

## 9 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (CONT'D)

## (a) Directors' remuneration (CONT'D)

Emolument bands	Number of directors	
	2000	1999
Nil - HK\$1,000,000	6*	9*
HK\$4,500,001 - HK\$5,000,000	—	1
HK\$5,500,001 - HK\$6,000,000	1	—
HK\$7,000,001 - HK\$7,500,000	1	1
HK\$7,500,001 - HK\$8,000,000	—	1
HK\$8,500,001 - HK\$9,000,000	1	—
HK\$9,000,001 - HK\$9,500,000	1	—

\* Represents non-executive directors.

No directors waived their emoluments in respect of the years ended 31 December 1999 and 2000.

## (b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include four (1999: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining individual (1999: two) during the year are as follows:

	2000	1999
	HK\$'000	HK\$'000
Basic salaries, housing allowances, other allowances and benefits in kind	908	4,664
Discretionary bonuses	3,779	4,372
Contributions to pension scheme	26	105
	<u>4,713</u>	<u>9,141</u>

The number of the remaining highest paid individual (1999: two) whose emoluments fell within the following bands are set out as below. The emoluments represent the amount paid to or receivable by the individuals of the Company in the respective financial year and exclude the benefits derived or to be derived from the Share Options granted under the Share Option Scheme.

Emolument bands	Number of individuals	
	2000	1999
HK\$3,500,001 - HK\$4,000,000	—	1
HK\$4,500,001 - HK\$5,000,000	1	—
HK\$5,000,001 - HK\$5,500,000	—	1

Notes to the Accounts (continued)

10 FIXED ASSETS

	The Group					
	Land and buildings	Leasehold improvements	Furniture, fixtures, computer and other equipment	Plant and machinery	Motor vehicles and company boats	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cost or valuation						
At 1 January 2000	1,020,806	110,345	242,987	5,592	23,025	1,402,755
Acquisition of subsidiaries	106,969	699	15,943	581	4,950	129,142
Additions	5,377	33,280	139,524	4,305	11,160	193,646
Disposals	—	(8,090)	(36,564)	(1)	(5,053)	(49,708)
Exchange adjustment	(2,109)	(2,340)	(5,953)	(377)	(761)	(11,540)
At cost	785,631	133,894	355,937	10,100	33,321	1,318,883
At directors' 1994 valuation	345,412	—	—	—	—	345,412
<b>At 31 December 2000</b>	<b>1,131,043</b>	<b>133,894</b>	<b>355,937</b>	<b>10,100</b>	<b>33,321</b>	<b>1,664,295</b>
Accumulated depreciation						
At 1 January 2000	54,502	32,623	136,704	1,937	15,181	240,947
Acquisition of subsidiaries	1,364	147	9,861	144	2,493	14,009
Charge for the year	25,471	23,607	40,870	1,445	4,546	95,939
Disposals	—	(6,857)	(32,237)	(1)	(3,900)	(42,995)
Exchange adjustment	(133)	(1,990)	(2,398)	(112)	(407)	(5,040)
<b>At 31 December 2000</b>	<b>81,204</b>	<b>47,530</b>	<b>152,800</b>	<b>3,413</b>	<b>17,913</b>	<b>302,860</b>
Net book value						
<b>At 31 December 2000</b>	<b>1,049,839</b>	<b>86,364</b>	<b>203,137</b>	<b>6,687</b>	<b>15,408</b>	<b>1,361,435</b>
At 31 December 1999	966,304	77,722	106,283	3,655	7,844	1,161,808

10 FIXED ASSETS (CONT'D)

The Group's interests in land and buildings at their net book values are analysed as follows:

	The Group	
	2000 HK\$'000	1999 HK\$'000
In Hong Kong, held on:		
Leases over 50 years	108,346	9,031
Leases of between 10 to 50 years	892,324	913,859
Outside Hong Kong, held on:		
Freehold	36,254	31,312
Leases over 50 years	11,443	12,102
Leases of between 10 to 50 years	1,472	—
	<b>1,049,839</b>	<b>966,304</b>

The original cost and accumulated depreciation based on cost of leasehold land and buildings in Hong Kong are as follows:

	The Group	
	2000 HK\$'000	1999 HK\$'000
Original cost	955,513	852,052
Accumulated depreciation based on cost	(67,534)	(44,273)
	<b>887,979</b>	<b>807,779</b>

At 31 December 2000, the aggregate cost and accumulated depreciation of the Group's fixed assets held under finance leases amounted to HK\$12,384,000 (1999: Nil) and HK\$8,148,000 (1999: Nil) respectively.

At 31 December 2000, the net book value of fixed assets pledged as security for the Group's long-term loans amounted to HK\$101,210,000 (1999: HK\$913,858,000).

11 SUBSIDIARIES

	<b>The Company</b>	
	2000 HK\$'000	1999 HK\$'000
Unlisted shares, at cost	111,210	111,210
Loan to a subsidiary	1,952,493	—
	<u>2,063,703</u>	<u>111,210</u>

The loan to a subsidiary is interest free, unsecured and has no fixed terms of repayment.

Details of principal subsidiaries are set out on pages 69 to 76.

12 ASSOCIATED COMPANIES

	<b>The Group</b>	
	2000 HK\$'000	1999 HK\$'000
Share of net assets/(liabilities) other than goodwill	11,554	(15,768)
Loan to an associated company	17,010	17,010
	<u>28,564</u>	<u>1,242</u>

The loan to an associated company is interest free, unsecured and has no fixed terms of repayment.

Details of principal associated companies are set out on pages 77 and 78.

13 INVESTMENTS

	<b>The Group</b>	
	2000 HK\$'000	1999 HK\$'000
Unlisted shares, at cost	52,997	41,112
Less: provision for diminution in value	(5,790)	—
	<u>47,207</u>	<u>41,112</u>
Loan to an investee company	—	38,772
	<u>47,207</u>	<u>79,884</u>
Club debentures, at cost	6,600	6,600
	<u>53,807</u>	<u>86,484</u>

14 INVENTORIES

	The Group	
	2000 HK\$'000	1999 HK\$'000
Merchandise	135,876	79,280
Finished goods	2,081	1,985
Raw materials	29,023	28,749
	<u>166,980</u>	<u>110,014</u>

At 31 December 2000, the carrying amount of inventories that are carried at net realisable value amounted to HK\$1,152,000 (1999: HK\$383,000).

At 31 December 2000, the carrying amount of inventories pledged as security for bank facilities amounted to HK\$61,053,000 (1999: HK\$37,279,000).

15 DUE FROM RELATED COMPANIES

	The Group		The Company	
	2000 HK\$'000	1999 HK\$'000	2000 HK\$'000	1999 HK\$'000
Due from:				
Subsidiaries	—	—	4,083,306	1,612,687
Associated companies	19,682	24,609	—	—
	<u>19,682</u>	<u>24,609</u>	<u>4,083,306</u>	<u>1,612,687</u>

The amounts are unsecured, interest free and repayable on demand.

16 TRADE AND BILLS RECEIVABLE

The majority of the Group's turnover are on letter of credit (sight or usance) or documents against payment. The remaining balances of turnover are on open account terms which are mostly covered by customers' standby letters of credit or bank guarantees. The ageing analysis of trade and bills receivable are as follows:

	The Group	
	2000 HK\$'000	1999 HK\$'000
Current to 90 days	2,371,166	1,459,113
91 to 180 days	46,861	18,053
181 to 360 days	10,553	8,783
Over 360 days	1,079	2,831
	<u>2,429,659</u>	<u>1,488,780</u>