

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

13. TAXATION (cont'd)

The charge for the year can be reconciled to the profit (loss) before taxation as follows:

13. 稅項 (續)

年度之稅項支出與除稅前溢利(虧損)對賬如下:

		2003 HK\$'000 千港元	%	2002 HK\$'000 千港元 (as restated) (重列)	%
Profit (loss) before taxation	除稅前溢利(虧損)	<u>1,198,782</u>		<u>(1,723,007)</u>	
Tax at Hong Kong Profits Tax rate of 17.5% (2002: 16%)	按香港利得稅稅率 17.5% (二零零二年: 16%) 計算之稅項	209,787	17.5	(275,681)	(16.0)
Tax effect of share of results of associates	攤佔聯營公司業績 之稅務影響	19,228	1.6	2,747	0.1
Tax effect of expenses not deductible for tax purpose	就稅務而言不可扣減 支出之稅務影響	16,759	1.4	265,262	15.4
Tax effect of income not taxable for tax purpose	就稅務而言毋須課稅 收入之稅務影響	(143,792)	(12.0)	(14,073)	(0.8)
Under (over) provision in respect of prior years	過往年度撥備不足 (超額撥備)	106	0.0	(12,479)	(0.7)
Tax effect of tax losses not recognised	未確認之稅務虧損之稅務影響	-	-	56,350	3.3
Utilisation of tax losses previously not recognised	運用先前未確認 之稅務虧損	(45,803)	(3.8)	-	-
Tax effect on accelerated accounting depreciation over tax depreciation not provided in prior years	過往年度未撥備之稅務 折舊之加速會計 折舊之稅務影響	(163)	0.0	(4,910)	(0.3)
Increase in opening deferred tax asset resulting from an increase in Hong Kong Profits Tax rate	香港利得稅稅率調高 令承上遞延稅項 資產增加	(8,170)	(0.7)	-	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營之 附屬公司適用之 不同稅率之影響	(2,240)	(0.2)	(1,713)	(0.1)
Tax charge and effective tax rate for the year	本年度之稅項支出及 實際稅率	<u>45,712</u>	<u>3.8</u>	<u>15,503</u>	<u>0.9</u>

In addition to the amount charged to the income statement, deferred tax relating to the revaluation of the Group's properties has been charged directly to equity.

除已自收益表扣除之數額外，有關重估本集團物業之遞延稅項已直接自股本扣除。

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14. DIVIDENDS

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Interim dividend paid: HK5 cents per share (2002: Nil)	已付中期股息：每股 5 港仙 (二零零二年：無)	109,500	—
Special dividend paid in specie (note)	以實物派付之特別股息(附註)	107,083	—
		<u>216,583</u>	<u>—</u>

Note: In order to maintain sufficient public float of Chi Cheung Investment Company, Limited ("Chi Cheung") on completion of the Asset Transaction, the Company had on 7th November, 2003 made a special dividend by way of distribution in specie.

The final dividend of HK12 cents (2002: Nil) per share has been proposed by the Directors and is subject to approval by the shareholders in general meeting.

15. BASIC EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share is based on the profit attributable to shareholders of approximately HK\$1,153,845,000 (2002: a loss of HK\$1,478,415,000 as restated) and on the weighted average number of 2,215,632,633 (2002: 2,369,665,078) ordinary shares in issue throughout the year.

The adjustment to comparative basic loss per share, arising from the adoption of SSAP 12 (Revised) shown in note 2 above, is as follows:

		HK cents 港仙
Reconciliation of basic loss per share for the year ended 31st December, 2002	截至二零零二年十二月三十一日止年度每股基本虧損之對賬	
Reported figure before adjustment	調整前之呈報數字	61.60
Adjustment arising from the adoption of SSAP 12 (Revised)	因採納會計實務準則第 12 條(經修訂)而作出之調整	0.80
As restated	重列	<u>62.40</u>

14. 股息

	2003 HK\$'000 千港元	2002 HK\$'000 千港元
已付中期股息：每股 5 港仙 (二零零二年：無)	109,500	—
以實物派付之特別股息(附註)	107,083	—
	<u>216,583</u>	<u>—</u>

附註：為使至祥置業有限公司(「至祥」)於資產交易完成後有足夠之公眾持股量，本公司於二零零三年十一月七日以實物分派方式派發特別股息。

董事會建議派發末期股息每股 12 港仙(二零零二年：無)，有待股東於股東大會批准。

15. 每股基本盈利(虧損)

每股基本盈利(虧損)乃根據股東應佔溢利約 1,153,845,000 港元(二零零二年(重列)：虧損 1,478,415,000 港元)及年內已發行普通股之加權平均股數 2,215,632,633 股(二零零二年：2,369,665,078 股)計算。

因採納上文附註 2 所述之會計實務準則第 12 條(經修訂)而對比較每股基本虧損之調整如下：

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截至二零零三年十二月三十一日止年度

16. INVESTMENT PROPERTIES

16. 投資物業

		THE GROUP
		本集團
		HK\$'000
		千港元
VALUATION	估值	
At 1st January, 2003	於二零零三年一月一日	12,284,285
Acquisition of subsidiaries	收購附屬公司	107,350
Additions	添置	1,360,685
Transfer from land and buildings	撥自土地及樓宇	12,790
Surplus on revaluation	重估盈餘	2,593,583
Disposals	出售	(49,363)
		<hr/>
At 31st December, 2003	於二零零三年十二月三十一日	<u>16,309,330</u>

The Group's investment properties were revalued at 31st December, 2003 by Messrs. Norton Appraisals Limited, independent professional valuers, on an open market value basis. The surplus on revaluation has been charged to the investment properties revaluation reserve.

本集團投資物業已於二零零三年十二月三十一日由獨立專業估值師普敦國際評估有限公司以公開市值為基準進行重估。因重估所產生之盈餘已撥入投資物業重估儲備。

All of the Group's investment properties are rented out under operating leases.

本集團所有投資物業乃根據營業租約出租。

The carrying value of investment properties shown above comprises:

上文所示投資物業之賬面值包括：

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Properties in Hong Kong held under:	於香港之物業：		
Long lease	長期租約	15,663,850	11,812,860
Medium-term lease	中期租約	363,500	247,818
		<hr/>	<hr/>
		16,027,350	12,060,678
		<hr/>	<hr/>
Properties outside Hong Kong held under:	於香港以外之物業：		
Long lease	長期租約	22,980	2,720
Medium-term lease	中期租約	259,000	220,887
		<hr/>	<hr/>
		281,980	223,607
		<hr/>	<hr/>
		16,309,330	<u>12,284,285</u>

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

17. PROPERTY AND OTHER FIXED ASSETS

17. 物業及其他固定資產

		Land and buildings 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	Yachts and motor vehicles 遊艇 及汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
THE GROUP	本集團				
COST	成本				
At 1st January, 2003	於二零零三年一月一日	16,928	179,860	27,409	224,197
Acquisition of subsidiaries	收購附屬公司	–	54	–	54
Additions	添置	–	6,251	17,971	24,222
Transfer to investment properties	撥入投資物業	(13,346)	–	–	(13,346)
Disposals	出售	–	(11,900)	(3,343)	(15,243)
		<u>3,582</u>	<u>174,265</u>	<u>42,037</u>	<u>219,884</u>
At 31st December, 2003	於二零零三年十二月三十一日	3,582	174,265	42,037	219,884
DEPRECIATION	折舊				
At 1st January, 2003	於二零零三年一月一日	1,190	151,859	23,695	176,744
Charge for the year	本年度支出	308	7,139	2,108	9,555
Transfer to investment properties	撥入投資物業	(556)	–	–	(556)
Eliminated on disposals	出售時對銷	–	(9,251)	(579)	(9,830)
		<u>942</u>	<u>149,747</u>	<u>25,224</u>	<u>175,913</u>
At 31st December, 2003	於二零零三年十二月三十一日	942	149,747	25,224	175,913
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>2,640</u>	<u>24,518</u>	<u>16,813</u>	<u>43,971</u>
At 31st December, 2002	於二零零二年十二月三十一日	<u>15,738</u>	<u>28,001</u>	<u>3,714</u>	<u>47,453</u>

The carrying value of land and buildings shown above comprises:

上文所示土地及樓宇之賬面值包括：

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Properties in Hong Kong held under:	於香港之物業：		
Long lease	長期租約	–	13,012
Medium-term lease	中期租約	<u>2,640</u>	<u>2,726</u>
		<u>2,640</u>	<u>15,738</u>

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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

18. PROPERTIES UNDER DEVELOPMENT

18. 發展中物業

		Properties held under long lease in Hong Kong 於香港持有之長期租約物業 HK\$'000 千港元	Properties held under medium-term lease in Hong Kong 於香港持有之中期租約物業 HK\$'000 千港元	Properties held under medium term lease outside Hong Kong 於香港以外持有之中期租約物業 HK\$'000 千港元	Total 總額 HK\$'000 千港元
THE GROUP COST	本集團成本				
At 1st January, 2003	於二零零三年一月一日	2,032,166	425,241	13,096	2,470,503
Additions	添置	407,735	75,612	–	483,347
Transfer to properties held for sale	撥入持作出售物業	(379,645)	(154,827)	–	(534,472)
Disposals	出售	–	–	(13,096)	(13,096)
At 31st December, 2003	於二零零三年十二月三十一日	2,060,256	346,026	–	2,406,282
IMPAIRMENT LOSS	減值虧損				
At 1st January, 2003	於二零零三年一月一日	1,667,953	266,716	–	1,934,669
Reverse for the year	本年度撥回	(6,448)	(40,543)	–	(46,991)
Transfer to properties held for sale	撥入持作出售物業	(215,484)	(20,303)	–	(235,787)
At 31st December, 2003	於二零零三年十二月三十一日	1,446,021	205,870	–	1,651,891
NET BOOK VALUES	賬面淨值				
At 31st December, 2003	於二零零三年十二月三十一日	614,235	140,156	–	754,391
At 31st December, 2002	於二零零二年十二月三十一日	364,213	158,525	13,096	535,834
Carrying amount analysed for reporting purposes as:	就報告用途之賬面值分析:				
Current assets	流動資產				
– 2003	– 二零零三年	604,735	–	–	604,735
– 2002	– 二零零二年	201,507	46,943	–	248,450
Non-current assets	非流動資產				
– 2003	– 二零零三年	9,500	140,156	–	149,656
– 2002	– 二零零二年	162,706	111,582	13,096	287,384

Included in the cost of properties under development is net interest capitalised of approximately HK\$20,713,000 (2002: HK\$25,130,000).

發展中物業之成本包括撥充資本之利息淨額約20,713,000港元(二零零二年:25,130,000港元)。

At 31st December, 2003, the Directors reviewed the carrying value of the properties under development and an impairment loss of approximately HK\$46,991,000 was reversed by reference to the recoverable amount of the properties under development (2002: HK\$1,391,267,000 impairment loss was recognised).

於二零零三年十二月三十一日,董事會審閱發展中物業之賬面值,並根據發展中物業之可收回數額撥回減值虧損約46,991,000港元(二零零二年:確認減值虧損1,391,267,000港元)。

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截至二零零三年十二月三十一日止年度

19. PROPERTY INTERESTS HELD FOR FUTURE DEVELOPMENT

COST	成本
At 1st January	於一月一日
Exchange realignment	滙兌調整
At 31st December	於十二月三十一日

The property interests held for future development are located in Shantou, PRC. The Group is in the process of obtaining the land use right certificate for the land in Shantou held under a long lease and is now holding a pre-registration land use right for such property interests. The land use right certificate will be obtained pending for final payment of approximately RMB24,861,000 (approximately HK\$23,563,000) to be made by the Group.

20. INTANGIBLE ASSETS

COST	成本
At 1st January, 2003 and at 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
AMORTISATION AND IMPAIRMENT	攤銷及減值
At 1st January, 2003	於二零零三年一月一日
Amortisation for the year	本年度攤銷
At 31st December, 2003	於二零零三年十二月三十一日
NET BOOK VALUES	賬面淨值
At 31st December, 2003	於二零零三年十二月三十一日
At 31st December, 2002	於二零零二年十二月三十一日

19. 持作日後發展之物業權益

THE GROUP	
本集團	
2003	2002
HK\$'000	HK\$'000
千港元	千港元
71,373	71,373
(419)	—
70,954	71,373

持作日後發展之物業權益乃位於中國汕頭市。本集團現正為汕頭市之長期租約土地申請土地使用權證，現時則持有該物業權益之註冊前土地使用權。待本集團支付最後款項約人民幣24,861,000元（約23,563,000港元）後，將可取得土地使用權證。

20. 無形資產

THE GROUP		
本集團		
Gold & silver		
Trading rights	exchange rights	Total
買賣權	金銀貿易權	總額
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元
1,585	1,120	2,705
—	820	820
317	60	377
317	880	1,197
1,268	240	1,508
1,585	300	1,885

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20. INTANGIBLE ASSETS (cont'd)

The Group's trading rights in the Stock Exchange and Futures Trading & the gold & silver exchange rights are carried at cost less identified impairment loss.

The amortisation period adopted for intangible assets is 5 years.

21. GOODWILL

COST

At 1st January, 2003

Arising on acquisition during the year (note 41)

At 31st December, 2003

AMORTISATION AND IMPAIRMENT

At 1st January, 2003

Amortisation for the year

At 31st December, 2003

CARRYING AMOUNT

At 31st December, 2003

At 31st December, 2002

The amortisation period adopted for goodwill is 5 years.

At 31st December, 2002, the Directors reviewed the carrying value of the goodwill arising from the acquisition of interests in the subsidiaries and an impairment loss of approximately HK\$35,577,000 was identified by reference to recoverable amount of the interests in the subsidiaries. No impairment loss is recognised during the year.

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20. 無形資產(續)

本集團於聯交所之買賣權與期貨買賣及金銀貿易權按成本減已確定之減值虧損列賬。

所採用之無形資產攤銷期為5年。

21. 商譽

THE GROUP
本集團
HK\$'000
千港元

成本

於二零零三年一月一日

因年內收購所產生(附註41)

於二零零三年十二月三十一日

攤銷及減值

於二零零三年一月一日

本年度攤銷

於二零零三年十二月三十一日

賬面值

於二零零三年十二月三十一日

於二零零二年十二月三十一日

48,940

12,922

61,862

48,940

2,653

51,593

10,269

—

所採用之商譽攤銷期為5年。

於二零零二年十二月三十一日，董事會審閱收購附屬公司權益所產生之商譽賬面值，並根據附屬公司權益之可收回數額，確定減值虧損約為35,577,000港元。本年度並無確認減值虧損。

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22. NEGATIVE GOODWILL

22. 負值商譽

		THE GROUP
		本集團
		HK\$'000
		千港元
GROSS AMOUNT	總額	
At 1st January, 2003	於二零零三年一月一日	
– as originally stated	– 原列	324,538
– prior year adjustment on adoption of SSAP 12 (Revised)	– 因採納會計實務準則第 12 條 (經修訂) 而作出之上年度調整	(50,274)
– as restated	– 重列	274,264
RELEASED TO INCOME	撥作收入	
At 1st January, 2003	於二零零三年一月一日	
– as originally stated	– 原列	28,693
– prior year adjustment on adoption of SSAP 12 (Revised)	– 因採納會計實務準則第 12 條 (經修訂) 而作出之上年度調整	(1,795)
– as restated	– 重列	26,898
Released in the year	本年度撥回	11,409
Eliminated on disposal during the year	本年度出售時撇銷	10,764
At 31st December, 2003	於二零零三年十二月三十一日	49,071
CARRYING AMOUNT	賬面值	
At 31st December, 2003	於二零零三年十二月三十一日	225,193
At 31st December, 2002	於二零零二年十二月三十一日	247,366

The negative goodwill arose on the Group's privatisation of Evergo China Holdings Limited by way of a scheme of arrangement. The negative goodwill is released to income on a straight line basis over the average useful life of the identifiable acquired depreciable non-monetary assets of not more than 28 years.

負值商譽乃因本集團透過協議計劃將 Evergo China Holdings Limited 私有化而產生。負值商譽乃以直綫法按所購入可辨認應計折舊非貨幣資產之平均可用年期不超過 28 年撥作收入。

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23. INTERESTS IN SUBSIDIARIES

23. 附屬公司權益

		THE COMPANY	
		本公司	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost less impairment loss recognised	非上市股份，成本減已確認之減值虧損	5,131,629	5,131,729
Interest bearing advances to subsidiaries, net of allowances	墊付附屬公司之計息款項，扣除準備	1,215,016	792,220
Interest free advances to subsidiaries, net of allowances	墊付附屬公司之免息款項，扣除準備	7,591,740	6,205,020
		<u>13,938,385</u>	<u>12,128,969</u>

The advances are unsecured and have no fixed repayment terms. The Company will not demand repayment within twelve months from the balance sheet date and the amounts are therefore shown as non-current.

該等墊款為無抵押及無固定還款期。本公司不會在結算日起十二個月內要求還款，故該等款項列作非流動性質。

At 31st December, 2003, the Directors reviewed the carrying value of the subsidiaries and an allowance of approximately HK\$163,155,000 on interest bearing advances to subsidiaries was reversed by reference to the underlying assets and liabilities of the subsidiaries (2002: HK\$192,468,000 was recognised).

於二零零三年十二月三十一日，董事會審閱附屬公司之賬面值，並根據附屬公司之資產及負債撥回墊付附屬公司之計息款項之準備約 163,155,000 港元（二零零二年：確認 192,468,000 港元）。

Particulars of the Company's principal subsidiaries at 31st December, 2003 are set out in note 50.

本公司於二零零三年十二月三十一日之主要附屬公司詳情載於附註 50。

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財務報表附註

截至二零零三年十二月三十一日止年度

24. INTERESTS IN ASSOCIATES

24. 聯營公司權益

		THE GROUP	
		本集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
			(as restated)
			(重列)
Share of net assets	應佔資產淨值		
– as originally stated	– 原列	671,165	662,915
– prior year adjustment on adoption of SSAP12 (Revised)	– 因採納會計實務準則第 12 條 (經修訂) 而作出之上年度調整	–	(46,349)
– as restated	– 重列	671,165	616,566
Negative goodwill (note)	負值商譽 (附註)	(78,829)	(81,749)
Interest bearing advances to associates	墊付聯營公司之計息款項	617,447	573,235
Interest free advances to associates, net of allowances	墊付聯營公司之免息款項, 扣除準備	400,388	355,441
		<u>1,610,171</u>	<u>1,463,493</u>

The advances are unsecured and have no fixed repayment terms. The Group will not demand repayment within twelve months from the balance sheet date and the amounts are therefore shown as non-current.

Particulars of the Group's principal associates at 31st December, 2003 are set out in note 51.

該等墊款為無抵押及無固定還款期。本集團不會於結算日起十二個月內要求還款，故該等款項列作非流動性質。

本集團於二零零三年十二月三十一日之主要聯營公司詳情載於附註 51。

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

24. INTERESTS IN ASSOCIATES (cont'd)

Note:

GROSS AMOUNT

At 1st January, 2003
and at 31st December, 2003

RELEASED TO INCOME

At 1st January, 2003
Released in the year

At 31st December, 2003

CARRYING AMOUNT

At 31st December, 2003

At 31st December, 2002

總額

於二零零三年一月一日
及二零零三年十二月三十一日

撥作收入

於二零零三年一月一日
本年度撥回

於二零零三年十二月三十一日

賬面值

於二零零三年十二月三十一日

於二零零二年十二月三十一日

HK\$'000

千港元

81,749

2,920

2,920

78,829

81,749

The carrying amount of interest free advances to associates is reduced to their recoverable amounts which is determined by reference to the fair value of the underlying assets of the respective associates. Accordingly, an allowance of approximately HK\$116,740,000 was reversed for the year ended 31st December, 2003 (2002: HK\$156,430,000 was recognised).

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

24. 聯營公司權益 (續)

附註:

墊付聯營公司免息款項之賬面值已減至其可收回金額。可收回金額乃根據各聯營公司有關資產之公平價值而釐定。據此，截至二零零三年十二月三十一日止年度撥回之準備約為 116,740,000 港元 (二零零二年: 確認 156,430,000 港元)。

本集團主要聯營公司之投資物業及酒店物業已於二零零三年十二月三十一日由獨立專業估值師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重估儲備。