

## 1. General information

The Company is a public limited company incorporated in Bermuda and its shares are listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office and principal place of business of the Company is disclosed in the corporate information section of the annual report.

The Company is an investment holding company. Its subsidiaries are principally engaged in property investment, import, marketing, distribution and after-sales service of high quality, brand-name products serving customers in the Asian region and, in particular, the markets of PRC, Hong Kong, Macau, Singapore and Malaysia. The products include principally air-conditioning; domestic appliances; audio-visual electrical items including car audio; cars and car accessories; motor yachts; and other electronic products.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company. These financial statements were approved and authorised for issue by the board of Directors on March 30, 2007.

## 1. 一般資料

本公司乃於百慕達註冊成立之公眾有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要經營地點之地址於本年報公司資料部份披露。

本公司乃一間投資控股公司，其附屬公司主要從事物業投資、高質素、名牌產品之進口、市場推廣、分銷及售後業務，為亞洲地區（特別是中華人民共和國（「中國」）大陸、香港、澳門、新加坡及馬來西亞市場）顧客提供服務。產品主要包括空調產品、家用電器、影音電子產品（包括汽車音響）、汽車及配件，機動遊艇以及其他電子產品。

財務報表以港幣（即本公司之功能貨幣）呈列。財務報表於二零零七年三月三十日由董事會批准並授權刊發。

### 2. Application of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations (the “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), which are either effective for accounting periods beginning on or after December 1, 2005 or January 1, 2006. The new HKFRSs adopted by the Group in the consolidated financial statements are set out as follows:

HKAS 21 (Amendment)	The Effects of Changes in Foreign Exchange Rates
HKAS 39 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 (Amendment)	The Fair Value Option
HKAS 39 & HKFRS 4 (Amendment)	Financial Guarantee Contracts
HKFRS – Int 4	Determining whether an Arrangement contains a Lease

The adoption of the above new HKFRSs has no material impact on the results and financial position of the Group and has resulted in changes to the Group’s accounting policies in the following areas;

#### Financial guarantee contracts

In the current year, the Group has applied Hong Kong Accounting Standard (“HKAS”) 39 and HKFRS 4 (Amendments) Financial Guarantee Contracts which is effective for annual periods beginning on or after January 1, 2006.

### 2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)

於本年度，本集團首次應用香港會計師公會(「香港會計師公會」)頒佈之多項新訂準則、修訂及詮釋(「香港財務報告準則」)，該等準則於二零零五年十二月一日或二零零六年一月一日或之後開始之會計期間生效。本集團於綜合財務報表內採納之新訂香港財務報告準則載列如下：

香港會計準則 第21號(修訂)	外幣匯率變動之 影響
香港會計準則 第39號(修訂)	預計集團間交易 之現金流量對 沖會計
香港會計準則 第39號(修訂)	公平值認股權
香港會計準則 第39號及香港 財務報告準則 第4號(修訂)	財務擔保合約
香港財務報告 準則—詮釋第4號	釐定一項安排是 否包含租賃

採納上述新訂香港財務報告準則並無對本集團業績及財務狀況產生重大影響，惟引致本集團於下列項目之會計政策變動：

#### 財務擔保合約

於本年度，本集團應用於二零零六年一月一日或後開始年度期間生效之香港會計準則第39號及香港財務報告準則第4號(修訂)「財務擔保合約」。

## 2. Application of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (continued)

### Financial guarantee contracts (continued)

A financial guarantee contract is defined by HKAS 39 Financial Instruments: Recognition and Measurement as “a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument”.

Prior to January 1, 2006, financial guarantee contracts were not accounted for in accordance with HKFRS 4 Insurance Contract and those contracts were disclosed as contingent liabilities. A provision for financial guarantee was only recognised when it was probable that an outflow of resources would be required to settle the financial guarantee obligation and the amount can be estimated reliably.

Upon the application of these amendments, a financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue.

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantee contracts as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

## 2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

### 財務擔保合約(續)

香港會計準則第39號金融工具：確認及計量將財務擔保合約界定為當某一指定債務人不能根據債務工具的原有或經修訂條款支付到期債務，而要求發行人作出指定之付款，以償付持有人因此而發生之損失之合約。

在二零零六年一月一日之前，本集團並未根據香港財務申報準則第4號「保險合約」入賬及該等合約被披露為或然負債。當極有可能本集團將撥出資源以清償財務擔保責任時及該金額能可靠估計時，方確認財務擔保撥備。

於應用該等修訂後，由本集團發行及並未指定為按公平值計入損益之財務擔保合約按公平值減發行財務擔保合約直接應佔之交易成本初步確認。於初步確認後，本集團按以下兩項之較高者量度財務擔保合約：(i) 按香港會計準則第37號「撥備、或然負債及或然資產」之規定釐定之金額；及(ii) 初步確認金額減(如適用)按香港會計準則第18號「收益」確認之累計攤銷。

本公司就其附屬公司之銀行借貸向銀行作出公司擔保。該等擔保為財務擔保合約，乃由於該等合約規定，如該等附屬公司未能按彼等借貸條款於到期時償還本金或支付利息，則本公司須向銀行作出償付。

## 2. Application of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (continued)

### Financial guarantee contracts (continued)

The revised HKAS 39 has been applied retrospectively to financial guarantees existing as at January 1, 2005. The effects of adoption on the balance sheet of the Company at December 31, 2006 and 2005 are as follows:

Increase in investment in subsidiaries	於附屬公司投資增加
Increase in financial guarantee contracts	財務擔保合約增加

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

## 2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

### 財務擔保合約(續)

經修訂香港會計準則第39號已予追溯應用於二零零五年一月一日已存在之財務擔保。採納此準則對本公司於二零零六年及二零零五年十二月三十一日之資產負債表之影響如下：

	2006	2005
	二零零六年	二零零五年
	HK\$'000	HK\$'000
	港幣千元	港幣千元
	15,126	10,397
	(15,126)	(10,397)
	-	-

本集團並無提前採用以下已公佈但尚未生效之新訂準則、修訂及詮釋。本公司董事預期應用該等新訂準則、修訂或詮釋將不會對本集團之業績及財務狀況產生重大影響。

## 2. Application of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (continued)

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

## 2. 應用新訂及經修訂香港財務報告準則 （「香港財務報告準則」）（續）

香港會計準則第 1 號（修訂）	資本披露 <sup>1</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 第 8 號	經營分類 <sup>2</sup>
香港（國際財務 報告詮釋委員 會）－詮釋第 7 號	根據香港會計準 則第 29 號「於嚴 重通貨膨脹經 濟中之財務報 告」採用重列法 <sup>3</sup>
香港（國際財務 報告詮釋委員 會）－詮釋第 8 號	香港財務報告準 則第 2 號之範圍 <sup>4</sup>
香港（國際財務 報告詮釋委員 會）－詮釋第 9 號	內置衍生產品之 重估 <sup>5</sup>
香港（國際財務 報告詮釋委員 會）－詮釋第 10 號	中期財務報告及 減值 <sup>6</sup>
香港（國際財務 報告詮釋委員 會）－詮釋第 11 號	香港財務報告準 則第 2 號：集團 及財務股份交 易 <sup>7</sup>
香港（國際財務 報告詮釋委員 會）－詮釋第 12 號	服務經營權安排 <sup>8</sup>

### 2. Application of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (continued)

1	Effective for annual periods beginning on or after January 1, 2007
2	Effective for annual periods beginning on or after January 1, 2009
3	Effective for annual periods beginning on or after March 1, 2006
4	Effective for annual periods beginning on or after May 1, 2006
5	Effective for annual periods beginning on or after June 1, 2006
6	Effective for annual periods beginning on or after November 1, 2006
7	Effective for annual periods beginning on or after March 1, 2007
8	Effective for annual periods beginning on or after January 1, 2008

### 3. Significant accounting policies

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which term collectively included Hong Kong Accounting Standards (“HKAS”) and Interpretations (the “Interpretations”) issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

### 2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

1	於二零零七年一月一日或之後開始的年度期間生效。
2	於二零零九年一月一日或之後開始的年度期間生效。
3	於二零零六年三月一日或之後開始的年度期間生效。
4	於二零零六年五月一日或之後開始的年度期間生效。
5	於二零零六年六月一日或之後開始的年度期間生效。
6	於二零零六年十一月一日或之後開始的年度期間生效。
7	於二零零七年三月一日或之後開始的年度期間生效。
8	於二零零八年一月一日或之後開始的年度期間生效。

### 3. 主要會計政策

此綜合財務報表乃依據香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」,亦包含香港會計準則(「香港會計準則」)及其詮釋(「詮釋」))、香港普遍接納之會計原則、香港公司條例之披露要求及聯交所證券上市規則(「上市規則」)之適用披露要求編製。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 3. Significant accounting policies (continued)

#### Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss (including derivative financial instruments) and investment properties, which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

#### Basis of consolidation

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

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

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

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

### 3. 主要會計政策(續)

#### 編製基準

該綜合財務報表按歷史成本慣例編製，惟若干可供出售金融資產之重估、以公平值計入損益之金融資產及金融負債(包括衍生金融工具)及以公平值入賬之投資物業例外。

依據香港財務報告準則編製財務報表，須採用若干關鍵會計估計。亦要求管理層於應用本集團會計政策時運用其判斷。

#### 綜合基準

綜合財務報表包括本公司及其附屬公司截至每年十二月三十一日之財務報表。

本年度內被收購或出售之附屬公司業績已包括在綜合損益表內，由其購入生效日期起或截至其出售生效日期(倘適用)止計算在內。

必要時，將調整附屬公司之財務報表，以令彼等之會計政策與本集團其他成員所採用者一致。

所有集團內公司間交易、結餘，收入及支出概於綜合時對銷。

### 3. Significant accounting policies (continued)

#### Basis of consolidation (continued)

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

#### Investments in subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss.

#### Investments in associates

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.

### 3. 主要會計政策(續)

#### 綜合基準(續)

就經綜合計算附屬公司，於彼等資產淨值之少數股東權益與本集團之權益分開呈列。資產淨值內少數股東權益包括於原始業務合併日期之權益，及自合併日期起少數股權之變化。少數股東應佔且數額超過少數股東於附屬公司權益之虧損，乃針對本集團之權益進行分配，惟少數股東有具約束力責任並能夠作出額外投資彌補虧損之情形除外。

#### 於附屬公司之投資

附屬公司指本集團有權控制其財務及營運政策並一般持有過半數投票權之所有公司(包括特定用途公司)。當評估本集團是否控制另一家公司時，將考慮現時是否存在可行使或可換股的潛在投票權及其影響。

於附屬公司之投資按成本扣除已辨別減值虧損後列入本公司之資產負債表內。

#### 於聯營公司之投資

聯營公司指本集團對其有重大影響力但並無控制權，且一般持有20%至50%投票權之所有公司。



### 3. Significant accounting policies (continued)

#### Investments in associates (continued)

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

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

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

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

### 3. 主要會計政策(續)

#### 於聯營公司之投資(續)

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

收購成本超出於收購當日確認之本集團佔聯營公司可辨別資產、負債及或然負債之公平淨值之差額確認為商譽。商譽納入投資賬面值內並將減值評估為投資之一部份。

本集團佔可辨別資產、負債及或然負債之公平淨值超出收購成本之數額，於評估後即時於損益內確認。

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

### 3. Significant accounting policies (continued)

#### Goodwill

##### *Goodwill arising on acquisitions prior to January 1, 2005*

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

For previously capitalised goodwill arising on acquisitions of subsidiaries, the Group has discontinued amortisation from January 1, 2005 onwards, and such goodwill (net of cumulative amortisation as at December 31, 2005) is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired (see the accounting policy below).

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

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

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

### 3. 主要會計政策(續)

#### 商譽

於二零零五年一月一日之前因收購所產生之商譽

因收購一間附屬公司或共同控制實體(且協議日期早於二零零五年一月一日)所產生之商譽乃收購成本超逾於協議日期本集團於相關附屬公司或共同控制實體可辨別資產及負債公平值內權益之差額。

就因收購附屬公司產生且已資本化之商譽,本集團已自二零零五年一月一日起停止攤銷,而此類商譽(扣除於二零零五年十二月三十一日之累計攤銷)每年(或當指標顯示商譽相關之現金產生單位可能出現減值時)進行減值測試(見下列會計政策)。

於二零零五年一月一日或之後因收購所產生之商譽

因收購一間附屬公司或共同控制實體(使用按比例綜合法入賬)(且協議日期為或遲於二零零五年一月一日)所產生之商譽乃收購成本超逾於協議日期本集團於相關附屬公司或共同控制實體可辨別資產、負債及或然負債公平值內權益之差額。此等商譽乃按成本減任何累計減值虧損入賬。

因收購一間附屬公司或共同控制實體所產生且已資本化之商譽於綜合資產負債表內獨立呈列。

### 3. Significant accounting policies (continued)

#### Goodwill (continued)

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

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

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

#### Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of returns, rebates and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

### 3. 主要會計政策(續)

#### 商譽(續)

##### *於二零零五年一月一日或之後因收購所產生之商譽(續)*

就減值測試，因收購產生之商譽被分配至每個預期因收購而產生協同效應之相關現金產生單位或單位組。獲分配商譽之現金產生單位將每年(或有指標顯示商譽相關之現金產生單位可能出現減值時)進行減值測試。於某財政年度因收購產生商譽時，所獲分配商譽之現金產生單位於該財政年度結束前進行減值測試。當現金產生單位可收回值低於其賬面值，將首先分配減值虧損抵減該單位所獲分配任何商譽之賬面值，再依據該單位內每項資產賬面值按比例抵減其他資產。商譽之減值虧損於綜合損益表內直接確認。商譽減值虧損並不於隨後期間內撥回。

之後一間附屬公司或共同控制實體若被出售，則資本化商譽之應佔金額概於計算出售之盈利或虧損時計入。

#### 收入確認

收益包括本集團日常業務中出售貨品及服務的已收或應收代價的公平值。收益在扣除退貨、回備及折扣，及抵銷本集團間之銷售後列帳。收益按以下基準確認：

### 3. Significant accounting policies (continued)

#### Revenue recognition (continued)

Sale of goods is recognised when goods are delivered and the significant risks and rewards of ownership of the goods have passed to the buyer.

Maintenance services income is recognised when services are rendered.

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

Rental income arising from operating leases is recognised on a straight-line basis over the terms of the relevant leases.

Commission income is recognised when the relevant services are rendered.

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

#### Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

### 3. 主要會計政策(續)

#### 收入確認(續)

銷售商品收入乃於交貨及貨品所有權之大部份風險及回報已轉移至買家時確認。

保養維修收入乃於提供服務時確認。

利息收入按時間法計入，並按未償還本金及適用實際利率(即將該金融資產之估計未來現金流入量準確折現至其賬面淨額之利率)計算。

經營租賃之租金收益乃按有關租賃之年期以直線法確認。

佣金收入乃於提供有關服務時確認。

投資所得股息收入乃根據收取股息之股東權利確認後方予入賬。

#### 分部報告

業務分部乃一組提供產品或服務的資產及業務，所涉風險及回報與其他業務分部不同。地區分部指於個別經濟環境提供產品或服務。而所涉風險及回報有別於其他經濟環境經營之分部。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 3. Significant accounting policies (continued)

#### Leasing

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

#### *The Group as lessor*

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the terms of the relevant leases.

#### *The Group as lessee*

Assets held under finance leases are recognised as assets of the Group at their fair value at the date of acquisition (or, if lower, at the present value of the minimum lease payments). The corresponding liabilities to the lessor are included in the balance sheet as finance lease obligations. Finance costs are charged to the income statement over the terms of the relevant leases so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rental payables under operating leases are charged to the income statement on a straight-line basis over the terms of the relevant leases.

### 3. 主要會計政策(續)

#### 租賃

倘租賃之條款將資產所有權之絕大部份風險及收益撥予承租人，則有關租賃將歸類為融資租賃。所有其他租賃均歸類為經營租賃。

#### 本集團為出租人

融資租賃承租人之欠款乃按本集團於有關租賃之淨投資額而記錄為應收賬款。融資租賃收入乃於會計期間分配，從而反映本集團有關租約之淨投資額所產生之固定回報率。

經營租賃之租金收益乃按有關租賃之年期以直線法確認。

#### 本集團為承租人

按融資租賃而持有之資產以購置日期之公平價值確認為本集團資產(或倘屬較低者，則以最低租賃付款之現值)。對出租人相應之債務，於資產負債表中列賬為應付融資租賃債務。財務費用撥入有關租賃期間之損益表內處理，就每段會計期間之債務餘額之固定支出率計算。

經營租賃之應付租金乃按有關租賃之年期以直線法於損益表扣除。

### 3. Significant accounting policies (continued)

#### Foreign currencies

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

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

### 3. 主要會計政策(續)

#### 外幣

編製每個集團企業之財務報表時，採用非該企業功能貨幣(外幣)進行之交易，一律以交易日現行匯率折算為其功能貨幣(即該企業經營之主要經濟環境通用之貨幣)入賬。於每個結算日，以外幣計值之貨幣資產以結算日現行匯率重新折算。以外幣計值且以公平值入賬之非貨幣項目，以公平值釐定日之現行匯率重新折算。以外幣歷史成本計量之非貨幣項目概不重新折算。

因貨幣項目結算及貨幣項目折算產生之匯兌差額於產生期內之損益賬內確認，惟構成本集團對一項外國業務淨投資之貨幣項目所產生之匯兌差額除外，此類匯兌差額於綜合財務報表之權益部份確認。以公平值入賬之非貨幣項目，其重新折算產生之匯兌差額於當期損益賬內確認，惟重新折算非貨幣項目產生之損益直接於權益確認，其重新折算產生之匯兌差額亦直接於權益內確認。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 3. Significant accounting policies (continued)

#### Foreign currencies (continued)

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

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

#### Borrowing costs

All borrowing costs are recognised as and included in finance costs in the income statement in the period in which they are incurred.

#### Retirement benefit costs

Payments to defined contribution retirement schemes are charged as an expense as they fall due.

### 3. 主要會計政策(續)

#### 外幣(續)

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

於二零零五年一月一日或以後，於收購海外業務時產生之有關所收購可識別資產之商譽及公平值調整乃處理為該海外經營業務之資產及負債，並按於結算日之現行匯率進行換算。產生之匯兌差額乃於匯兌儲備內確認。

#### 貸款成本

所有貸款成本均予確認並列入產生期間損益表內之財務費用。

#### 退休福利費用

界定供款退休金計劃之付款乃於到期支付時確認為開支。

### 3. Significant accounting policies (continued)

#### Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable or deductible.

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

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

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

### 3. 主要會計政策(續)

#### 稅項

所得稅開支乃為現行應繳稅項與遞延稅項之總額。

現行應繳稅項根據本年度之應課稅盈利計算。應課稅盈利與損益表內呈報之純利兩者差異乃因為其並無計入其他年度之應課稅或可扣減收支項目，亦無計入毋須課稅及不獲扣減之損益表項目所致。

遞延稅項乃為財務報表內資產及負債賬面值與計算應課稅盈利所用相應稅基間之差異而產生之應繳付或可退回稅項。遞延稅項負債一般按所有應課稅之暫時性差異予以確認，而遞延稅項資產則按可能會出現可用以抵銷可扣減之暫時性差異之應課稅盈利而予以確認。倘若暫時性差異乃基於商譽或於一項不影響稅務盈利或會計盈利之交易中初步確認(業務合併之情況下除外)之其他資產及負債而引致，則有關資產及負債不予確認。

遞延稅項負債按於附屬公司及聯營公司之投資所引致之應課稅暫時性差異而予以確認，惟本集團可控制暫時性差異之撥回時間及不大可能於可見將來撥回之暫時性差異則除外。

遞延稅項資產之賬面值於每個結算日作檢討，並作出調減直至不再可能會有足夠應課稅盈利恢復全部或部份資產價值。



# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 3. Significant accounting policies (continued)

#### Taxation (continued)

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

#### Property, plant and equipment

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

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

Land held under medium-term lease	Over the unexpired term of lease
Buildings on land held under medium-term lease	2 <sup>1</sup> / <sub>2</sub> – 5%
Leasehold improvements	20%
Furniture, fixtures and equipment	10 – 20%
Machinery and tools	20 – 33 <sup>1</sup> / <sub>3</sub> %
Motor vehicles	20 – 25%

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

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項按預計於償還負債或變現資產之期間內按適用之稅率計算。遞延稅項於損益中扣除或計入，惟倘遞延稅項與直接在權益中扣除或計入權益之項目有關，在此情況下遞延稅項亦會於權益中處理。

#### 物業、廠房及設備

物業、廠房及設備均以成本值減除累計折舊及累積減值虧損後入賬。

物業、廠房及設備之折舊，乃將其成本減除估計之殘值，按其估計之可使用年期以直線法撇銷，所使用之年率如下：

以中期契約持有之土地	契約尚餘年期
建於中期契約土地上之樓宇	2 <sup>1</sup> / <sub>2</sub> – 5%
物業裝修	20%
傢俬、裝置及設備	10 – 20%
機器及工具	20 – 33 <sup>1</sup> / <sub>3</sub> %
汽車	20 – 25%

按融資租賃持有之資產，均按其與自置資產相同基準之估計可使用年期或租賃年期折舊，以較短者為準。

### 3. Significant accounting policies (continued)

#### Property, plant and equipment (continued)

The land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. Alternatively, where the allocation between the land and buildings elements cannot be made reliably, the leasehold interests in land continue to be accounted for as property, plant and equipment. As the directors consider the allocation between the land and buildings elements cannot be made reliably, no restatement has been made in the financial statements.

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

#### Investment properties

Investment properties are completed properties which are held for their investment potential, any rental income being negotiated at arm's length.

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

### 3. 主要會計政策(續)

#### 物業、廠房及設備(續)

就租賃分類而言一項土地及樓宇租賃中之土地及樓宇部份乃分開考慮，惟不能在土地及樓宇部份之間可靠地分配租金者除外，而在此情況下，整項租賃一般被視為融資租約。倘租金能在土地及樓宇部份之間作出可靠分配，則土地之租賃權益將重新分類為經營租賃項下之預付租約付款並按成本列賬及按租約年期以直線法攤銷。同樣，倘未能在土地及樓宇部份之間作出可靠分配，則土地之租賃權益將繼續入賬為物業、機器及設備。由於董事認為在土地及樓宇部份之間未能作出可靠分配，故並無於本財務報表中重列。

物業、機器及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時不再確認。於不再確認該資產時所產生之任何收益或虧損(以出售所得款項淨額與該項目之賬面值之差額計算)，將計入該項目終止確認年度之綜合損益表內。

#### 投資物業

投資物業乃因具投資潛力且可按公平基準磋商租金收入而持有之已落成物業。

於初步確認時，投資物業以成本計量(包括任何直接應佔支出)。初步確認後，投資物業採用公平值模型計量。投資物業公平值變動產生之損益計入發生期間之損益賬。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 3. Significant accounting policies (continued)

#### Investment properties (continued)

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

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

#### Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, cash investments with a maturity of three months or less from date of investment and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

#### Provisions and contingent liabilities

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

### 3. 主要會計政策(續)

#### 投資物業(續)

一項投資物業被出售或該投資物業永久停止使用，或預期出售該項投資物業不會產生任何未來經濟收益，則該項投資物業被終止確認。終止確認某項資產產生之任何損益(按出售所得款項淨額與該資產賬面值之差計算)均列入有關項目被終止確認年度之損益表。

#### 存貨

存貨乃按成本或可變現淨值之較低者入賬。成本以先入先出法計算。可變現淨值乃於日常業務之估計售價減適用之可變銷售開支。

#### 現金及現金等值項目

現金及現金等值項目按成本在資產負債表內列賬。在現金流量表中，現金及現金等值項目包括手頭現金、銀行通知存款及於購入後三個月內到期之現金投資及銀行透支。銀行透支呈列於資產負債表流動負債之貸款內。

#### 撥備及或然負債

當本集團具有一項因過往事件導致之當前責任，且很有可能本集團被要求履行該項責任時，即確認撥備。撥備乃依據董事於結算日對履行該項責任所需開支之最佳估計，若影響重大則將金額貼現為現值。

### 3. Significant accounting policies (continued)

#### Provisions and contingent liabilities (continued)

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 outflow is probable, it will then be recognised as a provision.

#### Financial instruments

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

### 3. 主要會計政策(續)

#### 撥備及或然負債(續)

或然負債指因過往事件而產生的可能責任，而有關責任會否存在，須視乎日後一項或多項事件會否出現，而出現與否非完全由本集團控制；也可以是因過往事件而已經產生的責任，但因為將來需要撥出經濟資源履行責任的機會不大，或不能對所涉及金額作可靠計量而未有入賬處理。

或然負債不予入賬，但會在財務報表附註披露。若情況有變以致將來可能需要撥出資源以履行責任，即以撥備入賬。

#### 金融工具

當一家集團企業成為金融工具合約其中一方時，於資產負債表內確認為金融資產或金融負債。金融資產及負債初步以公平值計量。直接歸於金融資產或負債之交易成本(以公平值計入損益的金融資產及金融負債除外)，於初步確認時計入金融資產或負債之公平值或從中扣減。收購金融資產或金融負債直接應佔，且以公平值計入損益的交易成本即時於損益內確認。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 3. Significant accounting policies (continued)

#### Financial instruments (continued)

##### *Financial assets*

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

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

Financial assets at fair value through profit or loss has two subcategories, including financial assets held for trading and those designated as at fair value through profit or loss on initial recognition.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- (a) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- (b) the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產

本集團之金融資產劃分為四類，包括以公平值計入損益之金融資產，貸款及應收款項，持至到期日投資及可供出售之金融資產。金融資產之所有正常購買及出售均按交易日期基準確認。正常購買及銷售乃指須按規定或市場慣例規定之時間內交收資產之金融資產買賣。每類金融資產採用之會計政策說明如下。

##### 以公平值計入損益之金融資產

以公平值計入損益之金融資產包括兩個分類，即持作交易之金融資產及於初步確認時指定為以公平值計入損益之金融資產。

持作交易之金融資產以外之金融資產倘符合下列條件，則於初步確認時可被指定為以公平值計入損益之金融資產：

- (a) 該指定消除或主要減低以其他方式計量或確認而出現之不一致計量或確認；或
- (b) 金融資產構成按本集團列明之風險管理或投資策略管理的一組金融資產或金融負債或者兩者同時具有，並以公平值為基準評估其表現，及按該基準提供有關組別的內部資訊；或

### 3. Significant accounting policies (continued)

#### Financial instruments (continued)

##### *Financial assets at fair value through profit or loss (continued)*

- (c) it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

#### *Loans and receivables*

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

### 3. 主要會計政策(續)

#### 金融工具(續)

##### *以公平值計入損益的金融資產(續)*

- (c) 構成含有一項或多項內置衍生工具之合約的一部份，及香港會計準則第39號准許全部合併合約(資產或負債)指定為按公平值計入損益。

於初步確認後之每個結算日，以公平值計入損益之金融資產以公平值計量，而公平值變化直接於所產生期間之損益內確認。

#### *貸款及應收款項*

貸款及應收款項乃固定或可釐定付款，並未於活躍市場掛牌之非衍生金融資產。於初步確認後之每個結算日，貸款及應收款項(包括貿易及其他應收款項及應收聯營公司款項)按實際利率法計算之攤銷成本減任何已辨別之減值虧損入賬。若有客觀證據顯示有關資產已減值，則於損益內確認減值虧損，其金額乃以該項資產之賬面值於以初始實際利率折現估計未來現金流量之現值之差額計量。若在較後期間，可收回金額增加而該增加是可客觀地與確認減值後發生事件有關連，減值虧損予以撥回，惟於減值撥回之日的資產賬面金額不得超過假如並無確認減值的已攤銷成本。

### 3. Significant accounting policies (continued)

#### Financial instruments (continued)

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories (set out above). At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss when there is objective evidence that the assets are impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the assets and the present value of the estimated future cash flows discounted at the current market rate of return for similar financial assets. Impairment losses on available-for-sale equity investments will not reverse in subsequent periods, except for available-for-sale debt investments, which impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

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

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 可供出售金融資產

可供出售金融資產乃被指定為或者無法歸入其他(如上所述)類別的非衍生金融工具。於初步確認後之每個結算日,可供出售金融資產以公平值計量。公平值變化於權益內確認,直至該金融資產被出售或被釐定應予減值,屆時之前已在權益內確認的累積損益將被剔除於權益,並於損益內確認。當有客觀證據顯示資產已減值,則於損益內確認可供出售金融資產之任何減值虧損。減值虧損按資產的賬面值與估計未來現金流按類似金融資產的現時市場回報率折現為現值,以二者之差額計算。可供出售股票投資的減值虧損不會於隨後期間撥回。惟就可供出售債務投資而言,如其後該投資之公平值增加,而該增加是可客觀地與確認減值虧損後發生的事件有關連,則其減值虧損隨後撥回。

於活躍市場並無可報市價而其公平值未能可靠地計量,且有相連之衍生工具及必須以交付無報價股票工具作結算的可供出售股票投資,於初步確認後之每個結算日按成本減任何已辨認減值虧損計量。若有客觀證據顯示資產已減值,即確認減值虧損。減值虧損按資產的賬面值與估計未來現金流按類似金融資產的現時市場回報率折現為現值,以二者之差額計算。此等減值虧損概不於往後期間內撥回。

### 3. Significant accounting policies (continued)

#### Financial instruments (continued)

##### *Financial liabilities and equity instruments*

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

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at fair value through profit or loss and other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

##### *Other financial liabilities*

Other financial liabilities including trade and other payables, amounts due to related companies, bank borrowings and obligations under finance leases are subsequently measured at amortised cost, using the effective interest rate method.

##### *Convertible loan notes*

Convertible loan notes issued by the Company that contain both financial liability and equity components are classified separately into respective liability and equity components on initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the proceeds of the issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded call option for the holder to convert the loan notes into equity, is included in equity (convertible loan notes equity reserve).

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融負債及權益

由一間集團公司發行之金融負債及權益工具，乃依據所簽署合約安排之實質，及對金融負債及權益工具之界定進行歸類。

一項權益工具乃證明於本集團資產之剩餘權益(扣減其所有負債後)之任何合約。本集團之金融負債一般分為以公平值計入損益之金融負債及其他金融負債。就金融負債及權益工具所採納之會計政策列載如下。

##### 其他金融負債

其他金融負債包括貿易往來及其他應付款項，應付關聯公司款項，銀行貸款及融資租賃承擔，乃採用實際利率法計算攤銷成本入賬。

##### 可換股貸款票據

本集團發行之可換股貸款票據包含金融負債及權益部份，並於初步確認時分開歸類於各自負債及權益部份。於初步確認時，負債部份之公平值乃按類似非可換股債券之現行市場息率釐定。發行可換股貸款票據所得款項淨額與歸入負債部份之公平值之差額(代表持有人將貸款票據轉換為權益之內置認購期權)計入權益(可換股貸款票據權益儲備)。



# Notes to the Financial Statements

## 財務報表賬項附註

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### 3. Significant accounting policies (continued)

#### Financial instruments (continued)

##### Convertible loan notes (continued)

In subsequent periods, the liability component of the convertible loans notes is carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in convertible loan notes equity reserve until the embedded option is exercised, which the convertible loan notes equity reserve and the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. Where the option remains unexercised at the expiry date, the balance stated in convertible loan notes equity reserve will be released to the accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible loan notes using the effective interest method.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 可換股貸款票據(續)

其後期間可換股貸款票據之負債部份採用實際利率法以攤銷成本入賬。權益部份(代表將負債部份轉換為本公司普通股之期權)將保留於可換股貸款票據儲備內直至內置期權被行使,及可換股貸款票據權益儲備及兌換時負債部份之賬面值將作為已發行股份之代價轉撥至股本及股份溢價。若該期權於到期日仍未行使,則於可換股貸款票據權益儲備呈列之餘額將被用於撥入累計虧損。期權於換股或失效時之損益概不會於損益內確認。

發行可換股貸款票據有關交易成本乃按所得款項分配比例,分配至負債及權益部份。與權益部份相關之交易成本直接從權益扣除。與負債部份相關之交易成本計入負債部份之賬面值並以實際利率法於可換股貸款票據年期內攤銷。

### 3. Significant accounting policies (continued)

#### Financial instruments (continued)

##### *Derivative financial instruments and hedging*

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group designates certain derivatives as either hedges of the fair value of fixed-rate bank borrowings (fair value hedges) and hedges of highly probable forecast transactions for foreign currency exposure (cash flow hedges), or hedges of net investments in foreign operations.

##### *Financial guarantee contracts*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designed as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### *衍生金融工具及對沖*

衍生工具最初於訂立衍生工具合約當日按公平值確認，其後於每個結算日按公平值重新計量。此項確認法導致之收益或虧損隨即確認為損益，除非衍生工具指定為對沖工具並按其生效。倘其指定為對沖工具，確認損益之時間則取決於對沖關係的性質。本集團指定若干衍生工具為對沖定息銀行借貸的公平值(公平值對沖)及對沖很可能發生的外幣風險預期交易(現金流量對沖)；或對沖外地營運的淨投資。

##### *財務擔保合約*

財務擔保合約為當某一指定債務人不能根據債務工具的原有或經修訂條款支付到期債務，而要求發行人作出指定之付款，以償付持有人因此而發生之損失之合約。由本集團發行及並未指定為按公平值計入損益之財務擔保合約按公平值減發行財務擔保合約直接應佔之交易成本初步確認。於初步確認後，本集團按以下兩項之較高者計量財務擔保合約：(i) 按香港會計準則第37號「撥備、或然負債及或然資產」之規定釐定之金額；及(ii) 初步確認金額減(如適用)按香港會計準則第18號「收益」確認之累計攤銷。

### 3. Significant accounting policies (continued)

#### Financial instruments (continued)

##### *Derecognition*

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

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

##### Properties held for sale

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

##### Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss or the impairment loss recognised in prior years is no longer exist or have decreased. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

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

### 3. 主要會計政策(續)

#### 金融工具(續)

##### *終止確認*

當自一項金融資產收取現金流量之權利屆滿，或該項金融資產已轉讓且本集團已大體上轉移該金融資產所有權之全部風險及報償，該金融資產即被終止確認。於終止確認某項金融資產時，有關資產賬面值及已收代價之和，與已直接於權益確認之累積收益或虧損之差額乃於損益內確認。

當有關合約規定之責任被解除、取消或屆滿之時，金融負債則自本集團之綜合資產負債表內移除。被終止確認之金融負債賬面值與已付或應付代價之差額乃於損益內確認。

##### 持有供出售物業

持有供出售物業以成本及可兌現淨值之較低者呈列。

##### 減值

於每個結算日，本集團會對有形資產及無形資產之賬面金額進行核查，以確定是否有跡象顯示這些資產已蒙受減值虧損或過往年度確認之減值虧損不再存在或已予減少。倘資產之估計可收回金額低於其賬面值，則將該資產之賬面金額減低至其可收回金額。減值虧損會即時確認為一項費用。

倘減值虧損於其後撥回，除商譽以外之資產之賬面金額增加至其可收回金額之重新估計值，惟增加後之賬面金額不能超過該資產過往年度已確認為無減值虧損之賬面金額。減值虧損之撥回即時確認為收入。

#### 4. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, borrowings, trade receivables, trade payables and convertible loan notes. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

##### Currency risk

Several subsidiaries of the Company have foreign currency sales, which expose the Group to foreign currency risk. In order to mitigate the foreign currency risk, foreign currency forward contracts are entered into in respect of highly probable foreign currency forecast sales in accordance with the Group's risk management policies.

Certain trade receivables, trade payables, loan receivables and borrowings of the Group are denominated in foreign currencies. The management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

##### Fair value interest rate risk

The Group's fair value interest rate risk relates primarily to fixed-rate bank borrowings (see note 31). In relation to these fixed-rate borrowings, the Group aims at keeping borrowings at variable rates.

Besides, the Group is exposed to interest rate risk through the impact of rate changes on interest bearing bank borrowings and obligations under finance leases. The interest rates and terms of repayment of bank borrowings and obligations under finance leases of the Group are disclosed in notes 31 and 30 respectively.

#### 4. 金融風險管理目標及政策

本集團主要金融工具包括股票及債券投資、貸款、貿易應收款項、貿易應付款項及可換股貸款票據。此等金融工具之詳情於各自附註內披露。該等金融工具有關風險及減少該等風險之政策陳述如下。管理層對此類風險進行管理及監察，以確保及時有效採取恰當措施。

##### 貨幣風險

本公司數間附屬公司有以外幣計值之銷售，令本集團面對外幣風險。依據本集團風險管理政策，就高度可能之預計外幣銷售將簽訂外匯遠期合約，藉以紓緩外幣風險。

本集團若干貿易應收款項、貿易應付款項、應收貸款及借款乃以外幣計值。管理層監察外匯風險並將考慮於必要時對沖重大外幣風險。

##### 公平值利率風險

本集團之公平值利率風險主要涉及定息貸款（見附註第31項）。就此等定息貸款，本集團極力採用不同的貸款利率。

此外，本集團之計息融資租賃債務及銀行借貸承受利率變動風險。本集團之銀行借貸及融資租賃債務之利率及償還條款分別於附註第31及30項披露。

#### 4. Financial risk management objectives and policies (continued)

##### Cash flow interest rate risk

Borrowings at variable interest rates expose the Group to cash flow interest rate risk. The Group monitors the cash flow interest rate risk on a continuous basis and adjust the portfolio of borrowings where necessary.

##### Credit risk

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

##### Liquidity risk

The Group's liquidity risk management includes diversifying the funding sources. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

#### 4. 金融風險管理目標及政策(續)

##### 現金流量利率風險

按浮動利率借貸使本集團面對現金流量利率風險。本集團按持續基準監察現金流量利率風險及在有必要時調整借貸組合。

##### 信貸風險

若交易對手未能履行責任，本集團就於二零零六年十二月三十一日每類已確認之金融資產所面對之最大信貸風險，乃於綜合資產負債表呈列之該等資產之賬面值。為使信貸風險減至最小，本集團已委派一組人員負責釐定信貸額度，信貸批准及其他監察程式，確保對過期債務採取跟進行動。此外，本集團於每個結算日對每項貿易應收債項之可收回金額進行審核，確保對不可收回金額提撥足夠減值虧損。因此，董事認為本集團之信貸風險已大幅降低。

##### 流動資金風險

本集團的流動資金風險管理包括分散資金來源。本集團定期檢討其主要資金來源狀況，確保擁有足夠財務資源以應付其財務承擔。

### 5. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Provision for impairment loss on trade and other receivables

The provision for impairment loss on trade and other receivables of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each account. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

#### Provision for obsolete inventories

The management of the Group reviews an aging analysis at each balance sheet date, and makes provision for obsolete and slow-moving inventory items. The management estimates the net realisable value for such finished goods based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at each balance sheet date and makes provision for obsolete items.

### 5. 關鍵會計判斷及重要估計不確定因素

在應用附註第3項所述之本集團會計政策時，管理層必須就未能從其他資料來源確定之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃按過往經驗及其他被視為有關之因素而作出。實際業績可能有別於此等估計數字。

估計及相關假設按持續基準予以檢討。倘修訂僅影響該修訂期間，會計估計之修訂於修訂估計期間確認，或倘修訂影響現時及日後期間，則於修訂之期間及日後期間確認。

#### 貿易往來及其他應收賬款減值撥備

本集團之貿易往來及其他應收賬款減值撥備，乃依據對可收回性評估、賬齡分析及管理層之判斷而定。評估該等應收款項之最終變現能力時需作出大量判斷，包括每個賬戶之現有信貸能力及過往收賬紀錄。若債務人之財務狀況惡化，導致其償付能力降低，則可能需要額外撥備。

#### 陳舊存貨撥備

本集團管理層於每個結算日審查賬齡分析，對陳舊及滯銷存貨提撥準備。管理層主要依據最後發票價格及現行市況估計此等製成品之可變現淨值。本集團於每個結算日逐項產品進行存貨審核，對陳舊存貨提撥準備。

## 5. Critical accounting judgements and key sources of estimation uncertainty (continued)

### Estimated impairment for goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. As at December 31, 2006, the carrying amount of goodwill was approximately HK\$2,597,000. Details of the recoverable amount calculation are disclosed in note 18.

### Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will accordingly be adjusted in the relevant tax account in the year in which such determination is made.

## 6. Turnover

Sales of goods to customers, less returns and discounts	銷售商品予客戶， 扣除退回及折扣
Maintenance service income	保養維修服務之收入
Rental income	租金收入

## 5. 關鍵會計判斷及重要估計不確定因素 (續)

### 估計商譽減值

釐定商譽是否減值需要對商譽分配之現金產生單位之使用價值進行估計。該使用價值計算需要本集團估計有關現金產生單位預期產生之未來現金流量及適當折現率，以計算現值。於二零零六年十二月三十一日，商譽賬面值為港幣2,597,000元。可收回金額計算詳情披露於附註第18項。

### 所得稅

本集團須於眾多司法權區繳納所得稅。釐定全球範圍之所得稅撥備須作出重要判斷。倘最終稅務結果不同於初步紀錄金額，有關差異將於作出釐定年度內之稅項賬目作出調整。

## 6. 營業額

	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元 (restated) (重列)
	717,903	642,964
	58,991	46,806
	9,686	7,684
	<u>786,580</u>	<u>697,454</u>

### 6. Turnover (continued)

In prior years, rental income was recognised as other operating income. Pursuant to a board resolution, the Group has designated property investment as its principal activities with effect from year 2006. The comparative amounts have been re-classified to conform with the current year's presentation. As a result, turnover for the year ended December 31, 2005 increased by approximately HK\$7,684,000.

### 7. Business and geographical segments

#### Business segments

In prior years, the Group organised into five operating divisions: air-conditioning products, audio-visual and other electrical products, cars and car accessories, direct marketing and property investment. In current year, the Group has reclassified its previously reporting business segments into three operating divisions: cars and car accessories, electrical appliances and property investment. These divisions are the basis on which the Group reports its primary segment information.

The previously reporting segments, air-conditioning products and audio-visual and other electrical products have been combined into one reporting segment, electrical appliances. The Group's management considered that it is more representative to report the two previously reporting segments as a segment because the products are related with similar risk and returns.

Direct marketing has been reclassified and group into others segment because the financial position and result of this segment is not significant to qualify as a reporting segment.

### 6. 營業額(續)

於過往年度，租金收入確認為其他營業收入。根據一項董事會決議案，於二零零六年起，本集團將物業投資指定為主要業務。比較金額已予重新分類，以符合本年度之呈報。因此，截至二零零五年十二月三十一日止年度之營業額增加約港幣7,684,000元。

### 7. 業務及地區分類

#### 業務分類

於過往年度，本集團之業務可分為五個經營部門：空調產品、影音設備及其他電器產品、汽車及汽車配件、直銷及物業投資。於本年度，本集團將其過往呈報之業務分類分為三個經營部門：汽車及汽車配件、電器及物業投資。該等部門為本集團呈報其主要分類資料之基準。

兩個過往申報之分類：「空調產品」及「影音設備及其他電器產品」已合併為一個申報分類：電器。本集團管理層認為，將兩個過往申報分類合併為一個申報分類更具代表性，因為該等產品具有相若風險及回報。

直銷已被重新分類並納入其他分類，因為該分類之財務狀況及業績之重要性不足以被界定為一個申報分類。



**7. Business and geographical segments (continued)****Business segments (continued)**

Principal activities of the Group are as follows:

Cars and car accessories	Trading of cars and related accessories and provision of car repairing services
Electrical appliances	Distribution of air-conditioning products, audio-visual equipment, including car audio, home appliances and installation of air-conditioning products
Property investment	Rental of investment properties and properties held for sale

**7. 業務及地區分類(續)****業務分類(續)**

本集團主要業務如下：

汽車及汽車配件	買賣汽車及相關配件及提供汽車維修服務
電器	分銷空調產品、影音設備(包括汽車音響產品)及家用電器，安裝空調產品
物業投資	投資物業及持作出售物業之租賃

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## 財務報表賬項附註

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 7. Business and geographical segments (continued)

### 7. 業務及地區分類(續)

#### Business segments (continued)

Segment information about these businesses is presented below.

#### 業務分類(續)

有關該等業務之分類資料呈列如下。

2006

二零零六年

		Cars and car accessories	Electrical appliances	Property investment	Others	Eliminations	Consolidated
		汽車及 汽車配件	電器	物業 投資	其他	抵銷	綜合賬目
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>Turnover</b>	<b>營業額</b>						
External sales	外部銷售收益	550,632	225,379	9,686	883	-	786,580
Inter-segment sales	業務之間銷售收益	-	948	-	-	(948)	-
<b>Total turnover</b>	<b>營業總額</b>	<b>550,632</b>	<b>226,327</b>	<b>9,686</b>	<b>883</b>	<b>(948)</b>	<b>786,580</b>
Inter-segment sales are charged at prevailing market rates.	業務之間銷售收益以 當時市場價格入賬。						
<b>Results</b>	<b>業績</b>						
Segment results	分類業績	13,872	4,653	25,735	(3,600)	-	40,660
Negative goodwill	負商譽						8,008
Unallocated corporate expenses	未分類公司支出						(20,938)
Profit from operations	經營盈利						27,730
Finance costs	財務費用						(11,381)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損						(15,935)
Gain on disposal of a subsidiary	出售一間附屬公司之收益						28,624
Loss on disposal of an associate	出售一間聯營公司之虧損						(9,723)
Share of results of associates	應佔聯營公司業績	2,785	(10,562)	-	-	-	(7,777)
Profit before tax	除稅前盈利						11,538
Income tax expenses	所得稅開支						(1,141)
Profit for the year	本年度盈利						10,397

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 7. Business and geographical segments (continued)

### 7. 業務及地區分類(續)

#### Business segments (continued)

2006

#### 業務分類(續)

二零零六年

		Cars and car accessories	Electrical appliances	Property investment	Others	Eliminations	Consolidated
		汽車及 汽車配件	電器	物業 投資	其他	抵銷	綜合賬目
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>Consolidated balance sheet</b>	<b>綜合資產負債表</b>						
<b>Assets</b>	<b>資產</b>						
Segment assets	分類資產	214,393	89,004	259,646	50,919	-	613,962
Interests in associates	於聯營公司之權益	10,727	-	-	-	-	10,727
Unallocated corporate assets	未分類公司資產						96,997
Consolidated total assets	綜合總資產						721,686
<b>Liabilities</b>	<b>負債</b>						
Segment liabilities	分類負債	164,756	37,854	5,839	1,127	-	209,576
Unallocated corporate liabilities	未分類公司負債						193,131
Consolidated total liabilities	綜合總負債						402,707
<b>Other information</b>	<b>其他資料</b>						
Capital expenditure	資本支出	6,952	737	4,944	4,733	-	17,366
Depreciation	折舊	4,416	535	-	4,085	-	9,036
Fair value gains on investment properties	投資物業公平值 收益	-	-	(25,026)	-	-	(25,026)
Reversal of write-down of properties held for sale to net realisable value	持作出售物業減值 撥回至可變現 淨值	-	-	(400)	-	-	(400)

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## 財務報表賬項附註

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 7. Business and geographical segments (continued)

### 7. 業務及地區分類(續)

#### Business segments (continued)

2005 (restated)

#### 業務分類(續)

二零零五年(重列)

		Cars and car accessories	Electrical appliances	Property investment	Others	Eliminations	Consolidated
		汽車及 汽車配件	電器	物業 投資	其他	抵銷	綜合賬目
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>Turnover</b>	<b>營業額</b>						
External sales	外部銷售收益	377,845	310,148	7,684	1,777	-	697,454
Inter-segment sales	業務之間銷售收益	-	918	-	30	(948)	-
<b>Total turnover</b>	<b>營業總額</b>	<b>377,845</b>	<b>311,066</b>	<b>7,684</b>	<b>1,807</b>	<b>(948)</b>	<b>697,454</b>
Inter-segment sales are charged at prevailing market rates.	業務之間銷售收益以 當時市場價格入賬。						
<b>Results</b>	<b>業績</b>						
Segment results	分類業績	11,576	7,093	12,749	(1,323)	130	30,225
Gain on settlement of a loan	債務清償收益						88,178
Unallocated other operating income	未分類之其他 公司收入						487
Provision for a legal claim	司法索償撥備						(30,656)
Unallocated corporate expenses	未分類之公司支出						(11,912)
Profit from operations	經營盈利						76,322
Finance costs	財務費用						(6,685)
Share of results of associates	應佔聯營公司業績	2,716	(23,455)	-	-	-	(20,739)
Profit before tax	除稅前盈利						48,898
Income tax expenses	所得稅開支						(11,502)
Profit for the year	本年度盈利						37,396

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 7. Business and geographical segments (continued)

#### Business segments (continued)

2005 (restated)

		Cars and car accessories	Electrical appliances	Property investment	Others	Eliminations	Consolidated
		汽車及 汽車配件	電器	物業 投資	其他	抵銷	綜合賬目
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>Consolidated balance sheet</b>	<b>綜合資產負債表</b>						
<b>Assets</b>	<b>資產</b>						
Segment assets	分類資產	126,386	77,433	227,384	8,250	-	439,453
Interests in associates	於聯營公司之權益	7,615	52,930	-	-	-	60,545
Unallocated corporate assets	未分類公司資產						115,608
Consolidated total assets	綜合總資產						615,606
<b>Liabilities</b>	<b>負債</b>						
Segment liabilities	分類負債	86,711	39,293	3,884	37	-	129,925
Unallocated corporate liabilities	未分類公司負債						181,160
Consolidated total liabilities	綜合總負債						311,085
<b>Other information</b>	<b>其他資料</b>						
Capital expenditure	資本支出	16,074	598	-	2,211	-	18,883
Depreciation and amortisation	折舊及攤銷	1,806	442	2,871	562	-	5,681
Fair value gains on investment properties	投資物業公平值 收益	-	-	(12,728)	-	-	(12,728)
Reversal of write-down of properties held for sale to net realisable value	持作出售物業減值 撥回至可變現 淨值	-	-	(3,330)	-	-	(3,330)

### 7. 業務及地區分類(續)

#### 業務分類(續)

二零零五年(重列)

## 7. Business and geographical segments (continued)

## Geographical segments

The Group's operations are mainly located in Hong Kong, Singapore, Malaysia, PRC and Macau. The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods/services:

## 7. 業務及地區分類(續)

## 地區分類

本集團之業務主要分佈於香港、新加坡、馬來西亞、中國及澳門。下表按市場地區分析本集團之營業額(不論商品/服務之原產地)：

		Turnover by geographical market		Contribution to operating results	
		地區分類之營業額		對經營業績之貢獻	
		2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
			(restated)		(restated)
			(重列)		(重列)
Hong Kong	香港	675,901	577,127	34,879	28,612
Singapore	新加坡	57,222	56,027	1,811	51
Malaysia	馬來西亞	29,659	29,790	1,879	1,542
PRC	中國	9,359	13,987	(6,260)	(3,470)
Macau	澳門	12,567	19,966	83	845
Others	其他	1,872	557	31	95
		<u>786,580</u>	<u>697,454</u>	<u>32,423</u>	<u>27,675</u>
Other operating income	其他營業收入			16,245	3,037
Gain on settlement of a loan	債務清償收益			-	88,178
Provision for a legal claim	司法索償撥備			-	(30,656)
Unallocated corporate expenses	未分類公司支出			(20,938)	(11,912)
Profit from operations	經營盈利			<u>27,730</u>	<u>76,322</u>

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 7. Business and geographical segments (continued)

#### Geographical segments (continued)

The following is an analysis of the carrying amount of segment assets and capital expenditures analysed by the geographical area in which the assets are located:

		Carrying amount of segment assets		Capital expenditures	
		2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Hong Kong	香港	617,109	487,654	8,876	18,355
Singapore	新加坡	24,928	22,991	17	349
Malaysia	馬來西亞	20,434	13,514	88	83
PRC	中國	59,185	91,406	8,385	96
Macau	澳門	30	41	-	-
		721,686	615,606	17,366	18,883

### 8. Other operating income

Commission income	佣金收入	2,364	1,050
Compensation for a termination agreement	一項終止協議之賠償	-	1,500
Gain on disposal of right of distribution of products	出售一項產品分銷權所得收益	5,873	-
Negative goodwill	負商譽	8,008	-
Reversal of imputed interest expense on non-current interest-free amounts due to a related company	撥回應付一間關聯公司非流動免息款項之應計利息支出	-	487
		16,245	3,037

### 7. 業務及地區分類(續)

#### 地區分類(續)

按資產分佈之地區分析分類資產之賬面金額及資本支出如下：

### 8. 其他營業收入

	2006	2005
	二零零六年	二零零五年
	HK\$'000	HK\$'000
	港幣千元	港幣千元
		(restated)
		(重列)

# Notes to the Financial Statements

## 財務報表賬項附註

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 8. Other operating income (continued)

In prior years, rental income was recognised as other operating income. Pursuant to a board resolution, the Group has designated property investment as its principal activities with effect from year 2006. The comparative amounts have been re-classified to conform with the current year's presentation. As a result, other operating income for the year ended December 31, 2005 decreased by approximately HK\$7,684,000.

### 9. Profit from operations

### 8. 其他營業收入(續)

於過往年度，租金收入確認為其他營業收入。根據一項董事會決議案，於二零零六年起，本集團將物業投資列為主要業務。比較金額已予重新分類，以符合本年度之呈報。因此，截至二零零五年十二月三十一日止年度之其他營業收入減少約港幣7,684,000元。

### 9. 經營盈利

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Profit from operations has been arrived at after charging:	經營業務之盈利 已扣除：		
Auditors' remuneration	核數師酬金	3,012	730
Cost of inventories recognised as expenses (included write-down of inventories to net realisable value of approximately HK\$1,083,000 (2005: HK\$1,736,000))	確認為開支之存貨成本 (包括存貨減值至可變現淨值 約港幣1,083,000元(二零零五年： 港幣1,736,000元))	624,947	549,330
Depreciation of:	折舊：		
Owned assets	自置資產	8,582	5,533
Assets held under finance leases	融資租賃資產	454	148
Staff costs, including Directors' emoluments	僱員成本，包括 董事酬金	68,222	63,315
Operating lease rental in respect of land and buildings	就土地及樓宇之經營 租賃租金	10,925	8,232
Loss on disposal of property, plant and equipment	出售物業、廠房及設備 之虧損	9	77
Fair value loss(es):	公平值虧損：		
Other financial assets at fair value through profit or loss	其他以公平值計入損益 之金融資產	9	81
Derivative financial instruments	衍生金融工具	57	17
Foreign exchange differences, net	外幣匯兌淨差額	-	696
and crediting:	並已計入：		
Interest income	利息收入	348	349
Foreign exchange differences, net	外幣匯兌淨差額	769	-



## 10. Finance costs

## 10. 財務費用

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest expenses on:	利息支出於：		
Bank loans, trust receipts loans and overdrafts wholly repayable within five years	五年內全數償還之銀行貸款、信託收據貸款及透支	8,036	4,914
Bank loans wholly repayable after five years	五年後全數償還之銀行貸款	80	-
Other loans wholly repayable within five years	五年內全數償還之其他貸款	28	-
Effective interest expense on convertible loan note (note 28)	可換股貸款票據之實際利息支出(附註第28項)	2,773	871
Imputed interest expense on non-current interest-free amounts due to a related company	應付一間關聯公司非流動免息款項之應計利息支出	-	487
		<hr/> 10,917	<hr/> 6,272
Finance lease charges	融資租賃費用	14	13
Bank charges	銀行費用	450	400
		<hr/> 11,381	<hr/> 6,685

**11. Income tax expenses**

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

Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

**11. 所得稅開支**

香港利得稅乃根據本年度於香港產生之估計應課稅盈利按 17.5% (二零零五年：17.5%) 計算。

海外稅項乃根據各自司法權區之現行稅率計算。

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Current tax:	本年度稅項：		
Hong Kong Profits Tax	香港利得稅	76	138
Overseas income tax	海外所得稅	217	306
		<hr/> 293	<hr/> 444
Deferred tax:	遞延稅項：		
Current year (note 32)	本年度 (附註第 32 項)	848	11,058
Income tax expenses attributable to the Company and its subsidiaries	本公司及其附屬公司應佔所得稅開支	<hr/> 1,141	<hr/> 11,502

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 11. Income tax expenses (continued)

The tax expenses for the year can be reconciled to the profit before tax as follows:

		2006		2005	
		二零零六年		二零零五年	
		HK\$'000	%	HK\$'000	%
		港幣千元		港幣千元	
Profit before tax	除稅前盈利	11,538		48,898	
Tax at the Hong Kong Profits	按香港利得稅稅率17.5%				
Tax rate of 17.5%	計算之稅項	2,019	17.5	8,557	17.5
Tax effect of share of results of associates	應佔聯營公司業績之稅務影響	-	-	3,629	7.4
Tax effect of expenses that are not deductible for tax purposes	就稅務目的不可扣減開支之稅務影響	9,100	78.9	18,691	38.2
Tax effect of income that are not taxable for tax purposes	就稅務目的無需課稅之稅務影響	(10,148)	(87.9)	(14,813)	(30.3)
Utilisation of deferred tax assets previously not recognised	動用先前未予確認之遞延稅項資產	(2,100)	(18.2)	(6,136)	(12.5)
Tax effect of tax losses not recognised	未予確認稅項虧損之稅務影響	2,820	24.4	1,788	3.7
Effect of different tax rates of subsidiaries and associates operating in other jurisdictions	於其他司法權區經營之附屬公司及聯營公司不同稅率之影響	(550)	(4.8)	58	0.1
Others	其他	-	-	(272)	(0.6)
Tax expenses and effective tax rate for the year	本年度稅項開支及有效稅率	1,141	9.9	11,502	23.5

本年度稅項開支可與除稅前盈利對賬如下：

The share of tax attributable to associates amounting to approximately HK\$1,638,000 (2005: HK\$88,000) is included in "Share of result of associates" on the face of the consolidated income statement.

應佔聯營公司之應佔稅項約為港幣1,638,000元(二零零五年：港幣88,000元)已計入綜合損益表內之「應佔聯營公司業績」。

### 12. Earnings per share

The calculation of the basic earnings per share is based on the profit attributable to equity holders of the Company of approximately HK\$7,114,000 (2005: HK\$35,461,000) and on the weighted average number of 221,615,433 (2005: 221,615,433 (restated)) ordinary shares in issue during the year after adjusting for the effects of the share consolidation (note 33) on June 15, 2006. The basic earnings per share for 2005 had been adjusted accordingly.

There is no dilutive earnings per share because the exercise prices of the Company's outstanding share options and convertible loan note were higher than the average market prices for share for both years.

### 12. 每股盈利

每股基本盈利之計算方法，乃根據本公司權益持有人應佔盈利約港幣7,114,000元(二零零五年：港幣35,461,000元)及年內已就於二零零六年六月十五日之股份合併(附註第33項)之影響作出調整後已發行普通股之加權平均數221,615,433股普通股(二零零五年：221,615,433股(重列))計算。

由於本公司之未行使認股權及可換股貸款票據之行使價高於兩個年度之股份平均市價，故並無每股攤薄盈利。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 13. Directors' and employees' emoluments

#### (a) Directors' emoluments

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

		Other emoluments 其他酬金				
		Salaries and other benefits	Performance related incentive payments	Retirement benefit scheme contributions	Total emoluments	
		Fees 袍金	薪金及 其他福利	與業務表現 相關之獎金	退休福利 計劃之供款	酬金總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
<b>Executive Directors</b>	<b>執行董事</b>					
Wing Sum LEE	李永森	-	1,800	-	-	1,800
Richard Man Fai LEE	李文輝	-	2,478	-	12	2,490
Sammy Chi Chung SUEN	孫志冲	-	877	-	12	889
Tik Tung WONG	汪滌東	-	923	-	12	935
Waison Chit Sing HUI	許捷成					
(Appointed on March 16, 2006)	(於二零零六年三月十六日 獲委任)	-	815	-	10	825
		-	6,893	-	46	6,939
<b>Non-executive Director</b>	<b>非執行董事</b>					
Kam Har YUE	余金霞	33	-	-	-	33
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>					
Raymond Cho Min LEE	李卓民	88	-	-	-	88
Boon Seng TAN	陳文生	88	-	-	-	88
Ying Kwan CHEUNG	張應坤	88	-	-	-	88
		264	-	-	-	264
<b>Total for 2006</b>	<b>二零零六年總額</b>	297	6,893	-	46	7,236

### 13. 董事及僱員酬金

#### (a) 董事酬金

已付或應付給九名董事(二零零五年：十名董事)每人之酬金如下：

Other emoluments

其他酬金

Salaries and other benefits	Performance related incentive payments	Retirement benefit scheme contributions	Total emoluments
薪金及 其他福利	與業務表現 相關之獎金	退休福利 計劃之供款	酬金總額
HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元

#### Executive Directors 執行董事

Wing Sum LEE	李永森	-	1,800	-	-	1,800
Richard Man Fai LEE	李文輝	-	2,478	-	12	2,490
Sammy Chi Chung SUEN	孫志冲	-	877	-	12	889
Tik Tung WONG	汪滌東	-	923	-	12	935
Waison Chit Sing HUI	許捷成					
(Appointed on March 16, 2006)	(於二零零六年三月十六日 獲委任)	-	815	-	10	825
		-	6,893	-	46	6,939

#### Non-executive Director 非執行董事

Kam Har YUE	余金霞	33	-	-	-	33
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#### Independent Non-executive Directors 獨立非執行董事

Raymond Cho Min LEE	李卓民	88	-	-	-	88
Boon Seng TAN	陳文生	88	-	-	-	88
Ying Kwan CHEUNG	張應坤	88	-	-	-	88
		264	-	-	-	264

<b>Total for 2006</b>	<b>二零零六年總額</b>	297	6,893	-	46	7,236
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### 13. Directors' and employees' emoluments (continued)

### 13. 董事及僱員酬金(續)

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

#### (a) 董事酬金(續)

		Other emoluments 其他酬金				Total emoluments 酬金總額 HK\$'000 港幣千元
		Salaries and other benefits 薪金及 其他福利 HK\$'000 港幣千元	Performance related incentive payments 與業務表現 相關之獎金 HK\$'000 港幣千元	Retirement benefit scheme contributions 退休福利 計劃之供款 HK\$'000 港幣千元		
<b>Executive Directors</b>	<b>執行董事</b>					
Wing Sum LEE	李永森	-	320	-	320	
Richard Man Fai LEE	李文輝	-	2,380	12	6,047	
Jeff Man Bun LEE	李文彬	-	230	4	234	
Sammy Chi Chung SUEN	孫志冲	-	860	12	1,321	
Tik Tung WONG	汪滌東	-	812	12	1,344	
		-	4,052	40	9,266	
<b>Non-executive Director</b>	<b>非執行董事</b>					
Kam Har YUE	余金霞	30	10	-	40	
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>					
Raymond Cho Min LEE	李卓民	80	-	-	80	
Boon Seng TAN	陳文生	80	-	-	80	
Ying Kwan CHEUNG (Appointed on November 3, 2005)	張應坤 (於二零零五年 十一月三日委任)	13	-	-	13	
Kenji Tak Hing CHAN (Resigned on November 3, 2005)	陳德興 (於二零零五年 十一月三日辭任)	67	-	-	67	
		240	-	-	240	
<b>Total for 2005</b>	<b>二零零五年總額</b>	270	4,052	40	9,546	

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 13. Directors' and employees' emoluments (continued)

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

The performance related incentive payments are determined as a percentage of the turnover or the profit after tax of the Group.

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

#### (b) Employees' emoluments

During the year, the five highest paid individuals included two Directors (2005: three Directors), details of whose emoluments are set out in note 13(a) above. The emoluments of the remaining highest paid individuals were as follows:

Salaries and other benefits	薪金及其他福利
Performance related incentive payments	與業務相關表現之獎金
Retirement benefits scheme contributions	退休福利計劃之供款

### 13. 董事及僱員酬金(續)

#### (a) 董事酬金(續)

與業務表現相關之獎金乃依據本集團之營業額或除稅後盈利之若干百分比釐定。

並無任何董事於年內放棄或同意放棄任何酬金。

#### (b) 僱員酬金

年內，五位薪酬最高人士中，兩位為董事(二零零五年：三位董事)，其酬金細節已於上文附註第13(a)項內披露。餘下薪酬最高人士之酬金如下：

	2006	2005
	二零零六年	二零零五年
	HK\$'000	HK\$'000
	港幣千元	港幣千元
	4,979	1,861
	-	1,933
	23	16
	<u>5,002</u>	<u>3,810</u>

### 13. Directors' and employees' emoluments (continued)

(b) Employees' emoluments (continued)

The emoluments of the remaining highest paid individuals fell within the following bands:

Nil – HK\$1,000,000	港幣零元至港幣 1,000,000 元
HK\$1,000,001 – HK\$1,500,000	港幣 1,000,001 元至港幣 1,500,000 元
HK\$1,500,001 – HK\$2,000,000	港幣 1,500,001 元至港幣 2,000,000 元
HK\$2,000,001 – HK\$2,500,000	港幣 2,000,001 元至港幣 2,500,000 元
HK\$2,500,001 – HK\$3,000,000	港幣 2,500,001 元至港幣 3,000,000 元

### 13. 董事及僱員酬金(續)

(b) 僱員酬金(續)

於下列酬金範圍，最高酬金之人士數目如下：

	2006	2005
	二零零六年	二零零五年
	Number of	Number of
	employees	employees
	僱員人數	僱員人數
Nil – HK\$1,000,000	–	1
HK\$1,000,001 – HK\$1,500,000	2	–
HK\$1,500,001 – HK\$2,000,000	–	–
HK\$2,000,001 – HK\$2,500,000	1	–
HK\$2,500,001 – HK\$3,000,000	–	1
	3	2

### 14. Retirement benefit scheme

The Group operates a mandatory provident fund (“MPF”) scheme for all qualifying employees of its Hong Kong subsidiaries. The assets of the scheme are held separately from those of the Group in funds under the control of trustees. The retirement benefit cost charged to the income statement during the year amounted to approximately HK\$1,971,000 (2005: HK\$1,499,000), which represents contributions paid or payable to the fund by the Group at the rates specified in the MPF Ordinance.

For subsidiaries other than in Hong Kong, contributions are made to the defined contribution schemes by the Group at rates specified in the rules of the schemes at the relevant jurisdiction. The contributions made by subsidiaries other than in Hong Kong during the year amounted to HK\$842,000 (2005: HK\$919,000).

### 14. 退休福利計劃

本集團為其香港附屬公司所有合資格員工設立一個強制性公積金(「強積金」)計劃，該計劃之資產由信託人於獨立於本集團資產之基金持有及控制。於本年度損益表已扣除退休福利費用約為港幣 1,971,000 元(二零零五年：港幣 1,499,000 元)，此數額乃本集團按強積金條例指定比率對該基金之已付或應付供款。

至於香港以外之附屬公司，本集團就定額供款計劃作出之供款乃按有關司法權區之計劃規則訂明之比率作出。本年度香港以外附屬公司作出之供款為港幣 842,000 元(二零零五年：港幣 919,000 元)。



## 15. Investment properties

## 15. 投資物業

The Group	本集團	Investment	Investment	Total
		properties in Hong Kong held under medium- term leases 在香港根據中期 契約持有之 投資物業 HK\$'000 港幣千元	properties outside Hong Kong held under medium- term leases 在香港以外地區 根據中期契約 持有之投資物業 HK\$'000 港幣千元	
Fair value	公平值			
At January 1, 2005	於二零零五年一月一日	159,481	12,824	172,305
Disposals	出售	-	(9,176)	(9,176)
Transfer from property, plant and and equipment (note 16)	由物業、廠房及設備 轉撥(附註第16項)	30,548	-	30,548
Transfer to property, plant and equipment (note 16)	轉撥至物業、廠房及 設備(附註第16項)	(5,558)	-	(5,558)
Increase in fair value recognised in the income statement	於損益表確認 之公平值增加	12,728	-	12,728
At December 31, 2005 and January 1, 2006	於二零零五年 十二月三十一日及 二零零六年一月一日	197,199	3,648	200,847
Additions	添置	-	4,944	4,944
Disposals	出售	-	(1,400)	(1,400)
Transfer from property, plant and and equipment (note 16)	由物業、廠房及設備 轉撥(附註第16項)	24,896	-	24,896
Transfer to property, plant and equipment (note 16)	轉撥至物業、廠房及設備 (附註第16項)	(19,395)	-	(19,395)
Increase in fair value recognised in the income statement	於損益表確認 之公平值增加	24,640	386	25,026
At December 31, 2006	於二零零六年十二月三十一日	227,340	7,578	234,918

### 15. Investment properties (continued)

The investment properties of the Group were revalued at December 31, 2006 by Malcolm & Associate Appraisal Limited (2005: BMI Appraisals Limited), independent qualified professional valuers, on an open market, existing use basis.

The investment properties of the Group are rented out or available for rent under operating leases, further summary details of which are included in note 39 to the financial statements.

The Group had pledged investment properties with a carrying amount of approximately HK\$232,418,000 (2005: HK\$197,199,000) to secure facilities granted to the Group (See note 43).

### 15. 投資物業(續)

本集團投資物業於二零零六年十二月三十一日由獨立專業估值師建盟評估有限公司(二零零五年：邦盟匯駿評估有限公司)按公開市場及現有使用基準進行重估。

本集團已租出或空置作出租用途之投資物業均屬經營租賃，有關概要的進一步詳情載於財務報表附註第39項。

本集團以賬面值約港幣232,418,000元之投資物業(二零零五年：港幣197,199,000元)作為抵押，藉以為授予本集團之信貸作擔保(參閱附註第43項)。

## 16. Property, plant and equipment

## 16. 物業、廠房及設備

The Group	本集團	Land and buildings in Hong Kong held under medium-term leases		Furniture, fixtures and equipment	Machinery and tools	Motor vehicles	Total
		在香港根據中期契約持有之土地及樓宇	Leasehold improvements				
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cost or valuation	成本值或估值						
At January 1, 2005	於二零零五年一月一日	139,930	19,670	40,823	9,213	8,321	217,957
Exchange difference	匯兌差額	-	(2)	(20)	(1)	(20)	(43)
Additions	添置	-	10,559	3,166	2,239	2,919	18,883
Transfer to investment properties	轉撥至投資物業	(38,965)	-	-	-	-	(38,965)
Transfer from investment properties	由投資物業轉撥	5,558	-	-	-	-	5,558
Reclassification	重新歸類	-	-	856	(856)	-	-
Disposals	出售	-	(6,102)	(12,694)	(2,977)	(4,356)	(26,129)
At December 31, 2005 and January 1, 2006	於二零零五年十二月三十一日及二零零六年一月一日	106,523	24,125	32,131	7,618	6,864	177,261
Exchange difference	匯兌差額	-	9	109	6	94	218
Acquisition of a subsidiary	收購一間附屬公司	-	-	1,229	-	-	1,229
Additions	添置	-	3,357	1,296	69	7,700	12,422
Transfer to investment properties	轉撥至投資物業	(25,463)	-	-	-	-	(25,463)
Transfer from investment properties	由投資物業轉撥	19,395	-	-	-	-	19,395
Disposal of a subsidiary	出售一間附屬公司	-	-	(15)	(63)	-	(78)
Disposals	出售	-	-	(1,929)	(9)	(63)	(2,001)
At December 31, 2006	於二零零六年十二月三十一日	100,455	27,491	32,821	7,621	14,595	182,983
Representing:	包括：						
At cost	按成本	89,815	27,491	32,821	7,621	14,595	172,343
At 1996 valuation	按一九九六年估值	10,640	-	-	-	-	10,640
		100,455	27,491	32,821	7,621	14,595	182,983

## 16. Property, plant and equipment (continued)

## 16. 物業、廠房及設備(續)

		Land and buildings in Hong Kong held under medium- term leases 在香港根據 中期契約持有 之土地及樓宇 HK\$'000 港幣千元	Leasehold improvements 物業裝修 HK\$'000 港幣千元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 港幣千元	Machinery and tools 機器及工具 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
<b>Accumulated depreciation</b>	<b>累積折舊</b>						
At January 1, 2005	於二零零五年一月一日	27,722	18,917	39,419	8,317	6,054	100,429
Exchange difference	匯兌差額	-	(1)	(20)	(1)	(8)	(30)
Provided for the year	本年度折舊	2,871	866	895	373	676	5,681
Transfer to investment properties	轉撥至投資物業	(8,417)	-	-	-	-	(8,417)
Reclassification	重新歸類	-	-	724	(724)	-	-
Eliminated upon disposals	出售時撤銷	-	(5,826)	(12,510)	(2,975)	(1,755)	(23,066)
At December 31, 2005 and January 1, 2006	於二零零五年十二月三十一日 及二零零六年一月一日	22,176	13,956	28,508	4,990	4,967	74,597
Exchange difference	匯兌差額	-	11	105	-	47	163
Acquisition of a subsidiary	收購一間附屬公司	-	-	1,154	-	-	1,154
Provided for the year	本年度折舊	2,685	2,520	1,312	649	1,870	9,036
Transfer to investment properties	轉撥至投資物業	(567)	-	-	-	-	(567)
Reclassification	重新歸類	-	-	(82)	82	-	-
Disposal of a subsidiary	出售一間附屬公司	-	-	(12)	(17)	-	(29)
Eliminated upon disposals	出售時撤銷	-	-	(1,778)	(9)	(63)	(1,850)
At December 31, 2006	於二零零六年十二月三十一日	24,294	16,487	29,207	5,695	6,821	82,504
<b>Net book values</b>	<b>賬面淨值</b>						
At December 31, 2006	於二零零六年十二月三十一日	76,161	11,004	3,614	1,926	7,774	100,479
At December 31, 2005	於二零零五年十二月三十一日	84,347	10,169	3,623	2,628	1,897	102,664

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## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 16. Property, plant and equipment (continued)

At December 31, 2006, the net book value of the Group's motor vehicles included an amount of HK\$2,905,134 (2005: HK\$442,400) in respect of assets held under finance leases. The leasehold land and building of the Group were valued at 1996 by an independent qualified professional valuer that are not connected with the Group on an open market value basis.

The valuations as at 1996 represented the carrying values (equivalent to their approximate fair values) of the leasehold land and buildings at the time when they ceased to be classified as investment properties. Had the leasehold properties been carried at their historical cost less accumulated depreciation, amortisation and impairment losses, the carrying value of the leasehold properties would have been stated at approximately HK\$8,292,000 (2005: HK\$14,086,000).

The Group had pledged land and buildings having a carrying amount of approximately HK\$76,161,000 (2005: HK\$84,347,000) to secure facilities granted to the Group (See note 43).

### 16. 物業、廠房及設備(續)

於二零零六年十二月三十一日，本集團汽車之賬面淨值包括價值港幣2,905,134元(二零零五年：港幣442,400元)之融資租賃資產。本集團之租賃土地及樓宇已於一九九六年由與本集團無關聯之獨立合資格專業估值師依據公開市場價值基準估值。

於一九九六年之估值，代表租賃土地及樓宇被停止歸類為投資物業時，該等租賃土地及樓宇之賬面值(等同其近似公平值)。假如租賃物業以其歷史成本減累積折舊、攤銷及減值虧損後入賬，則租賃物業之賬面值將約為港幣8,292,000元(二零零五年：港幣14,086,000元)。

本集團以賬面值約港幣76,161,000元(二零零五年：港幣84,347,000元)之土地及樓宇作為抵押，藉以為授予本集團之信貸擔保(參閱附註第43項)。

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### 16. Property, plant and equipment (continued)

### 16. 物業、廠房及設備(續)

		Leasehold improvements 物業裝修 HK\$'000 港幣千元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
<b>The Company</b>	<b>本公司</b>				
<b>Cost</b>	<b>成本值</b>				
At January 1, 2005	於二零零五年一月一日	6,643	22,326	1,997	30,966
Additions	添置	-	208	-	208
Transfer from a subsidiary	由一間附屬公司轉撥	-	41	-	41
Disposals	出售	(399)	(6,227)	-	(6,626)
At December 31, 2005 and January 1, 2006	於二零零五年十二月三十一日 及二零零六年一月一日	6,244	16,348	1,997	24,589
Additions	添置	-	438	1,237	1,675
At December 31, 2006	於二零零六年十二月三十一日	6,244	16,786	3,234	26,264
<b>Accumulated depreciation</b>	<b>累積折舊</b>				
At January 1, 2005	於二零零五年一月一日	6,619	22,022	1,857	30,498
Provided for the year	本年度折舊	8	150	138	296
Eliminated upon disposals	於出售時撇銷	(399)	(6,227)	-	(6,626)
At December 31, 2005 and January 1, 2006	於二零零五年十二月三十一日 及二零零六年一月一日	6,228	15,945	1,995	24,168
Provided for the year	本年度折舊	7	255	248	510
At December 31, 2006	於二零零六年十二月三十一日	6,235	16,200	2,243	24,678
<b>Net book values</b>	<b>賬面淨值</b>				
At December 31, 2006	於二零零六年十二月三十一日	9	586	991	1,586
At December 31, 2005	於二零零五年十二月三十一日	16	403	2	421

## 17. Goodwill

## 17. 商譽

The Group	本集團	Total 總額 HK\$'000 港幣千元
<b>Cost</b>	<b>成本</b>	
At January 1, 2005	於二零零五年一月一日	2,713
Elimination of accumulated amortisation upon the adoption of HKFRS 3	採納香港財務報告準則第3號後 撤銷累積攤銷	(407)
At December 31, 2005 and January 1, 2006	於二零零五年十二月三十一日 及二零零六年一月一日	2,306
Acquisition of subsidiaries	收購附屬公司	291
At December 31, 2006	於二零零六年十二月三十一日	2,597
<b>Carrying value</b>	<b>賬面值</b>	
At December 31, 2006	於二零零六年十二月三十一日	2,597
At December 31, 2005	於二零零五年十二月三十一日	2,306

Particulars regarding impairment testing on goodwill are disclosed in note 18.

商譽減值測試資料列載於附註第18項內。

### 18. Impairment testing on goodwill

As explained in note 7, the Group uses business segments as its primary segment for reporting segment information. For the purposes of impairment testing, goodwill with indefinite useful lives set out in note 17 has been allocated to an individual cash generating unit (CGU), including subsidiaries in the “cars and car accessories” segment. The carrying amount of goodwill (net of accumulated impairment losses) at December 31, 2006 was approximately HK\$2,597,000 (2005: HK\$2,306,000).

During the year ended December 31, 2006, Directors of the Group determines that there are no impairments of its CGU containing goodwill.

The recoverable amount of the above CGU has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and discount rate of 10% (2005: 10%). Another key assumption for the value in use calculations is the budgeted gross margin, which is determined based on the CGU's past performance and management's expectations for the market development.

### 18. 商譽之減值測試

如附註第7項所闡釋，本集團採用業務分類為其呈報之主要分類。就減值測試，具有無限使用年期之商譽（見附註第17項）已被分配至一個現金產生單位，包括歸類於「汽車及汽車配件」之附屬公司。於二零零六年十二月三十一日，商譽賬面值（扣除累積減值虧損）約為港幣2,597,000元（二零零五年：港幣2,306,000元）。

於截至二零零六年十二月三十一日止年度，本集團董事確認本集團含有商譽之現金產生單位並無減值。

上述現金產生單位之可收回金額乃依據一項使用價值計算釐定。計算採用之現金流量預測乃基於管理層批准之一項涉時五年之財務預算，及10%折現率（二零零五年：10%）。使用價值計算之另一項關鍵假設乃預算毛利，該預算毛利乃依據該現金產生單位之過往表現及管理層對市場發展之預期而釐定。



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### 19. Investments in subsidiaries

Unlisted shares, at cost 無牌價股份，成本值  
Less: Impairment loss recognised 減：已確認之減值虧損

Particulars of the Company's principal subsidiaries at December 31, 2006 are shown in note 46.

### 20. Interests in associates

Share of net assets of associates 應佔聯營公司資產淨值  
(note (d)) (附註 (d))

Notes:

- (a) On December 30, 2005, Italian Motors (Sales & Service) Limited, a subsidiary of the Company, and Ferrari S.p.A entered into an equity interest transfer agreement relating to the transfer of 29% equity interest ("Equity Transfer") in Ferrari Maserati Cars International Trading (Shanghai) Co., Ltd. ("FMC"), for a consideration of US\$870,000, equivalent to approximately HK\$6.8 million. At December 31, 2006, the Equity Transfer had not been approved by the relevant authorities in the PRC and as a result, FMC continue to be accounted for as an associate of the Group.

### 19. 於附屬公司之投資

The Company	
本公司	
2006	2005
二零零六年	二零零五年
HK\$'000	HK\$'000
港幣千元	港幣千元
	(restated)
	(重列)
308,630	303,901
(30,736)	(30,736)
<b>277,894</b>	<b>273,165</b>

本公司於二零零六年十二月三十一日之主要附屬公司資料列載於附註第46項內。

### 20. 於聯營公司之權益

2006	2005
二零零六年	二零零五年
HK\$'000	HK\$'000
港幣千元	港幣千元
10,727	60,545

附註：

- (a) 於二零零五年十二月三十日，本公司附屬公司勵駿汽車有限公司與Ferrari S.p.A. 訂立股權轉讓協議，內容為有關以代價870,000美元（相當於約港幣6,800,000元）轉讓法拉利瑪莎拉蒂汽車國際貿易（上海）有限公司（「法拉利瑪莎拉蒂」）29%的股本權益（「股權轉讓」）。於二零零六年十二月三十一日，股權轉讓尚未獲中國有關當局批准，因此，法拉利瑪莎拉蒂繼續以本集團聯營公司入賬。

### 20. Interests in associates (continued)

Notes: (continued)

- (b) On June 30, 2006, Metro Global Limited (“Metro Global”), a wholly owned subsidiary of the Company, JM Washing Machine Factory and Candy Elettrodomestici S.r.l. entered into a share purchase and subscription agreement relating to, among other things, the disposal of 50% equity interest in 金羚電器有限公司 (“金羚電器”), a sino foreign equity joint venture established in the PRC, by Metro Global for a cash consideration of approximately RMB27 million (“Consideration”), which is equivalent to approximately HK\$26 million. The net assets of 金羚電器 as at the date of transfer was approximately HK\$87 million and the resulting loss from the disposal of 50% equity interest in 金羚電器 together with the realisation of accumulated exchange differences was approximately HK\$9.7 million.
- (c) On July 15, 2006, Corich Enterprises Inc. (“Corich”), an indirect wholly-owned subsidiary of the Company, and Mr. Herbert Adamczyk (“Mr. Adamczyk”), as sellers entered into a share exchange agreement (“Share Exchange Agreement”) with China Premium Lifestyle Enterprise, Inc. (“CPMM”) as the purchaser, Mr. Fred De Luca (“Mr. Luca”) and Technorient Limited (“Technorient”), a principal indirect subsidiary of the Company, in relation to the sale of an aggregate of 49% of the issued share capital of Technorient in consideration for the issue by CPMM of an aggregate of 972,728 CPMM’s preference convertible shares of par value of US\$0.001 each convertible into an aggregate of 89,689,881 CPMM’s common shares of par value of US\$0.001 each.

### 20. 於聯營公司之權益(續)

附註：(續)

- (b) 於二零零六年六月三十日，本公司之全資附屬公司和記電業(環球)有限公司(「和記環球」)與江門市洗衣機廠及Candy Elettrodomestici S.r.l. 訂立購股及認購協議，內容為由和記環球出售於中國成立之中外合資公司金羚電器有限公司(「金羚電器」)之50%股本權益，代價為約人民幣27,000,000元(相當於約港幣26,000,000元)(「代價」)。金羚電器於轉讓日期之資產淨值為約港幣87,000,000元而出售金羚電器50%股本權益產生之虧損連同累計匯兌差額變現為約港幣9,700,000元。
- (c) 於二零零六年七月十五日，Corich Enterprises Inc.(「Corich」)(本公司之間接全資附屬公司)和Herbert Adamczyk先生(「Adamczyk先生」)(同作為賣方)與China Premium Lifestyle Enterprise, Inc.(「CPMM」)(作為買方)、Fred De Luca先生(「Luca先生」)及勵安有限公司(「勵安」)(本公司主要間接附屬公司)就出售勵安合共49%之已發行股本訂立股份交換協議，代價為由CPMM發行合共972,728股每股面值0.001美元之可轉換為合共89,689,881股每股面值0.001美元之CPMM普通股之優先可換股。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 20. Interests in associates (continued)

Notes: (continued)

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

Total assets	總資產
Total liabilities	總負債
Net assets	資產淨值
Group's share of net assets of associates	本集團應佔聯營公司之資產淨值
Turnover	營業額
Profit/(Loss) for the year	本年度盈利/(虧損)
Group's share of result of associates for the year	本集團應佔聯營公司 本年度業績

Particulars of the Group's principal associates at December 31, 2006 are shown in note 47.

### 21. Inventories

Finished goods	製成品
Spare parts	零件

Included in the above figure are finished goods of HK\$24,299,000 (2005: HK\$2,930,000) which has been pledged as security for bank loans (See note 43).

### 20. 於聯營公司之權益(續)

附註：(續)

- (d) 本集團聯營公司之財務資料概要如下：

	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Total assets	242,195	551,756
Total liabilities	(206,437)	(420,513)
Net assets	35,758	131,243
Group's share of net assets of associates	10,727	60,545
Turnover	439,140	828,299
Profit/(Loss) for the year	9,284	(37,855)
Group's share of result of associates for the year	(7,777)	(20,739)

本集團於二零零六年十二月三十一日之主要聯營公司資料列載於附註第47項內。

### 21. 存貨

The Group 本集團	
2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Finished goods	70,400
Spare parts	10,757
	81,157

上述金額內之港幣24,299,000元(二零零五年：港幣2,930,000元)之製成品，被用作銀行貸款之抵押(見附註第43項)。

# Notes to the Financial Statements

## 財務報表賬項附註

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 22. Trade and other receivables

The Group allows an average credit period of 7 to 90 days to its customers. The aged analysis of trade receivables is as follows:

Within 30 days	三十天以內	94,807	52,173
31 to 60 days	三十一天至六十天	14,405	11,175
61 to 90 days	六十一天至九十天	3,999	4,378
91 days to 1 year	九十一天至一年	3,678	2,084
Over 1 year	一年以上	5,676	6,393
Total trade receivables	貿易往來應收賬款總額	122,565	76,203
Less: Provision for impairment of trade receivables	減：貿易往來應收賬款減值撥備	(5,731)	(6,548)
Total trade receivables, net of provision	貿易往來應收賬款減撥備總額	116,834	69,655
Deposits, prepayments and other receivables	訂金、預付款及其他應收賬款	32,606	34,287
		149,440	103,942

The fair values of the Group's trade and other receivables at December 31, 2006 approximate to the corresponding carrying amounts.

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

### 23. Amounts due from/to associates/subsidiaries

The amounts due are unsecured, interest-free and have no fixed terms of repayment. In the opinion of the Directors of the Company, the carrying amounts of the amounts due from or to associates or subsidiaries at December 31, 2006 approximate to their fair values.

### 22. 貿易往來及其他應收賬款

本集團給予客戶平均七至九十天之信貸期。其貿易往來應收賬款之賬齡分析如下：

The Group		本集團	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within 30 days	三十天以內	94,807	52,173
31 to 60 days	三十一天至六十天	14,405	11,175
61 to 90 days	六十一天至九十天	3,999	4,378
91 days to 1 year	九十一天至一年	3,678	2,084
Over 1 year	一年以上	5,676	6,393
Total trade receivables	貿易往來應收賬款總額	122,565	76,203
Less: Provision for impairment of trade receivables	減：貿易往來應收賬款減值撥備	(5,731)	(6,548)
Total trade receivables, net of provision	貿易往來應收賬款減撥備總額	116,834	69,655
Deposits, prepayments and other receivables	訂金、預付款及其他應收賬款	32,606	34,287
		149,440	103,942

於二零零六年十二月三十一日，本集團貿易往來及其他應收賬款之公平值與相應賬面值大致相等。

就貿易往來應收賬款，並無重大集中信貸風險，因為本集團客戶數量眾多，分散於國際市場。

### 23. 應收／應付聯營公司／附屬公司款項

該等款額為無抵押、免息及無固定還款期。本公司董事認為，於二零零六年十二月三十一日之應收／應付聯營公司或附屬公司款項與其公平值相若。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 24. Available-for-sale financial assets

At January 1	於一月一日	527	702
Fair value loss on available-for-sale financial assets	可供出售之金融資產 公平值虧損	-	(175)
At December 31	於十二月三十一日	527	527
Available-for-sale financial assets at December 31 comprise of:	於十二月三十一日， 可供出售之金融資產包括：		
Unlisted securities:	無牌價證券：		
Debt securities without interest and maturity date	無利息及到期日之債券	527	527

The above investments consisted of investments in unlisted debt securities which were designated as available-for-sale financial assets on January 1, 2005 and have no fixed maturity date or coupon rate.

The fair values of unlisted available-for-sale debt investments have been estimated based on observable market prices or rate. The fair value loss on available-for-sale financial assets represented the impairment loss for the year ended December 31, 2005. The Directors believe that the estimated fair values based on observable market prices or rates, which are recorded in the consolidated balance sheet, and the related fair value losses, which are recorded in the consolidated income statement, are reasonable, and that they are the most appropriate values at the balance sheet date.

### 24. 可供出售之金融資產

		The Group	
		本集團	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At January 1	於一月一日	527	702
Fair value loss on available-for-sale financial assets	可供出售之金融資產 公平值虧損	-	(175)
At December 31	於十二月三十一日	527	527
Available-for-sale financial assets at December 31 comprise of:	於十二月三十一日， 可供出售之金融資產包括：		
Unlisted securities:	無牌價證券：		
Debt securities without interest and maturity date	無利息及到期日之債券	527	527

上述投資包括無牌價之債券，該等債券於二零零五年一月一日確定為可供出售之金融資產，並無固定到期日或票面息率。

可供出售之金融資產之公平值乃依據可觀察之市場價格或息率確定。可供出售之金融資產之公平值虧損，乃為截至二零零五年十二月三十一日止年度之減值虧損。董事認為，依據可觀察市場價格或息率估計之公平值（且已列入綜合資產負債表），及公平值之相關虧損（已列入綜合損益表）乃為合理，且於結算日為最恰當之價值。

## 25. Other financial assets at fair value through profit or loss

## 25. 其他以公平值計入損益的金融資產

		The Group		The Company	
		本集團		本公司	
		2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
At January 1	於一月一日	20	101	20	36
Fair value losses on other financial assets at fair value through profit or loss	其他以公平值計入損益的金融資產之公平值虧損	(9)	(81)	(9)	(16)
At December 31	於十二月三十一日	11	20	11	20
Listed securities:	有牌價證券：				
Equity securities listed in Hong Kong	於香港掛牌之股本證券	11	19	11	19
Equity securities listed in elsewhere	於其他地區掛牌之股本證券	-	1	-	1
		11	20	11	20

The carrying amounts of the above financial assets were classified as held for trading.

上述金融資產之賬面值歸類為持作買賣。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 26. Trade and other payables

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

Within 30 days	三十天以內
31 to 60 days	三十一天至六十天
61 to 90 days	六十一天至九十天
91 days to 1 year	九十一天至一年
Over 1 year	一年以上
Total trade payables	貿易往來應付賬款總額
Derivative financial instruments	衍生金融工具
Customers' deposits, accruals and other payables	客戶訂金、應付費用 及其他應付賬款

The fair values of the Group's trade and other payables at December 31, 2006 approximate to the corresponding carrying amounts.

### 26. 貿易往來及其他應付賬款

於結算日，貿易往來應付賬款之賬齡分析如下：

The Group	
本集團	
2006	2005
二零零六年	二零零五年
HK\$'000	HK\$'000
港幣千元	港幣千元
7,518	5,598
3,314	2,924
4,832	4,404
3,312	719
543	536
<b>19,519</b>	<b>14,181</b>
57	3,927
<b>143,991</b>	<b>100,724</b>
<b>163,567</b>	<b>118,832</b>

於二零零六年十二月三十一日，本集團貿易往來及其他應付賬款之公平值與其對應賬面值大致相等。

### 27. Provision for a legal claim

At December 31, 2005, the Group had a provision for a legal claim of approximately HK\$30,656,000 arising out of a law suit against 東莞長興制冷設備有限公司 (Dongguan Changxing Refrigeration Equipment Co. Ltd. and hereinafter refer to as Dongguan Changxing), a subsidiary in PRC.

On November 14, 2006, the Company announced that Wo Kee Hong (B.V.I.) Limited ("WKHL"), a wholly-owned subsidiary of the Company, as the vendor entered in an agreement with Surestatus Group Limited ("Surestatus"), a company incorporated in the British Virgin Islands and wholly-owned by Mr. Richard Man Fai LEE, who is the executive chairman and chief executive officer of the Company, as the purchaser whereby WKHL had agreed to sell and Surestatus had agreed to purchase 100% interest in the issued share capital of Che Chuen Development Limited ("Che Chuen"), which was an wholly-owned subsidiary of the Company and its principal assets was an indirect 92% interest in the registered capital of Dongguan Changxing, for a consideration of HK\$1.00. On the completion of disposal of 100% interest in Che Chuen, the Group transferred its 92% indirect interest in Dongguan Changxing together with the provision for the legal claim of approximately HK\$30,656,000 to Surestatus. Further details set out in the circular of the Company dated December 4, 2006.

### 27. 司法索償撥備

於二零零五年十二月三十一日，本集團就於中國之附屬公司東莞長興制冷設備有限公司(以下稱為「東莞長興」)之法律訴訟已作出約港幣30,656,000元之司法索償撥備。

於二零零六年十一月十四日，本公司宣佈本公司全資附屬公司Wo Kee Hong (B.V.I.) Limited (「WKHL」) (作為賣方)與Surestatus Group Limited (「Surestatus」) (一家於英屬處女群島註冊成立及由本公司執行董事及行政總裁李文輝先生全資擁有之公司，作為買方)訂立一份協議，據此WKHL同意出售而Surestatus同意購買本公司之全資附屬公司Che Chuen Development Limited (「Che Chuen」)之全部已發行股本，代價為港幣1.00元。該公司之主要資產為於東莞長興註冊資本之92%間接權益。於完成出售在Che Chuen之全部權益後，本集團將其於東莞長興之92%間接權益連同約港幣30,656,000元之司法索償撥備轉讓予Surestatus。進一步詳情載於本公司於二零零六年十二月四日刊發之通函。



# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 28. Convertible loan note

The Company issued a 7.25% convertible loan note in the principal amount of HK\$30,000,000 on August 18, 2005 to Hanny Holdings Limited (“Hanny”). The convertible loan note is denominated in Hong Kong dollars. The convertible loan note entitles the holder to convert it into ordinary shares of the Company at any time between the date of issue of the convertible loan note and the settlement date on September 5, 2008 at a conversion price of HK\$1.00 per convertible loan note. If the convertible loan note has not been converted, it will be redeemed on September 5, 2008 at par. Interest of 7.25% will be paid semi-annually up until the settlement date. Further details of which are set out in the announcement of the Company dated August 18, 2005.

The convertible loan note contains two components, liability and equity components. Upon initial recognition, the convertible loan note was split between the liability and equity components. The equity component is presented in equity heading “Equity component of convertible loan note”. The effective interest rate of the liability component is 10%.

### 28. 可換股貸款票據

本公司於二零零五年八月十八日向錦興集團有限公司(「錦興」)發行本金額港幣30,000,000元之7.25%之可換股貸款票據。該可換股貸款票據以港幣為面值，賦予持有人權利可於發行可換股貸款票據日期至二零零八年九月五日之償還日期間任何時間以每份可換股貸款票據港幣1.00元之換股價兌換本公司普通股。倘可換股貸款票據不予兌換，將於二零零八年九月五日按面值贖回。7.25%之利息將每半年支付一次直至償還日期。有關詳情載於本公司於二零零五年八月十八日之公佈內。

可換股貸款票據分兩個組成部份，即負債及權益部份。於初步確認後，可換股貸款票據分為債務及權益部份。權益部份列於「可換股貸款票據權益部份」之權益一欄。負債部份之實際利率為10%。

**28. Convertible loan note (continued)**

The movement of the liability component of the convertible loan note for the year is set out below:

		The Group and the Company	
		本集團及本公司	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Face value of convertible loan note	可換股貸款票據面值	30,000	30,000
Transaction cost	交易成本	(1,735)	(1,735)
Equity component	權益部份	(185)	(185)
Liability component on initial recognition at August 18, 2005	於二零零五年八月十八日初步確認之負債部份	28,080	28,080
Interest charged	已扣除之利息	3,644	871
Interest paid	已繳利息	(2,175)	-
Liability component at December 31	於十二月三十一日之負債部份	29,549	28,951

The fair value of the liability component of the convertible loan note at December 31, 2006, determined based on the present value of the estimated future cash outflows discounted at the prevailing market rate for an equivalent non-convertible loan at the balance sheet date, was approximately HK\$29,549,000 (2005: HK\$28,951,000).

**28. 可換股貸款票據(續)**

可換股貸款票據負債部份之變動呈列如下：

		The Group and the Company	
		本集團及本公司	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Face value of convertible loan note	可換股貸款票據面值	30,000	30,000
Transaction cost	交易成本	(1,735)	(1,735)
Equity component	權益部份	(185)	(185)
Liability component on initial recognition at August 18, 2005	於二零零五年八月十八日初步確認之負債部份	28,080	28,080
Interest charged	已扣除之利息	3,644	871
Interest paid	已繳利息	(2,175)	-
Liability component at December 31	於十二月三十一日之負債部份	29,549	28,951

可換股貸款票據負債部份於二零零六年十二月三十一日之公平值(以結算日一項等同非可換股貸款按市場利率貼現預計未來現金流量之現值而確定)約為港幣29,549,000元(二零零五年：港幣28,951,000元)。

## 29. Amounts due to related companies

		The Group		The Company	
		本集團		本公司	
		2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Amounts repayable within one year	一年內償還之金額	6,914	4,100	553	877
Amounts repayable after one year but within two years	一年後但兩年內償還之金額	–	5,352	–	1,162
		<b>6,914</b>	<b>9,452</b>	<b>553</b>	<b>2,039</b>

The amounts included in the current liabilities are unsecured, non-interest bearing and have no fixed terms of repayment. The related companies are controlled by certain Directors of the Company. The fair value of the amounts due to related companies as at December 31, 2006 approximates the corresponding carrying amount.

As at December 31, 2005, the fair value of the loan from a related company included in non-current liabilities was HK\$5,352,000 and determined based on the present value of the estimated future cash outflows discounted using the prevailing market rate of the balance sheet. The effective interest rate of the amount due to a related company is 10%. The related company was controlled by certain Directors of the Company.

## 29. 應付關聯公司款項

歸入流動負債之金額乃無抵押、免息及無固定還款期。關聯公司由本公司若干董事控制。於二零零六年十二月三十一日，應付關聯公司款項之公平值接近其對應賬面值。

於二零零五年十二月三十一日，歸入非流動負債自一間關聯公司所獲貸款之公平值為港幣5,352,000元，乃依據以結算日通行市場利率折現之估計未來現金流出量所得的現值釐定。應付關聯公司款項之實際利率為10%。此關聯公司由本公司若干董事控制。

## 30. Obligations under finance leases

## 30. 融資租賃債務

		Minimum lease payments		Present value of minimum lease payments	
		2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
<b>The Group</b>	<b>本集團</b>				
Amounts payable under finance leases:	根據融資租賃之應付數額：				
Within one year	於一年內	1,486	95	1,387	82
In the second to fifth year inclusive	第二至第五年	1,217	340	1,121	294
More than five years	五年以上	–	29	–	25
		2,703	464	2,508	401
Less: Future finance charges	減去：未來融資費用	(195)	(63)	–	–
Present value of lease obligations	租賃債務現值	2,508	401	2,508	401
Analysed as:	分析如下：				
Amounts due within one year shown under current liabilities	列於流動負債項下一年內到期之金額			1,387	82
Amounts due after one year	一年後到期之金額			1,121	319
				2,508	401

For the year ended December 31, 2006, the average effective borrowing rate was approximately 4% (2005: 4%) per annum. Interest rates are fixed at the contract date. All leases were on a fixed repayment basis and no arrangement had been entered into for contingent rental payments. The Group's obligations under finance leases were secured by the lessor's charge over the leased assets. The carrying amount of the obligations under finance leases approximates their fair value.

於截至二零零六年十二月三十一日止年度，平均實際借貸利率為年利率約4%（二零零五年：4%），利率在合約日期釐定。所有租賃以定期還款為基準及並無就或然租金付款作出安排。本集團之融資租賃債務由出租人對租賃資產之押記作抵押。融資租賃債務之賬面值與其公平值相若。

## 31. Borrowings

## 31. 貸款

		The Group	
		本集團	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Bank overdrafts	銀行透支	18,921	5,406
Bank loans	銀行貸款	115,053	77,654
		<b>133,974</b>	<b>83,060</b>
Secured (See note 43)	有抵押(附註第43項)	123,869	75,751
Unsecured	無抵押	10,105	7,309
		<b>133,974</b>	<b>83,060</b>
The maturities of the above loans are as follows:		上述貸款屆滿期如下：	
Within one year	一年內	122,671	69,333
More than one year, but not exceeding two years	一年以上，但不超過兩年	7,812	6,134
More than two years, but not exceeding five years	兩年以上，但不超過五年	606	7,593
More than five years	五年以上	2,885	-
		<b>133,974</b>	<b>83,060</b>
Less: Amounts due within one year shown under current liabilities	減去：列於流動負債項下 一年內到期應付款項	(122,671)	(69,333)
Amounts due after one year	一年後到期應付款項	11,303	13,727

**31. Borrowings (continued)**

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

Effective interest rate:	實際利率：	2006	2005
Variable-rate borrowings	浮息貸款	二零零六年	二零零五年
		4.85% to 至9.25%	3.15% to 至10%

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

		MYR'000	SGD'000	JPY'000	USD'000
		馬幣	新加坡元	日元	美元
		千元	千元	千元	千元
At December 31, 2006	於二零零六年 十二月三十一日	1,982	1,516	-	1,575
At December 31, 2005	於二零零五年 十二月三十一日	3,156	482	10,850	2,682

During the year, the Group obtained new borrowings in the amount of approximately HK\$349,897,000 (2005: HK\$312,447,000). The borrowings bear interest at market rates and the proceeds were used to finance the working capital.

The fair values of the Group's borrowings at December 31, 2006 approximate to the corresponding carrying amounts.

**31. 貸款(續)**

本集團貸款之實際利率範圍(亦等於合約規定利率)如下：

2006	2005
二零零六年	二零零五年
4.85% to 至9.25%	3.15% to 至10%

並非以相關集團公司功能貨幣計值之本集團貸款呈列如下：

於年內，本集團獲得金額約港幣349,897,000元(二零零五年：港幣312,447,000元)之新造貸款。該項貸款以市場利率計息。所得款項用作營運資金之融資。

本集團貸款於二零零六年十二月三十一日之公平值與相應賬面值相若。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 32. Deferred tax (assets)/liabilities

At January 1, 2005	於二零零五年一月一日	25,094	(21,300)	3,794
Charged/(credited) to income statement for the year	於年內損益表 扣除/(計入)	(3,942)	15,000	11,058
At December 31, 2005 and January 1, 2006	於二零零五年 十二月三十一日及 二零零六年一月一日	21,152	(6,300)	14,852
Charged/(credited) to income statement for the year	於年內損益表 扣除/(計入)	(1,237)	2,085	848
At December 31, 2006	於二零零六年 十二月三十一日	19,915	(4,215)	15,700

The following is the analysis of the deferred tax balances for financial reporting purposes:

Deferred tax liabilities	遞延稅項負債
Deferred tax assets	遞延稅項資產

At December 31, 2006, the Group has unused tax losses of approximately HK\$1,007,532,000 (2005: HK\$991,418,000) available for offset future profits. A deferred tax asset has been recognised in respect of approximately HK\$24,086,000 (2005: HK\$36,000,000) of such losses. No deferred tax asset has been recognised in respect of the remaining amount of approximately HK\$983,446,000 (2005: HK\$955,418,000) due to the unpredictability of future profit streams. The tax losses may be carried forward either 5 years or indefinitely.

### 32. 遞延稅項(資產)/負債

	Accelerated tax depreciation 加速稅項折舊 HK\$'000 港幣千元	Tax losses 稅項虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At January 1, 2005	25,094	(21,300)	3,794
Charged/(credited) to income statement for the year	(3,942)	15,000	11,058
At December 31, 2005 and January 1, 2006	21,152	(6,300)	14,852
Charged/(credited) to income statement for the year	(1,237)	2,085	848
At December 31, 2006	19,915	(4,215)	15,700

以下為財務報告目的之遞延稅項結餘分析：

	2006	2005
	二零零六年	二零零五年
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Deferred tax liabilities	19,915	21,152
Deferred tax assets	(4,215)	(6,300)
	15,700	14,852

於二零零六年十二月三十一日，本集團可供抵銷日後盈利之未動用稅項虧損約港幣1,007,532,000元(二零零五年：港幣991,418,000元)。本集團已就該等虧損確認約港幣24,086,000元(二零零五年：港幣36,000,000元)之遞延稅項資產。由於未能估計日後盈利流量，故並無就其餘約港幣983,446,000元(二零零五年：港幣955,418,000元)確認遞延稅項資產。稅項虧損可結轉五年或無限期結轉。

## 33. Share capital

## 33. 股本

		Number of shares 股份數目	Nominal value 面值 HK\$'000 港幣千元
<b>Authorised:</b>	<b>法定股本：</b>		
At January 1, 2005,	於二零零五年一月一日		
December 31, 2005	二零零五年十二月三十一日		
and January 1, 2006	二零零六年一月一日		
of HK\$0.10 each	—每股面值港幣0.10元	3,500,000,000	350,000
Effect of share consolidation	股份合併之影響	(3,150,000,000)	—
At December 31, 2006 of HK\$1.00 each	於二零零六年十二月三十一日 每股面值港幣1.00元	350,000,000	350,000
<b>Issued and fully paid:</b>	<b>已發行及繳足股本：</b>		
At January 1, 2005,	於二零零五年一月一日、		
December 31, 2005	二零零五年十二月三十一日及		
and January 1, 2006	二零零六年一月一日		
of HK\$0.10 each	—每股面值港幣0.10元	2,216,154,331	221,615
Effect of share consolidation	股份合併之影響	(1,994,538,898)	—
At December 31, 2006 of HK\$1.00 each	於二零零六年十二月三十一日 每股面值港幣1.00元	221,615,433	221,615

Pursuant to a resolution passed by the shareholders of the Company at a special general meeting held on June 15, 2006, every ten issued and unissued ordinary shares of HK\$0.10 each in the share capital of the Company as at that date were consolidated into one share of HK\$1.00 each. The share consolidation was effective from June 15, 2006.

根據本公司股東於二零零六年六月十五日舉行之股東特別大會上通過之一項決議案，本公司於該日股本中每十股每股面值港幣0.10元之已發行及未發行普通股合併為一股每股面值港幣1.00元之股份。股份合併於二零零六年六月十五日起生效。



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## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 34. Reserves

#### The Company

		Capital redemption reserve	Convertible loan note reserve	Contributed surplus	Accumulated losses	Total
		資本贖回儲備	可換股貸款 票據儲備	繳入盈餘	累計虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At January 1, 2005	於二零零五年一月一日	916	-	361,491	(319,632)	42,775
Loss for the year	年內虧損	-	-	-	(16,000)	(16,000)
Recognition of equity component of convertible loan note	確認可換股貸款票據 之權益部份	-	185	-	-	185
At December 31, 2005 and January 1, 2006	於二零零五年 十二月三十一日及 二零零六年一月一日	916	185	361,491	(335,632)	26,960
Loss for the year	年內虧損	-	-	-	(173,821)	(173,821)
At December 31, 2006	於二零零六年 十二月三十一日	916	185	361,491	(509,453)	(146,861)

### 34. 儲備

#### 本公司

### 34. Reserves (continued)

Under the Companies Act 1981 of Bermuda (as amended), the Company can make a distribution out of contributed surplus. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

At December 31, 2006, the Company did not have any distributable reserves available for distribution (2005: HK\$25,859,000, including contributed surplus of HK\$361,491,000 and accumulated losses of HK\$335,632,000).

### 35. Acquisition of subsidiaries

On January 31, 2006, the Group acquired 100% of the issued share capital of Firmmark Limited for considerations of approximately HK\$935,000. In addition, the Group further acquired 0.08% of the issued share capital of a subsidiary, Technorient Limited for considerations of HK\$200,000 on May 31, 2006. The amount of goodwill arising as a result of the acquisitions was HK\$291,000 in aggregate.

### 34. 儲備(續)

根據百慕達一九八一年公司法(經修訂),本公司之繳入盈餘賬為可供分派。然而,本公司不得在以下情況下宣派或派付股息,或從繳入盈餘作出分派:

- (a) 現時或將於付款後無法如期償還其負債;或
- (b) 其資產之可變現值將因而低於其負債及其已發行股本與股份溢價賬之總和。

截至二零零六年十二月三十一日,本公司並無可供分派儲備(二零零五年:港幣25,859,000元,包括繳入盈餘港幣361,491,000元及累計虧損港幣335,632,000元)。

### 35. 收購附屬公司

於二零零六年一月三十一日,本集團以港幣935,000元之代價收購恒標有限公司已發行股本之100%。此外,於二零零六年五月三十一日,本集團以港幣200,000元之代價進一步收購附屬公司勵安有限公司已發行股本之0.08%。因收購而產生之商譽金額合共為港幣291,000元。

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## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 35. Acquisition of subsidiaries (continued)

The net assets acquired in the transaction and the goodwill arising are as follows:

Net assets acquired:	收購資產淨值：		
Property, plant and equipment	物業、廠房及設備	88	-
Interest in an associate	於一間聯營公司之權益	4	-
Deferred tax assets	遞延稅項資產	5	-
Inventories	存貨	1,944	-
Trade and other receivables	貿易往來及其他應收賬款	6,678	-
Cash and cash equivalents	現金及現金等值項目	22	-
Trade and other payables	貿易往來及其他應付賬款	(4,601)	-
Bills payable	應付票據	(856)	-
Borrowings – due within one year	於一年內到期之貸款	(2,440)	-
		844	-
Goodwill	商譽	291	-
Total consideration	總代價	1,135	-
Satisfied by:	償付：		
Cash	現金	1,135	-
Net cash outflow from acquisition:	收購之現金流出淨額：		
Cash consideration	現金代價	1,113	-

### 35. 收購附屬公司(續)

於該交易內收購之資產淨值及產生之商譽如下：

	2006	2005
	二零零六年	二零零五年
	HK\$'000	HK\$'000
	港幣千元	港幣千元
	88	-
	4	-
	5	-
	1,944	-
	6,678	-
	22	-
	(4,601)	-
	(856)	-
	(2,440)	-
	844	-
	291	-
	1,135	-
	1,135	-
	1,113	-

### 36. Disposal of subsidiaries

(a) Loss on disposal of a subsidiary

The net assets of a subsidiary at the date of disposal were as follows:

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Net assets disposed of:	出售資產淨值：		
Property, plant and equipment	物業、廠房及設備	6,555	-
Interest in an associate	於一間聯營公司之權益	3,048	-
Deferred tax assets	遞延稅項資產	2,457	-
Inventories	存貨	26,204	-
Trade and other receivables	貿易往來及其他應收賬款	25,214	-
Cash and cash equivalents	現金及現金等值項目	2,264	-
Trade and other payables	貿易往來及其他應付賬款	(37,104)	-
Borrowings – due within one year	於一年內到期之貸款	(12,703)	-
		15,935	-
Loss on disposal of a subsidiary	出售附屬公司之虧損	(15,935)	-
Total consideration	總代價	-	-

During the year ended December 31, 2006, the Company disposed interest in certain subsidiaries. Corich, an indirect wholly-owned subsidiary of the Company, disposed 39% interest in Technorient in consideration for the issue by CPMM of an aggregate of 727,273 CPMM's preference convertible shares of par value of US\$0.001 each convertible into an aggregate of 67,057,843 CPMM's common shares of par value of US\$0.001 each. The resulting loss of the disposal was approximately HK\$15.9 million.

### 36. 出售附屬公司

(a) 出售一間附屬公司之虧損

於出售當日該附屬公司之資產淨值詳情如下：

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Net assets disposed of:	出售資產淨值：		
Property, plant and equipment	物業、廠房及設備	6,555	-
Interest in an associate	於一間聯營公司之權益	3,048	-
Deferred tax assets	遞延稅項資產	2,457	-
Inventories	存貨	26,204	-
Trade and other receivables	貿易往來及其他應收賬款	25,214	-
Cash and cash equivalents	現金及現金等值項目	2,264	-
Trade and other payables	貿易往來及其他應付賬款	(37,104)	-
Borrowings – due within one year	於一年內到期之貸款	(12,703)	-
		15,935	-
Loss on disposal of a subsidiary	出售附屬公司之虧損	(15,935)	-
Total consideration	總代價	-	-

於截至二零零六年十二月三十一日止年度，本公司出售於若干附屬公司之權益。本公司之間接全資附屬公司 Corich 出售於勵安之 39% 權益，代價為由 CPMM 發行合共 727,273 股每股面值 0.001 美元之可兌換為 67,057,843 股每股面值 0.001 美元的 CPMM 普通股的 CPMM 優先可換股。出售產生的虧損為合共港幣 15,900,000 元。

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 36. Disposal of subsidiaries (continued)

#### (b) Gain on disposal of a subsidiary

The net assets of a subsidiary at the date of disposal were as follows:

Net assets disposed of:	出售資產淨值：		
Other receivables	其他應收款項	702	—
Provision of a legal claim	司法索償撥備	(30,656)	—
Other payables	其他應付款項	(913)	—
Realisation of exchange reserve	匯兌儲備變現	2,243	—
		(28,624)	—
Gain on disposal of a subsidiary	出售一間附屬公司之收益	28,624	—
Total consideration	總代價	—	—
Satisfied by:	償付：		
Cash	現金	—	—

On November 14, 2006, the Company announced that Wo Kee Hong (B.V.I.) Limited (“WKHL”), a wholly-owned subsidiary of the Company, as the vendor entered into an agreement with Surestatus as the purchaser whereby WKHL has agreed to sell and Surestatus agreed to purchase 100% interest in the issued share capital of Che Chuen for a consideration of HK\$1.00. The resulting gain of such disposal was approximately HK\$28.6 million.

### 36. 出售附屬公司 (續)

#### (b) 出售一間附屬公司之收益

於出售當日，該附屬公司之資產淨值如下：

	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Other receivables	702	—
Provision of a legal claim	(30,656)	—
Other payables	(913)	—
Realisation of exchange reserve	2,243	—
	(28,624)	—
Gain on disposal of a subsidiary	28,624	—
Total consideration	—	—
Satisfied by:		
Cash	—	—

於二零零六年十一月十四日，本公司宣佈本公司全資附屬公司 Wo Kee Hong (B.V.I.) Limited (「WKHL」) (作為賣方) 與 Surestatus (作為買方) 訂立一份協議，據此 WKHL 同意出售而 Surestatus 同意購買 Che Chuen 之全部已發行股本，代價為港幣 1.00 元。該出售產生之收益為約港幣 28,600,000 元。

**37. Major non-cash transactions**

- (a) During the year ended December 31, 2006, Corich, an indirect wholly-owned subsidiary of the Company, disposed 39% interest in Technorient in consideration for the issue by CPMM of an aggregate of 727,273 CPMM's preference convertible shares of par value of US\$0.001 each convertible into an aggregate of 67,057,843 CPMM's common shares of par value of US\$0.001 each. The resulting loss of the disposal was totalling HK\$15.9 million.
- (b) During the year ended December 31, 2006, the Group acquired motor vehicles amounted to approximately HK\$2,890,000 under a finance lease.

**37. 主要非現金交易**

- (a) 於截至二零零六年十二月三十一日止年度，本公司之間接全資附屬公司 Corich 出售於勵安之 39% 權益，代價為由 CPMM 發行合共 727,273 股每股面值 0.001 美元之可兌換為 67,057,843 股每股面值 0.001 美元的 CPMM 普通股的 CPMM 優先可換股。出售產生的虧損為合共港幣 15,900,000 元。
- (b) 於截至二零零六年十二月三十一日止年度，本集團根據融資租賃購入約港幣 2,890,000 元的汽車。

**38. Material related party transactions**

In addition to the balances with related parties disclosed elsewhere in the financial statements, during the year, the Group entered into the following significant related party transactions:

**38. 與關聯人士之主要交易**

除財務報表其他部份所披露之關聯人士結餘外，本集團於本年度內進行下列重要關聯人士交易：

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Management and agency fee paid to a related company (a)	付予一間關聯公司之管理費及代理費 (a)	-	77
Management and agency fee paid to a related company which received the amounts on behalf of a building management fund (a), (b)	付予一間關聯公司 (代一份樓宇管理基金收取) 之管理費及代理費 (a)、(b)	4,187	4,206
Purchase of goods from a related company (a)	自一間關聯公司購入貨物 (a)	50	-
Sales of goods to related companies (a)	售貨予一間關聯公司 (a)	42	16

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 38. Material related party transactions (continued)

- (a) The pricing of transactions regarding advertising sponsorship, air-conditioning maintenance service fee, artist fee received, management and agency fees, goods sold to a related company and goods purchase from a related company were determined by the Directors on the basis of estimated market value.
- (b) The related companies acted as a building manager to operate a building management fund for a building owned by the Group and collected the management and agency fee from the Group on behalf of the building management fund. During the year ended December 31, 2006, management fee of HK\$417,000 and accounting service fee of HK\$162,000 were paid to the related company by the building management fund.
- (c) During the year ended December 31, 2006, a wholly-owned subsidiary of the Company disposed its 100% interest in the issued share capital of Che Chuen to Surestatus, a company wholly-owned by Mr. Richard Man Fai LEE. The transaction was on normal commercial terms and in the ordinary and usual course of business of the Company. For details, please refer to note 36.

#### Compensation of key management personnel

The remuneration of Directors and other members of key management during the year were as follows:

Fees	袍金	297	270
Salaries and other benefits	薪金及其他福利	6,893	4,052
Performance related incentive payments	與業務表現相關之獎金	–	5,184
Retirement benefit scheme contributions	退休福利計劃之供款	46	40
Short-term employee benefits	短期僱員福利	7,236	9,546

The remuneration of Directors and other members of key management are determined by the remuneration committee having regard to the performance of individuals and market trends.

### 38. 與關聯人士之主要交易(續)

- (a) 有關付予一間關聯公司之管理費和代理費、諮詢服務費以及付予一間關聯公司或董事之售貨交易之價格乃由董事按估計市場價值釐定。
- (b) 該關聯公司為本集團擁有一幢樓宇擔任樓宇經理，以經營該樓宇之管理基金，並代該樓宇管理基金向本集團收取管理費及代理費。截至二零零六年十二月三十一日止年度，該樓宇管理基金支付予該關聯公司管理費港幣417,000元及會計服務費港幣162,000元。
- (c) 於截至二零零六年十二月三十一日止年度，本公司之一間全資附屬公司向 Surestatus (一間由李文輝先生全資擁有之公司) 出售其於 Che Chuen 已發行股本之 100% 權益。該交易乃按正常商業條款於本公司一般及日常業務過程中訂立。詳情請參閱附註第 36 項。

#### 重要管理人員之報酬

本年度內董事及其他重要管理人員之薪酬如下：

2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
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董事及其他重要管理人員之薪酬由薪酬委員會依據各人之表現及市況釐定。

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## 財務報表賬項附註

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 39. Operating lease

#### The Group as lessor

Property rental income earned, net of outgoings of HK\$5,948,000 (2005: HK\$5,104,000) during the year was HK\$3,738,000 (2005: HK\$2,580,000). The property held has committed tenants for the next two years.

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments which fall due:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年

### 39. 經營租賃安排

#### 本集團為出租人

本年度物業租金收入經扣除港幣5,948,000元支出(二零零五年:港幣5,104,000元)為港幣3,738,000元(二零零五年:港幣2,580,000元)。該物業於未來兩年均擁有承擔租客。

於結算日,本集團與租客定約之未來最低租賃付款如下:

	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
	11,094	6,744
	9,240	5,223
	<u>20,334</u>	<u>11,967</u>

#### The Group as lessee

Minimum lease payments under operating leases recognised in the income statement for the year	本年度損益表已確認 根據經營租賃繳付之 最低付款額
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#### 本集團為承租人

	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
	10,925	8,232



# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 39. Operating lease (continued)

#### The Group as lessee (continued)

At the balance sheet date, the Group had commitments under non-cancellable operating leases, which fall due as follows:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for an average term of two years and rentals are fixed for an average of one year.

At December 31, 2006, the Company had no commitments under non-cancellable operating leases (2005: Nil).

### 40. Capital commitments

Contracted but not provide for

At the balance sheet date, the Company did not have any significant capital commitments.

### 39. 經營租賃安排 (續)

#### 本集團為承租人 (續)

於結算日，本集團不可取消之經營租賃承擔如下：

	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Within one year	12,202	8,974
In the second to fifth year inclusive	10,005	8,273
	<u>22,207</u>	<u>17,247</u>

經營租賃付款指本集團就若干辦公室物業之應付租金。租賃之平均年期為兩年而租金則平均一年釐定一次。

於二零零六年十二月三十一日，本公司並無不可取消之經營租賃承擔 (二零零五年：無)。

### 40. 資本承擔

#### The Group 本集團

	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Contracted but not provide for	2,380	-

於結算日，本公司均概無任何重大資本承擔。

# Notes to the Financial Statements

## 財務報表賬項附註

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 41. Contingent liabilities

- (a) At the balance sheet date, the Group and the Company had the following outstanding contingent liabilities which are not provided for in the financial statements in respect of banking facilities and other facilities made available to subsidiaries:

### 41. 或然負債

- (a) 於結算日，本集團及本公司就附屬公司獲取銀行信貸及其他信貸而未於財務報表撥備之或然負債如下：

	The Group		The Company	
	本集團		本公司	
	2006	2005	2006	2005
	二零零六年	二零零五年	二零零六年	二零零五年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元
Guarantees given for banking facilities made available to subsidiaries				
為附屬公司獲取銀行信貸及其他貸款作出擔保	-	-	320,540	218,207
Guarantees given for other facilities made available to subsidiaries				
就附屬公司獲取其他信貸發出之其他擔保	-	-	5,079	5,615
	-	-	325,619	223,822

- (b) At December 31, 2006, the Group had contingent liabilities of approximately HK\$1.2 million (2005: HK\$1.3 million) in respect of proceedings involving a subsidiary of the Company in India.
- (c) The option agreement granted to a connected person as per the announcement of the Company dated May 5, 2004 was terminated and no contingent liabilities arose from such option at December 31, 2006 (2005: HK\$10,333,000).

- (b) 於二零零六年十二月三十一日，本集團之或然負債包括因一宗涉及本公司在印度一間附屬公司之法律程序所涉之約港幣1,200,000元(二零零五年：約港幣1,300,000元)。
- (c) 根據本公司於二零零四年五月五日之公佈，向一名關聯人士授出之購股權協議予以終止及並無因該購股權產生或然負債(二零零五年：港幣10,333,000元)。

# Notes to the Financial Statements

## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 41. Contingent liabilities (continued)

- (d) Under a share purchase and subscription agreement signed on June 30, 2006, a subsidiary of the Company was obliged to issue a bank guarantee amounting to RMB11 million to the purchaser to guarantee the performance of its obligations in respect of the agreement to dispose of the investment in Jiangmen. As at December 31, 2006, a bank guarantee relating to the said agreement was issued in the amount of HK\$11 million.

### 42. Derivative financial instruments

At December 31, 2006, the Group had entered into forward contracts denominated in Hong Kong Dollar (“HKD”), United States Dollar (“USD”), Japan Yen (“JPY”) and Singapore Dollar (“SGD”). The major terms of the foreign currency forward contracts are as follows:

Notional amount 名義金額	Maturity 到期日	Exchange rates 匯率
Sell HKD561,609 賣價港幣 561,609 元	February 13, 2007 二零零七年二月十三日	HKD0.0669 to JPY1 港幣 0.0669 元兌 1 日元
Sell HKD27,995 賣價港幣 27,995 元	January 11, 2007 二零零七年一月十一日	HKD0.066535 to JPY1 港幣 0.066535 元兌 1 日元
Sell HKD213,639 賣價港幣 213,639 元	January 11, 2007 二零零七年一月十一日	HKD0.0665 to JPY1 港幣 0.0665 元兌 1 日元
Sell HKD58,818 賣價港幣 58,818 元	January 11, 2007 二零零七年一月十一日	HKD0.066535 to JPY1 港幣 0.066535 元兌 1 日元
Sell HKD13,043 賣價港幣 13,043 元	January 11, 2007 二零零七年一月十一日	HKD0.0665 to JPY1 港幣 0.0665 元兌 1 日元
Sell HKD57,644 賣價港幣 57,644 元	January 29, 2007 二零零七年一月二十九日	HKD0.0672 to JPY1 港幣 0.0672 元兌 1 日元

### 41. 或然負債(續)

- (d) 根據一項於二零零六年六月三十日訂立之股份購買及認購協議，本公司之一間附屬公司須向買方發出一項金額為人民幣 11,000,000 元之銀行擔保，以擔保其履行有關出售於江門投資之協議責任。於二零零六年十二月三十一日，就所述協議已發出金額為港幣 11,000,000 元之銀行擔保。

### 42. 衍生金融工具

於二零零六年十二月三十一日，本集團已簽署以港元、美元、日元及新加坡元為單位的遠期合約。外幣遠期合約之主要條款如下：

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## 財務報表賬項附註

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 42. Derivative financial instruments (continued)

### 42. 衍生金融工具(續)

Notional amount 名義金額	Maturity 到期日	Exchange rates 匯率
Sell HKD63,927 賣價港幣 63,927 元	January 29, 2007 二零零七年一月二十九日	HKD0.06715 to JPY1 港幣 0.06715 元兌 1 日元
Sell HKD112,831 賣價港幣 112,831 元	February 27, 2007 二零零七年二月二十七日	HKD0.06853 to JPY1 港幣 0.06853 元兌 1 日元
Sell HKD229,619 賣價港幣 229,619 元	March 16, 2007 二零零七年三月十六日	HKD0.06663 to JPY1 港幣 0.06663 元兌 1 日元
Sell HKD9,510 賣價港幣 9,510 元	March 16, 2007 二零零七年三月十六日	HKD0.0666 to JPY1 港幣 0.0666 元兌 1 日元
Sell HKD113,667 賣價港幣 113,667 元	March 16, 2007 二零零七年三月十六日	HKD0.06663 to JPY1 港幣 0.06663 元兌 1 日元
Sell HKD36,433 賣價港幣 36,433 元	March 22, 2007 二零零七年三月二十二日	HKD0.06634 to JPY1 港幣 0.06634 元兌 1 日元
Sell SGD81,583 賣價 81,583 新加坡元	January 19, 2007 二零零七年一月十九日	SGD0.01343 to JPY1 0.01343 新加坡元兌 1 日元
Sell SGD100,662 賣價 100,662 新加坡元	January 23, 2007 二零零七年一月二十三日	SGD0.01339 to JPY1 0.01339 新加坡元兌 1 日元
Sell SGD139,205 賣價 139,205 新加坡元	February 6, 2007 二零零七年二月六日	SGD0.01332 to JPY1 0.01332 新加坡元兌 1 日元
Sell SGD163,476 賣價 163,476 新加坡元	February 28, 2007 二零零七年二月二十八日	SGD0.01349 to JPY1 0.01349 新加坡元兌 1 日元
Sell SGD124,012 賣價 124,012 新加坡元	March 15, 2007 二零零七年三月十五日	SGD0.013245 to JPY1 0.013245 新加坡元兌 1 日元
Sell SGD306,063 賣價 306,063 新加坡元	February 28, 2007 二零零七年二月二十八日	SGD1.5385 to USD1 1.5385 新加坡元兌 1 美元

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## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 42. Derivative financial instruments (continued)

Notional amount 名義金額	Maturity 到期日	Exchange rates 匯率
Sell SGD21,714 賣價 21,714 新加坡元	February 28, 2007 二零零七年二月二十八日	SGD1.5385 to USD 1 1.5385 新加坡元兌 1 美元
Sell SGD125,802 賣價 125,802 新加坡元	February 28, 2007 二零零七年二月二十八日	SGD1.5385 to USD 1 1.5385 新加坡元兌 1 美元

The above derivatives are measured at fair value at each balance sheet date. Their fair values are determined based on the quoted market prices for equivalent instruments at the balance sheet date.

### 42. 衍生金融工具(續)

上述衍生工具於每個結算日以公平值計量。其公平值乃按結算日等同衍生工具之市場報價釐定。

### 43. Pledge of assets

Land and buildings	土地及樓宇
Inventories	存貨
Investment properties	投資物業
Trade receivables	貿易應收款項
Properties held for sale	持作出售物業
Deposits in bank	銀行存款
All assets of a subsidiary	一間附屬公司之全部資產

The amount represents assets pledged to banks to secure banking facilities granted to the Group. The pledged assets will be released upon the settlement of relevant bank borrowings.

### 43. 資產抵押

The Group 本集團	
2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
76,161	84,347
24,299	2,930
232,418	197,199
–	2,390
23,400	–
8,500	–
20,345	18,759

金額乃本集團就取得銀行信貸所抵押之資產。受抵押資產將於相關銀行貸款償還後解除。

#### 44. Share options schemes

##### 1991 Scheme

The Company's share option scheme was adopted on June 22, 1991 ("1991 Scheme") for the primary purpose of providing incentives to Directors and eligible employees and expired on June 21, 2001. The Directors may, at their discretion, grant options to all eligible employees, including executive Directors of the Company and its subsidiaries.

The total number of shares in respect of which options may be granted under the 1991 Scheme is not permitted to exceed 10% of the issued share capital of the Company at any point in time. The number of shares in respect of which options may be granted to any individual is not permitted to exceed 25% of the maximum aggregate number of shares of the Company for the time being issued and issuable under the 1991 Scheme.

Options granted must be taken up within 28 days of the date of grant, upon payment of HK\$1 per grant. Options are exercisable within a period of 6 years commencing one month from the date of acceptance of options.

The subscription price is determined by the Directors, and will not be less than the higher of a price being not less than 80% of the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of grant, and the nominal value of a share of the Company.

#### 44. 優先認股權計劃

##### 一九九一年計劃

本公司於一九九一年六月二十二日採納優先認股權計劃(「一九九一年計劃」)，主要目的是獎勵董事及合資格僱員。該計劃於二零零一年六月二十一日屆滿。董事可酌情授出優先認股權予所有合資格僱員，包括本公司及其附屬公司之執行董事。

根據一九九一年計劃可授出之優先認股權所涉及之股份總數，在任何時候不得超逾本公司已發行股本之10%。根據一九九一年計劃，向任何個別人士授出之優先認股權所涉及之股份數目，不得超逾按該計劃當時已發行及可予發行之本公司股份總數上限25%。

參與人可於獲授予優先認股權當日起計28日內接納優先認股權，並須於接納優先認股權時繳付港幣1元作為代價。優先認股權可於接納日期後一個月起計之6年期間行使。

認購價由董事釐定，不會低於股份在緊接授出日期前五個交易日在聯交所之平均收市價80%及本公司股份面值兩者中較高之價格。

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## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 44. Share options schemes (continued)

#### 2001 Scheme

Another share option scheme (“2001 Scheme”) was subsequently adopted pursuant to a resolution passed on June 28, 2001 for the primary purpose of providing incentives to Directors and eligible employees, and was terminated on May 30, 2002 pursuant to a resolution passed on that date.

Under the 2001 Scheme, the Directors may grant options to any full-time employees, including executive and non-executive Directors of the Company and its subsidiaries, to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the 2001 Scheme is not permitted to exceed 10% of the issued share capital of the Company at any point in time. The number of shares in respect of which options may be granted to any individual is not permitted to exceed 25% of the maximum aggregate number of shares of the Company for the time being issued and issuable under the 2001 Scheme.

Options granted must be taken up within 28 days of the date of grant, upon payment of HK\$1 per grant. Options are exercisable within a period of 6 years commencing one month from the date of acceptance of options.

The subscription price is determined by the Directors, and will not be less than the higher of a price being not less than 80% of the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of grant, and the nominal value of a share of the Company.

Upon termination of the 2001 Scheme, no further options will be granted but in all other respects, the provisions of the 2001 Scheme shall remain in force and all granted prior to such termination shall continue to be valid and exercisable in accordance therewith.

### 44. 優先認股權計劃(續)

#### 二零零一年計劃

本公司其後於二零零一年六月二十八日通過決議案採納另一項優先認股權計劃(「二零零一年計劃」)，主要目的是獎勵董事及合資格僱員。該計劃於二零零二年五月三十日根據該日通過之決議案終止。

根據二零零一年計劃，董事可授出優先認股權予任何全職僱員，包括本公司及其附屬公司之執行及非執行董事，以認購本公司股份。

根據二零零一年計劃可授出之優先認股權所涉及之股份總數，在任何時候不得超逾本公司已發行股本之10%。根據二零零一年計劃，向任何個別人士授出之優先認股權所涉及之股份數目，不得超逾按該計劃當時已發行及可予發行之本公司股份總數上限25%。

參與人可於獲授予優先認股權當日起計28日內接納優先認股權，並須於接納優先認股權時繳付港幣1元作為代價。優先認股權可於接納日期後一個月起計之6年期間行使。

認購價由董事釐定，不會低於股份在緊接授出日期前五個交易日在聯交所之平均收市價80%及本公司股份面值兩者中較高之價格。

二零零一年計劃終止後，將不再授出優先認股權，惟在所有其他方面，二零零一年計劃之條款仍將有效，而所有於終止計劃前授出之優先認股權將根據有關計劃條款繼續有效及可予行使。

#### 44. Share options schemes (continued)

##### 2002 Scheme

On August 23, 2001, the Stock Exchange has announced amendments to Chapter 17 of the Listing Rules, which has come into effect on September 1, 2001. In compliance with the amendments to the Listing Rules and the announcement of the Stock Exchange, the Company adopted a new share option scheme ("2002 Scheme") and terminated the 2001 Scheme on May 30, 2002 pursuant to a resolution passed on that date. The purpose of the 2002 Scheme is to provide incentives or rewards to participants for their contribution to the Group and enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any companies in which the Group holds any equity interest. The 2002 Scheme will expire on the 10th anniversary of date of adoption.

Under the 2002 Scheme, the Board of Directors of the Company may at their discretion grant options to the following participants of the Company, its subsidiaries and any companies in which the Group holds any equity interest, to subscribe for shares in the Company:

1. eligible employees, including Directors; or
2. suppliers or customers; or
3. any person or entity that provides research, development or other technological support; or
4. shareholders; or
5. employees, partners or Directors of any business partners, joint venture partners, financial advisers and legal advisers.

#### 44. 優先認股權計劃(續)

##### 二零零二年計劃

於二零零一年八月二十三日，聯交所宣布修訂上市規則第十七章並於二零零一年九月一日起生效。為符合上市規則修訂及聯交所之公布內容，本公司於二零零二年五月三十日採納另一新優先認股權計劃(「二零零二年計劃」)及根據於該日通過之決議案終止二零零一年計劃。二零零二年計劃旨在鼓勵或嘉獎對本集團有所貢獻之參與人，同時使本集團可招攬及挽留能幹之員工，並吸引重要之人才為本集團及本集團持有任何股份權益之任何公司作出貢獻。二零零二年計劃將自採納日期起計第十週年屆滿。

根據二零零二年計劃，本公司董事會可酌情決定向與本公司、其附屬公司及本集團持有任何股份權益之任何公司有關之以下參與人士授予優先認股權，以認購本公司股份：

1. 合資格僱員，包括董事；或
2. 供應商或客戶；或
3. 提供研究、開發或其他技術支援之任何人士或公司；或
4. 股東；或
5. 任何業務合夥人、合營企業合夥人、財務顧問及法律顧問之任何僱員、合夥人或董事。



#### 44. Share options schemes (continued)

##### 2002 Scheme (continued)

Options granted to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the Independent Non-executive Directors of the Company (excluding any Independent Non-executive Director who is the grantee).

The total number of shares in respect of which options may be granted under the 2002 Scheme and any other schemes is not permitted to exceed 30% of the issued share capital of the Company from time to time. Subject to the above rule, the total number of shares in respect of which options may be granted under the 2002 Scheme and any other schemes must not in aggregate, exceed 10% of the issued share capital of the Company at the adoption date of the 2002 Scheme without prior approval from the Company's shareholders.

The number of shares in respect of which options may be granted to any participant in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point of time, without prior approval from the Company's shareholders. Options granted to a substantial shareholder, or an Independent Non-executive Director of the Company, or any of their respective associates under the 2002 Scheme and any other schemes in any one year in excess of 0.1% of the Company's issued share capital or with a value, based on the closing price of the shares of the Company at the date of each grant, in excess of HK\$5 million must be approved in advance by the Company's shareholders.

#### 44. 優先認股權計劃(續)

##### 二零零二年計劃(續)

授出優先認股權予本公司董事、主要行政人員或主要股東或彼等各自之聯繫人士，必須經本公司獨立非執行董事(不包括同時為承授人之任何獨立非執行董事)批准。

按二零零二年計劃及任何其他優先認股權計劃可授出之優先認股權涉及之最高股份總數，合共不得超過本公司不時已發行股本之30%。除上述規則外，如未經本公司股東事先批准，按二零零二年計劃及任何其他計劃可授出之優先認股權涉及之股份總數，合共不得超過本公司於當二零零二年計劃當日已發行股本之10%。

如未經本公司股東事先批准，於任何一年向任何參與人授出之優先認股權涉及之股份數目不得超過本公司在任何時候之已發行股份1%。任何一年根據二零零二年計劃及任何其他計劃向本公司一名主要股東、獨立非執行董事或彼等各自之聯繫人士授出優先認股權，如超過本公司已發行股本0.1%，以及按授出當日本公司股份收市價計算超過港幣5,000,000元，則須經本公司股東事先批准。

#### 44. Share options schemes (continued)

##### 2002 Scheme (continued)

Options granted must be taken up within 28 days of the date of grant upon payment of HK\$1 per each grant of options. The exercise period of the share options granted under the 2002 Scheme shall be determined by the Board of Directors when such options are granted, provided that such period shall not end later than 6 years from the date of grant. The subscription price is determined by the Board of Directors of the Company, and will not be less than the higher of the closing price of the Company's shares on the date of grant, or the average closing price of the shares for the five trading days immediately preceding the date of grant, or the nominal value of a share of the Company.

At December 31, 2006, the number of shares in respect of which options had been granted and remained outstanding under the 1991 Scheme, 2001 Scheme and 2002 Scheme were 670,163, 11,861,598 and 8,414,686 (2005: 45,843,275, 118,616,032 and 84,146,958 respectively, before adjustment for the share consolidation in June 2006), representing 0.3%, 5.4% and 3.8% (2005: 2.1%, 5.4% and 3.8% respectively) of the issued share capital of the Company at that date respectively.

#### 44. 優先認股權計劃(續)

##### 二零零二年計劃(續)

參與人可於獲提出授予優先認股權當日起計28日內接納優先認股權，並須於接納優先認股權時繳付港幣1元作為代價。根據二零零二年計劃授出之優先認股權之行使期於授出時由董事會決定，惟不得遲於董事會提出授予優先認股權日期起計之6年後屆滿。股份認購價由本公司董事會決定，惟認購價不得低於下列三者中之最高者：於授出日期本公司之股份收市價；於緊接授出日期前五個交易日的股份收市價平均數；或本公司股份面值。

於二零零六年十二月三十一日，有關根據一九九一年計劃、二零零一年計劃及二零零二年計劃授出惟尚未行使之優先認股權之股份數目分別為670,163股、11,861,598股及8,414,686股(二零零五年：分別為45,843,275股、118,616,032股及84,146,958股，於二零零六年六月股份合併而作出之調整前)，分別佔本公司當日之已發行股本之0.3%、5.4%及3.8%(二零零五年：分別佔2.1%、5.4%及3.8%)。

## 44. Share options schemes (continued)

The following table discloses details of the Company's share options held by employees (including Directors) and movements in such holdings during the year:

Scheme type 計劃類別	Date of grant 授出日期	Outstanding at January 1, 2006 於二零零六年 一月一日 尚未行使	Option lapsed 已失效優先認股權
1991 一九九一年	December 21, 1999 一九九九年十二月二十一日	22,890,928	22,890,928
1991 一九九一年	February 11, 2000 二零零零年二月十一日	11,531,229	11,531,229
1991 一九九一年	September 8, 2000 二零零零年九月八日	4,719,470	471,947 #
1991 一九九一年	January 18, 2001 二零零一年一月十八日	409,019	-
1991 一九九一年	May 28, 2001 二零零一年五月二十八日	6,292,629	-
2001 二零零一年	August 10, 2001 二零零一年八月十日	111,694,164	-
2001 二零零一年	August 29, 2001 二零零一年八月二十九日	5,348,712	-
2001 二零零一年	November 23, 2001 二零零一年十一月二十三日	1,573,156	-
2002 二零零二年	June 4, 2002 二零零二年六月四日	57,892,158	-
2002 二零零二年	September 24, 2002 二零零二年九月二十四日	26,254,800	-
Grand Total:	總計：	248,606,265	34,894,104

# After adjustment for the share consolidation in June 2006.

# 因應二零零六年六月股份合併而作出的調整後。

## 44. 優先認股權計劃(續)

下表披露本公司僱員(包括董事)於年內所持優先認股權以及該等認股權變動之詳情：

Outstanding at December 31, 2006 <i>After adjustment #</i> 於二零零六年 十二月三十一日 尚未行使 調整後 #	Exercisable period 行使期	Exercise price 行使價 HK\$ 港幣元
-	February 1, 2000 – March 21, 2006 二零零零年二月一日至二零零六年三月二十一日	0.2325
-	March 18, 2000 – March 21, 2006 二零零零年三月十八日至二零零六年三月二十一日	0.5422
-	November 5, 2000 – November 4, 2006 二零零零年十一月五日至二零零六年十一月四日	2.3470 #
40,901	March 6, 2001 – March 14, 2007 二零零一年三月六日至二零零七年三月十四日	1.6610 #
629,262	June 29, 2001 – June 29, 2007 二零零一年六月二十九日至二零零七年六月二十九日	1.6610 #
11,169,415	September 14, 2001 – September 18, 2007 二零零一年九月十四日至二零零七年九月十八日	1.6610 #
534,868	September 30, 2001 – September 30, 2007 二零零一年九月三十日至二零零七年九月三十日	1.6610 #
157,315	December 23, 2001 – December 22, 2007 二零零一年十二月二十三日至二零零七年十二月二十二日	1.6610 #
5,789,206	June 4, 2002 – June 3, 2008 二零零二年六月四日至二零零八年六月三日	1.0000 #
2,625,480	September 24, 2002 – September 23, 2008 二零零二年九月二十四日至二零零八年九月二十三日	1.0000 #
<hr/> 20,946,447 <hr/>		

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 44. Share options schemes (continued)

### 44. 優先認股權計劃(續)

Scheme type 計劃類別	Date of grant 授出日期	Outstanding at January 1, 2005 於二零零五年 一月一日 尚未行使	Option lapsed 已失效優先認股權
1991 一九九一年	December 21, 1999 一九九九年十二月二十一日	22,890,928	—
1991 一九九一年	February 11, 2000 二零零零年二月十一日	11,531,229	—
1991 一九九一年	September 8, 2000 二零零零年九月八日	4,719,470	—
1991 一九九一年	January 18, 2001 二零零一年一月十八日	409,019	—
1991 一九九一年	May 28, 2001 二零零一年五月二十八日	6,292,629	—
2001 二零零一年	August 10, 2001 二零零一年八月十日	111,694,164	—
2001 二零零一年	August 29, 2001 二零零一年八月二十九日	5,663,338	314,626
2001 二零零一年	November 23, 2001 二零零一年十一月二十三日	1,573,156	—
2002 二零零二年	June 4, 2002 二零零二年六月四日	64,971,362	7,079,204
2002 二零零二年	September 24, 2002 二零零二年九月二十四日	26,254,800	—
Grand Total:	總計：	<u>256,000,095</u>	<u>7,393,830</u>

Outstanding at December 31, 2005 於二零零五年 十二月三十一日 尚未行使	Exercisable period 行使期	Exercise price 行使價 HK\$ 港幣元
22,890,928	February 1, 2000 – March 21, 2006 二零零零年二月一日至二零零六年三月二十一日	0.2325
11,531,229	March 18, 2000 – March 21, 2006 二零零零年三月十八日至二零零六年三月二十一日	0.5422
4,719,470	November 5, 2000 – November 4, 2006 二零零零年十一月五日至二零零六年十一月四日	0.2347
409,019	March 6, 2001 – March 14, 2007 二零零一年三月六日至二零零七年三月十四日	0.1661
6,292,629	June 29, 2001 – June 29, 2007 二零零一年六月二十九日至二零零七年六月二十九日	0.1661
111,694,164	September 14, 2001 – September 18, 2007 二零零一年九月十四日至二零零七年九月十八日	0.1661
5,348,712	September 30, 2001 – September 30, 2007 二零零一年九月三十日至二零零七年九月三十日	0.1661
1,573,156	December 23, 2001 – December 22, 2007 二零零一年十二月二十三日至二零零七年十二月二十二日	0.1661
57,892,158	June 4, 2002 – June 3, 2008 二零零二年六月四日至二零零八年六月三日	0.1000
26,254,800	September 24, 2002 – September 23, 2008 二零零二年九月二十四日至二零零八年九月二十三日	0.1000
<hr/> 248,606,265 <hr/>		

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### 44. Share options schemes (continued)

Details of the share options held by the Directors included in the above table are as follows:

Scheme type 計劃類別	Date of grant 授出日期	Outstanding at January 1, 2006 於二零零六年 一月一日 尚未行使	Option lapsed 已失效優先認股權
1991 一九九一年	December 21, 1999 一九九九年十二月二十一日	21,237,613 (a)	21,237,613
1991 一九九一年	February 11, 2000 二零零零年二月十一日	11,012,093	11,012,093
1991 一九九一年	January 18, 2001 二零零一年一月十八日	409,019	—
1991 一九九一年	May 28, 2001 二零零一年五月二十八日	6,292,629	—
2001 二零零一年	August 10, 2001 二零零一年八月十日	111,694,164	—
2001 二零零一年	August 29, 2001 二零零一年八月二十九日	1,573,150 (a)	—
2002 二零零二年	June 4, 2002 二零零二年六月四日	13,843,779	—
2002 二零零二年	September 24, 2002 二零零二年九月二十四日	26,254,800	—
Grand Total:	總計：	192,317,247	32,249,706

# After adjustment for the share consolidation in June 2006.

# 因應二零零六年六月股份合併而作出的調整後。

### 44. 優先認股權計劃(續)

由董事持有之優先認股權(已包含於上表)之詳情如下：

Outstanding at December 31, 2006 <i>After adjustment #</i> 於二零零六年 十二月三十一日 尚未行使 調整後#	Exercisable period 行使期	Exercise price 行使價 HK\$ 港幣元
-	February 6, 2000 – February 10, 2006 二零零零年二月六日至二零零六年二月十日	0.2325
-	March 18, 2000 – March 21, 2006 二零零零年三月十八日至二零零六年三月二十一日	0.5422
40,901	March 6, 2001 – March 5, 2007 二零零一年三月六日至二零零七年三月五日	1.6610 #
629,262	June 29, 2001 – June 29, 2007 二零零一年六月二十九日至二零零七年六月二十九日	1.6610 #
11,169,415	September 14, 2001 – September 18, 2007 二零零一年九月十四日至二零零七年九月十八日	1.6610 #
157,314	September 30, 2001 – September 29, 2007 二零零一年九月三十日至二零零七年九月二十九日	1.6610 #
1,384,375	June 4, 2002 – June 3, 2008 二零零二年六月四日至二零零八年六月三日	1.0000 #
2,625,480	September 24, 2002 – September 23, 2008 二零零二年九月二十四日至二零零八年九月二十三日	1.0000 #
<hr/> 16,006,747 <hr/>		



## 44. Share options schemes (continued)

## 44. 優先認股權計劃(續)

Scheme type 計劃類別	Date of grant 授出日期	Outstanding at January 1, 2005 and December 31, 2005 於二零零五年 一月一日及二零零五年 十二月三十一日 尚未行使
1991 一九九一年	December 21, 1999 一九九九年十二月二十一日	21,237,613 (a)
1991 一九九一年	February 11, 2000 二零零零年二月十一日	11,012,093
1991 一九九一年	January 18, 2001 二零零一年一月十八日	409,019
1991 一九九一年	May 28, 2001 二零零一年五月二十八日	6,292,629
2001 二零零一年	August 10, 2001 二零零一年八月十日	111,694,164
2001 二零零一年	August 29, 2001 二零零一年八月二十九日	1,573,150 (a)
2002 二零零二年	June 4, 2002 二零零二年六月四日	13,843,779
2002 二零零二年	September 24, 2002 二零零二年九月二十四日	26,254,800
Grand Total:	總計：	192,317,247

(a) Share options granted to Mr. Richard Man Fai LEE's spouse were included. Mr. Richard Man Fai LEE is a Director of the Company.

(a) 包括授予李文輝先生配偶之優先認股權。李文輝先生乃本公司之董事。

#### 44. Share options schemes (continued)

#### 44. 優先認股權計劃(續)

Exercisable period 行使期	Exercise price 行使價 HK\$ 港幣元
February 6, 2000 – February 10, 2006 二零零零年二月六日至二零零六年二月十日	0.2325
March 18, 2000 – March 21, 2006 二零零零年三月十八日至二零零六年三月二十一日	0.5422
March 6, 2001 – March 5, 2007 二零零一年三月六日至二零零七年三月五日	0.1661
June 29, 2001 – June 29, 2007 二零零一年六月二十九日至二零零七年六月二十九日	0.1661
September 14, 2001 – September 18, 2007 二零零一年九月十四日至二零零七年九月十八日	0.1661
September 30, 2001 – September 29, 2007 二零零一年九月三十日至二零零七年九月二十九日	0.1661
June 4, 2002 – June 3, 2008 二零零二年六月四日至二零零八年六月三日	0.1000
September 24, 2002 – September 23, 2008 二零零二年九月二十四日至二零零八年九月二十三日	0.1000

In 2006, no consideration was received during the year from employees (including Directors) for taking up the options granted (2005: nil).

於二零零六年，於年內概無因僱員(包括董事)接納認股權而收取之總代價(二零零五年：無)。

#### 45. Dividend

No dividend was paid or proposed for 2005 and 2006, nor has any dividend been proposed since the balance sheet date.

#### 45. 股息

於二零零五年及二零零六年概無任何派發或擬派發股息，自結算日起亦無任何擬派發股息。

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## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 46. Principal subsidiaries

Particulars of the Company's principal subsidiaries at December 31, 2006 are as follows:

### 46. 主要附屬公司

本公司主要附屬公司於二零零六年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立地點/ 註冊地點	Percentage of equity interest attributable to the Group 本集團應佔之 股權百分比	Issued and fully paid share capital or registered capital 已發行及 繳足股本 或註冊股本	Principal activities 主要業務
<b>Direct subsidiary</b> 直接附屬公司				
Wo Kee Hong (B.V.I.) Limited	British Virgin Islands 英屬處女群島	100.0	30,000 shares of US\$0.01 each 每股面值0.01 美元之股份 30,000股	Investment holding 投資控股
<b>Indirect subsidiaries</b> 間接附屬公司				
Auto Italia Limited 快意汽車有限公司	Hong Kong 香港	70.5	10,000 shares of HK\$10 each 每股面值港幣 10元之股份 10,000股	Trading of cars and related accessories and provision of car repairing services 買賣汽車及相關配件 及提供汽車維修服務
Auto Sportiva Limited 愛快汽車有限公司	Hong Kong 香港	90.0	1 share of HK\$1 each 每股面值港幣 1元之股份 1股	Car distribution and services 汽車分銷及服務

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## 財務報表賬項附註

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### 46. Principal subsidiaries (continued)

### 46. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立地點/ 註冊地點	Percentage of equity interest attributable to the Group 本集團應佔之 股權百分比	Issued and fully paid share capital or registered capital 已發行及 繳足股本 或註冊股本	Principal activities 主要業務
Indirect subsidiaries (continued) 間接附屬公司(續)				
Bodyworld International (B.V.I.) Ltd.	British Virgin Islands 英屬處女群島	100.0	1 share of US\$1 each 每股面值1美元 之股份1股	Trading brand holding 貿易品牌控股
Corich Enterprises Inc.	British Virgin Islands 英屬處女群島	100.0	100 shares of US\$1 each 每股面值1美元 之股份100股	Investment holding 投資控股
Dalian Auto Italia Car Trading Co., Ltd.	PRC 中國	67.0	Registered and fully paid capital of US\$5,000,000 註冊及已繳足資本 5,000,000美元	Trading of cars and general trading 汽車銷售及一般貿易

## 46. Principal subsidiaries (continued)

## 46. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立地點/ 註冊地點	Percentage of equity interest attributable to the Group 本集團應佔之 股權百分比	Issued and fully paid share capital or registered capital 已發行及 繳足股本 或註冊股本	Principal activities 主要業務
Indirect subsidiaries (continued) 間接附屬公司(續)				
Ever Rising Investments Limited	Hong Kong 香港	100.0	2 shares of HK\$1 each 每股面值港幣 1元之股份2股	Property investment 投資物業
Italian Motors (Sales & Service) Limited 勵駿汽車有限公司	Hong Kong 香港	70.5	60,000 shares of HK\$10 each 每股面值港幣 10元之股份 60,000股	Investment holding 投資控股
Keyforce Holdings Limited 堅榮控股有限公司	Hong Kong 香港	90.0	1 share of HK\$1 each 每股面值港幣 1元之股份1股	Trading of yachts and accessories 買賣遊艇及配件

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### 46. Principal subsidiaries (continued)

### 46. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立地點/ 註冊地點	Percentage of equity interest attributable to the Group 本集團應佔之 股權百分比	Issued and fully paid share capital or registered capital 已發行及 繳足股本 或註冊股本	Principal activities 主要業務
Indirect subsidiaries (continued) 間接附屬公司(續)				
Metro Global Limited	Hong Kong	100.0	2 non-voting deferred shares of HK\$1 each and 1,000 ordinary shares of HK\$1 each	Investment holding
和記電業(環球)有限公司	香港		每股面值港幣 1元之無投票權 遞延股份2股及 每股面值港幣 1元之普通股份 1,000股	投資控股
Mighty Will International Limited	Hong Kong	100.0	1 share of HK\$1 each	Property holding
紀富國際有限公司	香港		每股面值港幣 1元之股份1股	物業控股
Most Advance International Ltd.	British Virgin Islands	100.0	1 share of US\$1 each	Investment holding
	英屬處女群島		每股面值1美元 之股份1股	投資控股
Noble Brand Investments Limited	Hong Kong	90.0	1 share of HK\$1 each	Trading of yachts and accessories
力保派有限公司	香港		每股面值港幣 1元之股份1股	買賣遊艇及配件

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## 財務報表賬項附註

For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

## 46. Principal subsidiaries (continued)

## 46. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立地點/ 註冊地點	Percentage of equity interest attributable to the Group 本集團應佔之 股權百分比	Issued and fully paid share capital or registered capital 已發行及 繳足股本 或註冊股本	Principal activities 主要業務
Indirect subsidiaries (continued) 間接附屬公司(續)				
Rogers Entertainment International Limited (Formerly known as Forward International Corporation, Limited) 樂爵士娛樂國際有限公司 (前稱福和貿易有限公司)	Hong Kong  香港	100.0	45,000 non-voting deferred shares of HK\$100 each and 2 ordinary shares of HK\$100 each 每股面值港幣 100元之無投票權 遞延股份45,000股 及每股面值港幣 100元之普通股份2股	Entertainment services, and music and software production  娛樂服務業、音樂及 軟件製作
Rogers International Limited	Bahamas  巴哈馬	100.0	2 shares of US\$1 each 每股面值1美元 之股份2股	Trading brand holding  貿易品牌控股
Shinwa Engineering Company, Limited  信和工程有限公司	Hong Kong  香港	100.0	5,000,000 non-voting deferred shares of HK\$1 each and 2 ordinary shares of HK\$1 each 每股面值港幣 1元之無投票權 遞延股份 5,000,000股及 每股面值港幣 1元之普通股份2股	Investment holding  投資控股

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### 46. Principal subsidiaries (continued)

### 46. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立地點/ 註冊地點	Percentage of equity interest attributable to the Group 本集團應佔之 股權百分比	Issued and fully paid share capital or registered capital 已發行及 繳足股本 或註冊股本	Principal activities 主要業務
Indirect subsidiaries (continued) 間接附屬公司(續)				
Stoneycroft Estates Limited	Hong Kong  香港	100.0	20,000,000 non-voting deferred shares of HK\$1 each and 1,000 ordinary shares of HK\$1 each 每股面值港幣 1元之無投票權 遞延股份 20,000,000股及 每股面值港幣 1元之普通股份 1,000股	Property investment  物業投資
Technorient Limited  勵安有限公司	Hong Kong  香港	70.5	461,687 shares of HK\$100 each 每股面值 港幣100元之 股份461,687股	Investment holding  投資控股
Wo Kee Hong Distribution Pte Ltd	Singapore  新加坡	100.0	4,500,000 ordinary shares of S\$1 each 每股面值 1新加坡元 之普通股份 4,500,000股	Distribution of home audio and car audio equipment and accessories 經銷家用及汽車 音響器材 及配件



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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

## 46. Principal subsidiaries (continued)

## 46. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立地點/ 註冊地點	Percentage of equity interest attributable to the Group 本集團應佔之 股權百分比	Issued and fully paid share capital or registered capital 已發行及 繳足股本 或註冊股本	Principal activities 主要業務
Indirect subsidiaries (continued) 間接附屬公司(續)				
Wo Kee Hong Electronics Sdn. Bhd.	Malaysia  馬來西亞	100.0	7,000,000 ordinary shares of M\$1 each 每股面值馬幣 1元之普通股份 7,000,000股	Distribution of audio-visual equipment  經銷影音設備
Wo Kee Hong Finance Limited 和記電業財務 有限公司	Hong Kong  香港	100.0	2 shares of HK\$1 each 每股面值港幣 1元之股份2股	Finance and money lending  財務及借貸
Wo Kee Hong Limited  和記電業有限公司	Hong Kong  香港	100.0	10,000 non- voting deferred shares of HK\$1,000 each and 2 ordinary shares of HK\$1,000 each  每股面值 港幣1,000元 之無投票權 遞延股份 10,000股及 每股面值港幣 1,000元之 普通股份2股	Investment holding and distribution of audio-visual equipment, car audio and electronic products, air-conditioning and refrigeration products, electrical appliances and electronic appliances  投資控股及經銷影音 設備、汽車音響及電子 產品、空調及冷凍產品、 電器及電子零件

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 46. Principal subsidiaries (continued)

### 46. 主要附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立地點/ 註冊地點	Percentage of equity interest attributable to the Group 本集團應佔之 股權百分比	Issued and fully paid share capital or registered capital 已發行及 繳足股本 或註冊股本	Principal activities 主要業務
Indirect subsidiaries (continued) 間接附屬公司 (續)				
Wo Kee Hong Marketing Pte Ltd (Formerly known as Wo Kee Hong Professional Air Conditioning Pte Ltd)	Singapore        新加坡	94.8	6,200,000 shares of S\$1 each     每股面值 1新加坡元 之股份 6,200,000股	Distribution of air-conditioning products     經銷空調產品
Wo Kee Hong Trading Sdn. Bhd.	Malaysia   馬來西亞	100.0	5,100,000 ordinary shares of M\$1 each 每股面值馬幣 1元之普通股份 5,100,000股	Distribution of audio-visual equipment  經銷影音設備
Wo Kee Joyful Limited	Hong Kong  香港	100.0	2,000,000 shares HK\$1 each 每股面值港幣 1元之股份 2,000,000股	Company secretarial service  公司秘書服務

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For the year ended December 31, 2006 截至二零零六年十二月三十一日止年度

### 46. Principal subsidiaries (continued)

### 46. 主要附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立地點/ 註冊地點	Percentage of equity interest attributable to the Group 本集團應佔之 股權百分比	Issued and fully paid share capital or registered capital 已發行及 繳足股本 或註冊股本	Principal activities 主要業務
Indirect subsidiaries (continued) 間接附屬公司 (續)				
Wo Kee Services Limited	Hong Kong	100.0	2 non-voting deferred shares of HK\$100 each and 19,998 ordinary shares of HK\$100 each 每股面值 港幣100元之 無投票權 遞延股份2股 及每股面值 港幣100元之 普通股份 19,998股	Provision of warehousing, delivery, repairs and maintenance services 提供倉務、送貨及維修 保養服務

None of the subsidiaries had issued any debt securities at the end of the year.

附屬公司概無於年內發行任何債務證券。

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

董事認為，以上只載列對本集團業績或資產有重要影響之本公司附屬公司。如載列其他附屬公司詳情，董事則認為所佔用之篇幅將會過於冗長。

## 47. Principal associates

Particulars of the Group's principal associates at December 31, 2006 are as follows:

## 47. 主要聯營公司

於二零零六年十二月三十一日，主要聯營公司詳情如下：

Name of associates 聯營公司名稱	Place of incorporation/ registration 成立地點/ 註冊地點	Percentage of equity interest attributable to the Group 本集團應佔之 股權百分比	Issued and fully paid share capital or registered capital 已發行及 繳足股本 或註冊股本	Principal activities 主要業務
China Premium Lifestyle Enterprise, Inc.	USA  美國	39.8	26,929,180 shares of common stock and 1,533,973 shares of preferred stock of US\$0.001 each 26,929,180 股普通股及 每股面值 0.001 美元之 優先股 1,533,973 股	Investment holding  投資控股
Ferrari Maserati Cars International Trading (Shanghai) Co., Ltd.	PRC  中國	21.2	Registered and fully paid capital of USD3,000,000 註冊及已繳足資本 3,000,000 美元	Import, distribution and trading of cars and related accessories 入口、分銷及買賣汽車及 相關配件