

# NOTES TO THE FINANCIAL STATEMENTS

## 賬目附註

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

### 1. GENERAL INFORMATION

Hong Kong Construction (Holdings) Limited (the “Company”) and its subsidiaries (together the “Group”) engage in the business of construction, property development and investment, and infrastructure and alternative energy investment. The Group has construction contracts and investments mainly in Hong Kong and Mainland China.

The Company is a limited liability company incorporated in Hong Kong. The address of its registered office is Rooms 801-2, East Ocean Centre, 98 Granville Road, Tsimshatsui, Kowloon, Hong Kong.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in million of units of HK dollars (HK\$ Million), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 20th April 2006.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

### 1. 一般資料

香港建設(控股)有限公司(「本公司」)及其附屬公司(合稱「本集團」)從事承建工程、物業發展及投資以及基建及替代能源投資業務。本集團的建設工程合約及投資主要位於香港及中國內地。

本公司為在香港註冊成立之有限責任公司。註冊辦事處地址為香港九龍尖沙咀加連威老道98號東海商業中心801-2室。

本公司以香港聯合交易所有限公司作第一上市。

除另有列明外，綜合財務報表以百萬港元為單位列示。董事會已於二零零六年四月二十日批准刊發綜合財務報表。

### 2. 主要會計政策概要

編製綜合財務報表所採納之主要會計政策載列如下。除另有說明外，該等政策已於所有呈報年度內貫徹應用。

#### 2.1 編製基準

綜合財務報表乃根據香港會計師公會所頒佈之香港財務報告準則(「香港財務報告準則」)編製。該等綜合財務資料按歷史成本慣例編製，惟已就按公平值列賬之投資物業重估及按公平值在損益表列賬之財務資產及負債(包括衍生工具)作出修訂。

在遵照香港財務報告準則編製財務報表時，須採用若干重大會計估計，管理層亦須在應用本公司會計政策的過程中作出判斷。附註4載述涉及較多判斷或較複雜的範疇，或假設及估計對綜合財務報表有重大影響的範疇。

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2. 主要會計政策概要(續)

#### 2.1 Basis of preparation (continued)

##### (a) Effect of adopting new HKFRSs

In 2005, the Group adopted the new/revised standards and interpretations of HKFRSs below, which are relevant to its operations. The 2004 comparatives have been amended as required, in accordance with the relevant requirements.

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 23	Borrowing Costs
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 28	Investments in Associates
HKAS 31	Investments in Joint Ventures
HKAS 32	Financial Instruments: Disclosures and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKAS 40	Investment Property
HKAS-Int 15	Operating Leases – Incentives
HKAS-Int 21	Income Taxes – Recovery of Revalued Non-Depreciated Assets
HKFRS 2	Share-based Payments
HKFRS 3	Business Combinations

#### 2.1 編製基準(續)

##### (a) 採納新香港財務報告準則之影響

於二零零五年，本集團採納下列與其業務相關之新訂／經修訂香港財務報告準則及詮釋。二零零四年之比較數字已根據有關規定作出必要之修訂。

香港會計準則第1號	呈列財務報表
香港會計準則第2號	存貨
香港會計準則第7號	現金流量表
香港會計準則第8號	會計政策、會計估計的改變及誤差
香港會計準則第10號	結算日後的事項
香港會計準則第16號	物業、機器及設備
香港會計準則第17號	租賃
香港會計準則第21號	匯率變動之影響
香港會計準則第23號	借貸成本
香港會計準則第24號	關連人士披露
香港會計準則第27號	綜合及獨立財務報表
香港會計準則第28號	於聯營公司之投資
香港會計準則第31號	於合營企業之投資
香港會計準則第32號	財務工具：披露及呈列
香港會計準則第33號	每股盈利
香港會計準則第36號	資產減值
香港會計準則第38號	無形資產
香港會計準則第39號	財務工具：確認及計量
香港會計準則第40號	投資物業
香港會計準則一詮釋第15號	經營租約－優惠
香港會計準則一詮釋第21號	所得稅－收回經重估不計算折舊之資產
香港財務報告準則第2號	以股份支付之款項
香港財務報告準則第3號	業務合併

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2. 主要會計政策概要(續)

### 2.1 Basis of preparation (continued)

#### (a) Effect of adopting new HKFRSs (continued)

The adoption of new/revised HKASs 1, 2, 7, 8, 10, 16, 21, 23, 24, 27, 28, 31, 33 and HKAS-Int 15 did not result in substantial changes to the Group's accounting policies. In summary:

- HKAS 1 has affected the presentation of minority interest, share of net after-tax results of associated companies, jointly controlled entities, and other disclosures.
- HKASs 2, 7, 8, 10, 16, 23, 27, 28, 31, 33 and HKAS-Int 15 had no material effect on the Group's policies.
- HKAS 21 had no material effect on the Group's policy. The functional currency of each of the consolidated entities has been re-evaluated based on the guidance to the revised standard. All the Group entities have the same functional currency as the presentation currency for respective entity financial statements.
- HKAS 24 has affected the identification of related parties and some other related-party disclosures.

The adoption of revised HKAS 17 has resulted in a change in the accounting policy relating to the reclassification of land use rights from property, plant and equipment to operating leases. The up-front prepayments made for the land use rights are expensed in the income statement on a straight line basis over the period of the lease or where there is impairment, the impairment is expensed in the income statement. In prior years, the leasehold land was accounted for at cost less accumulated depreciation and accumulated impairment.

The adoption of HKASs 32 and 39 has resulted in a change in the accounting policy relating to the classification of other financial assets at fair value through profit or loss. It has also resulted in the recognition of derivative financial instruments at fair value and the change in the recognition and measurement of hedging activities.

### 2.1 編製基準(續)

#### (a) 採納新香港財務報告準則之影響(續)

採納新訂／經修訂香港會計準則第1、2、7、8、10、16、21、23、24、27、28、31、33號及香港會計準則—詮釋第15號並不會導致本集團之會計政策出現大幅改變。概括而言：

- 香港會計準則第1號對少數股東權益、分佔聯營公司及合營公司的除稅後業績淨額及其他披露之呈列方式有所影響。
- 香港會計準則第2、7、8、10、16、23、27、28、31、33號及香港會計準則—詮釋第15號對本集團的政策並無重大影響。
- 香港會計準則第21號對本集團之政策並無重大影響。各綜合實體之功能貨幣已根據經修訂標準之指引予以重估。本集團旗下全部實體均以相同功能貨幣作為各實體各自財務報表之呈列貨幣。
- 香港會計準則第24號對有關連人士之身份及若干其他有關連人士之披露構成影響。

採納經修訂香港會計準則第17號後，有關將土地使用權由物業、機器及設備重新分類列為經營租約之會計政策有所變動。為土地使用權支付之開辦前預付款項，現於租期內以直線法在損益表扣除，或於出現減值時在損益表列作開支。在過往年度，租賃土地以成本減累計折舊及累計減值入賬。

採納香港會計準則第32及39號後，有關按公平值於損益表列賬之其他財務資產之會計政策有所變更。同時，衍生金融工具改為按公平值確認，對沖活動之確認及計量方法亦有改變。

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2. 主要會計政策概要(續)

#### 2.1 Basis of preparation (continued)

##### (a) Effect of adopting new HKFRSs (continued)

The adoption of revised HKAS 40 has resulted in a change in the accounting policy of which the changes in fair values are recorded in the income statement as part of other gains. In prior years, the increases in fair value were credited to the investment properties revaluation reserve. Decreases in fair value were first set off against increases on earlier valuations on a portfolio basis and thereafter expensed in the income statement.

The adoption of revised HKAS-Int 21 has resulted in a change in the accounting policy relating to the measurement of deferred tax liabilities arising from the revaluation of investment properties. Such deferred tax liabilities are measured on the basis of tax consequences that would follow from recovery of the carrying amount of that asset through use. In prior years, the carrying amount of that asset was expected to be recovered through sale.

The adoption of HKFRS 2 has resulted in a change in the accounting policy for share-based payments. Until 31st December 2004, the provision of share options to employees did not result in an expense in the income statement. Effective on 1st January 2005, the Group expenses the cost of share options in the income statement.

The adoption of HKFRS 3, HKAS 36 and HKAS 38 results in a change in the accounting policy for goodwill.

In accordance with the provisions of HKFRS 3, from the year ended 31st December 2005 onwards, goodwill is tested annually for impairment, as well as when there is an indication of impairment.

All changes in the accounting policies have been made in accordance with the transition provisions in the respective standards. All standards adopted by the Group require retrospective application other than:

- HKAS 16 – the initial measurement of an item of property, plant and equipment acquired in an exchange of assets transaction is accounted for at fair value prospectively only to future transactions;

#### 2.1 編製基準(續)

##### (a) 採納新香港財務報告準則之影響(續)

採納經修訂香港會計準則第40號導致有關公平值變動之會計政策有變，公平值之變化均計入損益表作為其他收益之一部分。於過往年度，公平值之增加計入投資物業之重估儲備，公平值之減少先抵減過往年度重估增值後再於損益表列作開支。

採納經修訂香港會計準則—詮釋第21號導致有關投資物業重估遞延稅項負債計算之會計政策有變。該遞延稅項負債按透過使用資產所收回之賬面值以稅項結果為基準計算。於過往年度，該資產之賬面值透過出售而收回。

採納香港財務報告準則第2號後，以股份支付款項之會計政策有所變更。直至二零零四年十二月三十一日為止，向僱員提供購股權並不會在損益表列作支出。自二零零五年一月一日起，本集團於損益表中將購股權成本列作開支。

本集團因採納香港財務報告準則第3號、香港會計準則第36號及38號而改變商譽之會計政策。

根據香港財務報告準則第3號之規定，由截至二零零五年十二月三十一日止年度起，本集團將每年及於出現減值跡象時對商譽進行減值測試。

本集團已根據各準則的過渡條文就會計政策作出一切變動。本集團採納之所有準則均須追溯應用，惟以下所列者除外：

- 香港會計準則第16號— 在資產置換交易中購入物業、機器及設備項目之初步計量，僅就未來交易按公平值列賬，毋須追溯；

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2. 主要會計政策概要(續)

### 2.1 Basis of preparation (continued)

- (a) Effect of adopting new HKFRSs (continued)
- HKAS 21 – prospective accounting for goodwill and fair value adjustments as part of foreign operations;
  - HKAS 39 – does not permit to recognise, derecognise and measure financial assets and liabilities in accordance with this standard on a retrospective basis. The Group applied the previous SSAP 24 “Accounting for investments in securities” to trading and non-trading securities for the 2004 comparative information. The adjustments required for the accounting differences between SSAP 24 and HKAS 39 are determined and recognised at 1st January 2005;
  - HKAS 40 since the Group has adopted the fair value model, there is no requirement for the Group to restate the comparative information, any adjustment should be made to the retained earnings as at 1st January 2005, including the reclassification of any amount held in investment properties revaluation reserve for investment properties;
  - HKAS-Int 15 – does not require the recognition of incentives for leases beginning before 1st January 2005;
  - HKFRS 2 – only retrospective application for all equity instruments granted after 7th November 2002 and not vested at 1st January 2005; and
  - HKFRS 3 - prospective after the adoption date.

### 2.1 編製基準(續)

- (a) 採納新香港財務報告準則之影響(續)
- 香港會計準則第21號 — 商譽及公平值調整作為海外業務一部分入賬，毋須追溯應用；
  - 香港會計準則第39號 — 不得根據此準則追溯確認、剔除及計量財務資產及負債。本集團已就二零零四年比較資料之買賣及非買賣證券應用之前生效之會計實務準則第24號「投資證券之會計處理」。就會計實務準則第24號與香港會計準則第39號之間之會計處理差額而須作出之調整，已於二零零五年一月一日釐定及確認；
  - 香港會計準則第40號 — 由於本集團已採納公平值模式，此準則並無規定本集團須重列任何比較資料，倘出現任何調整則計入於二零零五年一月一日之保留溢利，包括就投資物業將投資物業之重估儲備重新分類；
  - 香港會計準則 — 詮釋第15號 — 並無要求確認與二零零五年一月一日以前開始的租約有關的優惠；
  - 香港財務報告準則第2號 — 僅追溯應用於在二零零二年十一月七日之後授出，而於二零零五年一月一日尚未歸屬之所有股本工具；及
  - 香港財務報告準則第3號 — 於採納日期起應用。

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#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2. 主要會計政策概要(續)

##### 2.1 Basis of preparation (continued)

###### (a) Effect of adopting new HKFRSs (continued)

The adoption of HKAS 39 resulted in an increase in opening reserves at 1st January 2005 by HK\$23.7 million and the details of the adjustments to the balance sheet at 31st December 2005 and profit and loss for the year ended 31st December 2005 are as follows:

##### 2.1 編製基準(續)

###### (a) 採納新香港財務報告準則之影響(續)

採納香港會計準則第39號致使二零零五年一月一日之年初儲備增加23,700,000港元，而於二零零五年十二月三十一日之資產負債表以及截至二零零五年十二月三十一日止年度之損益表調整如下：

		As at 31st December 2005 於二零零五年 十二月三十一日 HK\$ Million 百萬港元
Increase in derivative financial instruments	衍生金融工具增加	11.0
Increase in other financial assets at fair value through profit or loss	按公平值在損益表列賬之 其他財務資產增加	23.2
		<b>For the year ended 31st December 2005 截至二零零五年 十二月三十一日止年度 HK\$ Million 百萬港元</b>
Decrease in derivative financial instruments	衍生金融工具減少	(10.0)
Increase in fair value gain on other financial assets at fair value through profit or loss	按公平值在損益表列賬 之其他財務資產之 公平值收益增加	7.4
There was no impact on basic and diluted earnings per share and opening accumulated losses at 1st January 2004 from the adoption of HKAS 39.	採納香港會計準則第39號對每股基本及攤薄盈利及於二零零四年一月一日之年初累計虧損並無影響。	

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2. 主要會計政策概要(續)

### 2.1 Basis of preparation (continued)

- (b) Standards, interpretations and amendments to published standards that are not yet effective  
HKICPA has issued certain new standards, amendments and interpretations to existing standards ("New Standards") which are effective for accounting periods beginning on or after 1st January 2006 or later periods. The Group has not early adopted these New Standards in the financial statements for the year ended 31st December 2005 and is in the process of assessing the impact of these New Standards on future accounting periods.

### 2.1 編製基準(續)

- (b) 尚未生效的會計準則、已頒佈會計準則之詮釋及修訂  
香港會計師公會頒佈若干新準則與現有準則之修訂及詮釋(「新準則」)，於二零零六年一月一日或之後開始的會計期間或較後期間生效。本集團並無就截至二零零五年十二月三十一日止年度之財務報表提早採納該等新準則，且正在評估該等新準則對日後會計期間的影響。

The new standards include:

新準則包括：

HKAS 1 (Amendment)	Capital disclosures <sup>1</sup>
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures <sup>2</sup>
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions <sup>2</sup>
HKAS 39 (Amendment)	The fair value option <sup>2</sup>
HKAS 39 (Amendment) and HKFRS 4	Financial guarantee contracts (Amendments) <sup>2</sup>
HKFRS 7	Financial instruments: disclosures <sup>1</sup>
HKFRS – Int 4	Determining whether an arrangement contains a lease <sup>2</sup>
HKFRS – Int 5	Rights to interests arising from decommissioning, restoration, and environmental rehabilitation funds <sup>2</sup>

香港會計準則第1號 (經修訂)	資本披露 <sup>1</sup>
香港會計準則第19號 (經修訂)	精算盈虧、集團 計劃及披露 <sup>2</sup>
香港會計準則第39號 (經修訂)	預測集團內部交易 之現金流量 對沖會計法 <sup>2</sup>
香港會計準則第39號 (經修訂)	期權之公平價值 <sup>2</sup>
香港會計準則第39號 及香港財務報告 準則第4號(經修訂)	財務擔保合約 (經修訂) <sup>2</sup>
香港財務報告準則 第7號	金融工具：披露 <sup>1</sup>
香港財務報告準則 詮釋第4號	釐定安排是否包括 租賃 <sup>2</sup>
香港財務報告準則 詮釋第5號	享有解除運作、 復原及環境修復 基金所產生權益 之權利 <sup>2</sup>

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

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

<sup>1</sup> 於二零零七年一月一日或之後開始期間之年報生效。

<sup>2</sup> 於二零零六年一月一日或之後開始期間之年報生效。

## NOTES TO THE FINANCIAL STATEMENTS

### 賬目附註

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2. 主要會計政策概要(續)

### 2.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31st December.

### 2.2 綜合基準

綜合財務報表包括本公司及其所有附屬公司截至十二月三十一日止之財務報表。

#### (a) Subsidiaries

Subsidiaries are those entities in which the Company, directly or indirectly, controls the composition of the board of directors, controls more than half the voting power or holds more than half of the issued share capital.

#### (a) 附屬公司

附屬公司為本公司直接或間接控制其董事會組成、控制過半數投票權或持有過半數已發行股本之公司。

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

附屬公司於其控制權轉移至本集團當日起全面綜合入賬，於控制權終止當日起不再綜合入賬。

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

本集團採用收購會計法為本集團所收購之附屬公司列賬。收購成本為於交易當日所獲資產之公平值、所發行之股本工具及所產生或承擔之負債，加上直接歸屬予收購事項之成本。在商業合併過程中所收購之可辨別資產、所承擔之負債及或然負債，均於收購當日按其公平值作出初步計量，而毋須計及任何少數股東權益。收購成本超出本集團應佔所收購可辨別淨資產之公平值之差額乃列作商譽。倘收購成本低於所收購附屬公司淨資產之公平值，則有關差額將直接在損益表內確認。

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

集團內公司間之交易、結餘及集團公司之間進行交易之未變現收益均對銷。除非交易時有證據顯示所轉讓資產有所減值，否則未變現虧損亦會對銷。附屬公司之會計政策經已作出必要修改，以確保與本集團採用之會計政策一致。

In the Company's balance sheet the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

在本公司之資產負債表，於附屬公司之投資按成本扣除減值虧損撥備列賬。附屬公司之業績由本公司按已收及應收股息入賬。



For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2. 主要會計政策概要(續)

### 2.2 Basis of consolidation (continued)

#### (b) Associated companies

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In the Company's balance sheet the investments in associated companies are stated at cost less provision for impairment losses. The results of associated companies are accounted for by the Company on the basis of dividend received and receivable.

#### (c) Jointly controlled entities

A jointly controlled entity is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity.

### 2.2 綜合基準(續)

#### (b) 聯營公司

聯營公司為本集團對其有重大影響力但無控制權之公司，一般附帶有20%至50%投票權之股權。於聯營公司之投資以權益會計法入賬，初始以成本確認。本集團於聯營公司之投資包括收購時已識別之商譽(扣除任何累計減值虧損)。

本集團應佔收購後聯營公司之溢利或虧損於損益表內確認，而應佔收購後儲備之變動則於儲備賬內確認。投資賬面值會根據累計之收購後儲備變動而作出調整。如本集團應佔一家聯營公司之虧損等於或超過其於該聯營公司之權益(包括任何其他無抵押應收款)，則本集團不會確認進一步虧損，除非本集團已代聯營公司承擔責任或作出付款。

本集團與其聯營公司之間交易的未變現收益按本集團於聯營公司權益的數額對銷。除非交易時有證據顯示所轉讓資產有所減值，否則未變現虧損亦會對銷。

在本公司之資產負債表內，於聯營公司之投資按成本扣除減值虧損撥備列賬。聯營公司之業績由本公司按已收及應收股息入賬。

#### (c) 合營公司

合營公司為本集團與其他各方合作進行一項經濟活動之合約安排，該公司受共同控制，而任何參與方不可單方面控制有關經濟活動。

## NOTES TO THE FINANCIAL STATEMENTS

### 賬目附註

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2. 主要會計政策概要(續)

##### 2.2 Basis of consolidation (continued)

###### (c) Jointly controlled entities (continued)

Investments in jointly controlled entities are accounted for by the equity method of accounting. The consolidated income statement includes the Group's share of the results of jointly controlled entities for the year, and the consolidated balance sheet includes the Group's share of the net assets of the jointly controlled entities and goodwill (net of any accumulated impairment loss) on acquisition.

In the Company's balance sheet, the investments in jointly controlled entities are stated at cost less provision for impairment losses. The results of jointly controlled entities are accounted for by the Company on the basis of dividends received and receivable.

##### 2.2 綜合基準(續)

###### (c) 合營公司(續)

於合營公司之投資按權益會計法入賬。綜合損益表包括本集團於年內應佔合營公司之業績，而綜合資產負債表則包括本集團應佔合營公司之資產淨值及收購時產生之商譽(扣除任何累計減值虧損)。

在本公司之資產負債表內，於合營公司之投資按成本扣除減值虧損撥備列賬。合營公司之業績由本公司按已收及應收股息入賬。

##### 2.3 Foreign currency translation

###### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in HK dollars, which is the Company's functional and presentation currency.

###### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation difference on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

##### 2.3 外幣換算

###### (a) 功能及呈報貨幣

本集團各實體之財務報表所包括之項目，乃按該實體經營所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以本公司之功能及呈報貨幣港元呈列。

###### (b) 交易及結餘

外幣交易均按交易當日之現行匯率換算為功能貨幣。因上述交易結算及按結算日之匯率兌換以外幣計值之貨幣資產及負債而產生之匯兌損益，均於損益表確認。

非貨幣性項目中諸如按公平值持有並於損益表處理之股本工具之匯兌差額，則申報列為公平值損益之部分。歸類為可供出售財務資產之股本證券等非貨幣性項目之匯兌差額，則計入股權之公平值儲備。

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截至二零零五年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2. 主要會計政策概要(續)

### 2.3 Foreign currency translation (continued)

#### (c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

### 2.4 Intangible assets

#### (a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

### 2.3 外幣換算(續)

#### (c) 集團公司

集團旗下所有實體如持有與呈報貨幣不一致之功能貨幣(其中並無任何公司持有通脹嚴重之經濟體系之貨幣)，其業績和財務狀況均按以下方法兌換為呈報貨幣：

- (i) 每項資產負債表之資產及負債均按照該資產負債表結算日之匯率換算為呈報貨幣；
- (ii) 每項損益表之收入和支出均按照平均匯率換算為呈報貨幣，但若此平均匯率未能合理地反映各交易日之匯率所帶來之累計影響，則按照各交易日之匯率換算此等收入和支出；及
- (iii) 所有產生之匯兌差異均確認為股東權益之個別部分。

於綜合賬目時，換算海外公司投資淨額及借貸而產生之匯兌差異，均列入股東權益賬內。當出售海外業務時，此等匯兌差異將於損益表內確認為出售收益或虧損之一部分。

因收購海外公司而產生之商譽及公平值調整，均視作為該海外公司之資產及負債處理，並以結算日之匯率換算。

### 2.4 無形資產

#### (a) 商譽

商譽指收購成本高出收購日集團所佔收購附屬公司之可辨認淨資產公平值之金額。收購附屬公司所產生之商譽計入無形資產。商譽每年進行減值測試，並按成本減累計減值虧損列賬。計算出售企業之盈虧應包括與該企業相關之商譽之賬面值。

# NOTES TO THE FINANCIAL STATEMENTS

## 賬目附註

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2. 主要會計政策概要(續)

#### 2.4 Intangible assets (continued)

##### (b) Concession rights

Acquired concession rights are measured initially at fair value at the acquisition date. Concession rights have a definite useful life and are amortised on a straight-line basis over the term of the operating period and carried at cost less accumulated amortisation and accumulated impairment losses.

#### 2.5 Property, plant and equipment

Properties are interests in buildings other than investment properties and properties under construction and are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Other property, plant and equipment, comprising plant and machinery, motor vehicles and furniture and fixtures are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation of property, plant and equipment is calculated using the straight-line method, to write off their cost over their estimated useful lives as follows:

Buildings	50 years
Water pipe-line	25 years
Other property, plant and equipment	3 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

#### 2.6 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are performed in accordance with the guidance issued by the International Valuation Standards Committee. These valuations are reviewed annually by external valuers.

#### 2.4 無形資產(續)

##### (b) 特許權

所收購特許權首先於收購日按公平值計量。特許權具有指定可使用年期，於經營期內以直線法攤銷，並按成本減累計攤銷及累計減值虧損列賬。

#### 2.5 物業、機器及設備

物業是指投資物業及在建物業以外之樓宇權益，按以往成本減累計折舊及減值虧損列賬。以往成本包括直接因收購有關項目而動用之開支。其他物業、機器及設備包括機器設備、汽車及傢俬以及固定裝置，按成本減累計折舊及累計減值虧損列賬。

物業、機器及設備以直線法計算折舊，於以下估計可使用年期撇減其成本：

樓宇	50年
水管	25年
其他物業、機器及設備	3至10年

每個結算日均會檢討資產之餘值及可使用年期，如有需要會作出調整。

#### 2.6 投資物業

投資物業是指持有作為長期收取租金或／及為資本增值，而並非由集團內企業所佔用之物業。

投資物業初步按成本列賬，並包括相關之交易費用。

於初步確認後，投資物業會按公平值列賬。公平值按活躍市價釐定，倘有需要，會就指定資產於性質、地點或狀況三方面之任何差異作出調整。倘並無有關資料，本集團將會採用其他估值方法，例如活躍程度稍遜市場之最近期價格或貼現現金流量預測。該等估值乃根據國際估值準則委員會所頒佈之指引進行，並由外間估值師每年檢討。

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2. 主要會計政策概要(續)

### 2.6 Investment properties (continued)

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of land classified as investment property, others, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

Changes in fair values are recognised in the income statement.

### 2.7 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation, which are at least tested annually for impairment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

### 2.6 投資物業(續)

投資物業之公平值反映(其中包括)來自現有租賃之租金收入,以及按現有市場狀況對來自未來租賃的租金收入之假設。

公平值亦以類似方式反映預期有關物業之任何現金流出。若干現金流出確認為負債,包括分類為投資物業之融資租賃負債,其他項目(包括或然租金)並非在財務報表確認。

當有關項目之未來經濟利益有可能流入本集團,而項目成本能夠可靠地計量時,其後開支方會自資產之賬面值扣除。所有其他維修及維護成本於產生之財務期間內在損益表支銷。

公平值之變動計入損益表。

### 2.7 資產減值

可使用年期並無上限之資產不計提攤銷,但須最少於每年進行減值評審,或於有事件或情況有變化而顯示可能不可收回其賬面值時檢討減值。至於須攤銷之資產,則須於有事件或情況有變化而顯示可能不可收回其賬面值時,進行減值檢討。資產賬面值高出其可回收值之金額確認為減值虧損。可回收值指資產之公平值減出售費用及使用價值兩者孰高之金額。於評核減值時,資產按最小單位分類,以分開辨認現金流量(即產生現金之單元)進行分組。

## NOTES TO THE FINANCIAL STATEMENTS

### 賬目附註

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2. 主要會計政策概要(續)

##### 2.8 Construction contracts in progress

The accounting policy for contract revenue is set out in note 2.18 to the financial statement. When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenues and expenses by reference to the stage of completion of the contract activity at the balance sheet date. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that will be recoverable. Contract costs are recognised when incurred.

Construction contracts in progress at the balance sheet date are recorded in the balance sheet at the net amount of costs incurred plus recognised profits less recognised losses and progress billings. Progress billings not yet paid by the customer are included in the balance sheet under "trade and other receivables". Amount received before the related work is performed are included in the balance sheet, as a liability, as "advances received".

##### 2.9 Investments

From 1st January 2004 to 31st December 2004:

The Group classified its investments in securities, other than subsidiaries, associated companies and jointly controlled entities, as non-trading securities and trading securities.

##### (a) Non-trading securities

Investments which were held for non-trading purpose were stated at fair value at the balance sheet date. Changes in the fair value of individual securities were credited or debited to the investment revaluation reserve until the security was sold, or was determined to be impaired. Upon disposal, the cumulative gain or loss representing the difference between the net sales proceeds and the carrying amount of the relevant security, together with any surplus/deficit transferred from the investment revaluation reserve, was dealt with in the income statement.

Where there was objective evidence that individual investments were impaired the cumulative loss recorded in the revaluation reserve was taken to the income statement.

##### 2.8 在建工程合約

合約收益之會計政策載於財務報表附註2.18。當建築合約的結果能可靠計算，則合約收益及合約成本按結算日合約活動之完工進度確認為收益及開支。當合約成本總額有可能超出合約收益總額時，預期虧損會即時確認為開支。如建築合約的結果不能可靠計算，則合約收益只會按可收回的合約成本確認。合約成本於產生時確認。

於結算日之在建工程合約在資產負債表按所產生成本淨額加已確認溢利減已確認虧損與進度發票額而入賬。客戶尚未支付之進度發票額計入資產負債表「應收賬款及其他應收款」項目。有關工程尚未完成前已收取之金額在資產負債表中計入負債，列作「預收款項」。

##### 2.9 投資

從二零零四年一月一日至二零零四年十二月三十一日：

除對附屬公司、聯營公司和合營公司之投資外，本集團將其投資之證券分為非買賣用途之證券及作買賣用途之證券。

##### (a) 非買賣用途之證券

持有作非買賣用途之投資按結算日期之公平值列賬。個別證券之公平值如有變動，則會計入投資重估儲備或從中扣除，直至出售該等證券或確定出現減值為止。證券出售後，累計盈虧(指出售所得款項淨額與有關證券賬面金額之差額)連同轉撥自投資重估儲備之任何盈餘/虧絀一併在損益表中處理。

當有客觀證據顯示個別投資減值時，則重估儲備所記錄之累計虧損須撥往損益表處理。

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2. 主要會計政策概要(續)

### 2.9 Investments (continued)

#### (b) Trading securities

Trading securities were carried at fair value. At each balance sheet date, the net unrealised gains or losses arising from the changes in fair value of trading securities were recognised in the income statement. Profits or losses on disposal of trading securities, representing the difference between the net sales proceeds and the carrying amounts, were recognised in the income statement as they arose.

From 1st January 2005 onwards:

The Group classifies its investments as financial assets at fair value through profit or loss. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets at fair value through profit or loss has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets at fair value through profit or loss are subsequently carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise.

### 2.9 投資(續)

#### (b) 作買賣用途之證券

作買賣用途之證券按公平值列賬。在每個結算日，作買賣用途之證券之公平值變動而產生之未變現盈虧淨額均在損益表記賬。出售作買賣用途之證券之盈利或虧損指出售所得款項淨額與賬面金額之差額，在產生時記入損益表。

由二零零五年一月一日起：

本集團將其投資按公平值於損益表分類為財務資產。分類視收購投資之目的而言。管理層按各個申報日期初步確認及重新評估此指定決定其投資分類。

按公平值於損益表列賬之財務資產此類別共有兩個分類：持有作買賣用途，及於開始時按公平值於損益表列賬之財務資產。倘若財務資產主要是為了在短期內出售或由管理層指定收購，則列入上述分類。除非被指定為對沖，否則衍生工具亦會被分類為持有作買賣類別。倘若此類別之資產乃持有作買賣用途或預期將會於結算日期起計十二個月內變現，則會被分類為流動資產。

就並非按公平值在損益表列賬之所有財務資產而言，投資會初步按公平值另加交易費用確認。按公平值於損益表列賬之財務資產其後會按公平值列賬。因「按公平值於損益表列賬之財務資產」類別之公平值變動而產生之已變現及未變現收益及虧損，會於其產生期內計入損益表。

## NOTES TO THE FINANCIAL STATEMENTS

### 賬目附註

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2. 主要會計政策概要(續)

##### 2.9 Investments (continued)

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

##### 2.9 投資(續)

本集團會於各結算日期評估是否有客觀證據證明一項財務資產或一組財務資產出現減值。

##### 2.10 Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost comprises land at cost, construction cost, interest and other direct expenses capitalised during the course of development. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

##### 2.10 作銷售用途之物業

作銷售用途之物業按成本與可變現淨值兩者之較低者列賬。成本包括土地成本、建築成本、利息及其他於發展過程中撥作資本之直接開支。可變現淨值指估計售價扣除出售物業所產生成本後之數額。

##### 2.11 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

##### 2.11 應收賬款及其他應收款

應收賬款及其他應收款初期按公平值確認，其後以實際利率法攤銷成本及減除任何減值撥備計算。應收賬款及其他應收款之減值撥備於出現客觀證據表明本集團無法按應收款之原有條款收回所有金額時確認。撥備之金額為資產賬面值與估計未來現金流量之現值(按實際利率貼現計算)之差額。撥備金額於損益表內確認。

##### 2.12 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

##### 2.12 借款

借款初期以公平值扣除交易成本後確認。交易成本為收購、發行或出售財務資產或財務負債時直接產生之成本，包括向代理商、顧問、經紀及交易商支付之費用及佣金、監管機構及證券交易所徵收之款項及過戶登記稅項及稅款。借款其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值之任何差額則於借款期內以實際利率法於損益表內確認。

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

除非本集團有權無條件於結算日期後將負債之結算遞延至少十二個月，否則借款分類為流動負債。

##### 2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

##### 2.13 現金及現金等價物

現金及現金等價物包括手頭現金、銀行通知存款、其他原到期日為三個月或以下之短期高流通性投資，以及銀行透支。銀行透支在資產負債表中列作流動負債項目下的借款。



For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2. 主要會計政策概要(續)

### 2.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.14 股本

普通股分類為股本。發行新股份或購股權增加之直接應佔成本於權益中列為所得款項之扣減項目(扣除稅項)。

### 2.15 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

### 2.15 遞延所得稅

遞延所得稅就資產及負債之稅基與綜合財務報表所示賬面值之間的暫時差額，以負債法作出全數撥備。然而，倘於非業務合併的交易中初次確認資產或負債而產生遞延所得稅，而交易當時並無影響會計處理及應課稅溢利或虧損，則不會將遞延所得稅入賬。遞延所得稅按結算日前已實施或實際實施，並在變現有關遞延所得稅資產或清償遞延所得稅負債時預期將會適用之稅率(及法例)而釐定。

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

遞延所得稅資產是就可能有未來應課稅盈利而就此可使用暫時差異而確認。

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

遞延所得稅就附屬公司、聯營公司及合營公司投資產生之暫時差異而撥備，但假若本集團可以控制暫時差異之撥回時間，而暫時差異在可預見將來有可能不會撥回則除外。

### 2.16 Employee benefits

#### (a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

### 2.16 僱員福利

#### (a) 僱員假期應享權利

僱員應享之年假及長期服務金乃於僱員有權享有時確認。本公司將會就因僱員截至結算日之服務年資而產生之年假及長期服務金估計責任計算撥備。

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

僱員應享病假及產假於僱員有權享有時方會確認。

## NOTES TO THE FINANCIAL STATEMENTS

### 賬目附註

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2. 主要會計政策概要(續)

##### 2.16 Employee benefits

###### (b) Pension obligations

The Group operates a mandatory provident fund scheme ("MPF") for the eligible employees in Hong Kong.

The Group's and the employees' contributions to the MPF are complied to the related statutory requirements. The Group's contributions to the MPF are expensed as incurred and are not reduced by contributions forfeited by those employees who leave MPF prior to vesting fully in the contributions. The asset of MPF is held separately from those of the Group in independently administered funds.

###### (c) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

##### 2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

##### 2.16 僱員福利(續)

###### (b) 退休金責任

本集團設有強制性公積金計劃(「強積金」)，供香港之合資格僱員參與。

本集團及僱員均按有關法例要求作出供款。本集團對強積金之供款於產生時列作開支，而不會扣減僱員於全數享有供款前不再參與強積金而被沒收之供款。強積金之資產與本集團資產分開，由獨立管理之基金管理。

###### (c) 以股份作報酬

本集團設有以股權結算、以股份作報酬之計劃。就僱員提供服務而授予之購股權之公平值確認為開支。將於歸屬期內支銷的總金額乃參考所授出購股權之公平值釐定(不包括任何非市場性質之歸屬條件所產生之影響，例如盈利能力及銷售增長指標)。在假定預期可予以行使之購股權數目時，亦連同非市場性質之歸屬條件一併考慮。於各結算日，公司會調整對預期可予以行使之購股權數目所作之估計，並在損益表確認調整原來估計所產生之影響(如有)，及於餘下歸屬期內對股本作出相應調整。

已收款項(扣除任何直接應計交易成本)在行使購股權時撥入股本(面值)及股份溢價。

##### 2.17 撥備

當本集團因已發生之事件而產生現有的法律或推定責任、有可能需要流出資源以償付責任，並且能可靠地估計有關金額時，則會確認撥備。倘本集團預期將會就撥備作出償付，例如根據保險合約作出償付，則會在肯定須作償付之情況下確認為獨立資產。

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截至二零零五年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2. 主要會計政策概要(續)

### 2.18 Revenue recognition

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

- (i) Revenue from individual construction contract is recognised under the percentage of completion method, when the contracts have progressed to the point where a profitable outcome can be prudently foreseen and is measured by reference to the proportion that contract costs incurred for work performed to date compares to the estimated total contract costs to completion.
- (ii) Revenue from sales of properties held for sale is recognised upon completion of the sale and purchase agreements or the issue of an occupation permit, by the relevant government authorities, whichever is the later. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the balance sheet under "trade and other payables".
- (iii) Rental income from investment properties is recognised on a straight-line basis over the terms of the respective leases.
- (iv) Dividend income is recognised when the right to receive payment is established.
- (v) Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the effective interest rates applicable.
- (vi) Property fee income is recognised when the services are rendered.
- (vii) Consultancy fee income is recognised when the services are rendered.

### 2.19 Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the period of the lease.

### 2.18 收益確認

當經濟利益有可能歸入本集團並且能可靠計算收益時，以下列基準確認收益：

- (i) 倘根據合約之進度可審慎預計將會取得收益，則會根據完成百分比方法確認個別建築合約之收益，而收益乃按照至今已施工所動用之合約成本與估計完成合約總成本之比例計算。
- (ii) 出售作銷售用途之物業所得收益於完成買賣協議或有關政府當局發出入伙紙時(以較遲者為準)確認。於收益確認日期前已就出售物業所收取之按金及分期付款，列入資產負債表「應付賬款及其他應付款」內。
- (iii) 來自投資物業之租金收入於有關租期內以直線法確認。
- (iv) 股息收入於確立收款之權利時確認。
- (v) 利息收入根據未償還本金額及適用之實際利率，按時間比例確認。
- (vi) 物業費用收入於提供服務時確認。
- (vii) 顧問費收入於提供服務時確認。

### 2.19 經營租賃

資產擁有權之絕大部份風險及回報歸於出租者之租賃，均歸類為經營租賃。根據經營租賃支付之款項在扣除出租者收取之任何優惠後，於租賃期內以直線法在損益表中扣除。

# NOTES TO THE FINANCIAL STATEMENTS

## 賬目附註

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2. 主要會計政策概要(續)

#### 2.20 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

#### 2.21 Segment reporting

In accordance with the Group's internal financial reporting and operating activities, the Group has determined that geographical segments be presented as the primary reporting format and business segments be presented as the secondary reporting format.

Unallocated costs represent corporate expenses. Segment assets consist primarily of investment properties, other property, plant and equipment, properties held for development or held for sale. Segment liabilities comprise operating liabilities, taxation and borrowings. Capital expenditure comprises additions to intangible assets and property, plant and equipments, including additions resulting from acquisitions through purchases of subsidiaries. Sales are based on the country in which the customers are located.

#### 2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

#### 2.23 Comparatives

Comparative figures have been restated to reflect the adoption of HKFRS.

#### 2.20 或然負債

或然負債乃因過去事件而可能出現之責任，而僅視乎日後會否出現一項或多項非本集團可完全控制之事件而確實。因過去事件而產生之現有責任，由於未必需要流出經濟利益或不能就該責任之數額作可靠估計而未有確認。

雖然或然負債不予確認，但須於財務報表附註中披露。倘情況有變可能導致經濟資源流出時，則或然負債確認為撥備。

#### 2.21 分部報告

根據本集團之內部財務申報及經營活動，本集團決定以地區分部為主要呈報形式，而以業務分部為次要呈報形式。

未分類成本指企業開支。分部資產主要包括投資物業、其他固定物業、機器及設備、作發展用途之物業及作銷售用途之物業。分部負債主要包括經營負債、稅項及借款。資本開支包括無形資產及物業、機器及設備之添置，包括因收購附屬公司而進行之購置。銷售按客戶所在國家而呈列。

#### 2.22 派付股息

向本公司股東派付之股息於本公司股東批准派付股息之期間內在本集團之財務報表中確認為負債。

#### 2.23 比較數字

比較數字已重列，以反映採納香港財務報告準則。

For the year ended 31st December 2005

### 3. FINANCIAL RISK MANAGEMENT

#### 3.1 Structure and policy

The Group's Board of Directors manages the majority of liquidity the Group's funding needs and currency, interest rate, credit and liquidity risk exposures. The same management framework is adopted through out the Group to identify, evaluate and hedge financial risk with each of the Group's operating unit.

It is the policy of the Group not to enter into derivative transactions for speculative purposes.

#### 3.2 Financial risk factors

The Group's activities expose it to a variety of financial risks: currency risk, interest risk, credit risk and liquidity risk. The derivatives held are not for speculative purpose and cannot to be traded in the market. They are part of an embedded investment rights to investment assets and are not exposed to market risk (including commodity pricing risk) since the gains and losses on the derivatives are offset by the losses and gains on the underlying assets.

##### (a) Currency exposure

The Group is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, and net investments in foreign operations.

Exposure to movements in exchange rates on individual transactions is minimised using forward foreign exchange contracts where active markets for the relevant currencies exist and the cost is not prohibitively expensive in comparison to the underlying exposure. All significant foreign currency borrowings with a fixed maturity date are covered by appropriate natural currency hedges. There were no hedging activities during the year.

Translation exposure arising on consolidation of the Group's overseas net assets is reduced, where practicable, by matching assets with borrowings in the same currency.

截至二零零五年十二月三十一日止年度

### 3. 財務風險管理

#### 3.1 架構及政策

本集團之董事會管理本集團大部份融資需要以及貨幣、利率、信貸及流動現金風險。本集團上下採用相同之管理架構，在本集團每個經營單位中識別、評估及對沖財務風險。

本集團的政策是不會進行用作投機的衍生工具交易。

#### 3.2 財務風險因素

本集團業務涉及多類財務風險：貨幣風險、利率風險、信貸風險及流動資金風險。本集團所持有之衍生工具不會用作投機，亦不得在市場上交易。該等工具乃投資資產之嵌入式投資權利，故並不涉及市場風險（包括商品價格風險），原因是衍生工具之盈虧被相關資產之盈虧所抵銷。

##### (a) 匯率風險

本集團涉及多種貨幣之匯率風險。外匯風險來自日後商業交易、已確認資產及負債以及於外國業務之淨投資。

本集團使用與個別交易有關外幣有活躍市場且成本與相關風險比較並不昂貴之遠期外匯合約，將個別交易的匯率變動所產生之風險減至最低，所有到期日固定之外幣借貸均進行適當之自然貨幣對沖。年內並無進行任何對沖活動。

本集團在可行情況下將相同貨幣之資產與借款配對，從而減低將本集團海外淨資產綜合入賬時所產生之換算風險。

## NOTES TO THE FINANCIAL STATEMENTS

### 賬目附註

For the year ended 31st December 2005

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.2 Financial risk factors (continued)

##### (b) Interest rate exposure

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest-rate risk arises from long-term borrowings. To manage the cash flow interest-rate risk associated with the variable-rates borrowing, the Group raises funds on a fixed rate basis where necessary. The level of fixed rate debt for the Group is decided after taking into consideration the potential impact of higher interest rates on profit, interest cover and the cash flow cycles of the Group's businesses and investments.

It is also the policy of the Group to monitor the fair value interest-rate risk associated with the fixed-rate borrowings. The Group may enter into fixed-to-floating interest-rate swaps to hedge the fair value interest-rate exposure where it becomes significant.

##### (c) Credit exposure

The Group has no significant concentrations of credit risk. It has policies in place to ensure that transactions are made to customers with an appropriate credit history. For construction transaction, back-to-back arrangements are made with the sub-contractors where applicable to minimise the credit exposure.

##### (d) Liquidity risk

The Group manages liquidity risk through continuous monitoring and matching of the funding requirement and position. It maintains sufficient cash and availability of funds through an adequate amount of undrawn committed credit facilities.

截至二零零五年十二月三十一日止年度

### 3. 財務風險管理 (續)

#### 3.2 財務風險因素 (續)

##### (b) 利息風險

由於本集團並無重大附息資產，故本集團之收入及經營現金流量大致上不會受市場利率變動之影響。

本集團之利率風險來自長期借貸。為管理浮息借貸所涉及之現金流量利率風險，本集團必要時會以固定利率基準籌集資金。本集團固定息率借貸之水平，是考慮較高的利率對集團業務及投資之溢利、所承擔利息及現金流動周期的潛在影響後而釐定。

本集團之政策對有關固定利率借款之公平值利率風險亦會進行監察。當風險對集團有明顯影響時，本集團或會訂立固定對浮動利率掉期交易，以對沖公平值利率風險。

##### (c) 信貸風險

本集團並無重大信貸集中之風險。本集團實施有關政策，以確保與信貸記錄合適之客戶進行交易。在建築交易方面，本集團在適當時與分判商訂立背對背安排，以減低信貸風險。

##### (d) 流動現金風險

本集團透過不斷監察及配對資金需求及水平，以管理流動現金風險。本集團透過適當金額之未動用信貸，以維持足夠現金及可動用資金。

For the year ended 31st December 2005

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade and other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

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### 3. 財務風險管理(續)

#### 3.3 公平值估計

在活躍市場買賣的金融工具(例如公開買賣之衍生工具、買賣及可供銷售之證券)之公平值乃根據結算日之市場報價而釐定。本集團所持有財務資產所適用之市場報價乃現行買入價，而財務負債所適用之市場報價則為現行賣出價。

並非在活躍市場買賣之金融工具(例如場外衍生工具)之公平值乃使用估值方式而釐定。本集團使用多種方法並根據結算日之市況作出假設而進行估值。同類工具之市場報價或交易商報價用於長期負債之估值。其他方式(例如估計現金流量折現)則用作釐定餘下金融工具之公平值。

應收賬款及應付賬款的面值減預計信貸調整被假設為與其公平值相若。作為披露目的，財務負債的公平值是根據本集團同類金融工具的現行市場利率對未來合約現金流量貼現而估算。

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#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparation of the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are discussed below:

##### (a) Estimates of fair value of investment properties

Chesterton Petty Limited ("Chesterton"), an independent property surveying firm was engaged to carry out an independent valuation of the Group's investment property portfolio as at 31st December 2005. This valuation was carried out in accordance with the Valuation Standards on Properties of the Hong Kong Institute of Surveyors which defines market value as "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

Chesterton has derived the valuation of the Group's property portfolio by capitalising the rental income derived from existing tenancies with due provision for reversionary income potential and where appropriate, by reference to market comparable transactions. The assumptions are based on market conditions existing at the balance sheet.

Management has reviewed Chesterton valuation and compared it with its own assumptions, with reference to comparable sales transaction data where such information is available, and has concluded that Chesterton valuation of the Group's investment portfolio is reasonable.

##### (b) Income taxes

The Group is subject to income taxes in Mainland China. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which ultimate tax determined is uncertain during the ordinary course of business. The Group recognises liabilities for potential tax exposures based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the income tax and deferred tax provision in the period in which such determination is made.

#### 4. 重大會計估計及判斷

本集團根據以往經驗及其他因素(包括對未來事件所作出在有關情況下相信屬合理之預期)，不斷對編製財務報表所使用之估計及判斷作出評估。本集團對未來作出估計及假設。按照定義，所得出之會計估計甚少與有關的實際結果相同。對資產及負債賬面值有重大影響之估計及假設在下文論述：

##### (a) 投資物業之公平值估計

卓德測計師行有限公司(「卓德」)，一家獨立物業估值師，獲委任對本集團於二零零五年十二月三十一日之投資物業組合進行獨立估值。該估值乃根據香港測量師學會之物業估值準則進行。該準則對市價之定義為「該物業於估值日在適當市場推銷後，由自願買方及自願賣方在知情、審慎及並無強迫之情況下，按公平原則進行交易而可交換之估計金額」。

卓德是將現有租約所得出之租金收入資本化，並為約滿後新訂租金潛在變化及在適當情況下參考市場可比較交易而作出適當撥備，而得出集團投資物業組合之估值。假設乃根據結算日之市場情況而作出。

管理層已審閱卓德之估值，並已參考可取得之同類銷售交易資料，與管理層本身的假設作比較，結果認為卓德對本集團投資組合的估值屬合理。

##### (b) 所得稅

本集團於中國內地須繳納所得稅項。於釐定各所得稅項撥備時，須運用重大估計。於日常業務過程中未能準確釐定最終須繳納稅項之交易及計算相當繁多。本集團會以須否繳付額外稅項，作為應否將預期稅務爭議確認為負債之基準。若有關上述事項之最終稅款與原先之入賬額不同，則該差異將影響釐定稅款期間之所得稅項及遞延稅項撥備。



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**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****(c) Impairment of assets**

The Group tests annually whether goodwill and other assets that have indefinite useful lives have suffered any impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit has been determined based on value-in-use calculations. These calculations require the use of estimates.

**(d) Contingent liabilities in respect of litigations and claims**

The Group has been engaged in a number of litigations and claims in respect of certain construction works in the past. Contingent liabilities arising from these litigations and claims have been assessed by management with reference to legal advice. Provisions on the possible obligation have been made based on management's best estimates and judgements.

**5. TURNOVER AND SEGMENT INFORMATION**

Turnover comprises gross revenues from construction contracts, property leasing and property sales. Turnover recognised during the year is as follows:

Construction contracts revenue	建築合約收入
Rental income	租金收入
Property sales	物業銷售

**4. 重大會計估計及判斷(續)****(c) 資產減值**

本集團每年均會檢討商譽及無限期使用期之其他資產是否有所減值。當出現若干事件或情況改變顯示其他資產的賬面值高於其可收回金額，則會檢討該等資產之減值。資產或現金產生單位之可收回金額乃根據價值使用計算方式釐定。以上述方式計算時須運用估算。

**(d) 有關訴訟及索償之或然負債**

本集團就以往若干建築工程涉及多宗訴訟及索償。管理層已參考法律顧問的意見評估來自該等訴訟及索償之或然負債。本集團已根據管理層的最佳估計及判斷就可能承擔之債務作出撥備。

**5. 營業額及分部資料**

營業額包括來自建築合約收入、租金收入和物業銷售之總收益。年內確認之營業額如下：

	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Construction contracts revenue	127.8	984.0
Rental income	55.5	16.2
Property sales	65.0	6.7
	<u>248.3</u>	<u>1,006.9</u>

# NOTES TO THE FINANCIAL STATEMENTS

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**5. TURNOVER AND SEGMENT INFORMATION (continued)****5. 營業額及分部資料(續)**

The Group is organised into two main geographical segments, comprising Hong Kong and Mainland China. There are no other significant identifiable separate geographical segments.

本集團共有兩個主要地區分部，由香港及中國內地組成，並無其他重大可識別地區分部。

**Primary reporting format – Geographical segments****主要呈報形式 – 地區分部**

		Hong Kong 香港		Mainland China 中國內地		Consolidated 綜合	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		HK\$ Million 百萬港元	Restated 重列 HK\$ Million 百萬港元	Restated 重列 HK\$ Million 百萬港元	Restated 重列 HK\$ Million 百萬港元	Restated 重列 HK\$ Million 百萬港元	Restated 重列 HK\$ Million 百萬港元
<b>Location of customers</b>	<b>客戶所在地</b>						
<b>Turnover from external customers</b>	<b>外間客戶之營業額</b>	<b>63.3</b>	628.6	<b>185.0</b>	378.3	<b>248.3</b>	1,006.9
Segment profit	分部利潤	<b>78.7</b>	30.5	<b>105.8</b>	41.7	<b>184.5</b>	72.2
Other gains – net	其他收益淨額	<b>23.5</b>	78.4	<b>315.7</b>	157.0	<b>339.2</b>	235.4
Unallocated operating expenses	未能分類之經營支出					<b>(145.3)</b>	(114.9)
<b>Operating profit</b>	<b>經營溢利</b>					<b>378.4</b>	192.7
Finance costs	融資成本					<b>(33.5)</b>	(38.5)
Gain on debt restructuring	債務重組收益					–	360.5
Impairment losses on properties held for development	作發展用途之物業減值虧損	–	–	–	(180.7)	–	(180.7)
Surplus/(deficit) on revaluation of investment properties	投資物業重估盈餘/(虧絀)	–	–	<b>60.1</b>	(14.4)	<b>60.1</b>	(14.4)
Share of profits less losses of associated companies and jointly controlled entities	應佔聯營公司及合營公司溢利減虧損	<b>38.7</b>	40.1	<b>(28.4)</b>	(27.3)	<b>10.3</b>	12.8
Share of impairment losses and property revaluation deficits of associated companies	應佔聯營公司減值虧損及物業重估虧絀	<b>17.0</b>	–	<b>(92.9)</b>	(73.0)	<b>(75.9)</b>	(73.0)
Income tax credit/(expense)	所得稅抵免/(支出)					<b>20.3</b>	(5.3)
<b>Profit for the year</b>	<b>本年度溢利</b>					<b>359.7</b>	254.1
Capital expenditure	資本開支	<b>2.3</b>	2.8	<b>719.3</b>	915.4	<b>721.6</b>	918.2
Depreciation	折舊	<b>1.4</b>	0.9	<b>2.8</b>	0.7	<b>4.2</b>	1.6
Amortisation	攤銷	–	–	<b>2.9</b>	–	<b>2.9</b>	–
Provision for impairment of trade receivables	應收賬款減值撥備	–	3.5	<b>5.2</b>	51.6	<b>5.2</b>	55.1
Write-back of provision for impairment loss on properties held for sale	作銷售用途之物業減值虧損撥備回撥	–	–	<b>(68.6)</b>	–	<b>(68.6)</b>	–
Write back of provision for contract expenses	工程費用回撥	–	(0.9)	–	(29.6)	–	(30.5)
Segment assets	分部資產	<b>173.4</b>	244.2	<b>2,312.6</b>	1,522.8	<b>2,486.0</b>	1,767.0
Associated companies and jointly controlled entities	聯營公司及合營公司	<b>228.3</b>	146.5	<b>999.0</b>	1,067.0	<b>1,227.3</b>	1,213.5
Unallocated assets	未能分類資產					<b>742.7</b>	492.9
<b>Total assets</b>	<b>總資產</b>					<b>4,456.0</b>	3,473.4
Segment liabilities	分部負債	<b>(189.9)</b>	(310.8)	<b>(642.8)</b>	(214.2)	<b>(832.7)</b>	(525.0)
Unallocated liabilities	未能分類負債					<b>(1,500.8)</b>	(1,351.4)
<b>Total liabilities</b>	<b>總負債</b>					<b>(2,333.5)</b>	(1,876.4)

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**5. TURNOVER AND SEGMENT INFORMATION (continued)****5. 營業額及分部資料(續)****Secondary reporting format – Business segments**

The Group comprises the following main business segments:

Construction:	The construction work, including civil and building works, for external customers.
Property leasing:	The leasing of office premises and residential properties to generate rental income and to gain from appreciation in the properties' values in the long term.
Property development and sales:	The development, purchase and sale of commercial and residential properties.
Infrastructure and alternative energy:	The investment, development, construction and management of toll roads, electricity generating stations and water supply plants.

**次要呈報形式 – 業務分部**

本集團之主要業務分部如下：

建築：	為外間客戶提供包括土木及屋宇建造工程。
物業租賃：	出租辦公室及住宅物業以收取租金收入及在長遠而言，因物業升值而賺取溢利。
物業發展及銷售：	發展及買賣商住樓宇。
基建及替代能源：	收費道路、發電站及供水廠之投資、開發、建設及管理。

	Construction 建築		Property leasing 物業租賃		Property development and sales 物業發展及銷售		Infrastructure and alternative energy 基建及替代能源		Other operations 其他業務		Total 總額	
	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
	Restated 重列		Restated 重列		Restated 重列		Restated 重列		Restated 重列		Restated 重列	
	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元
Turnover from external customers 外間客戶之營業額	127.8	984.0	55.5	16.2	65.0	6.7	-	-	-	-	248.3	1,006.9
Segment profit/(loss) 分部利潤/(虧損)	93.2	42.6	69.1	29.1	(1.3)	(3.6)	-	-	23.5	4.1	184.5	72.2
Segment assets 分部資產	315.4	337.9	1,307.0	1,245.9	106.5	183.2	757.1	-	-	-	2,486.0	1,767.0
Capital expenditure 資本開支											721.6	918.2

**6. OTHER REVENUES****6. 其他收入**

	2005 二零零五年	2004 二零零四年
	Restated 重列	Restated 重列
	HK\$ Million 百萬港元	HK\$ Million 百萬港元
Interest income 利息收入	23.5	4.1
Property fee income 物業管理費收入	13.6	12.9
Consultancy fee income received from a jointly controlled entity 來自一間合營公司的 顧問費收入	61.0	-
	98.1	17.0

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**7. OTHER GAINS – NET****7. 其他收益淨額**

		2005 二零零五年	2004 二零零四年 Restated 重列
		HK\$ Million 百萬港元	HK\$ Million 百萬港元
Waiver of other loans and payables	豁免其他之貸款及應付款	214.4	–
Write back of provision for impairment loss on properties held for sale	作銷售用途之物業減值虧損撥備回撥	68.6	–
Fair value gain on properties in respect of business combination	業務合併之物業公平值收益	12.8	–
Write back of provision on amount due from an associated company	應收一間聯營公司款項撥備回撥	–	146.9
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	–	23.0
Net gain on dissolution/liquidation of subsidiaries	附屬公司清算／清盤收益淨額	13.9	55.0
Gain on disposal of subsidiaries	出售附屬公司之收益	9.1	–
Net exchange gain	匯兌收益淨額	4.1	6.4
Fair value gain on other financial assets at fair value through profit or loss	按公平值在損益表列賬之其他財務資產之公平值收益	7.4	–
Derivative financial instruments – options	衍生金融工具－期權	(10.0)	–
Others	其他	18.9	4.1
		<b>339.2</b>	<b>235.4</b>

**8. OTHER OPERATING EXPENSES****8. 其他經營費用**

		2005 二零零五年	2004 二零零四年
		HK\$ Million 百萬港元	HK\$ Million 百萬港元
Expenses included in other operating expenses are analysed as follows:	計入其他經營費用之開支分析如下：		
Provision for impairment loss on – properties held for sale	作銷售用途之物業－減值虧損撥備	–	(17.3)
– buildings	－樓宇	(0.1)	–
– trade receivables	－應收賬款	(5.2)	(55.1)
Recovery of and provision written back for impairment of trade receivables	應收賬款減值收回及撥備回撥	31.5	25.4
Pre-operating expenses in respect of infrastructure projects	有關基建項目之營運前開支	(35.3)	–
		<b>(35.3)</b>	<b>–</b>

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**9. OPERATING PROFIT****9. 經營溢利**

		<b>2005</b> 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Operating profit is stated after crediting and (charging) the following:	經營溢利已計入及(扣除)下列各項而列賬：		
Crediting:	計入：		
Write back of provision for restructuring cost	重組成本撥備回撥	—	10.0
Charging:	扣除：		
Depreciation of property, plant and equipment (note 20)	物業、機器及設備折舊(附註20)	(2.4)	(1.1)
Auditors' remuneration	核數師酬金	(2.9)	(2.4)
Operating lease rental expenses	租金開支	(2.8)	(2.1)
Employee benefit expenses (including directors' emoluments) (note 13)	僱員福利開支(包括董事酬金)(附註13)	(36.2)	(31.6)
Cost of properties sold	出售物業成本	(66.4)	(10.3)
Direct operating expenses arising from investment properties that generate rental income	可賺取租金收入之投資物業所產生之直接經營開支	(2.4)	(2.3)

**10. FINANCE COSTS****10. 融資成本**

		<b>2005</b> 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Interest on bank loans and other borrowings	銀行貸款及其他借款利息		
Wholly repayable within 5 years	須於五年內全部償還	(29.0)	(34.4)
Not wholly repayable within 5 years	毋須於五年內全部償還	(14.9)	(4.1)
		(43.9)	(38.5)
Less: capitalised in construction-in-progress	減：在建工程中資本化部分	10.4	—
		<b>(33.5)</b>	<b>(38.5)</b>

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#### 11. GAIN ON DEBT RESTRUCTURING

On 11th February 2004, the Company and Creator Holdings Limited ("Creator"), the ultimate holding company, entered into a debt conversion and share subscription agreement ("the Debt Conversion Agreement") and a sale and purchase agreement ("the Yangpu Agreement") relating to the share interest in Hainan Yangpu Development (H.K.) Limited ("Yangpu Development").

The Debt Conversion Agreement and the Yangpu Agreement were approved at the extraordinary general meeting of shareholders on 3rd April 2004. The indebtedness of approximately HK\$1,640.5 million was settled in full by the Company by issuance of 1,340,555,276 ordinary shares and assignment of the Company's share interest in Yangpu Development, both to Creator.

The gain on debt restructuring was aggregated from the gain on disposal of the share interest in Yangpu Development of HK\$242.7 million and waiver of interest upon the completion of debt conversion of HK\$117.8 million as at 13th April 2004.

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#### 11. 債務重組收益

於二零零四年二月十一日，本公司與最終控股公司創達集團有限公司（「創達」）訂立債務轉換及股份認購協議（「債務轉換協議」）及一項有關海南洋浦開發（香港）有限公司（「洋浦開發」）股份權益之買賣協議（「洋浦協議」）。

債務轉換協議及洋浦協議於二零零四年四月三日舉行之股東特別大會獲批准。本公司透過向創達發行1,340,555,276股普通股及向創達轉讓本公司於洋浦開發之股份權益悉數償還約1,640,500,000港元負債。

債務重組收益來自出售洋浦開發股份權益獲取之收益242,700,000港元及於二零零四年四月十三日債務轉換完成時之獲豁免利息117,800,000港元總計。

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**12. DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION****12. 董事及高級管理層酬金****(a) Directors' emoluments**

The remuneration of every Director for the year ended 31st December 2005 is set out below:

**(a) 董事酬金**

各董事於截至二零零五年十二月三十一日止年度的酬金如下：

Name of Director	董事姓名	Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Discretionary bonus 酌情花紅 HK\$'000 千港元	Employer's contribution to pension scheme 僱員退休金計劃供款 HK\$'000 千港元	Total 總額 HK\$'000 千港元
OEI Tjie Goan	黃志源	50.0	—	—	—	50.0
LI Xueming	李學明	50.0	—	—	—	50.0
XU Zheng	徐征	50.0	—	—	—	50.0
OEI Kang Eric	黃剛	—	3,000.0	750.0	12.0	3,762.0
CHEN Libo	陳立波	50.0	2,760.0	1,380.0	12.0	4,202.0
TSANG Sai Chung, Kirk	曾細忠	50.0	1,270.0	317.5	12.0	1,649.5
SO Hang, Selina	蘇荇	50.0	1,074.0	268.5	12.0	1,404.5
TANG Sau Wai, Tom	鄧守偉	—	1,740.0	290.0	12.0	2,042.0
CHENG Sum Hing, Sam	鄭森興	—	833.4	64.1	5.0	902.5
LIU Guolin	劉國林	50.0	—	—	—	50.0
FAN Yan Hok, Philip	范仁鶴	50.0	—	—	—	50.0
CHUNG Cho Yee, Mico	鍾楚義	100.0	—	—	—	100.0
CHENG Yuk Wo	鄭毓和	100.0	—	—	—	100.0
Albert Thomas DA ROSA, Junior	羅凱栢	100.0	—	—	—	100.0
		<u>700.0</u>	<u>10,677.4</u>	<u>3,070.1</u>	<u>65.0</u>	<u>14,512.5</u>

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### 12. DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION (continued)

### 12. 董事及高級管理層酬金(續)

#### (a) Directors' emoluments (continued)

The remuneration of every Director for the year ended 31st December 2004 is set out below:

#### (a) 董事酬金(續)

各董事於截至二零零四年十二月三十一日止年度的酬金如下：

Name of Director	董事姓名	Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Discretionary bonus 酌情花紅 HK\$'000 千港元	Employer's contribution to pension scheme 僱員退休金 計劃供款 HK\$'000 千港元	Total 總額 HK\$'000 千港元
OEI Tjie Goan	黃志源	34.7	–	–	–	34.7
LI Xueming	李學明	21.0	–	–	–	21.0
XU Zheng	徐征	34.7	–	–	–	34.7
OEI Kang, Eric	黃剛	–	2,240.0	–	9.0	2,249.0
CHEN Libo	陳立波	12.5	2,310.0	–	12.0	2,334.5
TSANG Sai Chung, Kirk	曾細忠	33.3	917.7	–	8.0	959.0
SO Hang, Selina	蘇荇	29.1	679.0	–	7.0	715.1
TANG Sau Wai, Tom	鄧守偉	–	1,885.0	–	12.0	1,897.0
LIU Guolin	劉國林	50.0	–	–	–	50.0
FAN Yan Hok, Philip	范仁鶴	50.0	–	–	–	50.0
CHUNG Cho Yee, Mico	鍾楚義	68.2	–	–	–	68.2
CHENG Yuk Wo	鄭毓和	46.8	–	–	–	46.8
Albert Thomas DA ROSA, Junior	羅凱栢	26.3	–	–	–	26.3
		<u>406.6</u>	<u>8,031.7</u>	<u>–</u>	<u>48.0</u>	<u>8,486.3</u>

Note:

Mr. CHENG Sum Hing, Sam was appointed as an executive director on 1st August 2005.

附註：

鄭森興先生於二零零五年八月一日獲委任為執行董事。



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截至二零零五年十二月三十一日止年度

**12. DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION (continued)****12. 董事及高級管理層酬金(續)****(b) Five highest paid individuals**

The five individuals whose emoluments were the highest in the Group for the year include four (2004: four) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining one (2004: one) individual during the year are as follows:

**(b) 五名酬金最高人士**

年內，本集團五名酬金最高人士包括四名(二零零四年：四名)董事，其酬金詳情載於上文。年內向其餘一名(二零零四年：一名)人士支付的酬金如下：

		<b>2005</b> <b>二零零五年</b> <b>HK\$ Million</b> <b>百萬港元</b>	2004 二零零四年 HK\$ Million 百萬港元
Basic salaries, housing allowances, share options, other allowances and benefits in kind	基本薪金、房屋津貼、購股權、其他津貼及實物利益	<b>1.3</b>	1.3
Bonuses	花紅	<b>0.4</b>	-
		<b><u>1.7</u></b>	<b><u>1.3</u></b>

The emoluments of the individual fell within the following bands:

該等人士的酬金介乎下列範圍：

		<b>2005</b> <b>二零零五年</b> <b>Number of</b> <b>individuals</b> <b>人數</b>	2004 二零零四年 Number of individuals 人數
Emolument bands	酬金範圍		
HK\$1,000,000 – HK\$1,500,000	1,000,000港元 – 1,500,000港元	-	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元	<b>1</b>	-
		<b><u>1</u></b>	<b><u>-</u></b>

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### 12. DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION (continued)

### 12. 董事及高級管理層酬金(續)

#### (c) Share options

The details of the share option schemes of the Company are stated in pages 44 to 66 of the Report of the Directors.

Movements in the number of share options outstanding under the Old Option Scheme during the year are as follows:

#### (c) 購股權

本公司購股權計劃的詳細資料載於第44至66頁的董事會報告。

年內，舊購股權計劃項下尚未行使之購股權數目變動如下：

		Number of options 購股權數目	
		2005 二零零五年	2004 二零零四年
At 1st January	於一月一日	14,400,000	17,190,000
Cancelled or lapsed	註銷或失效	(14,400,000)	(2,790,000)
At 31st December	於十二月三十一日	<u>–</u>	<u>14,400,000</u>
Options vested at 31st December	於十二月三十一日已歸屬之購股權	<u>–</u>	<u>14,400,000</u>

Share options outstanding at the end of year have the following terms:

於年末尚未行使購股權之年期如下：

Date of grant 授出日期	Exercise period 行使期間	Exercise price 行使價 HK\$ 港元	Number of options 購股權數目	
			2005 二零零五年	2004 二零零四年
20th May 1998 一九九八年五月二十日	20th November 1998 to 19th May 2005 一九九八年十一月二十日至 二零零五年五月十九日	3.48	–	8,450,000
18th June 1998 一九九八年六月十八日	18th December 1998 to 18th June 2005 一九九八年十二月十八日至 二零零五年六月十八日	2.29	–	2,950,000
28th September 1998 一九九八年九月二十八日	28th March 1999 to 28th September 2005 一九九九年三月二十八日至 二零零五年九月二十八日	1.48	–	3,000,000
At 31st December 於十二月三十一日			<u>–</u>	<u>14,400,000</u>
Options vested at 31st December 於十二月三十一日已歸屬之購股權			<u>–</u>	<u>14,400,000</u>

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**13. EMPLOYEE BENEFIT EXPENSES****13. 僱員福利開支**

		2005 二零零五年	2004 二零零四年 Restated 重列
		HK\$ Million 百萬港元	HK\$ Million 百萬港元
Wages, salaries and other benefits	工資、薪金及其他福利	(63.0)	(65.8)
Pension costs	退休金成本		
– Defined contribution plan (note c)	– 界定供款計劃(附註c)	(0.2)	(0.3)
Write back of provision for unused annual leave	未使用年假撥備回撥	0.9	1.0
		<u>(62.3)</u>	<u>(65.1)</u>
Charged to cost of construction contracts	在建築合約成本中扣減	26.1	33.5
Amount charged to income statement (note 9)	在損益表扣除之金額(附註9)	<u>(36.2)</u>	<u>(31.6)</u>

Notes:

- (a) Forfeited contributions totaling HK\$0.2 million (2004: Nil) were utilised during the year and no further forfeited contributions were available at the year end to reduce future contributions.
- (b) Contributions totaling HK\$0.4 million (2004: HK\$0.3 million) were payable to the fund at the year end.
- (c) The Group operates the MPF scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement scheme. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK\$20,000. Contributions to the scheme vest immediately.

附註：

- (a) 已沒收供款合共200,000港元(二零零四年：無)已於年內動用，而於年終時再無已沒收供款可供動用，以扣減日後供款。
- (b) 合共400,000港元(二零零四年：300,000港元)之供款須於年終時支付至基金。
- (c) 本集團按照香港強制性公積金計劃條例之規定設立一項強積金計劃。該計劃是根據香港僱傭條例受僱及沒有加入界定利益退休金計劃之僱員而設。強積金計劃是由獨立信託人管理之界定供款退休金計劃。根據強積金計劃，僱主和僱員均須按照僱員相關入息之5%向計劃作出供款；但每月之相關入息上限為20,000港元。計劃供款隨即悉數歸於僱員。

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**14. INCOME TAX CREDIT/(EXPENSE)**

Hong Kong profits tax has not been provided as the Group has sufficient tax losses brought forward to offset taxable profit for the year (2004: nil). Mainland China income tax has been provided on the estimated assessable profits of subsidiaries, operating in the Mainland China at the rates ranging from 15% to 33% (2004: 15% to 33%).

**14. 所得稅抵免／(支出)**

由於本集團擁有足夠承前稅項虧損以抵銷本年度應課稅溢利，故並無就香港利得稅作出撥備(二零零四年：無)。中國內地所得稅則按照在中國內地經營之附屬公司之估計應課稅溢利，按介乎15%至33%之稅率(二零零四年：15%至33%)作出撥備。

		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Current income tax	當期所得稅		
Mainland China income tax	中國內地所得稅	(9.7)	(1.1)
Over/(under) provisions in prior years	以往年度超額撥備／(撥備不足)	48.3	(4.2)
Deferred income tax (note 37)	遞延所得稅(附註37)	(18.3)	-
		<u>20.3</u>	<u>(5.3)</u>

Share of taxation of associated companies and jointly controlled entities amounting to HK\$17.0 million (2004: HK\$9.0 million) are included in the consolidated income statement as share of losses less profits of associated companies and jointly controlled entities.

應佔聯營公司及合營公司的稅項為17,000,000港元(二零零四年：9,000,000港元)，分別按應佔聯營公司及合營公司虧損減溢利計入綜合損益表。

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**14. INCOME TAX CREDIT/(EXPENSE) (continued)****14. 所得稅抵免／(支出) (續)**

The tax of the Group's profit before income tax differs from the theoretical amount that would be using the weighted average rate applicable to profits of the consolidated companies as follows:

本集團除所得稅前溢利之稅項與採用已綜合公司溢利所適用之加權平均稅率之理論稅項之差額如下：

	<b>2005</b>	2004
	<b>二零零五年</b>	二零零四年
		Restated
		重列
	<b>HK\$ Million</b>	HK\$ Million
	<b>百萬港元</b>	百萬港元
Profit before income tax (excluding share of profits less losses of associated companies and jointly controlled entities)	<b>405.0</b>	319.6
Tax calculated at the domestic rates applicable to profits in the respective countries	<b>(90.3)</b>	(54.3)
Expenses not deductible for taxation purposes	<b>(22.9)</b>	(97.9)
Income not subject to taxation	<b>66.2</b>	116.8
Tax losses not recognised	<b>(3.6)</b>	(0.5)
Utilisation of previously unrecognised tax losses	<b>28.6</b>	34.8
Tax losses for which no deferred income tax asset was recognised	<b>(6.0)</b>	-
Over/(under) provisions in prior years	<b>48.3</b>	(4.2)
Tax expense	<b>20.3</b>	(5.3)

The weighted average applicable tax rate was 22% (2004: 17%). The increase is caused by a change in the profitability of the Group's subsidiaries in the respective countries.

加權平均適用稅率為22% (二零零四年：17%)。稅率上升是由於本集團的附屬公司在相關國家之盈利能力改變所致。

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截至二零零五年十二月三十一日止年度

#### 15. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$226.7 million (2004: HK\$406.5 million).

#### 15. 本公司股東權益持有人應佔溢利

計入本公司財務報表之本公司股東權益持有人應佔溢利為226,700,000港元(二零零四年：406,500,000港元)。

#### 16. DIVIDEND

#### 16. 股息

Proposed final dividend of HK5.0 cents  
(2004: Nil) per ordinary share

擬派末期股息每股普通股5.0港仙  
(二零零四年：無)

2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
---------------------------------------	---------------------------------------

116.4

—

The amount of the proposed final dividend for the year ended 31st December 2005, which HK1.0 cent will be payable in cash with an option to elect scrip while HK4.0 cents will be payable by the issue of bonus shares, is not accounted for until it has been approved at the forthcoming annual general meeting. The amount will be reflected as an appropriation of the retained earnings for the year ending 31st December 2006.

截至二零零五年十二月三十一日止年度之擬派末期股息，其中1.0港仙將以現金派付，亦可選擇以股代息，而4.0港仙則以發行紅股形式派付。上述股息金額於即將舉行之股東週年大會上獲批准後方會入賬。該金額將入賬列作截至二零零六年十二月三十一日止年度之保留溢利的分配。

#### 17. EARNINGS PER SHARE

#### 17. 每股盈利

##### (a) Basic earnings per share

The calculation of basic earnings per share is based on the Group's profit attributable to the equity holders of the Company of HK\$367.8 million and 2,328.4 million ordinary shares which is 1,948.4 million ordinary shares in issue during the year plus the issue of 380.0 million new ordinary shares to Creator, the ultimate holding company, upon its exercise of the call option under the terms of the Debt Conversion Agreement.

The basic earnings per share for the year ended 31st December 2004 is restated to account for the retrospective effects of the issue of 380.0 million new ordinary shares in 2005. The restated basic earnings per share for 2004 is based on the Group's profit attributable to the equity holders of the Company of HK\$254.1 million and the weighted average number of 1,571.1 million ordinary shares in issue plus the 380.0 million ordinary shares deemed in issue in 2004.

##### (a) 每股基本盈利

每股基本盈利乃根據本公司股東權益持有人應佔本集團溢利367,800,000港元及2,328,400,000股普通股(即年內已發行1,948,400,000股普通股加上根據債務轉讓協議條款行使認購期權而向最終控股公司創達發行380,000,000股新普通股計算)。

截至二零零四年十二月三十一日止年度之每股基本盈利經已重列，以反映於二零零五年發行380,000,000股新普通股的追溯影響。重列之二零零四年每股基本盈利乃根據本公司股東權益持有人應佔本集團溢利254,100,000港元，以及二零零四年已發行普通股之加權平均數1,571,100,000股及被視為發行之普通股380,000,000股而計算。

##### (b) Diluted earnings per share

There are no dilutive potential ordinary shares in existence during the years ended 31st December 2005 and 2004.

##### (b) 每股攤薄盈利

截至二零零五年及二零零四年十二月三十一日止年度，並無潛在攤薄的普通股。

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

**18. INVESTMENT PROPERTIES****18. 投資物業**

		<b>Group 本集團</b>	
		<b>2005 二零零五年 HK\$ Million 百萬港元</b>	<b>2004 二零零四年 HK\$ Million 百萬港元</b>
At 1st January	於一月一日	<b>1,244.7</b>	365.6
Acquisition of a subsidiary	收購一間附屬公司	-	914.7
Transfer to properties held for sale	轉撥至作銷售用途之物業	-	(21.2)
Surplus/(deficit) on revaluation of investment properties	投資物業之重估盈餘/(虧絀)	<b>60.1</b>	(14.4)
At 31st December	於十二月三十一日	<b><u>1,304.8</u></b>	<b><u>1,244.7</u></b>

The investment properties were revalued at 31st December 2005 on an open market basis by Chesterton Petty Limited, an independent professional property valuer.

投資物業由獨立專業物業估值師行卓德測計師行有限公司於二零零五年十二月三十一日按公開市場基準重估。

The Group leases out investment properties under operating leases. The leases typically run for an initial period of 3 years, with an option to renew the lease after that date at which time terms are renegotiated. None of the leases include contingent rentals.

本集團根據經營租賃出租投資物業。租賃一般初步為期3年，可於重新商定條款當日後續期。租賃並不包括或然租金。

As at 31st December, 2005, investment properties in Mainland China of HK\$1,052.6 million (2004: HK\$1,115.1 million) were pledged as securities for the Group's long-term loans.

於二零零五年十二月三十一日，中國內地價值1,052,600,000港元(二零零四年：1,115,100,000港元)之投資物業，已作為本集團所獲長期貸款之抵押。

The Group's interest in investment properties at their net book values and the lease terms are analysed as follows:

本集團於投資物業之權益按賬面淨值分析如下：

		<b>2005 二零零五年 HK\$ Million 百萬港元</b>	<b>2004 二零零四年 HK\$ Million 百萬港元</b>
In Mainland China	於中國內地		
On medium-term leases (between 10 to 50 years)	中期(10至50年)	<b><u>1,304.8</u></b>	<b><u>1,244.7</u></b>

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截至二零零五年十二月三十一日止年度

**19. LAND USE RIGHTS****19. 土地使用權**

		<b>Group</b> <b>本集團</b>	
		<b>2005</b> <b>二零零五年</b> <b>HK\$ Million</b> <b>百萬港元</b>	<b>2004</b> <b>二零零四年</b> <b>HK\$ Million</b> <b>百萬港元</b>
At 1st January	於一月一日	-	-
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	127.2	-
Exchange difference	匯兌差額	2.2	-
Amortisation of prepaid operating lease payment	預付經營租賃租金攤銷	(2.9)	-
Additions	添置	30.9	-
At 31st December	於十二月三十一日	<u>157.4</u>	<u>-</u>

Amortisation expense of HK\$2.9 million (2004: Nil) has been capitalised in construction-in-progress.

攤銷開支2,900,000港元(二零零四年：無)已撥充在建工程的資本。

The Group's interests in land use rights represent prepaid operating lease payments and their net book value and the lease terms are analysed as follows:

本集團於土地使用權之權益指預付經營租賃租金，而賬面淨值分析如下：

		<b>2005</b> <b>二零零五年</b> <b>HK\$ Million</b> <b>百萬港元</b>	<b>2004</b> <b>二零零四年</b> <b>HK\$ Million</b> <b>百萬港元</b>
Outside Hong Kong held on: On medium-term leases (between 10 to 50 years)	香港境外，按下列年期持有： 中年期(10至50年)	<u>157.4</u>	<u>-</u>



For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

**20. PROPERTY, PLANT AND EQUIPMENT****20. 物業、機器及設備**

Group		Construction- in-progress	Water pipe-line	Plant and equipment 機器及 設備	Buildings	Total
本集團		在建工程	水管	機器及 設備	樓宇	總額
		HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元
<b>Year ended</b>	<b>截至二零零五年</b>					
<b>31st December 2005</b>	<b>十二月三十一日止年度</b>					
Opening net book amount	年初賬面淨值	-	-	4.7	3.9	8.6
Exchange difference	匯兌差額	2.5	-	0.3	-	2.8
Acquisition of subsidiaries (note 41)	收購附屬公司 (附註41)	173.6	208.8	6.0	-	388.4
Additions	添置	82.6	-	4.7	-	87.3
Disposals	出售	-	-	(0.1)	-	(0.1)
Impairment losses	減值虧損	-	-	-	(0.1)	(0.1)
Depreciation	折舊	-	-	(4.0)	(0.2)	(4.2)
Closing net book amount	年終賬面淨值	<u>258.7</u>	<u>208.8</u>	<u>11.6</u>	<u>3.6</u>	<u>482.7</u>
<b>As at 31st December 2005</b>	<b>於二零零五年</b>					
	<b>十二月三十一日</b>					
Cost or valuation	成本或估值	258.7	208.8	35.1	8.2	510.8
Accumulated depreciation	累計折舊	-	-	(23.5)	(4.6)	(28.1)
Net book amount	賬面淨值	<u>258.7</u>	<u>208.8</u>	<u>11.6</u>	<u>3.6</u>	<u>482.7</u>
<b>Year ended</b>	<b>截至二零零四年</b>					
<b>31st December 2004</b>	<b>十二月三十一日止年度</b>					
Opening net book amount	年初賬面淨值	-	-	3.2	23.8	27.0
Acquisition of a subsidiary	收購一間附屬公司	-	-	0.4	-	0.4
Additions	添置	-	-	3.1	-	3.1
Disposals	出售	-	-	(0.7)	(19.6)	(20.3)
Depreciation	折舊	-	-	(1.3)	(0.3)	(1.6)
Closing net book amount	年終賬面淨值	<u>-</u>	<u>-</u>	<u>4.7</u>	<u>3.9</u>	<u>8.6</u>
<b>As at 31st December 2004</b>	<b>於二零零四年</b>					
	<b>十二月三十一日</b>					
Cost or valuation	成本或估值	-	-	23.0	8.3	31.3
Accumulated depreciation	累計折舊	-	-	(18.3)	(4.4)	(22.7)
Net book amount	賬面淨值	<u>-</u>	<u>-</u>	<u>4.7</u>	<u>3.9</u>	<u>8.6</u>

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截至二零零五年十二月三十一日止年度

**20. PROPERTY, PLANT AND EQUIPMENT (continued)****20. 物業、機器及設備(續)**

Company 本公司		Buildings 樓宇 HK\$ Million 百萬港元	Plant and equipment 機器及設備 HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
<b>Year ended</b> <b>31st December 2005</b>	<b>截至二零零五年</b> <b>十二月三十一日止年度</b>			
Opening net book amount	年初賬面淨值	-	3.6	3.6
Additions	添置	-	4.5	4.5
Depreciation	折舊	-	(1.8)	(1.8)
Closing net book amount	年終賬面淨值	<u>-</u>	<u>6.3</u>	<u>6.3</u>
<b>As at 31st December 2005</b>	<b>於二零零五年</b> <b>十二月三十一日</b>			
Cost or valuation	成本或估值	-	21.3	21.3
Accumulated depreciation	累計折舊	-	(15.0)	(15.0)
Net book amount	賬面淨值	<u>-</u>	<u>6.3</u>	<u>6.3</u>
<b>Year ended</b> <b>31st December 2004</b>	<b>截至二零零四年</b> <b>十二月三十一日止年度</b>			
Opening net book amount	年初賬面淨值	19.8	2.0	21.8
Additions	添置	-	2.8	2.8
Disposals	出售	(19.6)	(0.3)	(19.9)
Depreciation	折舊	(0.2)	(0.9)	(1.1)
Closing net book amount	年終賬面淨值	<u>-</u>	<u>3.6</u>	<u>3.6</u>
<b>As at 31st December 2004</b>	<b>於二零零四年</b> <b>十二月三十一日</b>			
Cost or valuation	成本或估值	-	16.8	16.8
Accumulated depreciation	累計折舊	-	(13.2)	(13.2)
Net book amount	賬面淨值	<u>-</u>	<u>3.6</u>	<u>3.6</u>

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

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

The construction-in-progress represents the construction costs recorded in the balance sheet at the net amount of costs incurred.

Depreciation expenses of HK\$0.4 million (2004: HK\$0.5 million) have been charged to construction costs, HK\$1.4 million (2004: Nil) has been capitalised in infrastructure projects and HK\$2.4 million (2004: HK\$1.1 million) has been expensed in administrative expenses.

**20. 物業、機器及設備(續)**

在建工程指在資產負債表按所動用成本淨值入賬之建造成本。

折舊開支400,000港元(二零零四年: 500,000港元)已計入建築成本, 1,400,000港元(二零零四年: 無)已撥充基建項目之資本, 而2,400,000港元(二零零四年: 1,100,000港元)已列作行政開支。

**21. INTANGIBLE ASSETS****21. 無形資產**

**Concession rights**  
**特許權**  
HK\$ Million  
百萬港元

Year ended 31st December 2005	截至二零零五年 十二月三十一日止年度	
Opening net book amount	年初賬面淨值	–
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	<u>57.3</u>
Closing net book amount	年終賬面淨值	<u>57.3</u>
At 31st December 2005	於二零零五年十二月三十一日	
Cost and net book amount	成本及賬面淨值	<u><u>57.3</u></u>

**22. DERIVATIVE FINANCIAL INSTRUMENTS****22. 衍生金融工具**

		Group 本集團		Company 本公司	
		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Options – other	期權 – 其他	<u>11.0</u>	<u>–</u>	<u>10.0</u>	<u>–</u>

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**23. SUBSIDIARIES****23. 附屬公司**

		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Investments in subsidiaries	於附屬公司之投資		
Unlisted shares, at cost	非上市股份，按成本	85.9	83.9
Capital contributions, at cost	資本投入，按成本	300.1	320.5
Provision for impairment losses	減值虧損撥備	(154.7)	(224.8)
		<u>231.3</u>	<u>179.6</u>
Amounts due from/(to) subsidiaries	應收／(應付)附屬公司款項		
Amounts due from subsidiaries	應收附屬公司款項	2,678.8	2,353.0
Less: provision	減：撥備	(1,673.8)	(1,498.6)
		<u>1,005.0</u>	<u>854.4</u>
Amounts due to subsidiaries	應付附屬公司款項	(46.5)	(226.0)
		<u>1,189.8</u>	<u>808.0</u>

Note:

Balances with subsidiaries are unsecured, interest free and have no fixed terms of repayment. Particulars of the principal subsidiaries are set out on pages 148 to 151.

附註：

與附屬公司間之結餘並無抵押、免息及無固定還款期。主要附屬公司之詳情載於第148至151頁。

**24. ASSOCIATED COMPANIES****24. 聯營公司**

		Group 本集團		Company 本公司	
		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Unlisted shares, at cost	非上市股份，按成本	-	-	127.1	127.1
Capital contributions, at cost	資本投入，按成本	-	-	2.4	2.4
		<u>-</u>	<u>-</u>	<u>129.5</u>	<u>129.5</u>
Share of net liabilities	應佔負債淨額	(734.5)	(593.9)	-	-
Amounts due from associated companies	應收聯營公司款項	1,794.8	1,706.6	1,429.6	1,369.6
Provision for impairment losses	減值虧損撥備	(22.8)	(22.8)	(833.2)	(709.6)
		<u>1,037.5</u>	<u>1,089.9</u>	<u>725.9</u>	<u>789.5</u>

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截至二零零五年十二月三十一日止年度

**24. ASSOCIATED COMPANIES (continued)**

The balances with associated companies are unsecured, interest free and have no fixed terms of repayment except for the amounts due from associated companies of HK\$403.3 million (2004: HK\$404.1 million) which bears interests, ranging from Hong Kong dollar prime rate to 1% plus Hong Kong dollar prime rate.

The Group's share of assets and liabilities and results of associated companies are summarised below:

		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Assets	資產	2,018.0	2,039.9
Liabilities	負債	<u>(2,752.5)</u>	<u>(2,633.8)</u>
Net liabilities	負債淨額	<u>(734.5)</u>	<u>(593.9)</u>
Revenue	收入	<u>248.6</u>	<u>220.3</u>
Loss before income tax	除所得稅前虧損	<u>(12.4)</u>	<u>(17.9)</u>
Income tax expenses	所得稅開支	<u>(16.8)</u>	<u>(9.0)</u>
Loss for the year	年內虧損	<u>(29.2)</u>	<u>(26.9)</u>

(a) On 29th April 2005, Sinoriver International Limited ("Sinoriver"), a wholly owned subsidiary of the Company, agreed to acquire 29% in the registered capital in Asia Wind Power (Mudanjiang) Company Limited ("AWP") which is engaged in the construction, operation and management of a 30 megawatts wind power plant in Heilongjiang, the PRC. On 28th September 2005, Sinoriver acquired additional 35.7% attributable equity interests in AWP which is now regarded as a subsidiary of the Group with an effective 64.7% share of interests.

(b) On 17th May 2005, Best Spring Properties Limited, a wholly owned subsidiary of the Company, entered into the sale and purchase agreement with an independent third party to acquire 18% share interests in Hong Kong Jing-Guang Development Limited ("HK Jing-Guang") which holds 100% interest in the operation of Jing-Guang New World Hotel in Beijing, the PRC for a total consideration of USD3.6 million. As a result, the Group currently owns an effective 50% share of interest in HK Jing-Guang.

(c) Included in the associated companies balances, there is a construction services fee receivable from Hong Kong Construction SMC Development Limited for the development of a property in Guangzhou in prior years.

(d) Details of principal associated companies are set out on page 152.

**24. 聯營公司(續)**

除為數403,300,000港元(二零零四年: 404,100,000港元)之應收聯營公司款項是根據港元最優惠利率至港元最優惠利率加1%計息外,與聯營公司間之結餘並無抵押、免息及無固定還款期。

本集團應佔聯營公司之資產及負債概述如下:

	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Assets	2,018.0	2,039.9
Liabilities	<u>(2,752.5)</u>	<u>(2,633.8)</u>
Net liabilities	<u>(734.5)</u>	<u>(593.9)</u>
Revenue	<u>248.6</u>	<u>220.3</u>
Loss before income tax	<u>(12.4)</u>	<u>(17.9)</u>
Income tax expenses	<u>(16.8)</u>	<u>(9.0)</u>
Loss for the year	<u>(29.2)</u>	<u>(26.9)</u>

(a) 二零零五年四月二十九日,本公司全資附屬公司中川國際有限公司(「中川」)同意收購亞洲風力發電(牡丹江)有限公司(「亞洲風力發電」)29%註冊資本。亞洲風力發電於中國黑龍江省建造、營運及管理一個發電量達30兆瓦之風力發電廠。二零零五年九月二十八日,中川增購亞洲風力發電35.7%應佔股權,亞洲風力發電現為本集團持有64.7%實際權益的附屬公司。

(b) 二零零五年五月十七日,本公司全資附屬公司Best Spring Properties Limited與獨立第三方訂立買賣協議,以總代價3,600,000美元收購持有中國北京京廣新世界飯店全部權益的香港京廣發展有限公司(「香港京廣」)18%股權。因此,本集團現時擁有香港京廣50%實際股權。

(c) 在聯營公司結餘內,包括在以往年度發展廣州一幢物業而應收香港建設蜆殼發展有限公司之建築服務費用。

(d) 主要聯營公司之詳情載於第152頁。

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### 賬目附註

For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

#### 25. JOINTLY CONTROLLED ENTITIES

#### 25. 合營公司

		Group 本集團		Company 本公司	
		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Share of net assets/(liabilities)	應佔資產/(負債)淨額	7.0	(31.9)	-	-
Amounts due from jointly controlled entities	應收合營公司款項	188.1	160.8	188.1	160.7
Portion due within one year, classified as current assets	一年內到期分類為流動資產的部分	(16.7)	-	(16.7)	-
Provision for impairment loss	減值虧損撥備	(5.3)	(5.3)	(64.5)	(82.2)
		<b>173.1</b>	123.6	<b>106.9</b>	78.5

The following amounts represent the total of the Group's proportionate interests of share of assets and liabilities, and sales and results of the joint controlled entities and are included in the consolidated balance sheet and income statement.

下列數額指本集團按比例所佔合營企業之資產與負債、銷售及業績總額，並計入綜合資產負債表及損益表。

		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Assets:	資產：		
Current assets	流動資產	282.8	224.7
Liabilities:	負債：		
Current liabilities	流動負債	(275.8)	(256.6)
Net assets/(liabilities)	資產/(負債)淨額	<b>7.0</b>	(31.9)
Profit before income tax	所得稅前溢利	39.7	39.7
Income tax expense	所得稅支出	(0.2)	-
Profit for the year	本年度溢利	<b>39.5</b>	39.7

For the year ended 31st December 2005

**25. JOINTLY CONTROLLED ENTITIES (continued)**

Notes:

- (a) Balances with jointly controlled entities are unsecured, interest-free and have no fixed terms of repayment.
- (b) There are no contingent liabilities relating to the Group's interest in the jointly controlled entities, and no contingent liabilities of the entities themselves.
- (c) Details of principal jointly controlled entities are set out on page 153.

**26. NON-TRADING SECURITIES**

Equity securities  
Unlisted

股本證券  
非上市

**27. PROPERTIES HELD FOR SALE**

At 31st December 2005, the carrying amount of properties held for sale that are carried at net realisable value amounted to HK\$104.8 million (2004: HK\$180.1 million), and in which the land use rights amounted to HK\$39.4 million (2004: HK\$79.5 million).

截至二零零五年十二月三十一日止年度

**25. 合營公司(續)**

附註：

- (a) 與合營公司間之結餘並無抵押、免息及無固定還款期。
- (b) 並無有關本集團所佔合營企業權益的或然負債，而合營企業本身亦無或然負債。
- (c) 主要合營公司之詳情載於第153頁。

**26. 非買賣用途之證券**

		Group 本集團	
		2005	2004
		二零零五年	二零零四年
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
		-	23.3
		<u>          </u>	<u>          </u>

**27. 作銷售用途之物業**

於二零零五年十二月三十一日，持作銷售用途之物業按可變現淨值列賬，其賬面值為104,800,000港元（二零零四年：180,100,000港元），其中土地使用權為39,400,000港元（二零零四年：79,500,000港元）。

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For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

#### 28. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

#### 28. 按公平值在損益表列賬之其他財務資產

		Group 集團 2005 二零零五年 HK\$ Million 百萬港元
Equity securities:	股本證券：	
– Listed in Hong Kong at market value	– 香港上市，按市值	0.5
– Unlisted	– 非上市	22.7
		<u>23.2</u>

The carrying amounts of the above financial assets are classified as follows:

上述財務資產之賬面值分類如下：

		2005 二零零五年 HK\$ Million 百萬港元
Held for trading	持有作買賣用途	8.8
Designated as fair value through profit or loss on initial recognition	最初確認時在損益表列作公平值	14.4
		<u>23.2</u>

Other financial assets at fair value through profit or loss are presented within the section on operating activities as part of changes in working capital in the cash flow statement (note 43(a)).

按公平值在損益表列賬之其他財務資產在經營業務的一節呈列，在現金流量表列作營運資金的部份變動(附註43(a))。

Changes in fair values of other financial assets at fair value through profit or loss are recorded in other gains – net in the income statement.

按公平值在損益表列賬之其他財務資產之公平值變動，計入損益表內其他收益淨額。



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**29. TRADING SECURITIES**

Equity securities, listed in Hong Kong  
market value

在香港上市之股本證券  
市值

<b>Group 本集團</b>	
2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
-	0.2

**30. TRADE AND OTHER RECEIVABLES**

Gross amount due from customers for  
contract works (note 31)

Amount due from subsidiaries

Amount due from a jointly  
controlled entity (note 25)

Amount due from a related company

Trade receivables

Retention receivables

Other receivables and deposits

應收客戶合約工程款項  
總額(附註31)

應收附屬公司款項

應收一間合營公司款項  
(附註25)

應收一間關連公司款項

應收賬款

應收保留款額

其他應收款及按金

**30. 應收賬款及其他應收款**

<b>Group 本集團</b>		<b>Company 本公司</b>	
2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
61.2	51.3	61.2	51.3
-	-	-	83.0
16.7	-	16.7	-
20.4	-	-	-
23.2	42.8	19.0	35.0
41.6	57.6	41.6	57.6
210.6	96.0	90.9	31.5
<b>373.7</b>	<b>247.7</b>	<b>229.4</b>	<b>258.4</b>

(a) At 31st December 2005, retention receivables amounting to HK\$159.0 million (2004: HK\$223.8 million) were included in non-current receivables and current other receivables, depending on their expected date of receipt.

(a) 於二零零五年十二月三十一日，應收保留款額為159,000,000港元(二零零四年：223,800,000港元)，已分別視乎預期收款日列為非流動應收款以及其他流動應收款。

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For the year ended 31st December 2005

截至二零零五年十二月三十一日止年度

**30. TRADE AND OTHER RECEIVABLES (continued)****30. 應收賬款及其他應收款(續)**

(b) At 31st December 2005 and 2004, the ageing analysis of trade receivables were as follows:

(b) 於二零零五年及二零零四年十二月三十一日，應收賬款之賬齡分析如下：

	Group 本集團		Company 本公司	
	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
0 to less than 2 months 零至少於2個月	15.4	35.9	12.7	32.1
2 to less than 6 months 2至少於6個月	0.6	2.1	–	–
6 to less than 12 months 6至少於12個月	0.9	1.9	–	–
12 months and more 超過12個月	6.3	2.9	6.3	2.9
	<b>23.2</b>	<b>42.8</b>	<b>19.0</b>	<b>35.0</b>

The Group's credit terms for contracting business are negotiated with and entered into under normal commercial terms with its trade customers. Retention money receivables in respect of contracting services are settled in accordance with the terms of respective contracts.

本集團建築合約業務之信貸條件是按照一般商業條款與客戶商議及簽訂，建築合約之應收保留款額按照個別合約之條款結算。

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers, internationally dispersed.

由於本集團有為數不少國際性客戶，故應收賬款並無信貸集中之風險。

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截至二零零五年十二月三十一日止年度

**31. CONSTRUCTION CONTRACTS IN PROGRESS****31. 在建工程合約**

		<b>Group and Company</b>	
		<b>本集團及本公司</b>	
		<b>2005</b>	2004
		二零零五年	二零零四年
		<b>HK\$ Million</b>	HK\$ Million
		百萬港元	百萬港元
Contract costs incurred plus attributable profits recognised less provision for foreseeable losses	合約成本加已確認應佔溢利減可預見虧損撥備	<b>3,094.5</b>	2,854.1
Progress payments received and receivable	已收及應收進度付款	<b>(3,080.0)</b>	(2,868.5)
		<b>14.5</b>	(14.4)
Representing:			
Gross amounts due from customers for contract works included in trade and other receivables (note 30)		代表：	
		計入應收賬款及其他應收款之應收客戶合約工程款項總額(附註30)	
		<b>61.2</b>	51.3
Gross amounts due to customers for contract works included in trade and other payables (note 38)		計入應付賬款及其他應付款之應付客戶合約工程款項總額(附註38)	
		<b>(46.7)</b>	(65.7)
		<b>14.5</b>	(14.4)

## NOTES TO THE FINANCIAL STATEMENTS

### 賬目附註

For the year ended 31st December 2005

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#### 32. CASH AND CASH EQUIVALENTS

#### 32. 現金及現金等價物

		Group 本集團		Company 本公司	
		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Cash at bank and in hand	銀行及手頭現金	243.2	128.4	32.2	60.9
Short-term bank deposits	短期銀行存款	367.1	260.1	290.1	251.3
		<b>610.3</b>	<b>388.5</b>	<b>322.3</b>	<b>312.2</b>

(a) The effective interest rates at the balance sheet date were as follows:

(a) 於結算日之實際利率如下：

		2005 二零零五年			2004 二零零四年		
		HK\$ 港元	US\$ 美元	RMB 人民幣	HK\$ 港元	US\$ 美元	RMB 人民幣
Short-term bank deposits	短期銀行存款	<b>2.5%-4.3%</b>	-	<b>1.4%-2.3%</b>	0.3%	2.2%	1.6%

These deposits' maturity dates range from 1 day to 31 days for the Group.

本集團上述存款之到期日介乎1日至31日。

(b) At 31st December 2005, deposits of HK\$7.9 million (2004: HK\$9.1 million) were pledged to certain banks to secure banking facilities granted to certain buyers of properties of Group and its associated companies to the extent of HK\$43.0 million (2004: HK\$50.3 million) and HK\$0.3 million (2004: HK\$1.8 million) respectively.

(b) 於二零零五年十二月三十一日，7,900,000港元（二零零四年：9,100,000港元）之存款抵押予若干銀行，作為授予本集團及聯營公司部分物業買方分別達43,000,000港元（二零零四年：50,300,000港元）及300,000港元（二零零四年：1,800,000港元）銀行融資之抵押。

(c) At 31st December 2005, deposits of HK\$1.0 million (2004: HK\$1.0 million) were pledged to the performance bonds and guarantee, under contracts and other agreements.

(c) 於二零零五年十二月三十一日，1,000,000港元之存款（二零零四年：1,000,000港元）是用作抵押合約及其他協議下履約擔保書及擔保。

(d) At 31st December 2005, deposits of HK\$3.7 million (2004: Nil) were pledged to secure certain long term bank loans.

(d) 於二零零五年十二月三十一日，存款3,700,000港元（二零零四年：無）已用作抵押長期銀行貸款。

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**33. SHARE CAPITAL****Authorised**

At 1st January  
Increase in authorised share capital  
Reduction of nominal value of authorised share capital

At 31st December

**Issued and fully paid**

At 1st January  
Placement of shares  
Issue of bonus shares  
Reduction of nominal value of issued and fully paid share capital

At 31st December

**法定**

於一月一日  
法定股本增加  
削減法定股本  
面值

於十二月三十一日

**已發行及繳足**

於一月一日  
配售股份  
發行紅股  
削減已發行及繳足  
股本面值

於十二月三十一日

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**33. 股本****Ordinary shares  
普通股**

	2005 二零零五年 No. of shares 股份數目 (Million) (百萬股)	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 No. of shares 股份數目 (Million) (百萬股)	2004 二零零四年 HK\$ Million 百萬港元
<b>Authorised</b>				
At 1st January	3,500.0	3,500.0	800.0	800.0
Increase in authorised share capital	-	-	2,700.0	2,700.0
Reduction of nominal value of authorised share capital	-	(3,465.0)	-	-
At 31st December	<u>3,500.0</u>	<u>35.0</u>	<u>3,500.0</u>	<u>3,500.0</u>
<b>Issued and fully paid</b>				
At 1st January	1,948.4	1,948.4	607.9	607.9
Placement of shares	-	-	1,340.5	1,340.5
Issue of bonus shares	380.0	380.0	-	-
Reduction of nominal value of issued and fully paid share capital	-	(2,305.1)	-	-
At 31st December	<u>2,328.4</u>	<u>23.3</u>	<u>1,948.4</u>	<u>1,948.4</u>

On 9th May 2005, Creator fully exercised the call option under the terms of the Debt Conversion Agreement dated 11th February 2004. 380 million new ordinary shares of HK\$1.00 each were issued, credited, as fully paid at par, by way of bonus issue.

Pursuant to a special resolution passed at the Extraordinary General Meeting held on 18th July 2005 and the subsequent order of the High Court of Hong Kong Special Administrative Region made on 30th September 2005 (the "capital reduction and share premium cancellation"), the authorised share capital was reduced from HK\$3,500,000,000 divided into 3,500,000,000 ordinary shares of HK\$1.00 each (of which 2,328,409,272 ordinary shares had been issued and were fully paid up or credited as fully paid) to HK\$35,000,000 divided into 3,500,000,000 ordinary shares of HK\$0.01 each. Accordingly, the issued and fully paid up share capital was reduced from HK\$2,328,409,272 divided into 2,328,409,272 ordinary shares of HK\$1.00 each to HK\$23,284,092.72 divided into 2,328,409,272 ordinary shares of HK\$0.01 each. As a result, a credit of approximately HK\$2,305.1 million arose and was transferred to the capital reduction reserve account.

二零零五年五月九日，創達根據二零零四年二月十一日的債務轉讓協議條款悉數行使認購期權，結果以發行紅股方式發行380,000,000股每股面值1.00港元入賬列為繳足的新普通股。

根據二零零五年七月十八日舉行之股東特別大會上通過之特別決議案，以及其後香港特別行政區高等法院於二零零五年九月三十日頒佈的法令（「削減股本及註銷股份溢價」），法定股本由3,500,000,000港元（分為3,500,000,000股每股面值1.00港元之普通股，其中2,328,409,272股普通股經已發行並已繳足或入賬列為繳足）減至35,000,000港元（分為3,500,000,000股每股面值0.01港元之普通股）。因此，已發行及繳足股本已由2,328,409,272港元（分為2,328,409,272股每股面值1.00港元之普通股）減至23,284,092.72港元（分為2,328,409,272股每股面值0.01港元之普通股）。因此，產生2,305,100,000港元之進賬，並已撥入削減股本儲備賬。

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**34. RESERVES****34. 儲備**

Group	本集團	Share premium	Capital redemption reserve	Capital reserve	Exchange reserve	Investment properties revaluation reserve	Accumulated losses	Total
		股份溢價	資本儲備	資本儲備	匯兌儲備	投資物業重估儲備	累計虧損	總額
		HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元
Balance at 1st January 2004	於二零零四年一月一日結餘	1,369.6	14.6	151.3	(23.0)	2.4	(2,006.4)	(491.5)
Exchange differences	匯兌差額	-	-	-	(1.6)	-	-	(1.6)
Share issue expenses	股份發行費用	(1.9)	-	-	-	-	-	(1.9)
Profit for the year	本年度溢利	-	-	-	-	-	254.1	254.1
Balance at 31st December 2004	於二零零四年十二月三十一日結餘	<u>1,367.7</u>	<u>14.6</u>	<u>151.3</u>	<u>(24.6)</u>	<u>2.4</u>	<u>(1,752.3)</u>	<u>(240.9)</u>
Retained by:	予以保留：							
Company and subsidiaries	本公司及附屬公司	1,367.7	14.6	151.3	(9.2)	-	(1,175.0)	349.4
Associated companies	聯營公司	-	-	-	(15.4)	2.4	(545.4)	(558.4)
Jointly controlled entities	合營公司	-	-	-	-	-	(31.9)	(31.9)
		<u>1,367.7</u>	<u>14.6</u>	<u>151.3</u>	<u>(24.6)</u>	<u>2.4</u>	<u>(1,752.3)</u>	<u>(240.9)</u>

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## 34. RESERVES (continued)

## 34. 儲備(續)

Group	本集團	Share premium 股份溢價 HK\$ Million 百萬港元	Capital reduction reserve 股本削減儲備 HK\$ Million 百萬港元	Capital redemption reserve 資本贖回儲備 HK\$ Million 百萬港元	Capital reserve 資本儲備 HK\$ Million 百萬港元	Exchange reserve 匯兌儲備 HK\$ Million 百萬港元	Investment properties revaluation reserve 投資物業重估 HK\$ Million 百萬港元	Retained profits/ losses (Accumulated) 保留溢利/ (累計虧損) HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
Balance at 1st January 2005 as previously reported	於二零零五年一月一日結餘 如前呈報	1,367.7	-	146	151.3	(24.6)	2.4	(1,752.3)	(240.9)
Opening adjustment for the adoption of HKAS 39, HKAS 40 and HKAS-Int 21	年初調整 採納香港會計準則第39號及 香港會計準則第40號及 香港會計準則詮釋第21號	-	-	-	-	-	-	23.7	23.7
		-	-	-	-	-	(2.4)	2.4	-
Balance at 1st January 2005 as restated	於二零零五年一月一日結餘 重列	1,367.7	-	146	151.3	(24.6)	-	(1,726.2)	(217.2)
Exchange differences	匯兌差額	-	-	-	-	(4.7)	-	-	(4.7)
Issue of bonus shares	發行紅股	(380.0)	-	-	-	-	-	-	(380.0)
Reduction of nominal value of issued and fully paid share capital	削減已發行及繳足股本面值	-	2,305.1	-	-	-	-	-	2,305.1
Set-off of accumulated losses	抵銷累計虧損	(987.7)	(813.6)	-	-	-	-	1,801.3	-
Profit for the year	本年度溢利	-	-	-	-	-	-	367.8	367.8
Balance at 31st December 2005	於二零零五年十二月三十一日結餘	-	1,491.5	146	151.3	(29.3)	-	442.9	2,071.0
Retained by:	予以保留:								
Company and subsidiaries	本公司及附屬公司	-	1,491.5	146	151.3	(9.0)	-	1,085.7	2,734.1
Associated companies	聯營公司	-	-	-	-	(20.3)	-	(649.8)	(670.1)
Jointly controlled entities	合營公司	-	-	-	-	-	-	7.0	7.0
		-	1,491.5	146	151.3	(29.3)	-	442.9	2,071.0

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**34. RESERVES (continued)****34. 儲備(續)**

Company		Share premium 股份溢價 HK\$ Million 百萬港元	Capital redemption reserve 資本贖回儲備 HK\$ Million 百萬港元	Accumulated losses 累計虧損 HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
Balance at 1st January 2004	於二零零四年一月一日結餘	1,369.6	14.6	(2,207.8)	(823.6)
Share issue expenses	股份發行費用	(1.9)	–	–	(1.9)
Profit for the year	本年度溢利	–	–	406.5	406.5
Balance at 31st December 2004	於二零零四年十二月三十一日結餘	<u>1,367.7</u>	<u>14.6</u>	<u>(1,801.3)</u>	<u>(419.0)</u>

Company		Share Premium 股份溢價 HK\$ Million 百萬港元	Capital reduction reserve 股本削減儲備 HK\$ Million 百萬港元	Capital redemption reserve 資本贖回儲備 HK\$ Million 百萬港元	Retained profits/ (Accumulated losses) 保留溢利/ (累計虧損) HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
Balance at 1st January 2005 as previously reported	於二零零五年一月一日結餘 如前呈報	1,367.7	–	14.6	(1,801.3)	(419.0)
Opening adjustment for the adoption of HKAS 39	年初調整 採納香港會計 準則第39號	–	–	–	21.0	21.0
Balance at 1st January 2005 as restated	於二零零五年一月一日 結餘重列	1,367.7	–	14.6	(1,780.3)	(398.0)
Issue of bonus shares	發行紅股	(380.0)	–	–	–	(380.0)
Reduction of nominal value of issued and fully paid share capital	削減已發行 及繳足股 本面值	–	2,305.1	–	–	2,305.1
Set-off of accumulated losses	抵銷累計虧損	(987.7)	(813.6)	–	1,801.3	–
Profit for the year	本年度溢利	–	–	–	226.7	226.7
Balance at 31st December 2005	於二零零五年 十二月三十一日結餘	<u>–</u>	<u>1,491.5</u>	<u>14.6</u>	<u>247.7</u>	<u>1,753.8</u>



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### 34. RESERVES (continued)

The applications of the share premium account and capital redemption reserve account are governed by sections 48B and 49H of the Hong Kong Companies Ordinance respectively.

On 30th September 2005, by virtue of special resolutions of the Company with the sanction of an order of the High Court of the Hong Kong SAR, the nominal value of all the issued and paid up capital was reduced from HK\$1.00 to HK\$0.01 each, thereby reducing the issued and paid up capital of the Company by HK\$2,305.1 million and such amount was transferred to the Capital Reduction Reserve Account.

As a result of the capital reduction and share premium cancellation, HK\$987.7 million standing to the credit of the Share Premium Account was reduced and cancelled, together with HK\$813.6 million standing to the credit of the Capital Reduction Reserve Account were utilised to set off all the accumulated losses of approximately HK\$1,801.3 million of the Company as of 31st December 2004. Accordingly, an amount of approximately HK\$1,491.5 million was standing to the credit of the Capital Reduction Reserve Account as at 31st December 2005.

An undertaking was given by the Company in connection with the Capital Reduction Reserve Account of approximately HK\$1,491.5 million. The amount will not be treated as realised profits and shall be treated as a reserve of the Company, which shall not be distributable until and unless the creditors of the Company as at the date of the sanction of the reduction of share capital (the "creditors") are fully settled. The Company may apply it in paying up unissued shares of the Company to be issued to equity members as fully paid bonus shares provided the consent of the creditors are obtained.

### 35. AMOUNT DUE TO ULTIMATE HOLDING COMPANY

The amount due to ultimate holding company is unsecured, interest bearing at Hong Kong dollar prime rate as quoted by HSBC plus 2% and is not expected to be settled within one year.

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### 34. 儲備(續)

股份溢價賬和資本贖回儲備賬之應用是分別受香港公司條例第48B條和第49H條所管轄。

於二零零五年九月三十日，根據公司特別決議案及香港特別行政區高等法院批准，所有已發行繳足股份面值由每股1.00港元減至每股0.01港元，因此本公司已發行繳足股本減少約2,305,100,000港元，有關款項已轉撥往股本削減儲備賬。

由於股本削減及股份溢價註銷，股份溢價賬裏的約987,700,000港元已削減及註銷，並連同股本削減儲備賬中的約813,600,000港元，與本公司於二零零四年十二月三十一日的累計虧損約1,801,300,000港元全面對銷。因此，於二零零五年十二月三十一日，股本削減儲備賬為1,491,500,000港元。

本公司已就股本削減儲備賬之金額約1,491,500,000港元作出承擔。該金額不會視為已變現溢利而會視為本公司儲備。除非於批准削減股本當日之本公司債權人(「債權人」)獲全數償還債務，否則該儲備不得用作分派。倘若取得本公司債權人同意，則本公司可動用該儲備支付本公司之未發行股本，作為全數繳足紅股發行予股東。

### 35. 應付最終控股公司款項

應付最終控股公司款項為無抵押，按香港上海滙豐銀行的港元最優惠利率加2%計息，預期毋須於一年內償還。

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**36. BORROWINGS****36. 借款**

		Group 本集團		Company 本公司	
		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
<b>Non-current</b>	<b>非流動</b>				
Bank borrowings	銀行借款	701.3	223.9	139.7	142.2
Other loans	其他貸款	138.2	131.1	–	131.1
Loans from minority shareholders	少數股東貸款	3.0	219.3	–	–
		<b>842.5</b>	<b>574.3</b>	<b>139.7</b>	<b>273.3</b>
<b>Current</b>	<b>流動</b>				
Bank borrowings	銀行借款	144.8	233.7	3.0	4.1
Other loans	其他貸款	12.2	–	–	–
		<b>157.0</b>	<b>233.7</b>	<b>3.0</b>	<b>4.1</b>
<b>Total borrowings</b>	<b>借款總額</b>	<b>999.5</b>	<b>808.0</b>	<b>142.7</b>	<b>277.4</b>

Bank borrowings are secured by the investment properties and pledged deposits of the Group (notes 18 and 32).

銀行借款由本集團之投資物業及已抵押存款作抵押(附註18及32)。

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**36. BORROWINGS (continued)****36. 借款(續)**

		Group 本集團				
		Secured bank loans 有抵押 銀行貸款 HK\$ Million 百萬港元	Unsecured bank loans 無抵押 銀行貸款 HK\$ Million 百萬港元	Secured other loans 有抵押 其他貸款 HK\$ Million 百萬港元	Unsecured other loans 無抵押 其他貸款 HK\$ Million 百萬港元	Total 總額 HK\$ Million 百萬港元
The maturity of borrowings for 2005 is as follows:	二零零五年須於下列期間償還之借款如下：					
Within one year	一年內	98.7	46.1	-	12.2	157.0
In the second year	第二年	31.9	5.8	-	16.3	54.0
In the third to fifth years	第三年至第五年	63.7	25.9	-	48.6	138.2
After the fifth year	五年後	226.2	347.8	-	73.3	647.3
		<u>420.5</u>	<u>425.6</u>	<u>-</u>	<u>150.4</u>	<u>996.5</u>
The maturity of borrowings for 2004 is as follows:	二零零四年須於下列期間償還之借款如下：					
Within one year	一年內	188.4	45.3	-	-	233.7
In the second year	第二年	73.2	-	131.1	-	204.3
In the third to fifth years	第三年至第五年	24.8	-	-	-	24.8
After the fifth year	五年後	125.9	-	-	-	125.9
		<u>412.3</u>	<u>45.3</u>	<u>131.1</u>	<u>-</u>	<u>588.7</u>

The effective interest rates at the balance sheet date were as follows:

於結算日之實際利率如下：

		2005 二零零五年			2004 二零零四年		
		HK\$ 港元	US\$ 美元	RMB 人民幣	HK\$ 港元	US\$ 美元	RMB 人民幣
Bank borrowings and other loans	銀行借款及其他貸款	6.0%	-	2.3%-6.1%	3.0%-7.0%	7.0%	5.2%-5.5%

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**36. BORROWINGS (continued)****36. 借款(續)**

The carrying amounts of the borrowings are denominated in the following currencies:

借款之賬面值以下列貨幣為單位：

		Group 本集團		Company 本公司	
		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元	2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Hong Kong dollar	港元	145.8	395.6	142.7	176.3
US dollar	美元	–	101.1	–	101.1
Renminbi	人民幣	853.7	311.3	–	–
		<b>999.5</b>	<b>808.0</b>	<b>142.7</b>	<b>277.4</b>

The Group has the following undrawn borrowing facilities:

本集團有下列未支用之借款信貸：

		2005	2004
		二零零五年 HK\$ Million 百萬港元	二零零四年 HK\$ Million 百萬港元
Floating rate	浮動利率		
– expiring within one year	– 於一年內到期	<b>235.4</b>	–

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**37. DEFERRED INCOME TAX LIABILITIES**

The deferred income tax liabilities arising from investment properties valuation and its movements are as follows:

**37. 遞延所得稅負債**

投資物業重估所產生之遞延所得稅負債及其變動如下：

		<b>Group</b> <b>本集團</b>	
		<b>2005</b> <b>二零零五年</b> <b>HK\$ Million</b> <b>百萬港元</b>	<b>2004</b> <b>二零零四年</b> <b>HK\$ Million</b> <b>百萬港元</b>
At 1st January	於一月一日	-	-
Recognised in the income statement	於收益表確認	<b>18.3</b>	-
At 31st December	於十二月三十一日	<b>18.3</b>	-

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through the future taxable profits are probable. The Group has unrecognised tax losses of HK\$740.1 million (2004: HK\$935.6 million) to carry forward against future taxable income. These tax losses have no expiry date (2004: no expiry date).

倘有可能透過未來應課稅溢利將有關之稅項利益變現，則會就結轉之稅項虧損確認遞延稅項資產。本集團有未確認之稅項虧損740,100,000港元(二零零四年：935,600,000港元)可作結轉，用以抵銷日後應課稅收入。該等稅項虧損並無到期日(二零零四年：無到期日)。

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**38. TRADE AND OTHER PAYABLES****38. 應付賬款及其他應付款**

		Group		Company	
		本集團		本公司	
		2005	2004	2005	2004
		二零零五年	二零零四年	二零零五年	二零零四年
		HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
		百萬港元	百萬港元	百萬港元	百萬港元
Trade payables	應付賬款	126.2	114.7	120.1	114.7
Retention payables	應付保留款額	36.8	65.8	36.8	65.8
Other payables and accruals	其他應付款及應計費用	500.5	525.2	149.5	230.6
Amount due to related companies (note 42(d))	應付關連公司款項 (附註42(d))	70.0	-	-	-
Gross amounts due to customers for contracts works (note 31)	應付客戶合約工程 款項總額(附註31)	46.7	65.7	46.7	65.7
		<b>780.2</b>	<b>771.4</b>	<b>353.1</b>	<b>476.8</b>

(a) At 31st December 2005, the retention payables for contracts in progress amounting to HK\$140.2 million (2004: HK\$181.9 million) were included in non-current payables and current other payables, depending on their expected date of payment.

(b) Included in trade and other payables, the amount due to the related companies at the year end amounted to HK\$17.5 million (2004: HK\$32.5 million).

(c) As 31st December 2005 and 2004, the ageing analysis of the trade payables were as follows:

(a) 於二零零五年十二月三十一日，在建合約之應付保留款額140,200,000港元(二零零四年：181,900,000港元)已分別視乎預期付款日列為非流動應付款以及其他流動應付款。

(b) 應付賬款及其他應付款項包括於年終時墊付關連公司的款項17,500,000港元(二零零四年：32,500,000港元)。

(c) 於二零零五年及二零零四年十二月三十一日應付賬款之賬齡分析如下：

		Group		Company	
		本集團		本公司	
		2005	2004	2005	2004
		二零零五年	二零零四年	二零零五年	二零零四年
		HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
		百萬港元	百萬港元	百萬港元	百萬港元
0 to less than 2 months	零至少於2個月	25.9	49.5	25.3	49.5
2 to less than 6 months	2至少於6個月	25.1	3.4	25.1	3.4
6 to less than 12 months	6至少於12個月	4.9	9.9	-	9.9
12 months and more	超過12個月	70.3	51.9	69.7	51.9
		<b>126.2</b>	<b>114.7</b>	<b>120.1</b>	<b>114.7</b>

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**39. COMMITMENTS****39. 承擔****(a) Capital commitments**

Capital expenditure at the balance sheet date but not yet incurred is as follows:

Property, plant and equipment	物業、機器及設備
Contracted but not provided for	已訂約但未撥備
Authorised but not contracted for	已授權但未訂約

Group 本集團	
2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
782.1	—
248.2	—
<u>1,030.3</u>	<u>—</u>

**(b) Commitments under operating leases**

The aggregate future minimum lease payments under non-cancellable operating leases in respect of land and buildings are as follows:

In the first year	首年
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)

Group 本集團	
2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
3.0	2.2
2.8	3.3
<u>5.8</u>	<u>5.5</u>

**(a) 資本承擔**

於結算日已承擔但尚未動用之資本開支如下：

**(b) 根據經營租賃之承擔**

根據有關土地及樓宇之不可撤銷經營租賃之未來最低租金總額如下：

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**39. COMMITMENTS (continued)****39. 承擔(續)****(c) Future minimum rental payments receivable**

The future minimum rental payments receivable under non-cancellable operating leases are as follows:

**(c) 未來最低應收租金**

根據不可撤銷經營租賃之未來最低應收租金如下：

		Group 本集團	
		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
In the first year	首年	38.2	38.2
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	43.3	30.5
After the fifth year	五年後	8.1	10.8
		<b>89.6</b>	<b>79.5</b>

The lease typically run for an initial period of one to six years, with an option to renew the lease when all terms are renegotiated. Lease payments are usually increased annually to reflect market rentals. None of the leases include contingent rentals.

租賃一般初步為期一年至六年，並且有權選擇在到期日後續期，屆時所有條款均可重新商定。一般而言，租金會每年上調以反映市場租金。租賃並不包括或然租金。

**40. CONTINGENT LIABILITIES****40. 或然負債**

- (a) The Group and the Company have contingent liabilities in respect of banking facilities granted to certain buyers of properties of the Group and its associated companies.
- (b) The Group and the Company have contingent liabilities in respect of performance bonds and guarantees under contracts and other agreements entered into in the normal course of business.
- (c) On 22nd November 2005, Smiling Sky Investments Limited, a wholly owned subsidiary of the Company disposed of an 8% share interest in First Choice International Development Limited which holds Tower One of Apartments of CITIC Plaza in Guangzhou, the PRC. In accordance with the sale and purchase agreement, the Company provides warranties to indemnify up to 8% of losses arising from cancellation or deprivation of concessions of Profits Tax and Urban Real Estates Tax in the PRC and liabilities not recorded in the Completion Accounts as of 30th November 2005.

- (a) 本集團及本公司持有在給予本集團及其聯營公司部分物業買方之銀行備用信貸有關之或然負債。
- (b) 本集團及本公司持有在一般業務中簽訂之合約及其他協議下履約保證及擔保有關之或然負債。
- (c) 二零零五年十一月二十二日，本公司全資附屬公司Smiling Sky Investments Limited出售所持富財國際發展有限公司(持有中國廣州中信廣場第一座的公司)8%股權。根據買賣協議，本公司保證會就註銷或失去中國所得稅及城市房產稅優惠所產生的虧損最多8%，以及並無列於二零零五年十一月三十日完成賬目的負債作出賠償。



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**41. BUSINESS COMBINATION**

- (a) On 28th June 2005, the Company, through its wholly-owned subsidiaries acquired a 100% equity interest in Guilin Biya Expressway Construction Company Limited, a domestic limited liability company which possesses the concession rights comprising principally construction rights for 3 years and operation rights for 29 years in relation to building, operation and transfer of the portion of the Cross-Border State Highway between Ning Chuan and San Tang via Guilin Municipality. The highway is still under construction during the year ended 31st December 2005.
- (b) On 29th April 2005, Sinoriver International Limited ("Sinoriver"), a wholly owned subsidiary of the Company, agreed to acquire 29% in the registered capital in Asia Wind Power (Mudanjiang) Company Limited ("AWP") which is engaged in the construction, operation and management of a 30 megawatts wind power plant in Heilongjiang, the PRC. On 28th September 2005, Sinoriver acquired additional 35.7% attributable equity interests in AWP which is now regarded as a subsidiary of the Group with an effective share of interest of 64.7%.
- (c) On 21st December 2005, the Company, through its wholly owned subsidiaries agreed to purchase 65% share interest in Yangpu Water Supply Company Limited which is engaged in construction, operation and maintenance of raw water supply facilities in Yangpu Economic Development Zone, Hainan, the PRC. The ordinary resolution in relation to the acquisition was approved at the Extraordinary General Meeting on 8th December 2005.

The acquired business contributed no revenue and net loss of HK\$9.0 million to the Group from the acquisition date to 31st December 2005.

If the above acquisitions had occurred on 1st January 2005, the Group's revenue would have been HK\$262.6 million for the year ended 31st December 2005 and the Group's profit would have been HK\$325.2 million.

Details of net assets acquired and goodwill are as follows:

		HK\$ Million 百萬港元
Purchase consideration	收購代價	293.3
Fair value of net assets acquired – shown as below	所收購淨資產公平值 – 如下所示	293.3
		<hr/>
Goodwill	商譽	<hr/> <hr/> –

**41. 業務合併**

- (a) 於二零零五年六月二十八日，本公司透過其全資附屬公司收購桂林碧雅高速公路建設有限責任公司全部股權。該公司為國內有限責任公司，擁有若干特許權，主要包括有關桂林市國道過境公路靈川至三塘段高速公路的建設、經營及移交為期3年之建造權及為期29年之經營權。該高速公路於截至二零零五年十二月三十一日止年度仍在興建。
- (b) 於二零零五年四月二十九日，本公司的全資附屬公司中川國際有限公司(「中川」)同意收購亞洲風力發電(牡丹江)有限公司(「亞洲風力發電」)的29%註冊資本。亞洲風力發電從事中國黑龍江一間30兆瓦特風力發電廠的建設、經營及管理。於二零零五年九月二十八日，中川增購亞洲風力發電的35.7%股權，而亞洲風力發電現時被視為本集團持有64.7%實際權益的附屬公司。
- (c) 於二零零五年十二月二十一日，本公司透過其全資附屬公司同意收購洋浦供水有限責任公司65%股權。該公司在中國海南洋浦經濟開發區從事供水設施的建設、經營及保養。於二零零五年十二月八日舉行的股東特別大會上已通過有關收購的普通決議案。

所收購業務由收購日期至二零零五年十二月三十一日並無為本集團貢獻收益，但帶來9,000,000港元之虧損淨額。

假設於二零零五年一月一日已進行上述收購，則本集團截至二零零五年十二月三十一日止年度之收益及溢利應分別為262,600,000港元及325,200,000港元。

所收購之資產淨值及商譽之詳情如下：

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**41. BUSINESS COMBINATION (continued)****41. 業務合併(續)**

The assets and liabilities arising from the acquisition are as follows:

收購所產生之資產及負債如下：

		Note	Fair value 公平值 HK\$ Million 百萬港元	Acquiree's carrying value 收購方之賬面值 HK\$ Million 百萬港元
		附註		
Land use rights	土地使用權	19	127.2	127.2
Property, plant and equipment	物業、機器及設備	20	388.4	388.4
Intangible assets	無形資產	21	57.3	–
Amount due from a related company	應收一間關連公司款項		20.4	20.4
Trade and other receivables	應收賬款及其他應收款		75.0	75.0
Cash and cash equivalents	現金及現金等價物		225.6	225.6
Borrowings	借款		(447.5)	(447.5)
Trade and other payables	應付賬款及其他應付款		(69.4)	(69.4)
			<u>377.0</u>	<u>319.7</u>
Minority interest	少數股東權益		(83.7)	
Net assets acquired	所收購資產淨值		<u>293.3</u>	
Purchase consideration	將以現金結算之收購代價			
– to be settled in cash	– 將以現金支付		85.6	
– paid	– 已付	43(c)	164.4	
Cash and cash equivalents in subsidiaries acquired	所收購附屬公司之現金及現金等價物		(225.6)	
Cash outflow on acquisition	收購時之現金流出		<u>24.4</u>	

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**42. RELATED PARTY TRANSACTIONS**

Mr. Oei Tjie Goan, Mr. Oei Kang, Eric and their respective associates, hold a total of approximately 66.03% in aggregate of the entire issued share capital of the Company as at 31st December 2005.

The following transactions carried out in the normal course of the Group's business and at terms no less favourable than those charged to and billed by third parties customers and subcontractors of the Group.

**(a) Provision for services**

Provision of contracting work services  
from related companies

承包工程服務撥備  
來自關連公司

2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
---------------------------------------	---------------------------------------

<b>1.8</b>	<b>4.5</b>
------------	------------

**(b) Key management compensation**

Director's fees  
Salary  
Discretionary bonus  
Employer's contribution to pension scheme

董事袍金  
薪金  
酌情花紅  
僱員退休金計劃供款

2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
---------------------------------------	---------------------------------------

<b>0.1</b>	0.1
<b>10.7</b>	8.0
<b>3.1</b>	-
<b>0.1</b>	0.1
<b>14.0</b>	<b>8.2</b>

**42. 關連人士交易**

黃志源先生、黃剛先生及彼等各自之聯繫人士合共持有本公司全部已發行股本約66.03%。

下列交易在本集團日常業務中進行，付款的條款不遜於本集團收取第三方客戶及分判商所收取者。

**(a) 提供服務****(b) 主要管理人員之補償**

## NOTES TO THE FINANCIAL STATEMENTS

### 賬目附註

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**42. RELATED PARTY TRANSACTIONS (continued)****42. 關連人士交易 (續)****(c) Loans from related parties****(c) 關連人士貸款**

		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Total loans from related parties (notes (d) and (e))	關連人士之貸款總額 (附註(d)及(e))	<u>(394.8)</u>	<u>(1.8)</u>

(d) The amount of HK\$70.0 million represented the cash consideration of acquisition of 65% share interest in Yangpu Water Supply Company Limited outstanding as at 31st December 2005. The full amount was subsequently settled in March 2006.

(d) 金額70,000,000港元指收購洋浦供水有限責任公司65%股份權益而於二零零五年十二月三十一日仍未支付之現金代價。該金額其後已於二零零六年三月全數清償。

(e) On 6th October 2005, the Company entered into a revolving loan agreement with Creator Holdings Limited ("Creator"), the substantial shareholder of the Company. The Company may borrow up to HK\$350 million or its equivalent in other currency from Creator during a period of 36 months from the date of the Agreement ("the loan period"). The loan is unsecured and has no fixed repayment terms during the loan period, the interest is bearing at Hong Kong Dollar Prime Rate as quoted by HSBC plus 2%.

(e) 二零零五年十月六日，本公司與其主要股東創達集團有限公司(「創達」)訂立循環貸款協議。本公司可於協議日期起計36個月期間(「貸款期」)向創達借入最高350,000,000港元或其他貨幣的等值款項。該貸款為無抵押、於貸款期內並無固定還款期，並以香港上海滙豐銀行的港元最優惠利率加2%計息。

As at 31st December 2005, the outstanding amount due to Creator was HK\$324.8 million.

二零零五年十二月三十一日，未償還予創達的款項為324,800,000港元。

(f) On 31st October 2005, the Board of Directors announced that the Company entered into the Equity Transfer Agreement to purchase 65% of the registered capital of Yangpu Water Supply Company Limited at the price of RMB117.8 million (approximately HK\$113.3 million) from Jinhai Paper Pulping Industrial Company Limited ("Jinhai") where Mr. Oei Tjie Goan is a director and the Chairman of both the Company and Jinhai.

(f) 二零零五年十月三十一日，董事會宣佈本公司訂立股權轉讓協議，按人民幣117,800,000元(約113,300,000港元)的價格向海南金海漿紙業有限公司(「金海」)購入洋浦供水有限責任公司65%註冊資本。黃志源為本公司及金海的董事兼主席。

On 8th December 2005, an ordinary resolution in respect of the Equity Transfer Agreement was passed by the Independent Shareholders at the Extraordinary General Meeting.

二零零五年十二月八日，獨立股東於股東特別大會上通過有關股權轉讓協議的普通決議案。

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截至二零零五年十二月三十一日止年度

## 43. NOTES TO CONSOLIDATED CASH FLOW STATEMENT

## 43. 綜合現金流量表附註

## (a) Reconciliation of operating profit to net cash (used in)/generated from operations

## (a) 經營溢利與經營(所用)/所得之現金淨額之對賬

		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
	Note 附註		
Operating profit	經營溢利	378.4	192.7
Depreciation	折舊	4.2	1.6
Gain on disposal of Property, plant and equipment Subsidiaries	出售之溢利淨額 物業、機器及設備 附屬公司	-	(23.0)
Waiver of other loans and payables	豁免其他貸款及應付款項	(9.1)	-
Write back of provision on amount due from an associated company	聯營公司結欠款 項撥備回撥	(214.4)	-
Gain on liquidation and dissolution of subsidiaries	附屬公司清盤 及解散之收益	-	(146.9)
Net exchange gain (Provision written back)/provision for impairment loss on properties held for sale	匯兌調整 作銷售用途之物業減值虧損 (撥備回撥)/撥備	(13.9)	(55.5)
Net (recovery of)/provision for impairment of trade receivables	應收賬減值(收回)/撥備 淨額	(4.1)	-
Fair value gain on properties in respect of business combination	有關業務合併之物業 公平值收益	(68.6)	17.3
Derivative financial instruments - options	衍生金融工具一期權	(26.3)	29.7
Fair value gain on other financial assets at fair value through profit or loss	按公平值於損益表列賬 之其他財務資產 之公平值收益	(12.8)	-
Interest income	利息收入	10.0	-
		(7.4)	-
Operating profit before working capital changes	營運資金變更前經營 溢利	(23.5)	(4.1)
Net increase in construction contracts in progress	在建工程合約增加 淨額	12.5	11.8
Decrease in properties held for sale	作銷售用途之物業減少	(28.9)	(42.1)
Decrease/(increase) in non-current receivables	非流動應收款減少/(增加)	53.5	7.6
(Increase)/decrease in trade and other receivables	應收賬款及其他應收款 (增加)/減少	46.6	(20.0)
Decrease in non-current payables and trade and other payables	非流動應付款、應付賬款及其他 應付款減少	(22.0)	171.6
(Decrease)/increase in amount due to ultimate holding company	應付最終控股公司款項 (減少)/增加	(13.3)	(75.9)
Decrease in minority interest	少數股東權益減少	(1.8)	1.8
Increase in amount due to related company	應付關連公司款項增加	22.5	-
		(70.0)	-
Cash (used in)/generated from operations	經營(所用)/所得之現金淨額	(0.9)	54.8

## NOTES TO THE FINANCIAL STATEMENTS

### 賬目附註

For the year ended 31st December 2005

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#### 43. NOTES TO CONSOLIDATED CASH FLOW STATEMENT (continued)

#### 43. 綜合現金流量表附註(續)

##### (b) Disposal of subsidiaries

##### (b) 出售附屬公司

		2005 二零零五年 HK\$ Million 百萬港元
Net assets disposed	已出售資產淨額	
Properties held for sale	作銷售用途之物業	90.3
Trade and other receivables	應收賬款及其他應收款項	0.6
		<u>90.9</u>
Gain on disposal of subsidiaries	出售附屬公司收益	9.1
		<u>100.0</u>

##### (c) Analysis of the net cash inflow in respect of purchase of subsidiaries

##### (c) 收購附屬公司之現金流入淨額分析

		2005 二零零五年 HK\$ Million 百萬港元	2004 二零零四年 HK\$ Million 百萬港元
Cash consideration	現金代價	(164.4)	-
Cash and bank balance acquired	收購之現金及銀行結餘	225.6	13.2
		<u>61.2</u>	<u>13.2</u>
Net cash inflow in respect of the purchase of subsidiaries	有關收購附屬公司之現金流入淨額	<u>61.2</u>	<u>13.2</u>

For the year ended 31st December 2005

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43. NOTES TO CONSOLIDATED CASH FLOW STATEMENT  
(continued)

## 43. 綜合現金流量表附註(續)

## (d) Analysis of changes in financing during the year :

## (d) 年內融資變動分析：

		Share capital (including share premium)	Borrowings (net of pledged deposits)	Total
		股本(包括 股份溢價)	貸款及借款 (已扣除 抵押存款)	總額
		Restated 重列		
		HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元
At 1st January 2005	於二零零五年一月一日	3,316.1	797.9	4,114.0
Cash inflow from financing	融資現金流入	–	367.8	367.8
Cash outflow from financing	融資現金流出	–	(410.0)	(410.0)
Acquisition of subsidiaries (note 41)	收購附屬公司 (附註41)	–	447.5	447.5
Waiver of minority shareholder's loan (note 43(e)(iv))	豁免少數股東貸款 (附註43(e)(iv))	–	(216.3)	(216.3)
Reduction of nominal value of issued and fully paid capital (note 33)	削減已發行及繳足 股本面值 (附註33)	(2,305.1)	–	(2,305.1)
Share premium offset with accumulated losses and capital reduction reserve (note 43(e)(v))	與累計虧損及削減股本 儲備抵銷之股份溢價 (附註43(e)(v))	(987.7)	–	(987.7)
At 31st December 2005	於二零零五年十二月三十一日	<u>23.3</u>	<u>986.9</u>	<u>1,010.2</u>
At 1st January 2004	於二零零四年一月一日	1,977.5	2,098.7	4,076.2
Cash inflow from financing	融資現金流入	–	138.2	138.2
Acquisition of a subsidiary	收購附屬公司	–	107.4	107.4
Non-cash movements	非現金變動			
Debt conversion (note 43(e)(i))	債務轉換(附註43(e)(i))	–	(1,375.5)	(1,375.5)
Assignment of loan (note 43(e)(ii))	貸款轉讓(附註43(e)(ii))	–	(30.1)	(30.1)
Netted off with receivables from CEHCL (note 43(e)(iii))	與應收光大集團款項抵銷 (附註43(e)(iii))	–	(151.2)	(151.2)
Interest payable to a loan from a minority interest	少數股東貸款應付利息	–	10.4	10.4
Shares issued for non-cash consideration	非現金代價發行股份	1,340.5	–	1,340.5
Share issued expenses	股份發行費用	(1.9)	–	(1.9)
At 31st December 2004	於二零零四年十二月三十一日	<u>3,316.1</u>	<u>797.9</u>	<u>4,114.0</u>

## NOTES TO THE FINANCIAL STATEMENTS

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#### 43. NOTES TO CONSOLIDATED CASH FLOW STATEMENT (continued)

#### 43. 綜合現金流量表附註(續)

##### (e) Non-cash movements :

- (i) Debt conversion  
Pursuant to the debt conversion agreement dated on 11th February 2004, the amount of indebtedness of approximately HK\$1,640.5 million including principal amount of approximately HK\$1,375.5 million and interest accrued and to be accrued thereon up to 31st March 2004 of approximately HK\$265.0 million was settled in full by the Company by issuance of 1,340,555,276 ordinary shares and assignment of the Company's share interest in Yangpu Development (note 11).
- (ii) Assignment of loan  
Hang Seng Bank assigned construction loan of HK\$30.1 million to Creator on 11th February 2004. The respective loan due to Creator was subsequently repaid during the year.
- (iii) Netted off with receivables from CEHCL  
During the year, a loan of approximately HK\$71.9 million owed to CITIC Ka Wah Bank has been settled by China Everbright Holdings Company Limited ("CEHCL") on the Group's behalf. Together with the loan of HK\$120.0 million advanced by CEHCL in prior years, HK\$40.7 million was settled by cash whilst the remaining balances HK\$151.2 million was netted against the proceeds from disposal of the Group's interest in Greenway Venture Limited and other contract receivables Due from CEHCL.
- (iv) Waiver of minority shareholder's loan  
The amount represented the assignment of a loan due by Lipmar Hero Limited ("Lipmar") from Guangdong International Trust and Investment Corporation (Hong Kong) Limited (in creditors' voluntary liquidation) ("GITIC") to the Company upon its acquisition of 20% share interest in Lipmar from GITIC on 30th December 2005.
- (v) Share premium offset with accumulated losses and capital reduction reserve  
The share premium of approximately HK\$987.7 million together with the amount of capital reduction reserve of approximately HK\$813.6 million were fully set off against the accumulated losses of HK\$1,801.3 million of the Company as at 31st December 2004.

##### (e) 非現金變動：

- (i) 債務轉換  
根據於二零零四年二月十一日訂立之債務轉換協議，本公司已透過發行1,340,555,276股之普通股及轉讓本公司於洋浦開發之股份權益，悉數償還債務金額約1,640,500,000港元(當中包括本金額約1,375,500,000港元及其截至二零零四年三月三十一日應計利息約265,000,000港元)(附註11)。
- (ii) 貸款轉讓  
於二零零四年二月十一日，恒生銀行將30,100,000港元之工程貸款轉讓予創達。有關結欠創達貸款隨後於年內償還。
- (iii) 與應收光大集團款項抵銷  
年內，中國光大集團有限公司(「光大集團」)代表本集團償還結欠中信嘉華銀行之貸款約71,900,000港元。連同過往年度光大集團墊付之120,000,000港元貸款，40,700,000港元已經以現金償還，另餘額151,200,000港元則以本集團出售於Greenway Venture Limited權益之所得款項及其他應收光大集團合約款項抵銷。
- (iv) 豁免少數股東貸款  
該數額指本公司於二零零五年十二月三十日向廣東國際信託投資(香港)有限公司(「GITIC」)收購Lipmar Hero Limited(「Lipmar」)的20%股權後，將一筆GITIC向Lipmar提供的到期貸款轉讓予本公司。
- (v) 與累計虧損及削減股本儲備抵銷之股份溢價  
股份溢價賬約987,700,000港元與削減股本儲備賬約813,600,000港元與本公司於二零零四年十二月三十一日的累計虧損1,801,300,000港元全面對銷。



For the year ended 31st December 2005

#### 44. EVENTS AFTER THE BALANCE SHEET DATE

On 25th January 2006, the Board of Directors announced that the Company and Sinar Mas Shanghai Property Development Limited entered into a framework agreement on 23rd January 2006 for the establishment of a joint venture between the Group and Sinar Mas Group to engage in a real estate development project in Shanghai, the PRC. On 13th March 2006, an ordinary resolution in respect of the framework agreement was passed by the Independent Shareholders at the Extraordinary General Meeting.

The joint venture agreed with the relevant government authorities in the PRC on 26th January 2006 of the site acquisition price of approximately RMB3,528.9 million (approximately HK\$3,390.6 million) and are considering the detailed planning and design of the site.

#### 45. ULTIMATE HOLDING COMPANY

The Directors regard Creator Holdings Limited, a company incorporated in the British Virgin Islands, as being the ultimate holding company.

截至二零零五年十二月三十一日止年度

#### 44. 結算日後事項

二零零六年一月二十五日，董事會宣佈本公司與金光上海房地產開發有限公司於二零零六年一月二十三日訂立框架協議，由本集團及金光上海房地產集團成立合營企業，於中國上海進行房地產發展項目。二零零六年三月十三日，獨立股東於股東特別大會上通過有關框架協議的普通決議案。

合營企業與中國有關政府機關於二零零六年一月二十六日協定地塊收購價為約人民幣3,528,900,000元(約3,390,600,000港元)，並正制訂地塊的詳細規劃及設計。

#### 45. 最終控股公司

董事認為創達集團有限公司(於英屬處女群島註冊成立之公司)為最終控股公司。