

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" section of the annual report.

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

The principal activities of the Group are the manufacture of laminates, copper foil, glass fabric, glass yarn, bleached kraft paper, printed circuit boards ("PCBs"), chemicals, liquid crystal displays ("LCDs") and magnetic products.

### 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 standard, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are either effective for accounting periods beginning on or after 1 December 2005 or 1 January 2006. The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

### 1. 一般資料

本公司在開曼群島註冊成立為受豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）之主板上市。本公司註冊辦事處之地址及主要營業地點於本年報「公司資料」一節中披露。

綜合財務報表以本公司之功能貨幣港元呈報。

本集團主要從事覆銅面板、銅箔、玻璃纖維布、玻璃紗、漂白木漿紙、印刷線路板（「印刷線路板」）、化工產品、液晶體顯示屏（「液晶體顯示屏」）及磁電產品製造業務。

### 2. 應用新增及經修訂之香港財務申報準則（「香港財務申報準則」）

於本年度，本集團首次應用多項由香港會計師公會（「香港會計師公會」）頒佈並分別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的新準則、修訂及詮釋（「新香港財務申報準則」）。採納新香港財務申報準則對如何編製及呈列即期或過往會計期間業績及財務狀況之方法並無重大影響。因此，本集團無須對過往期間進行調整。

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### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (continued)

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

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>

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

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2009.

<sup>3</sup> Effective for annual periods beginning on or after 1 March 2006.

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

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

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

<sup>7</sup> Effective for annual periods beginning on or after 1 March 2007.

<sup>8</sup> Effective for annual periods beginning on or after 1 January 2008.

### 2. 應用新增及經修訂之香港財務申報準則（「香港財務申報準則」）（續）

本集團並無提前應用下列已頒佈但尚未生效之新準則、修訂或詮釋。本公司董事預期應用此等準則、修訂及詮釋對本集團之業績及財務狀況並無重大影響。

香港會計準則第1號 (經修訂)	資本披露 <sup>1</sup>
香港財務申報準則 第7號	金融工具：披露 <sup>1</sup>
香港財務申報準則第8號	經營分部 <sup>2</sup>
香港（國際財務申報準則 詮釋委員會）－詮釋第 7號	應用香港會計準則 第29號「嚴重通脹 經濟中之財務報 告」之重列方法 <sup>3</sup>
香港（國際財務申報準則 詮釋委員會）－詮釋第8號	香港財務申報準則 第2號之範圍 <sup>4</sup>
香港（國際財務申報準則 詮釋委員會）－詮釋第9號	內置衍生工具之 重新評估 <sup>5</sup>
香港（國際財務申報準則 詮釋委員會）－詮釋第10號	中期財務報告 及減值 <sup>6</sup>
香港（國際財務申報準則 詮釋委員會）－詮釋第11號	香港財務申報準則 第2號「集團及庫存 股份交易」 <sup>7</sup>
香港（國際財務申報準則 詮釋委員會）－詮釋第12號	服務經營權安排 <sup>8</sup>

<sup>1</sup> 於二零零七年一月一日或其後開始之年度期間生效。

<sup>2</sup> 於二零零九年一月一日或其後開始之年度期間生效。

<sup>3</sup> 於二零零六年三月一日或其後開始之年度期間生效。

<sup>4</sup> 於二零零六年五月一日或其後開始之年度期間生效。

<sup>5</sup> 於二零零六年六月一日或其後開始之年度期間生效。

<sup>6</sup> 於二零零六年十一月一日或其後開始之年度期間生效。

<sup>7</sup> 於二零零七年三月一日或其後開始之年度期間生效。

<sup>8</sup> 於二零零八年一月一日或其後開始之年度期間生效。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

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

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

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

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

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

### 3. 主要會計政策

綜合財務報表乃按歷史成本慣例基準編製，惟如下列會計政策所闡述，若干物業及若干金融工具則按公平值計量。

綜合財務報表乃按香港會計師公會頒佈之香港財務申報準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定之適用披露。

#### 綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體（附屬公司）截至每年十二月三十一日止之財務報表。當本公司有權力操縱某實體之財政及經營政策以藉其活動之中獲益，將視為擁有控制權。

於年內收購或出售之附屬公司之業績，自實際收購日期起或結算至實際出售日期止（視適用情況而定）列入綜合收益表內。

如需要，將會就附屬公司之財務報表作出調整，致使其會計政策與本集團其他成員公司所用者貫徹一致。

所有集團內公司間交易、結餘、收入及開支於綜合賬目時對銷。

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### 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.

On acquisition of additional interest in subsidiaries, goodwill was calculated as the difference between the consideration paid for the additional interest and the carrying amount of the net assets of the subsidiaries attributable to the additional interest acquired. If the Group's additional interest in the net assets of the subsidiaries exceeds the consideration paid for the additional interest, the excess is recognised immediately in the consolidated income statement.

#### Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business combinations" are recognised at their fair values at the acquisition date.

### 3. 主要會計政策 (續)

#### 綜合賬目基準 (續)

綜合附屬公司資產淨值之少數股東權益與本集團於其中之權益分開呈列。資產淨值之少數股東權益包括在原業務合併日期之有關權益數額，以及自合併日期起計少數股東應佔之股權變動。少數股東應佔虧損超出少數股東於附屬公司之股本權益之金額將與本集團權益對銷，惟少數股東具有約束力責任及其有能力作出額外投資以彌補該等虧損則除外。

增購附屬公司之權益時，商譽按就額外權益所付代價與所收購額外權益應佔附屬公司資產淨值之賬面值間差額計算。倘本集團應佔附屬公司資產淨值之額外權益超逾就額外權益所支付之代價，超額部分即時於綜合收益表內確認。

#### 業務合併

收購附屬公司採用購買會計處理法入賬。收購成本按交換當日所給予之資產、所產生或承擔之負債，以及本集團為控制被收購方而已發行股本工具之公平值總額，另加業務合併直接應佔之任何成本計量。符合香港財務申報準則第3號「業務合併」確認條件之被收購方之可識別資產、負債及或然負債，均以收購日之公平值確認。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Business combinations (continued)

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

#### Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or jointly control over those policies.

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

### 3. 主要會計政策 (續)

#### 業務合併 (續)

因收購而產生之商譽確認為資產，初步按成本（即業務合併成本超過本集團所佔之已確認之可識別資產、負債及或然負債之公平值淨額之權益）計量。倘於重新評估後，本集團應佔被收購方之可識別資產、負債及或然負債之公平值淨額之權益高於業務合併成本，超出部分即時於損益內確認。

少數股東於被收購方之權益初步按少數股東於已確認資產、負債及或然負債之公平值淨額所佔比例計量。

#### 於聯營公司之投資

聯營公司指本集團對其有重大影響力之實體，且不屬於附屬公司或合資企業之權益。重大影響力指參與投資對象之財務及經營政策決策之權力，但並無控制或共同控制該等政策。

聯營公司之業績及資產與負債乃按權益會計法納入綜合財務報表內。根據權益法，於聯營公司之投資乃按成本於綜合資產負債表列賬，並就本集團應佔該聯營公司之溢利或虧損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。當本集團應佔聯營公司之虧損相等於或超出其於該聯營公司之權益（包括實質上構成本集團於該聯營公司之投資淨額之一部分之任何長期權益），則本集團不再確認其應佔之進一步虧損。額外應佔虧損會作出撥備及確認負債，惟僅以本集團已產生法定或推定責任或代表該聯營公司支付之款項為限。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Investments in associates (continued)

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 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.

#### Jointly controlled entities

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

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

### 3. 主要會計政策 (續)

#### 於聯營公司之投資 (續)

任何收購成本超出本集團應佔於收購日期已確認之聯營公司可識別資產、負債及或然負債中之公平值淨額，均確認為商譽。商譽乃計入投資之賬面值中，並以投資之一部分進行減值評估。

任何本集團應佔可識別資產、負債及或然負債之公平值淨額超出收購成本之部分，經重估後即時於損益中確認。

當集團實體與本集團聯營公司進行交易時，損益會按本集團佔有關聯營公司之權益予以撇銷。

#### 共同控制實體

合營企業安排涉及成立獨立實體，而當中各經營方對該實體之經濟活動擁有共同控制權者乃列作共同控制實體。

共同控制實體之業績及資產與負債乃按權益會計法列入綜合財務報表內。根據權益法，於共同控制實體之投資乃按成本就本集團應佔該共同控制實體之資產淨值之收購後變動調整，減任何已識別之減值虧損於綜合資產負債表列賬。當本集團應佔共同控制實體之虧損相等於或超出其於該共同控制實體之權益（包括實質上構成本集團於該共同控制實體之投資淨額之一部分之任何長期權益），則本集團不再確認其應佔之進一步虧損。額外應佔虧損會作出撥備及確認負債，惟僅以本集團已產生法定或推定責任或代表該共同控制實體支付之款項為限。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Jointly controlled entities (continued)

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.

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

#### Goodwill

*Goodwill arising on acquisitions after 1 January 2001 and prior to 1 January 2005*

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

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

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

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

### 3. 主要會計政策 (續)

#### 共同控制實體 (續)

任何本集團應佔可識別資產、負債及或然負債之公平值淨額超出收購成本之部分，經重估後即時於損益中確認。

當集團實體與本集團共同控制實體進行交易時，未變現之損益會按本集團佔有關共同控制實體之權益予以撇銷，惟未變現虧損證明所轉讓資產出現減值則除外，在此情況下會全數確認虧損。

#### 商譽

*於二零零一年一月一日後及二零零五年一月一日前因收購所產生之商譽*

收購一間附屬公司(協議日期為二零零五年一月一日前)所產生之商譽，乃指收購成本超出本集團於收購日期應佔有關附屬公司之可識別資產及負債公平值之權益之數額。

就於二零零一年一月一日後收購所產生並原先已資本化之商譽，本集團自二零零五年一月一日起不再攤銷，而有關商譽每年及凡與商譽有關之現金產生單位有跡象顯示出現減值時進行減值測試。

*於二零零五年一月一日或之後收購所產生之商譽*

收購一間附屬公司(協議日期為二零零五年一月一日或之後)所產生之商譽，乃指收購成本超出本集團於收購日期應佔有關附屬公司之可識別資產、負債及或然負債公平值之權益之數額。該商譽乃按成本減任何累計減值虧損列賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Goodwill (continued)

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

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

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

#### Investment properties

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

### 3. 主要會計政策 (續)

#### 商譽 (續)

收購一間附屬公司所產生並已資本化之商譽於綜合資產負債表內獨立呈列。

就減值測試而言，收購所產生之商譽分配到預期從收購之協同效應中受益之各有關現金產生單位，或現金產生單位之組別。已獲分配商譽之現金產生單位每年及凡該單位有跡象顯示出現減值時進行減值測試。就於財政年度之收購所產生之商譽而言，已獲分配商譽之現金產生單位於該財政年度完結前進行減值測試。當現金產生單位之可收回金額少於該單位之賬面值，則減值虧損被分配，以首先削減分配到該單位之任何商譽之賬面值，及其後以單位各資產之賬面值為基準，按比例分配到該單位之其他資產。商譽之任何減值虧損乃於綜合收益表內直接確認。商譽之減值虧損於其後期間不予撥回。

其後出售一間附屬公司時，則被資本化之商譽應佔金額於出售時計入釐定損益之金額。

#### 投資物業

於初步確認時，投資物業乃按成本計量，包括任何直接應佔開支。於初步確認後，投資物業以公平值模式計量。投資物業公平值變動產生之盈虧計入其產生期間之損益內。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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 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 asset) is included in the consolidated income statement in the year in which the item is derecognised.

#### Properties, plant and equipment

Properties, plant and equipment (other than properties, plant and equipment under construction) used in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less subsequent accumulated depreciation and any accumulated impairment losses.

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

Freehold land	Nil
Properties for own use	Over the remaining unexpired terms of the leases or fifty years, whichever is the shorter
Leasehold improvements	10 – 20%
Plant and machinery	10 – 20%
Furniture, fixtures and equipment	10 – 33 $\frac{1}{3}$ %
Motor vehicles	20%

### 3. 主要會計政策 (續)

#### 投資物業 (續)

投資物業於出售後，或當永久停止使用該投資物業，或預期持續使用該資產不會產生未來經濟利益時剔除確認。剔除確認該資產所產生之任何盈虧乃按出售所得款項淨額與該資產賬面值間之差額計算，並計入剔除確認項目年度之綜合收益表內。

#### 物業、廠房及設備

用於生產或供應貨物或服務或作行政用途之物業、廠房及設備（不包括在建物業、廠房及設備），乃按成本減其後累計折舊及任何累計減值虧損於綜合資產負債表列賬。

物業、廠房及設備項目（不包括在建物業、廠房及設備）之折舊乃根據其估計可使用年期，於計及其估計剩餘價值後，以直線法撇銷其成本，折舊率如下：

永久業權土地	無
自用物業	按照租約內剩餘未完的年期或50年（以較短者為準）攤銷
租約物業裝修	10 – 20%
廠房及機器	10 – 20%
傢俬、裝置及設備	10 – 33 $\frac{1}{3}$ %
汽車	20%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

Properties, plant and equipment under construction, representing property, plant and equipment in the course of construction for production or for its own use purposes, are carried at cost less any recognised impairment loss. Properties, plant and equipment under construction is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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.

#### Leasehold land and buildings under development for future owner-occupied purpose

When the leasehold land and buildings are in the course of development for production, rental or for administrative purposes, the leasehold land component is classified as a prepaid lease payment and amortised over a straight-line basis over the lease term. During the construction period, the amortisation charge provided for the leasehold land is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

### 3. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

在建物業、廠房及設備(即為生產或自用而在建之物業、廠房及設備)按成本減任何已確認減值虧損列賬。在建物業、廠房及設備在竣工及可作擬定用途時分類為物業、廠房及設備之適當類別。該等資產在可作擬定用途時按其他物業資產之基準開始計提折舊。

物業、廠房及設備項目於出售或預期持續使用該資產不會產生未來經濟利益時剔除確認。剔除確認資產時所產生之任何盈虧(按出售所得款項淨額與項目賬面值間之差額計算)將計入剔除確認項目年度之綜合收益表內。

#### 發展中供日後業主使用之租約土地及樓宇

倘租約土地及樓宇正在發展作生產、租約或行政用途,則租約土地部分乃分類為預付租約付款,並於租約年期以直線法攤銷。在建期間,就租約土地計提之攤銷支出,乃列作在建樓宇成本部分。在建樓宇以成本減任何已識別減值虧損列賬。樓宇於可供使用(即其達致管理層預期方式之所需運作地點及狀況)時開始計提折舊。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### Intangible assets

*Intangible assets acquired separately*

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

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

*Research and development expenditure expenditures*

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

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

### 3. 主要會計政策 (續)

#### 存貨

存貨按成本或可變現淨值兩者中之較低者入賬。成本包括直接物料及(如適用)直接勞工成本及使存貨達致現有位置及狀況所產生之間接成本。成本按加權平均法計算。可變現淨值指估計售價減估計完成所需之全部成本以及市場推廣、銷售及分銷將予產生之成本。

#### 無形資產

*個別收購之無形資產*

個別收購並具有有限使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。具有有限使用年期之無形資產於估計可使用年內以直線法攤銷。

剔除確認無形資產時所產生之任何盈虧(按出售所得款項淨額與資產賬面值間之差額計算)·於資產剔除確認年度之綜合收益表確認。

*研究及開發費用*

研究活動費用於產生期間確認為開支。

開發費用產生之內部產生無形資產·在預期清晰界定計劃項目產生之開發成本將可透過日後商業活動收回之情況下·方會確認。因而產生之資產於其估計可用年期按直線法攤銷·按成本減其後累計攤銷及任何累計減值虧損入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Intangible assets (continued)

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

#### Impairment

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired (see the accounting policies in respect of impairment losses for tangible and intangible assets below).

#### Impairment losses (other than goodwill (see the accounting policies in respect of goodwill))

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

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, 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)

#### 無形資產 (續)

就內部產生無形資產初步確認之金額為該等無形資產首次符合確認標準當日起產生之開支總額。倘未能確認內部產生無形資產，則開發費用於產生期間在損益扣除。

於初次確認後，內部產生無形資產以個別購入之無形資產之相同基準按成本減累計攤銷及累計減值虧損列賬。

#### 減值

倘有跡象顯示具有有限可使用年期之無形資產可能出現減值，則對有關資產進行減值測試(請參閱下文有關有形資產及無形資產減值虧損之會計政策)。

#### 減值虧損 (商譽 (請參閱有關商譽之會計政策) 除外)

於各結算日，本集團須審閱其有形及無形資產之賬面值，以確定是否有任何跡象顯示該等資產出現減值虧損。倘某項資產之可收回金額估計低於其賬面值，則該項資產之賬面值須削減至其可收回金額。減值虧損即時確認為開支。

倘日後轉出減值虧損，有關資產之賬面值須增至其經重新估計之可收回金額，惟增加之賬面值不得超出倘有關資產並無於以往年度確認任何減值虧損所應釐定之賬面值。轉出之減值虧損即時確認為收入。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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*

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

#### *The Group as lessee*

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

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, leasehold land which title is not expected to pass to the lessee by the end of the lease term is classified as an operating lease unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is classified as a finance lease.

### 3. 主要會計政策 (續)

#### 租約

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

#### 本集團作為出租人

經營租約之租金收入乃按相關租約年期以直線法於綜合收益表內確認。於磋商及安排經營租約所產生之初步直接成本乃加至租約資產之賬面值，並按租約年期以直線法確認作開支。

#### 本集團作為承租人

根據經營租約之應付租金於有關租約年期以直線法在損益中扣除。訂立經營租約時已收及應收作為獎勵之利益按直線法於有關租約之年期確認為租金開支減少。

就租賃分類而言，租賃土地及樓宇中土地及樓宇部分乃分開計算，預期不會於租約年期完結前轉移業權予承租人之租賃土地，分類列為經營租賃，除非租金支出無法可靠地在土地及樓宇部分之間作出分配，則在此情況下，整項租賃則分類為融資租賃。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange 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

編製各集團實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易乃按其功能貨幣(即實體主要經營之經濟環境之貨幣)於交易日期當時之匯率記錄。於各結算日，以外幣列值之貨幣項目以結算日當日之匯率重新換算。按公平值列賬且按外幣列值之非貨幣項目乃按釐定公平值當日匯率重新換算。以外幣過往成本計算之非貨幣項目不予重新換算。

結算貨幣項目及換算貨幣項目所產生之匯兌差額會於產生期間在損益中確認，惟組成本集團海外業務投資淨額部分之貨幣項目所產生之匯兌差額除外，在此情況下，該等匯兌差額乃於綜合財務報表之股本確認。重新換算按公平值列賬之非貨幣項目產生之匯兌差額計入期內損益，惟重新換算非貨幣項目產生之差額則除外，有關盈虧於股本直接確認，在此情況下，匯兌差額亦於股本直接確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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 Group (i.e. Hong Kong dollars) at the rates of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

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

#### Borrowing costs

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

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

### 3. 主要會計政策 (續)

#### 外幣 (續)

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按結算日當日匯率換算為本集團之呈列貨幣（即港元），而彼等之收入及開支項目乃按年內平均匯率換算，除非期內匯率出現重大波幅，則於此情況下，將採用交易日之匯率。所產生匯兌差額（如有）確認為股本權益之獨立部分（換算儲備）。有關換算差額於該項海外業務出售期間在損益中確認。

於二零零五年一月一日或之後收購海外業務時產生之所收購可識別資產之商譽及公平值調整被視作該海外業務之資產及負債，並按結算日之匯率換算。所產生匯兌差額於換算儲備確認。

#### 借貸成本

與收購、建造或生產合資格資產直接有關之借貸成本均撥充資本，作為該等資產之部分成本。當資產大致可作其擬定用途或可供銷售時，該等借貸成本將不再撥充為資本。待應用於合資格資產之特定借貸之短期投資所賺取之投資收入須在合資格撥充資本之借貸成本中扣除。

所有其他借貸成本均於產生期間於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Retirement benefit costs

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

#### Taxation

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

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

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

### 3. 主要會計政策 (續)

#### 退休福利成本

向定額供款退休福利計劃、國家管理退休福利計劃及強積金計劃支付之供款均於僱員提供服務致使其有權獲得有關供款時以開支形式扣除。

#### 稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合收益表中所申報之溢利不同，乃由於前者不包括在其他年度應課稅或可扣稅收入或開支，並且不包括收益表內從未課稅或扣稅之項目。本集團即期稅項之債務乃按結算日已頒佈或實際已頒佈之稅率計算。

遞延稅項乃根據綜合財務報表資產及負債賬面值與計算應課稅溢利所採用相應稅基間之差額確認，以資產負債表負債法處理。遞延稅項負債一般會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時確認。因商譽或因業務合併以外交易初步確認資產及負債且不影響應課稅溢利亦不影響會計溢利而引致之臨時差額，則不會確認該等資產及負債。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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 liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

#### 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)

#### 稅項 (續)

遞延稅項負債乃按於附屬公司及聯營公司之投資及於合資企業之權益而引致之應課稅臨時差額而確認，惟若本集團可控制臨時差額之撥回及臨時差額有可能未必於可見將來之撥回之情況則除外。

遞延稅項資產之賬面值於各結算日作檢討，並在沒可能會有足夠應課稅溢利收回全部或部分資產時加以遞減。

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於損益中扣除或計入損益，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則除外，在此情況下，遞延稅項亦會於權益中處理。

#### 金融工具

當集團實體成為工具訂約條文之訂約方時，財務資產及財務負債於資產負債表確認。財務資產及財務負債初步按公平值計算。因收購或發行財務資產及財務負債（按公平值計入損益之財務資產及財務負債除外）而直接應佔之交易成本於初步確認時，按適用情況加入或扣自該項財務資產或財務負債之公平值。因收購按公平值計入損益之財務資產或財務負債而直接應佔之交易成本即時於損益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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 (i) financial assets at fair value through profit or loss, (ii) loans and receivables and (iii) available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

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

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

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

##### 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 bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 財務資產

本集團之金融資產分類為(i)按公平值計入損益表之金融資產；(ii)貸款及應收賬款；及(iii)可供出售財務資產。所有日常買賣之財務資產於交易日確認及剔除確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之財務資產買賣。就各類別財務資產所採納會計政策載列於下文。

##### 按公平值計入損益表之財務資產

按公平值計入損益表之財務資產分為兩個分類，包括持作買賣財務資產及指定於初步確認時按公平值計入損益表之財務資產。

於初次確認後各結算日，按公平值計入損益表之財務資產按公平價值計量，公平值之變動於產生變動期間直接在損益中確認。

##### 貸款及應收賬款

貸款及應收賬款為在活躍市場上並無報價而具有固定或待付之非衍生金融資產。於初次確認後之各個結算日，貸款及應收賬款（包括應收貿易賬款、其他應收賬款及銀行存款）以實際利率法按攤銷成本減任何已識別減值虧損列賬。減值虧損於有客觀證據顯示資產出現減值時在損益確認，並按該項資產賬面值與以原有實際利率折現估計日後現金流量現值間之差額計算。當該項資產之可收回金額增加可客觀地與該項減值獲確認後出現之事件有關連，則於以後期間可撥回減值虧損，惟於減值撥回當日該項資產所撥回賬面值不得超出倘該項減值未獲確認原應出現之攤銷成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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 (continued)

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

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in profit or loss in subsequent periods. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

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)

##### 財務資產 (續)

##### 可供出售財務資產

可供出售財務資產為非衍生工具，其須指定或非分類為按公平值計入損益表之財務資產、貸款及應收賬款或持至到期投資。於首次確認後之各個結算日，可供出售財務資產按公平值計算。公平值之變動於股本確認，直至該財務資產售出或釐定有所減值，屆時過往於股本確認之累計盈虧將自股本剔除，並於損益中確認。可供出售財務資產之任何減值虧損於損益確認。可供出售之股本投資之減值虧損將不會於其後期間於損益內撥回。就可供出售之債務投資而言，倘投資公平值之增加可客觀地與確認減值虧損後出現之事件有關連，則其後可撥回減值虧損。

在活躍市場上並無報價而其公平值未能可靠計量之可供出售股本投資，與該等無報價股本工具有關並須以交付該等工具作結算之衍生工具，則於首次確認後之各個結算日，按成本減任何已識別減值虧損計算。倘具備客觀證明資產出現減值，則減值虧損於損益中確認。減值虧損數額按資產賬面值與按類似財務資產之現行市場回報率折讓估計未來現金流量之現值間之差額計算。有關減值虧損將不會於以後期間撥回。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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 liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The Group's financial liabilities are 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.

##### Financial liabilities at fair value through profit or loss

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

At each balance sheet date subsequent to initial recognition, financial liabilities 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.

##### Other financial liabilities

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

##### Equity instruments

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 財務負債及權益

由集團實體發行之財務負債及權益工具按所訂立之合約安排內容，以及財務負債及權益工具之定義而分類。

權益工具為證明本集團資產剩餘權益（經扣除其所有負債）之任何合約。本集團之財務負債一般分類為以公平值於損益中列值之財務負債及其他財務負債。有關財務負債及權益工具所採納之會計政策載列如下。

##### 按公平值計入損益表之財務負債

按公平值計入損益表之財務負債分為兩個分類，包括持作買賣財務負債及指定於初次確認時按公平值計入損益表之財務負債。

於初次確認後各結算日，按公平值計入損益表之財務負債按公平值計量，公平值之變動於產生變動期間直接在損益中確認。

##### 其他財務負債

其他財務負債包括其後以實際利率法按攤銷成本計量之貿易及其他應付賬款、應付票據及銀行貸款。

##### 權益工具

本公司所發行之權益工具乃按已收取之所得款項減直接發行成本入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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)

##### 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.

Derivatives that do not qualify for hedge accounting are deemed as financial assets held for trading or financial liabilities held for trading.

The Group designates certain derivatives as hedges of the cash flow of floating-rate bank borrowings (i.e. interest rate swaps).

##### Hedge accounting

The Group designates certain derivatives as hedging instruments as cash flow hedges.

At the inception of the hedge relationship the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

##### Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss as part of other expenses or other income.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融衍生工具及對沖

衍生工具以衍生工具合約簽訂日之公平值作初次確認及其後以各結算日之公平值重新計量。所產生的收益或虧損將即時於損益內確認。除非該衍生工具是指定而有效之對沖工具，在此情況下，於損益內確認的時間取決於對沖關係的類別。

不符合對沖會計法之衍生工具被視為持作買賣之財務資產或財務負債。

本集團利用若干衍生工具(即利率掉期)作為浮息銀行借貸現金流量之對沖。

##### 對沖會計法

本集團指定某些衍生工具為對沖工具，用作現金流量對沖。

於對沖關係之開始，實體記錄對沖工具和被對沖項目的關係，及進行各類對沖交易之風險管理目標及其策略。此外，於對沖開始和進行期間，本集團記錄用於對沖關係之對沖工具是否能高度有效地抵銷被對沖項目的公平值或現金流量變動。

##### 現金流量對沖

指定和符合現金流量對沖之衍生工具公平值變動，其有效部分遞延於權益，其無效部分之收益或虧損，即時於損益內確認為其他開支或其他收入之部分。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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)

##### Cash flow hedge (continued)

Amounts deferred in equity are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss.

##### Derecognition

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

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 現金流量對沖 (續)

當被對沖項目確認於損益內確認時，遞延於權益之金額則在該期間之損益內重新確認。

當本集團解除對沖關係、對沖工具已屆滿、售出、終止、行使或不再符合對沖會計法，對沖會計法將被終止。當時遞延於權益之任何累計盈虧將保留於權益內，並在預測交易最終於損益內確認時確認。倘預測交易預期不再進行，遞延於權益之累計盈虧即時於損益內確認。

##### 剔除確認

若從資產收取現金流量之權利已到期，或財務資產已轉讓及本集團已將其於財務資產擁有權之絕大部份風險及回報轉移，則財務資產將剔除確認。於剔除確認財務資產時，資產賬面值與已收及應收代價及已直接於股本確認之累計損益之差額，將於損益中確認。

倘於有關合約之指定責任獲解除、註銷或到期時，則會剔除確認財務負債。剔除確認之財務負債賬面值與已付及應付代價之差額於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Share-based payment transactions

Share options granted and vested prior to 1 January 2005

The Group did not recognise the financial effect of share options until they were exercised. Upon the exercise of the share options, the resulting shares issued are recorded as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded in the share premium account. Options which lapsed or cancelled prior to their exercise date are deleted from the register of outstanding options.

Share options granted and vested on or after 1 January 2005

Equity-settled share-based payment transactions

Share options granted to directors and employees of the Group

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in the share option reserve.

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

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

### 3. 主要會計政策 (續)

#### 以股份形式付款交易

於二零零五年一月一日前授出及歸屬之優先購股權

於優先購股權獲行使前，本集團不會確認其財務影響。行使優先購股權時，因行使優先購股權而發行之股份按股份面值記錄為額外股本，每股行使價超出股份面值之部分記錄於股份溢價賬內。於行使日期前失效或註銷之優先購股權將自尚未行使購股權登記冊內刪除。

於二零零五年一月一日或之後授出及歸屬之優先購股權

以股份形式付款交易

授予本集團董事及僱員之優先購股權

所獲服務之公平值乃參考優先購股權於授出日期之公平值釐定，倘優先購股權即時歸屬，將於授出日期全數確認為開支，並於優先購股權儲備中作相應增加。

於結算日，本集團修訂對預期最終可歸屬之購股權數目的估計，並將原先估計的修訂之影響（如有）即時於損益內確認，優先購股權儲備亦作相應之調整。

優先購股權獲行使時，過往於優先購股權儲備中確認之數額將轉移至股份溢價。當優先購股權於歸屬日後被沒收或於屆滿日仍未獲行使，則過往於優先購股權儲備中確認之數額將轉撥至保留溢利。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Revenue recognition

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

Income from sales of goods are recognised when goods are delivered and title has passed.

Service income is recognised when services are provided.

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 is recognised on a straight-line basis over the term of the relevant lease.

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

### 3. 主要會計政策 (續)

#### 收入確認

營業額乃按於一般業務過程中供應貨品及提供服務之已收或應收代價之公平值減折讓及銷售相關稅項後計算。

銷售貨品收入於貨品付運及擁有權移交時確認。

服務收入於提供服務時確認。

財務資產利息收入乃根據未償還本金及適用實際利率按時間基準累計，有關利率乃將估計未來所收現金按財務資產估計可使用年期折讓至該資產賬面淨值之利率。

租金收入乃於有關租約期內按直線基準確認。

可供出售投資之股息收入於股東收取該等股息之權利獲確立時確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

#### Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss may arise. At 31 December 2006, the carrying amount of goodwill was approximately HK\$1,717,519,000 arising from acquisition of subsidiaries. Details of the recoverable amount calculations of subsidiaries are disclosed in Note 20.

#### Income taxes

At 31 December 2006, deferred tax assets of approximately HK\$9,678,000 (2005: HK\$10,447,000) in relation to unused tax losses has been recognised in the Group's consolidated balance sheet. No deferred tax asset has been recognised on the tax losses of HK\$25,338,000 (2005: HK\$15,970,000) due to the unpredictability of future profit stream. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less or more than expected, a reversal or further recognition of deferred tax assets may arise, which would be recognised in profit and loss for the period in which such a reversal or recognition takes place.

### 4. 估計不明朗因素之主要來源

管理層在應用本集團之會計政策（於附註3載述）過程中作出以下估計，該等估計對綜合財務報表內確認之款額造成重大影響。下文詳述有關日後主要假設及於結算日估計不明朗因素之其他主要來源，而該等假設及不確定估計或會造成須對下一個財政年度內資產及負債賬面值作出重大調整之重大風險。

#### 商譽減值估計

釐定商譽是否出現減值時須估計商譽所獲分配之現金產生單位使用價值。本集團計算使用價值時須就預期源自該現金產生單位之日後現金流量及合適之折現率作出估計，以計算現值。倘未來實際現金流量少於預期數額，則可能會產生減值虧損。於二零零六年十二月三十一日，收購附屬公司所產生之商譽之賬面值約為1,717,519,000港元。附屬公司可收回款項之計算詳情於附註20披露。

#### 所得稅

於二零零六年十二月三十一日，有關未動用稅項虧損之遞延稅項資產約9,678,000港元（二零零五年：10,447,000港元）已於本集團綜合資產負債表中確認。由於不能確定未來溢利，故未就25,338,000港元（二零零五年：15,970,000港元）之稅務虧損確認遞延稅項資產。變現遞延稅項資產主要視乎是否有足夠未來溢利或將來可供利用之應課稅暫時差額而定。倘產生之未來實際溢利少於或多於預期溢利，則遞延稅項資產可能須作撥回或進一步確認，並於該撥回或確認期間於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include equity instruments, derivative financial instruments, bank balances and cash, bank borrowings, trade and other receivables, trade and other payables and bills payable. 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.

#### Market risk

##### (i) Currency risk

Several subsidiaries of the Company have foreign currency sales/purchases denominated in currencies other than their functional currencies of the relevant group entities, which expose the Group to foreign currency risk. During the year, the Group has entered into certain foreign currency forward contracts to hedge against part of its exposure to potential variability of foreign currency risk arising from changes in foreign exchange exposure. The management continuously monitors the foreign exchange exposure and will consider further hedging foreign currency risk should the need arises.

The Group also had foreign currency exposure arising from the bank borrowings denominated in US dollars and Japanese Yen which are not the functional currencies of the relevant group entities. The management will consider hedging significant foreign currency exposure should the need arises.

### 5. 財務風險管理目標及政策

本集團之主要金融工具包括權益工具、衍生金融工具、銀行結餘及現金、銀行借貸、貿易及其他應收賬款、貿易及其他應付賬款及應付票據。該等金融工具詳情於各附註披露。下文載列與該等金融工具相關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

#### 市場風險

##### (i) 貨幣風險

本公司若干附屬公司有以相關集團實體之功能貨幣以外之貨幣計值之外幣銷售／購買，以致本集團須承受外幣風險。年內，本集團已訂立若干外匯遠期合約，以對沖因外匯變動而產生之部分外幣風險潛在波動。管理層持續監控外幣風險，並將於有需要時考慮進一步對沖外幣風險。

本集團因以美元及日圓（兩者均並非有關集團實體之功能貨幣）計值之銀行借貸而承受外幣風險。管理層將在有需要時考慮對沖重大外幣風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### Market risk (continued)

##### (ii) Cash flow interest rate risk

The Group's cash flow interest rate risk relates primarily to floating-rate bank borrowings (see Note 30 for details of these borrowings). In relation to these floating-rate borrowings, the Group aims at keeping certain borrowings at fixed rates. In order to achieve this result, the Group entered into interest rate swaps to hedge against part of its exposure to potential variability of cash flows arising from changes in floating rate (see Note 23 for details). The management continuously monitors interest rate fluctuation and will consider further hedging interest rate risk should the need arises.

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

##### (iii) Fair value interest rate risk

The Group is exposed to fair value interest rate risk from the fixed rate debt securities (see Note 22 for details). However, the management considered the risk is insignificant to the Group.

##### (iv) Equity price risk

The Group is exposed to equity price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles.

### 5. 財務風險管理目標及政策 (續)

#### 市場風險 (續)

##### (ii) 現金流量利率風險

本集團之現金流量利率風險主要涉及以浮動利率計息之銀行借貸(該等借貸詳情見附註30)。就該等浮動利率借貸而言，本集團致力將若干借貸利率保持穩定。為達致此目的，本集團訂立利率掉期安排，以對沖因浮動利率變動而產生之現金流量潛在變動(詳情見附註23)。管理層持續監控利率波動，並將於有需要時考慮進一步對沖利率風險。

由於適用於銀行結餘之現行市場利率浮動，本集團之銀行結餘承受現金流量利率風險。董事認為，由於計息銀行結餘之到期期間較短，故本集團短期銀行存款所承受之利率風險並不重大。

##### (iii) 公平值利率風險

本集團須承受由定息債務證券所產生之公平值利率風險(詳情見附註22)。然而，管理層認為此項風險對本集團而言並不重大。

##### (iv) 股本價格風險

本集團須承受股本價格風險。管理層藉持有不同風險之投資組合管理此類風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at 31 December 2006 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. In order to minimise the credit risk, the management of the Group has delegated the members of the board of directors 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.

The credit risk for bank deposits and bank balances exposed is considered minimal as such amounts are placed with banks with good credit ratings.

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

#### Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices; and
- the fair value of derivative instruments are determined in accordance with generally accepted pricing models.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

### 5. 財務風險管理目標及政策 (續)

#### 信貸風險

倘交易方於二零零六年十二月三十一日未能履行彼等就各類已確認財務資產之承擔，則本集團須承受之最高信貸風險為於綜合資產負債表所載資產賬面金額。為將信貸風險降至最低，本集團管理層已委派董事會成員負責制訂信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期未付之債項。此外，於各結算日，本集團檢討每項個別應收貿易賬款之可收回金額，以確保就不可收回金額已作出足夠減值虧損。就此而言，本公司董事認為，本集團之信貸風險已大幅降低。

由於銀行存款及銀行結餘乃存放於信譽良好之銀行，故該等款項之信貸風險屬微不足道。

本集團並無高度集中之信貸風險，有關風險乃分散至多個訂約方及客戶。

#### 公平值

財務資產及財務負債之公平值按下列方式釐定：

- 擁有標準條款及條件並於活躍流通市場買賣之財務資產及財務負債之公平值參考市場所報之買盤價釐定；及
- 衍生工具之公平值按一般接納之定價模式釐定。

董事認為，以攤銷成本記錄於綜合財務報表之財務資產及財務負債之賬面值與其公平值相若。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. REVENUE

Revenue represents the net amounts received and receivable by the Group from the sale of goods to outside customers, less returns and allowances, and services rendered by the Group, for the year and is analysed as follows:

### 6. 營業額

營業額指本集團於年內自對外客戶銷售貨品（減退貨及折扣）及提供服務之所收及應收金額淨額，分析如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Sale of laminates	銷售覆銅面板	6,288,922	4,788,387
Sale of PCBs	銷售印刷線路板	6,649,997	5,284,203
Sale of chemicals	銷售化工產品	2,725,653	2,023,404
Others	其他	1,108,776	1,002,360
		<b>16,773,348</b>	<b>13,098,354</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 7. BUSINESS AND GEOGRAPHICAL SEGMENTS

#### Business segments

For management purposes, the Group is currently organised into four operating divisions – laminates, PCBs, chemicals and others. These divisions are the basis on which the Group reports its primary segment information.

### 7. 業務及地區分部

#### 業務分部

在管理方面，本集團目前分成四大營運部門－覆銅面板、印刷線路板、化工產品及其他。此等部門為本集團申報其主要分部資料之基準。

		Laminates 覆銅面板 HK\$'000 千港元	PCBs 印刷線路板 HK\$'000 千港元	Chemicals 化工產品 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Year ended</b>	<b>截至二零零六年</b>						
<b>31 December 2006</b>	<b>十二月三十一日</b>						
Segment revenue	分部收益						
External sales	對外銷售額	6,288,922	6,649,997	2,725,653	1,108,776	-	16,773,348
Inter-segment sales	分部間之銷售額	1,954,390	-	1,285,722	15,571	(3,255,683)	-
<b>Total</b>	<b>合計</b>	<b>8,243,312</b>	<b>6,649,997</b>	<b>4,011,375</b>	<b>1,124,347</b>	<b>(3,255,683)</b>	<b>16,773,348</b>
<b>Result</b>	<b>業績</b>						
Segment result	分部業績	1,807,375	686,182	342,027	80,248	-	2,915,832
Gain on disposal and deemed disposal of partial interest in a subsidiary	出售及視作出售一間附屬公司部分權益之收益	4,830,916	-	-	-	-	4,830,916
Discount on acquisition of an associate	收購一間聯營公司折讓	-	48,182	-	-	-	48,182
Discount on acquisition of additional interest in a subsidiary	收購一間附屬公司額外權益折讓	1,498	-	-	-	-	1,498
Unallocated corporate income	未分配之公司收入						156,853
Unallocated corporate expenses	未分配之公司支出						(82,030)
Finance costs	融資成本						(313,266)
Share of results of associates	應佔聯營公司業績	-	90	39,834	-	-	39,924
Share of results of jointly controlled entities	應佔共同控制實體業績	-	-	-	(1,755)	-	(1,755)
Profit before taxation	除稅前溢利						7,596,154
Income tax expense	所得稅支出						(240,435)
Profit for the year	年內溢利						7,355,719

Inter-segment sales are charged by reference to market prices.

分部間銷售額乃參考市價計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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)***7. 業務及地區分部 (續)****業務分部 (續)**

		Laminates	PCBs	Chemicals	Others	Consolidated
		覆銅面板	印刷線路板	化工產品	其他	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>Year ended</b>	<b>截至二零零六年</b>					
<b>31 December 2006</b>	<b>十二月三十一日</b>					
	<b>止年度</b>					
Other information	其他資料					
Capital additions	資本增添	799,415	730,675	780,546	122,707	2,433,343
Depreciation and amortisation	折舊及攤銷	444,331	385,049	148,367	53,951	1,031,698
<b>At 31 December 2006</b>	<b>於二零零六年</b>					
	<b>十二月三十一日</b>					
Assets	資產					
Segment assets	分部資產	8,337,233	9,342,019	4,733,011	537,846	22,950,109
Interests in jointly controlled entities	於共同控制實體之權益	-	-	-	15,354	15,354
Investments in associates	於聯營公司之投資	-	247,158	239,771	-	486,929
Unallocated corporate assets	未分配之公司資產					4,668,659
Consolidated total assets	綜合資產總值					28,121,051
Liabilities	負債					
Segment liabilities	分部負債	(1,053,065)	(1,183,719)	(1,054,577)	(107,024)	(3,398,385)
Unallocated corporate liabilities	未分配之公司負債					(5,709,745)
Consolidated total liabilities	綜合負債總額					(9,108,130)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

(continued)

Business segments (continued)

業務分部 (續)

		Laminates 覆銅面板 HK\$'000 千港元	PCBs 印刷線路板 HK\$'000 千港元	Chemicals 化工產品 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Year ended	截至二零零五年						
31 December 2005	十二月三十一日 止年度						
Segment revenue	分部收益						
External sales	對外銷售額	4,788,387	5,284,203	2,023,404	1,002,360	-	13,098,354
Inter-segment sales	分部間之銷售額	1,096,509	-	1,171,888	-	(2,268,397)	-
Total	合計	5,884,896	5,284,203	3,195,292	1,002,360	(2,268,397)	13,098,354
Result	業績						
Segment result	分部業績	1,217,278	567,030	168,873	71,289	-	2,024,470
Discount on acquisition of additional interest in a subsidiary	收購一間附屬 公司額外 權益折讓	6,305	-	-	-	-	6,305
Unallocated corporate income	未分配之公司 收入						56,797
Unallocated corporate expenses	未分配之公司 支出						(10,032)
Finance costs	融資成本						(274,418)
Share of results of jointly controlled entities	應佔共同控制 實體業績	-	-	-	(14,320)	-	(14,320)
Profit before taxation	除稅前溢利						1,788,802
Income tax expense	所得稅支出						(139,970)
Profit for the year	年內溢利						1,648,832

Inter-segment sales are charged by reference to market prices.

分部間銷售額乃參考市價計算。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

(continued)

Business segments (continued)

業務分部 (續)

		Laminates 覆銅面板 HK\$'000 千港元	PCBs 印刷線路板 HK\$'000 千港元	Chemicals 化工產品 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Year ended	截至二零零五年					
31 December 2005	十二月三十一日 止年度					
Other information	其他資料					
Capital additions	資本增添	677,028	574,362	680,911	33,596	1,965,897
Depreciation and amortisation	折舊及攤銷	359,971	362,718	85,999	9,030	817,718
At 31 December 2005	於二零零五年 十二月三十一日					
Assets	資產					
Segment assets	分部資產	7,168,489	5,689,807	3,767,061	527,189	17,152,546
Interests in jointly controlled entities	於共同控制實體之權益	-	-	-	17,109	17,109
Investment in an associate	於一間聯營公司之投資	-	-	188,137	-	188,137
Unallocated corporate assets	未分配之公司資產					2,003,030
Consolidated total assets	綜合資產總值					19,360,822
Liabilities	負債					
Segment liabilities	分部負債	(945,305)	(1,062,185)	(652,812)	(87,950)	(2,748,252)
Unallocated corporate liabilities	未分配之公司負債					(6,965,827)
Consolidated total liabilities	綜合負債總額					(9,714,079)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 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

The analysis of the Group's revenue by geographical market for the year is as follows:

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
The People's Republic of China (the "PRC") 中華人民共和國(「中國」)	12,506,931	9,505,402
Other Asian countries 其他亞洲國家	2,556,456	2,145,651
Europe 歐洲	1,222,052	996,072
America 美洲	487,909	451,229
	<b>16,773,348</b>	13,098,354

An analysis of segment assets and capital additions by geographical area in which the assets are located has not been presented as the Group's assets are substantially located in the PRC.

### 7. 業務及地區分部 (續)

#### 地區分部

以下為本集團按市場地域劃分本年度之營業額分析：

由於本集團之資產大部分位於中國，故並無按資產所在地域呈報分部資產及資本增添分析。

### 8. OTHER INCOME

Other income comprises:

Rental income	租金收入	6,014	2,053
Gain on fair value changes of investment properties	投資物業公平值變動之收益	7,163	717
Gain on disposal of properties, plant and equipment	出售物業、廠房及設備之收益	144	-
Net exchange gain	匯兌收益淨額	28,787	10,236
Others	其他	8,167	374
		<b>50,275</b>	13,380

### 8. 其他收入

其他收入包括：

Rental income	租金收入	6,014	2,053
Gain on fair value changes of investment properties	投資物業公平值變動之收益	7,163	717
Gain on disposal of properties, plant and equipment	出售物業、廠房及設備之收益	144	-
Net exchange gain	匯兌收益淨額	28,787	10,236
Others	其他	8,167	374
		<b>50,275</b>	13,380

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 9. INVESTMENT INCOME

### 9. 投資收入

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Dividends from available-for-sale investments	可供出售投資之股息	1,002	6,862
Gain on disposal of available-for-sale investments	出售可供出售投資之收益	6,876	35,724
Gain on disposal of investments held for trading	出售持作買賣投資之收益	85,197	-
Gain on fair value changes of foreign currency forward contracts	外匯遠期合約公平值變動之收益	23	-
Interest income from bank deposits	銀行存款利息收入	51,499	11,151
		<b>144,597</b>	<b>53,737</b>

### 10. GAIN ON DISPOSAL AND DEEMED DISPOSAL OF PARTIAL INTEREST IN A SUBSIDIARY

During the year ended 31 December 2006, the Group spun off its interests in Kingboard Laminates Holdings Limited ("KLHL"), a subsidiary of the Company principally engaged in the manufacture and sale of laminates and laminate-related products, for a separate listing on the main board of the Stock Exchange (the "Spin-off"). The Group disposed of 675,000,000 shares in KLHL to the public investors at a price of HK\$7.73 per share in KLHL, giving a total consideration of approximately HK\$5,217,750,000 before expenses, which amounted to approximately HK\$231,841,000. It resulted in a gain on disposal of partial interest in KLHL of approximately HK\$4,166,273,000, including a gain on release of translation reserve of approximately HK\$59,460,000.

In addition, KLHL has also issued a total of 150,000,000 new shares to the public investors at an issue price of HK\$7.73 per share in KLHL, resulting in a gain on deemed disposal of partial interest in KLHL by the Group of approximately HK\$664,643,000.

As a result of the Spin-off, the Group's interest in KLHL was reduced from 100% to 72.5%.

### 10. 出售及視作出售一間附屬公司部分權益之收益

於截至二零零六年十二月三十一日止年度內，本集團分拆其於建滔積層板控股有限公司（「建滔積層板」）之權益於聯交所主板獨立上市（「分拆」）。建滔積層板為本公司附屬公司，主要從事製造及銷售覆銅面板及覆銅面板相關產品。本集團按每股建滔積層板股份7.73港元向公眾投資者出售675,000,000股建滔積層板股份，扣除相關開支約231,841,000港元前之總代價約為5,217,750,000港元。出售建滔積層板部分權益之收益約為4,166,273,000港元，其中包括換算儲備收入撥回約59,460,000港元。

此外，建滔積層板亦按發行價每股7.73港元向公眾投資者發行合共150,000,000股建滔積層板新股份，因此，本集團視作出售建滔積層板部分權益之收益約為664,643,000港元。

分拆後，本集團於建滔積層板之權益由100%減至72.5%。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 11. FINANCE COSTS

### 11. 融資成本

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Interest on bank borrowings wholly repayable within five years	須於五年內全數償還之銀行借貸之利息	382,622	262,035
Other finance charges	其他融資費用	36,637	16,114
		<b>419,259</b>	278,149
Release of hedging reserve	對沖儲備之撥回	(43,823)	-
Fair value changes of interest rate swap	利率掉期公平值變動	(59,126)	-
		<b>316,310</b>	278,149
Less: Interests capitalised	減: 資本化利息	(3,044)	(3,731)
		<b>313,266</b>	274,418

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 5% for 2006 (2005: 5%) to expenditures on qualifying assets.

年內之資本化借貸成本乃於一般借貸中產生，於二零零六年以合資格資產開支之資本化率5% (二零零五年: 5%) 計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 12. INCOME TAX EXPENSE

### 12. 所得稅開支

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
The amount comprises:	稅項包括:		
Hong Kong Profits Tax	香港利得稅		
Charge for the year	本年度之稅項支出	16,310	52,446
(Over)underprovision in previous years	過往年度(超額撥備) 撥備不足	(8,433)	862
		<b>7,877</b>	53,308
Taxation arising in other jurisdictions	其他司法權區之稅項		
Charge for the year	本年度之稅項支出	246,190	98,656
Underprovision in previous years	過往年度撥備不足	4,404	1,710
		<b>250,594</b>	100,366
Deferred taxation	遞延稅項		
Credit for the year (Note 31)	本年度撥回(附註31)	(18,036)	(13,704)
		<b>240,435</b>	139,970

Hong Kong Profits Tax is calculated at 17.5% on the estimated assessable profits for both years.

香港利得稅乃按該兩年內估計應課稅溢利並按17.5%之稅率計算。

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

其他司法權區之稅項乃按有關司法權區之適用稅率計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 12. INCOME TAX EXPENSE (continued)

Taxation for the year can be reconciled to the profit before taxation as follows:

### 12. 所得稅開支(續)

本年度之稅項支出與除稅前溢利之對賬如下:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit before taxation	除稅前溢利	7,596,154	1,788,802
Tax charge at the domestic income tax rate of 33% (2005: 33%) (Note 1)	以當地所得稅率33% (二零零五年: 33%) 計算之稅款(附註1)	2,506,731	590,304
Tax effect of expenses not deductible for tax purpose	不可扣稅費用之稅務 影響	60,506	167,286
Tax effect of income not taxable for tax purpose	毋須課稅收益之稅務 影響	(999,641)	(75,502)
Tax effect of share of results of associates	分佔聯營公司業績之 稅務影響	13,175	-
Tax effect of share of results of jointly controlled entities	分佔共同控制實體業績 之稅務影響	(579)	(4,436)
(Over)underprovision in previous years	過往年度(超額撥備) 撥備不足	(4,029)	2,572
Tax effect on tax holiday (Note 2)	免稅期之稅務影響 (附註2)	(287,014)	(189,135)
Tax effect of tax losses not recognised	未予確認稅項虧損之稅務 影響	1,639	23,907
Effect of different tax rates of subsidiaries operating in other jurisdictions/areas	於其他司法權區/ 地區經營附屬公司之 不同稅率之影響	(1,050,353)	(375,026)
Tax expense for the year	本年度之稅務開支	240,435	139,970

Notes:

- The domestic income tax rate of 33% represents the PRC Enterprise Income Tax of which the Group's operations are substantially based.
- Certain subsidiaries of the Company in the PRC are exempted from income tax in the PRC for two years starting from the first profit making year in which profits exceed any carried forward tax losses followed by a 50% reduction in the income tax rate in the following three years.

附註:

- 當地所得稅率33%指本集團大部分業務所在地區之中國企業所得稅。
- 本公司若干中國附屬公司自首個獲利年度(即溢利超逾任何結轉之稅務虧損)起計兩年內獲豁免繳納中國所得稅,其後三年所得稅率獲減免50%。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 13. PROFIT FOR THE YEAR

### 13. 本年度溢利

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit for the year has been arrived at after charging (crediting):	本年度溢利已經扣除 (加上) 以下項目:		
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	1,031,198	817,258
Amortisation of intangible assets (included in administrative costs)	無形資產攤銷(已計入行政成本)	500	460
		<b>1,031,698</b>	817,718
Auditor's remuneration	核數師酬金	7,800	7,521
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收賬款確認之減值虧損	34,010	35,143
Net exchange gain	匯兌收益淨額		
– included in cost of sales	– 已計入銷售成本	(21,474)	(14,932)
– included in other income	– 已計入其他收入	(28,787)	(10,236)
		<b>(50,261)</b>	(25,168)
Loss on closure of a jointly controlled entity	關閉一間共同控制實體之虧損	–	5,334
Loss on disposal and write off of properties, plant and equipment	出售及撇銷物業、廠房及設備之虧損	–	1,669
Release of prepaid lease payments	預付租賃款項之撥回	8,595	6,513
Total staff costs, including directors' emoluments (see Note 14)	員工成本總額, 包括董事酬金 (見附註14)	<b>1,357,187</b>	967,756

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 14. DIRECTORS' AND EMPLOYEES' EMOLUMENTS 14. 董事及僱員酬金

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

已付或應付十三名(二零零五年: 十四名)董事之酬金如下:

		Year ended 31 December 2006 截至二零零六年十二月三十一日止年度													
		Cheung Kwok Wing	Chan Wing Kwan	Lam Ka Po	Cheung Kwok Keung	Cheung Kwok Wa	Cheung Kwong Kwan	Cheung Kwok Ping	Chang Wing Yiu	Mok Cham Hung	Lum Gum Wun	Cheng Ming Fun, Paul	Tse Kam Hung	Henry Tan	Total
		張國榮	陳永錕	林家寶	張國強	張國華	張廣軍	張國平	龔永耀	莫港雄	林根穩	龔明訓	謝錦洪	陳亨利	合計
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Fees	袍金	-	-	-	-	-	-	-	-	-	-	480	180	180	840
Other emoluments:	其他酬金:														
Salaries and other benefits	薪金及其他福利	2,755	2,485	1,490	1,739	2,523	2,022	1,739	2,620	2,782	-	-	-	-	20,155
Contributions to retirement benefits scheme	退休福利計劃供款	100	87	66	74	86	93	80	94	101	-	-	-	-	781
Performance related incentive payment	工作表現獎勵款項	26,900	15,000	13,000	13,000	13,850	13,500	13,620	13,000	13,000	-	100	200	100	135,270
Total emoluments	酬金總額	29,755	17,572	14,556	14,813	16,459	15,615	15,439	15,714	15,883	-	580	380	280	157,046



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 14. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued) 14. 董事及僱員酬金 (續)

		Year ended 31 December 2005 截至二零零五年十二月三十一日止年度																
		Cheung		Cheung		Cheung		Chang		Mok		Tsao		Cheng		Tse		Total
		Cheung	Chan	Lam	Kwok	Cheung	Kwong	Cheung	Chang	Hung,	Cham	Kwang	Lum	Ming Fun,	Paul	Kam Hung	Henry Tan	Total
		Kwok Wing	Wing Kwan	Ka Po	Keung	Kwok Wa	Kwan	Kwok Ping	Wing Yiu	Chadwick	Chadwick	Peter	Gum Wun	Paul	Kam Hung	Henry Tan	Total	
		張國榮	陳永銀	林家寶	張國強	張國華	張廣軍	張國平	鄭永耀	莫港雄	曹廣榮	林根穩	鄭明訓	謝錦洪	陳亨利	合計		
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元		
Fees	袍金	-	-	-	-	-	-	-	-	-	90	-	360	100	51	601		
Other emoluments:	其他酬金:																	
Salaries and other	薪金及																	
benefits	其他福利	2,240	1,960	1,680	1,960	2,170	2,100	1,960	2,100	2,268	-	-	-	-	-	18,438		
Contributions to	退休福利計劃																	
retirement	供款																	
benefits scheme		96	84	66	78	87	84	84	90	97	-	-	-	-	-	766		
Performance related	工作表現																	
incentive payment	獎勵款項	8,174	6,452	4,184	4,184	5,375	4,722	4,938	4,083	4,083	-	-	-	-	-	46,195		
Total emoluments	酬金總額	10,510	8,496	5,930	6,222	7,632	6,906	6,982	6,273	6,448	90	-	360	100	51	66,000		

Note: The performance related incentive payment is determined with reference to the operating results, individual performance and comparable market statistics during both years.

附註: 工作表現相關獎勵款項乃參考該兩個年度之經營業績、個人表現及比較市場數據而釐定。

No directors had waived any emoluments during the years ended 31 December 2006 and 2005 and the five highest paid individuals in the Group in both years were all directors of the Company.

概無董事於截至二零零六年及二零零五年十二月三十一日止年度放棄任何酬金。本集團於該兩個年度之五名最高薪人士均為本公司董事。

During both years, no emoluments were paid to or receivable by the directors or the Group's five highest paid individuals, including directors, as an inducement to join or upon joining the Group or as compensation for loss of office.

於兩個年度內，董事或本集團五名最高薪僱員（包括董事）概無支付或應收任何酬金，作為吸引彼等加盟或加盟時支付之獎勵或作為離職之補償。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 15. DIVIDENDS

### 15. 股息

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
<b>Dividends paid</b>	<b>已派發股息</b>		
Interim dividend for 2006 of HK20 cents (2005: HK12 cents) per ordinary share	二零零六年中期股息 每股普通股20港仙 (二零零五年:12港仙)	<b>162,721</b>	94,172
Final dividend for 2005 of HK28 cents (2005: final dividend for 2004 of HK20 cents) per ordinary share	二零零五年末期股息 每股普通股28港仙 (二零零五年派發之 二零零四年末期股息: 20港仙)	<b>219,735</b>	143,895
Additional dividend paid in respect of the previous period as a result of new shares issued subsequent to the approval of the previous period's consolidated financial statements	因於批准過往期間 綜合財務報表後發行 新股份而就過往 期間派發之額外股息	<b>192</b>	458
		<b>382,648</b>	238,525
<b>Dividends proposed</b>	<b>建議股息</b>		
Proposed special dividend for 2006 of HK62 cents (2005: nil) per ordinary share	建議二零零六年特別股息 每股普通股62港仙 (二零零五年:沒有)	<b>516,335</b>	-
Proposed final dividend for 2006 of HK38 cents (2005: HK28 cents) per ordinary share	建議二零零六年末期股息 每股普通股38港仙 (二零零五年:28港仙)	<b>316,464</b>	219,735
		<b>832,799</b>	219,735

The final dividend of HK38 cents per share and the special dividend of HK62 cents per share have been proposed by the directors and is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

董事建議派發末期股息每股38港仙及特別股息每股62港仙，惟須待本公司股東於應屆股東週年大會批准，方可作實。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 16. EARNINGS PER SHARE

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

### 16. 每股盈利

本公司權益持有人應佔基本及攤薄每股盈利按下列數據計算：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Earnings for the purpose of calculating basic and diluted earnings per share	計算基本及攤薄每股盈利之盈利	<b>7,068,015</b>	1,435,809
		Number of shares 股份數目	
		2006 二零零六年	2005 二零零五年
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	計算基本每股盈利之普通股加權平均數	<b>793,798,250</b>	749,803,531
Effect of dilutive potential ordinary shares relating to:	具潛在攤薄效應之普通股:		
– outstanding share options	– 未行使之優先購股權	<b>29,654,784</b>	32,119,029
– outstanding warrants	– 未行使之認股權證	<b>5,422,518</b>	4,232,355
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	計算攤薄每股盈利之普通股加權平均數	<b>828,875,552</b>	786,154,915

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 16. EARNINGS PER SHARE (continued)

The effect of dilutive potential shares on share of results of a non wholly-owned subsidiary, Elec & Eltek International Company Limited ("EEIC"), based on the dilution of its earnings per share for both years are insignificant.

Additional information on earnings per share: 每股盈利之附加資料

Basic

基本

HK\$2.756

HK\$1.907

Diluted

攤薄

HK\$2.639

HK\$1.818

Additional information on basic and diluted earnings per share figures have also been presented, based on the profit for the year attributable to equity holders of the Company less any non-recurring items, which are calculated as follows:

Profit for the year attributable to equity holders of the Company

本公司權益持有人應佔本年度溢利

7,068,015

1,435,809

Less: Non-recurring items

減去: 非經常性項目

Gain on disposal and deemed disposal of partial interest in a subsidiary

出售及視作出售一間附屬公司部分權益之收益

(4,830,916)

—

Discount on acquisition of an associate

收購一間聯營公司折讓

(48,182)

—

Discount on acquisition of additional interest in a subsidiary

收購一間附屬公司額外權益折讓

(1,498)

(6,305)

Earnings for the purpose of calculating basic and diluted earnings per share

計算基本及攤薄每股盈利之盈利

2,187,419

1,429,504

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

### 16. 每股盈利 (續)

於該兩個年度內，因應佔一間非全資擁有附屬公司依利安達集團有限公司("EEIC")之攤薄每股盈利而產生之具攤薄效應之股份數目並不重大。

	2006 二零零六年	2005 二零零五年
Additional information on earnings per share: 每股盈利之附加資料		
Basic 基本	HK\$2.756	HK\$1.907
Diluted 攤薄	HK\$2.639	HK\$1.818

基本及攤薄每股盈利之附加資料乃由本公司權益持有人應佔本年度溢利扣除任何非經常性項目而作額外呈列，詳細計算如下：

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit for the year attributable to equity holders of the Company	7,068,015	1,435,809
Less: Non-recurring items		
Gain on disposal and deemed disposal of partial interest in a subsidiary	(4,830,916)	—
Discount on acquisition of an associate	(48,182)	—
Discount on acquisition of additional interest in a subsidiary	(1,498)	(6,305)
Earnings for the purpose of calculating basic and diluted earnings per share	2,187,419	1,429,504

上述計算所用之分母和計算基本及攤薄每股盈利之分母相同。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 17. INVESTMENT PROPERTIES

### 17. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 January 2005	於二零零五年一月一日	32,340
Increase in fair value	公平值增加	717
At 31 December 2005 and 1 January 2006	於二零零五年十二月三十一日 及二零零六年一月一日	33,057
Increase in fair value	公平值增加	7,163
At 31 December 2006	於二零零六年十二月三十一日	40,220

The fair value of the Group's investment properties at 31 December 2005 had been arrived at on the basis of a valuation carried out on that date by Messrs. Chung, Chan & Associates, independent qualified professional valuers not connected with the Group. At 31 December 2006, the fair value of the Group's investment properties had been arrived at on the basis of a valuation carried out on that date by Messrs. B.I. Appraisals Limited, independent qualified professional valuers not connected with the Group. Messrs. Chung, Chan & Associates and B.I. Appraisals Limited are members of the Institute of Valuers, and have appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation, which conforms to International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties.

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

本集團投資物業於二零零五年十二月三十一日之公平值乃按與本集團並無關連之獨立合資格專業估值師衡量行於該日進行估值之基準達致。本集團投資物業於二零零六年十二月三十一日之公平值則按與本集團並無關連之獨立合資格專業估值師保柏國際評估有限公司於當日進行估值之基準達致。衡量行及保柏國際評估有限公司乃估值師協會會員，具備適當資歷，擁有評估近期相關地點類似物業價值之經驗。是次估值遵循國際估值準則，並參考類似物業交易價值之市場憑證釐定。

本集團為賺取租金或資本增值並根據經營租約持有之所有物業權益，均利用公平值模式計量，並分類及列作投資物業。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 17. INVESTMENT PROPERTIES (continued)

The carrying value of investment properties shown above comprises:

### 17. 投資物業 (續)

以上所示投資物業賬面值包括:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Property interests situated in Hong Kong under:	按下列租約於香港持有之物業權益:		
Medium-term lease	中期租約	4,480	2,777
Property interests situated outside Hong Kong under:	按下列租約於香港以外持有之物業權益:		
Medium-term lease	中期租約	12,000	9,400
Long lease	長期租約	23,740	20,880
		<b>40,220</b>	33,057

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

## 18. PROPERTIES, PLANT AND EQUIPMENT

## 18. 物業、廠房及設備

		Freehold land and properties for own use 永久產權土地 及自用物業 HK\$'000 千港元	Leasehold improve- ments 租約 物業裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、 裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Properties, plant and equipment under construction 在建中物業、 廠房及設備 HK\$'000 千港元	Total 合計 HK\$'000 千港元
COST	成本							
At 1 January 2005	於二零零五年一月一日	1,427,042	162,659	5,889,278	128,493	94,266	1,249,635	8,951,373
Exchange adjustments	匯兌調整	18,353	10,370	82,197	2,381	3,824	44,742	161,867
Additions	添置	113,672	15,174	661,524	56,421	16,267	1,102,839	1,965,897
Disposals and write off	出售及撇銷	(1,421)	(1,569)	(71,141)	(7,739)	(4,590)	-	(86,460)
Reclassifications	重新分類	326,509	10,691	1,164,534	15,605	1,379	(1,518,718)	-
At 31 December 2005 and 1 January 2006	於二零零五年 十二月三十一日及 二零零六年一月一日	1,884,155	197,325	7,726,392	195,161	111,146	878,498	10,992,677
Exchange adjustments	匯兌調整	23,693	52,797	118,383	11,342	4,641	35,137	245,993
Additions	添置	367,221	28,150	764,753	60,092	39,190	1,133,826	2,393,232
Acquired from acquisition of subsidiaries	收購附屬公司而獲取	3,382	-	33,148	1,198	1,089	387	39,204
Disposals and write off	出售及撇銷	(29,407)	(20,343)	(109,912)	(28,735)	(19,992)	-	(208,389)
Reclassifications	重新分類	133,418	4,801	591,153	4,145	297	(733,814)	-
At 31 December 2006	於二零零六年 十二月三十一日	2,382,462	262,730	9,123,917	243,203	136,371	1,314,034	13,462,717

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. PROPERTIES, PLANT AND EQUIPMENT 18. 物業、廠房及設備 (續)

(continued)

		Freehold land and properties for own use 永久產權土地 及自用物業	Leasehold improve- ments 租約 物業裝修	Plant and machinery 廠房及機器	Furniture, fixtures and equipment 傢俬、 裝置及設備	Motor vehicles 汽車	Properties, plant and equipment under construction 在建中物業、 廠房及設備	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
DEPRECIATION AND IMPAIRMENT	折舊及減值							
At 1 January 2005	於二零零五年一月一日	101,426	24,845	1,333,600	30,611	42,073	-	1,532,555
Exchange adjustments	匯兌調整	1,998	2,209	15,810	393	2,795	-	23,205
Provided for the year	本年度撥備	73,535	23,504	662,304	48,958	8,957	-	817,258
Eliminated on disposals and write off	出售時註銷及撇銷	(550)	(454)	(60,102)	(6,731)	(2,778)	-	(70,615)
At 31 December 2005 and 1 January 2006	於二零零五年 十二月三十一日及 二零零六年一月一日	176,409	50,104	1,951,612	73,231	51,047	-	2,302,403
Exchange adjustments	匯兌調整	9,774	8,682	25,091	1,405	8,199	-	53,151
Provided for the year	本年度撥備	72,851	35,111	868,426	29,461	25,349	-	1,031,198
Eliminated on disposals and write off	出售時註銷及撇銷	(4,947)	(18,022)	(108,443)	(27,044)	(19,904)	-	(178,360)
At 31 December 2006	於二零零六年 十二月三十一日	254,087	75,875	2,736,686	77,053	64,691	-	3,208,392
CARRYING VALUES	賬面值							
At 31 December 2006	於二零零六年 十二月三十一日	2,128,375	186,855	6,387,231	166,150	71,680	1,314,034	10,254,325
At 31 December 2005	於二零零五年 十二月三十一日	1,707,746	147,221	5,774,780	121,930	60,099	878,498	8,690,274



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 19. PREPAID LEASE PAYMENTS

All of the Group's prepaid lease payments are prepaid for medium-term lease leasehold land outside Hong Kong.

### 19. 預付租賃款項

本集團全部預付租賃款項均為香港以外租賃土地之中期租約預付款。

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Analysed for reporting purposes as:	就報告分析如下:		
Current asset	流動資產	9,513	7,669
Non-current asset	非流動資產	471,727	351,374
		<b>481,240</b>	<b>359,043</b>

### 20. GOODWILL

### 20. 商譽

		HK\$'000 千港元
CARRYING VALUE	賬面值	
At 1 January 2005	於二零零五年一月一日	1,379,999
Arising on acquisition of additional interests in subsidiaries (Note)	收購附屬公司額外權益產生(附註)	279,355
At 31 December 2005 and 1 January 2006	於二零零五年十二月三十一日及二零零六年一月一日	1,659,354
Arising on acquisition of subsidiaries (see Note 35)	收購附屬公司產生(見附註35)	48,621
Arising on acquisition of additional interests in subsidiaries (Note)	收購附屬公司額外權益產生(附註)	9,544
At 31 December 2006	於二零零六年十二月三十一日	<b>1,717,519</b>

Note: Goodwill was calculated as the difference between the consideration paid for the additional interest and the carrying amount of the net assets of the subsidiaries attributable to the additional interest acquired.

附註: 商譽按就額外權益所付代價與所收購額外權益應佔附屬公司資產淨值之賬面值間差額計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 20. GOODWILL (continued)

Particulars regarding impairment testing on goodwill arising from acquisition of subsidiaries are disclosed as follows:

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 has been allocated to the cash generating unit ("CGU") of PCBs business segment. The carrying amount of goodwill allocated to the CGU of PCBs business segment is approximately HK\$1,717,519,000 (2005: HK\$1,659,354,000).

The recoverable amount of the PCB's CGU has been determined from value-in-use calculation. Goodwill is expected to generate cash flow for indefinite period. To calculate this, cash flow projections are based on five year periods financial budgets approved by senior management. The key assumption for the value-in-use calculation is the budgeted gross margin at a discount rate of 7% and growth rate of 10%, which is determined based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount. Since the recoverable amount of the cash generating unit is higher than its carrying amount, the directors consider that the carrying value of goodwill at the balance sheet date is not significantly impaired.

### 20. 商譽 (續)

有關收購附屬公司所產生之商譽之減值測試詳情披露如下:

誠如附註7所闡釋，本集團以業務分部作為申報分部資料之主要分部。就減值測試而言，商譽已分配予印刷線路板業務分部之現金產生單位（「現金產生單位」）。分配予印刷線路板業務分部之現金產生單位之商譽賬面值約為1,717,519,000港元（二零零五年：1,659,354,000港元）。

印刷線路板現金產生單位之可收回金額按使用價值計算法釐定。預期商譽將無限期產生現金流量。為計算使用價值，現金流量預測以經高級管理層所批准之五年期財政預算為基準。使用價值計算法之主要假設為預算毛利率之折現率及增長率分別為7%及10%，乃按該單位過往表現及管理層對市場發展之期望釐定。管理層相信，該等假設或會出現任何可能合理變動，不會導致賬面總值超出可收回總額。由於現金產生單位之可收回金額高於其賬面值，故董事認為，於結算日之商譽賬面值並無出現重大減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 21. INVESTMENTS IN ASSOCIATES

### 21. 於聯營公司之投資

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Cost of investments in associates	於聯營公司之投資成本		
Listed in Hong Kong	於香港上市	196,824	—
Unlisted in the PRC	於中國非上市	188,137	188,137
Share of post-acquisition profits	應佔收購後溢利	88,106	—
Share of reserve	應佔儲備	13,862	—
		<b>486,929</b>	188,137
Fair value of listed investments	上市投資之公平值	<b>171,794</b>	—

At 31 December 2006, the Group had interests in the following associates:

於二零零六年十二月三十一日，本集團擁有以下聯營公司權益：

Name of entity 實體名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊／ 註冊成立地點	Principle place of operation 主要營業地點	Proportion of nominal value of registered capital/ issued share capital held by the Group 本集團所持註冊資本／已發行股本面值比例	Principal activities 主要業務
CNOOC Kingboard Chemical Limited 中海石油建滔化工有限公司	Incorporated 註冊成立	PRC 中國	PRC 中國	40%	Manufacture and sales of methanol 製造及分銷甲醇
Topsearch International (Holdings) Limited ("Topsearch")* 至卓國際(控股)有限公司(「至卓」)*	Incorporated 註冊成立	Bermuda 百慕達	PRC 中國	25.04%	Manufacture and sales of PCBs 製造及分銷印刷線路板

\* A company with its shares listed on the main board of the Stock Exchange.

\* 一間股份於聯交所主板上市之公司。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 21. INVESTMENTS IN ASSOCIATES (continued)

During the year, the Group has acquired additional equity of 15.07% in Topsearch and Topsearch became an associate of the Group. As at 31 December 2005, the investment in Topsearch had been accounted for as available-for-sale investments.

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

### 21. 於聯營公司之投資 (續)

年內，本集團額外收購至卓15.07%權益，至卓因而成為本集團之聯營公司。於二零零五年十二月三十一日，於至卓之投資以可供出售投資列賬。

本集團聯營公司之財務資料概述如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Total assets	資產總值	3,716,266	712,162
Total liabilities	負債總值	(2,067,384)	(241,819)
Net assets	資產淨值	1,648,882	470,343
Group's share of net assets of associates	本集團應佔聯營公司 資產淨值	486,929	188,137
Revenue	營業額	294,607	-
Profit for the year	本年度溢利	99,945	-
Group's share of results of associates for the year	本集團應佔聯營公司 本年度業績	39,924	-

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## 綜合財務報表附註

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

### 22. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprises:

### 22. 可供出售投資

可供出售投資包括：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Listed investments:	上市投資：		
– Equity securities listed in Hong Kong	– 於香港上市之股本證券	230,206	111,756
– Debt security listed in overseas with fixed interest of 4.625% per annum and maturity date on 15 November 2016	– 於海外上市之債務證券，固定年息4.625厘，於二零一六年十一月十五日到期	155,419	–
		<b>385,625</b>	111,756
Unlisted equity investments	非上市股本投資	9,525	9,525
		<b>395,150</b>	121,281
Total	合計		

At the balance sheet date, all available-for-sale investments are stated at fair value, except for those unlisted equity investments of which their fair values cannot be measured reliably. Fair values of those investments have been determined by reference to bid prices quoted in active markets.

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

於結算日，除不能可靠計算其公平值之非上市股本投資外，所有可供出售投資均按公平值列賬。該等投資之公平值乃經參考交投活躍市場所報競投價釐定。

上述非上市投資指於私人實體所發行非上市股本證券之投資。由於公平值之合理估算幅度龐大，致使董事認為未能可靠計算其公平值，故非上市投資於各個結算日按成本扣除減值計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 23. DERIVATIVE FINANCIAL INSTRUMENTS

### 23. 衍生金融工具

		2006 二零零六年		2005 二零零五年
		Assets 資產	Liabilities 負債	Assets 資產
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Interest rate swaps	利率掉期			
– derivatives not under hedge accounting	– 並非以對沖會計法列賬之衍生工具	38,966	–	–
– derivatives under hedge accounting	– 以對沖會計法列賬之衍生工具	–	–	117,193
Foreign currency forward contracts	遠期外匯合約	217	(195)	–
		39,183	(195)	117,193
Analysed as:	分析如下:			
Non-current	非流動	–	–	60,697
Current	流動	39,183	(195)	56,496
		39,183	(195)	117,193

The Group currently uses interest rate swaps to minimise its exposure to cash flow changes of its floating-rate Hong Kong dollar bank borrowings by swapping borrowings from floating rates to fixed rates. The critical terms of these interest rate swaps are similar to those of the hedged bank borrowings and the directors designated the derivatives as cash flows hedging instruments and considered they are highly effective.

During the year ended 31 December 2006, the loss on fair value change of approximately HK\$73,370,000 (2005: gain on fair value change of approximately HK\$206,988,000) has been deferred in equity.

本集團透過將借貸由浮息轉為定息，利用利率掉期減低按浮息計算之港元銀行借貸現金流量變動之風險。該等利率掉期之主要條款與對沖銀行借貸之主要條款相似，董事指定該衍生工具為現金流量對沖工具，並認為該等工具極有效。

截至二零零六年十二月三十一日止年度，為數約73,370,000港元之公平值變動虧損（二零零五年：公平值變動收益約206,988,000港元）已於股本遞延處理。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 23. DERIVATIVE FINANCIAL INSTRUMENTS

(continued)

In December 2006, the Group repaid all floating-rate Hong Kong dollar bank borrowings, which were effectively hedged by the interest rate swaps. However, the Group did not terminate those interest rate swaps at the same time. As a result, the hedging accounting was discontinued and the credit balance of approximately HK\$43,823,000 included in the hedging reserve was released to the consolidated income statement during the year ended 31 December 2006.

At the balance sheet date, major terms of the interest rate swaps are as follows:

#### Outstanding

contracts as at

於以下日期尚未  
到期之合約

Notional

amount

面值  
HK\$'000  
千港元

Maturity

到期日

Receive floating

所收浮息

Pay fixed

所付定息

31 December 2006	3,250,000	Within 1 year	HIBOR	2.18% to 3.43%
二零零六年		一年內	香港銀行同業拆息	2.18至3.43厘
十二月三十一日	300,000	Within 1 to 2 years	HIBOR	2.55%
		一至兩年內	香港銀行同業拆息	2.55厘
	300,000	Within 2 to 3 years	HIBOR	3.40% to 3.74%
		兩至三年內	香港銀行同業拆息	3.40至3.74厘
31 December 2005	300,000	Within 1 year	HIBOR	2.95%
二零零五年		一年內	香港銀行同業拆息	2.95厘
十二月三十一日	1,000,000	Within 1 to 2 years	HIBOR	2.41% to 3.08%
		一至兩年內	香港銀行同業拆息	2.41至3.08厘
	900,000	Within 2 to 3 years	HIBOR	2.55% to 2.97%
		兩至三年內	香港銀行同業拆息	2.55至2.97厘
	1,000,000	Within 3 to 4 years	HIBOR	2.41% to 3.74%
		三至四年內	香港銀行同業拆息	2.41至3.74厘
	950,000	Within 4 to 5 years	HIBOR	2.18% to 2.50%
		四至五年內	香港銀行同業拆息	2.18至2.50厘

### 23. 衍生金融工具 (續)

於二零零六年十二月，本集團已悉數償還以利率掉期有效對沖之按浮息計算之港元銀行借貸。然而，本集團並無同時終止該等利率掉期。因此對沖會計經已終止，已計入對沖儲備中約43,823,000港元之結餘已於截至二零零六年十二月三十一日止年度之綜合收益表中撥回。

於結算日，利率掉期之主要條款如下：

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## 綜合財務報表附註

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

### 23. DERIVATIVE FINANCIAL INSTRUMENTS

(continued)

At 31 December 2006, major terms of the outstanding foreign currency forward contracts are as follows:

Notional amount 面值	Maturity 到期日	Forward Contract Rates 遠期合約匯率
1 contract to buy US\$20,000,000 一份購買20,000,000美元之合約	Within 1 month 一個月內	US\$1 to HK\$7.778 1美元兌7.778港元
6 contracts to buy US\$1,000,000 each 六份每份購買1,000,000美元之合約	Within 6 months 六個月內	US\$1 to HK\$7.728 1美元兌7.728港元
6 contracts to sell US\$1,000,000 each 六份每份出售1,000,000美元之合約	Within 6 months 六個月內	US\$1 to HK\$7.728 1美元兌7.728港元
6 contracts to sell US\$1,000,000 each 六份每份出售1,000,000美元之合約	Within 6 months 六個月內	US\$1 to HK\$7.750 1美元兌7.750港元

The above derivatives were measured at fair value at each balance sheet date. Their fair values were determined based on the valuation techniques as provided by licensed financial institutions for equivalent instruments at the balance sheet date.

### 23. 衍生金融工具 (續)

於二零零六年十二月三十一日，尚未到期之遠期外匯合約之主要條款如下：

上述衍生工具於各結算日按公平值計算。其公平值按有關持牌金融機構於結算日就對等工具確認之估值方法釐定。

### 24. INTERESTS IN JOINTLY CONTROLLED ENTITIES

### 24. 於共同控制實體之權益

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Cost of unlisted investment in jointly controlled entities	共同控制實體之非上市投資成本	15,953	15,953
Share of post-acquisition losses	應佔收購後虧損	(18,821)	(17,066)
		(2,868)	(1,113)
Amounts due from jointly controlled entities (Note)	應收共同控制實體款項 (附註)	18,222	18,222
		15,354	17,109

Note: Amounts due from jointly controlled entities are unsecured, interest-free, with no fixed repayment terms and are not repayable in the foreseeable future.

附註：應收共同控制實體款項為無抵押、免息、且無固定還款期，毋須於可見將來償還。



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## 綜合財務報表附註

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

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

Included in the cost of investment in jointly controlled entities is goodwill of approximately HK\$10,943,000 (2005: HK\$10,943,000) arising on the acquisition of jointly controlled entities in prior years. The movement of goodwill is set out below.

### 24. 於共同控制實體之權益 (續)

共同控制實體投資成本包括過往年度收購共同控制實體所產生為數約10,943,000港元(二零零五年: 10,943,000港元)之商譽。商譽變動載列如下。

		Goodwill 商譽 HK\$'000 千港元
CARRYING VALUE		
At 1 January 2005, 31 December 2005 and 31 December 2006	賬面值 於二零零五年一月一日、 二零零五年十二月三十一日及 二零零六年十二月三十一日	<b>10,943</b>

At 31 December 2006, the Group had interests in the following significant jointly controlled entities:

於二零零六年十二月三十一日，本集團於下列重大共同控制實體擁有權益：

Name of jointly controlled entity 共同控制實體名稱	Form of business structure 業務架構形式	Place of registration/ incorporation and operation 註冊/註冊成立及營業地點	Proportion of nominal value of registered/ issued capital held by the Group 本集團所持有註冊資本/已發行股本面值比例	Proportion of voting power 表決比例	Principal activities 主要業務
Guangzhou Express Logistics Limited ("GZ Express") 廣州智恆物流服務有限公司 (「廣州智恆」)	Incorporated 註冊成立	PRC 中國	49%*	50%	Provision of logistics services 提供物流服務
Concord Modern Technology Limited 康美科技有限公司	Incorporated 註冊成立	Hong Kong 香港	50%	50%	Manufacture and sales of optical discs 製造及分銷光碟
Full Summit Development Limited 溢峰發展有限公司	Incorporated 註冊成立	Hong Kong 香港	50%	50%	Manufacture and sales of optical discs 製造及分銷光碟

\* Under the joint venture agreement of GZ Express, the joint venture partners have joint control over the entity's daily operating and financial decisions.

\* 根據廣州智恆之合營協議，合營夥伴於實體之日常營運及財務決策擁有共同控制權。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

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

### 24. 於共同控制實體之權益 (續)

以權益法列賬之本集團共同控制實體之財務資料概述如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Total assets	資產總值	95,889	106,552
Total liabilities	負債總值	(123,509)	(130,664)
Net liabilities	負債淨額	(27,620)	(24,112)
Group's share of net liabilities of jointly controlled entities	本集團應佔共同控制實體負債淨額	(13,811)	(12,056)
Revenue	營業額	94,649	57,871
Loss for the year	本年度虧損	(3,509)	(28,640)
Group's share of loss of jointly controlled entities for the year	年內本集團應佔共同控制實體虧損	(1,755)	(14,320)

### 25. NON-CURRENT DEPOSITS

Non-current deposits represent deposits paid for the acquisition of properties, plant and equipment.

### 25. 非流動訂金

非流動訂金指就購買物業、廠房及設備已支付之訂金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 26. INTANGIBLE ASSETS

### 26. 無形資產

		Know-how fee 專業知識費 HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
At 1 January 2005, 31 December 2005 and 1 January 2006	於二零零五年一月一日、 二零零五年十二月三十一日及 二零零六年一月一日	2,329
Additions	增添	907
At 31 December 2006	於二零零六年十二月三十一日	3,236
<b>AMORTISATION</b>	<b>攤銷</b>	
At 1 January 2005	於二零零五年一月一日	91
Charge for the year	本年度支出	460
At 31 December 2005 and 1 January 2006	於二零零五年十二月三十一日 及二零零六年一月一日	551
Charge for the year	本年度支出	500
At 31 December 2006	於二零零六年十二月三十一日	1,051
<b>CARRYING VALUE</b>	<b>賬面值</b>	
At 31 December 2006	於二零零六年十二月三十一日	2,185
At 31 December 2005	於二零零五年十二月三十一日	1,778

Know-how was acquired from third parties, has finite useful life and is amortised on a straight-line basis over 5 years.

向第三方收購之專業知識有固定可用年期，並按直線法於五年內攤銷。

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## 綜合財務報表附註

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### 27. INVENTORIES

### 27. 存貨

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Raw materials	原料	1,861,387	1,240,959
Work in progress	在製品	456,599	369,395
Finished goods	製成品	180,368	175,455
		<b>2,498,354</b>	1,785,809

### 28. OTHER FINANCIAL ASSETS

### 28. 其他財務資產

#### Trade and other receivables and prepayments

#### 貿易及其他應收賬款及預付款項

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Trade receivables	貿易應收賬款	4,456,464	3,812,823
Bills receivables	應收票據	466,178	329,987
Other receivables and prepayments	其他應收賬款及 預付款項	883,351	751,411
		<b>5,805,993</b>	4,894,221

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## 綜合財務報表附註

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

### 28. OTHER FINANCIAL ASSETS (continued)

The Group allows credit periods of up to 120 days, depending on the product sold, to its trade customers. The following is an aged analysis of trade receivables at the balance sheet dates:

0 – 90 days	0至90日
91 – 180 days	91至180日
Over 180 days	180日以上

All bills receivables are aged within 90 days at the balance sheet dates. The fair value of the Group's trade and other receivables and bills receivables at each of the balance sheet dates approximate their corresponding carrying amounts.

Included in trade and other receivables and prepayments are the following amounts denominated in currencies other than the functional currency of the Group to which they relate:

United States Dollars	美元
Euro	歐元
Japanese Yen	日圓

### 28. 其他財務資產 (續)

本集團給予貿易客戶之信貸賬期最長為120日，視乎所售產品而定。於結算日，貿易應收賬款之賬齡分析如下：

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
0 – 90 days	3,664,990	2,998,323
91 – 180 days	750,160	742,192
Over 180 days	41,314	72,308
	<b>4,456,464</b>	<b>3,812,823</b>

所有應收票據賬齡均為結算日起的90日之內。於各結算日，本集團之貿易及其他應收賬款及應收票據之公平值與其相應賬面值相若。

貿易及其他應收賬款及預付款項包括下列以本集團之功能貨幣以外貨幣計值之款額：

	2006 二零零六年 Amount '000 千元	2005 二零零五年 Amount '000 千元
United States Dollars	136,119	81,899
Euro	3,893	3,133
Japanese Yen	915,556	–

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## 綜合財務報表附註

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

### 28. OTHER FINANCIAL ASSETS (continued)

#### Bank balances and cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. At 31 December 2006, the bank deposits carried at the prevailing market interest rates which range from 0.72% to 5.17% (2005: 0.05% to 4.82%) per annum. The directors consider the carrying amount of the bank deposits approximates to its fair value.

At 31 December 2006 and 2005, the Group had bank balances and cash that were not freely convertible or were subject to exchange controls in the PRC amounting to approximately HK\$865.4 million and HK\$540.1 million, respectively.

### 29. TRADE AND OTHER PAYABLES AND BILLS PAYABLE

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

0 – 90 days	0至90日
91 – 180 days	91至180日
Over 180 days	180日以上

The fair value of the Group's trade and other payables and bills payable at each of the balance sheet dates approximate their corresponding carrying amounts.

### 28. 其他財務資產 (續)

#### 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金及原到期日為三個月或以下之短期銀行存款。於二零零六年十二月三十一日，銀行存款按現行市場年利率介乎0.72厘至5.17厘（二零零五年：介乎0.05厘至4.82厘）計息。董事認為銀行存款之賬面值與其公平值相若。

於二零零六年及二零零五年十二月三十一日，本集團不可自由兌換或須受中國外匯管制所規限之銀行結餘及現金分別約為865,400,000港元及540,100,000港元。

### 29. 貿易及其他應付賬款及應付票據

貿易應付賬款於資產負債表日之賬齡分析如下：

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
	<b>1,468,344</b>	1,059,106
	<b>303,117</b>	319,985
	<b>94,413</b>	92,713
	<b>1,865,874</b>	1,471,804

於各結算日，本集團之貿易及其他應付賬款及應付票據之公平值與其相應賬面值相若。

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## 綜合財務報表附註

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### 29. TRADE AND OTHER PAYABLES AND BILLS PAYABLE (continued)

Included in trade and other payables and bills payable are the following amounts denominated in currencies other than the functional currency of the Group to which they relate:

		2006 二零零六年 Amount '000 千元	2005 二零零五年 Amount '000 千元
United States Dollars	美元	59,536	55,463
Japanese Yen	日圓	193,922	123,582
Swiss Franc	瑞士法郎	2,568	1,648
Macau Pataca	澳門幣	19	-
Euro	歐元	1,186	139

### 29. 貿易及其他應付賬款及應付票據 (續)

貿易及其他應付賬款及應付票據包括下列以本集團之功能貨幣以外貨幣計值之款額:

### 30. BANK BORROWINGS

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Bank loans	銀行貸款	4,867,286	6,224,467
Trust receipt loans	信託收據貸款	512,532	416,812
Bank overdrafts	銀行透支	2,826	139,694
		<b>5,382,644</b>	6,780,973
Carrying amounts repayable:	須於下列期間償還之賬面值:		
On demand or within one year	應要求或於一年內	1,296,421	2,231,728
More than one year, but not exceeding two years	一年以上但不超過兩年	676,550	1,160,283
More than two years but not more than five years	兩年以上但不超過五年	3,409,673	3,388,962
		<b>4,086,223</b>	4,549,245
Total	合計	<b>5,382,644</b>	6,780,973

### 30. 銀行借貸

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### 30. BANK BORROWINGS (continued)

The bank borrowings are unsecured and bear interest at market rates.

Bank borrowings are variable-rate borrowings which carry interest ranging from HIBOR+0.575% to HIBOR+1% (2005: HIBOR+0.58% to HIBOR+1%) per annum.

The fair values of the Group's bank borrowings at each of the balance sheet dates approximate their corresponding carrying amounts.

Included in bank borrowings are the following amounts denominated in currencies other than the functional currency of the Group to which they relate:

### 30. 銀行借貸 (續)

銀行借貸為無抵押，並按市場利率計息。

銀行借貸為具有不同利率之借貸，年息率介乎香港銀行同業拆息加0.575厘至香港銀行同業拆息加1厘（二零零五年：香港銀行同業拆息加0.58厘至香港銀行同業拆息加1厘）不等。

於各結算日，本集團銀行借貸之公平值與其相應賬面值相若。

銀行借貸包括下列以本集團之功能貨幣以外貨幣計值之款額：

		2006 二零零六年 Amount '000 千元	2005 二零零五年 Amount '000 千元
United States Dollars	美元	61,304	62,796
Japanese Yen	日圓	1,082,024	81,454



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### 31. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior reporting periods:

### 31. 遞延稅項

下表為本申報期及以前申報期內已予確認之主要遞延稅項負債及資產以及當中之變動:

		Accelerated tax depreciation 加速稅務折舊 HK\$'000 千港元	Tax losses 稅務虧損 HK\$'000 千港元	Write-down of inventories 存貨撇減 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2005	於二零零五年一月一日	73,957	(13,246)	(11,589)	49,122
Exchange difference	匯兌差額	(64)	-	-	(64)
(Credit) charge for the year	本年度(撥回)支出	(13,853)	2,799	(2,650)	(13,704)
At 31 December 2005 and 1 January 2006	二零零五年十二月三十一日 及二零零六年一月一日	60,040	(10,447)	(14,239)	35,354
Exchange difference	匯兌差額	(212)	(282)	-	(494)
(Credit) charge for the year	本年度(撥回)支出	(18,746)	1,051	(341)	(18,036)
At 31 December 2006	於二零零六年十二月三十一日	41,082	(9,678)	(14,580)	16,824

For the purposes of balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

若干遞延稅項資產及負債因應資產負債表呈示用途而作出抵銷。以下為該等遞延稅項結餘用作財務報表的用途時作出的分析:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	36,323	46,960
Deferred tax assets	遞延稅項資產	(19,499)	(11,606)
		16,824	35,354

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## 綜合財務報表附註

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### 31. DEFERRED TAXATION (continued)

At 31 December 2006, deferred tax assets of approximately HK\$9,678,000 (2005: HK\$10,447,000) in relation to unused tax losses and approximately HK\$14,580,000 (2005: HK\$14,239,000) in relation to write-down of inventories have been recognised in the Group's consolidated balance sheet, and the Group has unrecognised deferred tax assets due to the unpredictability of the future profit streams arising from tax losses amounting to approximately HK\$25,338,000 (2005: HK\$15,970,000). All tax losses can be carried forward indefinitely.

### 31. 遞延稅項 (續)

於二零零六年十二月三十一日，有關未動用稅項虧損及存貨撇減為數分別約9,678,000港元(二零零五年: 10,447,000港元)及約14,580,000港元(二零零五年: 14,239,000港元)之遞延稅項資產已於本集團綜合資產負債表確認，而本集團並無未確認遞延稅項資產，原因為無法預計為數約25,338,000港元(二零零五年: 15,970,000港元)之稅項虧損所產生未來溢利來源。所有稅項虧損可無限期結轉。

### 32. SHARE CAPITAL

### 32. 股本

		Number of shares 股數		Share capital 股本	
		2006 二零零六年	2005 二零零五年	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股				
Authorised	法定	1,200,000,000	1,200,000,000	120,000	120,000
Issued and fully paid	已發行及繳足股款				
At beginning of the year	於年初	784,767,161	719,476,381	78,477	71,948
Exercise of share options (see Note 33)	行使優先購股權 (見附註33)	5,300,000	5,300,000	530	530
Exercise of warrant subscription rights (see Note 34)	行使認股權證之認購 權利(附註34)	42,731,885	19,990,780	4,273	1,999
Issue of new shares (Note)	發行新股份(附註)	-	40,000,000	-	4,000
At end of the year	於年終	832,799,046	784,767,161	83,280	78,477

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## 綜合財務報表附註

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

### 32. SHARE CAPITAL (continued)

**Note:** On 8 July 2005, an agreement was entered into by Hallgain Management Limited ("Hallgain"), the controlling shareholder of the Company, and placing agents for a placement of 40,000,000 existing shares (the "Placing Shares") of HK\$0.10 each in the Company at a price of HK\$22.25 per share (the "Placing Price"). Citigroup Global Markets Hong Kong Futures and Securities Limited (the "Placing Agent") were appointed by Hallgain as the Placing Agent to unconditionally place the Placing Shares to six or more independent professional and institutional investors on a fully underwritten basis. The Placing Agent and the placees (and their ultimate beneficial owners) are independent of and not connected with any of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries, or an associate of any of them.

On the same date, Hallgain also entered into a subscription agreement with the Company to subscribe for 40,000,000 new shares of HK\$0.10 each in the Company (the "Subscription Shares") at a price of HK\$22.25 per Subscription Share (the "Subscription Price").

The Placing Shares and the Subscription Shares each represented approximately 5.39% of the existing share capital of the Company (742,525,981 shares of the Company in issue in total) and approximately 5.11% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (782,525,981 shares of the Company in issue in total). The Placing Price and the Subscription Price of HK\$22.25 represented a discount of approximately 11.00% to the closing price of HK\$25.00 per share quoted on the Stock Exchange on 6 July 2005 and a discount of approximately 11.55% to the average closing price of the shares for the last ten trading days of HK\$25.155 per share from 22 June 2005 to 6 July 2005 (both days inclusive).

Of the net proceeds to the Company from the share subscription of approximately HK\$880 million, approximately HK\$616 million was used to repay existing bank borrowings of the Group, and approximately HK\$264 million was used for general working capital purposes.

### 32. 股本 (續)

**附註:** 於二零零五年七月八日, 本公司控股股東 Hallgain Management Limited (「Hallgain」) 與配售代理訂立協議, 安排配售本公司每股面值 0.10 港元之現有股份 40,000,000 股 (「配售股份」), 每股股份作價 22.25 港元 (「配售價」)。Citigroup Global Markets Hong Kong Futures and Securities Limited (「配售代理」) 獲 Hallgain 委任為配售代理, 負責按全面包銷基準將配售股份無條件配售予六名或以上獨立專業及機構投資者。配售代理及承配人 (及彼等之最終實益擁有人) 均為獨立人士, 與本公司或其任何附屬公司之任何董事、主要行政人員、主要股東或彼等之聯繫人士概無關連。

於同日, Hallgain 亦與本公司訂立認購協議, 以便按每股認購股份 22.25 港元之價格 (「認購價」) 認購本公司每股面值 0.10 港元之新股份 40,000,000 股 (「認購股份」)。

配售股份及認購股份各佔本公司現有股本 (合共已發行 742,525,981 股本公司股份) 約 5.39%, 及佔本公司因配發及發行認購股份而擴大之已發行股本 (合共已發行 782,525,981 股本公司股份) 約 5.11%。配售價及認購價 22.25 港元較股份於二零零五年七月六日在聯交所報收市價每股 25.00 港元折讓約 11.00%, 而與股份由二零零五年六月二十二日至二零零五年七月六日 (包括首尾兩日) 止最後十個交易日之平均收市價每股 25.155 港元比較, 則折讓約 11.55%。

本公司就股份認購事項所得款項淨額約為 880,000,000 港元, 其中約 616,000,000 港元已用於償還本集團現有銀行借貸, 約 264,000,000 港元則撥作一般營運資金。

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### 33. SHARE OPTIONS

#### Employees' share option scheme of the Company

Under the Company's share option scheme (the "Scheme") adopted on 2 July 2002, which is valid for a period of ten years, the board of directors of the Company may, at its discretion, grant options to subscribe for shares in the Company to eligible participants ("Eligible Participants") who contributes to the long-term growth and profitability of the Company. Eligible Participants includes (i) any employee (whether full time or part time) of the Company, any of its subsidiaries or any entity in which the Group holds any equity interests ("Invested Entity"), including any executive director of the Company, any of such subsidiaries or any Invested Entity; (ii) any non-executive directors (including independent non-executive directors) of the Company, its subsidiaries or any Invested Entity; (iii) any supplier of goods or services to any member of the Group or any Invested Entity; (iv) any customer of the Group or any Invested Entity; (v) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; and (vi) any person or entity who from time to time determined by the Board as having contributed or may contribute to the development and growth of the Group based on his or its performance and/or years of service, or is regarded as valuable resources of the Group based on his/its working experience, knowledge in the industry and other relevant factors. The subscription price for the Company's shares shall be a price at least equal to the highest of the nominal value of the Company's shares, the average of the closing prices of the Company's shares quoted on the Stock Exchange on the five trading days immediately preceding the date of an offer of the grant of the options and the closing price of the Company's shares quoted on the Stock Exchange on the date of an offer of the grant of the options. The options must be taken up within 28 days from the date of grant upon payment of HK\$1 and are exercisable over a period to be determined and notified by the directors to each grantee, which period may commence from the date of acceptance of the offer of the grant of the options but shall end in any event not later than ten years from the date of adoption of the Scheme.

### 33. 優先購股權

#### 本公司僱員優先購股權計劃

根據本公司於二零零二年七月二日採納有效期為十年之優先購股權計劃(「該計劃」),本公司董事會可酌情向對本公司長遠增長及盈利作出貢獻之合資格參與者(「合資格參與者」)授出優先購股權,以認購本公司股份。合資格參與者包括(i)本公司、其任何附屬公司或本集團持有任何股權之任何實體(「受投資實體」)之任何全職或兼職僱員,包括本公司、任何該等附屬公司或任何受投資實體之任何執行董事;(ii)本公司、其附屬公司或任何受投資實體任何非執行董事,包括獨立非執行董事;(iii)本集團任何成員公司或任何受投資實體之任何貨品或服務供應商;(iv)本集團或任何受投資實體之任何客戶;(v)本集團任何成員公司或任何受投資實體之任何已發行證券持有人;及(vi)董事會不時按其表現及/或服務年期而認為曾經或可能對本集團發展及增長作出貢獻,或按其於業內工作經驗、知識及其他相關因素而被視為本集團寶貴資源之任何人士或實體。本公司股份之認購價須為至少相等於本公司股份面值、本公司股份於緊接要約授出優先購股權日期前五個交易日於聯交所所報平均收市價及本公司股份於要約授出優先購股權日期於聯交所所報收市價之最高者。優先購股權須於授出日期28日內接納,接納時須支付1港元,優先購股權可於董事會釐定並通知各承授人之期間內行使,該期間可由接納要約授出優先購股權之日起,惟無論如何須不遲於該計劃採納日期起計十年止。

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### 33. SHARE OPTIONS (continued)

#### Employees' share option scheme of the Company (continued)

The total number of the Company's shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes of the Group (excluding options lapsed in accordance with the terms of the Scheme and any other schemes of the Group) must not in aggregate exceed 10% of the Company's shares in issue as at the date of adoption of the Scheme. The limit on the number of the Company's shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Group must not exceed 30% of the Company's shares in issue from time to time. The total number of the Company's shares issued and to be issued upon exercise of the options granted to each grantee (including both exercised and outstanding options) under the Scheme or other schemes of the Group in any 12-month period up to the date of grant must not exceed 1% of the Company's shares in issue at the date of grant unless approved by the Company's shareholders in general meeting.

In accordance with the terms of the Scheme, share options of the Company issued vest at the date of grant.

At 31 December 2006, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 31,222,000, representing 3.75% of the shares of the Company in issue on that date.

### 33. 優先購股權 (續)

#### 本公司僱員優先購股權計劃 (續)

因根據該計劃或本集團任何其他計劃所有將予授出之優先購股權(包括根據該計劃及本集團任何其他計劃之條款已失效之優先購股權)獲行使而可發行之本公司股份總數,合共不得超過本公司於採納該計劃日期已發行股份10%。因根據該計劃或本集團任何其他計劃所有已授出尚未行使及有待行使之優先購股權獲行使而可發行之本公司股份數目限額,不得超過本公司不時已發行股份30%。於截至授出日期止任何十二個月期間,因根據該計劃或本集團任何其他計劃授予各承授人之優先購股權(包括已行使及尚未行使之優先購股權)獲行使而發行及將予發行之本公司股份總數,不得超過本公司於授出日期已發行股份1%,除非獲本公司股東於股東大會批准,則作別論。

根據該計劃之條款,本集團所發行之優先購股權於授出日期歸屬。

於二零零六年十二月三十一日,根據該計劃已授出而尚未行使之優先購股權涉及之股份數目為31,222,000股,相當於本公司於當日之已發行股份3.75%。

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## 綜合財務報表附註

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### 33. SHARE OPTIONS (continued)

#### Employees' share option scheme of the Company (continued)

A summary of the movements of the share options under the Scheme for the year is as follows:

		Granted to directors 授予董事	Granted to employees 授予僱員	Total 合計
Balance at 1 January 2005	於二零零五年 一月一日之結餘	33,617,000	8,205,000	41,822,000
Exercised during the year (Note)	於年內行使 (附註)	(4,336,200)	(963,800)	(5,300,000)
Balance at 31 December 2005 and 1 January 2006	於二零零五年 十二月三十一日 及二零零六年 一月一日之結餘	29,280,800	7,241,200	36,522,000
Exercised during the year (Note)	於年內行使 (附註)	(4,258,800)	(1,041,200)	(5,300,000)
Reclassifications	重新分類	(13,789,000)	13,789,000	-
Balance at 31 December 2006	於二零零六年十二月 三十一日之結餘	11,233,000	19,989,000	31,222,000

Note:

The share options were granted on 11 October 2002 at an exercise price of HK\$3.74 per share. These options are exercisable during the period from 15 October 2002 to 2 July 2012.

During the year, options to subscribe for 5,300,000 (2005: 5,300,000) shares in the Company at HK\$3.74 (2005: HK\$3.74) per share were exercised. The average of the closing prices of the Company's shares quoted on the Stock Exchange on the five trading days immediately before the exercise date of 13 September 2006 was HK\$27.75 (2005: HK\$20.68).

### 33. 優先購股權 (續)

本公司僱員優先購股權計劃 (續)

年內，該計劃項下之優先購股權變動概述如下：

	Granted to directors 授予董事	Granted to employees 授予僱員	Total 合計
Balance at 1 January 2005	33,617,000	8,205,000	41,822,000
Exercised during the year (Note)	(4,336,200)	(963,800)	(5,300,000)
Balance at 31 December 2005 and 1 January 2006	29,280,800	7,241,200	36,522,000
Exercised during the year (Note)	(4,258,800)	(1,041,200)	(5,300,000)
Reclassifications	(13,789,000)	13,789,000	-
Balance at 31 December 2006	11,233,000	19,989,000	31,222,000

附註：

於二零零二年十月十一日授出之優先購股權行使價為每股3.74港元。該等優先購股權可於二零零二年十月十五日至二零一二年七月二日期間行使。

可按每股3.74港元(二零零五年:3.74港元)價格認購5,300,000股(二零零五年:5,300,000股)本公司股份之優先購股權已於年內行使。本公司股份於緊接行使日期二零零六年九月十三日前五個交易日在聯交所所報之平均收市價為27.75港元(二零零五年:20.68港元)。

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### 33. SHARE OPTIONS (continued)

#### Employees' share option scheme of EEIC

The 2002 Elec & Eltek Employees' Share Option Scheme (the "2002 Scheme") was approved by the shareholders of EEIC at the Extraordinary General Meeting held on 8 November 2002 and was adopted and took effect from 12 November 2002 upon fulfillment of all the conditions precedent as set out in Rule 3 of the 2002 Scheme.

The 2002 Scheme was implemented for the purpose of attracting, retaining and motivating talented directors and employees of EEIC to strive towards long-term performance targets and allowing the participants to enjoy the results of EEIC.

The 2002 Scheme, administered by the committee of directors of EEIC ("the Committee") as authorised by EEIC's directors, is open to full-time employees and directors of any company within EEIC and its subsidiaries, the parent group and of an associated company of EEIC, subject to certain conditions being satisfied.

The 2002 Scheme entitles the option holders to exercise their options and subscribe for new ordinary shares in EEIC either at a "Subscription Price", equal to the average of the last dealt price of the EEIC's shares for the last 5 market days immediately preceding the relevant date of grant, or at a "Discounted Subscription Price", whereby the discount shall not exceed 20% of the Subscription Price as defined earlier.

Options granted at the Subscription Price may be exercised commencing on a date not earlier than the first anniversary date of the date of grant and ending on a date not later than 5 years after the date of grant. Options granted at the Discounted Subscription Price may only be exercised commencing on a date not earlier than the second anniversary date of the date of grant and ending on a date not later than 5 years after the date of grant.

### 33. 優先購股權 (續)

#### EEIC僱員優先購股權計劃

二零零二年依利安達僱員優先購股權計劃(「二零零二年計劃」)於二零零二年十一月八日舉行之股東特別大會獲EEIC股東批准，並於二零零二年計劃規則3所載所有先決條件達成後自二零零二年十一月十二日起獲採納及生效。

二零零二年計劃之推行目的旨在吸引、留聘及激勵有才幹之EEIC董事及僱員努力實現長遠表現目標，並讓參與人士從EEIC業績中受惠。

二零零二年計劃由EEIC董事授權之EEIC董事委員會(「委員會」)管理，可供EEIC旗下任何公司及其附屬公司、母公司集團及EEIC聯營公司之全職僱員及董事參與，並須待若干條件達成後，方可作實。

二零零二年計劃賦予優先購股權持有人權利，以相當於緊接相關授出日期前五個開市日EEIC股份最後買賣價平均數之「認購價」，或折讓不得超過先前所界定認購價20%之「折讓認購價」，行使彼等之優先購股權及認購EEIC新普通股。

按認購價授出之優先購股權可由不早於授出日期滿一週年當日不遲於授出日期起計五年內行使。按折讓認購價授出之優先購股權只可由不早於授出日期滿第二週年當日不遲於授出日期起計五年內行使。

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

### 33. SHARE OPTIONS (continued)

#### Employees' share option scheme of EEIC (continued)

The duration of the 2002 Scheme is 5 years and the total number of shares in EEIC may be issued shall not exceed 10% of the issued share capital of EEIC as at the adoption date or subject to certain conditions being satisfied, 15% of the issued share capital of EEIC as at the adoption date. The total number of EEIC's shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the total number of EEIC's shares in issue from time to time.

Share options may be accepted within 30 days from the date of offer upon payment of S\$1.00 as a nominal consideration by the participants, but the grant of share options do not confer rights on the option holders to any dividend entitlement or to vote at any shareholder meeting.

Pursuant to the 1 for 5 bonus issue made by EEIC on 13 October 2005 ("Bonus Issue") all of the eligible directors and employees under the 2002 Scheme received an additional 1,944,000 share options in aggregate pursuant to adjustment made in relation to the Bonus Issue.

### 33. 優先購股權 (續)

#### EEIC僱員優先購股權計劃 (續)

二零零二年計劃之年期為五年，可發行之EEIC股份總數不得超過採納日期EEIC已發行股本10%，或待若干條件達成後，不得超過採納日期EEIC已發行股本15%。每名參與者於任何十二個月期間獲授之優先購股權（包括已經及尚未行使之優先購股權）獲行使時已經及將予發行之EEIC股份總數，不得超過不時已發行EEIC股份總數之1%。

優先購股權可於要約日期起計30日內由參與者支付1.00新加坡元作為象徵代價予以接納，惟優先購股權不會賦予持有人收取股息或於股東大會表決之權利。

根據EEIC於二零零五年十月十三日按一比五基準進行之紅股發行（「紅股發行」），所有於二零零二年計劃下合資格董事及僱員已就所發行紅股相關調整額外收取合共1,944,000份優先購股權。



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### 33. SHARE OPTIONS (continued)

#### Employees' share option scheme of EEIC (continued)

A summary of the movements of the share options under the 2002 Scheme for the year is as follows:

### 33. 優先購股權 (續)

#### EEIC僱員優先購股權計劃 (續)

年內二零零二年計劃項下優先購股權之變動概要如下:

		Granted to directors 授予董事	Granted to employees 授予僱員	Total 總計
Balance at 1 January 2005	於二零零五年一月一日之結餘	-	-	-
Granted during the year (Note a and b)	於年內授出 (附註a及b)	4,055,000	5,895,000	9,950,000
Adjustment pursuant to Bonus Issue	根據紅股發行作出之調整	811,000	1,133,000	1,944,000
Lapsed during the year	於年內失效	-	(230,000)	(230,000)
Balance at 31 December 2005 and 1 January 2006	於二零零五年十二月三十一日及二零零六年一月一日之結餘	4,866,000	6,798,000	11,664,000
Granted during the year (Note c)	於年內授出 (附註c)	-	1,020,000	1,020,000
Exercised during the year	於年內行使	-	(9,600)	(9,600)
Reclassifications	重新分類	(973,200)	973,200	-
Lapsed during the year	於年內失效	-	(768,000)	(768,000)
Balance at 31 December 2006	於二零零六年十二月三十一日之結餘	3,892,800	8,013,600	11,906,400

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## 綜合財務報表附註

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

### 33. SHARE OPTIONS (continued)

#### Employees' share option scheme of EEIC (continued)

Notes:

- (a) The interests are by virtue of 4,055,000 share options accepted by the directors of the Company and 5,895,000 share options accepted by the employees of the Group on 24 June 2005, and would entitle the relevant directors and employees to subscribe for shares in EEIC at an adjusted subscription price of US\$2.033 per shares in EEIC after the Bonus Issue. The share options are exercisable in whole or in part at the staggered manner within 5 option periods, commencing on 26 November 2006, 26 November 2007, 26 November 2008, 26 November 2009 and 26 March 2010 respectively and all ending on 24 May 2010.
- (b) The interests are by virtue of 150,000 share options accepted by the independent non-executive directors of EEIC on 29 September 2005, and would entitle the relevant directors to subscribe for shares in EEIC at an adjusted subscription price of US\$2.375 per shares in EEIC after the Bonus Issue. The share options are exercisable in whole or in part at the staggered manner within 5 option periods, commencing on 5 September 2006, 5 September 2007, 5 September 2008, 5 September 2009 and 5 July 2010 respectively and all ending on 4 September 2010.
- (c) The interests are by virtue of 1,020,000 share options accepted by the full-time employees of EEIC and its subsidiaries on 12 December 2006, and would entitle the relevant employees to subscribe for shares in EEIC at a subscription price of US\$2.400 per share. The share options are exercisable in whole or in part at the staggered manner within 4 option periods, commencing on 13 November 2008, 13 November 2009, 13 November 2010 and 13 September 2011, respectively, and all ending on 12 November 2011.

The average of the closing prices of EEIC's shares quoted on the Singapore Exchange Securities Trading Limited on the five trading days immediately before the exercise date of 22 December 2006, was US\$2.76 (2005: nil).

The share options were granted on 24 June 2005, 29 September 2005 and 12 December 2006. The estimated fair value of each share option granted on those dates were approximately HK\$1.58, HK\$1.55 and HK\$2.56 per share respectively.

### 33. 優先購股權 (續)

#### EEIC僱員優先購股權計劃 (續)

附註:

- (a) 該等權益乃基於在二零零五年六月二十四日獲本公司董事及本集團僱員分別接納4,055,000份及5,895,000份優先購股權而擁有。該等優先購股權賦予有關董事及僱員權利，於紅股發行後按經調整認購價每股EEIC股份2.033美元認購EEIC股份。優先購股權分別自二零零六年十一月二十六日、二零零七年十一月二十六日、二零零八年十一月二十六日、二零零九年十一月二十六日及二零一零年三月二十六日起至二零一零年五月二十四日止五個優先購股權期間內分段行使全部或其中部分。
- (b) 該等權益基於EEIC獨立非執行董事於二零零五年九月二十九日接納150,000份優先購股權而擁有。該等優先購股權賦予有關董事權利，於紅股發行後按經調整認購價每股EEIC股份2.375美元認購EEIC股份。優先購股權可分別自二零零六年九月五日、二零零七年九月五日、二零零八年九月五日、二零零九年九月五日及二零一零年七月五日起至二零一零年九月四日止五個優先購股權期間內分段行使全部或其中部分。
- (c) 該等權益基於EEIC及其附屬公司全職僱員於二零零六年十二月十二日接納1,020,000份優先購股權而擁有。該等優先購股權賦予有關僱員權利，按認購價每股2.400美元認購EEIC股份。優先購股權可分別自二零零八年十一月十三日、二零零九年十一月十三日、二零一零年十一月十三日及二零一一年九月十三日起至二零一一年十一月十二日止四個優先購股權期間內分段行使全部或其中部分。

EEIC股份於緊接行使日期二零零六年十二月二十二日前五個交易日於新加坡證券交易所有限公司所報之平均收市價為2.76美元(二零零五年:零)。

優先購股權已於二零零五年六月二十四日、二零零五年九月二十九日及二零零六年十二月十二日授出。於該等日期授出之各份購股權之預計公平值分別約為每股1.58港元、1.55港元及2.56港元。

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### 33. SHARE OPTIONS (continued)

#### Employees' share option scheme of EEIC (continued)

These fair values were calculated using the Trinomial Lattice Model. The inputs into the model are as follows:

		Share option grant date 優先購股權授出日期		
		12 December 2006 二零零六年 十二月十二日	29 September 2005 二零零五年 九月二十九日	24 June 2005 二零零五年 六月二十四日
Share price at grant date	授出日期之股價	US\$2.740美元	US\$2.920美元	US\$2.530美元
Subscription price	認購價	US\$2.400美元	US\$2.85美元*	US\$2.44美元*
Expected volatility	預期波幅	36.6%	21.2%	25.4%
Expected life	預計年期	5 years年	5 years年	5 years年
Risk-free rate	無風險利率	3.7%	4.2%	3.7%
Expected dividend yield	預期股息率	7.5%	7.5%	7.5%

\* The original subscription price of share options granted on 29 September 2005 and 24 June 2005 were adjusted to US\$2.375 and US\$2.033 respectively as a result of the bonus issue of shares on the basis of one bonus share for every five ordinary shares held in the capital of EEIC on 13 October 2005.

Expected volatility was determined by using the historical volatility of EEIC's share price over the previous five years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of approximately HK\$6,717,000 for the year ended 31 December 2006 (2005: HK\$3,047,000) in relation to the share options granted by EEIC.

### 33. 優先購股權 (續)

#### EEIC僱員優先購股權計劃 (續)

該等公平值乃按三項模式計算。模式內計算之項目如下：

\* 由於在二零零五年十月十三日按每持有EEIC股本中五股普通股可獲一股紅股之基準進行紅股發行，故於二零零五年九月二十九日及二零零五年六月二十四日授出之優先購股權之原認購價已分別調整為2.375美元及2.033美元。

預期波幅按EEIC股價過往五年之歷史波幅釐定。模式所用預計年期按管理層之最佳估算就非轉讓性、行使限制及表現考慮因素調整。

本集團於截至二零零六年十二月三十一日止年度就EEIC授出之優先購股權確認約6,717,000港元(二零零五年: 3,047,000港元)開支總額。

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## 綜合財務報表附註

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### 34. WARRANTS

At an extraordinary general meeting of the Company held on 30 September 2004, a bonus issue of warrants to the shareholders of the Company ("Warrants"), in the proportion of one Warrant for every ten shares held in the share capital of the Company, was proposed and approved. Consequently, 65,447,638 Warrants were issued, conferring rights to the holders of the Warrants until 31 December 2006 to subscribe for up to an aggregate of 65,447,638 shares at a fixed subscription price of HK\$20 per share, representing an aggregate subscription price of HK\$1,308,952,760.

During the year, 42,731,885 (2005: 19,990,780) new shares were issued on exercise of the Warrants and all of the remaining Warrants were expired.

### 34. 認股權證

於二零零四年九月三十日舉行之本公司股東特別大會上，本公司建議按每持有本公司股本中十股股份獲配一份認股權證之比例向本公司股東發行紅股認股權證（「認股權證」），並獲得批准。因此，本公司已發行65,447,638份認股權證，其持有人獲賦予權利可於二零零六年十二月三十一日之前，按每股20港元之固定認購價，認購最多合共65,447,638股股份，相當於認購價合共1,308,952,760港元。

年內，因行使認股權證而已發行42,731,885股新股份（二零零五年：19,990,780股），全部剩餘認股權證經已到期。

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## 綜合財務報表附註

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### 35. ACQUISITION OF SUBSIDIARIES

In 2006, the Group acquired 80% equity interest in Smark Foundate (H.K.) Limited, a company and its subsidiaries principally engaged in the manufacture of PCBs, for a consideration of HK\$80,000,000. This acquisition has been accounted for by the acquisition method of accounting. The amount of goodwill arising as a result of the acquisition was approximately HK\$48,621,000.

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

### 35. 收購附屬公司

於二零零六年，本集團收購杰基（香港）有限公司（該公司及其附屬公司主要從事製造印刷線路板）之80%股權，代價為80,000,000港元。此項收購以收購會計法列賬。收購所產生之商譽約為48,621,000港元。

收購所購入之資產淨值及所產生之商譽如下：

	<b>Acquiree's carrying amount before combination and fair value 被收購方於合併前 之賬面值及公平值</b>	HK\$'000 千港元
Net assets acquired:	購入資產淨值：	
Properties, plant and equipment	物業、廠房及設備	39,204
Prepaid lease payments	預付租賃款項	6,128
Inventories	存貨	20,943
Trade and other receivables and prepayments	貿易及其他應收賬款及預付款項	72,228
Bank balances and cash	銀行結餘及現金	10,253
Trade and other payables	貿易及其他應付賬款	(96,544)
Taxation payable	應付稅項	(116)
Bank borrowings	銀行借貸	(12,872)
		39,224
Minority interests	少數股東權益	(7,845)
Goodwill on acquisition	收購所產生之商譽	48,621
Total consideration satisfied by cash	以現金支付之總代價	80,000
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	(80,000)
Bank balances and cash acquired	購入銀行結餘及現金	10,253
Net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries	就收購附屬公司之現金及現金等值項目流出淨額	(69,747)

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## 綜合財務報表附註

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

### 35. ACQUISITION OF SUBSIDIARIES (continued)

The goodwill arising from the acquisition of subsidiaries is attributable to the anticipated profitability of the distribution of the Group's products (i.e. PCBs) from the combination.

The subsidiaries acquired in 2006 contributed revenue of approximately HK\$201,175,000 and profit of approximately HK\$2,745,000 to the Group during the period from date of acquisition to 31 December 2006.

If the acquisition had been completed on 1 January 2006, total group's revenue for the year would have been approximately HK\$17,017,427,000, and profit for the year would have been approximately HK\$7,390,219,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually have been achieved had the acquisition been completed on 1 January 2006, nor is intended to be a projection of future results.

### 36. MAJOR NON-CASH TRANSACTIONS

At 31 December 2006, an amount of approximately HK\$112,239,000 (2005: HK\$58,787,000) relating to properties, plant and equipment which were acquired during the year had not yet been paid.

### 37. COMMITMENTS

### 35. 收購附屬公司 (續)

收購附屬公司所產生之商譽源自合併後分銷本集團產品(即:印刷線路板)之預計盈利能力。

於二零零六年收購之附屬公司自收購日期起至二零零六年十二月三十一日止期間對本集團營業額貢獻約為201,175,000港元及對本集團溢利貢獻約2,745,000港元。

倘收購於二零零六年一月一日完成,本年度集團總營業額將約為17,017,427,000港元,本年度溢利將約為7,390,219,000港元。備考資料僅供說明之用,並不表示假設收購已於二零零六年一月一日完成後本集團實際可達致之營業額及經營業績,亦不擬作為未來業績之預測。

### 36. 主要非現金交易

於二零零六年十二月三十一日,年內與購買物業、廠房及設備相關之約112,239,000港元(二零零五年: 58,787,000港元)金額並未償付。

### 37. 承擔

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Capital expenditure contracted for but not provided in the consolidated financial statements for the acquisition of properties, plant and equipment	382,439	193,479
Capital expenditure authorised but not contracted for	44,413	3,327
	<b>426,852</b>	<b>196,806</b>

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### 38. OPERATING LEASES

### 38. 經營租約

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
The Group as lessee:	由本集團承租:		
Lease payments charged to the consolidated income statement during the year	年內自綜合收益表扣除之租約付款		
– for premises	– 物業	13,908	10,924
– for plant and machinery	– 廠房及機器	450	1,243
		<b>14,358</b>	12,167

Under the leases entered into by the Group, all lease payments are fixed and predetermined.

根據本集團訂立之租約，所有租約付款之金額均為固定及預早釐定。

At the balance sheet date, the Group's future lease payments under non-cancellable operating leases are payable as follows:

於結算日，本集團根據不可撤銷之經營租約於日後支付之租約付款須於下列期間支付：

		Premises 物業		Plant and machinery 廠房及機器	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Within one year	於一年內	14,186	6,246	617	379
After one year but not later than five years	於一年後但於五年內	8,632	5,910	–	–
After five years	於五年後	24,310	21,504	–	–
		<b>47,128</b>	33,660	<b>617</b>	379

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 38. OPERATING LEASES (continued)

### 38. 經營租約 (續)

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
The Group as lessor:	由本集團出租:		
Rental income credited to the consolidated income statement during the year, net of outgoing amount of approximately HK\$120,000 (2005: HK\$40,000)	於年內計入綜合收益表之租金收入, 已扣除支銷約120,000港元 (二零零五年: 40,000港元)	5,894	2,013

The Group's investment properties are rented to outside parties for periods up to three years at fixed predetermined amounts. At the balance sheet date, the Group had contracted with tenants to receive the following future minimum lease payments:

本集團之投資物業均按預早釐定之定額租金租予外界人士, 租期最長為三年。於結算日, 本集團已與租戶訂立合約, 可於日後收取之最低租約付款如下:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Within one year	於一年內	4,249	828
After one year but not later than five years	於一年後但於五年內	7,645	324
		<b>11,894</b>	<b>1,152</b>

### 39. CONTINGENT LIABILITIES

During the year ended 31 December 2005, the Group continued to take legal action against customers to recover overdue trade receivables. With regard to the three customers which were particularly referred to in previous years' consolidated financial statements, and which collectively owe approximately HK\$12 million to the Group, it is the intention of the directors that the Group would continue to vigorously pursue the recovery of the outstanding trade receivables and to defend against the counter-claims, amounting to approximately HK\$9 million, which have been lodged by the delinquent customers.

### 39. 或然負債

截至二零零五年十二月三十一日止年度內, 本集團繼續向客戶採取法律行動, 追討過期貿易應收賬款。有關於以往年度綜合財務報表特別指出之三名客戶 (共拖欠本集團約12,000,000港元), 本集團董事擬繼續積極追討未償還之貿易應收賬款及就反索償進行抗辯。該項由逾期未付賬款之客戶提出之反索償涉及款項約達9,000,000港元。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 39. CONTINGENT LIABILITIES (continued)

On 22 April 2006, the litigation was settled and the counter-claims by the delinquent customers were dismissed in consideration of HK\$3 million payable by the counter-parties to the Group and certain products of the Group to be returned by the counter-parties to the Group. As at 31 December 2006, the Group has no significant contingent liabilities.

### 40. RETIREMENT BENEFITS SCHEME

The Group participates in both a defined contribution scheme which was registered under the Occupational Retirement Scheme Ordinance (the "ORSO Scheme") and a Mandatory Provident Fund Scheme (the "MPF Scheme") which was established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group and are invested in funds under the control of independent trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme are members of both the ORSO Scheme and the MPF Scheme, whereas all new employees joining the Group on or after December 2000 are required to join the MPF Scheme.

Employees of subsidiaries in the PRC are members of the state-sponsored pension scheme operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the pension scheme to fund the benefits. The only obligation of the Group with respect to the pension scheme is to make the required contributions.

Payments to the ORSO Scheme, the MPF Scheme and the state-sponsored pension schemes of approximately HK\$37,513,000 (2005: HK\$34,891,000), net of nil forfeited contributions (2005: HK\$1,968,000), are charged to the consolidated income statement.

### 39. 或然負債 (續)

二零零六年四月二十二日，該項訴訟已經和解，逾期未付賬款客戶提出之反索償已遭駁回，對方須向本集團支付代價3,000,000港元，並須向本集團歸還若干產品。於二零零六年十二月三十一日，本集團並無重大或然負債。

### 40. 退休福利計劃

本集團同時參加一項根據職業退休計劃條例註冊之定額供款計劃（「職業退休計劃」）及根據強制性公積金條例於二零零零年十二月成立之強制性公積金計劃（「強積金計劃」）。該等計劃之資產與本集團之資產分開持有，並投資於由獨立信託人控制之基金。於成立強積金計劃之前已參加職業退休計劃之僱員，同時成為職業退休計劃及強積金計劃之成員，而所有於二零零零年十二月或之後加入本集團之新僱員必須參加強積金計劃。

中國附屬公司之僱員為中國政府運作之國家資助退休福利計劃成員。該等附屬公司須將薪金支出之某一百分比投入退休計劃，以支付有關福利。本集團就退休計劃履行之唯一責任為支付所需供款。

向職業退休計劃、強積金計劃及國家資助退休福利計劃支付之供款約為37,513,000港元（二零零五年：34,891,000港元）（扣除沒收供款零港元（二零零五年：1,968,000港元）），並自綜合收益表中扣除。

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## 綜合財務報表附註

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

### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

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

### 41. 本公司主要附屬公司詳情

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 and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of interest held by the Group 本集團持有 權益比例 %	Principal activities 主要業務
Fogang Kingboard Industry Ltd. 佛岡建滔實業有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	RMB878,100,000 人民幣878,100,000元	45.06	Manufacture and distribution of copper foil 製造及分銷銅箔
Guangzhou Chung Shun Century Fibre Glass Co., Ltd. 廣州忠信世紀玻纖有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$44,595,000 44,595,000美元	72.50	Manufacture and distribution of glass yarn 製造及分銷玻璃紗
Huiyang Techwise Circuits Co., Ltd. 惠陽科惠電路有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	HK\$139,000,000 139,000,000港元	90	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Jamplan (BVI) Limited	British Virgin Islands # 英屬處女群島 #	US\$1,000 1,000美元	100 *	Investment holding 投資控股
King Board (Panyu) Chemical Co., Ltd. 建滔(番禺)化工有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	HK\$100,000,000 100,000,000港元	100	Manufacture and distribution of chemicals 製造及分銷化工產品
Kingboard (Fogang) Insulated Material Company Limited 建滔(佛岡)絕緣材料有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$6,115,000 6,115,000美元	72.50	Manufacture and distribution of bleached kraft paper 製造及分銷漂白木漿紙
Kingboard (Fogang) Laminates Co. Limited 建滔(佛岡)積層板有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$29,466,000 29,466,000美元	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板

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## 綜合財務報表附註

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

### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of interest held by the Group 本集團持有 權益比例 %	Principal activities 主要業務
Kingboard (Fogang) Paper Laminates Co. Ltd. 建滔(佛岡)積層紙板有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$17,700,000 17,700,000美元	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kingboard (Hebei) Cokechem Co. Limited 建滔(河北)焦化有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	RMB96,000,000 人民幣96,000,000元	100	Manufacture and distribution of coke 製造及分銷焦炭
Kingboard (Hebei) Chemical Co. Limited 建滔(河北)化工有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	RMB64,000,000 人民幣64,000,000元	100	Manufacture and distribution of chemicals 製造及分銷化工產品
Kingboard (Lian Zhou) Fibre Glass Co. Limited 建滔(連州)玻璃纖維有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$13,700,000 13,700,000美元	72.50	Manufacture and distribution of glass fabric 製造及分銷玻璃纖維布
Kingboard (Lian Zhou) Copper Foil Limited 建滔(連州)銅箔有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$27,000,000 27,000,000美元	45.06	Manufacture and distribution of copper foil 製造及分銷銅箔
Kingboard (Panyu Nansha) Petrochemical Company Limited 建滔(番禺南沙)石化有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	RMB250,000,000 人民幣250,000,000元	72.50	Manufacture and distribution of chemicals 製造及分銷化工產品
Kingboard (Tai Cang) Chemical Co., Ltd. 建滔(太倉)化工有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$2,500,000 2,500,000美元	100	Manufacture and distribution of chemicals 製造及分銷化工產品
Kingboard Copper Foil Holdings Limited	Bermuda <sup>#</sup> 百慕達 <sup>#</sup>	US\$72,250,000 72,250,000美元	45.06	Investment holding 投資控股

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

### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of interest held by the Group 本集團持有 權益比例 %	Principal activities 主要業務
Kingboard Investments Limited 建滔投資有限公司	Hong Kong # 香港 #	HK\$8,000 8,000港元	100	Investment holding 投資控股
Kingboard Laminates Holdings Limited 建滔積層板控股有限公司	Cayman Islands # 開曼群島 #	HK\$300,000,000 300,000,000港元	72.50	Investment holding 投資控股
Kingboard Copper Foil (Macao Commercial Offshore) Limited 建滔銅箔(澳門離岸 商業服務)有限公司	Macau 澳門	MOP100,000 澳門幣100,000元	45.06	Distribution of copper foils 分銷銅箔
Kingboard Laminates (Macao Commercial Offshore) Limited 建滔積層板(澳門離岸 商業服務)有限公司	Macau 澳門	MOP100,000 澳門幣100,000元	72.50	Distribution of laminates 分銷覆銅面板
Kingboard Laminates (Jiangmen) Co., Ltd. 江門建滔積層板有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	HK\$118,400,000 118,400,000港元	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kingboard Laminates (Kunshan) Co., Ltd. 建滔積層板(昆山)有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$32,010,000 32,010,000美元	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kingboard Laminates (Shaoguan) Co. Ltd. 建滔積層板(韶關)有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	RMB7,490,000 人民幣7,490,000元	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kunshan Yattoo Chemical Co., Ltd. 昆山日滔化工有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$12,500,000 12,500,000美元	72.50	Manufacture and distribution of laminates 製造及分銷覆銅面板

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### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of interest held by the Group 本集團持有 權益比例 %	Principal activities 主要業務
Techwise Circuits Company Limited 科惠線路有限公司	Hong Kong # 香港 #	HK\$4,000,000 4,000,000港元	90	Investment holding 投資控股
Techwise Shirai (Fogang) Circuits Limited 科惠白井(佛崗) 電路有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	HK\$93,778,284 93,778,284港元	63	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Elec & Eltek International Holdings Limited 依利安達國際集團有限公司	Bermuda/ Hong Kong # 百慕達/香港 #	HK\$122,467,240 122,467,240港元	100	Investment holding 投資控股
Elec & Eltek Display Technology (Guangzhou) Company Limited 依利安達(廣州) 顯示器有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$14,700,000 14,700,000美元	88	Manufacture and sales of LCDs 製造及銷售液晶顯示屏
Avatex (Guangzhou) Communication Company Limited 愛華特(廣州) 通訊有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$5,400,000 5,400,000美元	98	Manufacture of magnetic products 製造磁電產品
Elec & Eltek International Company Limited 依利安達集團有限公司	Singapore # 新加坡 #	US\$97,069,474 97,069,474美元	70.89	Investment holding 投資控股
Kai Ping Elec & Eltek Company Limited 開平依利安達電子有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$18,750,000 18,750,000美元	67.35	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Kaiping Elec & Eltek No.2 Company Limited 開平依利安達電子第二有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$17,350,000 17,350,000美元	67.35	Manufacture and distribution of PCBs 製造及分銷印刷線路板

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### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of interest held by the Group 本集團持有 權益比例 %	Principal activities 主要業務
Kaiping Elec & Eltek No.3 Company Limited 開平依利安達電子第三有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$71,000,000 71,000,000美元	67.55	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Kaiping Elec & Eltek No.5 Company Limited 開平依利安達電子第五有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$23,759,345 23,759,345美元	67.35	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Elec & Eltek (Guangzhou) Electronic Company Limited 依利安達(廣州)電子有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$51,200,000 51,200,000美元	69.47	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Elec & Eltek (Guangzhou) Technology Company Limited 依利安達(廣州)電子科技 有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$6,000,000 6,000,000美元	69.47	Research and development, manufacture and distribution of PCBs 研究及開發·製造及分銷 印刷線路板
Guangzhou Elec & Eltek Microvia Technology Limited 廣州依利安達微通科技有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$18,024,000 18,024,000美元	69.47	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Guangzhou Elec & Eltek High Density Interconnect Technology No. 1 Company Limited 廣州依利安達精密互連科技 第一有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	US\$25,000,000 25,000,000美元	69.47	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Nanjing Elec & Eltek Electronic Co., Ltd. 南京依利安達電子有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$8,752,000 8,752,000美元	70.89	Manufacture and distribution of PCBs 製造及分銷印刷線路板

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## 綜合財務報表附註

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### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of interest held by the Group 本集團持有 權益比例 %	Principal activities 主要業務
Elec & Eltek (Thailand) Limited	Thailand 泰國	Baht780,000,000 780,000,000泰銖	70.89	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Pacific Insulating Material (Thailand) Limited	Thailand 泰國	Baht650,000,000 650,000,000泰銖	70.89	Manufacture and distribution of PCB raw materials 製造及分銷印刷線路板原材料
Shenzhen Pacific Insulating Material Co., Ltd. 深圳太平洋絕緣材料有限公司	PRC <sup>2</sup> 中國 <sup>2</sup>	RMB67,491,458 人民幣67,491,458元	66.28	Manufacture and distribution of PCB raw materials 製造及分銷印刷線路板原材料
Kaiping Pacific Insulating Material Company Limited 開平太平洋絕緣材料有限公司	PRC <sup>1</sup> 中國 <sup>1</sup>	US\$15,000,000 15,000,000美元	70.89	Manufacture and distribution of high-end PCB raw materials 製造及分銷高端印刷線路板 原材料
*	The Company directly holds the interest in Jamplan (BVI) Limited. The Company's interest in all other subsidiaries is held indirectly through Jamplan (BVI) Limited.		*	本公司直接持有Jamplan (BVI) Limited之權益。本公司於所有其他附屬公司之權益均透過Jamplan (BVI) Limited間接持有。
#	These are investment holding companies which have no specific principal place of operations.		#	此等為投資控股公司，並無特定之主要經營地點。
<sup>1</sup>	These companies were established in the PRC in the form of Wholly Foreign-owned Enterprises.		<sup>1</sup>	此等公司乃以外資企業形式在中國成立。
<sup>2</sup>	These companies were established in the PRC in the form of Sino-Foreign Equity Joint Ventures.		<sup>2</sup>	此等公司乃以中外合資合營企業形式在中國成立。

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### 41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

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

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

### 42. RELATED PARTY TRANSACTIONS

The Group entered into the following significant transactions with related parties during the year.

Sales of goods to a minority shareholder of a subsidiary	向一間附屬公司之少數股東銷售貨品	486,661	416,149
Purchase of goods from a minority shareholder of a subsidiary	向一間附屬公司之少數股東採購貨品	110,683	72,598
Drilling service provided by a minority shareholder of a subsidiary	一間附屬公司之少數股東提供鑽孔服務	18,693	12,704
Purchase of goods from an associate	向一間聯營公司採購貨品	178,896	—
Sales of goods to an associate	向一間聯營公司銷售貨品	9,941	—

Included in trade and other receivables and prepayments are amount due from a minority shareholder of a subsidiary and an associate of approximately HK\$143,098,000 (2005: HK\$126,619,000) and HK\$9,941,000 (2005: nil) respectively. The Group allows credit periods of up to 120 days, depending on the product sold, to its related parties.

Included in trade and other payables is an amount due to an associate of approximately HK\$38,392,000 (2005: nil). The related parties offer credit periods of up to 120 days to the Group.

### 41. 本公司主要附屬公司詳情 (續)

上表所列為本公司董事認為主要影響本集團業績或資產之本公司附屬公司。本公司董事認為列出其他附屬公司之詳情會過於冗長。

各附屬公司於年終結時概無發行任何債務證券。

### 42. 有關連人士交易

本集團與有關連人士在年內進行之重大交易如下：

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Sales of goods to a minority shareholder of a subsidiary	486,661	416,149
Purchase of goods from a minority shareholder of a subsidiary	110,683	72,598
Drilling service provided by a minority shareholder of a subsidiary	18,693	12,704
Purchase of goods from an associate	178,896	—
Sales of goods to an associate	9,941	—

貿易及其他應收賬款及預付款項包括應收附屬公司少數股東款項約143,098,000港元(二零零五年:126,619,000港元)及應收一間聯營公司款項約9,941,000港元(二零零五年:零)。本集團向有關連人士授出之信貸期最長為120日,視乎所銷售之產品而定。

貿易及其他應付賬款包括應付一間聯營公司款項約38,392,000港元(二零零五年:零)。有關連人士向本集團授出之信貸期最長為120日。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 42. RELATED PARTY TRANSACTIONS (continued)

#### Compensation of key management personnel

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

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Short-term benefits	短期福利	189,711	87,383
Post employment benefits	退休後福利	1,415	1,287
Share-based payments	以股份形式付款	5,100	1,917
		<b>196,226</b>	<b>90,587</b>

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

### 42. 有關連人士交易 (續)

#### 主要管理人員酬金

年內，董事及其他主要管理人員之酬金如下：

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
短期福利	189,711	87,383
退休後福利	1,415	1,287
以股份形式付款	5,100	1,917
	<b>196,226</b>	<b>90,587</b>

董事及主要行政人員之酬金經薪酬委員會考慮個別員工表現及市場趨勢後釐定。