

## 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 INFORMATION

The Company is a public listed company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activities of the Group consisted of the import and distribution of cement in Hong Kong, the manufacture and distribution of cement and slag powder in other areas of the People’s Republic of China (“Mainland China”) and the provision of cement handling services in the Philippines. Through its associates, the Group is also engaged in the production and distribution of ready-mixed concrete in Hong Kong, Mainland China and Brunei. There were no significant changes in the nature of the Group’s principal activities during the year.

The address of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the Annual Report.

The parent company of the Company is TCC International Limited (incorporated in the British Virgin Islands). In the opinion of the Directors, Taiwan Cement Corporation (“TCC”), a company incorporated and whose shares are listed in Taiwan, is the Company’s ultimate holding company.

The financial statements are presented in Hong Kong dollars (“HKD”) which is also the functional currency of the Company.

### 1. 一般資料

本公司為一公眾上市公司，於開曼群島註冊成立，其股份於香港聯合交易所有限公司（聯交所）上市。

本集團之主要業務為在香港經營水泥進口及分銷業務，在中華人民共和國（「中國內地」）其他地區經營製造及分銷水泥及礦渣粉業務，以及在菲律賓提供水泥處理服務。本集團亦透過其聯營公司在香港、中國內地及文萊從事生產及分銷預拌混凝土業務。本年度，本集團之主要業務性質並無重大轉變。

本公司之註冊辦事處及主要營業地點已於本年報「公司資料」一節披露。

本集團之母公司為TCC International Limited（於英屬處女群島註冊成立）。董事認為，在台灣註冊成立及其股份在台灣上市之台灣水泥股份有限公司（「台泥」）為本公司之最終控股公司。

財務報表以港元列值，而港元同時為本集團之功能貨幣。

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## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as “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 application 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.

The Group has not early applied the following new standard, amendment and interpretations that have been issued but are not yet effective. The Directors of the Company anticipate that the application of these standard, 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>	香港會計準則第1號 (修訂本)	資本披露 <sup>1</sup>
HKFRS 7	Financial instruments: Disclosures <sup>1</sup>	香港財務報告準則第7號	金融工具:披露 <sup>1</sup>
HKFRS 8	Operating segment <sup>2</sup>	香港財務報告準則第8號	經營分類 <sup>2</sup>
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies <sup>3</sup>	香港(國際財務報告 詮釋委員會) — 詮釋第7號	根據香港會計準則 第29號「惡性通貨 膨脹經濟下之財務報 告」之重列法 <sup>3</sup>
HK(IFRIC) – INT 8	Scope of HKFRS 2 <sup>4</sup>	香港(國際財務報告詮釋 委員會) – 詮釋第8號	香港財務報告準則第2 號之範圍 <sup>4</sup>
HK(IFRIC) – INT 9	Reassessment of embedded derivatives <sup>5</sup>	香港(國際財務報告詮釋 委員會) – 詮釋第9號	重新評估嵌入式衍生 工具 <sup>5</sup>
HK(IFRIC) – INT 10	Interim financial reporting and impairment <sup>6</sup>	香港(國際財務報告詮釋 委員會) – 詮釋第10號	中期財務報告及減值 <sup>6</sup>
HK(IFRIC) – INT 11	HKFRS 2 – Group and treasury share transactions <sup>7</sup>	香港(國際財務報告詮釋 委員會) – 詮釋第11號	香港財務報告準則第2 號 – 集團及庫存股份 交易 <sup>7</sup>
HK(IFRIC) – INT 12	Service Concession Arrangement <sup>8</sup>	香港(國際財務報告詮釋 委員會) – 詮釋第12號	服務經營權安排 <sup>8</sup>

## 2. 採用香港財務報告準則

於本年度，本集團首次採用由香港會計師公會頒佈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之新增香港財務報告準則、香港會計準則及詮釋（以下統稱「新香港財務報告準則」）。採用新香港財務報告準則對本期間或以往會計期間之業績及財務狀況之編製及呈列方式並無重大影響。因此，無須作出前期調整。

本集團並未提早採納以下已頒佈但尚未生效之新準則、修訂及詮釋。本公司董事預期應用該等準則、修訂或詮釋將不會對本集團之業績及財務狀況造成重大影響。

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**2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS***(continued)*

- <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.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements have been prepared on the historical cost basis, except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as explained in the principal 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 of Hong Kong Limited and by the Hong Kong Companies Ordinance.

**2. 採用香港財務報告準則 (續)**

- <sup>1</sup> 於二零零七年一月一日或之後開始之年度期間生效。
- <sup>2</sup> 於二零零九年一月一日或之後開始之年度期間生效。
- <sup>3</sup> 於二零零六年三月一日或之後開始之年度期間生效。
- <sup>4</sup> 於二零零六年五月一日或之後開始之年度期間生效。
- <sup>5</sup> 於二零零六年六月一日或之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之後開始之年度期間生效。
- <sup>7</sup> 於二零零七年三月一日或之後開始之年度期間生效。
- <sup>8</sup> 於二零零八年一月一日或之後開始之年度期間生效。

**3. 主要會計政策**

該等綜合財務報表乃按過往成本法編製，惟若干物業及金融工具如下文所載主要會計政策所述乃按重估金額或公平值計算。

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表已載入香港聯合交易所有限公司證券上市規則及香港公司條例規定之適用披露。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Basis of consolidation

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

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

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

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

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

### 3. 主要會計政策 (續)

#### 綜合基準

綜合財務報表包括本公司及本公司控制之實體(其附屬公司)之財務報表。當本公司有權決定一個實體之財務及營運政策,從而透過其活動獲利時即取得該實體之控制權。

綜合收益表包括於本年度所購入或出售之附屬公司之業績,由有效收購日期起計或計至有效出售日期(倘適用)。

如有需要,附屬公司之財務報表會作出調整,以使其會計政策與本集團其他成員公司採用之會計政策一致。

所有集團內部交易、結餘、收入及開支已於綜合賬目時對銷。

於綜合附屬公司之淨資產內少數股東權益與本集團之權益分開呈列。淨資產內少數股東權益包括於初始業務合併日期之該等權益及自合併日期以來少數股東應佔權益變動。超出於附屬公司權益之少數股東權益之少數股東應佔虧損計入本集團之權益內,除非少數股東受具約束力之責任所規限並且有能力作出額外投資彌補虧損則除外。

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**3. SIGNIFICANT ACCOUNTING POLICIES***(continued)***Business combinations**

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

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.

**Interests 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 joint control over those policies.

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

**3. 主要會計政策 (續)****業務合併**

收購附屬公司以採購法入賬。收購成本按於交易日期所付出資產、所產生或承擔之負債之公平值總額，以及本集團為取得被購人之控制權而發行之股本工具，再加因業務合併而直接產生之任何成本計算。被購人符合香港財務報告準則第3條「業務合併」規定之確認條件之可辨識資產、負債及或然負債於收購日期按公平值確認。

獲收購公司之少數股東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淨值比例計算。

**聯營公司權益**

聯營公司是指一家本集團對其有重大影響之實體，而其並非為附屬公司或於合營企業之權益。重大影響乃指擁有參與該投資對象之財務及經營決策之能力，惟並不控制或共同控制該等政策。

聯營公司之業績及資產與負債以權益會計法計入此等財務報表內。根據權益法，於聯營公司之投資乃按成本，並就本集團於收購後分佔溢利或虧損之變動及聯營公司權益之變動作出調整，再減任何已識別減值虧損計入綜合資產負債表。當本集團應佔一間聯營公司之虧損等於或超越其於該聯營公司之權益（包括任何實質上構成本集團於該聯營公司之投資淨額之長期權益）時，本集團終止確認其應佔之進一步虧損。本集團會就額外應佔之虧損撥備，並會確認負債，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)

#### Interests in associates (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.

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.

#### Revenue recognition

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

Sales of goods are recognised when goods are delivered and risks and rewards of ownership have passed.

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 estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

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

Service revenue is recognised in the period in which such services are rendered.

#### Leases

Leases are classified as finance leases when 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.

### 3. 主要會計政策 (續)

#### 聯營公司權益 (續)

本集團應佔可識別資產、負債及或然負債之公平淨值超逾收購成本之任何數額會於重估後立即於損益賬確認。

當集團實體與本集團聯營公司進行交易時，溢利及虧損會以本集團於相關聯營公司之權益為限予以對銷。

#### 收益確認

收益按已收或應收代價的公平值計算，即日常業務中所提供貨品及服務之應收款項減折扣及銷售相關稅項之數額。

貨品銷售乃於貨品交付及所有權所產生之風險及回報轉讓後確認。

金融資產之利息收入乃參考尚未償還之本金及當時適用之實際利率按時間基準累計。實際利率指將估計日後所得現金按財務資產估計可使用年期折讓至資產賬面淨值之利率。

投資股息收入於股東獲派股息之權利確立時確認。

服務收入於提供有關服務期間確認。

#### 租約

當合約之條款實質上將擁有權所產生之絕大部分風險及回報轉移至承租人，該等合約被分類為融資租賃合約。所有其他租約被分類為經營租約。

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**3. SIGNIFICANT ACCOUNTING POLICIES***(continued)***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 over the lease term on a straight-line basis.

**Foreign currencies**

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (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 included in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

**3. 主要會計政策 (續)****本集團作為承租人**

經營租約之應付租金於有關租約期間按直線法於損益中扣除。作為促使訂立經營租約之已收及應收利益，於租約期以直線法確認為租金支出扣減。

**外幣**

於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）進行之交易乃按交易日期之適用匯率折算為各自之功能貨幣（即該實體進行經營之主要經濟環境所使用之貨幣）記錄。於各結算日，以外幣列值之貨幣項目按該結算日之適用匯率換算。按公平值入賬及以外幣結算之非貨幣項目按公平值釐定當日之適用匯率換算。以外幣及按過往成本計算之非貨幣項目不進行重新換算。

因結算貨幣項目及換算貨幣項目而產生之匯兌差額，於該等差額產生期間之損益內確認。按公平值入賬之非貨幣項目因重新換算而產生之匯兌差額計入當其損益，惟非貨幣項目（其收益及虧損直接於權益內確認）因重新換算而產生之差額除外，於此情況下，匯兌差額亦直接於權益中確認。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Foreign currencies (continued)

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Hong Kong dollars using exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (exchange fluctuation reserve). Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

#### 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)

就綜合財務報表呈列而言，本集團之海外業務資產及負債乃按於結算日之適用匯率換算為本公司之呈列貨幣（即港幣）。其收入及開支按該年度之平均匯率換算，除非於該期間之匯率大幅波動則除外，於此情況下，則按各項交易之日所使用之適用匯率換算。產生之匯兌差額（如有）乃按權益中之獨立成分（匯兌波動儲備）予以確認。該等匯兌差額乃於海外業務獲出售期間之損益內確認。

#### 借貸成本

於購買、興建或製造合資格資產之直接應佔借貸成本，將撥作為該等資產之部分成本，當該等資產實質上達至擬定用途或銷售時借貸成本便不再作資本化。借貸擬應用於合資格資產之短期投資所賺取之投資收入自合資格資本化之借款成本中扣除。

所有其他借貸成本已於發生時於損益表確認為支出。



## 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)***Employee benefits**

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme"), for employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit and loss account as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Group's subsidiaries which operates in Mainland China are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to the profit and loss account as they become payable in accordance with the rules of the central pension scheme.

**3. 主要會計政策 (續)****僱員福利**

本集團根據強制性公積金計劃條例為所有符合資格參與強制性公積金退休福利計劃（「強積金計劃」）之僱員設立定額供款強積金計劃。供款乃根據僱員基本薪金之指定百分比計算，並於根據強積金計劃規則應付時自損益賬扣除。強積金計劃之資產與本集團之資產分開持有，並由獨立管理之基金管理。根據強積金計劃之規則，本集團之僱主供款將於對強積金計劃作出時全數撥歸僱員所有，惟倘僱員在供款全數撥歸僱員所有前離職，本集團之僱主自願供款須退還予本集團。

本集團在中國內地營運之附屬公司之僱員須參加當地政府管理之中央退休計劃。該等附屬公司須向中央退休計劃支付薪金之若干百分比作為供款。根據中央退休計劃規則，供款在應付時自損益賬扣除。

## 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**

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 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 other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable 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 is realised, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

## 3. 主要會計政策 (續)

**稅項**

所得稅支出指現時應付稅項及遞延稅項。

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報純利不同，此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，並且不包括不能課稅或不可扣稅之項目。本集團之當期稅項負債採用於結算日已頒佈或實質頒佈之稅率計算。

遞延稅項為就財務報表資產及負債賬面值及用以計算應課稅溢利相應稅基之差額而確認之稅項，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按照可能出現之可利用臨時差額扣稅的應課稅溢利而提撥。若於一項交易中，因商譽或因企業合併以外原因初次確認其他資產及負債而引致之臨時差額不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項資產之賬面值於每個結算日作檢討，並在沒可能於會有足夠應課稅溢利恢復全部或部分資產價值時作調減。

遞延稅項乃根據結算日已頒佈或實質頒佈之稅率，按預期於負債償還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，惟倘遞延稅項直接在股本權益中扣除或計入股本權益之情況下，遞延稅項亦會於股本權益中處理。

## 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

**3. SIGNIFICANT ACCOUNTING POLICIES***(continued)***Property, plant and equipment**

Leasehold land and office building held for use in production or for administrative purposes, are stated in the consolidated balance sheet at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and amortisation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that would be determined using fair values at the balance sheet date.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the land and building revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to consolidated income statement to the extent of the decrease previously charged. A decrease in net carrying amount arising on the revaluation of such land and buildings is dealt with as an expense to the extent that it exceeds the balance, if any, held in the land and building revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the land and building revaluation reserve is transferred directly to retained earnings.

Other leasehold land is classified as a prepaid lease payment and amortised over a straight-line basis over the lease term. Cost includes professional fees and, for qualifying assets, borrowings costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended 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**

持有作生產及行政用途之租賃土地及辦公室樓宇按其重估金額(即於重估日期之公平值減其後任何累積折舊與攤銷及其後任何減值虧損)於綜合資產負債表中列賬。重估將會定期進行,以使賬面值不會與於結算日採用之公平值所釐定之金額相差過大。

任何重估該等土地及樓宇所產生之重估增值均計入土地及樓宇重估儲備,惟與該資產先前確認為開支之重估減值對銷時除外,在此情況下,重估增值按先前已扣除之重估減值計入綜合收益表中。重估該等土地及樓宇所產生之賬面淨值減少若超過餘額(如有)該項資產於先前重估之有關重估土地及樓宇儲備之餘額(如有),則確認為一項開支。其後出售或棄用一項重估資產時,土地及樓宇重估儲備內餘下之應佔重估盈餘將直接撥入保留盈利中。

其他租賃土地被分類為預付租賃款項,並按租賃年期以直線基準攤銷。成本包括專業費用及(就合資格資產而言)按照本集團會計政策資本化之借貸成本。該等資產於可作其擬定用途(即已屆管理層擬定之方式營運所需之位置及狀況)時按照與其他物業資產相同之基準開始折舊。

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

Property, plant and equipment (other than the leasehold land and office building and construction in progress) are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or fair value of assets, over their estimated useful lives with a residual value of 1%, using the straight-line method.

Construction in progress represents property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress 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.

The following rates are used for the depreciation of property, plant and equipment:

Cement plant and facilities	3 $\frac{1}{3}$ % – 4%
Leasehold land and office building	Over the unexpired term of lease
Plant and machinery	6 $\frac{2}{3}$ % – 20%
Furniture, fixtures and office equipment	20% – 33 $\frac{1}{3}$ %
Motor vehicles	20%
Lighters	10%

An items 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.

## 3. 主要會計政策 (續)

**物業、廠房及設備** (續)

物業、廠房及設備(該租賃土地及辦公室樓宇以及在建工程除外)乃按成本減累計折舊及任何累計減值虧損列賬。

折舊乃以直線法按各項資產估計可用年期撇銷其成本或公平值(剩餘價值百分之一)計算。

在建工程指在建及作生產或自用用途之物業、廠房及設備。在建工程以成本扣除任何已確認減值虧損列賬。在建工程於竣工及達到預定可使用狀態時分類為適當之物業、廠房及設備類別。該等資產之折舊基準與其他物業資產相同,即於該等資產達到預定可使用狀態時開始。

物業、廠房及設備所用折舊率如下:

水泥廠及設施	3 $\frac{1}{3}$ % – 4%
租賃土地及辦公室樓宇	按租約未屆滿年期
廠房及機器	6 $\frac{2}{3}$ %-20%
傢俬、裝置及辦公室設備	20%-33 $\frac{1}{3}$ %
汽車	20%
躉船	10%

物業、廠房及設備於出售或當預期持續使用該資產將不會產生未來經濟利益時終止確認。於終止確認該資產時產生之任何收益或虧損(以出售所得款項淨額與該項目之賬面值之差額計算)乃計入於該項目終止確認年度之綜合收益表內。

## 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)***Impairment of assets**

At each balance sheet date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of an asset's or a cash-generating unit's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are 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 (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

**3. 主要會計政策 (續)****資產減值**

於各結算日，本集團將審閱其有形資產之賬面值，以釐定該等資產是否出現任何減值虧損跡象。倘出現有關跡象，則估計資產之可收回金額，以釐定減值虧損（如有）。倘未能估計個別資產之可收回金額，則本集團估計該資產所屬之現金產生單位之可收回金額。

可收回金額乃一項資產或一個現金產生單位之公平值減出售成本與使用價值之較高者。在評估使用價值時，估計未來現金流量將予以稅前折讓率折讓至其現值，以反映目前資金時值之市場估量及資產有關之風險。

倘資產（或現金產生單位）之可收回金額估計低於其賬面值，則資產（現金產生單位）賬面值將扣減至其可收回金額。減值虧損即時確認為開支。

倘減值虧損其後撥回，則資產賬面值增至其可收回金額之經修訂估算，惟所增加之賬面值不得高於在往年並未確認資產（現金產生單位）減值虧損時釐定之賬面值。減值虧損撥回即時確認為收入。

## 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)***Intangible assets**

Mining rights are stated at cost less accumulated amortisation and any recognised impairment loss. The cost of mining rights is amortised on a straight-line basis over their estimated useful lives of 50 years.

Computer software is stated at cost less accumulated amortisation and any recognised impairment loss. The cost of computer software is amortised on a straight-line basis over its estimated useful lives of 5 years.

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 assets is derecognised.

**Impairment of intangible assets**

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired. 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.

When 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.

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).

**3. 主要會計政策 (續)****無形資產**

採礦權乃按成本減累計攤銷及任何已確認減值虧損列值。採礦權成本乃以直線法按其估計可用年期50年攤銷。

電腦軟件以成本扣除累計攤銷及任何已確認減值虧損列賬。電腦軟件之成本按其五年之估計可使用年期以直線基準攤銷。

因終止確認無形資產而產生之損益按出售所得款項淨額與資產賬面值之差額計量，並於終止確認資產時於綜合收益表確認。

**無形資產減值**

就擁有無限使用年期之無形資產及未能供應用之無形資產而言，不論是否有跡象顯示其出現減值亦須每年進行減值測試，比較其賬面值及可收回金額。若某資產之可收回金額估計少於其賬面值，該資產賬面值被減至其可收回金額。減值隨即確認為開支。

當減值虧損其後獲撥回，該資產之賬面值增至其可收回金額之修訂估計值，然而，賬面值之增加，不超過假若該資產往年度並無減值確認所應釐定之賬面值。

擁有有限使用年期之無形資產於有跡象顯示該資產可能減值時進行減值測試（參閱有形及無形資產之減值虧損會計政策。）

## 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.

**Financial instruments**

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

**Financial assets**

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

**3. 主要會計政策 (續)****存貨**

存貨乃按成本及可變現淨值之較低者列賬。成本包括直接材料與(倘適用)直接勞工成本及將存貨運往現有地點及達致現有狀況所涉及開支。成本按加權平均法計算。可變現淨值是根據估計售價減所有預期達致完成之成本及就推廣、銷售及分銷而產生之成本後之價值。

**金融工具**

倘集團實體成為工具合約條文之訂約方，則於綜合資產負債表中確認金融資產及金融負債。金融資產及金融負債初步按公平值計算。因收購或發行金融資產及金融負債(不包括按公平值計入損益之金融資產及金融負債)而直接產生之交易成本，於初次確認時加入金融資產及金融負債(如適用)之公平值或自金融資產及金融負債(如適用)之公平值扣除。因收購按公平值計入損益之金融資產及金融負債而直接產生之交易成本即時於綜合收益表確認。

**金融資產**

本集團之金融資產分類至三種分類，包括按公平值計入損益之金融資產、貸款及應收款項及可供出售金融資產其中之一。所有一般性購買或銷售金融資產按交易日期基準確認或終止確認。一般性購買或銷售為按於市場規定或慣例確立之時間期限內交付資產之金融資產之購買或銷售。每類金融資產採納之會計政策載列如下。

## 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)**

*Financial assets held-for-trading*

At each balance sheet date subsequent to initial recognition, financial assets held-for-trading are measured at fair value, with changes in fair value recognised directly in consolidated income statement in the year 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 receivables, other receivables, loan receivable, loan to an associate, bank balances and pledged bank deposits) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in consolidated income statement 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)**

**金融資產 (續)**

*可供出售金融資產*

於初次確認後每一個各結算日，持作交易用途之金融資產按公平值計量，而公平值變動會在產生年度直接在綜合收益表確認。

*貸款及應收款項*

貸款及應收款項為附帶固定或可釐定付款之非衍生性質金融資產，且並無在活躍市場計算報價。於初次確認後每一個結算日，貸款及應收款項（包括應收貿易賬款、其他應收款項、應收貸款、聯營公司貸款、銀行結餘、已抵押銀行存款）採用實際利息法計算之攤銷成本，減任何已識別減值虧損列賬。倘客觀證明資產出現減值，則減值虧損會於綜合收益表確認，並按資產賬面值與按原實際利率折讓之估計未來現金流量之現值之差額計算。當資產之可收回金額之增加可客觀地與確認減值後所發生之事件聯繫，則減值虧損於其後之期間撥回，惟於撥回減值日期資產之賬面值並非超出倘沒有確認減值之原有攤銷成本，方可進行撥回。



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**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, held-to-maturity investment and loans and receivables. 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 consolidated income statement. Impairment losses on available-for-sale equity investments will not reverse 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 consolidated income statement 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)****金融資產 (續)***可供出售金融資產*

可供出售金融資產為非衍生項目，無論是否劃分為按公平值計入損益之金融資產、持至到期投資和貸款及應收款項。可供出售金融資產於初步確認後之各結算日，按公平值計算。公平值之變動於權益確認，直至該金融資產被出售或決定被減值，屆時過往於權益確認之累計收入或虧損會自權益剔除，並於損益賬確認。可供出售金融資產之任何減值虧損於綜合收益表確認。可供出售之股本投資之減值虧損將不會於以後期間撥回。就可供出售債項投資而言，倘該投資之公平值之增加能客觀地與確認減值虧損後發生之事件聯繫，則其後將撥回減值虧損。

就可供出售之股本投資而言，倘並無活躍市場之市價報價，而其公平值未能可靠計算及與該等非上市股本工具有關並須以交付該等工具之方式結算之衍生工具，則可供出售之股本投資於首次確認後之各個結算日按成本值減任何已識別減值虧損計算。倘具備客觀證明資產減值，則減值虧損於損益表確認。減值虧損數額按資產賬面值與按類似金融資產之現行市場回報率折現估計未來現金流量之現值間之差額計算。該等減值虧損將不會於其後期間撥回。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

##### Bank borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowings costs.

##### Other financial liabilities

Other financial liabilities including amounts due to minority shareholders, trade and other payables and accrued liabilities are subsequently measured at amortised cost, using the effective interest rate 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)

##### 金融負債及股本權益

由本集團實體發行之金融負債及股本工具按所訂立之合約安排性質，以及金融負債及股本工具之定義而分類。股本工具為證明集團資產剩餘權益（經扣除其所有負債）之任何合約。本集團之金融負債一般分類為其他金融負債。就特定金融負債及股本工具而採納之會計政策載列如下。

##### 銀行借貸

計息銀行貸款及透支初步按公平值計算，其後以實際利率法按攤銷成本計算。扣除交易成本後所得款項與清償或償還借貸間任何差額乃根據本集團有關借貸成本之會計政策按借貸年期確認。

##### 其他金融負債

其他金融負債（包括應付少數股東款項、應收貿易賬款及其他應收款項和應計負債）按攤銷成本採用實際利率法計量。

##### 股本工具

由本公司發行之股本工具按收取之款項入賬扣除直接發行成本。

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**3. SIGNIFICANT ACCOUNTING POLICIES***(continued)***Financial instruments** *(continued)***Derecognition**

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire or the 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 any 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 or payable is recognised in accumulated losses.

**Share-based payment transactions**

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share 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 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 share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

**3. 主要會計政策 (續)****金融工具 (續)****終止確認**

若從資產收取現金流之權利已屆滿，或資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移，則金融資產將被終止確認。終止確認金融資產時，資產賬面值與已收或應收代價及已直接於權益確認之任何累計損益之總和之差額，將於損益中確認。

倘於有關合約訂明之特定責任獲解除、取消或屆滿，則終止確認金融負債。終止確認之金融負債賬面值與已收或應收代價之差額乃於累計虧損中確認。

**以股份支付款項之交易**

所獲服務之公平值參考購股權於授出日期之公平值釐定，於歸屬期內以直線法支銷，並相應增加股本（購股權儲備）。

本集團於各結算日修訂其對預期最終歸屬之購股權數目之估計。修訂該等估計之影響（如有）於損益賬確認，並對購股權儲備作出相應調整。

購股權獲行使時，過往於購股權儲備確認之數額將轉撥至股份溢價。當購股權於歸屬日期後遭收回或於屆滿日期仍未獲行使，則過往於購股權儲備確認之數額將繼續轉撥至保留溢利。

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### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumption 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, is discussed below.

#### Inventories

Inventories are measured at the lower of cost or net realisable value. The management of the Group reviews the carrying amount of the inventories at each balance sheet date, and makes allowance for inventory items identified, if any, to be carried at lower recoverable value through estimation of the expected inventory prices under current market conditions.

### 5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include equity investments, held-for-trading investments, trade receivables, bank deposits and balances, trade payables and bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies applied by the Group to mitigate these risks are set out below. Management monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

### 4. 不確定估計主要來源

於結算日具有重大風險引致下一財政年度資產及負債之賬面值出現重大調整而有關未來之主要假設及不確定估計之其他主要來源論述如下。

#### 存貨

存貨按成本值及可變現淨值兩者之較低者入賬。本集團之管理層檢討各結算日之存貨賬面值，及按現時市場情況估計之預計貨物價值，確定可收回值將會降低之存貨（如有）而進行撥備。

### 5. 財務風險管理目標及政策

本集團之主要財務工具包括股本投資、持作交易用途之投資、應收貿易賬款、銀行存款及結餘、應付貿易賬款及銀行借貸。該等財務工具之詳情分別於各附註披露。下文載列與該等財務工具有關之風險及本集團就降低該等風險而採用之政策。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。

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

### Credit risk

The Group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at 31 December 2006 in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the consolidated balance sheet. The Group's credit risk is primarily attributable to its trade receivables. In order to minimise credit risk, the management has delegated a team to be responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, management reviews the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, management considers that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-standing.

The credit risk on turnover is concentrated on a few customers. Sales to the Group's largest customer and its five largest customers accounted for approximately 9.8% and 30.8% of the Group's total sales revenue, respectively. However, the Group mainly trades on terms based on prepayments and letters of credits in most of the transactions and as at 31 December 2006 the Group's account receivables spread over a number of counter parties. Thus, the management considers that the risk is adequately monitored.

### Price risk

The Group's held-for-trading investments are measured at fair value at each balance sheet date. Therefore, the Group is exposed to equity and debt security 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)

### 信貸風險

倘對方於二零零六年十二月三十一日未能履行彼等之承擔，則本集團就每類已確認財務資產而須承受之最大信貸風險為已於綜合資產負債表列值之資產之賬面金額反映。本集團之信貸風險主要為其應收貿易賬款。為將信貸風險降至最低，本集團管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控措施。此外，本集團定期評估每項個別貿易債項之可收回金額，以確保就不可收回金額所作出之減值虧損已足夠。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

流通基金之信貸風險有限，因為對方為高信貸評級之銀行。

營業額之信貸風險集中在少數客戶身上。本集團向最大客戶及五大客戶作出之銷售，佔本集團總銷售收益分別約9.8%及30.8%。然而在大部分交易中，本集團主要按照以預付款項及信用證為基準之條款進行交易，截至二零零六年十二月三十一日，本集團之應收賬款分散於多名對方身上。因此，管理層認為有關風險受到充分監控。

### 價格風險

於結算日，本集團持作交易用途之投資乃按公平值計量。因此，本集團須承受股本及債務證券價格風險。管理層藉持有不同風險範圍之投資之組合而管理此類風險。

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5. FINANCIAL RISK MANAGEMENT  
OBJECTIVES AND POLICIES (continued)**Interest rate risk**

The Group's cash flow interest rate risk relates primarily to variable-rate borrowings (see Note 25 for details of these borrowings). It is the Group's policy to keep its borrowings at floating rate of interests so as to minimise the fair value interest rate risk. The Group has not entered into any arrangements to hedge against cash flow interest rate risk but will consider implementing appropriate measures should the need arise.

**Currency risk**

Certain bank loans of the Group are denominated in foreign currencies (see note 25 for details). The Group currently does not have a foreign currency hedging policy in respect of foreign currency loan. However, management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

**Fair value of financial assets and financial liabilities**

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;
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

The carrying amounts of deposits and other receivables, cash and bank balances, other payables and accrued liabilities and amounts due to minority shareholders approximate their respective fair values due to the relatively short maturity of these financial instruments. The fair values of other classes of financial assets and financial liabilities are disclosed in the respective notes to consolidated financial statements.

## 5. 財務風險管理目標及政策 (續)

**利率風險**

本集團之現金流動利率風險主要受借貸浮動利率影響(該等借貸之詳情見附註25)。本集團之政策乃維持借貸於浮動利率,以盡量減低其公平價之利率風險。本集團並無訂立任何安排以對沖現金流動利率風險,惟將於有需要時考慮實行適當措施。

**貨幣風險**

本集團若干銀行貸款乃以外幣計值(詳情請參閱附註25)。本集團現時尚無就外幣債項訂立外幣對沖政策。然而,管理層會密切監控外匯風險,並會考慮於必要時對沖重大外幣風險。

**金融資產及金融負債之公平值**

金融資產及金融負債之公平值按以下方式釐定:

- 具有標準條款及條件並於活躍流通市場買賣之金融資產及金融負債之公平值乃分別參考市場所報買入價釐定;
- 金融資產及金融負債之公平值按折現現金流量分析或採用可觀察之現時市場交易所得之價格,根據公認定價模式釐定。

由於存款及其他應收款項、現金及銀行結餘、其他應付款項及應計負債及應付少數股東款項之到期日較短,因此該等財務工具之賬面值與其各自之公平值相若。其他類別之財務資產及財務負債之公平值分別於綜合財務報表各附註披露。

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## 6. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (i) the import, distribution and handling of cement segment mainly relates to housing development and infrastructure construction activities in Hong Kong and the provision of cement handling services in the Philippines;
- (ii) the manufacture and distribution of cement mainly relates to construction activities in Mainland China and slag powder segment;
- (iii) the production and distribution of ready-mixed concrete segment mainly relates to housing development and infrastructure construction activities in Hong Kong and Mainland China; and
- (iv) the investment holding segment invests in listed and unlisted equity securities ranging from traditional businesses, such as banks and companies engaged in the manufacture and distribution of construction materials, to high-technology businesses, such as those providing broadband internet access and content services.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

## 6. 分類資料

分類資料以兩種分類方式呈報：(i)以業務分類之首要分類呈報基準及(ii)以地區分類之次要分類呈報基準。

本集團之經營業務乃按業務之性質及該等業務所提供之產品及服務作出分類安排及管理。本集團每一類業務為一策略業務單位，所提供產品及服務之風險與回報均與其他業務類別有所不同。業務類別之詳情如下：

- (i) 於香港入口、分銷及處理主要有關屋宇發展及基建項目之水泥及在菲律賓提供水泥處理服務；
- (ii) 於中國內地生產及分銷主要為有關建築用途之水泥及礦渣粉；
- (iii) 於香港及中國內地生產及分銷主要有關屋宇發展及基建項目之預拌混凝土；及
- (iv) 投資於上市及非上市公司股權之投資控股部分，當中包括傳統業務如銀行及從事生產及分銷建築材料之公司，以至提供互聯網寬頻服務及資料內容服務之高科技業務。

在釐定本集團地區分類時，收入乃按集團顧客所在地及資產按資產所在地歸屬各個地區。

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## 6. SEGMENT INFORMATION (continued)

## (a) Business segments

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's business segments.

## Income statement

		Import, distribution and handling of cement 入口、分銷及 處理水泥		Manufacture and distribution of cement and slag powder 製造及分銷水泥 及礦渣粉		Production and distribution of ready-mixed concrete 生產及分銷 預拌混凝土		Investment holding 投資控股		Consolidated 綜合	
		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	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	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Segment revenue	分類收益										
Sales and services to external customers	銷售及提供服務 予外界客戶	173,612	161,198	806,806	256,804	-	-	-	-	980,418	418,002
Other revenue	其他收益	2,824	4,138	-	-	-	-	52,655	65,171	55,479	69,309
Total	總計	176,436	165,336	806,806	256,804	-	-	52,655	65,171	1,035,897	487,311
Segment results	分類業績	30,449	31,452	(21,533)	(27,399)	-	-	38,522	56,188	47,438	60,241
Unallocated other income	未分配其他收入									18,038	11,439
Finance costs	融資成本									65,476	71,680
Share of results of associates	應佔聯營公司 之業績	-	-	-	-	10,999	14,001	-	-	(71,996)	(29,798)
Profit before tax	除稅前溢利									4,479	55,883
Income tax expense	所得稅支出									(3,873)	(3,415)
Profit for the year	本年度溢利									606	52,468

## 6. 分類資料 (續)

## (a) 業務分類

按本集團業務分類之收益、溢利及若干資產、負債及開支資料呈列如下。

## 收益表



## 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. SEGMENT INFORMATION (continued)

## (a) Business segments (continued)

## Balance sheet

		Import, distribution and handling of cement		Manufacture and distribution of cement and slag powder		Production and distribution of ready-mixed concrete		Investment holding		Others		Eliminations		Consolidated	
		入口、分銷及 處理水泥		製造及分銷 水泥及礦渣粉		生產及銷售 預拌混凝土		投資控股		其他		沖銷		綜合	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
		二零零六年 HK\$'000	二零零五年 HK\$'000	二零零六年 HK\$'000	二零零五年 HK\$'000	二零零六年 HK\$'000	二零零五年 HK\$'000	二零零六年 HK\$'000	二零零五年 HK\$'000	二零零六年 HK\$'000	二零零五年 HK\$'000	二零零六年 HK\$'000	二零零五年 HK\$'000	二零零六年 HK\$'000	二零零五年 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	
Assets	資產														
Segment assets	分類資產	676,080	709,430	2,066,326	1,504,950	-	-	3,394,557	3,503,662	-	-	(3,348,976)	(3,356,689)	2,787,987	2,361,353
Interests in associates	聯營公司權益	-	-	-	-	101,838	93,036	-	-	-	-	-	-	101,838	93,036
Loan to an associate	聯營公司貸款	-	-	-	-	28,746	30,877	-	-	-	-	-	-	28,746	30,877
Unallocated assets	未分配資產													258,757	160,682
Consolidated total assets	綜合總資產													3,177,328	2,645,948
Liabilities	負債														
Segment liabilities	分類負債	210,541	206,160	1,486,788	1,070,748	-	-	1,927,045	2,209,527	-	-	(3,348,976)	(3,356,689)	275,398	129,746
Unallocated liabilities	未分配負債													1,584,567	1,244,244
Consolidated total liabilities	綜合總負債													1,859,965	1,373,990
Other segment information:	其他分類資料:														
Capital additions	資本添置	359	217	260,069	922,540	-	-	-	-	-	-	-	-	260,428	922,757
Depreciation and amortisation	折舊及攤銷	3,991	6,993	77,783	23,215	-	-	2,023	2,019	-	-	-	-	83,797	32,227
Impairment losses recognised in the income statement	於收益表確認之 減值虧損	-	-	8,388	-	-	-	-	-	-	-	-	-	8,388	-

## 6. 分類資料 (續)

## (a) 業務分類 (續)

## 資產負債表

## 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. SEGMENT INFORMATION (continued)

## (b) Geographical segments

The following table presents revenue, certain assets and other information for the Group's geographical segments by location of operations.

## THE GROUP

	Hong Kong		Mainland China		Philippines		Taiwan		Eliminations		Consolidated	
	香港		中國大陸		菲律賓		台灣		沖銷		綜合	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	
Segment revenue:	分類收益:											
Sales and services to external customers	銷售及提供服務予外界客戶											
Other revenue	其他收益											
Total	總計											
Other segment information:	其他地區資料:											
Segment assets	分類資產											
Capital additions	資本添置											
	150,362	137,802	806,806	256,800	23,250	23,400	-	-	-	-	980,418	418,002
	2,881	4,968	11,269	1,475	184	20	41,145	62,846	-	-	55,479	69,309
	153,243	142,770	818,075	258,275	23,434	23,420	41,145	62,846	-	-	1,035,897	487,311
	2,704,756	2,707,925	2,080,960	1,584,633	285,815	258,771	594,254	691,656	(2,877,788)	(2,881,632)	2,787,987	2,361,353
	359	39	260,069	922,540	-	178	-	-	-	-	260,428	922,757

## 6. 分類資料 (續)

## (b) 地區分類

按本集團地區分類之收益、若干資產及其他資料呈列如下。

## 本集團

## 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. REVENUE, OTHER INCOME AND GAINS

Revenue represents:

- (i) invoiced amount of sales of cement, net of trade discounts, returns and sales related taxes; and
- (ii) income from the rendering of services.

An analysis of revenue, other income and gains is as follows:

## 7. 收益、其他收入及利潤

收益指：

- (i) 扣除貿易折扣、退貨及相關銷售稅後之水泥銷售發票額；及
- (ii) 提供服務之收入。

收益、其他收入及利潤之分析如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Revenue	收益		
Sales of cement	銷售水泥	957,168	394,602
Rendering of services	提供服務	23,250	23,400
		<b>980,418</b>	<b>418,002</b>
Other income	其他收入		
Handling charges	手續費用	2,824	4,138
Dividend income from	股息收入		
– listed investments	– 上市投資	34,869	47,940
– an unlisted investment	– 非上市投資	–	625
Bank interest income	銀行利息收入	3,285	2,195
Exchange gain	匯兌利潤	10,310	8,492
Gain on held-for-trading investments:	持作交易用途之投資之利潤：		
– unrealised	– 未變現	12,605	–
– realised	– 已變現	1,896	12,648
Written back of provision for amount due from an associate	應收聯營公司款項撥備撥回	1,500	–
Realised gain on disposal of available-for-sale investments	出售可供出售投資之已變現利潤	–	1,763
Others	其他	6,228	2,947
		<b>73,517</b>	<b>80,748</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

## 8. FINANCE COSTS

## 8. 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:	以下之利息：		
Bank overdrafts and loans wholly repayable	須於以下期間全數償還之 銀行透支及貸款		
– within five years	– 五年內	53,734	29,798
– over five years	– 超過五年	27,085	–
Total borrowing costs	總借貸成本	80,819	29,798
Less: amounts capitalised in construction in progress	減：於在建工程中 資本化金額	(8,823)	–
		<b>71,996</b>	<b>29,798</b>

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 5.72% per annum (2005: nil) to expenditure on qualifying assets.

年內撥充資本之借貸成本均源自一般借貸額，並按合資格資產開支每年5.72%（二零零五年：零）的資本化比率計算。

## 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

## 9. PROFIT BEFORE TAX

## 9. 除稅前溢利

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit before tax has been arrived at after charging:	本集團之除稅前溢利已扣除：		
Directors and key management personnel's remuneration (note 10)	董事及關鍵管理人員酬金(附註10)	4,216	4,075
Other staff cost	其他員工成本		
Equity settled share-based payment expense	以股本結算之 以股份支付款項開支	1,500	-
Salaries and other benefits	薪金及其他津貼	82,035	19,219
Other pension costs and mandatory provident fund contributions, excluding directors	其他退休金 成本及強積金供款 (不包括董事)	674	666
Total staff costs	總員工成本	<u>88,425</u>	<u>23,960</u>
Cost of inventories recognised as expense	出售存貨之成本	795,057	259,207
Cost of services rendered	提供服務之成本	3,477	4,601
Depreciation of property, plant and equipment	物業、廠房及設備折舊	82,023	30,920
Amortisation of prepaid lease payments	預付租賃款項攤銷	1,271	1,080
Amortisation of mining rights	採礦權攤銷	503	227
Auditors' remuneration	核數師酬金	1,647	2,430
Unrealised loss on held-for-trading investments (included in other operating expenses)	持作交易用途之投資之 未變現虧損 (已計入其他經營開支)	-	632
Operating lease payments in respect of rented premises	租賃物業之經營租賃租金	3,595	4,073
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	6	713
Share of tax of associates (included in share of results of associates)	應佔聯營公司稅項 (已計入應佔聯營 公司業績)	3,813	3,553

The Group has no forfeited contributions to the retirement benefit scheme for both years.

本集團於該兩年並無退休金計劃之已沒收供款。

## 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

## 10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

## Directors' emoluments

The emoluments paid or payable to each of the 7 (2005: 6) directors are as follows. The other 3 (2005: 3) directors have no emoluments for the year.

		Koo, Cheng- Yun, Leslie	Wu Yih Chin	Chih Ching Kang, Kenneth	Hui-Bon- Hoa Pierre, Khien Piau	Liao Poon Huai, Donald	Shan Weijian	Chung Kuohsien, David	Total 2006 總計 二零零六年 HK\$'000 千港元
Fees	袍金	200	-	67	100	200	200	167	934
Other emoluments	其他酬金								
Salaries and other benefits	薪金及 其他津貼	-	1,282	-	-	-	-	-	1,282
Performance related incentive bonus	與表現掛鈎之 獎勵花紅	-	100	-	-	-	-	-	100
Equity settled share-based payment expense	以股本結算之 以股份支付 款項費用	1,460	440	-	-	-	-	-	1,900
Total emoluments	總酬金	1,660	1,822	67	100	200	200	167	4,216

		Koo, Cheng- Yun, Leslie	Wu Yih Chin	Hui-Bon- Hoa Pierre, Khien Piau	Liao Poon Huai, Donald	Shan Weijian	Chung Kuohsien, David	Total 2005 總計 二零零五年 HK\$'000 千港元
Fees	袍金	200	-	200	200	200	200	1,000
Other emoluments	其他酬金							
Salaries and other benefits	薪金及其他津貼	-	1,305	-	-	-	-	1,305
Performance related incentive bonus	與表現掛鈎之 獎勵花紅	1,200	570	-	-	-	-	1,770
Total emoluments	總酬金	1,400	1,875	200	200	200	200	4,075

The performance related incentive bonus is determined with reference to the results of the Group.

## 10. 董事及僱員酬金

## 董事酬金

分別已付及應付予七名(二零零五年: 六名)董事之酬金如下。其餘三名(二零零五年: 三名)董事於本年內並無任何酬金。

與表現掛鈎之獎勵花紅乃根據本集團業績釐定。

## 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

## 10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

## Employees' emoluments

During the year, the five highest paid individuals included two directors (2005: two directors), details of whose emoluments are set out above. The emoluments of the remaining highest paid individuals are as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Salaries and other benefits	薪金及其他津貼	2,229	2,120
Retirement benefits scheme contributions	退休金計劃供款	12	-
Performance related incentive bonus	與表現掛鈎之獎勵花紅	221	-
Equity settled share-based payment expense	股本結算之以股份 為基礎之付款	195	-
		<b>2,657</b>	<b>2,120</b>

Their emoluments were within the following bands:

		Number of employee 僱員人數	
		2006 二零零六年	2005 二零零五年
Up to HK\$1,000,000	不多於1,000,000港元	<b>3</b>	<b>3</b>

During the year, no remuneration was paid by the Group to the Directors, supervisors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors and supervisors has waived any remuneration during the year.

## 10. 董事及僱員酬金 (續)

## 僱員酬金

本年內五名最高薪人士包括兩名董事(二零零五年:兩名),其薪酬已載列於上文。其餘最高薪僱員之薪酬詳情載列如下:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Salaries and other benefits	薪金及其他津貼	2,229	2,120
Retirement benefits scheme contributions	退休金計劃供款	12	-
Performance related incentive bonus	與表現掛鈎之獎勵花紅	221	-
Equity settled share-based payment expense	股本結算之以股份 為基礎之付款	195	-
		<b>2,657</b>	<b>2,120</b>

其薪金介乎下列範圍:

		Number of employee 僱員人數	
		2006 二零零六年	2005 二零零五年
Up to HK\$1,000,000	不多於1,000,000港元	<b>3</b>	<b>3</b>

本集團於本年內並無向董事、監事或五名最高薪人士支付酬金,以作彼等加入或加盟本集團之獎勵或作為離職之補償。概無董事及監事於本年內放棄薪金。

## 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

## 11. INCOME TAX EXPENSE

## 11. 所得稅支出

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Current tax	本期稅項		
Hong Kong	香港	2,611	2,554
Other jurisdictions	其他司法權區	3,420	1,238
Overprovision in prior periods	過往年度超額撥備	(73)	(2,420)
		<u>5,958</u>	<u>1,372</u>
Deferred tax (credit) charge (note 26)	遞延稅項(計入)扣除(附註26)	(2,085)	2,043
Income tax expense for the year	本年度所得稅支出	<u>3,873</u>	<u>3,415</u>

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

香港利得稅乃根據本年度之估計應課稅溢利按17.5%(二零零五年:17.5%)之稅率計算。

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

其他司法權區之稅項乃根據相關司法權區現行稅率計算。



## 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

## 11. INCOME TAX EXPENSE (continued)

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

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit before tax	除稅前溢利	<b>4,479</b>	55,883
Tax at the domestic income tax rate of 17.5%	以本地利得稅率17.5%計算之稅項	784	9,779
Tax effect of share of profits of associates	應佔聯營公司溢利之稅務影響	<b>(1,925)</b>	(2,450)
Tax effect of expenses that are not deductible in determining taxable profit	於釐定應課稅溢利時不可扣稅之支出之稅務影響	<b>8,204</b>	6,366
Tax effect of income that are not taxable in determining taxable profit	於釐定應課稅溢利時毋須課稅之收入之稅務影響	<b>(12,844)</b>	(13,253)
Tax losses not recognised	未確認之稅務虧損	<b>15,982</b>	12,152
Income tax on concessionary rate	按優惠稅率計算之所得稅	<b>(9,856)</b>	-
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損之稅項影響	<b>(2,263)</b>	-
Overprovision in prior years	前年度超額撥備	<b>(73)</b>	(2,420)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司之不同稅率之影響	<b>6,957</b>	(6,973)
Others	其他	<b>(1,093)</b>	214
Tax expense for the year	本年稅項支出	<b>3,873</b>	3,415

The Group's subsidiaries operating in the People's Republic of China (the "PRC") are eligible for certain tax holidays and concessions and were exempted from PRC income taxes for the year.

In addition to the income tax expense charged to profit or loss, a deferred tax charge of HK\$62,000 (2005: HK\$620,000) has been recognised in equity in the year.

## 11. 所得稅支出 (續)

年內之總稅項開支與綜合收益表內溢利之對帳如下：

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit before tax	<b>4,479</b>	55,883
Tax at the domestic income tax rate of 17.5%	784	9,779
Tax effect of share of profits of associates	<b>(1,925)</b>	(2,450)
Tax effect of expenses that are not deductible in determining taxable profit	<b>8,204</b>	6,366
Tax effect of income that are not taxable in determining taxable profit	<b>(12,844)</b>	(13,253)
Tax losses not recognised	<b>15,982</b>	12,152
Income tax on concessionary rate	<b>(9,856)</b>	-
Tax effect of utilisation of tax losses previously not recognised	<b>(2,263)</b>	-
Overprovision in prior years	<b>(73)</b>	(2,420)
Effect of different tax rates of subsidiaries operating in other jurisdictions	<b>6,957</b>	(6,973)
Others	<b>(1,093)</b>	214
Tax expense for the year	<b>3,873</b>	3,415

本集團於中華人民共和國(「中國」)營運之附屬公司於本年度可享有若干免稅期及稅項優惠，並獲豁免繳納中國所得稅。

除列入損益帳之所得稅開支外，62,000港元(二零零五年：620,000港元)之遞延稅項已於本年度股權內確認。

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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

## 12. DIVIDENDS

## 12. 股息

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Dividends recognised as distributed during the year:	年內確認為已分派股息：		
Interim dividend for the period ended 30 June 2006: nil (2005: HK1.5 cents) per share	截至二零零六年六月三十日止 期間中期股息：無 (二零零五年：每股1.5港仙)	-	11,594
Final dividend for the year ended 31 December 2005: HK1 cent (2004: HK0.5 cent) per share	截至二零零五年十二月三十一日止 年度末期股息：1港仙 (二零零四年：每股0.5港仙)	7,729	3,865
Special dividend for the year ended 31 December 2005: nil (2004: HK3.5 cents) per share	截至二零零五年十二月三十一日止 年度特別股息：無 (二零零四年：每股3.5港仙)	-	27,052
		<u>7,729</u>	<u>42,511</u>

The Board of Directors does not recommend the payment of a final dividend for the year ended 31 December 2006.

董事會不建議派付截至二零零六年十二月三十一日止年度之末期股息。

## 13. (LOSS) EARNINGS PER SHARE

The calculation of the basic (loss) earnings per share attributable to the shareholders of the Company is based on the following data:

## (Loss) earnings

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
(Loss) earnings for the purposes of basic (loss) earnings per share	計算每股基本(虧損)盈利所用之(虧損)盈利		
(Loss) profit for the year attributable to shareholders of the Company	本公司之股東應佔本年度(虧損)溢利	<u>(18,303)</u>	<u>50,002</u>

## 13. 每股(虧損)盈利

本公司之股東應佔每股基本(虧損)盈利乃根據以下數據計算：

## (虧損)盈利

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
(Loss) earnings for the purposes of basic (loss) earnings per share		
(Loss) profit for the year attributable to shareholders of the Company	<u>(18,303)</u>	<u>50,002</u>

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## 13. (LOSS) EARNINGS PER SHARE (continued)

## Number of shares

Weighted average number of  
ordinary shares for the purposes of  
basic (loss) earnings per share

計算每股基本(虧損)  
盈利所用之普通股  
加權平均股數

No dilutive loss per share has been presented for the year ended 31 December 2006 because the exercise of share options would result in a decrease in the loss per share in 2006.

Diluted earnings per share have not been presented for the year ended 31 December 2005 as the exercise price of the Company's share options was higher than the average market price for shares for 2005.

## 13. 每股(虧損)盈利(續)

## 股份數目

2006	2005
二零零六年	二零零五年
'000	'000
千元	千元

<b>772,922</b>	<b>772,922</b>
----------------	----------------

由於行使購股權將引致二零零六年之每股虧損減少，故並無呈列截至二零零六年十二月三十一日止年度之每股攤薄虧損數字。

由於本公司購股權之行使價於截至二零零五年十二月三十一日止年度高於股份之平均市價，故並無呈列二零零五年之每股攤薄盈利。

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## 14. PROPERTY, PLANT AND EQUIPMENT

## 14. 物業、廠房、及設備

		Cement plant and facilities	Leasehold land and office building	Plant and machinery	Furniture, fixtures and office equipment 傢俬、裝置 及辦公室 設備	Motor vehicles	Lighters in progress	Construction in progress	Total
		水泥廠 及設備 HK\$'000 千港元	租賃土地及 辦公室樓宇 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	HK\$'000 千港元	汽車 HK\$'000 千港元	躉船 HK\$'000 千港元	在建工程 HK\$'000 千港元	總數 HK\$'000 千港元
<b>COST OR VALUATION</b>	<b>成本或估值</b>								
As at 1 January 2005	於二零零五年一月一日	198,043	11,900	201,065	10,700	5,309	7,731	185,672	620,420
Exchange adjustments	滙兌調整	2,268	-	3,077	146	116	-	5,296	10,903
Additions	添置	2,136	-	5,479	4,038	1,226	-	909,712	922,591
Surplus on revaluation	重估盈餘	-	3,200	-	-	-	-	-	3,200
Disposals	出售	(746)	-	-	(59)	(5)	-	-	(810)
Transfers	轉讓	96,349	-	92,642	3,258	-	-	(192,249)	-
<b>At 31 December 2005</b>	<b>於二零零五年十二月三十一日</b>	<b>298,050</b>	<b>15,100</b>	<b>302,263</b>	<b>18,083</b>	<b>6,646</b>	<b>7,731</b>	<b>908,431</b>	<b>1,556,304</b>
Exchange adjustments	滙兌調整	9,856	-	9,747	156	164	-	27,253	47,176
Additions	添置	5,367	-	12,307	1,430	484	-	227,543	247,131
Surplus on revaluation	重估盈餘	-	300	-	-	-	-	-	300
Disposals	出售	-	-	(10,550)	(786)	-	-	-	(11,336)
Transfers	轉讓	318,189	-	712,546	-	-	-	(1,030,735)	-
<b>At 31 December 2006</b>	<b>於二零零六年十二月三十一日</b>	<b>631,462</b>	<b>15,400</b>	<b>1,026,313</b>	<b>18,883</b>	<b>7,294</b>	<b>7,731</b>	<b>132,492</b>	<b>1,839,575</b>
Comprising:	包括:								
At cost	成本值	631,462	-	1,026,313	18,883	7,294	7,731	132,492	1,824,175
At valuation	估值	-	15,400	-	-	-	-	-	15,400
		631,462	15,400	1,026,313	18,883	7,294	7,731	132,492	1,839,575
<b>ACCUMULATED DEPRECIATION, AMORTISATION AND IMPAIRMENT</b>	<b>累計折舊、攤銷及減值</b>								
As at 1 January 2005	於二零零五年一月一日	32,125	-	67,594	6,732	2,623	7,653	-	116,727
Exchange adjustments	滙兌調整	273	-	370	47	40	-	-	730
Provided for the year	本年度提撥	10,227	2,018	16,880	1,336	459	-	-	30,920
Elimination on revaluation	重估沖銷	-	(2,018)	-	-	-	-	-	(2,018)
Elimination on disposals	出售沖銷	(43)	-	-	(52)	(2)	-	-	(97)
<b>At 31 December 2005</b>	<b>於二零零五年十二月三十一日</b>	<b>42,582</b>	<b>-</b>	<b>84,844</b>	<b>8,063</b>	<b>3,120</b>	<b>7,653</b>	<b>-</b>	<b>146,262</b>
Exchange adjustments	滙兌調整	1,326	-	2,204	183	58	-	-	3,771
Provided for the year	本年度提撥	20,540	2,018	56,111	2,272	1,082	-	-	82,023
Impairment loss recognised in the income statement	於收益表確認之減值虧損	8,388	-	-	-	-	-	-	8,388
Elimination on revaluation	重估沖銷	-	(2,018)	-	-	-	-	-	(2,018)
Elimination on disposals	出售沖銷	-	-	(9,080)	(775)	-	-	-	(9,855)
<b>At 31 December 2006</b>	<b>於二零零六年十二月三十一日</b>	<b>72,836</b>	<b>-</b>	<b>134,079</b>	<b>9,743</b>	<b>4,260</b>	<b>7,653</b>	<b>-</b>	<b>228,571</b>
<b>CARRYING VALUES</b>	<b>賬面值</b>								
<b>At 31 December 2006</b>	<b>於二零零六年十二月三十一日</b>	<b>558,626</b>	<b>15,400</b>	<b>892,234</b>	<b>9,140</b>	<b>3,034</b>	<b>78</b>	<b>132,492</b>	<b>1,611,004</b>
At 31 December 2005	於二零零五年十二月三十一日	255,468	15,100	217,419	10,020	3,526	78	908,431	1,410,042

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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## 14. PROPERTY, PLANT AND EQUIPMENT

*(continued)*

Included in construction in progress is interest capitalised of approximately HK\$8,823,000 (2005: Nil).

During the year, the directors conducted a review of the Group's manufacturing assets and determined that a number of those assets were impaired, due to closure of one of the production lines. Accordingly, impairment losses of HK\$8,388,000 have been recognised in respect of buildings, which are used in the manufacture and distribution of cement and slag powder segment.

The leasehold land and office building is situated in Hong Kong under long term leases and was revalued on 31 December 2006 at HK\$15,400,000 (2005: HK\$15,100,000) by Jones Lang LaSalle Limited, an independent firm of qualified professional valuers, at open market value on existing use basis. The resulting surplus arising from the revaluation at 31 December 2006 of HK\$2,318,000 (2005: HK\$5,218,000) was dealt with in the land and building revaluation reserve. Had there not been any revaluation of this property, its carrying amount at cost less accumulated depreciation and any impairment losses at 31 December 2006 would be HK\$299,000 (2005: HK\$300,000).

## 14. 物業、廠房、及設備 (續)

計入在建工程之資本化利息約為8,823,000港元(二零零五年:無)。

年內,董事審閱本集團製造資產,並認為由於集團關閉其中一條生產線而導致多項資產出現減值。因此,用作製造及分銷水泥及礦渣粉分部業務之有關樓宇已確認減值虧損為8,388,000港元。

獨立合資格專業估值師仲量聯行有限公司於二零零六年十二月三十一日對本集團根據長期租賃位於香港之租賃土地及辦公室樓宇,按其現有用途之公開市值重估為15,400,000港元(二零零五年:15,100,000港元)。於二零零六年十二月三十一日之重估盈餘為2,318,000港元(二零零五年:5,218,000港元),已於土地及樓宇重估儲備內處理。倘並無對此物業作出重估,於二零零六年十二月三十一日之成本賬面值減累計折舊及任何減值虧損後將約為299,000港元(二零零五年:300,000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

## 15. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise:

## 15. 預付租賃款項

本集團之預付租賃款項包括：

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Leasehold land outside Hong Kong	位於香港境外以中期租約		
Medium-term lease	租賃之土地	<b>66,152</b>	51,721
Analysed for reporting purposes as:	分析作呈報用途：		
Current portion	本期部份	<b>1,424</b>	1,110
Non-current portion	非本期部分	<b>64,728</b>	50,611
		<b>66,152</b>	51,721

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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## 16. INTANGIBLE ASSETS

## 16. 無形資產

		Computer software 電腦軟件 HK\$'000 千港元	Mining rights 採礦權 HK\$'000 千港元	Total 總數 HK\$'000 千港元
<b>THE GROUP</b>	<b>本集團</b>			
<b>COST</b>	<b>成本</b>			
At 1 January 2005	於二零零五年 一月一日	–	10,732	10,732
Exchange adjustments	滙兌調整	–	307	307
At 31 December 2005	於二零零五年 十二月三十一日	–	11,039	11,039
Additions	添置	206	7,764	7,970
Exchange adjustments	滙兌調整	–	330	330
<b>At 31 December 2006</b>	<b>於二零零六年 十二月三十一日</b>	<b>206</b>	<b>19,133</b>	<b>19,339</b>
<b>AMORTISATION</b>	<b>攤銷</b>			
At 1 January 2005	於二零零五年 一月一日	–	–	–
Charge for the year	本年攤銷	–	227	227
Exchange adjustments	滙兌調整	–	1	1
At 31 December 2005	於二零零五年 十二月三十一日	–	228	228
Charge for the year	本年攤銷	–	503	503
Exchange adjustments	滙兌調整	–	6	6
<b>At 31 December 2006</b>	<b>於二零零六年 十二月三十一日</b>	<b>–</b>	<b>737</b>	<b>737</b>
<b>NET BOOK VALUES</b>	<b>賬面淨值</b>			
<b>At 31 December 2006</b>	<b>於二零零六年 十二月三十一日</b>	<b>206</b>	<b>18,396</b>	<b>18,602</b>
At 31 December 2005	於二零零五年 十二月三十一日	–	10,811	10,811

## 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. INTERESTS IN ASSOCIATES AND LOAN TO AN ASSOCIATE

## 17. 聯營公司權益及聯營公司貸款

		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	聯營公司之投資成本		
Unlisted	非上市	55,343	55,343
Share of post-acquisition profit, net of dividends received	攤佔收購後之溢利 (扣除已收股息)	46,495	37,693
		<u>101,838</u>	<u>93,036</u>
Loan to an associate	聯營公司貸款	<u>28,746</u>	<u>30,877</u>

The loan to an associate is interest-free, unsecured and will not be repaid within one year from the balance sheet date. The directors considered that the fair value of the loan at the balance sheet date is not significantly different from its carrying amount.

聯營公司貸款為免息、無抵押且將不會於結算日起一年內償還。董事認為於結算日該筆貸款之公平值與其賬面值相差不大。



## 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. INTERESTS IN ASSOCIATES AND LOAN TO AN ASSOCIATE (continued)

Details of the Group's associates at 31 December 2006 are as follows:

Name of associate 聯營公司名稱	Place of incorporation and operation 註冊成立及營運地點	Proportion of ownership interest 擁有權益之比例	Proportion of voting power held 投票權比例	Principal activity 主要業務
Quon Hing Concrete Company Limited ("Quon Hing") 港興混凝土有限公司 (「港興」)	Hong Kong 香港	50%	50%	Production and distribution of ready-mixed concrete 生產及分銷預拌混凝土
Hong Kong Concrete Company Limited 港九混凝土有限公司	Hong Kong 香港	31.5%	31.5%	Production and distribution of ready-mixed concrete 生產及分銷預拌混凝土
Kenic Investment Holdings Limited 堅力投資控股	Hong Kong 香港	40%	40%	Investment holding 投資控股
Quick Flow Investment Limited	Hong Kong 香港	35%	30%	Inactive 暫無營業

## 17. 聯營公司權益及聯營公司貸款 (續)

於二零零六年十二月三十一日本集團之聯營公司詳情載列如下：

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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

17. INTERESTS IN ASSOCIATES AND LOAN  
TO AN ASSOCIATE (continued)

The financial statements of Quon Hing are made up to 30 June each year. This was the financial reporting date established when Quon Hing was incorporated.

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

17. 聯營公司權益及聯營公司貸款  
(續)

港興之財務報表乃截至每年六月三十日。此日期乃港興註冊成立時所訂下之財務結算日。

本集團之聯營公司之財務資料摘要如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Total assets	總資產	566,844	742,567
Total liabilities	總負債	<u>(322,470)</u>	<u>(516,723)</u>
Net assets	資產淨額	<u>244,374</u>	<u>225,844</u>
Group's share of associates' net assets	集團佔聯營公司之資產淨額	<u>101,838</u>	<u>93,036</u>
Revenue	收入	<u>687,129</u>	<u>755,736</u>
Profit for the year	本年度溢利	<u>25,060</u>	<u>32,694</u>
Group's share of profit of associates for the year	本集團佔聯營公司之 本年度溢利	<u>10,999</u>	<u>14,001</u>

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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## 18. INVESTMENTS

## 18. 投資

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
<b>Available-for-sale investments</b>	<b>可供出售投資</b>		
Unlisted equity securities	非上市股本證券	<b>71,564</b>	<b>77,741</b>
<b>Held-for-trading investments</b>	<b>持作交易用途之投資</b>		
Listed securities	上市證券		
Equity securities listed in Hong Kong, at market value	於香港上市之股本證券， 按市值	<b>14,623</b>	5,310
Equity securities listed elsewhere, at market value	於其他地方上市之股本證券， 按市值	<b>509,465</b>	523,555
		<b>524,088</b>	528,865
Unlisted equity investments, at fair value	非上市之股本投資，按公平值	<b>16,167</b>	99,348
		<b>540,255</b>	628,213

As at the balance sheet date, the Group held about 1.29% (2005: 1.34%) of the issued common stocks of Far EasTone Telecommunications Co., Ltd, a company incorporated in Taiwan, and is listed on the Taiwan Stock Exchange Corporation. The listed stocks are carried at market value and are included in held-for-trading investments as at the balance sheet date.

**Available-for-sale investments**

The above unlisted investments represent investments in unlisted equity securities issued by private entities incorporated in Hong Kong and Taiwan. 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 of the Company are of the opinion that their fair values cannot be measured reliably.

於結算日，本集團持有一家於台灣成立之公司 Far EasTone Telecommunications Co., Ltd 之已發行普通股約 1.29% (二零零五年: 1.34%)，其股份於台灣證券交易所上市。於結算日，有關上市股份按市值列賬，並已計入持作交易用途之投資。

**可供出售投資**

以上非上市投資代表於香港及台灣註冊成立之私人實體發行之非上市股本證券投資，於每個結算日以成本減減值計量，因為合理公平值之估計範圍非常重大，因此本公司董事認為彼等之公平值不能可靠地計量。

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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

**18. INVESTMENTS** (continued)**Held-for-trading investments**

The fair value of the held-for-trading investments are determined based on the quoted market bid prices available on the relevant exchanges or prices provided by financial institution.

**19. PLEDGED BANK DEPOSITS**

Deposits amounting to HK\$27,523,000 (2005: HK\$5,990,000) and nil (2005: HK\$7,384,000) have been pledged as a margin for the issuance of letter of credit for the purchase of plant and equipments and are therefore classified as current assets.

The fair value of bank deposits at 31 December 2006 approximate their corresponding carrying amount.

**20. LOAN RECEIVABLE****18. 投資 (續)****持作交易用途之投資**

以上持作交易用途之投資之公平值乃根據相關交易所所報之市場買入價或金融機構所提供之價格釐定。

**19. 已抵押銀行存款**

金額為27,523,000港元(二零零五年: 5,990,000港元)及無(二零零五年: 7,384,000港元)之存款,已質押作發出信用證以購入廠房及設備之保證金,因此被歸類為流動資產。

該等銀行存款於二零零六年十二月三十一日之公平值與其相對之賬面值相若。

**20. 應收貸款**

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
A variable-rate loan receivable	浮動息率應收貸款	<u>7,921</u>	<u>7,690</u>
Carrying amount analysed for reporting purposes:	供呈報用之賬面值分析:		
Current assets (receivable within 12 months from the balance sheet date)	流動資產 (結算日後12個內應收)	7,921	-
Non-current assets (receivable after 12 months from the balance sheet date)	非流動資產 (結算日後12個月應收)	-	7,690
		<u>7,921</u>	<u>7,690</u>

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**20. LOAN RECEIVABLE** (continued)

The loan receivable refers to a RMB8,000,000 (equivalent to HK\$7,921,000) variable rate loan maturing on 27 September 2007. The loan receivable has an effective interest rate of 5.76% (2005: 5.76%).

The fair value of the loan receivable at 31 December 2006 approximates its carrying amount.

**20. 應收貸款** (續)

應收貸款指到期日為二零零七年九月二十七日之浮動息率應收貸款人民幣8,000,000元(相等於7,921,000港元)。應收貸款之實際息率為5.76%(二零零五年: 5.76%)。

截至二零零六年十二月三十一日，應收貸款之公平值與賬面值相若。

**21. INVENTORIES**

Raw materials and consumables	原材料及易耗品
Work in progress	在製品
Finished goods	製成品

**21. 存貨**

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
63,421	14,856
14,091	2,053
25,756	11,492
<b>103,268</b>	<b>28,401</b>

**22. TRADE RECEIVABLES**

The Group's trade receivables comprise: 本集團應收貿易賬款包括:

Trade receivables from outsiders	應收外界人士之貿易賬款
Trade receivables from associates	應收聯營公司之貿易賬款
Trade receivables from related parties	應收關連人士之貿易賬款

**22. 應收貿易賬款**

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
122,502	47,256
9,219	19,221
-	2,053
<b>131,721</b>	<b>68,530</b>

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**22. TRADE RECEIVABLES** (continued)

The Group's policy is to allow an average credit period of 90 days to its trade customers (including associates and related parties). The following is an aged analysis of trade receivables at the balance sheet date:

		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	0-90日	120,476	68,383
91 – 180 days	91-180日	10,943	147
181 – 365 days	181-365日	302	–
		<b>131,721</b>	<b>68,530</b>

The directors consider that the carrying amount of trade receivables approximates their fair value.

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

**23. CASH AND BANK BALANCES**

Cash and bank balances comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less, which carry at market interest rates. The directors consider the carrying amount of bank balances approximates its fair value.

Majority of the cash and bank balances were denominated in Renminbi ("RMB") which is not a freely convertible currency in the international market. The RMB exchange rate is determined by the Government of the PRC and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the Government of the PRC.

**22. 應收貿易賬款** (續)

本集團政策給予貿易客戶(包括聯營公司及關連人士)平均90日之賒賬期。以下為結算日應收貿易賬款之賬齡分析:

	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	120,476	68,383
91 – 180 days	10,943	147
181 – 365 days	302	–
	<b>131,721</b>	<b>68,530</b>

董事認為應收貿易賬款之賬面值與其公平值相若。

本集團並無重大集中之信貸風險，其風險分散於大量對手方及客戶。

**23. 現金及銀行結餘**

現金及銀行結餘包括本集團持有之現金及原為三個月或少於三個月之短期按市場利率列賬之銀行存款。董事認為銀行存款之賬面值與其公平值相若。

大部份之現金及銀行結餘均以人民幣計值，而人民幣乃不可於國際市場上自由兌換。人民幣匯兌率由中國政府釐定，而該等款項匯出中國境外須受中國政府施加之外匯限制所規限。

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## 24. TRADE PAYABLES

The Group's trade payables comprise:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Trade payables to outsiders	應付外界人士之貿易賬款	106,766	54,987
Trade payables to ultimate holding company	應付最終控股公司之貿易賬款	29,526	23,145
Trade payables to fellow subsidiaries	應付同系附屬公司之貿易賬款	524	-
Trade payables to minority shareholders of a subsidiary	應付一間附屬公司少數權益股東之貿易賬款	2,319	-
		<b>139,135</b>	<b>78,132</b>

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

		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	0-90日	135,072	77,628
91 – 180 days	91-180日	1,725	98
181 – 365 days	181-365日	1,357	16
Over 365 days	超過 365日	981	390
		<b>139,135</b>	<b>78,132</b>

The trade balances due to the ultimate holding company, fellow subsidiary and minority shareholders of subsidiary are unsecured, interest-free and repayable in accordance with normal trading terms.

The directors consider that the carrying amount of trade payables approximates their fair value.

## 24. 應付貿易賬款

本集團應付貿易賬款包括：

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Trade payables to outsiders	106,766	54,987
Trade payables to ultimate holding company	29,526	23,145
Trade payables to fellow subsidiaries	524	-
Trade payables to minority shareholders of a subsidiary	2,319	-
	<b>139,135</b>	<b>78,132</b>

以下為於結算日之應付貿易賬款之賬齡分析：

	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	135,072	77,628
91 – 180 days	1,725	98
181 – 365 days	1,357	16
Over 365 days	981	390
	<b>139,135</b>	<b>78,132</b>

應付最終控股公司、同系附屬公司、附屬公司少數權益股東之貿易結餘為無抵押、免息及須按正常貿易條款償還。

董事認為應付貿易賬款之賬面值與其公平值相若。

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## 25. BANK LOANS

## 25. 銀行貸款

		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	<b>1,579,491</b>	1,234,043
Secured	已抵押	<b>1,519,491</b>	1,202,693
Unsecured	無抵押	<b>60,000</b>	31,350
		<b>1,579,491</b>	1,234,043
The loans are repayable as follows:	款項償還期如下:		
On demand or within one year	一年內或按要求償還	<b>638,065</b>	574,964
In the second to fifth years	第二至第五年	<b>380,545</b>	606,593
After fifth year	第五年後	<b>560,881</b>	52,486
		<b>1,579,491</b>	1,234,043
Less: Amount due for settlement within one year (shown under current liabilities)	減: 須於一年內償還之款項 (列於流動負債項下)	<b>(638,065)</b>	(574,964)
Amount due for settlement after one year	須於一年後償還之款項	<b>941,426</b>	659,079

The Company's bank loan amounting to HK\$615,770,000 (2005: HK\$540,000,000) was secured by a corporate guarantee from certain subsidiaries. Apart from the above, certain of the Group's other bank loans amounting to HK\$903,721,000 (2005: HK\$662,693,000) were secured by a corporate guarantee from the Company.

本公司為數615,770,000港元(二零零五年: 540,000,000港元)之銀行貸款已由若干附屬公司之公司擔保作抵押。除上文所述者,本集團若干其他銀行貸款903,721,000港元(二零零五年: 662,693,000港元)已由本公司作出之公司擔保作抵押。



## 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

**25. BANK LOANS** (continued)

The bank loans of the Group, which were borrowed by subsidiaries, that are denominated in currencies other than the functional currencies of the relevant subsidiaries are set out below:

		HK\$ 港元 HK\$'000 千港元	US dollars 美元 HK\$'000 千港元
As at 31 December 2006	於二零零六年十二月三十一日	138,420	55,931
As at 31 December 2005	於二零零五年十二月三十一日	138,420	77,575

The bank loans of the Group are variable-rate loans which carry interest with reference to Hong Kong Interbank Offered Rate and benchmark loan rates of financial institutions set by The People's Bank of China.

The directors consider that the carrying amount of bank overdrafts and loans approximates their fair value.

**25. 銀行貸款 (續)**

本集團向附屬公司借入之銀行貸款以有關附屬公司功能貨幣以外之貨幣計值如下：

此外，本集團按浮動息率借貸之銀行貸款利息乃參考香港銀行同業拆息及中國人民銀行制定的金融機構貸款基準利率計算。

董事認為銀行透支及借貸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

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## 26. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities recognised by the Group and the movements thereon during the current and prior years.

## 26. 遞延稅項負債

本集團於本年及以往年度確認之主要遞延稅項負債及其變動如下：

		Accelerated depreciation 加速 稅務折舊 HK\$'000 千港元	Revaluation of land and building 土地及 樓宇重估 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2005	於二零零五年一月一日	(299)	(1,853)	-	(2,152)
Charge to income statement for the year (Note 11)	於年內收益表中扣減 (附註11)	-	-	(2,043)	(2,043)
Charge directly to equity for the year	直接於年內股本權益中扣減	-	(620)	-	(620)
At 31 December 2005	於二零零五年十二月三十一日	(299)	(2,473)	(2,043)	(4,815)
Credit to income statement for the year (Note 11)	計入年內收益表(附註11)	-	-	2,085	2,085
Charge to equity	於股本權益中扣減	-	(62)	-	(62)
<b>At 31 December 2006</b>	<b>於二零零六年十二月三十一日</b>	<b>(299)</b>	<b>(2,535)</b>	<b>42</b>	<b>(2,792)</b>

The Group has tax losses of approximately HK\$138,747,000 (2005: HK\$61,333,000) available for offset against future profits. Deferred tax assets have not been recognised in respect of these losses due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of approximately HK\$87,384,000 (2005: HK\$41,824,000) that will expire in the period from 2007 to 2011.

本集團之稅項虧損約138,747,000港元(二零零五年:61,333,000港元)·可被未來溢利抵銷。由於未來溢利來源難以預測·因此並無就該等虧損確認遞延稅項資產。包括於未確認稅項虧損之虧損約87,384,000港元(二零零五年:41,824,000港元)·將於二零零七年至二零一一年間屆滿。

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## 27. SHARE CAPITAL

## 27. 股本

		2006 & 2005 二零零六年及二零零五年 HK\$'000 千港元
Authorised:	法定股本：	
2,000,000,000 ordinary shares of HK\$0.10 each	2,000,000,000股 每股面值0.10港元之普通股	200,000
Issued and fully paid:	已發行及繳足股本：	
772,922,000 ordinary shares of HK\$0.10 each	772,922,000股 每股面值0.10港元之普通股	77,292

## 28. SHARE BASED PAYMENT TRANSACTION

## 28. 以股份支付款項之交易

## Equity settled share option scheme

## 以股本結算之購股權計劃

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include directors, independent non-executive directors, and employees of the Company and any of its subsidiaries and associates. The Scheme became effective upon the listing of the Company's shares on the Stock Exchange on 5 October 1997 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

本公司設有購股權計劃（「該計劃」）藉以鼓勵及回饋對本集團之成功經營作出貢獻之合資格參與者。該計劃合資格參與者包括本公司及附屬公司及聯營公司之董事、獨立非執行董事及僱員。該計劃於一九九七年十月五日，即本公司股份於聯交所上市日，正式開始生效，除非取消或修改，否則該計劃自生效日起計十年仍具有效力。

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## 28. SHARE BASED PAYMENT TRANSACTION

*(continued)***Equity settled share option scheme** *(continued)*

As at 31 December 2006, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 11,500,000, representing 1.49% of the shares of the Company in issue at that date. Options may be exercised at any time from six months from the date of grant of the share option, that is, from 1 October 2006 to 30 March 2011.

Details of specific category of share options are as follows:

Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價
31 March 2006 二零零六年 三月三十一日	6 months 六個月	1 October 2006 to 30 March 2011 二零零六年十月一日至 二零一一年三月三十日	HK\$1.266 1.266港元

## 28. 以股份支付款項之交易 (續)

**以股本結算之購股權計劃 (續)**

於二零零六年十二月三十一日，根據該計劃已授出而仍未行使之購股權之有關股份數目為11,500,000股，佔本公司該日之已發行股份1.49%。購股權可於購股權授出日期起計六個月內（即二零零六年十月一日至二零一一年三月三十日）隨時行使。

具體類別購股權之詳情如下：

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## 28. SHARE BASED PAYMENT TRANSACTION

(continued)

## Equity settled share option scheme (continued)

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

Name or category of participant	At 1 January 2005	Number of share options expired during the year 於年內失效之購股權數目	At 31 December 2005	Number of share options granted during the year 於年內授出之購股權數目	At 31 December 2006	Date of grant of share options 購股權授出日期	Exercise price of share options 購股權行使價
Directors 董事							
KOO Cheng Yun, Leslie 辜成允	7,000,000	(7,000,000)	-	-	-	11 April 2000 二零零零年四月十一日	1.6504
	-	-	-	5,000,000	5,000,000	31 March 2006 二零零六年三月三十一日	1.266
WU Yih Chin 吳義欽	4,500,000	(4,500,000)	-	-	-	11 April 2000 二零零零年四月十一日	1.6504
	-	-	-	1,500,000	1,500,000	31 March 2006 二零零六年三月三十一日	1.266
CHIANG Cheng Hsiung 江正雄	3,000,000	(3,000,000)	-	-	-	11 April 2000 二零零零年四月十一日	1.6504
CHEN Chi Hsiung 陳吉雄	2,500,000	(2,500,000)	-	-	-	11 April 2000 二零零零年四月十一日	1.6504
	17,000,000	(17,000,000)	-	6,500,000	6,500,000		
Other employees 其他僱員	2,000,000	(2,000,000)	-	-	-	11 April 2000 二零零零年四月十一日	1.6504
	-	-	-	5,000,000	5,000,000	31 March 2006 二零零六年三月三十一日	1.266
	2,000,000	(2,000,000)	-	5,000,000	5,000,000		
Total 總額	19,000,000	(19,000,000)	-	11,500,000	11,500,000		

The estimated fair value of the options granted during the year under the Scheme was HK\$3,400,000.

## 28. 以股份支付款項之交易 (續)

## 以股本結算之購股權計劃 (續)

下表披露於年內本公司董事及若干僱員所持購股權之變動情況：

年內根據該計劃授出之購股權之估計公平值為3,400,000港元。

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## 28. SHARE BASED PAYMENT TRANSACTION

*(continued)*Equity settled share option scheme *(continued)*

The fair value of options granted under the Scheme was calculated using the Black-Scholes pricing model. The inputs into the model are as follows:

Weighted average share price	HK\$1.24
Exercise price	HK\$1.266
Expected volatility	25%
Expected life	5 years
Risk-free rate	4.468%
Expected dividend yield	1.96%

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

Because the Black-Scholes pricing model requires the input of highly substantive assumptions, including the volatility of share price, changes in subjective input assumptions can materially affect the fair value estimate.

The Group recognised the total expense of HK\$3,400,000 for the year ended 31 December 2006 (2005: nil) in relation to share options granted under the Scheme by the Company.

The Scheme was cancelled at the annual general meeting held on 23 May 2006 and a new share option scheme (the "New Share Option Scheme") was adopted by the Company at the annual general meeting held on 23 May 2006. No option was granted under the New Share Option Scheme for the period from its first adoption to 31 December 2006.

## 28. 以股份支付款項之交易 (續)

## 以股本結算之購股權計劃 (續)

根據該計劃之已授出購股權之公平值乃根據柏力克—舒爾斯定價模式計算。此模式之數據如下：

加權平均股價	1.24港元
行使價	1.266港元
預計波幅	25%
預計期限	5年
無風險利率	4.468%
預計股息率	1.96%

預計波幅乃依據本公司股價於過往一年內之歷史波幅測算。

由於柏力克—舒爾斯定價模式要求輸入較多之假設數據，包括股價之波幅，任何主觀假設數據倘出現變化，則可對公平值估算產生重大影響。

本集團確認截至二零零六年十二月三十一日止年度有關本公司根據該計劃所授出之購股權之費用總額為3,400,000港元(二零零五年：無)。

該計劃於二零零六年五月二十三日舉行之股東週年大會上予以終止。本公司於二零零六年五月二十三日舉行之股東週年大會上採納一項新購股權計劃(「新購股權計劃」)，於新購股權計劃獲首度採納至二零零六年十二月三十一日止期間，本公司概無根據新購股權計劃授出任何購股權。

## 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

## 28. SHARE BASED PAYMENT TRANSACTION

*(continued)***Equity settled share option scheme** *(continued)*

The purpose of the New Option Scheme is to enable the Directors to grant Options to selected Eligible Persons as incentives or rewards for their contribution or potential contribution to the Group. The basis of eligibility of any of the Eligible Persons to the grant of Options shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his contribution or potential contribution to the development and growth of the Group. Eligible Persons means any person falling within one of the following classes:

- (i) any Director or proposed Director (whether executive or non-executive, including any independent non-executive Director), employee or proposed employee of any member of the Group or any Controlling Shareholder or any company controlled by a Controlling Shareholder (a "Category A Eligible Person"); or
- (ii) any holder of any securities issued by any member of the Group or any Controlling Shareholder or any company controlled by a Controlling Shareholder (a "Category B Eligible Person");

and, for the purposes of the New Share Option Scheme, shall include any company controlled by one or more persons belonging to any of the above classes of persons;

The total number of shares in respect of which options may be granted under the New Share Option Scheme is not permitted to exceed 10% of the shares in issue as at the date of adoption of the New Share Option Scheme. The Company can grant share options to subscribe upto 77,292,200 shares of the Company under the New Share Option Scheme. The 10% limit may be refreshed with the approval of shareholders of the Company.

## 28. 以股份支付款項之交易 (續)

**以股本結算之購股權計劃 (續)**

新購股權計劃旨在賦予董事權力，將購股權授予指定合資格人士，作為彼等對本集團所作之貢獻或潛在貢獻之獎勵或報酬。任何合資格人士獲授購股權之資格，將由董事不時根據董事對彼就本集團發展及增長所作之貢獻或潛在貢獻之意見而釐定。合資格人士指任何屬於下列其中一類之人士：

- (i) 於本集團任何成員公司或任何控股股東或任何由控股股東控制之公司任職之任何董事或候任董事（不論為執行或非執行，包括任何獨立非執行董事）、僱員或候任僱員（「A類合資格人士」）；或
- (ii) 本集團任何成員公司或任何控股股東或任何由控股股東控制之公司發行之任何證券之任何持有人（「B類合資格人士」）；或

而就新購股權計劃而言，須包括屬上述任何一類之一名或多名人士控制之任何公司；

因行使根據新購股權計劃授出之購股權而可予發行之股份總數，合共不得超過新購股權計劃獲採納當日已發行股份10%。本公司可根據新購股權計劃授出購股權，以認購最多77,292,200股本公司股份。經本公司股東批准後，該10%上限可予更新。

## 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

**28. SHARE BASED PAYMENT TRANSACTION***(continued)***Equity settled share option scheme (continued)**

The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Any Option to be granted to a Director, chief executive or substantial shareholder of the Company (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Option).

If a grant of option to a substantial shareholders or independent non-executive Directors (or any of their respective associates) will result in the total number of Shares issued and to be issued upon exercise of options already granted and to be granted to such person under the New Share Option Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the Date of Grant representing in aggregate over 0.1 per cent. of the Shares in issue; and in excess of HK\$5 million, such further grant of Options is required to be approved by Shareholders.

The option period commences on the Commencement Date (the date upon which the options are deemed to be granted and accepted) of such options and ends on the close of business on the day immediately preceding the tenth anniversary thereof.

**28. 以股份支付款項之交易 (續)****以股本結算之購股權計劃 (續)**

未經本公司股東批准，任何人士於任何一年內已經及可能獲授之購股權予以行使時所發行及將予發行之股份數目，不得超過本公司於任何時間已發行股份1%。凡向董事、本公司主要行政人員或主要股東（或彼等各自之任何聯繫人）授出購股權，須經獨立非執行董事（不包括本身為購股權承授人之任何獨立非執行董事）批准。

倘向本公司主要股東或獨立非執行董事（或彼等各自之任何聯繫人）授出任何購股權，將導致於截至及包括授出日期止任何12個月內因行使根據新購股權計劃及本公司任何其他購股權計劃已向該人士授出及將授出之購股權（包括已行使、已註銷及尚未行使之購股權）而發行及將發行之股份數目合共超過已發行股份0.1%及超過5,000,000港元，則進一步授出購股權須經股東批准。

購股權期間於該等購股權之起始日（購股權被視為已授出及已獲接納之日期）開始，並於其緊接十週年日期前一個營業日結束時屆滿。



## 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

**28. SHARE BASED PAYMENT TRANSACTION***(continued)***Equity settled share option scheme (continued)**

The exercise price per share shall be determined by the Board, being at least the higher of (i) the closing price of the Shares on the date on which an option is offered to an Eligible Person, which must be a business day ("Offer Date"); (ii) the average closing price of the Shares for the five trading days immediately preceding the Offer Date, and (iii) the nominal value of one Share.

The New Share Option Scheme shall be valid and effective for a period of 10 years commencing on the adoption date, of 23 May 2006.

**29. RESERVES**

The contributed surplus of the Group represents the difference between the fair value of the combined net assets value of the subsidiaries involved in the Group reorganisation in September 1997 and the assets, liabilities and undertakings which relate to the import and distribution of cement carried out by Hong Kong Cement Manufacturing Company Limited prior to the Group reorganisation (the "Relevant Business"), as if they were acquired by the Group when the subsidiaries and the Relevant Business commenced operations, and the nominal value of the Company's shares issued in exchange therefor.

In accordance with the relevant PRC regulations applicable to wholly foreign owned enterprises, one of the Company's PRC subsidiaries is required to appropriate an amount of not less than 10% of its annual after tax profit to the statutory reserve fund, which may be used to increase the paid-up capital of the PRC subsidiary.

**28. 以股份支付款項之交易 (續)****以股本結算之購股權計劃 (續)**

每股股份行使價應由董事會釐定，並至少相等於以下三者中之較高者：(i)在向合資格人士提呈購股權當日（必須為營業日）之股份收市價（要約日期）；(ii)緊接要約日期前五個交易日之股份平均收市價；及(iii)一股股份面值。

新購股權計劃之有效期為十年，由採納當日（即二零零六年五月二十三日）起生效。

**29. 儲備**

本集團之繳入盈餘指本集團於一九九七年九月進行重組涉及之附屬公司之合併資產淨值，以及假設當附屬公司及本集團重組前之香港水泥有限公司從事之水泥進口及分銷業務（「有關業務」）開始投入運作後已由本集團收購關於有關業務之資產、負債及業務之公平價值，與作為換取代價之本公司已發行股份面值之差額。

根據有關適用於外商獨資企業之中國法規，本公司其中一間中國附屬公司須將不少於每年除稅後溢利10%之款項提撥作法定儲備基金，該筆款項可作該中國附屬公司增加實繳資本之用。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 30. RETIREMENT BENEFITS PLANS

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the plans are held separately from those of the Group in funds under the control of trustees.

The employees of the Company's subsidiaries in the PRC are members of state-managed retirement benefit plans operated by the government of the PRC. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total expense recognised in the consolidated income statement of HK\$674,000 (2005: HK\$666,000) represents contributions payable to these plans by the Group at rates specified in the rules of the plans.

### 31. CAPITAL COMMITMENTS

Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements

已訂約但未於綜合財務報表撥備之購買物業、廠房及設備之資本支出

2006	2005
二零零六年	二零零五年
HK\$'000	HK\$'000
千港元	千港元

<b>217,669</b>	<b>288,495</b>
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### 30. 退休福利計劃

本集團為所有合資格僱員管設一個強制性公積金計劃。計劃資產獨立於本集團之資產，以由託管人控制之基金形式持有。

本集團位於中國之附屬公司之僱員為中國政府營辦之國家管理退休福利計劃之會員。該等附屬公司須按僱員薪金之某個指定百分比向退休福利計劃作出供款，為福利計劃提供資金。本集團有關退休福利計劃之唯一責任為作出指定供款。

本集團按計劃之規則指定之比率應付該等計劃之供款。為674,000港元（二零零五年：666,000港元），該費用已於綜合收益表確認入賬。

### 31. 資本承擔

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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## 32. OPERATING LEASE COMMITMENTS

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Within one year	一年內	6,633	6,532
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	24,129	25,445
Over five years	超過五年	85,160	94,786
		<b>115,922</b>	<b>126,763</b>

Operating lease payments represent rentals payable by the Group for certain of its rented premises. Leases are negotiated for an average term of three years.

## 32. 營業租約承擔

於結算日，本集團就不可撤銷之營業租約之日後最低租賃款項作出而尚未履行之承擔，其屆滿期如下：

	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	6,633	6,532
In the second to fifth years inclusive	24,129	25,445
Over five years	85,160	94,786
	<b>115,922</b>	<b>126,763</b>

營業租約承擔指本集團就其若干租賃物業應付之租金。租約平均長達三年。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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## 33. RELATED PARTIES TRANSACTIONS

In addition to the transactions and balances set out elsewhere in these financial statements, during the year, the Group entered into the following material related party transactions:

## Transactions of a recurring nature

Transactions (i) to (iv) also constitute connected transactions as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"):

## 33. 關連人士交易

除該等財務報表其他地方所述之交易及結餘外，於本年度，本集團已進行下列重大關連人士交易：

## 經常性質之交易

第(i)至第(iv)項交易亦構成香港聯合交易所有限公司證券上市規則（「上市規則」）所指之關連交易：

			2006	2005
		Notes	HK\$'000	HK\$'000
			二零零六年	二零零五年
		附註	千港元	千港元
(i)	Purchases of cement from the ultimate holding company	(i) 向最終控股公司購買水泥	(a) 87,685	76,668
(ii)	Rental expenses payable to a fellow subsidiary	(ii) 應付一間同系附屬公司之租金	(a) 4,320	4,320
(iii)	Rental expenses payable to a related company*	(iii) 應付一間關連公司之租金*	(a) 1,631	2,031
(iv)	Logistic and unloading services fee payable to a fellow subsidiary	(iv) 應付一間同系附屬公司之物流及卸貨服務費	(a) 5,365	2,823
(v)	Sales of cement to an associate	(v) 向一間聯營公司銷售水泥	(b) 35,802	38,560

\* The related company is an associate of the ultimate holding company.

\* 該關連公司乃最終控股公司之聯營公司。

The remuneration of key management personnel is disclosed in note 9.

主要管理人員之酬金於附註9披露。

Notes:

附註：

(a) The prices of these transactions were determined between the parties with reference to the agreements signed.

(a) 該等交易之價格由訂約雙方參考已簽訂之協議釐定。

(b) The price of these transactions were determined between the parties with reference to market prices.

(b) 該等交易之價格由訂約雙方參考市場價格釐定。

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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

## 34. SUBSIDIARIES

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

## 34. 附屬公司

本公司於二零零六年十二月三十一日之主要附屬公司如下：

Name of subsidiary 附屬公司名稱	Place of incorporation and operation 註冊成立及 營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股本/ 註冊股本面值	Proportion of ownership interest 應佔擁有權益比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
TCC Hong Kong Cement (BVI) Holdings Limited	British Virgin Islands ("BVI")/ Hong Kong 英屬處女群島 (「處女群島」)/香港	Ordinary US\$1,000 普通股 1,000美元	100%	-	Investment holding 投資控股
Ulexite Investments Limited	BVI/Hong Kong 處女群島/香港	Ordinary US\$100 普通股 100美元	100%	-	Investment holding 投資控股
TCC Hong Kong Cement (International) Limited	BVI 處女群島	Ordinary US\$100 普通股 100美元	-	100%	Investment holding 投資控股
TCC Hong Kong Cement Development Limited	BVI/Hong Kong 處女群島/香港	Ordinary US\$10 普通股 10美元 Deferred*** US\$90 遞延股*** 90美元	-	100%	Property holding 持有物業
Dragon Pride International Limited	BVI/Philippines 處女群島/菲律賓	Ordinary US\$100 普通股 100美元	-	100%	Provision of cement handling services 提供水泥處理服務

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## 34. SUBSIDIARIES (continued)

## 34. 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation and operation 註冊成立及 營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股本/ 註冊股本面值	Proportion of ownership interest		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Chiefolk Company Limited	Hong Kong 香港	Ordinary HK\$1,000,000 普通股 1,000,000港元	-	70%	Investment holding 投資控股
Hong Kong Cement Company Limited	Hong Kong 香港	Ordinary HK\$10,000 普通股 10,000港元	-	100%	Import and distribution of cement 進口及分銷水泥
Koning Concrete Limited	Hong Kong 香港	Ordinary HK\$100 普通股 100港元	-	100%	Investment holding 投資控股
TCC Cement Corporation	Philippines 菲律賓	Ordinary Peso 91,020,500 普通股 91,020,500披索	-	100%	Provision of cement handling services 提供水泥處理服務
Anhui King Bridge Cement Company Limited* 安徽朱家橋水泥有限公司*	PRC/Mainland China 中國/中國大陸	Registered capital US\$15,000,000 註冊資本 15,000,000美元	-	60%	Manufacture and distribution of cement and slag powder 製造及分銷水泥 及礦渣粉
TCC Fuzhou Cement Company Limited# 福州台泥水泥有限公司#	PRC/Mainland China 中國/中國大陸	Registered capital US\$16,250,000 註冊資本 16,250,000美元	-	100%	Manufacture and distribution of cement 製造及分銷水泥

## 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

## 34. SUBSIDIARIES (continued)

## 34. 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation and operation 註冊成立及 營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股本/ 註冊股本面值	Proportion of ownership interest 應佔擁有權益比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Ying Xin Yingde Cement Co. Ltd.# 英信(英德)水泥有限公司#	PRC/Mainland China 中國/中國大陸	Registered capital US\$2,000,000 註冊資本 2,000,000美元	-	100%	Manufacture and distribution of cement 製造及分銷水泥
TCC Fuzhou Yangyu Port Company Limited# 福州台泥洋嶼碼頭 有限公司#	PRC/Mainland China 中國/中國大陸	Registered capital US\$5,000,000 註冊資本 5,000,000美元	-	100%	Provision of port facility services 提供碼頭設施服務
TCC Liuzhou Construction Materials Company Limited* 柳州台泥新型建材有限公司*	PRC/Mainland China 中國/中國大陸	Registered capital US\$13,500,000 註冊資本 13,500,000美元	-	42%**	Manufacture and distribution of cement and slag powder 製造及分銷水泥 及礦渣粉
TCC Yingde Cement Company Limited# 台泥(英德)水泥有限公司#	PRC/Mainland China 中國/中國大陸	Registered capital US\$135,400,000 註冊資本 135,400,000美元	-	100%	Manufacture and distribution of cement 製造及分銷水泥
HKC Investments Limited 港泥投資股份有限公司	Taiwan 台灣	Ordinary NT\$695,000,000 普通股 695,000,000新台幣	-	100%	Investment holding 投資控股

## 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

### 34. SUBSIDIARIES (continued)

- # Registered as wholly foreign owned enterprise registered under the PRC law.
- \* Registered as equity joint ventures registered under the PRC law.
- \*\* A subsidiary of a non wholly-owned subsidiary of the Company and, accordingly, is accounted for as a subsidiary by virtue of the Company's control over it.
- \*\*\* The deferred shares of TCC Hong Kong Cement Development Limited are non-voting, carry no rights to dividends and are only entitled to a return of capital when the surplus exceeds US\$1,000,000,000,000,000,000,000.

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

None of the subsidiaries had in issue any debt securities at 31 December 2006.

### 35. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 29 March 2007.

### 34. 附屬公司 (續)

- # 登記為根據中國法例註冊之外商獨資企業。
- \* 登記為根據中國法例註冊之合營公司。
- \*\* 本公司之非全資附屬公司之附屬公司，因本公司對其之控制權作為附屬公司列賬。
- \*\*\* TCC Hong Kong Cement Development Limited之遞延股並不附有投票權，亦不附有獲派股息之權利，且僅在盈餘超過1,000,000,000,000,000,000,000美元時，方有權獲退還股本。

上表已列入董事會認為對本年度業績構成了重要影響或構成本集團資產淨值之主要部分之本公司附屬公司。董事會認為，載列其他附屬公司之詳情，令資料過於冗長。

於二零零六年十二月三十一日，概無附屬公司發行任何債券。

### 35. 財務報表之批准

財務報表已於二零零七年三月二十九日獲董事會批准。