

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Chinese Estates Holdings Limited ("Chinese Estates"), a company incorporated in Bermuda with its shares listed on the Stock Exchange.

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 42.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements for the current year cover the year ended 31st December, 2004. The corresponding amounts shown for the income statement, statement of changes in equity, cash flows statement and related notes cover the period of nine months from 1st April, 2003 to 31st December, 2003 and therefore may not be comparable with the amounts shown for the current year. The period covered by the 2003 financial statements is less than twelve months because the directors determined to bring the balance sheet date into line with that of the ultimate holding company. No further changes to reporting dates are anticipated.

3. POTENTIAL IMPACT ARISING FROM THE RECENTLY ISSUED ACCOUNTING STANDARDS

In 2004, the Hong Kong Institute of Certified Public Accountants issued a number of new or revised Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards ("HKFRS(s)") (herein collectively referred to as "new HKFRS(s)") which are effective for accounting periods beginning on or after 1st January, 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31st December, 2004.

The Group has commenced considering the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs would have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

1. 概述

本公司在百慕達註冊成立為受豁免有限公司。本公司之股份在香港聯合交易所有限公司（「聯交所」）上市。其最終控股公司為Chinese Estates Holdings Limited（「華人置業」）。華人置業於百慕達註冊成立，其股份於聯交所上市。

本公司為投資控股公司，其主要附屬公司之主要業務載於附註42。

2. 財務報告之編製基準

本年度之財務報告涵蓋截至二零零四年十二月三十一日止年度，而收益表、股東權益變動表、現金流量表所示之數額及相關附註涵蓋二零零三年四月一日至二零零三年十二月三十一日之九個月期間，故此不可與本年度之數額進行比較。二零零三年財務報告涵蓋之期間少於十二個月，原因為董事有意安排本集團之結算日與最終控股公司之結算日相同。預期申報日期並無進一步變動。

3. 最近頒佈之會計準則之潛在影響

於二零零四年，香港會計師公會頒佈多項全新或經修改之香港會計準則及香港財務報告準則（「香港財務報告準則」）（以下統稱「新香港財務報告準則」），並於二零零五年一月一日或以後開始之會計期間生效。本集團並無就截至二零零四年十二月三十一日止年度之財務報告提早採納此等新香港財務報告準則。

本集團已開始考慮此等新香港財務報告準則之潛在影響，然而尚未能釐定此等新香港財務報告準則是否將對所編製及呈列之經營業績及財政狀況產生重大影響。此等新香港財務報告準則可能改變日後業績及財政狀況之編製及呈列方式。

4. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified for the revaluation of certain properties and investments in securities.

The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31st December each year.

The results of subsidiaries acquired or disposed of during the year/period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant inter-company transactions and balances within the Group are eliminated on consolidation.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition.

Goodwill arising on acquisitions prior to 1st April, 2001 which had been eliminated against reserves continues to be held in reserves, and will be charged to the income statement at the time of disposal of the relevant subsidiary, associate or jointly controlled entity or at such time as the goodwill is determined to be impaired.

Goodwill arising on acquisitions prior to 1st April, 2001 which was capitalised and goodwill arising on acquisitions after 1st April, 2001 is capitalised and amortised on a straight-line basis over its useful economic life, less any impairment loss. Goodwill arising on the acquisition of an associate or a jointly controlled entity is included within the carrying amount of the associate or jointly controlled entity. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

4. 主要會計政策

財務報告乃根據歷史成本法編製，惟已就若干物業及證券投資之重估作出修訂。

財務報告乃根據香港普遍採納之會計準則編製，所採納之主要會計政策載列如下：

綜合基準

綜合財務報告包括本公司及其附屬公司每年截至十二月三十一日止之財務報告。

年／期內收購或出售之附屬公司之業績乃由實際收購日期起或至實際出售日期止（如適用）計入綜合收益表中。

所有集團內公司間之主要交易及結餘在綜合財務報告時均予以對銷。

商譽

因綜合帶來之商譽相當於收購價高於本集團於附屬公司、聯營公司或共同控制實體之可識別資產及負債於收購日期之公平值所佔權益之款額。

於二零零一年四月一日前進行收購帶來之商譽（已自儲備撇銷者）繼續以儲備持有，並於有關附屬公司、聯營公司或共同控制實體出售或確定商譽出現折損之時自收益表扣除。

於二零零一年四月一日前進行收購帶來之商譽（已撥作資本者）及於二零零一年四月一日後進行收購帶來之商譽，按其估計可使用經濟年期以直線法撥作資本及攤銷，再減除任何折損。收購聯營公司或共同控制實體帶來之商譽會計入聯營公司或共同控制實體之賬面值。收購附屬公司帶來之商譽會在資產負債表另行呈列。

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Goodwill (cont'd)

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of unamortised goodwill or goodwill previously eliminated against reserves is included in the determination of the profit or loss on disposal.

Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss.

Interests in associates

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, interests in associates are stated at the Group's share of the net assets of the associates plus goodwill on acquisition in so far as it has not already been amortised, less any identified impairment loss.

Joint ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and over which none of the participating parties has unilateral control.

Jointly controlled entities

Joint venture arrangements which involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities.

The Group's interests in jointly controlled entities are included in the consolidated balance sheet at the Group's share of the net assets of the jointly controlled entities, less any identified impairment loss. The Group's share of post-acquisition results of its jointly controlled entities is included in the consolidated income statement.

Investments in securities

Investments in securities are recognised on a trade date basis and are initially measured at cost.

Investments other than held-to-maturity debt securities are classified as investment securities or other investments.

4. 主要會計政策(續)

商譽(續)

出售附屬公司、聯營公司或共同控制實體時，在尚未攤銷商譽或過往已從儲備撇銷之商譽中應佔之款額會計入出售之損益。

在附屬公司之投資

在附屬公司之投資乃按成本減任何已識別之折損列入本公司資產負債表。

聯營公司權益

綜合收益表包括本集團於年內應佔聯營公司之收購後業績。綜合資產負債表所列之聯營公司權益按本集團應佔聯營公司資產淨值加收購時帶來惟並未攤銷之商譽減任何已識別之折損呈列。

合資項目

合資項目乃一項合約性安排，據此，本集團與其他訂約方所進行之經濟活動受制於聯合控制權，而所參與之任何一方對其均無單方面之控制權。

共同控制實體

共同控制實體指以合資安排另行成立之獨立機構，其每名合資方於該實體均擁有權益。

本集團於共同控制實體之權益乃按本集團佔有關共同控制實體之資產淨值，減任何已識別折損而列入綜合資產負債表。本集團所佔共同控制實體收購後業績列入綜合收益表。

證券投資

證券投資乃按交易日期基準確認及初步按成本值計值。

除持有至到期之債務證券外之投資，均列作投資證券或其他投資。

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investments in securities (cont'd)

Investment securities, which are securities held for an identified long-term strategic purpose, are measured at subsequent reporting dates at cost, as reduced by any impairment loss that is other than temporary.

Other investments are measured at fair value, with unrealised gains and losses included in net profit or loss for the year/period.

Club debentures

Club debentures are stated at cost, as reduced by any impairment loss that is other than temporary.

Revenue recognition

Sales of goods are recognised when goods are delivered and title has passed.

Rental income, including rental invoiced in advance from properties let under operating leases, is recognised on a straight line basis over the period of the respective leases.

Sales of investments in securities are recognised when the related bought and sold notes are executed.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

Investment properties

Investment properties are completed properties which are held for their investment potential, any rental income being negotiated at arm's length.

Investment properties are stated at their open market value based on an annual professional valuation at the balance sheet date. Any surplus or deficit arising on the revaluation of investment properties is credited or charged to the investment property revaluation reserve unless the balance on this reserve is insufficient to cover a deficit on a portfolio basis, in which case the excess of the deficit over the balance on the investment property revaluation reserve is charged to the income statement. Where a deficit has previously been charged to the income statement and a revaluation surplus subsequently arises, this surplus is credited to the income statement to the extent of the deficit previously charged.

4. 主要會計政策(續)

證券投資(續)

投資證券乃根據既定長期策略而持有之證券，均在隨後之呈報日期按成本值減去任何折損(暫時性者除外)計值。

其他投資乃按公平價值計算，其未變現收益及虧損均包括在年度/期間之純利或虧損淨額內。

會籍債券

會籍債券乃按成本減任何非暫時性折損列賬。

收入確認

銷售貨品於貨品送遞及所有權轉移時確認。

租金收入(包括根據經營租約租出之物業預先發出發票之租金)以直線法按有關租約年期確認。

出售證券投資於簽立相關買賣票據時確認。

利息收入根據尚未償還之本金額以適用利率按時間比例基準計算。

投資物業

投資物業乃已落成物業，因其投資潛力而持有，任何租金收入均經公平原則磋商。

投資物業乃按每年於結算日所進行之專業估值以公開市值列賬。重估投資物業所產生之任何盈餘或虧絀乃計入投資物業重估儲備或自其扣除，除非此項儲備之結餘不足以彌補整體估值所產生之虧絀。在此情況下，有關虧絀所超出投資物業重估儲備結餘之部份乃從收益表扣除。倘先前已從收益表扣除虧絀而其後產生重估盈餘，則此項盈餘乃計入收益表內，數額以先前所扣除之虧絀為限。

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investment properties (cont'd)

On disposal of investment property, any balance in the investment property revaluation reserve attributable to the disposed property is included in the determination of the profit or loss on disposal.

No depreciation is provided on investment properties except where the unexpired term of relevant lease is twenty years or less.

Patent

Patent is stated at cost less amortisation and accumulated impairment losses. Amortisation is calculated to write off the cost of patent over its estimated useful life, using the straight line method, over twenty years.

Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives, using the straight line method, at the following rates per annum:

Energy saving machines	10%
Plant and machinery	15%
Furniture, fixtures and equipment	10% – 20%

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets or, where shorter, the period of the relevant lease.

The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Leases

Lessor

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the lessees.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases.

4. 主要會計政策(續)

投資物業(續)

於出售投資物業時，所出售物業應佔投資物業重估儲備之任何結餘均列入釐定出售損益之計算內。

投資物業不予折舊，除非有關租約之尚餘年期為二十年或以下。

專利權

專利權按成本減攤銷及累積折損列賬。計算攤銷時乃按估計可用年期以直線法按二十年攤銷專利權之成本。

物業、廠房及設備

物業、廠房及設備按成本減折舊及累積折損列賬。

物業、廠房及設備之折舊乃按其估計可使用年期以直線法攤銷其成本。有關之年率如下：

能源節省器	10%
廠房及機器	15%
傢俬、裝置及設備	10% – 20%

根據財務租約持有之資產按其估計可用年期計算折舊，基準與自置資產相同，或如屬較短期間，則按有關租期計算。

因資產出售或廢置而產生之收益或虧損，乃按出售所得款項與資產賬面值之差額釐定，並列入收益表內。

租約

出租人

凡租約條款規定將租賃資產擁有權之絕大部份風險及利益轉移至承租人之租約均列為財務租約。

根據財務租約應收承租人之款項按本集團於租約之淨投資款額列為應收款項。

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases (cont'd)

Lessor (cont'd)

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

All other leases are classified as operating leases and the rental income is recognised on a straight-line basis over the relevant lease term.

Lessee

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. Assets held under finance leases are capitalised at their fair values at the date of acquisition. The corresponding liability to the lessor, net of interest charges, is included in the balance sheet as a finance obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the period of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

All other leases are classified as operating leases and the annual rentals are charged to the income statement on a straight-line basis over the relevant lease term.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

4. 主要會計政策(續)

租約(續)

出租人(續)

財務租約收入會分配予會計期間，以反映本集團有關租約之未付淨投資額之定期回報率。

所有其他租約列為經營租約，而租金收入按有關租期以直線法確認。

承租人

凡租約條款規定將租賃資產擁有權之絕大部份風險及利益轉移至本集團之租約均列為財務租約。根據財務租約持有之資產按於收購日期之公平價值撥作資本，因而欠出租人之相應債項經扣除利息開支後，乃列入資產負債表作為財務責任。財務費用(即租約承擔總額與購入資產公平值之差額)於有關租約年內在收益表中扣除，藉以就承擔之餘額在每段會計期間計算出一項固定之定期收費比率。

所有其他租約列為經營租約，而年租金按有關租期以直線法自收益表扣除。

折損

於每個結算日，本集團會檢討其有形及無形資產之賬面值，以確定有關資產有否出現任何折損之情況。如資產之可收回款額估計會低於其賬面值，資產之賬面值會削減至其可收回款額。折損會即時確認為開支。

如折損於其後逆轉，資產之賬面值會提高至經修訂之估計可收回款額，惟已提高之賬面值不得高於在過往年度未有就資產確認折損之情況下之賬面值。折損之逆轉會即時確認為收入。

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year/period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investment in subsidiaries, associates, and interest in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

4. 主要會計政策(續)

稅項

所得稅支出指當期應付稅項及遞延稅項。

當期應付稅項按年度／期間應課稅溢利計算。應課稅溢利與收益表所報純利不同，此乃由於其不包括在其他年度應課稅或可扣減之收入或支出項目，亦不包括收益表內永不課稅或扣減之項目。

遞延稅項指就財務報告內資產及負債賬面值與用於計算應課稅溢利之相應稅基兩者之差異而預期須支付或可收回之稅項，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅暫時差異確認，而遞延稅項資產則限於較可能於日後取得應課稅溢利，並可用以抵銷可扣減暫時差異時確認。若暫時差異因商譽(或負商譽)或因於一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中開始確認其他資產及負債而引致，則不會確認該等資產及負債。

除非本集團可控制有關暫時性差異之回撥及暫時性差異在可見將來不會回撥之情況下，由投資附屬公司、聯營公司及共同控制實體產生之暫時性差異，其遞延稅項負債均予以確認。

遞延稅項資產之賬面值於每個結算日均作檢討，並在不大可能再有足夠應課稅溢利收回全部或部分資產時減少。

遞延稅項乃按預期於負債償還或資產變現期間之適用稅率計算。遞延稅項會扣自或計入收益表，惟有關直接扣自或計入股本之項目，其遞延稅項亦會於股本中處理。

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Foreign currencies

Transactions in currencies other than Hong Kong dollars are translated at the rates ruling on the dates of the transactions or at the contracted settlement rate. Monetary assets and liabilities denominated in currencies other than Hong Kong dollars are re-translated at the rates ruling on the balance sheet date. Profits and losses arising on exchange are dealt with in the income statement.

On consolidation, the assets and liabilities of operations which are denominated in currencies other than Hong Kong dollars are translated at the rates ruling on the balance sheet date. Income and expense items are translated at the average exchange rate for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's exchange reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Retirement benefit scheme contributions

The pension cost charged in the income statement represents the contributions payable in respect of the current year/period to the defined contribution schemes.

4. 主要會計政策(續)

外幣

以港元以外之貨幣計算之交易均按交易日或合約訂明之滙率折算，而以港元以外之貨幣結算之貨幣資產及負債則按結算日之滙率再進行折算。滙兌盈虧撥入收益表中處理。

在綜合財務報告時，以港元以外之貨幣計算之業務資產與負債均按結算日之滙率折算。收支項目乃按期內之平均滙率折算。所產生之滙兌差額(如有)概列作股東權益並撥入本集團之滙兌儲備。該等滙兌差額乃於有關業務出售之期間確認為收入或支出。

退休福利計劃供款

自收益表扣除之退休金成本指於本年度／期間向定額供款計劃所作之供款。

5. TURNOVER

Turnover represents the net amounts received and receivable from third parties and is summarised as follows:

Sales of investments in securities	出售證券投資
Rental income	租金收入
Income from finance	財務收入
Sales of energy saving machine	出售能源節省器

5. 營業額

營業額為實收及應收第三者之款項淨額，茲概述如下：

1.1.2004 to 31.12.2004 HK\$'000 千港元	1.4.2003 to 31.12.2003 HK\$'000 千港元
4,800	—
4,140	2,386
422	609
—	292
9,362	3,287

6. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into five operating divisions – energy saving machine; other investments; properties; investment and finance; and leasing. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Energy saving machine	—	manufacturing and trading of energy saving machines
Other investments	—	trading of investments in securities
Properties	—	trading of properties held for resale
Investment and finance	—	investing and financing activities
Leasing	—	property rental and leasing of equipment

6. 業務及地區分類資料

業務分類

因應管理需要，本集團現將營運業務劃分為以下五個部門－能源節省器；其他投資；物業；投資與財務；及租賃。本集團乃按上述部門申報其主要之分類資料。

主要業務如下：

能源節省器	—	製造及買賣能源節省器
其他投資	—	買賣證券投資
物業	—	買賣待轉售物業
投資與財務	—	投資及財務業務
租賃	—	物業租金及租賃設備

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (cont'd)

Segment information about these businesses is presented below:

For the year ended 31st December, 2004

6. 業務及地區分類資料 (續)

上述業務之分類資料如下：

截至二零零四年十二月三十一日止年度

		Energy saving machine 能源節省器 HK\$'000 千港元	Other investments 其他投資 HK\$'000 千港元	Properties 物業 HK\$'000 千港元	Investment and finance 投資與財務 HK\$'000 千港元	Leasing 租賃 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<i>Income Statement:</i>	收益表：						
Turnover	營業額						
External sales	對外銷售	-	4,800	-	422	4,140	9,362
Segment result	分類業績	551	(28)	686	7,643	2,544	11,396
Interest income	利息收入						15
Unallocated corporate expenses	未分配公司 開支						(2,696)
Profit from operations	經營溢利						8,715
Finance costs	財務成本						(1,180)
Share of result of a jointly controlled entity	應佔共同 控制實體業績	-	-	(767)	-	-	(767)
Gain on disposal of subsidiaries	撤除附屬公司 收益	3,436	-	-	-	-	3,436
Profit before taxation	除稅前溢利						10,204
Taxation	稅項						44
Profit for the year	本年度溢利						10,248

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (cont'd)

At 31st December, 2004

6. 業務及地區分類資料 (續)

於二零零四年十二月三十一日

		Energy saving machine 能源節省器 HK\$'000 千港元	Other investments 其他投資 HK\$'000 千港元	Properties 物業 HK\$'000 千港元	Investment and finance 投資與財務 HK\$'000 千港元	Leasing 租賃 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Balance Sheet:	資產負債表：						
ASSETS	資產						
Segment assets	分類資產	-	-	-	-	108,246	108,246
Unallocated corporate assets	未分配 公司資產						16,866
Consolidated total assets	綜合總資產						125,112
LIABILITIES	負債						
Segment liabilities	分類負債	-	-	-	44	3,147	3,191
Unallocated corporate liabilities	未分配 公司負債						24,636
Consolidated total liabilities	綜合總負債						27,827
Other Information:	其他資料：						
Depreciation	折舊	-	-	-	-	2	2

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (cont'd)

For the nine months ended 31st December, 2003

6. 業務及地區分類資料 (續)

截至二零零三年十二月三十一日止九個月

		Energy saving machine 能源節省器 HK\$'000 千港元	Other investments 其他投資 HK\$'000 千港元	Properties 物業 HK\$'000 千港元	Investment and finance 投資與財務 HK\$'000 千港元	Leasing 租賃 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Income Statement:	收益表：						
Turnover	營業額						
External sales	對外銷售	292	–	–	609	2,386	3,287
Segment result	分類業績	(633)	(5,109)	–	(349)	(29,896)	(35,987)
Interest income	利息收入						17
Unallocated corporate expenses	未分配公司 開支						(1,350)
Loss from operations	經營虧損						(37,320)
Finance costs	財務成本						(19,398)
Gain on disposal of subsidiaries	撇除附屬公司 收益	–	–	–	1,530	61	1,591
Restructuring cost	重組成本						(3,163)
Gain on debt restructuring	債務重組之 收益						498,200
Profit before taxation	除稅前溢利						439,910
Taxation	稅項						(43)
Profit for the period	期間溢利						439,867

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (cont'd)

At 31st December, 2003

6. 業務及地區分類資料 (續)

於二零零三年十二月三十一日

		Energy saving machine 能源節省器 HK\$'000 千港元	Other investments 其他投資 HK\$'000 千港元	Properties 物業 HK\$'000 千港元	Investment and finance 投資與財務 HK\$'000 千港元	Leasing 租賃 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Balance Sheet:	資產負債表：						
ASSETS	資產						
Segment assets	分類資產	–	4,800	–	–	107,888	112,688
Interests in jointly controlled entities	共同控制 實體權益	–	–	767	–	–	767
Unallocated corporate assets	未分配 公司資產						12,693
Consolidated total assets	綜合總資產						<u>126,148</u>
LIABILITIES	負債						
Segment liabilities	分類負債	4,344	–	–	13	4,099	8,456
Unallocated corporate liabilities	未分配 公司負債						30,655
Consolidated total liabilities	綜合總負債						<u>39,111</u>

6. BUSINESS AND GEOGRAPHICAL SEGMENTS (cont'd)

6. 業務及地區分類資料 (續)

		Energy saving machine 能源節省器 HK\$'000 千港元	Other investments 其他投資 HK\$'000 千港元	Properties 物業 HK\$'000 千港元	Investment and finance 投資與財務 HK\$'000 千港元	Leasing 租賃 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Other Information:	其他資料:						
Depreciation	折舊	110	–	–	–	–	110
Allowance for bad and doubtful debts	呆壞賬準備	222	–	89	479	–	790
Deficit arising on revaluation of investment properties	重估投資 物業虧絀	–	–	–	–	28,300	28,300
Impairment loss recognised in respect of property, plant and equipment	已確認之 物業、 廠房及 設備折損	828	–	–	–	–	828
Unrealised holding loss on other investment	其他投資 之未變現 持有虧損	–	5,100	–	–	–	5,100

Geographical segments

The Group's operations are principally located in Hong Kong. All identifiable assets of the Group are located in Hong Kong. Accordingly, no geographical segments is presented.

地區分類

本集團之業務主要位於香港。本集團之可識別資產均位於香港。因此，並無呈列地區分類。

7. OTHER OPERATING INCOME

7. 其他經營收入

		1.1.2004 to 至 31.12.2004 HK\$'000 千港元	1.4.2003 to 至 31.12.2003 HK\$'000 千港元
Other operating income included the following:	其他經營收入包括以下各項：		
Write back of allowance for bad and doubtful debts	撥回呆壞賬準備	7,782	—
Surplus arising on revaluation of investment properties	重估投資物業盈餘	730	—
Write back of allowance for amount due from a jointly controlled entity	撥回應收一間共同控制實體款項撥備	686	—
Write back of allowance for amount due from an investee	撥回應收一間所投資公司款項撥備	122	—
Interest income, other than from loans receivable	利息收入(不計來自應收貸款)	15	17
		<hr/> <hr/>	<hr/> <hr/>

8. OTHER OPERATING EXPENSES

8. 其他經營開支

		1.1.2004 to 至 31.12.2004 HK\$'000 千港元	1.4.2003 to 至 31.12.2003 HK\$'000 千港元
Deficit arising on revaluation of investment properties	重估投資物業虧絀	—	28,300
Unrealised holding loss on other investments	其他投資之未變現持有虧損	—	5,100
Impairment loss recognised in respect of property, plant and equipment	已確認之物業、廠房及設備折損	—	828
Allowance for bad and doubtful debts	呆壞賬準備	—	790
		<hr/> <hr/>	<hr/> <hr/>
		—	35,018

9. PROFIT (LOSS) FROM OPERATIONS

9. 經營溢利(虧損)

		1.1.2004 to 至 31.12.2004 HK\$'000 千港元	1.4.2003 to 至 31.12.2003 HK\$'000 千港元
Profit (loss) from operations have been arrived at after charging:	經營溢利(虧損) 已扣除：		
Staff costs:	員工成本：		
Directors' remuneration (Note 11)	董事酬金(附註11)	113	55
Salaries and other benefits	薪金及其他福利	1,020	971
Retirement benefit scheme contributions, excluding directors	退休福利計劃供款， 不包括董事	46	24
		<hr/> 1,179	<hr/> 1,050
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	2	110
Auditors' remuneration	核數師酬金	340	476
and after crediting:	並已計入：		
Property rental income, net of outgoings of HK\$1,610,000 (1.4.2003 to 31.12.2003: HK\$1,308,000)	物業租金收入－減除開支 1,610,000港元(二零零三年 四月一日至二零零三年 十二月三十一日： 1,308,000港元)	2,530	926
Gain on disposal of property, plant and equipment	出售物業、廠房及設備 之收益	-	23
		<hr/> <hr/>	<hr/> <hr/>

10. FINANCE COSTS

10. 財務成本

		1.1.2004 to 31.12.2004 HK\$'000 千港元	1.4.2003 to 31.12.2003 HK\$'000 千港元
Amortisation of issue costs and discount of convertible bonds	攤銷可換股債券之發行成本及折讓	-	4,733
Unamortised issue costs and discount written off on settlement or conversion of convertible bonds	可換股債券贖回或換股時撇銷之未攤銷發行成本及折讓	-	11,648
Interest on:	利息：		
– bank and other borrowings wholly repayable within five years	– 須於五年內全數償還之銀行及其他借貸	-	2,006
– bank and other borrowings not wholly repayable within five years	– 毋須於五年內全數償還之銀行及其他借貸	1,180	878
Finance lease charges	財務租約開支	-	133
		1,180	19,398

11. DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS

11. 董事及僱員酬金

		1.1.2004 to 31.12.2004 HK\$'000 千港元	1.4.2003 to 31.12.2003 HK\$'000 千港元
(a) Directors' emoluments	(a) 董事酬金		
Directors' fees:	董事袍金：		
Executives	執行	-	-
Independent non-executives	獨立非執行	113	44
		<hr/> 113	<hr/> 44
Other emoluments:	其他酬金：		
Executive directors:	執行董事：		
Salaries and other benefits	薪金及其他福利	-	11
Retirement benefit scheme contribution	退休福利計劃供款	-	-
Independent non-executive directors	獨立非執行董事	-	-
		<hr/> -	<hr/> 11
Total directors' emoluments	董事酬金總額	<hr/> 113	<hr/> 55

The emoluments of each director were within the emolument band of less than HK\$1,000,000.

每位董事之酬金級別為1,000,000港元以下之酬金級別。

11. DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS (cont'd)

(b) Employees' emoluments

Of the five individuals with the highest emoluments in the Group, two (1.4.2003 to 31.12.2003: one) were independent non-executive directors of the Company whose emoluments are included in (a) above. The emoluments of the remaining three (1.4.2003 to 31.12.2003: four) individuals were as follows:

Salaries and other benefits	薪金及其他福利
Retirement benefit scheme contributions	退休福利計劃供款

The emoluments of each individual were within the emolument band of less than HK\$1,000,000.

During the year ended 31st December, 2004 and nine months ended 31st December, 2003, no emoluments were paid by the Group to the five highest paid individuals, including directors, as an inducement to join or upon joining the Group. During the nine months ended 31st December, 2003, one director waived emolument of HK\$2,492,000. No directors waived any emoluments in the year ended 31st December, 2004.

11. 董事及僱員酬金 (續)

(b) 僱員酬金

本集團五位最高薪酬僱員其中兩位為本公司之獨立非執行董事(二零零三年四月一日至二零零三年十二月三十一日：一位)，其酬金資料載列於上文(a)。餘下三位(二零零三年四月一日至二零零三年十二月三十一日：四位)人士之酬金資料載列如下：

1.1.2004 to 31.12.2004 HK\$'000 千港元	1.4.2003 to 31.12.2003 HK\$'000 千港元
1,020	917
46	22
1,066	939

每位人士之酬金為1,000,000港元以下之酬金級別。

於截至二零零四年十二月三十一日止年度內及截至二零零三年十二月三十一日止九個月內，本集團概無支付任何酬金予該五位最高薪酬僱員(包括董事)作為其加入或加入本集團時之報酬。截至二零零三年十二月三十一日止九個月內，有一位董事放棄2,492,000港元之酬金。截至二零零四年十二月三十一日止年度內，並無董事放棄任何酬金。

12. GAIN ON DEBT RESTRUCTURING

During the nine months ended 31st December, 2003, pursuant to the financial restructuring of the Company (the "Restructuring"), the Company was deemed to have issued a total of 470,628,426 new shares together with a cash payment of approximately HK\$4.7 million, to repay as full and final settlement of the debts owed to the convertible bondholders and certain creditors of the Company (note 31(a)).

During the nine months ended 31st December, 2003, Koga Limited ("Koga"), a former minority shareholder of a subsidiary of the Company, had served a notice to the Group and the Company to exercise the put option to sell back its 50% equity interest in Legend Power Ltd.. Pursuant to the shares put option agreement entered in December 2000 and a supplemental agreement entered in June 2002, the Group has to settle the outstanding loans to and advances from Koga with the interest in arrear when Koga exercises the put option. The aggregate amount claimed by Koga under the put option was approximately HK\$38.0 million after netting off the advance of HK\$16.0 million to Koga.

The Group then entered into a settlement deed with Koga on 15th July, 2003 (the "Settlement Deed"), whereas the claim from Koga of approximately HK\$38.0 million was settled by a cash payment of approximately HK\$0.38 million and the issuance of 37,987,988 new shares in the Company (note 31(b)).

Any difference between the amounts of settlement and the book values of the debts settled under the Restructuring and the Settlement Deed had been credited to the income statement.

12. 債務重組之收益

於截至二零零三年十二月三十一日止九個月，根據本公司之財務重組（「重組」），本公司被視作已發行合共470,628,426股新股份，連同現金付款約4,700,000港元，作為尚欠可換股債券持有人及本公司若干債權人債務之全數及最後還款（附註31(a)）。

於截至二零零三年十二月三十一日止九個月，本公司附屬公司之前少數股東Koga Limited（「Koga」）向本集團及本公司發出通知，行使認沽權以向其回售Legend Power Ltd.之50%股權。根據於二零零零年十二月訂立之股份認沽協議及於二零零二年六月訂立之補充協議，本集團必須向Koga償還尚欠貸款及墊款連同Koga行使認沽權時之應付利息。經扣除向Koga墊付之16,000,000港元後，Koga根據認沽權申索之總額約為38,000,000港元。

本集團其後於二零零三年七月十五日與Koga訂立一項償債契據（「償債契據」），據此Koga之申索約38,000,000港元已透過支付現金約380,000港元及發行37,987,988股本公司新股份償還（附註31(b)）。

償債額及根據重組及償債契據償還之債務之賬面值兩者之差額，已計入收益表內。

13. TAXATION

13. 稅項

		1.1.2004 to 31.12.2004 HK\$'000 千港元	1.4.2003 to 31.12.2003 HK\$'000 千港元
The (credit) charge comprises:	(抵免) 支出包括：		
Taxation of the Company and its subsidiaries	本公司及其附屬公司之稅項		
– Overprovision of Hong Kong Profits Tax in previous years	– 過往年度香港利得稅 超額撥備	–	(106)
– Taxation outside Hong Kong	– 香港以外地區稅項	3	1
		3	(105)
Deferred taxation (note 34)	遞延稅項 (附註34)	(47)	148
		(44)	43

No provision for Hong Kong Profits Tax has been made as the group companies which are subject to Hong Kong Profits Tax either incurred tax losses for the year/period or have tax losses brought forward to set off assessable profit for the year/period.

集團公司須繳付香港利得稅，但由於年度／期間產生稅務虧損或有承前稅務虧損以抵銷年度／期間之應課稅溢利，故無提撥香港利得稅準備。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdiction.

其他司法權區之稅項乃按有關司法權區當時之稅率計算。

13. TAXATION (cont'd)

The (credit) charge for the year/period can be reconciled to the profit before taxation per the consolidated income statement as follows:

	除稅前溢利	1.1.2004 to 31.12.2004 HK\$'000 千港元	1.4.2003 to 31.12.2003 HK\$'000 千港元
Profit before taxation	除稅前溢利	10,204	439,910
Taxation at the income tax rate of 17.5%	按所得稅稅率17.5%計算之稅項	1,786	76,984
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(2,601)	(87,463)
Tax effect of expenses not deductible for tax purpose	稅務上不可扣減支出之稅務影響	716	6,559
Tax effect of tax losses not recognised	不予確認稅項虧損之稅務影響	172	3,922
Utilisation of tax losses previously not recognised	動用先前未確認之稅務虧損	(251)	—
Tax effect of share of result of a jointly controlled entity	應佔共同控制實體業績之稅務影響	134	—
Increase in opening deferred taxation resulting from an increase in tax rate	稅率增加導致遞延稅項期初數額增加	—	41
Taxation for the year/period	年度／期間稅項	(44)	43

Details of deferred taxation are set out in note 34.

14. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit for the year of HK\$10,248,000 (1.4.2003 to 31.12.2003: HK\$439,867,000) and on 691,257,800 ordinary shares in issue during the year (1.4.2003 to 31.12.2003: weighted average of 113,816,924 ordinary shares).

For the purpose of calculating basic earnings per share, ordinary shares in issue of 691,257,800 shares for the year (1.4.2003 to 31.12.2003: weighted average of 113,816,924 ordinary shares) includes the 470,628,426 shares deemed to be issued under the Restructuring and 37,987,988 shares deemed to be issued under the Settlement Deed as if they were issued during the nine months ended 31st December, 2003, as the pre-requisites for issuance of these shares had been satisfied as at 31st December, 2003 (note 31).

13. 稅項 (續)

年度／期間之稅項(抵免)支出與綜合收益表之除稅前溢利對賬如下：

	1.1.2004 to 31.12.2004 HK\$'000 千港元	1.4.2003 to 31.12.2003 HK\$'000 千港元
Profit before taxation	10,204	439,910
Taxation at the income tax rate of 17.5%	1,786	76,984
Tax effect of income not taxable for tax purpose	(2,601)	(87,463)
Tax effect of expenses not deductible for tax purpose	716	6,559
Tax effect of tax losses not recognised	172	3,922
Utilisation of tax losses previously not recognised	(251)	—
Tax effect of share of result of a jointly controlled entity	134	—
Increase in opening deferred taxation resulting from an increase in tax rate	—	41
Taxation for the year/period	(44)	43

遞延稅項之詳情載於附註34。

14. 每股盈利

每股基本盈利按本年度溢利10,248,000港元(二零零三年四月一日至二零零三年十二月三十一日：439,867,000港元)及本年度已發行普通股691,257,800股(二零零三年四月一日至二零零三年十二月三十一日：普通股之加權平均股數113,816,924股)計算。

為計算每股基本盈利，本年度已發行普通股691,257,800股(二零零三年四月一日至二零零三年十二月三十一日：普通股之加權平均股數113,816,924股)，乃包括根據重組被視作將予發行之470,628,426股股份及根據償債契據被視作將予發行之37,987,988股股份，由於發行該等股份之先決條件已於二零零三年十二月三十一日前達成，故此該等股份被視為已於截至二零零三年十二月三十一日止九個月內發行(附註31)。

14. EARNINGS PER SHARE (cont'd)

For the nine months ended 31st December, 2003, the calculation of basic loss (excluding restructuring cost and gain on debt restructuring) per share was based on the loss (excluding restructuring cost and gain on debt restructuring) for that period of HK\$55,170,000 and on the weighted average number of 113,816,924 ordinary shares in issue (including shares deemed to be issued) during that period.

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share for the nine months ended 31st December, 2003 had been adjusted for the effect of the share consolidation which was effective on 21st November, 2003.

For the year ended 31st December, 2004, no diluted earnings per share has been presented as there are no dilutive potential shares in issue.

The calculation of the diluted earnings per share for the nine months ended 31st December, 2003 was based on the following data:

		HK\$'000 千港元
Profit for that period and earnings for the purposes of basic earnings per share and diluted earnings per share	期內溢利及用以計算每股基本盈利及每股攤薄盈利之盈利	439,867
Weighted average number of ordinary shares for the purpose of basic earnings per share	用以計算每股基本盈利之普通股之加權平均股數	113,816,924
Effect of dilutive potential ordinary shares in respect of convertible bonds	有關可換股債券之潛在普通股攤薄影響	45,283,555
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之普通股之加權平均股數	159,100,479

For the nine months ended 31st December, 2003, the computation of diluted earnings per share had not assumed the exercise of the share options as the exercise prices of these share options were higher than the market price for shares immediate before the suspension of trading of the shares on 19th February, 2003. The trading of the shares was suspended throughout that period.

14. 每股盈利 (續)

截至二零零三年十二月三十一日止九個月，每股基本虧損(不包括重組成本及債務重組之收益)乃根據該期間虧損55,170,000港元(不包括重組成本及債務重組之收益)及該期間已發行普通股之加權平均股數113,816,924股(包括被視作將予發行之股份)。

為計算截至二零零三年十二月三十一日止九個月之每股基本盈利，普通股之加權平均股數已就二零零三年十一月二十一日之股份合併之影響作出調整。

截至二零零四年十二月三十一日止年度，由於並無已發行具潛在攤薄影響股份，故並無呈列每股攤薄盈利。

截至二零零三年十二月三十一日止九個月之每股攤薄盈利乃根據下列數據計算：

由於購股權之行使價高於緊接股份於二零零三年二月十九日暫停買賣前股份之市價，故截至二零零三年十二月三十一日止九個月之每股攤薄盈利之計算並無假設該等購股權之行使。股份於整個期間暫停買賣。

15. INVESTMENT PROPERTIES

15. 投資物業

		HK\$'000 千港元
THE GROUP	本集團	
VALUATION	估值	
At 1st January, 2004	於二零零四年一月一日	107,350
Surplus on revaluation	重估盈餘	730
		<hr/>
At 31st December, 2004	於二零零四年十二月三十一日	108,080
		<hr/> <hr/>

The Group's investment properties comprise land and buildings in Hong Kong as follows:

本集團在香港包括土地及樓宇之投資物業如下：

		2004 HK\$'000 千港元	2003 HK\$'000 千港元
Long leases	長期租約	480	250
Medium-term leases	中期租約	107,600	107,100
		<hr/>	<hr/>
		108,080	107,350
		<hr/> <hr/>	<hr/> <hr/>

At 31st December, 2004, the Group's investment properties were revalued by Norton Appraisals Limited, an independent firm of professional property valuers, on an open market value basis. The surplus arising on revaluation has been credited to the consolidated income statement.

本集團之投資物業於二零零四年十二月三十一日由獨立專業物業估值師普敦國際評估有限公司按公開市值基準進行重估。重估盈餘已計入綜合收益表。

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Energy saving machines 能源節省器 HK\$'000 千港元	Plant and machinery 廠房及機器 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				
COST	成本				
At 1st January, 2004	於二零零四年一月一日	7,185	1,744	888	9,817
Disposal of subsidiaries	撇除附屬公司	(7,185)	(1,744)	(888)	(9,817)
At 31st December, 2004	於二零零四年十二月三十一日	-	-	-	-
DEPRECIATION AND IMPAIRMENT	折舊及折損				
At 1st January, 2004	於二零零四年一月一日	7,144	1,744	888	9,776
Provided for the year	年度撥備	2	-	-	2
Disposal of subsidiaries	撇除附屬公司	(7,146)	(1,744)	(888)	(9,778)
At 31st December, 2004	於二零零四年十二月三十一日	-	-	-	-
NET BOOK VALUES	賬面淨值				
At 31st December, 2004	於二零零四年十二月三十一日	-	-	-	-
At 31st December, 2003	於二零零三年十二月三十一日	41	-	-	41

17. GOODWILL

		HK\$'000 千港元
THE GROUP	本集團	
COST	成本	
At 1st January, 2004	於二零零四年一月一日	122,883
Write off or eliminated upon disposal of subsidiaries	於撤除附屬公司時撤銷或撤除	(22,402)
		<hr/>
At 31st December, 2004	於二零零四年十二月三十一日	100,481
		<hr/>
AMORTISATION AND IMPAIRMENT	攤銷及折損	
At 1st January, 2004	於二零零四年一月一日	122,883
Write off or eliminated upon disposal of subsidiaries	於撤除附屬公司時撤銷或撤除	(22,402)
		<hr/>
At 31st December, 2004	於二零零四年十二月三十一日	100,481
		<hr/>
NET BOOK VALUE	賬面淨值	
At 31st December, 2003 and 31st December, 2004	於二零零三年十二月三十一日及 二零零四年十二月三十一日	-
		<hr/> <hr/>

18. INTANGIBLE ASSET

		Patent 專利權 HK\$'000 千港元
THE GROUP	本集團	
COST	成本	
At 1st January, 2004 and 31st December, 2004	於二零零四年一月一日及 二零零四年十二月三十一日	30,600
AMORTISATION AND IMPAIRMENT	攤銷及折損	
At 1st January, 2004 and 31st December, 2004	於二零零四年一月一日及 二零零四年十二月三十一日	30,600
		<hr/>
NET BOOK VALUE	賬面淨值	
At 31st December, 2003 and 31st December, 2004	於二零零三年十二月三十一日及 二零零四年十二月三十一日	-
		<hr/> <hr/>

19. INTERESTS IN SUBSIDIARIES

19. 附屬公司權益

		2004	2003
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost	非上市股份，按成本	1	659,110
Less: Impairment	減：折損	-	(659,110)
		<u>1</u>	<u>-</u>
Amounts due from subsidiaries, less allowance	應收附屬公司款項減準備	74,345	86,940
		<u>74,346</u>	<u>86,940</u>

The amounts due from subsidiaries are unsecured and have no fixed terms of repayment. At 31st December, 2004, other than a gross amount of HK\$44,804,000 (2003: HK\$39,742,000) which carries interest at prevailing market rates, the remaining balance is interest free. In the opinion of the directors, the amounts will not be repayable within the next twelve months from the balance sheet date and are therefore shown as non-current.

During the year, the directors of the Company reviewed the carrying amount of the interests in subsidiaries in light of the current market condition with reference to the financial results and business operated by certain subsidiaries. A net written back of allowance of approximately HK\$2 million (1.4.2003 to 31.12.2003: an allowance of HK\$70 million) in respect of the amounts due from subsidiaries was identified.

Details of the Company's principal subsidiaries at 31st December, 2004 are set out in note 42.

應收附屬公司款項為無抵押及無固定還款期。於二零零四年十二月三十一日，除一筆總額為44,804,000港元(二零零三年：39,742,000港元)之款項按市場利率計息外，其餘款項為免息。董事認為，有關款項毋須於結算日起計十二個月內償還，故在資產負債表內列為非流動。

年內，本公司董事檢討過附屬公司權益在目前市況下之賬面值，並曾參考若干附屬公司之財政業績及經營之業務。本公司已就應收附屬公司款項作出約2,000,000港元(二零零三年四月一日至二零零三年十二月三十一日：撥備70,000,000港元)之準備淨撥回。

本公司主要附屬公司於二零零四年十二月三十一日之詳情載於附註42。

20. INTERESTS IN ASSOCIATES

20. 聯營公司權益

		THE GROUP 本集團	
		2004	2003
		HK\$'000	HK\$'000
		千港元	千港元
Share of net assets of associates	攤佔聯營公司資產淨額	-	-
Goodwill arising on acquisition of an associate less amortisation and impairment (Note)	收購聯營公司帶來之商譽 減攤銷及折損(附註)	-	-
		-	-

Note: Goodwill arising on acquisition of an associate

附註：收購聯營公司帶來之商譽

		HK\$'000 千港元
COST	成本	
At 1st January, 2004	於二零零四年一月一日	29,000
Eliminated upon disposal of a subsidiary	撤除附屬公司時撤除	(29,000)
At 31st December, 2004	於二零零四年十二月三十一日	-
AMORTISATION AND IMPAIRMENT	攤銷及折損	
At 1st January, 2004	於二零零四年一月一日	29,000
Eliminated upon disposal of a subsidiary	撤除附屬公司時撤除	(29,000)
At 31st December, 2004	於二零零四年十二月三十一日	-
NET BOOK VALUE	賬面淨值	
At 31st December, 2003 and 31st December, 2004	於二零零三年十二月三十一日及 於二零零四年十二月三十一日	-

Details of the Group's principal associates at 31st December, 2004 are set out in note 43.

本集團主要聯營公司於二零零四年十二月三十一日之詳情載於附註43。

21. INTERESTS IN JOINTLY CONTROLLED ENTITIES

21. 共同控制實體權益

		THE GROUP 本集團	
		2004	2003
		HK\$'000	HK\$'000
		千港元	千港元
Share of net assets of jointly controlled entities	攤佔共同控制實體資產淨值	-	767

Details of the Group's principal jointly controlled entities at 31st December, 2004 are set out in note 44.

本集團於二零零四年十二月三十一日之共同控制實體之詳情載於附註44。

22. CLUB DEBENTURES

22. 會籍債券

		THE GROUP 本集團		THE COMPANY 本公司	
		2004	2003	2004	2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Club debentures, at cost	會籍債券，按成本	220	220	100	100

23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收款項

Included in trade and other receivables of the Group are trade receivables of HK\$594,000 (2003: HK\$434,000) comprising mainly rental receivables which are billed in advance and settlements are expected upon receipts of billings. Its aged analysis at the balance sheet date is as follows:

本集團之貿易及其他應收款項已計入594,000港元(二零零三年：434,000港元)之應收貿易款項，主要為預先簽發之賬單而預期於收到賬單後會支付之應收租金。以下為於結算日之賬齡分析：

		THE GROUP 本集團	
		2004	2003
		HK\$'000	HK\$'000
		千港元	千港元
Within 30 days	30日內	299	104
31 – 60 days	31-60日	219	99
Over 60 days	超過60日	76	231
		594	434

24. SHORT-TERM LOANS RECEIVABLE

24. 應收短期貸款

		THE GROUP 本集團	
		2004	2003
		HK\$'000	HK\$'000
		千港元	千港元
Loans receivable	應收貸款	7,371	26,133
Less: Allowance for bad and doubtful debts	減：呆壞賬準備	(7,371)	(26,133)
		-	-
		-	-

The Group maintained a defined credit policy in accordance with respective loan agreements. The age of loans receivable of the Group at the balance sheet date was over one year.

本集團因應個別之貸款協議而採用既定之信貸政策。本集團於結算日之應收貸款賬齡為超過一年。

25. FINANCE LEASE RECEIVABLES

25. 應收財務租約款項

		Minimum lease payments 租金最低款額		Present value of minimum lease payments 租金最低款額現值	
		2004	2003	2004	2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
THE GROUP	本集團				
Amount under finance leases receivable within one year	一年內應收之 財務租約款額	-	454	-	439
Less: Unearned finance income	減：未賺得之 財務收入	-	(15)	-	-
Present value of minimum lease payment receivable	應收租金最低 款額之現值	-	439	-	439
Less: Allowance for bad and doubtful debts	減：呆壞賬 準備			-	(439)
Amount due within one year included in current assets	一年內到期並計 入流動資產 之款額			-	-

No finance leasing agreements have been entered by the Group during the year/period.

本集團於年／期內概無訂立該等財務租約。

26. INVESTMENTS IN SECURITIES

Other investments in Hong Kong:	於香港之其他投資：
Listed securities, at carrying value	上市證券，按賬面值
Market value of listed securities	上市證券之市值

26. 證券投資

THE GROUP	
本集團	
2004	2003
HK\$'000	HK\$'000
千港元	千港元
-	4,800
-	19,800

27. FUNDS HELD BY SCHEME ADMINISTRATOR

At 31st December, 2003, the amount represented the funds transferred by the Group and the Company to and held by the scheme administrator for distribution to the Company's creditors as partial settlement of their outstanding debts and related expenses when the Restructuring became unconditional on 21st November, 2003. Upon the completion of the Restructuring on 21st January, 2004, the scheme administrator distributed the funds to the Company's creditors.

27. 計劃管理人持有之資金

於二零零三年十二月三十一日，該筆款項為本集團及本公司於重組在二零零三年十一月二十一日不再附帶條件後撥予計劃管理人持有之資金，以分派予本公司債權人作為部份清償未償還債款及有關開支。重組於二零零四年一月二十一日完成後，計劃管理人分派有關資金予本公司債權人。

28. TRADE AND OTHER PAYABLES

Included in trade and other payables of the Group are trade creditors of HK\$227,000 (2003: HK\$2,033,000). Its aged analysis at the balance sheet date is as follows:

28. 貿易及其他應付款項

貿易及其他應付款項已計入227,000港元(二零零三年：2,033,000港元)之應付貿易款項。以下為於結算日之賬齡分析：

Within 30 days	30日內
31 – 60 days	31-60日
Over 60 days	超過60日

THE GROUP	
本集團	
2004	2003
HK\$'000	HK\$'000
千港元	千港元
30	504
29	36
168	1,493
227	2,033

29. SECURED BORROWINGS FROM A FELLOW SUBSIDIARY

29. 同系附屬公司之有抵押借貸

		THE GROUP 本集團	
		2004	2003
		HK\$'000	HK\$'000
		千港元	千港元
The secured borrowings from a fellow subsidiary are repayable as follows:	同系附屬公司之有抵押借貸之到期日如下：		
Within one year or on demand	一年內或按通知	969	922
Between one and two years	一年至兩年內	1,019	969
Between two and five years	兩年至五年內	3,381	3,216
Over five years	五年後	17,780	18,967
		<hr/>	<hr/>
		23,149	24,074
Less: Amount due within one year included in current liabilities	減：一年內到期並列作流動負債之款額	(969)	(922)
		<hr/>	<hr/>
Amount due after one year	一年後到期之款額	22,180	23,152
		<hr/> <hr/>	<hr/> <hr/>

The secured borrowings were fully repaid subsequent to 31st December, 2004.

有抵押借貸已於二零零四年十二月三十一日後悉數償還。

30. OBLIGATIONS UNDER FINANCE LEASES

30. 財務租約承擔

		THE GROUP 本集團			
		Minimum lease payments 租金最低款額		Present value of minimum lease payments 租金最低款額現值	
		2004 HK\$'000 千港元	2003 HK\$'000 千港元	2004 HK\$'000 千港元	2003 HK\$'000 千港元
Obligations under finance leases payable within one year	一年內應付之財務租約承擔	-	1,013	-	971
Less: future finance charges	減：日後財務租約支出	-	(42)	-	-
Present value of lease obligations and amount due within one year included in current liabilities	租務承擔現值及一年內到期並列作流動負債之款額	-	971	-	971

31. SHARE CAPITAL

31. 股本

		Number of ordinary shares 普通股數目	Amount 款額 HK\$'000 千港元
Authorised:	法定股本：		
At 1st April, 2003 (HK\$0.01 each)	於二零零三年四月一日 (每股面值0.01港元)	80,000,000,000	800,000
– consolidation of shares of 100 into 1	– 將100股股份合併為1股	(79,200,000,000)	–
– subdivision of each unissued consolidated share (including the unissued consolidated shares arising from the capital reduction) into 100 new shares	– 將每股未發行之合併股份(包括削減股本產生之未發行合併股份)拆細為100股新股	79,200,000,000	–
At 1st January, 2004 and 31st December, 2004 (HK\$0.01 each)	於二零零四年一月一日及 二零零四年十二月三十一日 (每股面值0.01港元)	80,000,000,000	800,000
Issued and fully paid:	已發行及繳足股本：		
At 1st April, 2003 (HK\$0.01 each)	於二零零三年四月一日 (每股面值0.01港元)	1,264,138,618	12,641
– consolidation of shares and capital reduction	– 合併股份及 削減股本	(1,251,497,232)	(12,515)
– issue of shares	– 發行股份	170,000,000	1,700
At 1st January, 2004 (HK\$0.01 each)	於二零零四年一月一日 (每股面值0.01港元)	182,641,386	1,826
– issue of shares	– 發行股份	508,616,414	5,086
At 31st December, 2004 (HK\$0.01 each)	於二零零四年十二月三十一日 (每股面值0.01港元)	691,257,800	6,912

31. SHARE CAPITAL (cont'd)

During the year, the Company has the following changes in the share capital:

- (a) Pursuant to the Restructuring, 470,628,426 ordinary shares of HK\$0.01 each, credited as fully paid, are issued as the partial settlement to the convertible bondholders and certain creditors of the Company on 21st January, 2004.
- (b) Pursuant to the Settlement Deed, the claim from Koga of approximately HK\$38.0 million was settled by a cash payment of approximately HK\$0.38 million and allotment of 37,987,988 ordinary shares of HK\$0.01 each in the Company upon the completion of the Restructuring during the year. Shares to Koga were formally issued on 2nd February, 2004 upon completion of the Restructuring.

At 31st December, 2003, the shares stated in (a) and (b) above were deemed to be issued as all necessary preceding conditions for the allotment had been satisfied. The shares deemed to be issued were recognised as equity of the Company at 31st December, 2003.

All the new shares issued during the year rank pari passu with the then existing shares in all respects.

31. 股本 (續)

年內，本公司股本有以下變動：

- (a) 根據重組，於二零零四年一月二十一日，470,628,426股每股面值0.01港元入賬列為繳足之普通股乃發行予本公司之可換股債券持有人及若干債權人，以償還部份債項。
- (b) 根據債權契據，Koga約38,000,000港元之索償於年內完成重組時以支付現金約380,000港元及配發37,987,988股每股面值0.01港元之本公司普通股股份之方式了結。上述股份於重組完成時在二零零四年二月二日正式發行予Koga。

於二零零三年十二月三十一日，由於配發股份所需之一切先決條件經已達成，上文(a)及(b)所述之股份被視為經已發行。被視為已發行之股份於二零零三年十二月三十一日確認為本公司股本。

年內發行之所有新股在各方面均與當時之現有股份享有同等權益。

32. SHARE OPTION SCHEMES

The Company has adopted share option schemes on 23rd August, 2000 (the "2000 Scheme") and 15th February, 2002 (the "2002 Scheme") for the primary purpose of providing incentives to directors and eligible employees. Details are as set out below:

(a) 2000 Scheme

Pursuant to the terms of the 2000 Scheme which was terminated on 15th February, 2002, the Company may grant options to directors and full time employees of the Company or its subsidiaries to subscribe for shares in the Company at a consideration of HK\$1 per grant. Options granted are exercisable at any time during a maximum period of ten years after the date the options are granted and accepted. Options granted should be accepted within 21 days from the date of offer.

The subscription price of any option shall not be less than the higher of 80% of the average of the closing prices of the shares as quoted on the Stock Exchange on the five trading days immediately preceding the date of offer of an option or the nominal value of the shares.

The maximum number of shares in respect of which options may be granted under the 2000 Scheme may not exceed 10% of the issued share capital of the Company from time to time.

No option may be granted to any one person which, if exercised in full, will result in the total number of shares already issued and which may fall to be issued to him under all the options previously granted to him pursuant to the 2000 Scheme exceeding 25% of the maximum aggregate number of shares for the time being issued and which may fall to be issued under the 2000 Scheme.

32. 購股權計劃

本公司先後於二零零零年八月二十三日及二零零二年二月十五日採納購股權計劃(分別簡稱「二零零零年計劃」及「二零零二年計劃」)，主要目的是獎勵董事及合資格僱員，詳情載列如下：

(a) 二零零零年計劃

根據已於二零零二年二月十五日終止之二零零零年計劃之條款，本公司可按1港元之代價向本公司或其附屬公司之董事及全職僱員授出可認購本公司股份之購股權。已授出之購股權於授出日期起計最長十年之期間內可隨時行使。所授出之購股權於提呈日期起計21天內可供接納。

購股權之認購價不得低於股份於緊接購股權提呈日期前五個交易日在聯交所所報之收市價平均值之80%或股份面值(以較高者為準)。

按二零零零年計劃可予授出之購股權涉及之股數上限不得超過本公司不時之已發行股本之10%。

如某人全數行使將予獲授之購股權會導致其因過往按二零零零年計劃獲授之所有購股權而已獲及可獲發行之股份總數超過當時按二零零零年計劃已獲及可獲發行之股份總數上限之25%，則不得向該人士授出任何購股權。

32. SHARE OPTION SCHEMES (cont'd)

(a) 2000 Scheme (cont'd)

The following tables disclose details of the Company's share options issued pursuant to 2000 Scheme held by employees (including directors) and movements in such holdings during the year/period:

Name of director 董事姓名	Date of grant 授出日期	Exercise price 每股行使價 HK\$ 港元	Exercisable period 行使期	Number of share options 購股權數目		
				Outstanding at 1.4.2003 於二零零三年 四月一日 尚未行使	Waived during the period 於期內放棄	Outstanding at 31.12.2003 and 31.12.2004 於二零零三年 十二月三十一日 及二零零四年 十二月三十一日 尚未行使
Category 1: Executive directors 第一類：執行董事						
Mr. William Lee, Sze-kwong 李仕光先生	26.8.2000 21.2.2001	8.790 1.740	26.8.2000 – 25.8.2010 21.2.2001 – 20.2.2011	444,495 57,280	(444,495) (57,280)	– –
Mr. Roger Cheung, Kwai-sun 章桂新先生	26.8.2000 21.2.2001	8.790 1.740	26.8.2000– 25.8.2010 21.2.2001– 20.2.2011	229,121 57,280	(229,121) (57,280)	– –
				788,176	(788,176)	–
Category 2: Employees 第二類：僱員						
	26.8.2000 21.2.2001	8.790 1.740	26.8.2000– 25.8.2010 21.2.2001– 20.2.2011	294,421 647,269	(294,421) (647,269)	– –
				941,690	(941,690)	–
Total all categories 各類合計				1,729,866	(1,729,866)	–

32. 購股權計劃 (續)

(a) 二零零零年計劃 (續)

下表披露根據二零零零年計劃由僱員(包括董事)持有之本公司購股權及該等購股權於年/期內之變動詳情：

32. SHARE OPTION SCHEMES (cont'd)

(b) 2002 Scheme

Pursuant to the terms of the 2002 Scheme which will expire on 14th February, 2012, the Company may grant options to directors and full time employees of the Company or its subsidiaries to subscribe for shares in the Company at a consideration of HK\$10 per grant. The subscription price for the shares under the 2002 Scheme shall be a price determined by the directors of the Company being at least the higher of the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, or the average closing price of the shares stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant. Options granted are exercisable at any time during a period to be notified by the board of directors of the Company but limited to a maximum period of ten years after the date the options are granted. Options granted should be accepted within 21 days from the date of offer.

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2002 Scheme and the other schemes shall not exceed 10% of the shares in issue at the date on which the 2002 Scheme becomes unconditional (the "Mandate Limit"). Options lapsed will not be counted for the purpose of calculating the Mandate Limit. For the avoidance of doubt, the share underlying the options which have been cancelled and have not lapsed will be counted as part of the Mandate Limit.

The Mandate Limit may be refreshed at any time by the approval of the shareholders in general meeting provided that the total number of shares which may be issued upon exercise of all options to be granted under the 2002 Scheme and the other share option schemes must not exceed 10% of the shares in issue at the date of such shareholders' approval. For the avoidance of doubt, options previously granted under the 2002 Scheme and the other share option schemes (including those outstanding, cancelled, lapsed in accordance with the 2002 Scheme and the other share option schemes of the Company or exercised options) will not be counted for the purpose of calculating the refreshed 10%.

32. 購股權計劃 (續)

(b) 二零零二年計劃

根據將於二零一二年二月十四日屆滿之二零零二年計劃，本公司可按10港元之代價向本公司或其附屬公司之董事及全職僱員授出可認購本公司股份之購股權。二零零二年計劃之股份認購價由本公司董事決定，惟最低為股份於授出日期在聯交所每日報價表所示之收市價或股份於緊接授出日期前五個交易日在聯交所每日報價表所示之收市價平均值(以較高者為準)。已授出之購股權於本公司董事會知會之期間內可隨時行使，惟該期間最多以購股權授出日期起計十年為限。所授出之購股權於提呈日期起計21天內可供接納。

因行使按二零零二年計劃及其他計劃將予獲授之所有購股權而可予發行之股數上限，不得超過於二零零二年計劃成為無條件當日已發行股份之10% (「授權限額」)。於計算授權限額時，已作廢之購股權不會計入。為免混淆，已註銷但未有作廢之購股權涉及之股份，將計入作為授權限額之一部份。

授權限額經股東在股東大會上批准後可隨時更新，惟因行使按二零零二年計劃及其他購股權計劃授出之所有購股權可予發行之股份總數，不得超過取得上述股東批准當日之已發行股份之10%。為免混淆，過往按二零零二年計劃及其他購股權計劃授出之購股權(包括未行使、已註銷、按二零零二年計劃及本公司其他購股權計劃作廢之購股權或已行使之購股權)，於計算更新之10%時不會計入。

32. SHARE OPTION SCHEMES (cont'd)

(b) 2002 Scheme (cont'd)

The Company may, by the approval of the shareholders in general meeting, grant options beyond the 10% limit provided that the options in excess of the 10% limit are granted only to employees specifically identified by the Company before shareholders' approval is sought.

Unless approved by the shareholders as set out herein, the total number of shares issued and to be issued upon exercise of the options granted to each employee (including both exercised and outstanding options) in any twelve month period must not exceed 1% of the shares of the Company in issue. Where any further grant of options to an employee would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the twelve month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant must be separately approved by the shareholders in general meeting with such employee and his associates abstaining from voting.

However, the overall limit on the number of shares which may be issued upon exercise of all options granted under all share option schemes of the Company must not exceed 30% of the shares in issue from time to time.

No options were outstanding at 31st December, 2004 and 31st December, 2003 under the 2002 Scheme. No options were granted, exercised, cancelled or lapsed during the year/period.

32. 購股權計劃 (續)

(b) 二零零二年計劃 (續)

本公司可在股東於股東大會批准之情況下，授出超過10%限額之購股權，惟超過10%限額之購股權只可授予本公司於尋求股東批准前列明之僱員。

除非按本文所述獲得股東批准，否則，因行使於任何十二個月期間內向各僱員授出之購股權（包括已行使及未行使購股權）而已獲及將獲發行之股份總數，不得超過本公司已發行股份之1%。如向任何僱員進一步授出購股權會導致因其行使於截至進一步授出購股權之日期（該日期包括在內）止之任何十二個月期間內經已及將會獲授之所有購股權（包括已行使、已註銷及未行使之購股權）而已獲及將獲發行之股份，合共超過已發行股份之1%，則進一步授出購股權之事宜須在股東大會上獲股東另行批准，而有關僱員及其聯繫人士均不得投票。

然而，因行使本公司所有購股權計劃授出之全部購股權而可予發行之股份之整體限制，不得超過不時之已發行股份之30%。

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，概無二零零二年計劃之購股權尚未行使。年／期內，概無購股權授出、行使、註銷或失效。

33. SHARE PREMIUM AND RESERVES

33. 股份溢價及儲備

		Share premium 股份溢價 HK\$'000 千港元	Share capital deemed to be issued 被視為 已發行 之股本 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	(Deficit) retained profits (虧絀) 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
THE COMPANY	本公司					
At 1st April, 2003	於二零零三年 四月一日	162,599	–	392,480	(943,079)	(388,000)
Effect of capital reduction (note)	削減股本 之影響 (附註)	(162,599)	–	175,114	–	12,515
Transfer	轉撥	–	–	(567,594)	567,594	–
Premium arising on issue of shares	發行股份 之溢價	16,300	–	–	–	16,300
Shares deemed to be issued under Restructuring and Settlement Deed (note 31)	根據重組及 償債契據被 視為已發行 之股份 (附註31)	–	5,086	–	–	5,086
Profit for the period	期間溢利	–	–	–	438,007	438,007
At 1st January, 2004	於二零零四年 一月一日	16,300	5,086	–	62,522	83,908
Effect of capital reduction	削減股本 之影響	(16,300)	–	16,300	–	–
Transfer	轉撥	–	–	(16,300)	16,300	–
Shares issued under Restructuring and Settlement Deed (note 31)	根據重組及 償債契據被 視為已發行 之股份 (附註31)	–	(5,086)	–	–	(5,086)
Profit for the year	年度溢利	–	–	–	3,097	3,097
At 31st December, 2004	於二零零四年 十二月三十一日	–	–	–	81,919	81,919

33. SHARE PREMIUM AND RESERVES (cont'd)

Note: The balance of the contributed surplus of the Company at 1st April, 2003 represented the difference between the nominal value of the share capital issued by the Company and the underlying net assets of subsidiaries which were acquired by the Company pursuant to the group reorganisation in 1990; and the credit arising from the reduction of share capital and cancellation of share premium, net of application towards elimination of the deficit of the Company.

Pursuant to a resolution passed at the special general meeting on 13th October, 2003, upon the completion of Restructuring, the total credit in the share premium account amounting to HK\$16,300,000 arising from the subscription of shares by Million Point Limited ("Million Point"), a wholly owned subsidiary of Chinese Estates, under the Restructuring has been credited to the contributed surplus account. The directors were authorised to apply appropriate sum from such contributed surplus account to set-off the deficit of the Company.

In addition to retained profit, under the Companies Act 1981 of Bermuda (as amended), contributed surplus is also available for distribution to shareholders. However, a company cannot declare or pay a dividend, or make a distribution out of contributed surplus; if:

- (a) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

In the opinion of the directors, the Company's reserves available for distribution represented by retained profits with an amount of HK\$81,919,000 at 31st December, 2004 (2003: HK\$62,522,000).

33. 股份溢價及儲備 (續)

附註：本公司於二零零三年四月一日繳入盈餘結餘指本公司已發行股本之面值與本公司於一九九零年根據集團重組購入附屬公司基本資產淨值之差額以及削減股本及註銷股份溢價帶來之進賬，再扣除用以撇銷本公司虧絀之款額。

根據於二零零三年十月十三日之股東特別大會上通過之決議案，於完成重組後，根據重組由Million Point Limited (「Million Point」) (華人置業之全資附屬公司) 認購股份產生之股份溢價賬全部進賬16,300,000港元，已撥入繳入盈餘賬。董事獲授權撥出上述繳入盈餘賬之有關數額，以抵銷本公司之虧絀。

除保留溢利外，根據百慕達一九八一年公司法(經修訂)，繳入盈餘亦可供分派予股東。然而，在下列情況下，本公司不得宣派或派付股息或自繳入盈餘作出分派：

- (a) 本公司現時或於支付後，當其負債到期時無力償付；或
- (b) 本公司資產之可變現值將較其負債及其已發行股本與股份溢價賬之總額為少。

董事認為，本公司於二零零四年十二月三十一日可供分派之儲備包括保留溢利81,919,000港元(二零零三年：62,522,000港元)。

34. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities (assets) provided (recognised) by the Group and movements thereon during the current and prior reporting periods:

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st April, 2003	於二零零三年四月一日	2,758	(2,323)	435
Charge (credit) to income statement for the period	扣自(計入)期間收益表	865	(717)	148
At 1st January, 2004	於二零零四年一月一日	3,623	(3,040)	583
(Credit) charge to income statement for the year	(計入)扣自年度收益表	(448)	401	(47)
At 31st December, 2004	於二零零四年 十二月三十一日	3,175	(2,639)	536

Deferred tax assets have not been recognised in respect of the tax losses amounted to HK\$119,932,000 (2003: HK\$133,743,000). These deferred tax assets have not been recognised due to the unpredictability of future profit streams.

35. AMOUNTS DUE TO SUBSIDIARIES

The amounts due to subsidiaries of the Company are unsecured, interest-free and have no fixed terms of repayment. In the opinion of the directors, the amounts will not be repayable within the next twelve months from the balance sheet date and are therefore shown as non-current.

34. 遞延稅項負債

以下為本報告期間及上一個報告期間本集團提撥(確認)之主要遞延稅項負債(資產)及有關變動:

本公司並無將119,932,000港元(二零零三年:133,743,000港元)之稅項虧損確認為遞延稅項資產。該等遞延稅項資產因未能預測其日後溢利來源而不予確認。

35. 應付附屬公司款項

應付本公司附屬公司款項並無抵押、免息及無固定還款期。董事認為，有關款項毋須於結算日後十二個月內償還，故列作非流動項目。

36. DISPOSAL OF SUBSIDIARIES

36. 撇除附屬公司

		1.1.2004 to 至 31.12.2004 HK\$'000 千港元	1.4.2003 to 至 31.12.2003 HK\$'000 千港元
Net liabilities disposed of:	撇除淨負債：		
Property, plant and equipment	物業、廠房及設備	39	-
Bank balances and cash	銀行結存及現金	58	47
Trade and other payables	貿易及其他應付款項	(2,905)	(1,532)
Obligations under finance leases	財務租約承擔	(971)	-
Minority interests	少數股東權益	-	(106)
Net liabilities	淨負債	(3,779)	(1,591)
Provision for guarantee given to financial institutions in respect of facilities granted to a disposed subsidiary	就財務機構向已撇除附屬公司授出信貸提供擔保	343	-
Gain on disposal of subsidiaries	撇除附屬公司收益	3,436	1,591
Total consideration	代價總額	-	-
Net outflow of cash and cash equivalents in connection with the disposal of subsidiaries:	有關撇除附屬公司之現金及現金等值項目流出淨額：		
Bank balances and cash disposed of	已撇除之銀行結存及現金	(58)	(47)

During the year ended 31st December, 2004 and nine months ended 31st December, 2003, the subsidiaries disposed of did not have any significant impact on the Group's cash flows, turnover or operating results.

截至二零零四年十二月三十一日止年度及截至二零零三年十二月三十一日止九個月，所撇除之附屬公司對本集團之現金流量、營業額或經營業績並無任何重大影響。

37. MAJOR NON-CASH TRANSACTIONS

During the year ended 31st December, 2004:

- (a) 470,628,426 ordinary shares of HK\$0.01 each were formally issued to convertible bondholders and creditors as partial settlement of debts and set off against the shares deemed to be issued.
- (b) Upon the completion of the Settlement Deed, 37,987,988 ordinary shares of HK\$0.01 each were formerly issued to Koga as partial settlement of debts and set off against the shares deemed to be issued.
- (c) Upon the completion of the Restructuring, the funds held by scheme administrator of HK\$5,000,000 were distributed by the scheme administrator to the Company's creditors.
- (d) The share premium amounting to HK\$16,300,000 was transferred to contributed surplus to set-off against the deficit of the Group pursuant to the Restructuring.

During the nine months ended 31st December, 2003:

- (a) The share capital, share premium and contributed surplus amounting to HK\$567,494,000 in aggregate had been reduced and transferred to set-off the deficit of the Group pursuant to the Restructuring.
- (b) Pursuant to the Restructuring, Million Point subscribed for 170,000,000 ordinary shares of HK\$0.01 each, at an issue price of approximately HK\$0.1059 per share at total consideration of approximately HK\$18 million, of which approximately HK\$2.9 million were satisfied by the assignment of the loan by Oriental Ford Finance Limited ("Oriental Ford"), a wholly-owned subsidiary of the Chinese Estates, to the Group.
- (c) The debts owed to the convertible bond holders and certain creditors were settled partially by ordinary shares of 470,628,426 of HK\$0.01 each, credited as fully paid, which were deemed to be issued at the balance sheet.
- (d) The net advances from Koga were settled partly by ordinary shares of 37,987,988 of HK\$0.01 each which were deemed to be issued at the balance sheet date under the Settlement Deed.

37. 重大非現金交易

於截至二零零四年十二月三十一日止年度：

- (a) 向可換股債券持有人及債權人正式發行470,628,426股每股面值0.01港元之普通股，以償還部份債項及抵銷視作將予發行之股份。
- (b) 於完成償債契據後，向Koga正式發行37,987,988股每股面值0.01港元之普通股，以償還部份債項及抵銷視作將予發行之股份。
- (c) 於完成重組後，計劃管理人向本公司債權人分派所持有之5,000,000港元資金。
- (d) 股份溢價16,300,000港元已轉撥至繳入盈餘，以根據重組抵銷本集團之虧絀。

於截至二零零三年十二月三十一日止九個月：

- (a) 根據重組，合共567,494,000港元之股本、股份溢價及繳入盈餘被削減及轉撥以抵銷本集團之虧絀。
- (b) 根據重組，Million Point認購170,000,000股每股面值0.01港元之普通股，每股發行價約為0.1059港元，總代價約為18,000,000港元，其中約2,900,000港元乃以華人置業之全資附屬公司律豐財務有限公司（「律豐財務」）向本集團轉讓貸款之方式支付。
- (c) 欠可換股債券持有人及若干債權人之債項部份以發行470,628,426股每股面值0.01港元之入賬列為繳足普通股之方式償還，上述股份被視為已於結算日發行。
- (d) 根據償債契據，Koga之淨墊款部份以發行37,987,988股每股面值0.01港元之普通股之方式償還，上述股份被視為已於結算日發行。

38. OPERATING LEASE ARRANGEMENTS

The Group as lessee

Minimum lease payments paid
under operating leases

按經營租約支付之最低租金

Within one year
In the second to fifth year inclusive

一年內
第二至第五年(包括首尾兩年在內)

Operating lease payments represent rentals payable by the Group for its office premises. Leases and rentals are negotiated for a fixed term of two years.

38. 經營租約安排

本集團(以承租人身份)

THE GROUP 本集團	
1.1.2004 to 31.12.2004 HK\$'000 千港元	1.4.2003 to 31.12.2003 HK\$'000 千港元

42	111
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於結算日，本集團按不可撤銷經營租約之日後最低租金承擔之到期日如下：

2004 HK\$'000 千港元	2003 HK\$'000 千港元
-------------------------	-------------------------

42	8
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7	—
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49	—
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經營租約款項指本集團就辦公室物業應付之租金。租期及租金之有效期固定為兩年。

38. OPERATING LEASE ARRANGEMENTS (cont'd)

The Group as lessor

There was no energy saving machine rental income earned during the year. Energy saving machine rental income earned during the nine months ended 31st December, 2003 was HK\$152,000. At 31st December, 2003, no future minimum lease payment contracted by the Group with lessees can be quantified as the lease arrangement was made on the basis of energy saving level.

Property rental income earned during the year was HK\$4,140,000 (1.4.2003 to 31.12.2003: HK\$2,234,000) with a rental yields of approximately 3.83% (1.4.2003 to 31.12.2003: 2.1%). All of the properties held have committed tenants for the next two years.

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年(包括首尾兩年在內)

38. 經營租約安排(續)

本集團(以出租人身份)

年內，能源節省器並無賺取租金收入。於截至二零零三年十二月三十一日止九個月，期內賺得之能源節省器租金收入為152,000港元。於二零零三年十二月三十一日，由於租賃安排乃按所節省之能源水平訂立，故無法計量本集團與承租人訂立之日後最低租金。

年內賺取之物業租金收入為4,140,000港元(二零零三年四月一日至二零零三年十二月三十一日：2,234,000港元)，其租金收益率約為3.83%(二零零三年四月一日至二零零三年十二月三十一日：2.1%)。所有該等物業在未來兩年均有已訂約之租戶。

於結算日，本集團與租戶已訂有租約之日後最低租金如下：

THE GROUP	
本集團	
2004	2003
HK\$'000	HK\$'000
千港元	千港元
2,229	2,195
642	1,464
2,871	3,659

39. PLEDGE OF ASSETS

At 31st December, 2004, the Group's investment properties amounting to HK\$73,100,000 (2003: HK\$70,800,000) were pledged for certain loan facilities provided by a fellow subsidiary of the Group.

In addition, at 31st December, 2003, the Group's investment properties of HK\$107,100,000 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 pledge and assignment of such rights and benefits in favour of convertible bondholders were released upon the settlement of convertible bonds, which became unconditional before 31st December, 2003. The releases were executed during the year ended 31st December, 2004.

40. RETIREMENT BENEFITS SCHEME

The Group operates defined contribution schemes for all eligible employees. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The retirement benefit cost charged to the consolidated income statement represents contributions payable to those schemes by the Group for the year/period.

The total cost charged to consolidated income statement of HK\$46,000 (1.4.2003 to 31.12.2003: HK\$24,000) represents contributions payable to these schemes by the Group for the year/period.

39. 資產抵押

於二零零四年十二月三十一日，本集團73,100,000港元(二零零三年：70,800,000港元)之投資物業已用作本集團一間同系附屬公司提供之若干信貸之抵押。

此外，於二零零三年十二月三十一日，107,100,000港元之本集團投資物業及其現有及未來租約之所有權利及利益已用作本集團於二零零六年到期之可換股債券之抵押。押予可換股債券持有人有關權利及利益之抵押及轉讓已於償付可換股債券後解除，而可換股債券之償付於二零零三年十二月三十一日前已不再附帶條件。上述抵押於截至二零零四年十二月三十一日止年度內已正式解除。

40. 退休福利計劃

本集團為所有合資格僱員設立定額供款計劃。該等計劃之資產由受託人控制之基金持有，並獨立於本集團之資產。退休福利成本自綜合收益表扣除，有關款額相當於本集團年度／期間向該等計劃應付之供款。

於綜合收益表扣除之成本總額46,000港元(二零零三年四月一日至二零零三年十二月三十一日：24,000港元)乃本集團於年度／期間向該等計劃作出之供款。

41. RELATED PARTY TRANSACTIONS AND BALANCES

(I) Transactions

During the year ended 31st December, 2004:

- (a) The Group paid interest of HK\$1,180,000 (1.4.2003 to 31.12.2003: HK\$133,000) to Oriental Ford. This interest was charged at prevailing market rates based on outstanding balances during the year.
- (b) The Group paid rent of HK\$42,000 (1.4.2003 to 31.12.2003: HK\$4,000) to Chinese Estates, Limited, a fellow subsidiary of the Company, for the lease of office premises to the Group. The amount paid was based on terms agreed by both parties.
- (c) The Group received rental income of HK\$82,000 (1.4.2003 to 31.12.2003: Nil) from The House of Kwong Sang Hong Limited ("KSH"), an associated company of Chinese Estates. Up to 31st May, 2004, the rental was calculated at 10% of monthly gross revenue achieved by particular shop of KSH and commenced from 1st June, 2004, the rental was charged at a fixed amount of HK\$10,000 per month,

41. 有關連人士交易及結餘

(I) 交易

於截至二零零四年十二月三十一日止年度：

- (a) 本集團向律豐財務支付約1,180,000港元(二零零三年四月一日至二零零三年十二月三十一日：133,000港元)之利息。該等利息乃按年內之尚欠款額以市場利率計算。
- (b) 本集團向本公司之同系附屬公司華人置業有限公司就租賃辦公室予本集團支付租金42,000港元(二零零三年四月一日至二零零三年十二月三十一日：4,000港元)。該款項根據雙方協定之條款支付。
- (c) 本集團自華人置業之聯營公司廣生堂有限公司(「廣生堂」)收取租金收入82,000港元(二零零三年四月一日至二零零三年十二月三十一日：零)。直至二零零四年五月三十一日，該租金按廣生堂特定店舖每月所賺取總收入之10%計算。自二零零四年六月一日起，該租金按每月10,000港元之固定金額計算。

41. RELATED PARTY TRANSACTIONS AND BALANCES (cont'd)

(I) Transactions (cont'd)

During the nine months ended 31st December, 2003:

- (a) Koga charged interest of approximately HK\$988,000 to the Group. These interests were charged at prevailing market rates based on outstanding balance during that period.
- (b) The Group sold goods of approximately HK\$123,000 to Legend Power UK Plc., an associate of the Group. These transactions were carried out at cost plus a percentage of profit mark-up.
- (c) The Group paid management fee of HK\$78,000 to Chase Master Company Limited, a fellow subsidiary of the Company, as manager and leasing agent of certain investment properties held by the Group. The amount paid was based on terms agreed by both parties.
- (d) The Company was deemed to issue 37,987,988 ordinary shares of HK\$0.01 each together with a cash payment of approximately HK\$0.38 million and the grant of a call option to Koga to settle in full its claim against the Group under the Settlement Deed as detailed in note 12.
- (e) The Company was deemed to issue 62,899,924 ordinary shares of HK\$0.01 each together with a cash payment of approximately HK\$0.63 million to Hutchison International Limited, a fellow subsidiary of Koga, as settlement of convertible bonds under the Restructuring.

41. 有關連人士交易及結餘 (續)

(I) 交易 (續)

於截至二零零三年十二月三十一日止九個月：

- (a) Koga向本集團收取利息約988,000港元。該等利息乃按期內之尚欠款額以市場利率計算。
- (b) 本集團向本集團之聯營公司Legend Power UK Plc.出售貨品約123,000港元。該等交易乃按成本另加若干比率之利潤進行。
- (c) 本集團向本公司之同系附屬公司翠權有限公司支付約78,000港元之管理費，作為該公司成為本集團持有之若干投資物業之管理公司及租賃代理之費用。該款項根據雙方協定之條款支付。
- (d) 根據償債契據，本公司被視為向Koga發行37,987,988股每股面值0.01港元之普通股，支付現金約380,000港元及授予認購期權，以完全了結Koga向本集團提出之索償（詳情見附註12）。
- (e) 根據重組，本公司被視為向Koga之同系附屬公司和記企業有限公司發行62,899,924股每股面值0.01港元之普通股及支付現金約630,000港元，以償付可換股債券。

41. RELATED PARTY TRANSACTIONS AND BALANCES (cont'd)

(I) Transactions (cont'd)

- (f) Pursuant to the Restructuring during the period, Chinese Estates became the holding company of the Group and the loans granted by its wholly-owned subsidiary was classified as borrowings from a fellow subsidiary at 31st December, 2003. The amounts carried interests at market rates. Pursuant to an agreement dated 4th September, 2003, the repayment schedules of the loans had been revised.

(II) Balances

Details of balances with related parties at the balance sheet date are set out in the balance sheets and in note 29.

(III) Others

Details of pledged assets given by the Group to a related party are set out in note 39.

41. 有關連人士交易及結餘 (續)

(I) 交易 (續)

- (f) 期內，華人置業根據重組成為本集團之控股公司，而其全資附屬公司授出之貸款於二零零三年十二月三十一日視為一間同系附屬公司提供之借款。貸款額按市場利率計息。根據二零零三年九月四日訂立之協議，有關貸款之還款期有所修訂。

(II) 結餘

於結算日之有關連人士交易結餘詳情載於資產負債表及附註29。

(III) 其他

本集團向有關連人士提供已抵押資產之詳情載於附註39。

42. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31st December, 2004 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation 成立地點	Nominal value of issued and fully paid ordinary share capital 已發行及繳足普通股本之面值	Attributable proportion of nominal value of issued share capital held by the Company 本公司所持已發行股本面值比率		Principal activity 主要業務
			Directly 直接	Indirectly 間接	
Boria Enterprises Limited 博永企業有限公司	Hong Kong 香港	HK\$20 20港元	—	100%	Property investment 物業投資
Gold Concept Limited 金朗有限公司	Hong Kong 香港	HK\$2 2港元	—	100%	Property investment 物業投資
Great King Limited 東帝有限公司	Hong Kong 香港	HK\$2 2港元	—	100%	Property investment 物業投資
Legend Power Ltd. (note) (附註)	British Virgin Islands 英屬維爾京群島	US\$2,000 2,000美元	—	100%	Investment holding 投資控股
Superkey Development Limited 偉祺發展有限公司	Hong Kong 香港	HK\$2 2港元	—	100%	Property investment 物業投資

Note: Pursuant to the Settlement Deed, Koga is granted with a call option to acquire 50% interest in Legend Power Ltd., within the next 5 years from the date of the completion of the transfer of the equity interest in Legend Power Ltd. from Koga to the Group under the Settlement Deed, at a consideration of the higher of HK\$150,000 and 50% of the consolidated net tangible assets of Legend Power Ltd. when the call option is exercised.

All the above subsidiaries operate in Hong Kong.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affects the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

42. 主要附屬公司

本公司主要附屬公司於二零零四年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation 成立地點	Nominal value of issued and fully paid ordinary share capital 已發行及繳足普通股本之面值	Attributable proportion of nominal value of issued share capital held by the Company 本公司所持已發行股本面值比率		Principal activity 主要業務
			Directly 直接	Indirectly 間接	
Boria Enterprises Limited 博永企業有限公司	Hong Kong 香港	HK\$20 20港元	—	100%	Property investment 物業投資
Gold Concept Limited 金朗有限公司	Hong Kong 香港	HK\$2 2港元	—	100%	Property investment 物業投資
Great King Limited 東帝有限公司	Hong Kong 香港	HK\$2 2港元	—	100%	Property investment 物業投資
Legend Power Ltd. (note) (附註)	British Virgin Islands 英屬維爾京群島	US\$2,000 2,000美元	—	100%	Investment holding 投資控股
Superkey Development Limited 偉祺發展有限公司	Hong Kong 香港	HK\$2 2港元	—	100%	Property investment 物業投資

附註：根據償債契據，Koga獲授認購期權，於Koga根據償債契據完成向本集團轉讓股權起計五年內，可於行使認購期權時以150,000港元或Legend Power Ltd.之綜合有形資產淨值50% (以較高者為準) 之代價，購入Legend Power Ltd.之50%權益。

所有上述附屬公司均在香港營運。

上表所列為董事認為主要影響本集團業績或資產之本公司附屬公司。董事認為，詳列其他附屬公司之資料將令篇幅冗長。

目前概無附屬公司於年終時或年內任何時間擁有任何未償還債務證券。

43. PRINCIPAL ASSOCIATES

Details of the Group's principal associates which are held indirectly by the Company at 31st December, 2004 are as follows:

Name of associate 聯營公司名稱	Form of business structure 業務組建形式	Place of incorporation 成立地點	Proportion of nominal value of issued share capital held 所持已發行 股本面值比率	Principal activities 主要業務
Legend GP (Canada) Limited	Incorporated 註冊成立	British Virgin Islands 英屬維爾京群島	50%	Investment holding 投資控股
Legend Power System Inc.	Incorporated 註冊成立	Canada 加拿大	50%	Trading of energy saving machines 買賣能源節省器

The above associates operate in Canada.

44. PRINCIPAL JOINTLY CONTROLLED ENTITIES

Details of the Group's principal jointly controlled entities which are held indirectly by the Company at 31st December, 2004 are as follows:

Name of jointly controlled entity 共同控制實體名稱	Form of business structure 業務組建形式	Place of incorporation 成立地點	Proportion of nominal value of issued share capital held 所持已發行 股本面值比率	Principal activities 主要業務
Golden Royce Investment Limited 金萊斯投資有限公司	Incorporated 註冊成立	Hong Kong 香港	40%	Investment holding 投資控股
Top Grade Assets Limited	Incorporated 註冊成立	British Virgin Islands 英屬維爾京群島	50%	Property investment 物業投資
Upgrade Properties Limited	Incorporated 註冊成立	British Virgin Islands 英屬維爾京群島	50%	Property investment 物業投資

The above jointly controlled entities operate in the PRC.

43. 主要聯營公司

本公司間接持有之本集團主要聯營公司於二零零四年十二月三十一日之詳情如下：

Proportion of nominal value of issued share capital held 所持已發行 股本面值比率	Principal activities 主要業務
50%	Investment holding 投資控股
50%	Trading of energy saving machines 買賣能源節省器

上述聯營公司均在加拿大營運。

44. 主要共同控制實體

本公司間接持有之本集團主要共同控制實體於二零零四年十二月三十一日之詳情如下：

Proportion of nominal value of issued share capital held 所持已發行 股本面值比率	Principal activities 主要業務
40%	Investment holding 投資控股
50%	Property investment 物業投資
50%	Property investment 物業投資

上述共同控制實體均在中國營運。

45. POST BALANCE SHEET EVENT

Pursuant to a placing agreement entered into on 1st February, 2005, the Company issued 102,800,000 ordinary shares of HK\$0.01 each at a price of HK\$0.255 per share. The price of HK\$0.255 per share represents a discount of approximately 16.39% of the closing price of the Company's shares on 1st February, 2005 as quoted on the Stock Exchange.

The net proceeds from the placement is approximately HK\$25.8 million, of which approximately HK\$23.0 million has been used to repay the borrowings from a fellow subsidiary and approximately HK\$2.8 million will be used as general working capital of the Group.

45. 結算日後事項

根據於二零零五年二月一日訂立之配售協議，本公司按每股0.255港元之價格發行102,800,000股每股面值0.01港元之普通股。每股0.255港元較本公司股份於二零零五年二月一日在聯交所所報之收市價折讓約16.39%。

配售之所得款項淨額約25,800,000港元中，約23,000,000港元已作償還一間同系附屬公司之借貸，而約2,800,000港元將用作本集團之一般營運資金。