付現金代價			(70,000)
Cash and cash equivalents acquired	收購現金及現金等額			33,520
				(36,480)

The goodwill arising on the acquisition of the AML Group is attributable to the anticipated profitability of the growing e-lottery business in the People's Republic of China and the anticipated future operating synergies from the combination.

AML Group contributed HK\$3.2 million to the Group's revenue and HK\$2.9 million losses to the Group's results for the period between the date of acquisition and the balance sheet date.

The fair value of the intangible assets acquired was determined based on the discounted cash flow forecast on the projection of profit streams from the license rights held by AML Group at the date of acquisition.

37. 收購附屬公司 (續)

收購附屬公司淨資產及期內之商譽之賬面值及公平價值，載列如下：

	Book value	Fair value adjustment	Fair value
	賬面值	公平價值調整	公平價值
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Net assets acquired:			
Property, plant and equipment	1,627	—	1,627
Development cost for systems and networks	4,775	—	4,775
License rights	—	11,800	11,800
Inventories	203	—	203
Trade and other receivables	1,459	—	1,459
Bank and cash balances	33,520	—	33,520
Trade and other payables	(2,898)	—	(2,898)
Taxation payable	(16)	—	(16)
	38,670	11,800	50,470
Minority interests			(17,265)
Goodwill			36,795
Total consideration, satisfied by cash			70,000
Net cash outflow arising on acquisition			
Cash consideration paid			(70,000)
Cash and cash equivalents acquired			33,520
			(36,480)

收購AML Group所產生之商譽乃來自中華人民共和國不斷增長之電子博彩業務之預期溢利，及合併所產生之預計營運效益。

由收購日期至結算日期間，AML Group為本集團業績帶來3,200,000港元之收益及2,900,000港元之虧損。

所收購無形資產之公平價值乃按貼現現金流量預測並按AML集團於收購日所持特許權之溢利來源預測釐定。

37. ACQUISITION OF A SUBSIDIARY

(Continued)

If the acquisition had been completed on 1 July 2005, total group revenue for the year would have been HK\$2,998 million, and profit for the year would have been HK\$704 million. The proforma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 July 2005, nor is intended to be a projection of future results.

37. 收購附屬公司 (續)

倘收購於二零零五年七月一日已完成，年內集團總收入將為2,998,000,000港元，年內溢利將為704,000,000港元。備考資料僅作說明用途，並不一定反映倘收購事項於二零零五年七月一日已完成，本集團實際已賺取之收益、營運業績或預測未來之業績。

38. CAPITAL COMMITMENTS

38. 資本承擔

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Capital expenditure in respect of property, plant and equipment and development costs for systems and networks:	有關物業、廠房及設備與系統及網絡開發成本之資本開支：		
Contracted for but not provided in the financial statements	已訂約但未在財務報告中撥備	32	69
Authorised but not contracted for	已授權但未訂約	488,750	388,000
		488,782	388,069

39. OPERATING LEASE ARRANGEMENTS 39. 經營租賃安排

THE GROUP AS LEASEE

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

		2006 二零零六年		2005 二零零五年	
		Land and buildings 土地及樓宇 HK\$'000 千港元	Machinery and equipment 機器及設備 HK\$'000 千港元	Land and buildings 土地及樓宇 HK\$'000 千港元	Machinery and equipment 機器及設備 HK\$'000 千港元
Operating leases which expire:	經營租賃屆滿:				
Within one year	一年內	3,135	2,517	2,295	274
In the second to fourth years	第二至第四年	5,239	3,559	2,416	1,238
		8,374	6,076	4,711	1,512

Leases are negotiated for an average term of one to four years and rentals are fixed for an average term of one to four years.

經磋商後之平均租賃年期為一至四年，而租金乃按一至四年之平均年期釐訂。

THE GROUP AS LESSOR

At the balance sheet date, the Group contracted with tenants in respect of leasing of plant and machinery and telecommunications networks which fall due as follows:

本集團作為出租人

於結算日，本公司多項有關租用物業之不可註銷經營租賃日後應付之租賃最低付款額之到期情況如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Within one year	一年內	10,874	11,236
In the second to fifth year inclusive	第二至第五年（首尾兩年包括在內）	20,756	18,855
After five years	於五年後	1,803	2,017
		33,433	32,108

40. RELATED PARTY TRANSACTIONS

The key management personnel are the directors of the Company. The details of remuneration paid to them are set out in note 11.

40. 聯繫人士交易

主要管理人員為本公司董事。已付彼等薪酬之詳情載於附註11。

41. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 30 June 2006 are as follows:

41. 主要附屬公司

於二零零五年六月三十日，本公司各主要附屬公司之詳情如下：

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
100BESTSHOP.COM Limited	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Provision of e-shopping and internet-based activities 提供電子購物及互聯網服務
Aspire Management Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1,500,000 普通股 – 1,500,000美元	31%	Investment holding 投資控股
Bingo Profits Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	51%	Investment holding 投資控股
Champion (Cook Islands) Limited *	Cook Islands 庫克群島	Ordinary – HK\$1 普通股 – 1港元	100%	Investment holding 投資控股
Champion Consortium Limited	British Virgin Islands/ PRC 英屬維爾京群島/中國	Ordinary – US\$1 普通股 – 1美元	100%	Strategic investment 策略性投資
Champion Fax Machine Investments Limited	British Virgin Islands/ PRC 英屬維爾京群島/中國	Ordinary – US\$1 普通股 – 1美元	100%	Investment holding 投資控股
Champion International Investments Limited	British Virgin Islands/ PRC 英屬維爾京群島/中國	Ordinary – US\$50,000 普通股 – 50,000美元	100%	Strategic investments and investment in telecommunications networks and e-commerce projects 策略性投資及投資電信網絡及電子商貿項目

41. PRINCIPAL SUBSIDIARIES (Continued)

41. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Champion Luck International Limited 駿樂國際有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Champion Million Industries Limited 祥萬實業有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Champion Pacific Investment Limited 駿沛投資有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Champion Technology Limited 冠軍科技有限公司	Hong Kong 香港	Ordinary – HK\$1,000 Deferred – HK\$1,000,000 普通股 – 1,000港元 遞延股 – 1,000,000港元	100%	Sales of general systems products and provision of services and software licensing 銷售一般系統產品及提供 服務及軟件特許權
Champnet Limited 冠軍網絡有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Internet business 互聯網業務
Chief Champion Limited 千全有限公司	Hong Kong 香港	Ordinary – HK\$1,000 Deferred – HK\$10,000 普通股 – 1,000港元 遞延股 – 10,000港元	100%	Property investment 物業投資
Chinese Paging Company Limited 中文傳呼有限公司	Hong Kong 香港	Ordinary – HK\$1,000 Deferred – HK\$2,000,000 普通股 – 1,000港元 遞延股 – 2,000,000港元	100%	Paging operations 傳呼業務
Chinese Science & Technology Limited 中文科技有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Internet business 互聯網業務
Cyber Solutions Inc.	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	100%	Internet business 互聯網業務

41. PRINCIPAL SUBSIDIARIES (Continued)

41. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
DIGITALHONGKONG.COM INC.	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	78%	Provision of an e-commerce platform for payment process for global business 為全球公司提供電子商貿付款程序平台
DIGITALHONGKONG.COM * 數碼香港*	Cayman Islands 開曼群島	Ordinary – HK\$15,000,000 普通股 – 15,000,000港元	78%	Investment holding 投資控股
DIGITAL COMMERCE LIMITED	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	78%	Provision of an e-commerce platform and evaluation of e-commerce opportunities 提供電子商貿平台及評估電子商貿商機
Digital Hong Kong Limited 數碼香港國際有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	78%	Provision of an e-commerce platform for payment process for retail customers and e-mall based in Hong Kong 為零售客戶及以香港為基地之電子商場提供電子商貿付款程序平台
Eagle Landmark Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	100%	Provision of treasury services 提供財政服務
ESP International Group Limited ESP國際信息集團有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Advertising and recruitment agency 廣告及招聘代理公司
Happy Commercial Company Limited 喜業有限公司	Macau 澳門	Ordinary – MOP25,000 普通股 – 25,000澳門幣	100%	Provision of documentation services and arrangement and business consultant 提供文件處理服務與安排及商業顧問

41. PRINCIPAL SUBSIDIARIES (Continued)

41. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Happy Union Development Limited 禧聯發展有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Harilela Kantone Telecommunications Limited	Hong Kong 香港	Ordinary – HK\$10,000 普通股 – 10,000港元	55%	Investment in telecommunications networks 投資電信網絡
High Win Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	100%	Investment holding and strategic investment 投資控股及策略性投資
Hong Kong IT Alliance Limited 香港資訊科技聯盟有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Information technology development 發展資訊科技
Hydro-Cable Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	100%	Investment holding 投資控股
Internet Vehicles Limited 互聯網汽車有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Provision of internet related services 提供互聯網相關服務
Kannet Limited 看通網絡有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Internet operations 互聯網業務
Kantel Limited 港通電訊電話有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Investment in telecommunications networks 投資電信網絡
Kantone Holdings Limited * 看通集團有限公司*	Cayman Islands 開曼群島	Ordinary – HK\$239,312,390 普通股 – 239,312,390港元	51%	Investment holding 投資控股
Kantone Paging Company Limited 看通中文傳呼有限公司	Hong Kong 香港	Ordinary – HK\$1,000 Deferred – HK\$2,000,000 普通股 – 1,000港元 遞延股 – 2,000,000港元	100%	Trading of pagers and provision of paging services 買賣傳呼機及提供傳呼服務

41. PRINCIPAL SUBSIDIARIES (Continued)

41. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Kantone (UK) Limited	United Kingdom 英國	Ordinary – £5,500,000 普通股 – 5,500,000英鎊	51%	Investment holding 投資控股
Keen Pacific Limited	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	51%	Provision of treasury service 提供財政服務
Kontone International Limited 港通國際有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Investment holding 投資控股
KTT (Cook Islands) Limited *	Cook Islands 庫克群島	Ordinary – HK\$10,000 普通股 – 10,000港元	100%	Investment holding 投資控股
Lucky Success Development Limited 運成發展有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Lucky Tone Investments Limited 祥通投資有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
M.C. Holdings Limited	Cayman Islands 開曼群島	Ordinary – £5,500,002 普通股 – 5,500,002英鎊	51%	Investment holding 投資控股
Marcotte Limited	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	100%	Investment holding 投資控股
Multitone Electronics PLC	United Kingdom 英國	Ordinary – £3,830,107 普通股 – 3,830,107英鎊	51%	Investment holding, design and manufacture of telecommunications system and equipment 投資控股、設計及生產電信 系統及器材
Multitone Electronics Sdn. Bhd.	Malaysia 馬來西亞	Ordinary – MR285,000 普通股 – 285,000馬來西亞元	51%	Manufacture of telecommunications equipment 生產電信器材
Multiton Elektronik GmbH	Germany 德國	Ordinary – DM2,000,000 普通股 – 2,000,000馬克	51%	Distribution of telecommunications equipment 分銷電信器材

41. PRINCIPAL SUBSIDIARIES (Continued)

41. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Multitone Rentals Limited	United Kingdom 英國	Ordinary – £100 普通股 – 100英鎊	51%	Leasing of system products 租賃系統產品
New Telecomm Company Limited 新系電訊有限公司	Hong Kong 香港	Ordinary – HK\$6,000,000 普通股 – 6,000,000港元	100%	Trading in telecommunications equipment and provision of related services 買賣電信器材及提供相關 服務
Peak Vantage Limited	British Virgin Islands/Macau 英屬維爾京群島/ 澳門	Ordinary US\$1 普通股 – 1美元	51%	Provision of treasury services 提供財政服務
QQKK.COM Limited	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Provision of e-commerce, m-commerce and internet based activities 提供電子商貿、流動商貿及 互聯網為本服務
Shenzhen Hengyu Science & Technology Company Limited [#]	PRC 中國	RMB15,000,000 人民幣15,000,000元	31%	Investment holding 投資控股
Silverstrand Investments Limited	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	51%	Investment holding 投資控股
Smart Delta Inc.	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	51%	Provision of treasury services 提供財政服務
Smart (Macao Commercial Offshore) Limited 佳盛(澳門離岸商業服務) 有限公司	Macau 澳門	Ordinary – MOP100,000 普通股 – 100,000澳門幣	51%	Provision of services, software licensing and trading of telecommunications equipment 提供服務、軟件特許權及 買賣電信器材
Top Gallop International Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	100%	Investment holding 投資控股

41. PRINCIPAL SUBSIDIARIES (Continued)

41. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Very Happy International Limited 大樂國際有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Victory (Macao Commercial Offshore) Limited 進昇(澳門離岸商業服務)有限公司	Macau	Ordinary – MOP100,000	100%	Provision of services, software licensing and trading in telecommunications products 提供服務、軟件特許權及 買賣電信產品
Wollaston Limited	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	51%	Investment holding 投資控股
Y28.COM Inc.	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	100%	Provision of e-commerce, m-commerce and internet based activities 提供電子商貿、流動商貿及 互聯網為本服務
Y28.COM Limited 威易發有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Provision of e-commerce m-commerce and internet based activities 提供電子商貿、流動商貿及 互聯網為本服務
Y28 Innovations *	Cayman Islands 開曼群島	Ordinary – HK\$0.1 普通股 – 0.1港元	100%	Provision of e-commerce, m-commerce, and internet based activities 提供電子商貿、流動商貿及 互聯網為本服務
Zonal Care Incorporated	British Virgin Islands/ Macau 英屬維爾京群島/ 澳門	Ordinary – US\$2 普通股 – 2美元	51%	Strategic investments and investments in e-commerce projects 策略性投資及投資電子 商貿項目

* Directly held by the Company

* 由本公司直接持有

Wholly owned foreign enterprise for a term of 20 years commencing 17 October 2003.

經營期由二零零三年十月十七日起計為期20年之外商獨資企業。

41. PRINCIPAL SUBSIDIARIES (Continued)

The deferred shares, which are held by the Group, of each of the above-mentioned subsidiaries entitled the holders thereof to:

- (a) a fixed non-cumulative dividend at the rate of 5% per annum for any financial year of the company in question in respect of which the net profits of such company exceed HK\$100,000,000,000; and
- (b) on a winding-up, a return of the capital paid up on such shares out of the surplus assets of the company in question after a total sum of HK\$100,000,000,000 has been distributed in such winding up in respect of each of the ordinary shares of such company.

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

Save as disclosed, none of the subsidiaries had any debt securities subsisting at 30 June 2006 or at any time during the year.

42. POST BALANCE SHEET EVENTS

The following events occurred subsequent to the balance sheet date:

- (a) On 23 August 2006, Kantone, the 51% held subsidiary of the Company, issued the additional tranche of the Convertible Bonds of Kantone in the aggregate principal amount of US\$8,000,000 (equivalent to approximately HK\$62,400,000).
- (b) On 23 October 2006, the directors of the Company propose a bonus issue of new warrants to subscribe for shares of the Company ("New Warrants") equal to 20% of the number of shares of HK\$0.10 each ("Shares") of the Company in issue on 27 February 2007 to the shareholders of the Company whose names appear on the register of members on 22 November 2006 in proportion as nearly as may be to their then shareholdings in the Company (subject to conditions set out below) (the "Bonus Issue").

As at the date of this report, the Company has 256,085,581 unit of outstanding warrants which subscription period will expire on 26 February 2007.

The New Warrants will be issued in registered form in units of HK\$1.38 of subscription rights entitling their holders to subscribe for shares of the Company at a price of HK\$1.38 per Share (subject to adjustments) during a period of one year from the date of issue thereof (which is expected to be 8 March 2007, after the expiry of the existing warrants of the Company on 26 February 2007).

41. 主要附屬公司 (續)

由本集團持有之上述各附屬公司之遞延股均賦予持有人權利:

- (a) 倘該等公司於其任何一個財政年度之純利超過100,000,000,000港元時,向該等公司收取按年息5厘計算之定額非累積股息;及
- (b) 於公司清盤時,待於該清盤中就該公司每股普通股分派總額100,000,000,000港元後,自該公司之剩餘資產中退還該等股份之繳足股本。

上表所列之本公司附屬公司乃董事認為主要影響本年度業績或構成本集團資產淨值重大部分之附屬公司。董事認為,倘將其他附屬公司之詳情一併列出,則會令資料過於冗長。

除上文披露者外,各附屬公司於二零零六年六月三十日或年內任何時間均無任何債務證券。

42. 結算日後事項

於結算日後發生以下事項:

- (a) 於二零零六年八月二十三日,本公司持有51%權益之附屬公司看通發行總本金額8,000,000美元(相當於約62,400,000港元)之額外一批看通可換股債券。
- (b) 於二零零六年十月二十三日,本公司董事建議向二零零六年十一月二十二日名列本公司股東名冊之本公司股東,按最接近彼等當時於本公司之股權比例發行新紅利認股權證(「新認股權證」),可藉此認購本公司股份,數目相等於二零零七年二月二十七日本公司每股面值0.10港元之已發行股份(「股份」)數目之20%(「紅利發行」)。

於本報告日期,本公司有256,109,774份尚未行使之認股權證,其認購期間將於二零零七年二月二十六日屆。

新認股權證將以記名方式按每份認購權1.15港元為單位發行,持有人有權於發行日期(於本公司現有認股權證於二零零六年二月二十六日到期後,預期為二零零七年三月八日)起計一年內隨時按每股股份1.15港元(可予調整)認購本公司股份。

42. POST BALANCE SHEET EVENTS

(Continued)

The Bonus Issue is conditional upon the approval of shareholders at the annual general meeting of the Company and the Listing Committee of The Stock Exchange of Hong Kong Limited granting listings of and permission to deal in the New Warrants and the Shares that fall to be issued on the exercise of the subscription rights thereunder.

42. 結算日後事項 (續)

紅利發行須獲股東於本公司股東週年大會批准及香港聯合交易所有限公司上市委員會批准新認股權證及新認股權證項下認購權獲行使時須予發行之股份上市及買賣，方可作實。

43. BALANCE SHEET INFORMATION OF THE COMPANY

43. 本公司之資產負債表資料

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	附屬公司之投資	282,447	235,158
Available-for-sale investments	可供出售投資	361,960	-
Investments	投資	-	361,960
Interest in an associate	於聯營公司之權益	-	284,000
Deposits	按金	132,600	132,600
		777,007	1,013,718
Current assets	流動資產		
Other receivables	應收其他賬款	754	516
Amounts due from subsidiaries	應收附屬公司款項	1,844,984	1,920,822
Taxation recoverable	可收回稅項	222	222
Deposits, bank balances and cash	存款、銀行結存及現金	262	10,346
		1,846,222	1,931,906
Current liabilities	流動負債		
Other payables	應付其他賬款	4,337	3,614
Amounts due to subsidiaries	應付附屬公司款項	-	44
Convertible bonds – amount due within one year	可換股債券 – 於一年內到期	-	62,400
		4,337	66,058
Net current assets	流動資產淨值	1,841,885	1,865,848
Net assets	資產淨值	2,618,892	2,879,566
Capital and reserves	股本及儲備		
Share capital	股本	131,420	124,239
Reserves	儲備	2,487,472	2,755,327
		2,618,892	2,879,566