

18. Current Investments

| | The Group | | The Company | |
|---|------------------|------------------|------------------|------------------|
| | 2000 HK\$'000 | 1999 HK\$'000 | 2000 HK\$'000 | 1999 HK\$'000 |
| At Fair Value: | | | | |
| Other investments | | | | |
| Equity securities | | | | |
| – listed in Hong Kong | – | 956 | – | – |
| – listed outside Hong Kong | 17,217 | 25,244 | 17,217 | 13,374 |
| Other securities (principally certificates of deposit, government stocks and bonds) | | | | |
| – listed outside Hong Kong | – | 6,449 | – | 6,449 |
| – unlisted | 45,176 | 60,401 | 45,176 | – |
| | 62,393 | 93,050 | 62,393 | 19,823 |
| Market value at 31 December: | | | | |
| Equity securities | | | | |
| – listed in Hong Kong | – | 956 | – | – |
| – listed outside Hong Kong | 17,217 | 25,244 | 17,217 | 13,374 |
| Other securities | | | | |
| – listed outside Hong Kong | – | 6,449 | – | 6,449 |
| | 17,217 | 32,649 | 17,217 | 19,823 |

19. Trade and Other Receivables

| | The Group | | The Company | |
|---|------------------|------------------|------------------|------------------|
| | 2000 HK\$'000 | 1999 HK\$'000 | 2000 HK\$'000 | 1999 HK\$'000 |
| Trade debtors less provision | 7,134 | 565,919 | 36 | – |
| Other debtors, deposits and prepayments | 13,286 | 197,670 | 13,161 | 6,582 |
| Amounts owing by subsidiaries (Note 12) | – | – | 11,713 | 164,467 |
| Amounts owing by associates (Note 13) | – | 12,438 | – | 4,554 |
| | 20,420 | 776,027 | 24,910 | 175,603 |

All of the trade and other receivables, apart from those mentioned in notes 12 and 13, are expected to be recovered within one year.



20. Bank Loans and Overdrafts

The bank loans and overdrafts were repayable as follows:

| | The Group | |
|----------------------------|------------------|------------------|
| | 2000 HK\$'000 | 1999 HK\$'000 |
| Bank overdraft | | |
| Within one year on demand | - | 12,285 |
| Bank loans | | |
| Within one year | - | 1,142,291 |
| Between one and two years | - | 3,973,308 |
| Between two and five years | - | 2,591,260 |
| Over five years | - | 620,082 |
| | - | 7,184,650 |
| | - | 8,339,226 |

The bank loans and overdrafts were secured as follows:

| | The Group | |
|----------------|------------------|------------------|
| | 2000 HK\$'000 | 1999 HK\$'000 |
| Bank overdraft | | |
| - secured | - | 5,621 |
| - unsecured | - | 6,664 |
| | - | 12,285 |
| Bank loans | | |
| - secured | - | 7,431,841 |
| - unsecured | - | 895,100 |
| | - | 8,326,941 |
| | - | 8,339,226 |

The bank loans bore interest at prevailing bank rates ranging from 3.83% to 10% per annum. The secured term loans of the Group were secured by the fixed assets, comprising principally freehold and leasehold hotel properties, investment and development properties of the respective subsidiaries and fixed and floating charges over the net assets of certain subsidiaries.

The secured bank overdraft was secured by a fixed and floating charge over all assets of a subsidiary.

21. Trade and Other Payables

| | The Group | | The Company | |
|-------------------------------------|------------------|------------------|------------------|------------------|
| | 2000 HK\$'000 | 1999 HK\$'000 | 2000 HK\$'000 | 1999 HK\$'000 |
| Trade creditors | 6,388 | 835,798 | - | 79,665 |
| Rental deposits | - | 90,398 | - | - |
| Other creditors and accrued charges | 39,935 | 661,923 | 34,616 | 18,683 |
| | 46,323 | 1,588,119 | 34,616 | 98,348 |

All of the trade and other payables are expected to be settled within one year.

22. Finance Leases

| | The Group | |
|----------------------------------|------------------|------------------|
| | 2000 HK\$'000 | 1999 HK\$'000 |
| Obligations under finance leases | - | 278,161 |
| Payable as follows: | | |
| Within one year | - | 17,389 |
| Between one and two years | - | 17,087 |
| Between two and five years | - | 177,097 |
| Over five years | - | 66,588 |
| | - | 260,772 |
| | - | 278,161 |



23. Bonds and Notes

| | The Group | |
|--------------------------------|------------------|-----------|
| | 2000 | 1999 |
| | HK\$'000 | HK\$'000 |
| Bonds (unsecured) | - | 466,197 |
| Non-Guaranteed Notes (secured) | - | 719,593 |
| | - | 1,185,790 |
| Payable as follows: | | |
| Within one year | - | 466,197 |
| Between one and two years | - | - |
| Between two and five years | - | 719,593 |
| Over five years | - | - |
| | - | 719,593 |
| | - | 1,185,790 |

- (i) Bonds comprised S\$100,000,000 (approximately HK\$466,197,000) 2.5% Unsecured Bonds due 2000, constituted by a Trust Deed dated 7 July, 1995. The Bonds were issued with 57,215,372 detachable Warrants. The Warrant holders were entitled to subscribe for new shares at S\$1.35 (approximately HK\$6.30) per share in the capital of a subsidiary upon exercise of the Warrants on or after 15 August, 1995 up to and including 12 July, 2000. The subscription price of the Warrants were subject to adjustments in certain circumstances. The Bonds constituted a direct, unconditional and unsecured obligation of the subsidiary, ranking pari passu among themselves and pari passu with all other present and future obligations (other than subordinated obligations and priorities created by law). Unless previously purchased and cancelled, the Bonds were redeemable at 100% of their principal amount of S\$100,000,000 on 13 July, 2000.

Interest on the Bonds was payable annually in arrears at the fixed rate of 2.5% per annum on the principal amount of the Bonds.

- (ii) The KRW105 billion (approximately HK\$719,593,000) Non-Guaranteed Notes ("Notes") were issued by a subsidiary. These Notes were issued in bearer form with coupons attached at a discount as follows:

- Five Notes in the denomination of KRW10 billion each
- Ten Notes in the denomination of KRW5 billion each
- Four Notes in the denomination of KRW1 billion each
- Ten Notes in the denomination of KRW0.1 billion each

These Notes bore interest at a floating rate, determined in accordance with the three month certificate of deposit rate plus 1.3% per annum payable quarterly in arrears. In 1999, interest rate at 8.15% per annum was charged. These Notes were collateralised on the land, hotel building and certain fixtures of a subsidiary.

Unless previously redeemed or purchased and cancelled, these Notes were redeemable at the principal amount in year 2002.

24. Other Creditors

| | The Group | |
|--|------------------|------------------|
| | 2000 HK\$'000 | 1999 HK\$'000 |
| Provisions in respect of: | | |
| – deferred real estate taxes | – | 95,023 |
| – lease contract | – | 61,372 |
| – balance of amount payable in relation to acquisition of subsidiaries and other business undertakings | – | 258,786 |
| – severance and retirement benefit | – | 84,380 |
| Others (principally deposits for health club) | – | 68,907 |
| | – | 568,468 |

25. Deferred Taxation

(a) Movements on deferred taxation comprise:

| | The Group | | The Company | |
|---|------------------|------------------|------------------|------------------|
| | 2000 HK\$'000 | 1999 HK\$'000 | 2000 HK\$'000 | 1999 HK\$'000 |
| At 1 January | 216,281 | 218,413 | 686 | 639 |
| Add/(Less): | | | | |
| Exchange difference | (23) | 924 | (23) | (1) |
| Transfer (to)/from profit and loss account (Note 8) | (339) | (3,007) | (339) | 48 |
| Adjustment arising from deficit on revaluation of investment properties | – | (49) | – | – |
| Balances of subsidiaries disposed | (215,595) | – | – | – |
| At 31 December | 324 | 216,281 | 324 | 686 |



25. Deferred Taxation (cont'd)

(b) Major components of deferred tax of the Group and the Company are set out below:

| | The Group | | The Company | |
|--|------------------|------------------|------------------|------------------|
| | 2000 HK\$'000 | 1999 HK\$'000 | 2000 HK\$'000 | 1999 HK\$'000 |
| Deferred tax liability in respect of timing differences relating to fixed assets and other items | 324 | 86,301 | 324 | 686 |
| Potential income tax liability arising from the assignment of fair values to assets held by a subsidiary at the time of acquisition and the revaluation surplus of investment properties | - | 129,980 | - | - |
| | 324 | 216,281 | 324 | 686 |

There is no significant deferred tax liability not provided for.

26. Share Capital

| | The Company | |
|---|------------------|------------------|
| | 2000 HK\$'000 | 1999 HK\$'000 |
| Authorised: | | |
| 2,720,615,042 (1999: 4,000,000,000) ordinary shares of HK\$1.00 each | 2,720,615 | 4,000,000 |
| Issued and Fully Paid: | | |
| At 1 January | | |
| - 2,025,188,100 (1999: 1,978,444,937) ordinary shares of K\$1.00 each | 2,025,188 | 1,978,445 |
| Issue of 39,383,934 (1999: 20,374,249) ordinary shares of HK\$1.00 each at HK\$2.04 (1999: HK\$3.01) per share pursuant to a scrip dividend with option for cash | 39,384 | 20,374 |
| Balance carried forward | 2,064,572 | 1,998,819 |