

Notes to Financial Statements (Cont'd)

12. Interests in subsidiaries

	<u>Company</u>	
	2000 HK\$'000	1999 HK\$'000
Unlisted shares, at cost	35,202	35,202
Less: Capital distribution	(5,670)	(5,670)
Provision for diminution in value	(17,930)	(16,921)
	<u>11,602</u>	<u>12,611</u>
Amounts due from subsidiaries	1,702,004	1,593,975
Less: Provision	(438,610)	(214,440)
	<u>1,274,996</u>	<u>1,392,146</u>

Amounts due from subsidiaries were unsecured, non-interest bearing and with no fixed term of repayment.

Details of the subsidiaries are as follows:

Unlisted companies	Principal activities	Issued and paid up ordinary share capital/ registered capital	Place of incorporation/ operation	Percentage of equity interest held	
				by the Company	by subsidiary
Camanche Limited	Investment holding	HK\$20	Hong Kong	–	100
Diamond Way Inc.	Investment holding	US\$1	Liberia	–	100
HK 2 Limited	Investment holding	US\$1	Liberia	–	100
HK 3 Limited	Investment holding	US\$1	Liberia	–	100
HK 8 Limited	Investment holding	US\$1	Liberia	–	100
HK 9 Limited	Investment holding	US\$1	Liberia	–	100
HK 12 Limited	Investment holding	US\$1	Liberia	–	100
HK 18 Limited	Investment holding	US\$1	Liberia	–	100
HK 28 Limited	Investment holding	US\$1	Liberia	–	100
HK 38 Limited	Investment holding	US\$1	Liberia	–	100
HK 68 Limited	Investment holding	US\$1	Liberia	–	100
HK 268 Limited	Investment holding	US\$1	Liberia	–	100
HK 333 Limited	General investment	US\$1	Liberia	–	100
HK 368 Limited	Investment holding	US\$1	Liberia	–	100
HK 888 Limited	Investment holding	US\$1	Liberia	–	100
Kai Yiu Enterprises Limited	General investment	HK\$3,600,000	Hong Kong	90	10
Kwai Ling Enterprises Company Limited	Investment holding	HK\$7,700,000	Hong Kong	60	40
Lee Hing Investment Company, Limited	Property investment and investment holding	HK\$2,000,000	Hong Kong	100	–
Lucky Term Company Limited	Investment holding	HK\$2	Hong Kong	–	100
PRC 1 Limited	Investment holding	US\$1	Liberia	–	100
PRC 18 Limited	General investment	US\$1	Liberia	–	100
Sinonet Holdings Limited	Investment holding	US\$1	British Virgin Islands	100	–
Stettler Investment Limited	Investment holding	HK\$1	Liberia	–	100
Tan Nam Holdings Limited	Investment holding	US\$1	Cayman Islands	–	100
Tan Nam Limited	General investment	US\$1	Cayman Islands	–	100
Tek Lee Nominees Limited	Property investment and investment holding	HK\$2	Hong Kong	–	100
Tory Company Limited	Investment holding	HK\$10	Hong Kong	90	10
V 12 Limited	Investment holding	US\$1	Liberia	–	100
Wang Tak Company Limited	Investment holding	HK\$1,000,000	Hong Kong	100	–

Notes to Financial Statements (Cont'd)

13. Interests in associates

Group

	2000 HK\$'000	1999 HK\$'000
Unlisted investments –		
Share of net assets	34,591	43,818
Discount on acquisition	(1,359)	(1,359)
	33,232	42,459
Subordinated loan to an associate	121,131	117,006
Amounts due from associates	163,370	163,398
Less: Provision	(2,834)	(2,834)
	314,899	320,029
Amounts due to associates	(2,243)	(2,293)
	<u>312,656</u>	<u>317,736</u>

Company

	2000 HK\$'000	1999 HK\$'000
Unlisted investments –		
Shares, at cost	394	394
Less: Provision for diminution in value	(156)	(156)
	238	238
Amounts due from associates	157,069	157,069
Less: Provision	(2,044)	(2,044)
	<u>155,263</u>	<u>155,263</u>

Subordinated loan to an associate and amounts due to and due from associates were unsecured, non-interest bearing and with no fixed term of repayment.

Details of the associates are as follows:

Unlisted companies	Principal activities	Place of incorporation/ operation	Percentage of equity interest held by the Group
Bo Tat Tak Enterprises Limited	Property development and investment	Hong Kong	50
Cheer Star Development Limited	Hotel operation	Hong Kong	28
Double Golden Sdn. Bhd.	General investment	Malaysia	50
Ichiban Properties Limited	Investment holding	British Virgin Islands	50
Infinity Goal Limited	Property development	Hong Kong	35
Key Finance Limited	Investment holding	British Virgin Islands	50
Park-Lee Construction Limited	Dormant	Hong Kong	38
Parkway M & A Capital Corporation	Investment holding	British Virgin Islands	39
Phil Inc.	Dormant	U.S.A.	20
Start Hold Limited	Investment holding	Hong Kong	33

Notes to Financial Statements (Cont'd)

14. Long-term investments

Group

	2000 HK\$'000	1999 HK\$'000
(a) Unlisted investments		
Shares, at cost	350,757	355,908
Less: Provision for impairment in value	(252,559)	(245,363)
Change in fair value transferred to long-term investment revaluation reserve	<u>1,061</u>	<u>909</u>
Fair value	99,259	111,454
Amounts due from investee companies	6,133	6,858
Less: Provision	(6,108)	(6,108)
Amounts due to investee companies	<u>(351)</u>	<u>(351)</u>
	<u>98,933</u>	<u>111,853</u>

Amounts due from and due to investee companies were unsecured, non-interest bearing and with no fixed term of repayment.

	2000 HK\$'000	1999 HK\$'000
(b) Listed investments		
Listed shares, at cost –		
Hong Kong	406,629	559,285
overseas	<u>554,343</u>	<u>592,312</u>
	960,972	1,151,597
Less: Provision for impairment in value	(381,324)	(160,429)
Change in fair value transferred to long-term investment revaluation reserve	<u>(80,735)</u>	<u>107,333</u>
Market value	<u>498,913</u>	<u>1,098,501</u>

	2000 HK\$'000	1999 HK\$'000
Total of (a) and (b)	<u>597,846</u>	<u>1,210,354</u>