

RESULTS

Profit for the year was HK\$10.2 million as compared with the profit of HK\$439.9 million for nine months ended 31st December, 2003 ("Previous Period"). The profit for the year was mainly contributed by the written back of allowance for bad and doubtful debts of HK\$7.8 million and the profit for Previous Period was mainly due to the gain on debt restructuring of HK\$498.2 million.

NET ASSET VALUE

As at 31st December, 2004, the Group's total net asset was approximately HK\$97.3 million (31st December, 2003: HK\$87.0 million). During the year, the Company issued a total of 508,616,414 ordinary shares pursuant to the schemes of arrangement between the Company and its creditors and settlement deed dated 15th July, 2003 and the number of ordinary shares in issue as at 31st December, 2004 was 691,257,800. Net asset value per share as at 31st December, 2004 was HK\$0.141 (Net asset value per share as at 31st December, 2003 after adjustment for inclusion of 508,616,414 ordinary shares deemed to be issued: HK\$0.126).

DEBT AND GEARING

As at 31st December, 2004, the Group's borrowings were mainly the secured borrowings from a fellow subsidiary of HK\$23.1 million (31st December, 2003: HK\$25.0 million). Cash and deposits at bank amounted to HK\$15.8 million (31st December, 2003: HK\$7.1 million) and net borrowings amounted to HK\$7.3 million (31st December, 2003: HK\$17.9 million).

Total debt to equity ratio was 23.7% (31st December, 2003: 28.7%) and net debt to equity ratio was 7.5% (31st December, 2003: 20.6%) which are expressed as a percentage of borrowings and net borrowings respectively over the total net assets of HK\$97.3 million (31st December, 2003: HK\$87.0 million). Of the Group's borrowings of HK\$23.1 million, 4.2%, 4.4%, 14.6% and 76.8% are repayable within 1 year, 1 to 2 years, 2 to 5 years and over 5 years respectively. As at 31st December, 2004, the Group's borrowings were wholly denominated in Hong Kong dollars and carried interest calculated with reference to prime rate. The Group did not have any financial instruments used for hedging purpose. All assets and investments of the Group were denominated in Hong Kong dollars.

業績

年度溢利為10,200,000港元，而截至二零零三年十二月三十一日止九個月（「去年期間」）之溢利則為439,900,000港元。年度溢利主要來自撥回呆壞賬撥備7,800,000港元，而去年期間之溢利則主要為債務重組收益498,200,000港元。

資產淨值

於二零零四年十二月三十一日，本集團總資產淨值約為97,300,000港元（二零零三年十二月三十一日：87,000,000港元）。根據本公司與其債權人訂立之償債安排及日期為二零零三年七月十五日之償債契據，本公司年內共發行508,616,414股普通股，致使二零零四年十二月三十一日共有已發行普通股691,257,800股。於二零零四年十二月三十一日，每股資產淨值為0.141港元（於二零零三年十二月三十一日經加上508,616,414股視作已發行普通股而調整後之每股資產淨值：0.126港元）。

債務及資本與負債比率

於二零零四年十二月三十一日，本集團之借貸主要包括一間同系附屬公司之有抵押借貸23,100,000港元（二零零三年十二月三十一日：25,000,000港元）。現金及銀行結存為15,800,000港元（二零零三年十二月三十一日：7,100,000港元），而借貸淨額為7,300,000港元（二零零三年十二月三十一日：17,900,000港元）。

總債務與股本比率為23.7%（二零零三年十二月三十一日：28.7%），而淨債務與股本比率為7.5%（二零零三年十二月三十一日：20.6%），乃分別將借貸及借貸淨額除以總資產淨值97,300,000港元（二零零三年十二月三十一日：87,000,000港元）得出之百分比。本集團之23,100,000港元借貸中，4.2%、4.4%、14.6%及76.8%分別須於一年內、一至兩年、兩至五年及五年後償還。於二零零四年十二月三十一日，本集團之借貸全部以港元計值，並參照最優惠利率計算利息。本集團並無使用任何金融工具進行對沖。本集團全部資產及投資均以港元計值。

PLEDGE OF ASSETS

As at 31st December, 2004, the Group's investment properties with book value of HK\$73.1 million (31st December, 2003: HK\$70.8 million) were pledged to a fellow subsidiary to secure loan facilities of the Group. In addition, at 31st December, 2003, the Group's investment properties of HK\$107.1 million and the rights and benefits to the existing and future leases in respect of those properties were pledged for the convertible bonds due 2006 of the Group. The release for the pledge and assignment of such rights and benefits in favour of convertible bondholders were executed during the year.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31st December, 2004 and 31st December, 2003.

FINANCIAL AND INTEREST INCOME/EXPENSES

Interest income was included in turnover and other operating income. Interest received, other than from loans receivables, was minimal. Finance costs for the year of HK\$1.2 million was mainly interest expenses on borrowings from a fellow subsidiary. Finance costs for Previous Period of HK\$19.4 million mainly comprised amortisation and written off of unamortised issue costs and discounts of convertible bonds and interest on other borrowings.

REMUNERATION POLICIES AND SHARE OPTION SCHEME

As at 31st December, 2004, the Group employed a total of 2 staff (31st December, 2003: 3 staff). Total staff cost for the year was approximately HK\$1.1 million (1st April, 2003 to 31st December, 2003: HK\$1.0 million) (excluding directors' remuneration). Remuneration package comprised salary and year-end bonuses based on individual merits. The Company has adopted share option scheme on 15th February, 2002 (the "2002 Scheme"). Details of the 2002 Scheme are set out in note 32 to the financial statements. There were no outstanding options at the beginning and at the end of the year and no options were granted, exercised, cancelled or lapsed during the year.

資產抵押

於二零零四年十二月三十一日，本集團賬面值為73,100,000港元之投資物業(二零零三年十二月三十一日：70,800,000港元)已抵押予一間同系附屬公司作為本集團獲批信貸之抵押。此外，於二零零三年十二月三十一日，本集團之投資物業107,100,000港元及該等物業之現有及未來租約權利及利益，已作為本集團於二零零六年到期之可換股債券之抵押。年內，以可換股債券持有人為受益人之有關權益和利益之抵押及轉讓已獲解除。

或然負債

於二零零四年十二月三十一日及二零零三年十二月三十一日，本集團並無任何重大或然負債。

財務及利息收入／支出

營業額及其他經營收入包括利息收入。已收利息(應收貸款之利息除外)數額並不重大。年內，財務成本為1,200,000港元，主要包括一間同系附屬公司借貸之利息開支。去年期間之財務成本19,400,000港元主要包括攤銷及撇銷可換股債券尚未攤銷之發行費用及折讓額，以及其他借貸之利息。

酬金政策及購股權計劃

於二零零四年十二月三十一日，本集團共有僱員二人(二零零三年十二月三十一日：三人)。年內總職員成本約為1,100,000港元(二零零三年四月一日至二零零三年十二月三十一日：1,000,000港元)(不包括董事酬金)。酬金(包括薪金及年終花紅)乃根據個人表現釐定。本公司於二零零二年二月十五日採納購股權計劃(「二零零二年計劃」)。二零零二年計劃之詳情載於財務報告附註32。年初及年終並無購股權尚未行使，年內亦無授出、行使或註銷購股權，亦無購股權已經失效。

PROPERTY VALUATION

A property valuation has been carried out by Norton Appraisals Limited, registered professional valuers, in respect of the Group's investment properties held at 31st December, 2004 and that valuation was used in preparing the financial statements for the year. The Group's investment properties were valued at HK\$108.1 million (31st December, 2003 : HK\$107.4 million) and slightly increased by HK\$0.7 million.

物業估值

註冊專業測量師普敦國際評估有限公司已就本集團於二零零四年十二月三十一日持有之投資物業進行物業估值，有關估值乃用於編製年度之財務報告。本集團投資物業之估值為108,100,000港元（二零零三年十二月三十一日：107,400,000港元），稍微增加700,000港元。