

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability 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 to the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company and its subsidiaries (the “Group”).

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are trading and distribution of chemicals, materials and equipment used in the manufacture of printed circuit boards and electronic products and the manufacture of electrical and electronic products for OEM customers.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS”)

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are either effective for accounting periods beginning on or after 1st December 2005 or 1st January 2006. The adoption of the new HKFRSs had no material effect on how the results for the current or prior accounting years have been prepared and presented. Accordingly, no prior year adjustment has been required.

The Group has not early applied the following new standards, amendment or interpretations that have been issued but are not yet effective as at 31st December 2006. The directors of the Company anticipate that the application of these new standards, amendment or interpretations will have no material impact on the results and the financial position of the Group.

1. 一般資料

本公司於百慕達註冊成立為一間受豁免之有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。年報中公司資料一節已披露本公司註冊辦公室及主要營業地點之地址。

財務報表以港幣呈列，與本公司及其附屬公司（「本集團」）之功能貨幣相同。

本公司為一間投資控股公司，而其主要附屬公司之主要業務則為製造印刷電路板及電子產品所使用之化學品、物料及設備之貿易及經銷，以及為原產品客戶製造電器及電子產品。

2. 採納新修訂香港財務報告準則

於本年度，本集團首次採納香港會計師公會（「香港會計師公會」）頒佈並於二零零五年十二月三十一日或二零零六年一月一日開始之會計期間起首次生效之多項新訂準則、修訂及詮釋（「新香港財務報告準則」）。採納新香港財務報告準則，對本集團現行或以往會計年度之業績的編製及呈列方式並無重大影響。因此，毋須作出前期調整。

本集團並無提早應用以下已頒佈但於二零零六年十二月三十一日尚未生效之新訂準則、修訂及詮釋。本公司董事預期此等新訂準則、修訂及詮釋之應用將不會對本集團之業績及財務狀況產生重大影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS”)

(Continued)

Hong Kong Accounting Standard (“HKAS”) 1 (Amendment)	Capital Disclosures ¹
HKFRS 7	Financial Instruments: Disclosures ¹
HKFRS 8	Operating Segments ²
HK(IFRIC)- Interpretation (“Int”) 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ³
HK(IFRIC)-Int 8	Scope of HKFRS 2 ⁴
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives ⁵
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment ⁶
HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions ⁷
HK(IFRIC)-Int 12	Service Concession Arrangements ⁸

¹ Effective for annual periods beginning on or after 1st January 2007.

² Effective for annual periods beginning on or after 1st January 2009.

³ Effective for annual periods beginning on or after 1st March 2006.

⁴ Effective for annual periods beginning on or after 1st May 2006.

⁵ Effective for annual periods beginning on or after 1st June 2006.

⁶ Effective for annual periods beginning on or after 1st November 2006.

⁷ Effective for annual periods beginning on or after 1st March 2007.

⁸ Effective for annual periods beginning on or after 1st January 2008.

2. 採納新修訂香港財務報告準則 (續)

香港會計準則第1號 (經修訂)	資本披露 ¹
香港財務報告準則第7號	金融工具：披露 ¹
香港財務報告準則第8號	經營分類 ²
香港(國際財務報告解釋委員會) – 詮釋第7號	根據香港會計準則第29號「惡性通貨膨脹經濟中的財務報告」採用重列法 ³
香港(國際財務報告解釋委員會) – 詮釋第8號	香港財務報告準則第2號的範疇 ⁴
香港(國際財務報告解釋委員會) – 詮釋第9號	重估嵌入式衍生工具 ⁵
香港(國際財務報告解釋委員會) – 詮釋第10號	中期財務報告及減值 ⁶
香港(國際財務報告解釋委員會) – 詮釋第11號	香港財務報告準則第2號 – 集團及庫存股份交易 ⁷
香港(國際財務報告解釋委員會) – 詮釋第12號	服務經營權安排 ⁸

¹ 由二零零七年一月一日或之後開始的年度期間生效。

² 由二零零九年一月一日或之後開始的年度期間生效。

³ 由二零零六年三月一日或之後開始的年度期間生效。

⁴ 由二零零六年五月一日或之後開始的年度期間生效。

⁵ 由二零零六年六月一日或之後開始的年度期間生效。

⁶ 由二零零六年十一月一日或之後開始的年度期間生效。

⁷ 由二零零七年三月一日或之後開始的年度期間生效。

⁸ 由二零零八年一月一日或之後開始的年度期間生效。

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

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

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

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. 主要會計政策

除若干以公平價格計量之財務工具外，綜合財務報表按歷史成本法編製，已在以下會計政策中解釋。

綜合財務報表已根據香港會計師公會發行之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例之適用披露規定。

綜合基準

綜合財務報表包括本公司(附屬公司)所控制之公司及實體(包括特別功能公司)之財務報表。倘本公司有能力監管該實體之財政及經營政策，並從其營運活動中得到利益，即屬取得其控制權。

本年度內購入或出售附屬公司之業績，分別自實際收購日起或至實際出售日止(如適用)計入綜合收益表內。

倘需要，附屬公司之財務報表將作出調整以令與本集團其他成員公司所採納之會計政策一致。

所有集團內公司間之交易、結餘、收支於綜合時予以撇除。

綜合附屬公司資產淨值中之少數股東權益與本集團於其中之權益分開識別。少數股東權益於資產淨值包括在原業務合併日期之有關權益數額，以及自合併日期起計少數股東應佔之股權變動。適用於少數股東的虧損超出於附屬公司股權之少數股東權益之數額將與本集團之權益作出分配，惟少數股東具約束力責任及可以其他投資補足虧損者除外。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under *HKFRS 3 Business Combinations* are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with *HKFRS 5 Non-Current Assets Held for Sale and Discontinued Operations*, which are recognised and measured at fair value less costs to sell.

Interests in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

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

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

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

3. 主要會計政策 (續)

業務合併

收購附屬公司以購入法入賬。收購成本乃按本集團為換取被收購方控制權而給予之資產、所產生或承擔之負債及發行之股本工具於交換當日之公平價值總額，另加業務合併之任何直接成本計算。被收購方符合香港財務報告準則第3號「業務合併」項下確認條件之可識別資產、負債及或然負債按收購日期之公平價值確認，惟按照香港財務報告準則第5號「待售非流動資產及終止經營業務」被列為待售之非流動資產(或已出售集團)，則按公平價值減出售成本確認及計量。

於聯營公司之權益

聯營公司是指本集團對其有重大影響，而非附屬公司亦非合資企業之實體。

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

重新評估後，任何本集團應佔可識別資產、負債及或然負債公平淨值超過收購成本的差額乃隨即於收益帳內確認。

倘集團實體與本集團之一間聯營公司進行一組交易，則損益以本集團於有關聯營公司中之權益為限撇銷。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest in a jointly controlled entity

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

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

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment is recognised immediately in profit or loss.

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

Revenue recognition

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

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

Service income is recognised when services are rendered.

3. 主要會計政策 (續)

於共同控制實體之權益

涉及成立獨立實體而各合營方共同控制該實體所從事經濟活動之合營安排，稱為共同控制實體。

共同控制實體之業績及資產與負債以權益會計法計入綜合財務報表。根據權益法，於共同控制實體之投資按成本，並就本集團應佔溢利或虧損之收購後變動及共同控制實體權益變動作出調整，再減任何可識別減值虧損計入綜合資產負債表。當本集團應佔共同控制實體虧損相等於或超出其於該共同控制實體權益（包括任何實質上構成本集團於該共同控制實體之投資淨額一部分之任何長期權益）時，本集團終止確認進一步應佔虧損。僅在本集團承擔法定或推定責任或代表該共同控制實體付款之情況下，方就額外應佔虧損撥備並確認負債。

本集團於可識別資產、負債及或然負債公平淨值之權益超出收購附屬公司及聯營公司成本之任何差額在重新評估後即時於損益賬確認。

倘集團實體與本集團共同控制實體進行交易，未變現溢利或虧損將與本集團於有關共同控制實體之權益抵銷，惟未變現虧損涉及證據顯示所轉讓資產出現減值除外，在此情況下，則確認全數虧損。

收入確認

收益乃按已收及應收代價之公平價值計算，指於日常業務中就售出貨品及服務之應收款項，扣除折扣、退回、撥備及銷售相關稅項。

當貨品交付及擁有權轉移後，銷售乃被確認。

提供服務後，服務收入乃被確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

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.

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

Ticketing and touring income is recognised when services are rendered.

Commission income is recognised when services are rendered.

Rental income under operating leases is recognised in the consolidated income statement on a straight-line basis over the terms of the relevant lease.

Property, plant and equipment

Property, plant and equipment other than the freehold land are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment other than freehold land over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method as stated below:

Buildings	2.5%
Leasehold improvements, furniture and fixtures	15% – 20%
Machinery and equipment	15% – 20%
Medium-term leasehold factory premises	Over the terms of the lease
Motor vehicles	15% – 25%
Moulds	50%

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

3. 主要會計政策 (續)

收入確認 (續)

利息收入乃按未清還本金，以適用之利率按時間比例計算。有關利率指將金融資產的估計未來所收現金在估計可使用期內折現至資產賬面淨值之利率。

當股東收取股息的權利確立後，來自投資之股息收入乃被確認。

提供服務後，票務及旅遊收入乃被確認。

提供服務後，佣金收入乃被確認。

營業租賃所得的租金收入，乃按有關租約之年期以直線法於收益表中確認。

物業、廠房及設備

物業、廠房及設備乃按成本值減累積折舊及減值虧損入賬。

折舊乃按其估計可用年期及考慮到其估計餘值後，以直線法計算，從而撇銷該物業、廠房及設備項目(不包括永久業權土地)之成本，年率如下：

樓宇	2.5%
機器及設備	15%-20%
租賃物業裝修、 傢俬及裝置	15%-20%
中期租約廠房	按租約年期
汽車	15%-25%
鑄模	50%

融資租賃資產之折舊乃以與自置資產相同之基準，按其估計可供使用年期。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

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

Impairment losses

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

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

Leasing

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

The Group as lessor

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

3. 主要會計政策 (續)

物業、廠房及設備 (續)

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時取消確認。資產取消確認產生之任何收益或虧損(按該項目之出售所得款項淨額及賬面值間之差額計算)於該項目取消確認之年度計入收益表。

減值(並非商譽)

本集團於每個結算日覆核其資產之賬面值，以釐定該等資產是否有減值虧損之任何顯示。倘估計資產之可收回金額低於其賬面值，該資產之賬面值將削減至其可收回金額。減值虧損即時會確認為開支，除非相關資產根據另一準則以重估值列賬，則其減值虧損可當作以該準則重估減值入賬。

倘減值虧損於其後撥回，該資產之賬面值乃增加至其可收回金額之經修訂估計，使所增加之賬面值不超過往年尚未確認減值虧損時所釐定之賬面值。減值虧損之逆轉即時確認為收入，除非有關資產根據另一準則以重估值列賬，則其回撥額可當作以該準則重估增值入賬。

租約

當租約條款將所涉及擁有權之絕大部份風險及回報轉讓予承租人時，租約乃分類為融資租約。所有其他租約均分類為經營租約。

本集團作為出租人

經營租約之租金收入乃按相關租約年期以直線法於收益表確認。於協商及安排時引致之初步直接成本乃加至租約資產之賬面值，並按租約年期以直線法確認為一項支出。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss.

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

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

3. 主要會計政策 (續)

租約 (續)

本集團作為承租人

按融資租約持有之資產按租約開始時之公平價值或(倘為較低者)按最低租約付款之現值確認為本集團資產。出租人之相應負債於資產負債表列作融資租約承擔。租約付款按比例於融資費用及減少租約承擔之間作出分配,從而使該等負債之應付餘額之息率固定。融資費用於溢利或虧損中扣除。

根據經營租約之應付租金乃按相關租約年期以直線法於收益表扣除。因訂立一項經營租約作為獎勵之已收及應收福利乃以直線法按租約年期確認作租金支出減少。

外幣

於編制各個別集團實體之財務報表時,以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率換算為功能貨幣(如該實體經營所在主要經濟地區之貨幣)記賬。於各結算日,以外幣為定值之貨幣項目均按結算日之適用匯率重新換算。按公平價值以外幣定值之非貨幣項目乃按於公平價值釐定當日之適用匯率重新換算。按外幣過往成本計量之非貨幣項目毋須重新換算。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

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

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 Group (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.

Fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation 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.

3. 主要會計政策 (續)

外幣 (續)

於結算及換算貨幣項目時產生之匯兌差額均於彼等產生年內於收益表中確認，惟組成本集團海外業務之投資淨額部份之貨幣項目所產生之匯兌差額除外，在此情況下，有關匯兌差額乃於綜合財務報表中確為股本權益。以公平價值定值之非貨幣項目經重新換算後產生之匯兌差額於年內列作損益，惟換算直接於股本內確認盈虧之非貨幣項目產生之差額除外，在此情況下，匯兌差額亦直接於股本權益內確認。

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債乃按於結算日之適用匯率換算為本公司之列賬貨幣(如港幣)，而其他收入及支出乃按該年度之平均匯率進行換算，除非匯率於該期間內出動大幅波動則作別論，於此情況下，則採用於換算當日之適用匯率。所產生之匯兌差額(如有)乃確認作股本之獨立部份(外匯儲備)。該等匯兌差額乃於海外業務被出售之年度於收益表內確認。

收購海外業務之可識別資產之公平價值調整，乃作為該海外業務之資產及負債處理，並按結算日當時適用之匯率換算。因此而產生之匯兌差額於匯兌儲備內確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sales. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

Retirement benefits costs

Payments to the Group's defined contribution retirement benefits plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are charged as expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses which exceed 10 per cent of the greater of the present value of the Group's pension obligations and the fair value of plan assets are amortised over the expected average 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 asset 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 contributions to the plan.

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 plan assets. Any asset 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 contributions to the plan.

3. 主要會計政策 (續)

借貸成本

直接因收購、建造或生產合資格資產而產生之借貸成本，乃資本化作為部份資產。當此等合資格資產大致上已可作其擬定用途或予以出售時，則該等借貸停止資本化。於特定借貸之暫時投資所賺之投資收入，待用於合資格物業上後，乃從可資本化借貸成本中扣除。

所有其他借貸成本均於所產生年度之收益表確認及計入為融資成本。

退休福利成本

本集團向定額供款退休福利計劃、國家管理之退休福利計劃及強制性供積金計劃作出之供款於到期時列作開支。

定額福利退休計劃以預計單位基數法來計算提供退休福利之成本，獨立精算師於各結算日進行一次評估，精算損益若超過本集團退休福利承擔之現值或計劃資產之公平價值兩者孰高者之百分之十時，需於參與員工之預期平均剩餘服務年期內攤分入賬。若退休福利權益已屬於計劃成員，過去服務成本需立即確認，否則便以直線攤銷法在平均年期內攤分，直至更改權益已屬於計劃成員。任何計算所得之資產僅限於未確認之精算虧損及過往服務成本，加上現存退款之現值，並扣減未來對計劃之供款。

在資產負債表內確認之數目乃代表經調整未確認精算損益及未確認過去服務成本及減除計劃資產之公平價值後之定額權益責任之現值。因此而產生之資產僅限於未確認精算虧損及過往之服務成本，加目前退款之現值及減就計劃日後之供款。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

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

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

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

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

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

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

3. 主要會計政策 (續)

稅項

稅項開支是指當期應付稅項及遞延稅項之總額。

當期應付稅項是根據本年度之應課稅溢利計算。應課稅溢利與收益表上呈報之純利當中之差異，源於應課稅溢利並不包括隨後年期才計稅之若干收入或支出項目，亦不包括收益表內不需課稅及不可扣稅之項目。本集團當期稅項的負債乃用於結算日已生效或實際上已生效之稅率計算。

遞延稅項是指根據綜合財務報表資產及負債之賬面值及其用於計算應課稅溢利的相應稅基之間產生差額時確認，並以資產負債表負債法計算。一般情況之下，所有因應課稅臨時差額而產生之遞延稅項負債均予確認，而遞延稅項資產則按將來應課稅溢利可用作抵銷可扣稅之臨時差額之限額內計算。

除非本集團可控制有關暫時性差異之逆轉以及暫時性差異可能不會於可預見的將來逆轉，由投資附屬公司、聯營公司及共同控制個體產生之暫時性差異，其遞延稅項負債均需予以確認。

遞延稅項資產之賬面值需於每年之結算日作檢討，直至無足夠應課稅溢利可供全部或部份遞延稅項資產扣減。

遞延稅項是根據預期資產兌現及負債於年內之所得稅稅率計算，並於收益表中計入或扣除。若有關項目直接於股東資金中計入或扣除，其遞延稅項則於股東資金中列入。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

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

Prepaid lease payments

Prepaid lease payments represent lease prepayment paid or payable for the right to use the land on which various plants and buildings are situated for a definite period, are carried at cost less accumulated amortisation. Amortisation of prepaid lease payments is calculated on a straight-line basis over the expected period of the rights.

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 loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

3. 主要會計政策 (續)

存貨

存貨乃按成本值或可變現淨值(以較低者為準)列賬。成本以加權平均法計算。

預付租金

預付租金指於指定期內就多所工廠及樓宇之土地使用權已付或應付之預付租金減累計攤銷。預付租金攤銷是按預期擁有權利期間以直線法計算。

金融工具

當集團個體成為金融工具合約之訂約方，金融資產及金融負債於綜合資產負債表內確認。金融資產及金融負債初步按公平價值計量。應直接計入收購或發行金融資產及金融負債(按公平價值入賬及列入收益表之金融資產及金融負債除外)之交易成本，於初次確認時加入或從金融資產或金融負債之公平價值扣減。直接應佔收購按公平價值入賬及列入收益表之金融資產或金融負債的交易成本，應立即於收益表內確認。

金融資產

本集團之金融資產主要分為貸款及應收款及可供出售之金融資產。從正常渠道購買或出售金融資產以交易日基準確認或不再確認。從正常渠道購買或出售為須於法例或市場慣例訂立的期間內交付資產而購買或出售之金融資產。以下乃各類金融資產所採用之會計政策。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, bills receivable, deposits and prepayments, amounts due from associates, a jointly controlled entity and an investee company) 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 financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in profit or loss in subsequent periods. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

3. 主要會計政策 (續)

金融工具 (續)

貸款及應收款

貸款及應收款乃非衍生工具金融資產，並具有於交投活躍市場未有報價之固定或可議定付款。於初次確認後之每個結算日，貸款及應收款包括貿易及其他應收賬款、應收票據、按金及預付款項、應收聯營公司款項及應收一間共同控制實體及一間受投資公司款項均按實際利率攤銷法攤銷後之成本入賬，並減去任何已確認之減值虧損。減值虧損於有客觀證據顯示資產出現減值時在收益表確認，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，惟於減值日期該項資產所撥回賬面值不得超出倘該項減值未獲確認本應出現之攤銷成本。

可供出售之金融資產

可供出售之金融資產乃指定或並未分類為按公平價值列入收益表之金融資產、貸款及應收款或持至到期日之投資之非衍生工具。於初次確認後的每個結算日，可供出售之金融資產按公平價值計量。公平價值變動於股本內確認，直至出售金融資產或釐定為減值為止，則以往於股本內確認之累計收益或虧損屆時從股本剔除，並於收益表內確認。可供出售之金融資產減值虧損於收益表確認。可供出售之金融資產減值虧損將不會於其後期間逆轉。就可供出售之金融資產而言，當於確認減值虧損後發生一項事件可以客觀地與投資公平價值增加形成關係，減值虧損於其後期間逆轉。

3. SIGNIFICANT ACCOUNTING POLICIES (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 Group's financial liabilities are mainly represented other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

3. 主要會計政策 (續)

金融工具 (續)

可供出售之金融資產 (續)

就可供出售之股本投資而言，倘並無活躍市場之市價報價，其公平價值未能可靠計算，而衍生工具與該等無報價之股本工具聯繫並必須以該等無報價之股本工具交收，則可供出售之股本投資於首次確認後之各個結算日按成本值減任何已識別減值虧損計算。倘具備客觀證明資產減值，則減值虧損於收益表確認。減值虧損數額按資產賬面值與按類似金融資產之現行市場回報率折現估計未來現金流量之現值間之差額計算。該等減值虧損將不會於其後期間逆轉。

財務負債及股本

本集團所發行之財務負債及股本工具乃根據所訂立合約安排之內容，及財務負債和股本工具之定義予以分類。

股本工具為訂明於本集團資產之餘額權益經扣除其所有負債後之任何合約。本集團之財務負債主要指其他財務負債。就財務負債及股本採納之會計政策載列如下。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities and equity (Continued)

Other financial liabilities

Other financial liabilities including bank borrowings, trade and other payables, obligations under finance leases, amounts due to associates and a jointly controlled entity are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

Derecognition

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

Financial liabilities are derecognised 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 and payable is recognised in profit or loss.

3. 主要會計政策 (續)

財務負債及股本 (續)

其他財務負債

其他財務負債包括銀行借貸、貿易及其他應付款項、融資租賃承擔、應付聯營公司款項及應付一間共同控制實體款項，並以實際利率法按攤銷成本計算。

股本工具

本公司發行之股本工具以已收所得款項扣除直接發行成本後入賬。

取消確認

當從資產收取現金流之權利屆滿，或金融資產已予轉讓及本集團已轉讓金融資產擁有權之近乎所有風險及回報，金融資產則取消確認。於取消確認金融資產時，資產之賬面值與已收代價及已直接於股本內確認累計收益或虧損總和之差額，於收益表確認。

金融負債於有關合約指定之債務被解除、註銷或屆滿時取消確認。取消確認金融負債賬面值與已收或應收代價之差額，於收益表確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to share options reserve.

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to retained profits. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies which are described in Note 3, management has made the following judgments that have significant effect on the amounts recognised in the consolidated financial statements. The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also discussed below.

3. 主要會計政策 (續)

以股份形式付款交易

以股權結算以股份形式付款之交易

授予本公司僱員之購股權

以購股權授出日的公平價值來決定取得服務的公平價值，並以直線法在歸屬期間攤銷開支，導致股本(購股權儲備)相應上升。

在每個結算日，本集團就預期最終歸屬購股權之估計數目進行修訂。修訂原估計之影響(如有)乃於餘下歸屬期內於損益中確認，並在購股權儲備中作相應增加。

在行使購股權時，以前所確認的購股權儲備將會轉移至累計溢利中。當購股權被沒收或到期仍未行使時，以前所確認的購股權數額將會轉撥至保留溢利中。

4. 主要會計判斷及估計不穩定因素之主要來源

集團在應用敘述於上文附註3之會計政策過程中，管理層已作出以下對於財務報表確認之金額有重大影響之判斷。主要涉及對將來之假設及於資產負債表日其他估計不穩定因素之主要來源，並對資產及負債在下一財政年度之賬面值有較大風險引致重要調整的，亦列舉如下。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Depreciation

The Group's net book value of property, plant and equipment as at 31st December 2006 was approximately HK\$629,667,000 (2005: HK\$625,951,000). The Group depreciates the property, plant and equipment on a straight-line basis over the estimated useful lives of 2 to 40 years and after taking into account of their estimated residual value, using the straight-line method, at the rate of 2.5% to 50% per annum, commencing from the date the property, plant and equipment are placed into productive use. The estimated useful lives that the Group places the property, plant and equipment into productive use reflects the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment.

Allowances for bad and doubtful debts

The policy for allowance of bad and doubtful debts of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in impairment of their ability to make payments, additional allowances may be required.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's major financial instruments include trade and other receivables, bills receivable, deposits and prepayments, bank borrowings and trade and other payables. 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.

4. 主要會計判斷及估計不穩定因素之主要來源 (續)

折舊

本集團於二零零六年十二月三十一日之物業、廠房及資產賬面淨值約港幣629,667,000元(二零零五年：港幣625,951,000元)。本集團按估計可使用年期二至四十年，自物業、廠房及資產投資日起按2.5%至50%之年率以直線法將物業、廠房及資產予以折舊。經考慮估計剩餘價值後，本集團由物業、廠房及資產投入生產用途日期開始，按直線法予以折舊。本集團物業、廠房及資產投入生產用途之估計可使用年期指董事估計本集團以物業、廠房及資產產生未來經濟利益之期限。

呆壞賬撥備

本集團之呆壞賬撥備政策乃根據對可收回性之評估及賬目之賬齡分析和管理層之判斷而定。評估該等應收款項之最終變現額時，需要作出大量判斷，包括客戶目前之信譽及每項貸款之過往收賬歷史。倘若本集團客戶之財政狀況惡化導致其還款能力降低，則可能須作進一步撥備。

5. 金融風險管理目標及政策

本集團之主要金融工具包括貿易及其他應收款項、應收票據、按金及預付款項、銀行借貸及貿易及其他應付款項。有關金融工具詳情已於各有關附註披露。該等金融工具之相關風險及風險減低政策載於下文。管理層會管理及監察有關風險，確保適時有效地實施合適措施。

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to foreign currency risk. Certain trade receivables and payables of the Company are denominated in foreign currencies other than the functional currency of the group entity. The management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Credit risk

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

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

5. 金融風險管理目標及政策 (續)

貨幣風險

本公司若干附屬公司有以外幣計值之銷售，令本集團承受外幣風險。本集團若干應收貿易款項及應付貿易款項乃以外幣計值。管理層監控外匯風險，並會考慮於必要時對沖重大外幣風險。

信貸風險

倘對方於二零零六年十二月三十一日未能履行彼等之承擔，則本集團就每類已確認財務資產而須承受之最大信貸風險為已於綜合資產負債表列值之資產之賬面金額反映。為最大限度地降低信貸風險，本集團管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控措施，以確保採取跟進措施收回逾期未付之債項。此外，於各結算日，本集團定期評估每項個別貿易應收款之可收回金額，以確保就不可收回金額所作出之減值虧損已足夠。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

本集團並無集中之信貸風險，有關風險乃分散至多個其他方及客戶。

6. TURNOVER

Turnover represents the amounts received and receivable for goods sold and services provided by the Group to outside customers, net of return, allowances, discounts and sales related taxes and others, and is analysed as follows:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Sales of goods 銷售貨物	4,919,347	4,551,621
Commission income 佣金收入	20,861	25,152
Service fee income 服務費收入	47,209	40,143
Ticketing and touring income 票務及旅遊收入	24,430	23,689
Others 其他	16	767
	5,011,863	4,641,372

7. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

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

Principal activities are as follows:

- Trading – trading and distribution of chemicals, materials and equipment used in the manufacture of printed circuit boards and electronic products.
- Manufacturing – manufacturing of electrical and electronic products.

6. 營業額

營業額乃本集團向外界客戶提供銷售貨品及服務而已收取及應收取之款項減退貨、撥款、折扣及銷售相關稅項及其他，分析如下：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Sales of goods 銷售貨物	4,919,347	4,551,621
Commission income 佣金收入	20,861	25,152
Service fee income 服務費收入	47,209	40,143
Ticketing and touring income 票務及旅遊收入	24,430	23,689
Others 其他	16	767
	5,011,863	4,641,372

7. 業務及地區分部

業務分部

為便於管理，本集團目前劃分為兩大經營部門－貿易及製造。本集團之主要分部資料報告均以上述部門為基礎。

主要業務如下：

- 貿易 – 製造印刷電路板及電子產品所使用之化學品、物料及設備之貿易及經銷。
- 製造 – 電器及電子產品之製造。

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

Segment information about these businesses is presented below:

For the year ended 31st December 2006

7. 業務及地區分部

業務分部 (續)

該等業務之分部資料呈列如下：

截至二零零六年十二月三十一日止年度

	Trading 貿易 HK\$'000 港幣千元	Manufacturing 製造 HK\$'000 港幣千元	Other 其他 HK\$'000 港幣千元	Eliminations 抵銷 HK\$'000 港幣千元	Consolidated 綜合 HK\$'000 港幣千元
TURNOVER 營業額					
External sales 外部銷售額	2,100,170	2,870,419	41,274	-	5,011,863
Inter-segment sales 分部內銷售額	323,111	2,154	27,238	(352,503)	-
Total 總額	2,423,281	2,872,573	68,512	(352,503)	5,011,863
RESULT 業績					
Segment result 分部業績	197,446	229,489	(12,145)	(19,426)	395,364
Finance costs 融資成本	(12,885)	(42,737)	(187)	19,426	(36,383)
Unallocated corporate expenses 未分類之企業開支	-	-	-	-	(3,621)
	184,561	186,752	(12,332)	-	355,360
Impairment loss recognised in respect of properties 就物業已確認之減值虧損	(150)	(15,532)	-	-	(15,682)
Share of results of associates 應佔聯營公司業績	(564)	-	-	-	(564)
Profit before taxation 除稅前溢利					339,114
Income tax expense 所得稅支出					(67,717)
Profit for the year 本年度溢利					271,397

Inter-segment sales are charged at prevailing market rates.

分部內銷售額乃以現行市價計算。

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

Balance sheet

as at 31st December 2006

7. 業務及地區分部 (續)

業務分部 (續)

資產負債表

於二零零六年十二月三十一日

	Trading 貿易	Manufacturing 製造	Other 其他	Consolidated 綜合
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Assets 資產				
Segment assets 分部資產	848,948	1,503,559	72,454	2,424,961
Interests in associates 聯營公司權益	3,729	(7,000)	7,001	3,730
Interest in jointly controlled entity 於共同控制實際之權益	216	-	-	216
Consolidated total assets 綜合資產總值				<u>2,428,907</u>
Liabilities 負債				
Segment liabilities 分部負債	554,358	1,146,702	(405,571)	<u>1,295,489</u>
Consolidated total liabilities 綜合負債總額				<u>1,295,489</u>

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

Other Information

For the year ended 31st December 2006

7. 業務及地區分部 (續)

業務分部 (續)

其他資料

截至二零零六年十二月三十一日止年度

	Trading 貿易 HK\$'000 港幣千元	Manufacturing 製造 HK\$'000 港幣千元	Other 其他 HK\$'000 港幣千元	Consolidated 綜合 HK\$'000 港幣千元
Capital expenditure 資本開支	10,678	63,425	4,714	78,817
Depreciation of property, plant and equipment 物業、廠房及設備折舊	13,631	42,514	4,524	60,669
Amortisation of prepaid lease payments 預付租金攤銷	–	353	–	353
Written down of inventories to net realisable value 存貨撇減至可變現淨值	2,619	–	–	2,619
(Gain) loss on disposal of property, plant and equipment 出售物業、廠房及設備 (收益) 虧損	(283)	–	46	(237)

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued) 7. 業務及地區分部 (續)

Business segments (Continued)

For the year ended 31st December 2005

業務分部 (續)

截至二零零五年十二月三十一日止年度

	Trading 貿易 HK\$'000 港幣千元	Manufacturing 製造 HK\$'000 港幣千元	Other 其他 HK\$'000 港幣千元	Eliminations 抵銷 HK\$'000 港幣千元	Consolidated 綜合 HK\$'000 港幣千元
TURNOVER 營業額					
External sales 外部銷售額	1,775,052	2,821,206	45,114	-	4,641,372
Inter-segment sales 分部內銷售額	83,636	2,135	26,639	(112,410)	-
Total 總額	1,858,688	2,823,341	71,753	(112,410)	4,641,372
RESULT 業績					
Segment result 分部業績	164,938	106,663	(9,149)	(6,521)	255,931
Finance costs 融資成本	(3,161)	(42,788)	(531)	6,521	(39,959)
Unallocated corporate expenses 未分類之企業開支	-	-	-	-	(1,801)
Gain on disposal of partial interest in a subsidiary 出售一間附屬公司部份 權益之收益	161,777	63,875	(9,680)	-	214,171
Loss on disposal of an associate 出售一間聯營公司虧損	(227)	-	-	-	(227)
Profit before taxation 除稅前溢利					235,483
Income tax expense 所得稅支出					(35,765)
Profit for the year 本年度溢利					199,718

Inter-segment sales are charged at prevailing market rates.

分部內銷售額乃以現行市價計算。

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued) 7. 業務及地區分部 (續)

Business segments (Continued)

Balance sheet

as at 31st December 2005

業務分部 (續)

資產負債表

於二零零五年十二月三十一日

	Trading 貿易	Manufacturing 製造	Other 其他	Consolidated 綜合
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Assets 資產				
Segment assets 分部資產	670,766	1,576,201	71,307	2,318,274
Interests in associates 聯營公司權益	–	–	18	18
Unallocated corporate assets 未分類之企業資產	–	–	–	1,011
Consolidated total assets 綜合資產總值				2,319,303
Liabilities 負債				
Segment liabilities 分部負債	343,212	1,044,048	33,417	1,420,677
Unallocated corporate liabilities 未分類之企業負債	–	–	–	606
Consolidated total liabilities 綜合負債總額				1,421,283

Other Information

For the year ended 31st December 2005

其他資料

截至二零零五年十二月三十一日止年度

	Trading 貿易	Manufacturing 製造	Other 其他	Consolidated 綜合
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Capital expenditure 資本開支	7,871	14,673	3,334	25,878
Depreciation for property, plant and equipment 物業、廠房及設備折舊	11,470	45,048	7,860	64,378
Amortisation of prepaid lease payment 預付租金攤銷	–	353	–	353
Written down of inventories to net realisable value 存貨撇減至可變現淨值	–	6,213	–	6,213
Loss on disposal of property, plant and equipment 出售物業、廠房及設備收益(虧損)	95	189	–	284

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Geographical Segments

The Group's operations are located in Hong Kong, other regions in the People's Republic of China ("the PRC"), South East Asia, Europe and America. The Group's trading divisions are located in Hong Kong, PRC and South East Asia. Manufacturing of industrial products is carried out in the PRC.

The following table provides an analysis of the Group's turnover by geographic market, irrespective of the origin of the goods or services:

	Sales revenue by geographical market 按地區市場 劃分之銷售收益	
	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Hong Kong 香港	815,833	668,195
PRC 中國	1,579,275	1,311,007
South East Asia 東南亞	1,140,841	1,145,886
Europe 歐洲	486,645	536,769
America 美國	987,210	976,520
Others 其他	2,059	2,995
	5,011,863	4,641,372

7. 業務及地區分部 (續)

地區分部

本集團之業務位於香港、中華人民共和國(「中國」)其他地區、東南亞、歐洲及美國。本集團之貿易部門設於香港、中國及東南亞。工業產品之製造於中國進行。

下表為本集團按地區市場劃分(並不考慮貨品及/或服務來源地)之營業額分析：

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)
Geographical Segments (Continued)

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

	Carrying amount of segment assets 分部資產之 賬面金額		Additions to property, plant and equipment 物業、廠房及設備 之增加	
	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Hong Kong 香港	1,102,819	1,189,587	2,670	3,022
PRC 中國	975,308	836,801	71,258	18,921
South East Asia 東南亞	349,682	292,393	4,820	3,935
Europe 歐洲	9	8	—	—
America 美國	1,089	514	69	—
	2,428,907	2,319,303	78,817	25,878

7. 業務及地區分部 (續)
地區分部 (續)

以下為按資產所在地區市場劃分之分部資產之賬面金額及物業、廠房及設備增加之分析：

8. INVESTMENT INCOME

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Interest on: 利息：		
– bank deposits 銀行存款	3,165	1,461
– overdue receivables 逾期應收賬款	77	—
Total interest income 利息收入總額	3,242	1,461
Dividends from available-for-sale investments 可供出售投資之股息收入	4,704	6,481
	7,946	7,942

8. 投資收入

9. FINANCE COSTS

9. 融資成本

	2006	2005
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Interest on: 利息：		
– bank loans and overdrafts wholly repayable within five years 銀行貸款、透支及其他借貸須於五年內悉數償還	35,875	38,984
– shareholders' loan 股東貸款	–	483
– finance leases 融資租賃	407	492
– other 其他	101	–
Total borrowing costs 總借貸成本	36,383	39,959

10. DIRECTORS' AND EMPLOYEE'S EMOLUMENTS

(a) Directors' emoluments

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

For the year ended 31st December 2006

	Edward Senta Wong 王忠桐 HK\$'000 港幣千元	Edward Ying-Chun Tsui 徐應春 HK\$'000 港幣千元	Byron Shu-Chan Ho 何樹燦 HK\$'000 港幣千元	Bengie Man-Hang Kwong 鄭敏恆 HK\$'000 港幣千元	Hamed Hassan EL-ABD - HK\$'000 港幣千元	Peter Chung-Yin Lee 李仲賢 HK\$'000 港幣千元	Philip John Ho 何約翰 HK\$'000 港幣千元	Philip Wan-Chung Tse 謝宏鍾 HK\$'000 港幣千元	Gene Howard Weiner - HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Fees 袍金	100	100	100	100	100	105	105	105	100	915
Other emoluments 其他酬金										
- Salaries and other benefits - 薪酬及其他福利	6,417	3,636	3,346	3,142	2,566	-	-	-	-	19,107
- Contributions to retirement benefits schemes - 向退休福利計劃供款	248	182	167	157	104	-	-	-	-	858
- Share-based payment - 以股份形式付款	70	70	70	52	52	11	11	11	11	358
- Performance related incentive payments - 表現獎金	4,659	5,092	5,082	4,680	713	-	-	-	-	20,226
Total emoluments 酬金總額	11,494	9,080	8,765	8,131	3,535	116	116	116	111	41,464

10. 董事及僱員酬金

(a) 董事酬金

已付或應付於九名(二零零五年：九名)董事各人之酬金如下：

截至二零零六年十二月三十一日止年度

10. DIRECTORS' AND EMPLOYEE'S EMOLUMENTS (Continued)

10. 董事及僱員酬金 (續)

(a) Directors' emoluments (Continued)

For the year ended 31st December 2005

(a) 董事酬金 (續)

截至二零零五年十二月三十一日止年度

	Edward Senta Wong 王忠桐	Edward Ying-Chun Tsui 徐應春	Byron Shu-Chan Ho 何樹燦	Bengie Man-Hang Kwong 鄭敏恆	Hamed Hassan EL-ABD -	Peter Chung-Yin Lee 李仲賢	Philip John Ho 何約翰	Philip Wan-Chung Tse 謝宏鍾	Gene Howard Weiner -	TOTAL 總額
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Fees 袍金	100	100	100	100	100	105	105	105	100	915
Other emoluments 其他酬金										
- Salaries and other benefits - 薪酬及其他福利	5,762	3,300	3,036	2,844	2,280	-	-	-	-	17,222
- Contributions to retirement benefits schemes - 向退休福利計劃供款	204	165	152	142	96	-	-	-	-	759
- Share based payment - 以股份形式付款	44	44	44	33	33	6	6	6	6	222
- Performance related incentive payments - 表現獎金	2,625	3,179	3,158	2,137	570	-	-	-	-	11,669
Total emoluments	8,735	6,788	6,490	5,256	3,079	111	111	111	106	30,787

During the years ended 31st December 2006 and 2005, no emoluments were paid by the Group to the directors as inducement to join or upon joining the Group or as compensation for loss of office. In addition, no director waived any emoluments in both years.

截至二零零六年及二零零五年十二月三十一日止年度，本集團並無支付酬金予董事，作為吸引加入或加入本集團時之獎勵或作為失去職位之補償。此外，年內並無董事放棄任何酬金。

(b) Employee's emoluments

The five highest paid individuals in the Group were executive directors of the Company for the years ended 31st December 2006 and 2005 whose emoluments are included in the disclosures in note 10(a) above.

(b) 僱員酬金

本集團截至二零零六年及二零零五年十二月三十一日止年度之五名最高薪酬僱員均為本公司之執行董事，彼等之薪酬乃於上文附註10(a)予以披露。

11. INCOME TAX EXPENSE

11. 所得稅支出

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
The charge (credit) comprises: 稅項支出 (抵免) 包括 :		
Current tax 即期稅項		
Hong Kong 香港	38,772	10,806
Other jurisdictions 其他司法權區	18,589	25,920
	57,361	36,726
Under (over) provision in prior years		
過往年度撥備不足 (超額撥備)		
Hong Kong 香港	8,115	(52)
Other jurisdictions 其他司法權區	-	(267)
	8,115	(319)
Deferred taxation (Note 29) 遞延稅項 (附註29)	2,241	(642)
	67,717	35,765

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

香港利得稅乃以該年度之估計應課稅溢利按稅率17.5% (2005 : 17.5%) 計算。

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

其他司法權區之稅項則按有關司法權區適用之稅率計算。

11. INCOME TAX EXPENSE (Continued)

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

11. 稅項 (續)

年內稅項可與綜合收益表所示除稅前溢利之調節如下：

	2006	2005
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Profit before taxation 除稅前溢利	339,114	235,483
Tax at domestic tax rate of 17.5% (2005: 17.5%) 按當地稅率17.5% (二零零五年：17.5%) 計算之稅項	59,345	40,993
Tax effect of expenses not deductible for tax purpose 就稅務而言之非扣減開支之稅務影響	4,419	2,834
Tax effect of share of loss of associates 應佔聯營公司溢利(虧損)之稅務影響	99	-
Tax effect of income not taxable for tax purpose 就稅務而言之非課稅收入之稅務影響	(3,396)	(9,106)
Deferred tax asset in respect of tax losses not recognised 有關未確認稅項虧損之遞延稅項資產	1,610	997
Others 其他	(143)	366
Effect of different tax rates of operation in other jurisdictions 其他司法權區之不同經營稅率之影響	(2,332)	-
Under (over) provision prior years 過往年度撥備不足(超額撥備)	8,115	(319)
Tax charge for the year 年內稅項支出	67,717	35,765

12. PROFIT FOR THE YEAR

12. 本年度溢利

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Profit for the year has been arrived at after charging (crediting): 經營溢利已扣除 (計入) 下列各項 :		
Depreciation 折舊		
– owned assets 自置資產	59,926	63,758
– assets held under finance leases 融資租賃資產	743	620
	60,669	64,378
Amortisation of prepaid lease payments 預付租金攤銷	353	353
Auditors' remuneration 核數師酬金		
– current year 本年度	1,156	1,373
– under-provision in previous years 過往年度撥備不足	8	–
Net foreign exchange gains 匯兌收益淨額	(2,883)	(4,069)
Written down of inventories to net realisable value 存貨撇除至可變現淨值	2,619	6,213
Reversal of allowance of bad and doubtful debts 呆壞賬撥備之撥回	(2,894)	(10,009)
Cost of inventory recognised as expenses 確認為開支之存貨成本	3,920,014	3,720,044
Impairment loss recognised in respect of medium-term leasehold factory premises in the PRC 中國中期租賃廠房物業相關之已確認減值虧損	15,532	–
Impairment loss recognised in respect of freehold land and buildings in overseas 海外永久業權土地及樓宇相關已確認減值虧損	150	–
Contributions to retirement benefits schemes including the contributions for the directors 退休福利計劃供款 (包括董事供款)	5,828	5,120
(Gain) loss on disposal of property, plant and equipment 出售物業、廠房及設備 (收益) 虧損	(237)	284

13. DIVIDENDS

13. 股息

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Ordinary shares: 普通股：		
Interim dividend paid: HK\$0.015 (2005: HK\$0.015) per share 支付中期股息每股港幣0.015元(二零零五年：港幣0.015元)	10,622	10,392
Final dividend HK\$ Nil (2005: HK\$0.04) per share 末期股息：無(二零零五年：港幣0.04元)	-	27,712
	10,622	38,104

The Board of Directors do not recommend any payment of dividend for the year ended 31st December 2006 (2005: HK\$0.04).

董事會建議不派發截至二零零六年十二月三十一日止年度之股息(二零零五年：港幣0.04元)。

14. EARNINGS PER SHARE

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

14. 每股盈利

母公司普通股權持有人應佔每股基本及攤薄盈利按以下數據計算：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Earnings for the purpose of basic and diluted earnings per share (profit for the year attributable to equity holders of parent company) 以計算每股基本及攤薄盈利之盈利 (母公司股權持有之本年度溢利)	250,093	180,609

	Number of shares 股份數目	
	2006	2005
Weighted average number of ordinary shares for the purposes of basic earnings per share 就每股基本盈利之普通股加權平均數	699,012,493	692,791,964
Effect of dilutive potential ordinary shares: 潛在普通股之攤薄影響：		
- share options 購股權	24,013,561	28,292,966
Weighted average number of ordinary shares for the purposes of diluted earnings per share 就每股攤薄盈利之普通股加權平均數	723,026,054	721,084,930

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

	Freehold land and buildings in overseas 海外永久 業權土地 及樓宇 HK\$'000 港幣千元	Medium-term leasehold factory premises in the PRC 中國中期 租約廠房 HK\$'000 港幣千元	Machinery and equipment 機器 及設備 HK\$'000 港幣千元	Leasehold improvements, furniture and fixtures 租賃物業 裝修、 傢俬及裝置 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Moulds 鑄模 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
COST 成本							
At 1st January 2005 二零零五年一月一日	48,159	435,965	489,445	98,153	17,504	4,190	1,093,416
Exchange adjustments 外匯調整	(1,032)	-	(348)	(29)	8	-	(1,401)
Additions 添置	-	394	21,417	2,803	1,264	-	25,878
Disposals 出售	-	-	(8,214)	(363)	(65)	-	(8,642)
At 31st December 2005 and 1st January 2006 於二零零五年十二月三十一日及 二零零六年一月一日	47,127	436,359	502,300	100,564	18,711	4,190	1,109,251
Exchange adjustments 外匯調整	2,126	22	1,580	1,097	286	-	5,111
Additions 添置	-	24,738	48,578	2,669	2,832	-	78,817
Disposals 出售	(1,745)	-	(9,767)	(4,092)	(2,565)	-	(18,169)
Reclassification 重新歸類	-	-	(30,655)	26,944	3,702	-	(9)
At 31st December 2006 於二零零六年十二月三十一日	47,508	461,119	512,036	127,182	22,966	4,190	1,175,001
ACCUMULATED DEPRECIATION AND IMPAIRMENT 累計折舊及減值虧損							
At 1st January 2005 二零零五年一月一日	12,072	26,438	303,978	68,727	11,294	4,190	426,699
Exchange adjustments 外匯調整	(202)	-	(560)	(88)	7	-	(843)
Charge for the year 本年度折舊	624	6,075	48,330	7,012	2,337	-	64,378
Eliminated on disposals 出售時撇銷	-	-	(6,528)	(341)	(65)	-	(6,934)
At 31st December 2005 and 1st January 2006 於二零零五年十二月三十一日及 二零零六年一月一日	12,494	32,513	345,220	75,310	13,573	4,190	483,300
Exchange adjustments 外匯調整	234	-	1,330	938	186	-	2,688
Charge for the year 本年度折舊	508	6,942	44,204	6,465	2,550	-	60,669
Impairment loss recognised during the year 本年度已確認減值虧損	150	15,532	-	-	-	-	15,682
Reclassification 重新歸類	-	-	(20,751)	17,717	3,034	-	-
Eliminated on disposals 出售時撇銷	(1,745)	-	(8,894)	(3,864)	(2,502)	-	(17,005)
At 31st December 2006 於二零零六年十二月三十一日	11,641	54,987	361,109	96,566	16,841	4,190	545,334
CARRYING VALUES 賬面值							
At 31st December 2006 於二零零六年十二月三十一日	35,867	406,132	150,927	30,616	6,125	-	629,667
At 31st December 2005 於二零零五年十二月三十一日	34,633	403,846	157,080	25,254	5,138	-	625,951

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The net book value of property, plant and equipment includes an amount of approximately HK\$12,079,000 (2005: HK\$12,822,000) in respect of assets held under finance leases.

The Group has pledged land and buildings having a net book value of approximately HK\$33,108,000 (2005: HK\$31,837,000) to secure bank overdraft granted to the Group.

16. PREPAID LEASE PAYMENTS

The amount represents prepaid lease payments relating to land use rights in the PRC which are held under medium-term leases. Analysis of the carrying amount of prepaid lease payments are as follows:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Analysed for reporting purpose as: 就呈報而作出分析：		
- current assets 流動資產	353	353
- non-current assets 非流動資產	13,132	13,704
	13,485	14,057

15. 物業、廠房及設備 (續)

物業、廠房及設備中包含為數約港幣12,079,000元融資租賃持有之資產(二零零五年：港幣12,822,000元)。

本集團將賬面淨值約港幣33,108,000元(二零零五年：港幣31,837,000元)之土地及樓宇抵押，作為授予本集團之銀行透支之擔保。

16. 預付租金

預付租金之金額乃與於中國之中期租約土地有關。預付租金賬面值之分析如下：

17. INTERESTS IN ASSOCIATES

17. 聯營公司權益

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Cost of investment in unlisted associates 於非上市聯營公司之投資成本	4,393	1
Share of post-acquisition (loss) profits, net of dividends received 應佔收購後(虧損)溢利(已扣除已收股息)	(547)	17
	3,846	18
Amounts due from associates 應收聯營公司款項	7,514	6,867
	11,360	6,885
Amounts due to associates 應付聯營公司款項	(7,630)	(6,726)
	3,730	159

The fair value of the Group's amounts due from (to) associates as at the balance sheet, determined based on the present value of the estimated future cash flows discounted using the prevailing market rate at the balance sheet date approximates to the carrying amounts of the receivables/payables.

資產負債表內應收(付)聯營公司款項之公平值乃按估計未來現金流量按結算日之現行市場比率貼現之現值釐定，與應收/付款項之賬面值相若。

17. INTERESTS IN ASSOCIATES (Continued)

As at 31st December 2006, the Group had interests in the following principal associates:

17. 聯營公司權益 (續)

於二零零六年十二月三十一日，主要聯營公司詳情如下：

Name of entity 公司名稱	Form of business structure 企業 結構形式	Place of incorporation registration/ operation 成立／註冊／ 經營地點	Class of share held 持有 股份類別	Proportion of nominal value of issued capital/ registered capital held by the Group 本集團所持 已發行股本面值／ 註冊股本比例	Proportion of voting power held 所持 投票權比例 %	Principal activities 主要業務 %
Golden Crown Limited [#]	Incorporated 註冊成立	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	50	50	Investment holding 投資控股
W.S. Wong & Sons Investment (Nanchang) Limited [#] 王華湘父子投資(南昌) 有限公司*	Wholly foreign owned enterprise 全外資企業	PRC 中國	Ordinary 普通股	50	50	Investment holding 投資控股
Wong's Holding China Investment Limited 王氏集團中國投資 有限公司	Incorporated 註冊成立	Hong Kong 香港	Ordinary 普通股	50	50	Investment holding 投資控股
建大科技股份有限公司	Incorporated 註冊成立	Taiwan 台灣	Ordinary 普通股	23.6	23.6	Manufacturing of machineries 製造機器

The above table lists the principal associates of the Group which, the Group has significant influence, and in the opinion of the directors of the Company, principally affected the results of the year or form a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the directors of the Company, result in particulars of excessive length.

上表載列本集團對其有重大影響及本公司董事認為對本集團之年度業績有重要影響或構成本集團資產淨值主要部份之聯營公司。本公司董事認為，提供其他聯營公司之詳情將導致資料過於冗長。

17. INTERESTS IN ASSOCIATES (Continued)

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

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Total assets 資產總值	39,528	29,001
Total liabilities 負債總額	(15,851)	(15,945)
Net assets 資產淨值	23,677	13,056
Group's share of net assets of associates 本集團應佔聯營公司資產淨值	3,846	18
Revenue 收益	90	-
Loss for the year 年內虧損	(2,494)	(28)
Group's share of results of associates for the year 本集團應佔聯營公司年內業績	(564)	-

The Group has discontinued recognition of its share of losses of certain associates. The amounts of unrecognised share of those associates, extracted from the relevant audited and management accounts of associates, both for the year and cumulatively are as follows:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Unrecognised share of losses of associates for the year 年內聯營公司之未確認虧損	7	8
Accumulated unrecognised share of losses of associates 累計聯營公司之未確認虧損	591	584

17. 聯營公司權益 (續)

本集團聯營公司之未經審核財務資料概述如下：

本集團已終止確認應佔若干聯營公司之虧損。該等聯營公司之年內及累計未確認虧損乃摘錄自聯營公司之相關經審核及管理賬目，列明如下：

18. INTEREST IN A JOINTLY CONTROLLED ENTITY

As at 31st December 2006, the Group had interest in the following jointly controlled entity:

Name of entity 公司名稱	Form of business structure 企業 結構形式	Place of incorporation/ registration/ operation 成立/註冊/ 經營註冊地點	Class of share hold 持有 股份類別	Proportion of nominal value of issued capital held by the Group 本集團所持已發行 股本面值比例 %	Proportion of voting power held 所持 投票權比例 %	Principal activities 主要業務
WKK Source Electronics (HK) Limited (Formerly known as Efficiency Tech Limited) 王氏上昇電子(香港) 有限公司(前稱迅捷達 有限公司)	Incorporated 註冊成立	Hong Kong 香港	Ordinary 普通股	50	50	Electronic components manufacturing 生產電子組件

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Cost of unlisted investment in a jointly controlled entity 於一間共同控制實體之非上市投資成本	5	—
Share of post-acquisition profits, net of dividend received 應佔收購後溢利(已扣除已收股息)	—	—
Amount due from a jointly controlled entity 應收共同控制實體款項	216	—
Amount due to a jointly controlled entity 應付共同控制實體款項	(5)	—
	216	—

The fair value of the Group's amount due from (to) a jointly controlled entity as at the balance sheet, determined based on the present value of the estimated future cash flows discounted using the prevailing market rate at the balance sheet date approximates to the carrying amounts of the receivables/payables.

18. 共同控制實體權益

於二零零六年十二月三十一日，本集團擁有下列共同控制實體之權益：

資產負債表內應收(付)共同控制實體款項之公平值乃以估計未來現金流量按結算日之現行市場比率貼現所得現值釐定，與應收款項/應付款項之賬面值相若。

18. INTEREST IN A JOINTLY CONTROLLED ENTITY (Continued)

The summarised unaudited financial information in respect of the Group's jointly controlled entity which is accounted for using the equity method is set out below:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Current assets 流動資產	10	-
Non-current assets 非流動資產	-	-
Current liabilities 流動負債	216	-
Non-current liabilities 非流動負債	-	-
Income 收入	-	-
Expenses 支出	216	-

18. 共同控制實體權益 (續)

按權益法列賬之本集團共同控制實體未經審核財務資料概述如下：

19. AVAILABLE-FOR-SALE INVESTMENTS

As at 31st December 2006, available-for-sale investments comprise:

19. 可供出售投資

於二零零六年十二月三十一日之可供出售投資包括：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Unlisted investments, at cost: 非上市投資，按成本：		
– equity securities (note a & b) 股本證券 (附註a及b)	28,150	26,436
– club membership (note b) 會所會籍 (附註b)	16,100	14,835
– club debentures (note b) 非上市會所債券 (附註b)	490	490
– overseas investment funds (note b) 海外投資基金 (附註b)	4,148	4,082
	48,888	45,843
Less: impairment loss recognised 減：已確認減值虧損	(7,138)	(7,578)
	41,750	38,265

19. AVAILABLE-FOR-SALE INVESTMENTS (Continued)

Notes:

- (a) The above unlisted equity securities represented investments in private entities incorporated in Taiwan, British Virgin Islands and Hong Kong.
- (b) The above unlisted investments are measured at cost less impairment 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.

20. AMOUNT DUE FROM AN INVESTEE COMPANY

The directors consider that the carrying amount approximates their fair value. The amount is unsecured, interest-free and repayable on demand.

21. INVENTORIES

Raw materials and consumables 原料
Work in progress 在製品
Finished goods 製成品

Included in above were raw materials of approximately HK\$51,435,000 (2005: HK\$102,753,000), work in progress of approximately HK\$15,071,000 (2005: HK\$63,000) and finished goods of approximately HK\$44,775,000 (2005: HK\$15,780,000) which are carried at net realisable value.

19. 可供出售投資 (續)

附註：

- (a) 上述非上市股本證券指於台灣、英屬維爾京群島及香港註冊成立之私人公司之投資。
- (b) 由於本公司董事認為未能可靠地評估有關公平價值之範圍，故上述非上市投資以各結算日之成本減減值計算。

20. 應收受投資公司款項

董事認為其賬面值與公平價值相若。款項無抵押、免息及須應要求償還。

21. 存貨

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Raw materials and consumables 原料	251,175	211,434
Work in progress 在製品	64,888	72,118
Finished goods 製成品	179,426	205,989
	495,489	489,541

上述包括原料約港幣51,435,000元(二零零五年：港幣102,753,000元)、在製品約港幣15,071,000元(二零零五年：港幣63,000元)及製成品約港幣44,775,000元(二零零五年：港幣15,780,000元)，均以可變現淨值列賬。

22. TRADE AND OTHER RECEIVABLES

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Trade receivables 貿易應收賬款	1,017,425	933,600
Less: Accumulated impairment 減：呆壞賬撥備	(44,588)	(47,482)
	972,837	886,118
Other receivables 其他應收賬款	20,766	41,182
	993,603	927,300

The Group allows an average credit period of 60 days to its trade customers. In addition, for certain customers with long-established relationship, a longer credit period is granted. The following is an aged analysis of trade receivables net of impairment losses at the balance sheet date:

本集團給予貿易客戶平均60天之信貸期。此外，就已建立長期關係之若干客戶而言，本集團會給予較長之信貸期。以下為於結算日之貿易應收賬款之賬齡分析：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
0 to 30 days 0至30天	661,004	548,339
31 to 60 days 31至60天	139,341	127,866
61 to 90 days 61至90天	52,173	64,086
Over 90 days 90天以上	120,319	145,827
	972,837	886,118

The fair value of the Group's trade and other receivables as at 31st December 2006 approximates to the corresponding carrying amount.

本集團於二零零六年十二月三十一日貿易及其他應收賬款之公平值與相關賬面值相若。

23. PLEDGED BANK DEPOSITS

The amounts represented bank deposits pledged to the Custom in Taiwan for the compliance of the custom declaration requirements in Taiwan.

The deposits carry interest rate at 2.01% (2005: 1.57%).

23. 已抵押銀行存款

該數額乃就一間位於台灣之附屬公司之報關需要而用作抵押之銀行存款。

存款之利率為2.01% (二零零五年：1.57%)。

24. TRADE AND OTHER PAYABLES**24. 貿易及其他應付賬款**

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Trade payables 貿易應付賬款	523,544	560,385
Other payables 其他應付賬款	215,700	169,738
Total trade and other payables 貿易及其他應付賬款總額	739,244	730,123

The following is an aged analysis of trade payables at the balance sheet date:

以下為於結算日之貿易應付賬款之賬齡分析：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
0 to 30 days 0至30天	359,356	197,629
31 to 60 days 31至60天	27,712	86,879
61 to 90 days 61至90天	12,000	38,985
Over 90 days 90天以上	124,476	236,892
	523,544	560,385

The fair value of the Group's trade and other payables as at 31st December 2006 approximates to the corresponding carrying amounts.

本集團於二零零六年十二月三十一日貿易及其他應付賬款之公平值與相關賬面值相若。

25. BANK BORROWINGS**25. 銀行借貸**

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Unsecured: 無抵押：		
Bills payable 應付票據	72,320	119,246
Bank loans 銀行貸款	429,789	540,055
	502,109	659,301

25. BANK BORROWINGS (Continued)

The above amounts bear interest at prevailing market rates and are repayable as follow:

25. 銀行借貸 (續)

上述銀行借貸之到期日如下：

	2006	2005
	HK\$'000	HK\$'000
	港幣千元	港幣千元
On demand or within one year 應要求或一年內	359,609	421,801
More than one year, but not exceeding two years 超過一年但不多於兩年	95,000	95,000
More than two years, but not exceeding three years 超過兩年但不多於三年	47,500	142,500
	502,109	659,301
Less: Amounts due within one year shown under current liabilities 減：列入流動負債一年內到期之款項	(359,609)	(421,801)
Amounts due after one year 一年後到期之款項	142,500	237,500

25. BANK BORROWINGS (Continued)

The Group's borrowings that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

	Currency HKD 貨幣港幣 \$'000 千元	Currency USD 貨幣美元 \$'000 千元	Currency YEN 貨幣日元 \$'000 千元	Currency EUR 貨幣歐元 \$'000 千元	Currency RMB 貨幣人民幣 \$'000 千元	Currency TWD 貨幣台幣 \$'000 千元
As at 31st December 2006 於二零零六年十二月三十一日	423,848	4,384	541,588	251	6,000	-
As at 31st December 2005 於二零零五年十二月三十一日	658,811	-	-	-	-	1,973

The bank loans are variable-rate borrowings with effective interest rates (which are also equal to contracted interest rates) ranging from 4.85% to 6.35% (2005: 1.045% to 5.19%) denominated in Hong Kong Dollars. Interest is normally re-fixed at every one to six months.

During the year, the Group obtained new loans in the amount of HK\$5,940,600 (2005: HK\$453,190,000). The loans bear interest at market rates and will be repayable within the coming three years (2005: three years).

The directors consider that the carrying amount of bank borrowings approximated to their fair value.

As at the balance sheet date, the Group has the following undrawn borrowing facilities:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Floating rate 浮動利率		
- expiring within one year 一年內到期	359,609	421,801
- expiring beyond one year 一年後到期	142,500	237,500
	502,109	659,301

25. 銀行借貸 (續)

本集團之貸款乃按以下相關集團實體之功能貨幣以外之貨幣列值：

上述所有銀行貸款按不同息率計息，實際利率（相等於訂約之利率）由4.85厘至6.35厘（二零零五年：1.045厘至5.19厘）不等，並以港幣列值。利率一般每一至六個月重新釐定。

於年內，本集團獲取新貸款港幣5,940,600元（二零零五年：453,190,000元）。該貸款按市場息率計息，並將於三年（二零零五年：三年）內償還。

董事認為銀行貸款之賬面值與其公平價值相若。

於結算日，本集團之未提取銀行融資如下：

26. OBLIGATIONS UNDER FINANCE LEASES

26. 融資租賃承擔

	Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款之現值	
	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Amounts payable under finance leases 根據融資租賃應付之數額				
Within one year 一年之內	3,818	4,790	3,454	4,323
In more than one year but not more than two years 一年至兩年	393	3,024	372	2,719
In more than two years but not more than three years 兩年至三年	—	393	—	373
In more than three years but not more than four years 三年至四年	—	—	—	—
	4,211	8,207	3,826	7,415
Less: Future finance charges 減：日後融資費用	(385)	(792)	—	—
Present value of lease obligations 租賃承擔之現值	3,826	7,415	3,826	7,415
Less: Amount due for settlement within one year shown under current liabilities 減：列入流動負債於一年內到期結清之款項			(3,454)	(4,323)
Amount due for settlement after one year 於一年後到期結清之款項			372	3,092

It is the Group's policy to lease certain of its property, plant and equipment under finance leases. The average lease term is 3 years. For the year ended 31st December 2006, the average effective borrowing rate was 4.5% (2005: 4.5%) p.a.. Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

本集團之政策乃按融資租賃租賃其若干物業、廠房及設備。平均租賃期限為三年。截至二零零五年十二月三十一日止年度，平均實際借款利率為每年4.5%（二零零五年：4.5%）。利率於合約日期釐定。所有租賃均按固定還款基準進行，本集團並無就或然租金訂立任何安排。

26. OBLIGATIONS UNDER FINANCE LEASES (Continued)

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets.

The directors consider that the carrying amount of the obligations under finance leases is approximated to their fair values.

27. BANK OVERDRAFT-SECURED

The bank overdrafts are secured by the pledged of certain land and buildings (Note 15). The effective interest rate of the secured bank overdrafts at the balance sheet date was 6.75% (2005: 6.75%).

28. SHARE CAPITAL**26. 融資租賃承擔 (續)**

本集團之融資租賃承擔乃以出租人收取出租資產之費用作擔保。

董事認為融資租賃承擔之賬面值與其公平價值相若。

27. 銀行透支 – 已抵押

銀行透支以若干土地及樓宇之抵押為擔保(附註15)。結算日時，已抵押銀行透支之實際利率為6.75%(二零零五年：6.75%)。

28. 股本

	Number of shares 股份數目	HK\$'000 港幣千元
Ordinary shares of HK\$0.10 each 每股面值港幣0.10元之普通股		
Authorised: 法定股本：		
At 1st January 2005, 31st December 2005 and 31st December 2006 於二零零五年一月一日、二零零五年及 二零零六年十二月三十一日	1,000,000,000	100,000
Issued and fully paid: 已發行及繳足股本：		
At 1st January 2005 and 31st December 2005 於二零零五年一月一日及二零零五年十二月三十一日	692,791,964	69,279
Exercise of share options 行使購股權	15,312,000	1,531
At 31st December 2006 於二零零六年十二月三十一日	708,103,964	70,810

Neither the Company nor any of the subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

本公司或其任何附屬公司並無於年內購買、出售或贖回本公司任何上市證券。

29. DEFERRED TAXATION

The followings are the major deferred tax (assets) liabilities recognised by the Group and movements thereon during the current and prior year:

29. 遞延稅項

以下是本年及往年經本集團確認之主要遞延稅項資產／(負債)及其變動：

	Accelerated tax depreciation 加速稅項折舊	Estimated tax losses 預計稅項虧損	Others 其他	Total 合共
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1st January 2005 於二零零五年一月一日	(2,429)	643	4,557	2,771
Charge (credit) to the income statement for the year 於本年度收益表計入	651	248	(1,541)	(642)
At 31st December 2005 and 1st January 2006 於二零零五年十二月三十一日及 二零零六年一月一日	(1,778)	891	3,016	2,129
Charge (credit) to the income statement for the year 於本年度收益表(扣除)／計入	1,350	(891)	1,782	2,241
At 31st December 2006 於二零零六年十二月三十一日	(428)	–	4,798	4,370

29. DEFERRED TAXATION (Continued)

At 31st December 2006, the Group has unused tax losses of approximately HK\$184,000,000 (2005: HK\$203,000,000) available for offset against future profits. No deferred tax asset has been recognised of such losses due to the unpredictability of future profit streams. Included in unused tax losses are losses of approximately HK\$60,000,000 million (2005: HK\$58,000,000) that will expire in 2011. Other tax losses may be carried forward indefinitely.

29. 遞延稅項 (續)

於二零零六年十二月三十一日，本集團未使用之稅項虧損約為港幣184,000,000元（二零零五年：港幣203,000,000元），可用來抵銷未來溢利。由於不能預知未來溢利之趨勢，故此不能確認這些虧損為遞延稅項資產。未動用稅務虧損包括將於二零一一年屆滿之虧損港幣60,000,000元（二零零五年：港幣58,000,000元）。其他稅項虧損或會無限期結轉。

30. OPERATING LEASE ARRANGEMENT

Minimum lease payments paid under operating leases during the year:

年內按經營租賃支付之最低租金：

– rented premises 租賃物業	7,178	8,830
– plant, machinery and equipment and motor vehicle 廠房、機器及設備與汽車	68	54

7,246 8,884

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

於結算日，本集團就不可撤銷經營租賃項下之租賃物業、廠房、機器及設備與汽車之未來最低租金到期應付之承擔如下：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Within one year 一年內	8,657	6,436
In the second to fifth year inclusive 第二至第五年內	9,384	4,224
Over five years 超過五年	5,475	–
	23,516	10,660

30. OPERATING LEASE ARRANGEMENT (Continued)

Leases for rented premises, plant, machinery and equipment and motor vehicle are negotiated for an average of five years and rentals are fixed for an average of five years.

31. PLEDGE OF ASSETS

As at 31st December 2006, the Group had pledged the following assets to the secured the banking facilities, finance lease and Custom requirement:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Land and building 土地及樓宇	33,108	31,837
Plant and machinery 廠房及機器	8,632	9,607
Fixed deposit 固定存款	267	257
	42,007	41,701

Note a: At the balance sheet date, the Group had not utilised the banking facilities which secured by the pledged of assets.

32. SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to a resolution passed on 30th May 2005 for the primary purpose of providing incentives to directors and eligible employees, and will expire on 29th May 2015 (the "Scheme"). Under the Scheme, the Board of Directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

30. 經營租賃安排 (續)

租賃物業、廠房、機器及設備與汽車之租約乃按平均五年進行磋商，租金則平均每五年釐定一次。

31. 資產抵押

於二零零六年十二月三十一日，本集團已將下列資產抵押，作為銀行信貸、融資租賃及報關需要之抵押：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Land and building 土地及樓宇	33,108	31,837
Plant and machinery 廠房及機器	8,632	9,607
Fixed deposit 固定存款	267	257
	42,007	41,701

附註a：於結算日，本集團並無動用以該等資產作抵押之銀行信貸。

32. 購股權計劃

本公司根據二零零五年五月三十日之決議案採納之購股權計劃，主要目的為董事及合資格僱員提供獎勵，並將於二零一五年五月二十九日屆滿（「計劃」）。根據計劃，本公司董事會可向合資格僱員（包括本公司及其附屬公司董事）授予購股權，以認購本公司股份。

32. SHARE OPTION SCHEME (Continued)

At 31st December 2006, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 48,736,000 shares representing 6.88% (2005: 66,250,000 shares representing 9.56%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5,000,000 must be approved in advance by the independent non-executive Directors (excluding any independent non-executive Director who is a Grantee).

Options may be exercised after one year of its grant date, and options will vest (i) as to 25% (rounded down to the nearest whole underlying share) on the first anniversary of its Date of Grant, and (ii) as to the remainder on the second anniversary of its grant date. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

32. 購股權計劃 (續)

於二零零六年十二月三十一日，根據計劃已授出但尚未行使購股權所涉及之股份數目為48,736,000股佔本公司於該日已發行股份之6.88%（二零零五年：66,250,000股佔本公司於該日已發行股份之9.56%）。倘未經本公司股東事先批准，根據計劃可能授出之購股權所涉及之股份總數，不得超過本公司於批准計劃當日不時已發行股份之10%。倘未經本公司股東事先批准，任何個別人士於一年內任何時間可能獲授之購股權所涉及之股份數目，不得超過本公司不時已發行股份之1%。向主要股東或獨立非執行董事授出購股權時，如購股權所涉及之股份超出本公司股本之0.1%或價值港幣5,000,000元以上，則須獲得本公司獨立非執行董事事先批准（不包括任何獲授購股權之獨立非執行董事）。

購股權可於授出日期後一年行使，並(i)於授出日期起計首個週年日歸屬25%之購股權；及(ii)於授出日期起計第二個週年日歸屬餘下之購股權。行使價乃由本公司董事釐定，且不會少於下列三者之較高者：(i)於授出日期本公司股份之收市價；(ii)緊接授出日期前五個營業日股份之平均收市價；及(iii)本公司股份之面值。

32. SHARE OPTION SCHEME (Continued)

Details of specific categories of options are as follows:

2005 Scheme

For the year ended 31st December 2006

32. 購股權計劃 (續)

每類購股權之詳情載列如下：

二零零五年計劃

截至二零零六年十二月三十一日年度

Number of share options
購股權數目

Date of grant 授出日期	Exercisable period 行使期	Vesting period 歸屬期	Exercise price 行使價	Outstanding	Granted during the year 於二零零六年一月一日尚未行使	Exercised during the year 於二零零六年一月一日尚未行使	Cancelled/lapsed during the year 於二零零六年十二月三十一日尚未行使	Outstanding
				at 1st January 2006 於二零零六年一月一日尚未行使				at 31st December 2006 於二零零六年十二月三十一日尚未行使
22.7.2005	22.7.2006 – 21.7.2015	22.7.2005 – 21.7.2006	HK\$0.56 港幣0.56元	16,256,000	-	(15,312,000)	(398,000)	546,000
22.7.2005	22.7.2007 – 21.7.2015	22.7.2006 – 21.7.2007	HK\$0.56 港幣0.56元	48,944,000	-	-	(1,804,000)	47,140,000
26.9.2005	26.9.2006 – 25.9.2015	26.9.2005 – 25.9.2006	HK\$0.59 港幣0.59元	258,000	-	-	-	258,000
26.9.2005	26.9.2007 – 25.9.2015	26.9.2006 – 25.9.2007	HK\$0.59 港幣0.59元	792,000	-	-	-	792,000

32. SHARE OPTION SCHEME (Continued)

For the year ended 31st December 2005

32. 購股權計劃 (續)

截至二零零五年十二月三十一日年度

Date of grant 授出日期	Exercisable period 行使期	Vesting period 歸屬期	Exercise price 行使價	Number of share options 購股權數目				Outstanding at 31st December 2005 於二零零五年十二月三十一日尚未行使
				Outstanding at 1st January 2005 於二零零五年一月一日尚未行使	Granted during the year 於年內授出	Exercised during the year 於年內行使	Cancelled/lapsed during the year 於年內註銷/失效	
22.7.2005	22.7.2006 – 21.7.2015	22.7.2005 – 21.7.2006	HK\$0.56 港幣0.56元	–	16,306,000	–	(50,000)	16,256,000
22.7.2005	22.7.2007 – 21.7.2015	22.7.2006 – 21.7.2007	HK\$0.56 港幣0.56元	–	49,094,000	–	(150,000)	48,944,000
26.9.2005	26.9.2006 – 25.9.2015	26.9.2005 – 25.9.2006	HK\$0.59 港幣0.59元	–	258,000	–	–	258,000
26.9.2005	26.9.2007 – 25.9.2015	26.9.2006 – 25.9.2007	HK\$0.59 港幣0.59元	–	792,000	–	–	792,000

32. SHARE OPTION SCHEME (Continued)

The following table discloses movements of the Company's share options held by employees and directors during the year:

	Exercise price 行使價	Number of share options 購股權數目				Outstanding at 31st December 2006 於二零零六年 十二月 三十一日 尚未行使
		Outstanding at 1st January 2006 於二零零六年 一月一日 尚未行使	Granted during the year 於年內授出	Exercised during the year 於年內行使	Cancelled/ lapsed during the year 於年內 註銷/失效	
Directors 董事	HK\$0.56 港幣0.56元	20,400,000	-	(5,100,000)	-	15,300,000
Employees 僱員	HK\$0.56 港幣0.56元	44,800,000	-	(10,212,000)	(2,202,000)	32,386,000
	HK\$0.59 港幣0.59元	1,050,000	-	-	-	1,050,000
		66,250,000	-	(15,312,000)	(2,202,000)	48,736,000

During the year ended 31st December 2005, options were granted on 22nd July 2005 and 26th September 2005. The estimated fair values of the options granted on those dates are HK\$2,746,000, and HK\$33,000 respectively.

32. 購股權計劃 (續)

下表披露年內由董事及僱員持有之本公司購股權之變動如下：

截至二零零五年十二月三十一日止年度，購股權曾於二零零五年七月二十二日及二零零五年九月二十六日授出。於有關日期授出購股權之估計公平值分別為港幣2,746,000元及港幣33,000元。

32. SHARE OPTION SCHEME (Continued)

These fair values were calculated using the Black-Scholes-Merton Option Pricing Model. The inputs into the model were as follows:

	Date of grant 授出日期	
	22.7.2005	26.9.2005
Closing share price on date of grant 於授出日期之股份收市價	HK\$0.56 港幣0.56元	HK\$0.58 港幣0.58元
Exercise price 行使價	HK\$0.56 港幣0.56元	HK\$0.59 港幣0.59元
Risk free rate 無風險折現率	3.12 – 3.22%	3.68 – 3.87%
Expected volatility 預期波幅	8.36%	4.22%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous one year before the grant date.

The risk-free interest rate equals to the 12 months fixed deposit rates as quoted by the bank at valuation date for 1st 25% share options and equals to yield of 2-Year Exchange Fund Notes at valuation date for 75% share options.

The Group recognised the total expense of approximately HK\$1,496,000 for the year ended 31st December 2006 (2005: HK\$717,000) in relation to share options granted by the Company in 2005 and became vested during the year ended 31st December 2006.

33. RETIREMENT BENEFITS SCHEMES

Retirement benefits obligations: 退休福利承擔：

– Defined contribution plans 定額供款計劃	(1,692)	(1,351)
– Defined benefits plans 定額福利計劃	(270)	(323)
	(1,962)	(1,674)

32. 購股權計劃 (續)

該等公平值乃採用柏力克－舒爾斯期權定價模式計值。該模式之輸入如下：

	Date of grant 授出日期	
	22.7.2005	26.9.2005
Closing share price on date of grant 於授出日期之股份收市價	HK\$0.56 港幣0.56元	HK\$0.58 港幣0.58元
Exercise price 行使價	HK\$0.56 港幣0.56元	HK\$0.59 港幣0.59元
Risk free rate 無風險折現率	3.12 – 3.22%	3.68 – 3.87%
Expected volatility 預期波幅	8.36%	4.22%

預期波幅乃以本公司股價於授出日期前一年之歷史波幅而釐定。

相等於銀行就25%購股權於估值日所報之十二個月定息存款利率，並相等於兩年期外匯基金債券就75%購股權於估值日之收益。

本集團確認截至二零零六年十二月三十一日止年度有關本公司授出購股權之總開支約港幣1,496,000元（二零零五年：港幣717,000元）。

33. 退休福利計劃

2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
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Retirement benefits obligations: 退休福利承擔：

– Defined contribution plans 定額供款計劃	(1,692)	(1,351)
– Defined benefits plans 定額福利計劃	(270)	(323)
	(1,962)	(1,674)

33. RETIREMENT BENEFITS SCHEMES (Continued)

Defined contribution plans

The Group participates in both a pension scheme which is registered under the Occupational Retirement Scheme Ordinance (the “ORSO Scheme”) and a Mandatory Provident Fund Scheme (the “MPF Scheme”) established in December 2000 for all qualifying employees in Hong Kong. The schemes are defined contribution retirement schemes administered by independent trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying within the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1st December 2000 are required to join either scheme.

The employees of the Group’s subsidiaries in the PRC are members of a state-managed retirement benefit plan operated by the government of the PRC.

The employer and employees under the schemes are each required to make contributions at a specific rate. The only obligation of the Group with respect to the Schemes is to make the required contributions.

Where there are employees who leave the ORSO Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. The amount of forfeited contributions utilised in this manner during the year was approximately HK\$92,000 (2005: HK\$369,000).

At the balance sheet date, there are no significant forfeited contributions, which arose upon employees leaving the retirement benefits schemes and which are available to reduce the contributions payable by the Group in future years (2005: HK\$ Nil).

The total employer’s contribution to the above retirement schemes and other local arrangement charged to the consolidated income statement, net of forfeited contribution amounted to approximately HK\$5,828,000 (2005: HK\$5,120,000).

33. 退休福利計劃 (續)

定額供款計劃

本集團參與根據職業退休計劃條例註冊之退休金計劃 (職業退休計劃) 及於二零零零年十二月為香港所有合資格僱員而設之強制性公積金計劃 (強積金計劃)。該等計劃皆是定額供款退休計劃，由獨立信託人管理。於強積金計劃成立前參與職業退休計劃之僱員，可選擇繼續參與職業退休計劃或轉為參與強積金計劃，而於二零零零年十二月一日或之後加入本集團之僱員則需參與當中任何一個計劃。

本集團在中國之附屬公司之員工均是國家管理之退休福利計劃之成員。該計劃由中國政府運作。

參與強積金計劃之僱主及僱員需各自按規定之比率向強積金計劃供款。本集團對該計劃唯一之責任為作出所須之供款。

倘僱員在供款全數歸屬其所有前退出職業退休計劃，本集團所供款項將扣減沒收之供款，本年度以此方式動用之沒收供款之金額約為港幣92,000元 (二零零五年：港幣369,000元)。

於結算日，概無任何因僱員退出退休福利計劃，且可供扣減本集團於未來年度應付供款之重大已沒收供款。(二零零五年：無)

於綜合收益表內僱主對上述退休福利計劃及其他當地安排之供款扣除已沒收供款總額約為港幣5,828,000元 (二零零五年：港幣5,120,000元)。

33. RETIREMENT BENEFITS SCHEMES (Continued)

Defined benefit plans

The Group operates defined benefit plans for qualifying employees of its subsidiary in Taiwan. The schemes are administered by independent trustees with their assets held separately from those of the Group. Under the plans, the employees are entitled to a lump sum benefit equal to certain percentage of final salary on attainment of a retirement age of 55. No other post-retirement benefits are provided.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31st December 2006 by a local qualified actuary. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

The actuarial valuation showed that the market value of plan assets was approximately HK\$6,093,000 (2005: HK\$5,719,000) and that the actuarial valuation of these assets represented 51% (2005: 50%) of the benefits that had accrued to members. The shortfall of approximately HK\$6,093,000 (2005: HK\$5,742,000) is to be cleared over the estimated remaining service period of the current membership of 21 years.

Amounts recognised in the consolidated income statement in respect of these defined benefits plans are as follows:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Current service cost 當期服務成本	291	529
Interest cost 利息成本	293	273
Expected return on plan assets 計劃資產預計回報	(152)	(151)
Amortisation of net transitional obligations 過渡承擔淨額之攤銷	16	15
Amortisation of gain on defined benefits plans 定額福利計劃收益之攤銷	57	24
Amortisation of past service cost 以往服務成本之攤銷	165	161
	670	851

The charge for the year has been included in staff costs.

33. 退休福利計劃 (續)

定額福利計劃

本集團為在台灣附屬公司之合資格僱員設立定額福利計劃。該計劃由獨立信託人管理，其資產與本集團的資產分開持有。根據計劃，僱員有權享有一筆數額相等於年滿55歲退休年齡時最終酬金之某一百分比。並沒有其他退休後福利提供。

計劃資產之最近期精算估值及定額福利承擔之現值已於二零零六年十二月三十一日由當地認可精算師實行。定額福利承擔之現值、有關當期服務成本及以往服務成本均採用預計單位成本法計算。

據精算估值所顯示，計劃資產之市值約為港幣6,093,000元(二零零五年：港幣5,719,000元)，該等資產之精算估值佔福利之51%(二零零五年：50%)。有關福利歸參與成員所有。有關約港幣6,093,000元(二零零五年：港幣5,742,000元)之差額，估計在現有成員餘下的21年服務年期內消除。

綜合收益表中確認之有關上述定額福利計劃之金額如下：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Current service cost 當期服務成本	291	529
Interest cost 利息成本	293	273
Expected return on plan assets 計劃資產預計回報	(152)	(151)
Amortisation of net transitional obligations 過渡承擔淨額之攤銷	16	15
Amortisation of gain on defined benefits plans 定額福利計劃收益之攤銷	57	24
Amortisation of past service cost 以往服務成本之攤銷	165	161
	670	851

本年度有關費用已計入員工成本內。

33. RETIREMENT BENEFITS SCHEMES (Continued)**Defined benefit plans (Continued)**

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	2006	2005
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Discount rate 貼現率	2.5%	2.5%
Expected return on plan assets 計劃資產之預計回報	2.5%	2.5%
Expected return on reimbursement rights 償付權之預計回報	2.5%	2.5%
Expected rate of salary increases 預計薪酬增長率	3.5%	3.5%

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

33. 退休福利計劃 (續)**定額福利計劃 (續)**

精算變數所採用之主要假設如下：

	2006	2005
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Present value of funded defined benefit obligations	(11,886)	(11,461)
Fair value of plan assets 計劃資產之公平價值	6,093	5,719
Present value of unfunded defined benefit obligations	(5,793)	(5,742)
Deficit 虧損	(5,793)	(5,742)
Net actuarial losses not recognised 未確認之精算虧損淨額	2,468	2,260
Past service cost not recognised 未確認之以往服務成本	2,808	2,903
Net transitional obligations not recognised 未確認之過渡承擔淨額	247	256
Net liabilities arising from defined benefit obligation	(270)	(323)

因本集團就其定額福利計劃而產生並已計入綜合資產負債表內之金額如下：

	2006	2005
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Present value of funded defined benefit obligations	(11,886)	(11,461)
已撥款的定額福利承擔之現值		
Fair value of plan assets 計劃資產之公平價值	6,093	5,719
Present value of unfunded defined benefit obligations	(5,793)	(5,742)
未撥款的定額福利承擔之現值	-	-
Deficit 虧損	(5,793)	(5,742)
Net actuarial losses not recognised 未確認之精算虧損淨額	2,468	2,260
Past service cost not recognised 未確認之以往服務成本	2,808	2,903
Net transitional obligations not recognised 未確認之過渡承擔淨額	247	256
Net liabilities arising from defined benefit obligation	(270)	(323)
定額福利計劃所產生之負債淨額		

33. RETIREMENT BENEFITS SCHEMES (Continued)**Defined benefit plans (Continued)**

Movements in the present value of the defined benefit obligations in the current year were as follows:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Opening defined benefit obligation 年初定額福利承擔	(11,461)	(9,067)
Current service cost 現時服務成本	(291)	(529)
Interest cost 利息成本	(293)	(273)
Actuarial losses 精算虧損	(146)	(1,718)
Exchange differences on foreign plans 境外計劃之換算差額	(277)	126
Benefits paid 已付福利	582	-
Closing defined benefit obligation 年底定額福利承擔	(11,886)	(11,461)

Movements in the present value of the plan assets in the current year were as follows:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Opening fair value of plan assets 年初計劃資產之公平價值	5,719	5,292
Expected return on plan assets 計劃資產之預計回報	152	151
Actuarial losses 精算虧損	(64)	(89)
Exchange differences on foreign plans 境外計劃之換算差額	138	(73)
Contributions from the employer 僱主供款	730	438
Benefits paid 已付福利	(582)	-
Closing fair value of plan assets 年底計劃資產之公平價值	6,093	5,719

33. 退休福利計劃 (續)**定額福利計劃 (續)**

本年度定額福利計劃現值之變動如下：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Opening defined benefit obligation 年初定額福利承擔	(11,461)	(9,067)
Current service cost 現時服務成本	(291)	(529)
Interest cost 利息成本	(293)	(273)
Actuarial losses 精算虧損	(146)	(1,718)
Exchange differences on foreign plans 境外計劃之換算差額	(277)	126
Benefits paid 已付福利	582	-
Closing defined benefit obligation 年底定額福利承擔	(11,886)	(11,461)

本年度計劃資產現值之變動如下：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Opening fair value of plan assets 年初計劃資產之公平價值	5,719	5,292
Expected return on plan assets 計劃資產之預計回報	152	151
Actuarial losses 精算虧損	(64)	(89)
Exchange differences on foreign plans 境外計劃之換算差額	138	(73)
Contributions from the employer 僱主供款	730	438
Benefits paid 已付福利	(582)	-
Closing fair value of plan assets 年底計劃資產之公平價值	6,093	5,719

33. RETIREMENT BENEFITS SCHEMES (Continued)

Defined benefit plans (Continued)

The major categories of plan assets, and the expected rate of return at the balance sheet date for each category, are as follows:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Fair value of plan assets 計劃資產之公平價值	6,093	5,719

The overall expected rate of return is a weighted average of the expected returns of the various categories of plan assets held, which is not less than 2% per annum (2005: not less than 2% per annum).

The actual return on plan assets was HK\$88,000 (2005: HK\$63,000).

The history of experience adjustments is as follows:

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Present value of defined benefit obligation 定額福利責任之現值	(11,886)	(11,461)
Fair value of plan assets 計劃資產之公平價值	6,093	5,719
Deficit 虧損	(5,793)	(5,742)
Experience adjustment on plan liabilities 計劃負債之經驗調整	-	-
Experience adjustment on plan assets 計劃資產之經驗調整	-	-

In accordance with the transitional provisions for the amendments to HKAS 19 Employee Benefits, the disclosures above are determined prospectively from the 1 January 2006 reporting period.

The Group expects to make a contribution of HK\$738,000 (2005: HK\$438,000) to the defined benefit plans during the next financial year.

33. 退休福利計劃 (續)

定額福利計劃 (續)

計劃資產之主要組別，以及各組別於結算日時之預計回報率如下：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Fair value of plan assets 計劃資產之公平價值	6,093	5,719

預計整體回報率為所持不同組別計劃資產預計回報之加權平均數，並不少於每年2% (二零零五年：不少於每年2%)。

計劃資產之實際回報為港幣88,000元 (二零零五年：63,000港元)。

過往之經驗調整如下：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Present value of defined benefit obligation 定額福利責任之現值	(11,886)	(11,461)
Fair value of plan assets 計劃資產之公平價值	6,093	5,719
Deficit 虧損	(5,793)	(5,742)
Experience adjustment on plan liabilities 計劃負債之經驗調整	-	-
Experience adjustment on plan assets 計劃資產之經驗調整	-	-

根據香港會計準則第19號(經修訂)「僱員福利」之過渡性條文，上述披露乃由二零零六年一月一日報告期間起不予追溯地釐定。

本集團預期在下一財政年度就定額福利計劃供款港幣738,000元 (二零零五年：港幣438,000元)。

34. RELATED PARTY TRANSACTIONS

(a) Compensation of directors and key management personnel

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

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Short-term benefits 短期福利	40,248	29,806
Share based payment 以股份形式付款	358	222
Post-employment benefits 退休福利	858	759
	41,464	30,787

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

(b) During the year, the Group has entered into the following transactions with related parties:

	Amount due from (to) related parties		Amount due from (to) related parties	
	For the year ended 截至十二月三十一日 止年度	31st December 應收(應付) 關連人士款項 十二月三十一日	31st December 應收(應付) 關連人士款項 十二月三十一日	
	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Trade sales (note a) 貿易銷售 (附註a)	3,226	88	211	18
Ticketing and touring income (note a) 票務及差旅收入 (附註a)	1,407	2,229	288	316
Ticketing and touring income (note b) 票務及差旅收入 (附註b)	608	740	83	138
Ticketing and touring income (note c) 票務及差旅收入 (附註c)	26	36	-	-
Trade purchases (note d) 貿易購貨 (附註d)	-	(9)	-	-
Insurance expense (note c) 保險開支 (附註c)	6,062	5,817	(226)	(311)
Rental expense (note a) 租金開支 (附註a)	290	290	-	-
Loan interest expense (note a) 貸款利息開支 (附註a)	-	483	-	-

34. 關連人士交易

(a) 董事及主要管理人員之薪金

董事及主要管理人員於年內之薪金如下：

	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Short-term benefits 短期福利	40,248	29,806
Share based payment 以股份形式付款	358	222
Post-employment benefits 退休福利	858	759
	41,464	30,787

董事及主要行政人員之薪金乃按個別表現及市場走勢由薪酬委員會釐定。

(b) 於本年度，本集團曾與關連人士進行了下列交易：

34. RELATED PARTY TRANSACTIONS (Continued)

(b) During the year, the Group has entered into the following transactions with related parties (Continued):

Notes:

- (a) Related parties are Mr. Senta Wong, his close family members and companies of which Mr. Senta Wong and his close family members are directors.
- (b) Related parties are Mr. John Ho or Mr. Edward Tsui and their close family members.
- (c) Related party is a company of which Mr. Arthur Luk, a director of a subsidiary of the Group in Taiwan, is a director.
- (d) Related party is a company which is a supervisor of a subsidiary of the Group in Taiwan.

The prices of the above transactions were determined by the Directors by reference to market prices for similar transactions.

- (c) Pursuant to the banking facilities letter entered during 2006, Mr. Senta Wong provided guarantees in favour of The Shanghai Commercial and Savings Bank Limited of approximately US\$1,900,000 to secure certain banking facilities granted to the Group.

34. 關連人士交易 (續)

(b) 於本期間，本集團曾與關連人士進行了下列交易 (續)：

附註：

- (a) 關連人士乃王忠桐先生、其家族成員及董事為王忠桐先生及其家族成員之公司。
- (b) 關連人士乃何約翰先生或徐應春先生及彼等之家族成員。
- (c) 關連人士乃董事為本集團台灣附屬公司董事陸焯堅先生之公司。
- (d) 關連人士乃董事為本集團台灣附屬公司監察人之公司。

以上交易之價格是由董事參照類似交易的市場價格所釐定。

- (c) 根據於二零零六年訂立之銀行信貸函件，王忠桐先生向上海商業儲備銀行提供約美元1,900,000擔保，作為該銀行授予本集團若干銀行信貸之抵押品。

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries at 31st December 2006 are as follows:

35. 主要附屬公司詳情

於二零零六年十二月三十一日，主要附屬公司詳情如下：

Name of company 公司名稱	Class of share held 所持股份類別	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Particular of issued share capital/paid up registered capital 已發行股本/ 實繳資本詳情	Attributable equity interest of the Group 本集團應佔 股本權益	Principal activities 主要業務
<i>Direct subsidiary</i> 直接附屬公司						
Brilliant International Limited [#]	Ordinary	Bermuda 百慕達	PRC 中國	US\$12,000 12,000美元	100	Investment holding 投資控股
Taiwan Kong King Co., Limited [#] 台灣港建股份有限公司 [#]	Ordinary	Taiwan 台灣	Taiwan 台灣	NT\$345,608,525 新台幣345,608,525元	67.44	Trading and distribution 貿易及經銷
WKK America (Holdings) Inc. [#]	Ordinary	United State of America 美國	United States of America 美國	US\$45,000 45,000美元	100	Marketing 市場拓展
WKK Japan Limited [#]	Ordinary	Japan 日本	Japan 日本	Yen50,000,000 50,000,000日圓	100	Marketing 市場拓展
WKK (Holdings) Limited 王氏港建(集團)有限公司	Ordinary	Hong Kong 香港	Hong Kong 香港	HK\$47,687,809 港幣47,687,809元	100	Investment holding 投資控股
Wong's Kong King (Singapore) Pte. Limited [#]	Ordinary	Singapore 新加坡	Singapore 新加坡	S\$1,000,000 坡幣1,000,000元	100	Trading and distribution in electronics components and printed circuit boards and other related products 電子零件及印 刷電路板及 其他有關產 品貿易及經銷

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

35. 主要附屬公司詳情 (續)

Name of company 公司名稱	Class of share held 所持股份類別	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Particular of issued share capital/paid up registered capital 已發行股本/ 實繳資本詳情	Attributable equity interest of the Group 本集團應佔 股本權益	Principal activities 主要業務
<i>Indirect subsidiary 間接附屬公司</i>						
Dongguan Wong's Kong King Electronics Co., Limited** 東莞王氏港建電子有限公司**	Contributed capital 注資	PRC 中國	PRC 中國	HK\$539,342,486 港幣539,342,486元	100	Manufacturing and selling of electrical and electronic products 製造及銷售電器及 電子產品
東莞港建摩頓光像薄膜 有限公司**	Contributed capital 注資	PRC 中國	PRC 中國	RMB9,515,678 人民幣9,515,678元	100	Manufacturing of film products 製造光像薄膜產品
Headway Holdings Limited† 進展控股有限公司*	Ordinary 普通股	Samoa 薩摩亞	Taiwan 台灣	US\$1,500,000 1,500,000美元	67.44	Trading and investment holding 貿易及投資控股
Hong Kong Taiwan Kong King Limited 香港台灣港建有限公司	Ordinary 普通股	Hong Kong 香港	Hong Kong 香港	HK\$14,510,000 港幣14,510,000元	67.44	Trading and distribution of industrial products 貿易及經銷工業產品
Hiking International Company Limited 建置國際股份有限公司	Ordinary 普通股	Hong Kong 香港	Hong Kong 香港	HK\$7,800,000 港幣7,800,000元	54.63	Investment holding and provision for installation services 投資控股及提供安裝服務
Hiking Technology (Suzhou) Company Limited** 建置科技(蘇州)有限公司**	Contributed capital 注資	PRC 中國	PRC 中國	US\$1,000,000 1,000,000美元	54.63	Design, producing and testing of electronic components 設計、生產及測試 電子元件
WKK Asia Pacific Limited 王氏港建太平洋有限公司	Ordinary 普通股	British Virgin Islands 英屬維爾京群島	Hong Kong 香港	US\$1 1美元	100	Investment holding 投資控股

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

35. 主要附屬公司詳情 (續)

Name of company 公司名稱	Class of share held 所持股份類別	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Particular of issued share capital/paid up registered capital 已發行股本/ 實繳資本詳情	Attributable equity interest of the Group 本集團應佔 股本權益	Principal activities 主要業務
<i>Indirect subsidiary (Continued) 間接附屬公司 (續)</i>						
WKK China Limited 王氏港建中國有限公司	Ordinary 普通股	Hong Kong 香港	Hong Kong 香港	HK\$500,000 港幣500,000元	100	Trading, distribution and installation of turnkey production facilities 貿易、經銷及安裝全套 包辦式生產設備
WKK Distribution Limited 王氏港建經銷有限公司	Ordinary 普通股	Hong Kong 香港	Hong Kong 香港	HK\$1,000,000 港幣1,000,000元	100	Investment holding 投資控股
WKK Electronic Equipment Limited 王氏港建電子設備有限公司	Ordinary 普通股	Hong Kong 香港	Hong Kong 香港	HK\$2 港幣2元	100	Trading and distribution 貿易及經銷
WKK Engineering Service Limited 王氏港建機器維修服務有限公司	Ordinary 普通股	Hong Kong 香港	Hong Kong 香港	HK\$2,000 港幣2,000元	100	Provision of engineering services 工程維修服務
WKK Philippines Inc [#]	Ordinary 普通股	Philippines 菲律賓	Philippines 菲律賓	PHP1,000,000 披索1,000,000	100	Trading and distribution in printed circuit boards and other related products 印刷電路板及其他有關 產品貿易及經銷
WKK PCB Trading Limited 王氏港建電路板貿易有限公司	Ordinary 普通股	Hong Kong 香港	Hong Kong 香港	HK\$2 港幣2元	100	Trading and distribution 貿易及經銷
WKK Technology Limited 王氏港建科技有限公司	Ordinary 普通股	Hong Kong 香港	Hong Kong 香港	HK\$500,000 港幣500,000元	100	Manufacturing and selling of electrical and electronic products 製造及銷售電器及 電子產品

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

35. 主要附屬公司詳情 (續)

Name of company 公司名稱	Class of share held 所持股份類別	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Particular of issued share capital/paid up registered capital 已發行股本/ 實繳資本詳情	Attributable equity interest of the Group 本集團應佔 股本權益	Principal activities 主要業務
<i>Indirect subsidiary (Continued) 間接附屬公司 (續)</i>						
WKK (Thailand) Limited*	Ordinary 普通股	Thailand 泰國	Thailand 泰國	Common shares – Thai Baht 2,450,000 普通股 – 2,450,000泰銖 Preference shares – Thai Baht 2,550,000 優先股 – 2,550,000泰銖	100	Trading and distribution of industrial products 貿易及經銷工業產品
建懋電子科技(上海)有限公司*#	Contributed capital 注資	PRC 中國	PRC 中國	US\$1,500,000 1,500,000美元	67.44	Development and consultation of electronic technology 電子科技發展及顧問服務
港建日置股份有限公司#	Ordinary 普通股	Taiwan 台灣	Taiwan 台灣	NT\$59,400,000 新台幣59,400,000元	57.32	Manufacturing of industrial products 製造工業產品
王氏港建貿易(深圳)有限公司*#	Contributed capital 注資	PRC 中國	PRC 中國	HK\$6,000,000 港幣6,000,000元	100	Trading and distribution in printed circuit boards and semi-conductors equipment 印刷電路板及半導體設備 貿易及經銷
王氏港建貿易(上海)有限公司*#	Contributed capital 注資	PRC 中國	PRC 中國	US\$880,000 880,000美元	100	Trading and distribution in printed circuit boards and semi-conductors equipment 印刷電路板及半導體設備 貿易及經銷

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

35. 主要附屬公司詳情 (續)

Name of company 公司名稱	Class of share held 所持股份類別	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Particular of issued share capital/paid up registered capital 已發行股本/ 實繳資本詳情	Attributable equity interest of the Group 本集團應佔 股本權益	Principal activities 主要業務
<i>Indirect subsidiary (Continued) 間接附屬公司 (續)</i>						
王氏港建(上海)設備維修 服務有限公司**#	Contributed capital 注資	PRC 中國	PRC 中國	US\$210,000 210,000美元	100	Provision of maintenance and after sales services 提供維修及售後服務
WKK Travel Limited 王氏港建旅遊有限公司	Ordinary 普通股	Hong Kong 香港	Hong Kong 香港	HK\$4,600,000 港幣4,600,000元	100	Travel ticketing 旅遊票務
Dongguan Nissin Plastic Products Limited** 東莞日新塑膠製品有限公司**	Contributed capital 注資	PRC 中國	PRC 中國	HK\$57,267,604 港幣57,267,604元	100	Manufacturing of plastic products 製造塑膠產品
Grace Year Enterprises Limited 仲年企業有限公司	Ordinary 普通股	Hong Kong 香港	PRC 中國	HK\$2 港幣2元	100	Trading and distribution of plastic products 塑膠產品貿易及經銷
Nissin Co. Limited	Ordinary 普通股	British Virgin Islands 英屬維爾京群島	PRC 中國	US\$4,500,001 4,500,001美元	100	Investment holding and trading and distribution of plastic products 投資控股、塑膠產品貿易 及經銷

* Company registered as wholly-owned foreign enterprises under PRC law.

* 根據中國法律註冊成為全外資企業。

** Company registered as cooperative joint venture under PRC law.

** 根據中國法律註冊成為合作合營公司。

Companies not audited by Messrs. SHINEWING (HK) CPA Limited.

非由信永中和(香港)會計師事務所有限公司審核之公司。

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

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

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

36. POST BALANCE SHEET EVENTS

On 11 April 2007, the Company received an offer letter from Twopac Limited (“Twopac”) offering to purchase substantially all the operating businesses and assets of the Group (the “Target Assets”) for a consideration of approximately HK\$1,169,698,000. The consideration will be settled partly in cash as to approximately HK\$383,213,000 and partly by the issue of promissory note in the principal amount of approximately HK\$786,485,000 by Twopac to the Company. It is a condition precedent to completion of the sale and purchase of the Target Assets (the “VSD”) that an internal group reorganization be implemented so that the Target Assets are injected into a special purpose vehicle, and the VSD will be effected through the acquisition of the entire issued share capital of such special purpose vehicle.

Mr. Senta Wong has a controlling interest in Twopac and is a substantial shareholder and director of the Company. The VSD will constitute a connected transaction and very substantial disposal of the Company. A special general meeting of the Company will be convened to consider the VSD.

If the offer is accepted by the Company, the Board will declare a distribution in favour of the shareholders of the Company of the entire amount of the sale proceeds received as a result of completing the VSD. Independent shareholders will receive HK\$1.65 per share in cash pursuant to the proposed distribution. Following completion of the VSD and the distribution, it is not anticipated that any material assets will remain in the Group. Accordingly, the listing of the shares of the Company on the Hong Kong Stock Exchange will be withdrawn, and the Company and all its remaining subsidiaries will be wound up.

37. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year’s presentation.

35. 主要附屬公司詳情 (續)

上表載列董事認為對本集團之業績或資產有重要影響之附屬公司。董事認為，提供其他附屬公司之詳情將導致資料過於冗長。

附屬公司於年結日或年內任何時間概無存續尚未償還債務證券。

36. 結算日後事項

於二零零七年四月十一日，本公司接獲 Twopac Limited (「Twopac」) 之要約函件，內容有關按代價約1,169,698,000港元收購本集團絕大部份營運業務及資產 (「目標資產」) 之要約。Twopac根據要約函件提呈之代價中約383,213,000港元乃以現金結清，而部份則以向本公司發行本金額約為786,485,000港元之承付票結清。買賣目標資產完成 (「非常重大出售事項」) 之先決條件為實施集團內部重組，以將目標資產注入特殊目的公司，而非非常重大出售事項將透過收購該特殊目的公司之全部已發行股本進行。

王忠桐先生於Twopac擁有控股權益，並為本公司之主要股東及董事。非常重大出售事項將構成本公司一項關連交易及非常重大出售事項。本公司將召開股東特別大會以考慮非常重大出售事項。

倘要約獲本公司接納，董事會建議向股東分派因完成非常重大出售事項而收取之全部銷售所得款項。此舉將令獨立股東根據建議分派收取每股股份1.65港元之現金。於完成非常重大出售事項及分派後，預期重大資產將不會保留在本集團。由此，本公司將撤回於香港聯交所上市之股份，而本公司及其所有餘下附屬公司出售予清盤。

37. 比較數字

若干比較已予重新歸類，以符合本年之呈列方式。