

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 2003

財務報表附註

截至二零零三年十二月三十一日止年度

9. FINANCE COSTS

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Interest and charges	利息及支出	162	—
Interest on bank loan wholly repayable within five years	須於五年內全部償還之 銀行貸款利息	—	1,121
Less: Interest capitalised	減：撥充資本之利息	—	(94)
		<u>162</u>	<u>1,027</u>

9. 財務費用

10. DIRECTORS' EMOLUMENTS

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Fees:	袍金：		
Executive directors	執行董事	—	—
Independent non-executive directors	獨立非執行董事	60	60
Other emoluments:	其他酬金：		
Executive directors	執行董事		
— Salaries and other emoluments	— 薪金及其他酬金	—	—
— Retirement benefit scheme contributions	— 退休福利計劃供款	—	—
Total emoluments	酬金總額	<u>60</u>	<u>60</u>

10. 董事酬金

During the year, no emoluments were paid by the Group to the Directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

年內，本集團並無向本公司董事支付任何酬金作為加入本集團之獎金或失去職位之賠償。

11. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2002: two) Directors of the Company whose emoluments are included in note 10. The emoluments of the remaining three (2002: three) individuals disclosed pursuant to the Rules Governing The Listing of Securities on the Stock Exchange were as follows:

11. 僱員酬金

本集團五位最高薪酬人士中包括兩名本公司董事（二零零二年：兩名），有關酬金詳情載於附註 10。餘下三名人士（二零零二年：三名）之酬金按聯交所證券上市規則之規定披露如下：

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11. EMPLOYEES' EMOLUMENTS (cont'd)

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Salaries and other benefits	薪金及其他利益	221	271
Retirement benefit scheme contributions	退休福利計劃供款	9	13
		<u>230</u>	<u>284</u>

12. TAXATION

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
The taxation charge (credit) comprises:	稅項支出(撥回)包括:		
<i>Current tax</i>	當期稅項		
The Company and subsidiaries	本公司及附屬公司		
Hong Kong	香港		
– Current year	– 本年度	106	–
– Overprovision in prior years	– 過往年度超額撥備	(156)	–
		<u>(50)</u>	–
Share of taxation attributable to associates	攤佔聯營公司稅項	74	–
Deferred taxation (note 27)	遞延稅項(附註 27)	(582)	–
		<u>(558)</u>	<u>–</u>

Hong Kong Profits Tax is calculated at 17.5% (2002: 16%) on estimated assessable profit for the year. Taxation in any other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

香港利得稅乃就本年度估計應課稅溢利按稅率 17.5% (二零零二年: 16%) 計算。其他司法權區之稅項乃按有關司法權區之適用稅率計算。

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12. TAXATION (cont'd)

The reconciliation of effective tax rate to loss before taxation per the income statement is as follows:

		2003		2002	
		HK\$'000	%	HK\$'000	%
		千港元		千港元	
Loss before taxation	稅前虧損	<u>(762)</u>		<u>(15,624)</u>	
Tax at Hong Kong	按香港利得稅稅率				
Profits Tax rate of 17.5% (2002: 16%)	17.5% (二零零二年: 16%) 計算之稅項	(133)	(17.5)	(2,500)	(16.0)
Tax effect of expenses that are not deductible in determining taxable profit	計算應課稅溢利時不可扣稅支出之稅務影響	341	44.8	3,470	22.2
Tax effect of income that are not taxable in determining taxable profit	計算應課稅溢利時毋須課稅收入之稅務影響	(283)	(37.1)	(1,166)	(7.5)
Tax effect of recognition of tax losses not previously recognised	確認早前未確認之稅務虧損之稅務影響	(477)	(62.6)	–	–
Tax effect of tax losses not recognised	不予確認之稅務虧損之稅務影響	98	12.9	196	1.3
Overprovision in prior years	過往年度超額撥備	(156)	(20.5)	–	–
Difference arising from share of taxation attributable to associates	攤佔聯營公司稅項產生之差額	52	6.8	–	–
Tax expense and effective tax rate for the year	本年度之稅項支出及實際稅率	<u>(558)</u>	<u>(73.2)</u>	<u>–</u>	<u>–</u>

12. 稅項 (續)

實際稅率與收益表之稅前虧損對賬如下:

13. DIVIDENDS

No interim dividend was declared during the year and no final dividend is recommended by the Directors.

14. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to shareholders of approximately HK\$204,000 (2002: HK\$15,624,000) and on the weighted average number of 93,010,746 (2002 (restated): 59,426,106) ordinary shares in issue during the year.

The weighted average number of ordinary shares for the purpose of basic loss per share has been adjusted for the share consolidation effected on 8th October, 2003.

13. 股息

本年度並無宣派中期股息，而董事亦不建議派發末期股息。

14. 每股虧損

每股基本虧損乃根據股東應佔虧損約 204,000 港元 (二零零二年: 15,624,000 港元) 及年內已發行普通股加權平均股數 93,010,746 股 (二零零二年 (重列): 59,426,106 股) 計算。

計算每股基本虧損所用之普通股加權平均數已就二零零三年十月八日生效之股份合併作出調整。

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14. LOSS PER SHARE (cont'd)

In both years, the computation of diluted loss per share did not assume the conversion of the Company's warrants since the exercise price was higher than the average fair market value of the shares. The warrants were lapsed in 2003.

15. INVESTMENT PROPERTIES

		HK\$'000 千港元
THE GROUP	本集團	
AT VALUATION	估值	
At 1st January, 2003	於二零零三年一月一日	500
Acquisition of subsidiaries	收購附屬公司	62,150
Disposal of a subsidiary	出售附屬公司	(950)
Surplus on revaluation	重估盈餘	4,020
		<hr/>
At 31st December, 2003	於二零零三年十二月三十一日	<u>65,720</u>

The investment properties of the Group were revalued at 31st December, 2003 on an open market value basis by Norton Appraisals Limited, independent professional surveyors. This valuation gave rise to a revaluation surplus of HK\$4,020,000 (2002: deficit of HK\$50,000), of which HK\$20,000 has been credited to the income statement and HK\$4,000,000 was included in the investment property revaluation reserve.

Almost all of the investment properties are rented out under operating leases.

The Group's investment properties are situated in Hong Kong and HK\$2,520,000 are held under long lease and HK\$63,200,000 are held under medium-term lease.

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14. 每股虧損(續)

由於本公司認股權證於該兩個年度之行使價高於股份之平均公平市值，故每股攤薄虧損之計算並無假設該等認股權證之行使。有關認股權證已於二零零三年失效。

15. 投資物業

本集團之投資物業於二零零三年十二月三十一日由獨立專業測計師行普敦國際評估有限公司按公開市值基準進行重估。該項重估產生重估盈餘4,020,000港元(二零零二年：虧絀50,000港元)，其中20,000港元已計入收益表，餘下4,000,000港元則撥入投資物業重估儲備。

絕大部份投資物業按營業租約租出。

本集團之投資物業位於香港，其中2,520,000港元之物業按長期租約持有，63,200,000港元之物業則按中期租約持有。

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截至二零零三年十二月三十一日止年度

16. PROPERTY AND OTHER FIXED ASSETS

16. 物業及其他固定資產

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
THE GROUP	本集團			
AT COST	成本值			
At 1st January, 2003	於二零零三年一月一日	1,840	1,117	2,957
Acquisition of a subsidiary	收購附屬公司	—	4	4
At 31st December, 2003	於二零零三年十二月三十一日	<u>1,840</u>	<u>1,121</u>	<u>2,961</u>
DEPRECIATION AND AMORTISATION	折舊及攤銷			
At 1st January, 2003	於二零零三年一月一日	1,214	997	2,211
Provided for the year	本年度撥備	89	39	128
At 31st December, 2003	於二零零三年十二月三十一日	<u>1,303</u>	<u>1,036</u>	<u>2,339</u>
NET BOOK VALUES	賬面淨值			
At 31st December, 2003	於二零零三年十二月三十一日	<u>537</u>	<u>85</u>	<u>622</u>
At 31st December, 2002	於二零零二年十二月三十一日	<u>626</u>	<u>120</u>	<u>746</u>

The Group's leasehold land and buildings are situated in Hong Kong and held under medium-term lease.

本集團之租賃土地及樓宇均位於香港，並按中期租約持有。

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截至二零零三年十二月三十一日止年度

16. PROPERTY AND OTHER FIXED ASSETS (cont'd)

16. 物業及其他固定資產(續)

		Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元
THE COMPANY	本公司	
AT COST	成本值	
At 1st January, 2003 and 31st December, 2003	於二零零三年一月一日及 二零零三年十二月三十一日	1,117
DEPRECIATION	折舊	
At 1st January, 2003	於二零零三年一月一日	997
Provided for the year	本年度撥備	39
At 31st December, 2003	於二零零三年十二月三十一日	1,036
NET BOOK VALUES	賬面淨值	
At 31st December, 2003	於二零零三年十二月三十一日	81
At 31st December, 2002	於二零零二年十二月三十一日	120

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17. PROPERTIES HELD FOR DEVELOPMENT

17. 持作發展物業

		Properties held under long lease in Hong Kong 於香港 按長期租約 持有之物業	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
THE GROUP	本集團		
AT COST	成本值		
At 1st January	於一月一日	12,000	205,831
Additions	添置	–	9,147
Acquisition of a subsidiary	收購附屬公司	3,800	–
Disposal	出售	(3,800)	–
Transfer to property under development for sale (note 21)	撥入發展中待售 物業(附註21)	–	(202,978)
At 31st December	於十二月三十一日	12,000	12,000
ACCUMULATED IMPAIRMENT LOSSES	累計減值虧損		
At 1st January	於一月一日	2,500	59,331
Impairment loss recognised	已確認減值虧損	–	21,147
Transfer to property under development for sale (note 21)	撥入發展中待售 物業(附註21)	–	(77,978)
At 31st December	於十二月三十一日	2,500	2,500
NET BOOK VALUES	賬面淨值		
At 31st December	於十二月三十一日	9,500	9,500

The carrying amount of properties held for development is determined by reference to the market selling price of similar properties net of estimated cost to complete. There was no impairment loss recognised in the current year (2002: HK\$21,147,000).

持作發展物業之賬面值乃參照類似物業之市場售價扣除估計完成成本而釐定。據此，於本年度並無確認減值虧損(二零零二年：21,147,000 港元)。

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18. PROPERTY INTERESTS HELD FOR DEVELOPMENT

18. 持作發展之物業權益

		HK\$'000 千港元
THE GROUP	本集團	
AT COST	成本值	
Acquisition of subsidiaries	收購附屬公司	197,937
Exchange adjustments	滙兌調整	(386)
		<hr/>
At 31st December, 2003	於二零零三年十二月三十一日	<u>197,551</u>

The net book value of property interests held for development comprises:

持作發展之物業權益之賬面淨值包括：

		HK\$'000 千港元
Land in PRC under long lease	於中國按長期租約持有之土地	183,051
Land in Hong Kong under medium-term lease	於香港按中期租約持有之土地	14,500
		<hr/>
At 31st December, 2003	於二零零三年十二月三十一日	<u>197,551</u>

The Group holds the pre-registration land use rights of a piece of land in Shantou, and is in the process of obtaining the land use rights certificate for the land. The land use rights certificate will be obtained pending for the final payment of not more than RMB24,861,000 (approximately HK\$23,563,000) to be made by the Group.

本集團持有汕頭市一塊地皮之註冊前土地使用權，現正為該地皮申請土地使用權證。待本集團支付不多於人民幣24,861,000元（約23,563,000港元）之最後款項後，將可取得土地使用權證。

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19. INTERESTS IN SUBSIDIARIES

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
THE COMPANY	本公司		
Unlisted shares, at cost	非上市股份，成本值	10,391	10,391
Advances to subsidiaries, net of allowances	向附屬公司提供墊款 (扣除準備)	567,649	110,754
		578,040	121,145
Less: Impairment loss recognised	減：已確認之減值虧損	(10,391)	(10,391)
		567,649	110,754

The advances are unsecured, non-interest bearing and have no fixed repayment terms. In the opinion of the Directors, the advances are unlikely to be repaid within one year from the balance sheet date and are therefore shown in the balance sheet as non-current.

上述墊款為無抵押、免息及無固定還款期。董事認為，上述墊款不大可能於結算日後一年內償還，因此於資產負債表內列為非流動性質。

20. INTERESTS IN ASSOCIATES

		THE GROUP 本集團		THE COMPANY 本公司	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元	2003 HK\$'000 千港元	2002 HK\$'000 千港元
Share of net assets of associates	應佔聯營公司資產淨值	121,092	—	—	—
Advances to associates, net of allowances	向聯營公司提供墊款 (扣除準備)	155,379	—	9,500	—
		276,471	—	9,500	—

The advances are unsecured and have no fixed repayment terms. Except for the amount of HK\$116,539,000 and HK\$9,500,000 advanced by the Group, which bears interest at 2.25% and 6.75% per annum respectively, the remaining balances advanced by the Group and the Company are non-interest bearing. The Group and the Company will not demand repayment of the advances within one year from the balance sheet date and the advances are therefore shown in the balance sheet as non-current.

該等墊款為無抵押及無固定還款期。除本集團墊付之 116,539,000 港元及 9,500,000 港元分別按年利率 2.25% 及 6.75% 計息外，本集團及本公司其餘之墊款為免息。本集團及本公司不會於結算日起一年內要求還款，故該等墊款乃於資產負債表列作非流動性質。

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20. INTERESTS IN ASSOCIATES (cont'd)

The carrying amount of the advances to associates is reduced to its recoverable amount which is determined by reference to the fair value of the underlying assets of the respective associates. Accordingly an allowance of HK\$23,000 (2002: Nil) was recognised in the current year.

The investment properties of the Group's principal associates were revalued at 31st December, 2003 on an open market value basis by Norton Appraisals Limited, independent professional surveyors. The carrying amount shown above includes the Group's attributable share of the investment property revaluation reserve.

Particulars of the Group's associates at 31st December, 2003 are set out in note 40.

The following details were extracted from the financial statements of the Group's significant associates, as realigned with the Group's accounting policies.

Financial position at 31st December, 2003

Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Non-current liabilities	非流動負債
Net assets	資產淨值
Net assets attributable to the Group	本集團應佔資產淨值
Advances to associates	墊付聯營公司之款項

The associates were acquired in November 2003 under the Asset Transaction, therefore, the post-acquisition results were insignificant.

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20. 聯營公司權益 (續)

墊付聯營公司款項之賬面值撇減至其可收回數額。可收回數額乃根據有關聯營公司之相關資產之公平價值而釐定。據此，本年度確認之準備為23,000港元(二零零二年：無)。

本集團主要聯營公司之投資物業已於二零零三年十二月三十一日由獨立專業測計師行普敦國際評估有限公司以公開市值為基準進行重估。以上所列賬面值包括本集團應佔之投資物業重估儲備。

本集團聯營公司於二零零三年十二月三十一日之詳情載於附註40。

以下資料乃摘錄自本集團主要聯營公司之財務報表，並已就本集團之會計政策作出配合：

於二零零三年十二月三十一日之財政狀況

	Finedale 廣坤 HK\$'000 千港元	Healthy Point 強邦 HK\$'000 千港元
Non-current assets	608,000	48,900
Current assets	3,156	977
Current liabilities	(10,194)	(1,304)
Non-current liabilities	(349,662)	23,778
Net assets	<u>251,300</u>	<u>72,351</u>
Net assets attributable to the Group	<u>83,767</u>	<u>36,175</u>
Advances to associates	<u>116,539</u>	<u>-</u>

該等聯營公司乃於二零零三年十一月根據資產交易購入，因此其收購後業績並不重大。

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21. PROPERTY UNDER DEVELOPMENT FOR SALE

21. 發展中待售物業

		Property held under long lease in Hong Kong 於香港按長期租約持有之物業	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
THE GROUP	本集團		
AT COST	成本值		
At 1st January	於一月一日	202,978	—
Additions	添置	21,672	—
Transfer from properties held for development (note 17)	撥自持作發展物業(附註17)	—	202,978
Disposal of subsidiaries	出售附屬公司	(224,650)	—
At 31st December	於十二月三十一日	—	202,978
ACCUMULATED IMPAIRMENT LOSSES	累計減值虧損		
At 1st January	於一月一日	77,978	—
Transfer from properties held for development (note 17)	撥自持作發展物業(附註17)	—	(77,978)
Eliminated on disposal of subsidiaries	出售附屬公司時撇銷	(77,978)	—
At 31st December	於十二月三十一日	—	77,978
NET BOOK VALUES	賬面淨值		
At 31st December	於十二月三十一日	—	125,000

The carrying amount of properties under development for sale is determined by reference to the market selling price of similar properties net of estimated cost to complete.

發展中待售物業之賬面值乃參照類似物業之市場售價扣除估計完成成本而釐定。

At the balance sheet date, no interest has been capitalised in the cost of the properties under development for sale (2002: HK\$94,000).

於結算日，並無撥充發展中待售物業成本之利息(二零零二年: 94,000 港元)。