

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

1. GENERAL

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activities of the Group during the year were investment holding, property development and investment.

2. 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 (herein collectively referred to as “new HKFRSs”) 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 presented. These new HKFRSs may result in changes in the future as to how the results and financial position are presented.

1. 一般資料

本公司為一間於香港註冊成立之公眾有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。

本集團於本年度內之主要業務為投資控股、物業發展及物業投資。

2. 近日頒佈之會計準則所產生之潛在影響

於二零零四年，香港會計師公會頒佈若干新訂或經修訂《香港會計準則》及《香港財務報告準則》（統稱「新訂香港財務報告準則」），由二零零五年一月一日起或之後之會計期間生效。本集團並無提早於截至二零零四年十二月三十一日止年度之財務報表採納此等新訂香港財務報告準則。

本集團已開始考慮新訂香港財務報告準則之潛在影響，惟尚未能釐定此等新訂香港財務報告準則是否對經營業績及財務狀況之呈列方式構成重大影響。新訂香港財務報告準則可能導致日後呈列業績及財務狀況之方式有所變動。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of 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 set out below.

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 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 intercompany 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 or an associate at the date of acquisition. Goodwill arising on acquisitions prior to 1st January, 2001 continues to be held in reserves, and will be charged to the income statement at the time of disposal of the relevant subsidiary, or at such time as the goodwill is determined to be impaired. Goodwill arising on acquisitions since 1st January, 2001 is capitalised and amortized on a straight-line basis over its useful economic life.

3. 主要會計政策概要

本財務報表乃以歷史成本記賬法編製，並就證券投資之重估作出修訂。

本財務報表乃根據香港普遍採納之會計原則編製，所採納之主要會計政策如下：

綜合基礎

綜合財務報表包括本公司及其附屬公司截至各年度十二月三十一日止之財務報表。

於年內收購或出售之附屬公司之業績由收購生效當日起計入綜合利潤表或計至出售生效當日(如適用)為止。

本集團內公司之間所有重要交易及結餘均已於綜合計算時撇銷。

商譽

綜合所產生之商譽乃指收購成本高於本集團於收購之日在一間附屬公司或一間聯營公司可確定資產及負債公平值之權益之數額。於二零零一年一月一日前因收購產生之商譽繼續於儲備中持有，並於出售相關附屬公司或商譽被確定為減損時於利潤表中扣除。於二零零一年一月一日後因收購產生之商譽則撥充資本並根據其預計之可用年期以直線法攤銷。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Negative goodwill

Negative goodwill represents the excess of the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or an associate, at the date of acquisition over the cost of acquisition. Negative goodwill arising on acquisitions prior to 1st January, 2001 continues to be held in reserves and will be credited to income at the time of disposal of the relevant subsidiary, or associate. Negative goodwill arising on acquisitions since 1st January, 2001 is presented as deduction from assets and will be released to income based on an analysis of the circumstances from which the balance resulted. To the extent that the negative goodwill is attributable to losses or expenses anticipated at the date of acquisition, it is released to income in the period in which those losses or expenses arise. The remaining negative goodwill is recognised as income on a straight-line basis over the remaining average useful life of the identifiable acquired depreciable assets. To the extent that such negative goodwill exceeds the aggregate fair value of the acquired identifiable non-monetary assets, it is recognised in income immediately.

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 balance sheet, interests in associates are stated at the Group's share of net assets of the associates plus goodwill in so far as it has not already been written off/amortised, less any identified impairment loss.

3. 主要會計政策概要 (續)

負商譽

負商譽乃指本集團於收購之日在一間附屬公司或一間聯營公司可確定資產及負債公平值之權益高於收購成本之數額。於二零零一年一月一日前因收購產生之負商譽繼續於儲備中持有，並於出售相關附屬公司或相關聯營公司時計入收入。於二零零一年一月一日後因收購產生之負商譽則從資產中扣除並依據產生結餘之情況分析計入收入中。倘負商譽於收購之日劃歸預計虧損或支出，則於該等虧損或支出產生期間計入收入。其餘負商譽則根據所購入可確定、可折舊之資產之剩餘平均使用年期以直線法確認為收入。倘負商譽高於所購入可確定非貨幣資產之公平值，則可即時於收入中確認。

於附屬公司之投資

於附屬公司之投資按成本減任何已確定減值虧損列入本公司資產負債表。

於聯營公司之權益

綜合利潤表包括年內本集團應佔其聯營公司收購後業績。於資產負債表中，於聯營公司權益按本集團應佔聯營公司資產淨值加上商譽(在其未被撤銷/攤銷之情況下)減任何已確定減值虧損列值。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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 and other investments.

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 income for the year.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its 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. 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.

3. 主要會計政策概要 (續)

證券投資

證券投資按交易日期確認，最初乃按成本計算。

除持有至到期之債務證券外，投資被歸納為投資證券及其他投資。

投資證券即為已確定長期策略目的而持有之證券，乃於隨後申報日按成本扣除任何非暫時性減值虧損計算。

其他投資按公平值計算，其未變現收益及虧損則於年度內計入淨收益。

減值

於各結算日，本集團審核其資產之賬面值以確定該等資產是否出現減值虧損跡象。若估計某項資產之可收回金額低於其賬面值時，則該項資產之賬面值將調低至其可收回金額。減值虧損將即時確認為開支。

若隨後撥回減值虧損，則該項資產之賬面值將增至調整後之估計可收回金額，惟因此增加之賬面值不得超過以往年度確認減值虧損前已釐定之賬面值。減值虧損撥回將即時確認為收入。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Property, plant and equipment

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

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

No depreciation is provided in respect of freehold land.

Buildings on freehold land are depreciated over 40 years by equal annual installments.

Depreciation is provided to write off the cost of items of property, plant and equipment over the remaining estimated useful lives and after taking into account their estimated residual value, using the straight-line method, at the following rates per annum:

Furniture and equipment	10% to 20%
Motor vehicle	18%

Properties held for sale

Properties held for sale are stated at the lower of cost and estimated net realisable value. Net realisable value is determined by reference to professional valuations or directors' estimates based on prevailing market conditions.

Properties under development

Properties under development are stated at cost less any identified impairment loss. Cost includes interest and other direct costs attributable to the development.

Properties under development which are intended for sale or expected to be completed within one year from the balance sheet date are classified as current assets.

3. 主要會計政策概要 (續)

物業、廠房及設備

物業、廠房及設備乃以成本值減累計折舊及累計減值虧損列賬。

出售或退棄資產產生之收益或虧損決定於銷售所得款項及資產賬面值之間差額，並於利潤表中確認。

以永久業權持有之土地並無作折舊準備。

以永久業權持有之土地之樓宇的折舊乃以四十年每年分期平均計算。

折舊乃經計及物業、廠房及設備之預計殘值，按下列年率以直線法就撇銷物業、廠房及設備項目之餘下預計可使用年期之成本而計提撥備：

傢俬及設備	10%至20%
汽車	18%

待售物業

待售物業以成本值及估計可變現淨值兩者中之較低者列賬。可變現淨值參照專業估值或董事局根據現行市況所作之估計而釐定。

發展中物業

發展中物業乃成本值減任何已確認減值虧損列賬。成本值包括利息及其他與發展有關之直接成本。

擬作銷售用途或預期於結算日起計一年內落成之發展中物業已列為流動資產。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capitalisation of borrowing costs

Borrowing costs incurred in connection with property under development are capitalised until the relevant property is completed, save for projects the development activities of which are suspended temporarily. Borrowing costs are not capitalised during the period of suspension.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Recognition of income

When properties are developed for sale, income is recognised only when the sale agreement is unconditional or when the relevant building occupation permit is issued by the relevant building authorities, whichever is the later. Payments received from purchasers prior to this stage are recorded as deferred revenue under current liabilities.

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

Foreign currencies

Transactions in foreign currencies are initially translated at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are dealt with in the income statement.

3. 主要會計政策概要 (續)

借貸成本資本化

與發展中物業有關之借貸成本均資本化，直至有關物業落成為止，惟項目暫停發展時除外。於暫停期內借貸成本不會資本化。

所有其他借貸成本均於其產生期間確認為開支。

收入之確認

待售物業之收入須在買賣協議成為無條件或有關的建築事務監管機構發出有關樓宇入伙紙後(以較後者為準)始能確認入賬。此階段前買家所支付之款項概列於流動負債項下作為遞延收益。

利息收入按根據未償還本金及適用利率以時間比例計算。

外幣

外幣交易最初按交易日期之匯率換算。以外幣結算之貨幣資產及負債則按結算日之匯率重新換算。因匯率而產生之損益均列入利潤表中處理。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Translation of financial statements

On consolidation, the balance sheets of the subsidiaries which are denominated in foreign currencies are translated at the exchange rates prevailing on the balance sheet date whereas the income statements are translated at an average rate for the period. Differences arising on translation are dealt with in the reserves. Such translation differences are recognised as income or as expenses in the period in which the operation is disposal of.

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. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or 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 taxable profit nor the accounting profit.

3. 主要會計政策概要 (續)

財務報表之換算

於綜合計算時，以外幣為本位之附屬公司之資產負債表乃按結算日期之匯率換算，而利潤表則按有關期間平均匯率換算。因換算而產生之差額乃於儲備內處理。該換算差額則於業務出售期間被確認為收入或開支。

稅項

所得稅開支指即期應付稅項及遞延稅項。

即期應付稅項乃按年度之應課稅溢利計算。由於應課稅溢利不包括於其他年度應課稅收入或可扣稅之開支項目，亦不包括無需課稅或不可作稅項扣減之開支，故應課稅溢利與於利潤表所報之溢利淨額有所不同。

應付或可收回之遞延稅項乃根據財務報表內資產及負債賬面值與計算應課稅盈利所採用相應稅基之差額，以資產負債表負債法處理。遞延稅項負債一般就所有應課稅暫時差異予以確認，而遞延稅項資產則於暫時差異有可能用於抵銷應課稅溢利時予以確認。倘暫時差異因商譽(或負商譽)或初次確認一項不影響應課稅溢利或會計溢利之交易中之其他資產及負債(業務合併除外)而產生，該等資產及負債不會予以確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Taxation *(continued)*

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference 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 profits 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 to 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.

Retirement benefits schemes

Contributions payable by the Group to its defined contribution retirement benefits schemes are charged as an expense to the income statement as they fall due.

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

Turnover represents gross amounts received and receivable for sales of properties (2003: car parking fees).

3. 主要會計政策概要 (續)

稅項 (續)

遞延稅項負債乃就投資於附屬公司及聯營公司產生應課稅暫時差異時確認，惟本集團可控制暫時差異之撥回及暫時差異將不會於可見將來撥回時除外。

遞延稅項資產之賬面值乃於各個結算日進行檢討，並予以相應扣減，直至並無足夠應課稅溢利可供全部或部分遞延稅項資產可予應用為止。

遞延稅項乃按預期於負債獲清償或資產獲變現期間之稅率計算。遞延稅項乃於利潤表中扣除或計入，惟遞延稅項倘直接從權益中扣除或直接計入權益之項目，則遞延稅項亦於權益中處理。

退休福利計劃

本集團對界定供款退休福利計劃之應付供款於到期時計入利潤表列為開支。

4. 業務及營業地區分類

營業額指已收及應收之物業銷售(二零零三年：停車場收費)總額。

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4. BUSINESS AND GEOGRAPHICAL SEGMENTS

(continued)

Geographical Segment

The Group's operations in 2004 were located in Macau and the People's Republic of China (the "PRC"), other than Hong Kong and Macau. These locations are the bases on which the Group reports its primary segment information.

4. 業務及營業地區分類 (續)

按地區分類

本集團於二零零四年之業務均位於澳門及中華人民共和國(「中國」)(不包括香港及澳門)，故本集團以該等地區為基礎呈報其主要分類資料。

		The PRC, other than Hong Kong and Macau 中國(不包括 澳門 香港及澳門)		Total 合計
		Macau 澳門 2004 二零零四年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	
For the year ended	截至二零零四年			
31st December, 2004	十二月三十一日止年度			
Turnover	營業額			
External sales	對外銷售	—	328,786	328,786
Result	業績			
Segment result	分類業績	17,947	118,787	136,734
Other operating income	其他經營收入			1,900
Unrealised holding gain on other investments	持有其他投資 未變現收益			57,420
Impairment on goodwill on consolidation	綜合賬目時產生之 商譽減值			(894)
Release of negative goodwill on consolidation upon dissolution of a subsidiary	解散附屬公司時 解除綜合賬目之負商譽			24
Unallocated corporate expenses	不予分類企業開支			(4,467)
Profit from operations	經營溢利			190,717
Finance costs	融資費用			(452)
Share of results of an associate	應佔聯營公司業績	—	(3,846)	(3,846)
Profit before taxation	除稅前溢利			186,419
Taxation	稅項			(16,511)
Profit before minority interests	未計少數股東權益前溢利			169,908
Minority interests	少數股東權益			(6,608)
Net profit for the year	年度溢利淨額			163,300

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

(continued)

Geographical Segment (continued)

4. 業務及營業地區分類 (續)

按地區分類 (續)

		Macau 澳門 2004 二零零四年 HK\$'000 千港元	The PRC, other than Hong Kong and Macau 中國(不包括 香港及澳門) 2004 二零零四年 HK\$'000 千港元	Total 合計 2004 二零零四年 HK\$'000 千港元
Balance sheet	資產負債表			
At 31st December, 2004	於二零零四年十二月三十一日			
ASSETS	資產			
Segment assets	分類資產	38,112	254,087	292,199
Interest in an associate	於聯營公司權益	–	213,208	213,208
Unallocated corporate assets	不予分類企業資產			296,750
Consolidated total assets	綜合總資產			<u>802,157</u>
LIABILITIES	負債			
Segment liabilities	分類負債	10,684	18,259	28,943
Taxation payable	應付稅項	–	8,989	8,989
Unallocated corporate liabilities	不予分類企業負債			889
Consolidated total liabilities	綜合總負債			<u>38,821</u>
Other information	其他資料			
For the year ended	截至二零零四年			
31st December, 2004	十二月三十一日止年度			
Capital additions	資產添置	2	360	
Depreciation and amortisation	折舊及攤銷	18	194	

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

(continued)

Geographical Segment (continued)

4. 業務及營業地區分類 (續)

按地區分類 (續)

		The PRC, other than Hong Kong and Macau 中國(不包括 澳門 香港及澳門)	Total 合計
		2003 二零零三年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
For the year ended 31st December, 2003	截至二零零三年 十二月三十一日止年度		
Turnover	營業額		
External sales	對外銷售	272	–
		<u>272</u>	<u>–</u>
Result	業績		
Segment result	分類業績	39	–
		<u>39</u>	<u>–</u>
Dividend income, listed	股息收入，上市證券		51,040
Other operating income	其他經營收入		218
Gain on disposal of other investments	出售其他投資收益		47
Unrealised holding gain on other investments	持有其他投資 未變現收益		82,940
Gain on release of obligations under warrants upon their expiry	認股權證到期後解除 責任之收益		9,285
Unallocated corporate expenses	不予分類企業開支		(6,054)
Profit from operations	經營溢利		137,515
Finance costs	融資費用		(1,799)
Share of results of an associate	應佔聯營公司業績	–	4,523
Profit before taxation	除稅前溢利		140,239
Taxation	稅項		(168)
Profit before minority interests	未計少數股東權益前溢利		140,071
Minority interests	少數股東權益		104
Net profit for the year	年度溢利淨額		<u>140,175</u>

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

(continued)

Geographical Segment (continued)

4. 業務及營業地區分類 (續)

按地區分類 (續)

		The PRC, other than Hong Kong 中國(不包括 澳門 香港及澳門)	Total 合計
	Macau 澳門	and Macau 2003 二零零三年	2003 二零零三年
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance sheet	資產負債表		
At 31st December, 2003	於二零零三年十二月三十一日		
ASSETS	資產		
Segment assets	19,683	322,142	341,825
Interest in an associate	–	216,068	216,068
Unallocated corporate assets			244,107
Consolidated total assets			<u>802,000</u>
LIABILITIES	負債		
Segment liabilities	11,004	131,960	142,964
Taxation payable	796	–	796
Bank loan, secured			65,685
Unallocated corporate liabilities			518
Consolidated total liabilities			<u>209,963</u>
Other information	其他資料		
For the year ended	截至二零零三年		
31st December, 2003	十二月三十一日止年度		
Capital additions	–	45	
Depreciation	35	–	
Write-off of property, plant and equipment	1	–	

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

(continued)

Business Segment

The Group's operation was attributable to property development and investment. Accordingly, no analysis on business segments is presented.

5. OTHER OPERATING INCOME

Interest on bank deposits of HK\$1,861,000 (2003: HK\$218,000) was included in other operating income.

6. PROFIT FROM OPERATIONS

4. 業務及營業地區分類 (續)

按業務分類

本集團所有業務均為物業發展及物業投資，故並無呈列按業務分類之分析。

5. 其他經營收入

在其他經營收入中包括銀行存款利息1,861,000港元(二零零三年：218,000港元)。

6. 經營溢利

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Profit from operations has been arrived	經營溢利		
at after charging:	已扣除：		
Directors' remuneration (Note): –	董事酬金 (附註)：		
– Fees	– 袍金	–	–
– Other emoluments	– 其他酬金	718	718
– Provident fund scheme contributions	– 公積金計劃供款	12	12
		<u>730</u>	<u>730</u>
Other staff costs	其他員工成本	593	540
Provident fund scheme contributions	公積金計劃供款	239	140
		<u>1,562</u>	<u>1,410</u>
Auditors' remuneration	核數師酬金	659	539
Depreciation	折舊	218	44
Write-off of properties under development	撇銷發展中物業	2,529	–
Write-off of property, plant and equipment	撇銷物業、廠房及設備	–	1

Note:–

The directors' remuneration above was paid to an executive director of the Company for both years and their ranges are not exceeding HK\$1,000,000.

附註：

上文之董事酬金於兩個年度均付予本公司一名執行董事，其酬金範圍不超過1,000,000港元。

6. PROFIT FROM OPERATIONS (continued)

No directors have waived any emoluments in either the current or prior years.

For the year ended 31st December, 2004 and 2003, one of the five highest paid individuals of the Group was a Director of the Company and the remaining four were employees of the Group. The emoluments paid to the Director are set out above. The aggregate amounts of emoluments paid to the remaining four (2003: four) individuals are as follows:-

		The Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Basic salaries	基本薪金	535	495

7. FINANCE COSTS

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Interest on borrowings wholly repayable within five years	於五年內須全部償還借款之利息		
Bank loans	銀行貸款	452	2,079
Other loans	其他貸款	-	700
		452	2,779
Less: capitalised interest	減：資本化利息	-	(980)
		452	1,799

Interest capitalised during the year ended 31st December, 2003 arose out of the borrowings directly used to finance the construction of properties under development.

6. 經營溢利 (續)

於本年度或往年並無董事放棄任何酬金。

於截至二零零四年及二零零三年十二月三十一日止年度，本集團五名最高薪金人士中有一名為本公司董事，其餘四名為本集團之員工。已付董事酬金已載於上文。支付予該四名(二零零三年：四名)個別人士之薪金總額如下：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Interest on borrowings wholly repayable within five years	於五年內須全部償還借款之利息		
Bank loans	銀行貸款	452	2,079
Other loans	其他貸款	-	700
		452	2,779
Less: capitalised interest	減：資本化利息	-	(980)
		452	1,799

於截至二零零三年十二月三十一日止年度資本化之利息全部均源自直接用於興建發展中物業之貸款。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

8. TAXATION

8. 稅項

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Current tax:	本年度稅項：		
the PRC	中國	17,661	-
Overprovision in prior year:	過往年度超額撥備：		
Macau	澳門	(796)	-
		<u>16,865</u>	<u>-</u>
Deferred tax charge (credit):	遞延稅項扣除(抵免)：		
Current year (Note 16)	本年度(附註16)	362	(361)
Taxation attributable to the Company and its subsidiaries	本公司及其附屬公司應佔稅項	17,227	(361)
Share of taxation attributable to an associate	應佔聯營公司稅項	(716)	529
		<u>16,511</u>	<u>168</u>

8. TAXATION (continued)

The charge for the year can be reconciled to the profit before taxation per consolidated income statement as follows:

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Profit before taxation	除稅前溢利	<u>186,419</u>	<u>140,239</u>
Tax at the PRC Enterprise Income Tax rate at Pudong New Area, Shanghai of 15% (2003: 15%)	按上海浦東新區之中國企業所得稅稅率15% (二零零三年：15%) 計算之稅項	27,963	21,036
Tax effect of share of results of an associate	應佔聯營公司業績之稅務影響	(139)	(149)
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(11,408)	(22,671)
Tax effect of expenses not deductible for tax purpose	不可作扣稅開支之稅務影響	149	527
Utilization of tax losses previously not recognised	動用先前未確認之稅項虧損	-	(67)
Tax effect of tax losses for the year not recognised	本年度未確認之稅項虧損之稅務影響	742	1,492
Overprovision in prior year	過往年度超額撥備	(796)	-
Tax expense for the year	本年度稅項開支	<u>16,511</u>	<u>168</u>
Effective tax rate	實際稅率	<u>8.9%</u>	<u>0.1%</u>

No provision for Hong Kong Profits Tax has been made for both years as the profit neither arose in, nor was derived from Hong Kong.

9. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the Group's net profit for the year ended 31st December, 2004 of approximately HK\$163,300,000 (2003: HK\$140,175,000) and on the number of 2,608,546,511 shares in issue during both years.

No diluted earnings per share is presented as there were no potential shares outstanding during both years.

8. 稅項 (續)

本年度之稅項開支與綜合利潤表之除稅前溢利之對賬如下：

由於本集團並無在香港產生或獲得任何溢利，故於該兩個年度並無作出香港利得稅撥備。

9. 每股盈利

每股基本盈利乃根據本集團截至二零零四年十二月三十一日止年度內之溢利淨額約163,300,000港元 (二零零三年：140,175,000港元) 及年內已發行股數2,608,546,511股計算。

由於該兩個年度並無已發行潛在股份，故並無呈列每股攤薄後盈利。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

10. PROPERTY, PLANT AND EQUIPMENT

10. 物業、廠房及設備

		Land and building 土地及樓宇 HK\$'000 千港元	Furniture and equipment 傢俬及設備 HK\$'000 千港元	Motor vehicle 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, 2004	於二零零四年一月一日	599	255	–	854
Additions	添置	–	71	307	378
Disposals	出售	–	–	(124)	(124)
At 31st December, 2004	於二零零四年 十二月三十一日	599	326	183	1,108
DEPRECIATION	折舊				
At 1st January, 2004	於二零零四年一月一日	251	183	–	434
Provided for the year	年內撥備	15	24	179	218
Disposals	出售	–	–	(72)	(72)
At 31st December, 2004	於二零零四年 十二月三十一日	266	207	107	580
NET BOOK VALUES	賬面淨值				
At 31st December, 2004	於二零零四年 十二月三十一日	333	119	76	528
At 31st December, 2003	於二零零三年 十二月三十一日	348	72	–	420
THE COMPANY	本公司				
COST	成本				
At 1st January, 2004	於二零零四年一月一日	–	27	–	27
Additions	添置	–	16	–	16
At 31st December, 2004	於二零零四年 十二月三十一日	–	43	–	43
DEPRECIATION	折舊				
At 1st January, 2004	於二零零四年一月一日	–	19	–	19
Provided for the year	年內撥備	–	4	–	4
At 31st December, 2004	於二零零四年 十二月三十一日	–	23	–	23
NET BOOK VALUES	賬面淨值				
At 31st December, 2004	於二零零四年 十二月三十一日	–	20	–	20
At 31st December, 2003	於二零零三年 十二月三十一日	–	8	–	8

10. PROPERTY, PLANT AND EQUIPMENT (continued)

The land and building are located in Macau and are held freehold.

10. 物業、廠房及設備 (續)

土地及樓宇位於澳門並以永久業權持有。

11. INTEREST IN SUBSIDIARIES

11. 於附屬公司之權益

		The Company 本公司	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	7,891	8,191
Less: Impairment loss recognised	減：已確認減值虧損	(6,091)	(6,091)
		<u>1,800</u>	<u>2,100</u>
Amounts due from subsidiaries	附屬公司欠款	998,032	997,479
Less: Allowance	減：減值撥備	(429,304)	(483,987)
		<u>568,728</u>	<u>513,492</u>
		<u>570,528</u>	<u>515,592</u>

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

11. INTEREST IN SUBSIDIARIES (continued)

Details of principal subsidiaries at 31st December, 2004 are as follows:

11. 於附屬公司之權益 (續)

各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 and operation 註冊成立及經營地點	Paid up issued ordinary share capital / registered capital 繳足已發行普通股股本 / 註冊資本	Proportion of nominal value of issued capital / registered capital held by the Company 本公司持有已發行股本面值 / 註冊資本比率		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
Advance Investments Limited 飛躍投資有限公司	Hong Kong 香港	HK\$2 2港元		100	Investment holding 投資控股
Chiefast Development Limited 傲捷發展有限公司	Hong Kong 香港	HK\$2 2港元		100	Investment holding 投資控股
Forty Enterprises Company Limited 富義企業有限公司	Hong Kong 香港	HK\$20,000 20,000港元	100		Investment holding 投資控股
Joker Investments Company Limited 百搭投資有限公司	Hong Kong 香港	HK\$20,000 20,000港元	100		Investment holding 投資控股
Parklane Industries Limited 百龍實業有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100		Investment holding 投資控股
Rivera Holdings (Macau) – Sociedade de Investimentos e Fomento Predial, Limitada 川河集團(澳門)有限公司	Macau 澳門	PTC100,000 100,000澳門幣		60	Property development 物業發展
Shine Trip Limited 瑞展有限公司	Hong Kong 香港	HK\$4,000,000 4,000,000港元		100	Investment holding 投資控股
SOFIL – Sociedade de Fomento Industrial de Macau, Limitada 澳門工業發展有限公司	Macau 澳門	PTC2,500,000 2,500,000澳門幣	60	40	Property development and investment 物業發展及投資
上海大道置業有限公司 (Note) (附註)	PRC 中國	US\$16,290,000 16,290,000美元		93.53	Property development and management 物業發展及管理

Note: The subsidiary is an equity joint venture.

附註：此附屬公司為一間合資經營企業。

11. INTEREST IN SUBSIDIARIES (continued)

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

The amounts due from/to subsidiaries are unsecured, interest free and have no fixed terms of repayment. In the opinion of the Directors, the amounts will not be repayable/payable within twelve months of the balance sheet date.

The Directors are of the opinion that a complete list of the particulars of all subsidiaries would be of excessive length and therefore the above list contains only the particulars of those subsidiaries which significantly affect the results or assets/liabilities of the Group.

12. PROPERTIES UNDER DEVELOPMENT

11. 於附屬公司之權益 (續)

各附屬公司於年度終結日或年內任何時間概無未償還之債務證券。

應收／應付附屬公司款項為無抵押、免息及無固定還款期。董事認為，該款項將不須於結算日十二個月內償還／支付。

董事認為倘將所有附屬公司之資料完整載列，則會導致該等資料過分冗長。故上表僅列出該等對本集團業績或資產／負債構成重大影響之附屬公司資料。

12. 發展中物業

		The Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Properties on land held under long leases in the PRC, at cost	於中國以長期租賃土地持有之物業，按成本	110,714	194,880
Properties on freehold land in Macau, at cost less impairment loss	於澳門以永久業權土地持有之物業，按成本減減值虧損	28,563	10,000
		139,277	204,880
Less: Amount expected to be completed within one year and included in current assets	減：預期於一年內落成並計入流動資產之金額	—	(115,826)
		139,277	89,054

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

12. PROPERTIES UNDER DEVELOPMENT (continued)

Included in properties under development is net interest capitalised of approximately HK\$6,869,000 (2003: HK\$14,780,000).

During the year ended 31st December, 2004, the Directors reviewed the carrying value of a piece of land held by the Group at Taipa, Macau and identified that the recoverable amount of such piece of land was estimated to be higher than the carrying value. As a result, a reversal of impairment loss of approximately HK\$18,563,000 was recorded during the year. The recoverable amount represented its net selling price which was estimated by the Directors with reference to the property market in Macau.

Details of the properties under development, which are located in Macau and other areas of the PRC, are set out in the Schedule of Principal Properties attached to these financial statements.

13. INTEREST IN AN ASSOCIATE

12. 發展中物業 (續)

計入發展中物業包括撥充資本之利息淨額約 6,869,000 港元 (二零零三年：14,780,000 港元)。

於截至二零零四年十二月三十一日止年度，董事已檢討本集團於澳門氹仔持有之一幅土地之賬面值，並確認該幅土地之可收回數額預期較賬面值為高。按此，為數約 18,563,000 港元之減值虧損已於年度內撥回。可收回數額指董事經參考澳門物業市場而估計之售價淨額。

於澳門及中國其他地區持有之發展中物業之詳情載於隨附本財務報表之主要物業表內。

13. 於聯營公司之權益

		The Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Share of net assets	應佔資產淨值	<u>213,208</u>	<u>216,068</u>

13. INTEREST IN AN ASSOCIATE (continued)

Details of the associate of the Group at 31st December, 2004 are as follows:

Name of associate	Form of business structure	Country of registration	Paid up registered capital	Percentage of interest in registered capital indirectly held by the Company 本公司間接持有註冊資本權益比率	Principal activities
聯營公司名稱	業務結構形式	註冊登記國家	繳足註冊資本	資本權益比率	主要業務
Shanghai Zhangjiang Micro-electronics Port Co. Ltd. ("SZMP") 上海張江微電子港有限公司 (「張江微電子港」)	Sino-foreign equity joint venture 中外合資企業	PRC 中國	RMB370,830,000 人民幣370,830,000元	37%	Property development and management 物業發展及管理

The principal place of operations of SZMP is the PRC.

13. 於聯營公司之權益 (續)

本集團於二零零四年十二月三十一日之聯營公司之詳情如下：

張江微電子港以中國為主要經營業務地點。

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For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

13. INTEREST IN AN ASSOCIATE (continued)

A summary of the results and financial position of SZMP, based on its management accounts prepared in accordance with accounting principles generally accepted in Hong Kong for equity accounting, is as follows:

(a) Results for the year ended 31st December, 2004

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Turnover	營業額	166,313	381,946
(Loss) profit before taxation	除稅前(虧損)溢利	(10,860)	12,224
Taxation	稅項	1,935	(1,429)
(Loss) profit before minority interests	未計少數股東權益前(虧損)溢利	(8,925)	10,795
Minority interests	少數股東權益	466	—
Net (loss) profit for the year	年內(虧損)溢利淨額	(8,459)	10,795
Net (loss) profit for the year attributable to the Group	本年度本集團應佔(虧損)溢利淨額	(3,130)	3,994

(b) Financial position at 31st December, 2004

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Non-current assets	非流動資產	30,357	1,337
Current assets	流動資產	1,088,016	1,028,347
Current liabilities	流動負債	(298,757)	(313,034)
Non-current liabilities	非流動負債	(240,731)	(132,683)
Minority interests	少數股東權益	(2,646)	—
Net assets	資產淨值	576,239	583,967
Net assets attributable to the Group	本集團應佔資產淨值	213,208	216,068

13. 於聯營公司之權益 (續)

按香港普遍採納之會計原則編製以權益法納入之張江微電子港管理賬目，其業績及財務狀況概要如下：

(a) 截至二零零四年十二月三十一日止年度業績

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Turnover	166,313	381,946
(Loss) profit before taxation	(10,860)	12,224
Taxation	1,935	(1,429)
(Loss) profit before minority interests	(8,925)	10,795
Minority interests	466	—
Net (loss) profit for the year	(8,459)	10,795
Net (loss) profit for the year attributable to the Group	(3,130)	3,994

(b) 於二零零四年十二月三十一日之財務狀況

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Non-current assets	30,357	1,337
Current assets	1,088,016	1,028,347
Current liabilities	(298,757)	(313,034)
Non-current liabilities	(240,731)	(132,683)
Minority interests	(2,646)	—
Net assets	576,239	583,967
Net assets attributable to the Group	213,208	216,068

14. OTHER INVESTMENTS

14. 其他投資

		The Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Equity investments	權益投資	258,390	200,970

The investments are listed on the Stock Exchange and are carried at market value.

該等投資已於聯交所上市且按市場價值列賬。

Pursuant to Section 129(2) of the Companies Ordinance, details of investment having cost which exceeded one tenth of the total assets of the Company at 31st December, 2004, are as follows:

根據《公司條例》第129(2)條，於二零零四年十二月三十一日投資成本超出本公司總資產值十分之一之投資詳情如下：

Company name	Country of incorporation	Class of shares held	Proportion of nominal value of issued capital held by the Group 本集團持有之已發行股本面值比例
公司名稱	註冊成立國家	持有股份類別	
Tomson Group Limited ("TGL") 湯臣集團有限公司 (「湯臣集團」)	Cayman Islands 開曼群島	Ordinary 普通	14.33%

15. PROPERTIES HELD FOR SALE

Properties held for sale are stated at their net realisable value.

15. 待售物業

待售物業分別按其可變現淨值列賬。

Details of the properties held for sale are set out in the Schedule of Principal Properties attached to these financial statements.

待售物業之詳情載於隨附本財務報表之主要物業表內。

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For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

16. DEFERRED TAX

The following is the deferred tax asset recognised and movements thereon during the current and prior years:

Balance at 1st January, 2003	於二零零三年一月一日結餘	-
Credit to income for the year	年度計入收入	(361)
Balance at 1st January, 2004	於二零零四年一月一日結餘	(361)
Charge to income for the year	年度於收入扣除	362
Exchange realignment	匯兌調整	(1)
Balance at 31st December, 2004	於二零零四年十二月三十一日結餘	-

At the balance sheet date, the Group has unused tax losses of HK\$87.01 million (2003: HK\$90.55 million) available for offset against future profits. At 31st December, 2004, no deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. At 31st December, 2003, a deferred tax asset had been recognised in respect of HK\$2.41 million of tax losses and no deferred tax asset had been recognised in respect of the remaining HK\$88.14 million due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$17.45 million that will expire on or before 31st December, 2007 (2003: HK\$22.73 million that will expire on or before 31st December, 2006). Other losses may be carried forward indefinitely.

17. TRADE AND OTHER PAYABLES

Included in trade and other payables is trade payable of HK\$16,230,000 (2003: HK\$14,000) and is aged less than three months at the balance sheet date (2003: aged more than one year but less than two years at the balance sheet date).

16. 遞延稅項

以下為於本年度及過往年度已確認遞延稅項資產及其變動：

Tax losses
稅務虧損
HK\$'000
千港元

於結算日，本集團可用作抵銷未來溢利之未用稅項虧損為87,010,000港元(二零零三年：90,550,000港元)。於二零零四年十二月三十一日，由於未來收入來源難以預測，故並無確認該等稅項虧損為遞延稅項資產。於二零零三年十二月三十一日，本集團已就約2,410,000港元之稅項虧損確認為遞延稅項資產。由於未來收入來源難以預測，故並無將剩餘88,140,000港元確認為遞延稅項資產。未確認稅項虧損包括將於二零零七年十二月三十一日或之前到期之虧損17,450,000港元(二零零三年：22,730,000港元將於二零零六年十二月三十一日或之前到期)。其他虧損可予無限期結轉。

17. 應付貿易款項及其他應付賬款

應付貿易款項及其他應付賬款包括16,230,000港元(二零零三年：14,000港元)應付貿易款項，於結算日起計，賬齡為少於三個月(二零零三年：於結算日起計，賬齡為一年以上但於兩年以內)。

18. BANK LOAN, SECURED

The bank loan of RMB70,000,000 (approximately HK\$65,685,000) as at 31st December, 2003 which was secured by the land use right in respect of a piece of land situated in Pudong, Shanghai, which was grouped under properties under development, had been fully repaid during the year. The pledge was then released accordingly.

19. SHARE CAPITAL

18. 銀行貸款，有抵押

於二零零三年十二月三十一日，人民幣70,000,000元(約65,685,000港元)之銀行貸款以一幅列作發展中物業位於上海浦東之土地之土地使用權作抵押，並已於年內悉數償還。有關抵押其後亦因而解除。

19. 股本

		Number of shares 2004 and 2003 股份數目 二零零四年及 二零零三年	Value 2004 and 2003 價值 二零零四年及 二零零三年 HK\$'000 千港元
Ordinary shares of HK\$0.05	普通股每股面值0.05港元		
– Authorised	– 法定股本	20,000,000,000	1,000,000
– Issued and fully paid	– 已發行及繳足股本	2,608,546,511	130,427

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For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

20. RESERVES

20. 儲備

		Share premium	Capital redemption reserve	Capital reduction reserve	Foreign currency translation reserve	Goodwill	Other non-dis-tributable reserve	Accumulated profits (losses)	Total
		股份溢價賬	資本贖回儲備	股本儲備	兌換儲備	商譽	其他不可分派儲備	累計溢利(虧損)	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
THE GROUP	本集團								
Balance at 1st January, 2003	於二零零三年一月一日結餘	307,108	4,709	566,305	(183)	(870)	-	(562,112)	314,957
Exchange difference arising from translation of overseas operation for the year	年度內海外經營業務換算產生之匯兌差額	-	-	-	(510)	-	-	-	(510)
Share of net reserve movement of an associate for the year	年度內應佔聯營公司儲備之變動淨額	-	-	-	(942)	-	(125)	-	(1,067)
Transfer from retained earnings to other non-distributable reserve by an associate during the year	年度內聯營公司將其保留盈利轉至其他不可分派儲備	-	-	-	-	-	1,501	(1,501)	-
Net profit for the year	年度內溢利淨額	-	-	-	-	-	-	140,175	140,175
Balance at 1st January, 2004	於二零零四年一月一日結餘	307,108	4,709	566,305	(1,635)	(870)	1,376	(423,438)	453,555
Release of negative goodwill upon dissolution of a subsidiary	解散附屬公司時解除之負商譽	-	-	-	-	(24)	-	-	(24)
Impairment on goodwill on consolidation	綜合賬目產生之商譽減值	-	-	-	-	894	-	-	894
Exchange difference arising from translation of overseas operations for the year	年度內海外經營業務換算產生之匯兌差額	-	-	-	235	-	-	-	235
Share of net reserve movement of an associate for the year	年度內應佔聯營公司儲備之變動淨額	-	-	-	453	-	(183)	-	270
Transfer from retained earnings to other non-distributable reserve by an associate during the year	年度內聯營公司將其保留盈利轉至其他不可分派儲備	-	-	-	-	-	1,045	(1,045)	-
Net profit for the year	年度內溢利淨額	-	-	-	-	-	-	163,300	163,300
Balance at 31st December, 2004	於二零零四年十二月三十一日結餘	307,108	4,709	566,305	(947)	-	2,238	(261,183)	618,230

20. RESERVES (continued)

Other non-distributable reserve represents enterprise expansion fund and other PRC statutory reserves arising from share of reserves of an associate.

20. 儲備 (續)

其他不可分派儲備為應佔一間聯營公司之企業發展基金及其他中國法定儲備。

		Share premium	Capital redemption reserve	Capital reduction reserve	Foreign currency translation reserve	Goodwill	Other non-distributable reserve	Accumulated profits (losses)	Total
		股份溢價賬	贖回儲備	股本儲備	外幣兌換儲備	商譽	其他不可分派儲備	累計溢利(虧損)	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Attributable to:	來自:								
As at 31st December, 2004	於二零零四年十二月三十一日								
- Company and subsidiaries	- 公司及附屬公司	307,108	4,709	566,305	(458)	-	-	(258,418)	619,246
- Associate	- 聯營公司	-	-	-	(489)	-	2,238	(2,765)	(1,016)
		<u>307,108</u>	<u>4,709</u>	<u>566,305</u>	<u>(947)</u>	<u>-</u>	<u>2,238</u>	<u>(261,183)</u>	<u>618,230</u>
As at 31st December, 2003	於二零零三年十二月三十一日								
- Company and subsidiaries	- 公司及附屬公司	307,108	4,709	566,305	(693)	(870)	-	(424,848)	451,711
- Associate	- 聯營公司	-	-	-	(942)	-	1,376	1,410	1,844
		<u>307,108</u>	<u>4,709</u>	<u>566,305</u>	<u>(1,635)</u>	<u>(870)</u>	<u>1,376</u>	<u>(423,438)</u>	<u>453,555</u>
THE COMPANY	本公司								
Balance at 1st January, 2003	於二零零三年一月一日結餘	307,108	4,709	566,305	-	-	-	(577,167)	300,955
Net profit for the year	年度內之溢利淨額	-	-	-	-	-	-	124,070	124,070
Balance at 31st December, 2003	於二零零三年十二月三十一日結餘	307,108	4,709	566,305	-	-	-	(453,097)	425,025
Net profit for the year	年度內之溢利淨額	-	-	-	-	-	-	50,339	50,339
Balance at 31st December, 2004	於二零零四年十二月三十一日結餘	<u>307,108</u>	<u>4,709</u>	<u>566,305</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(402,758)</u>	<u>475,364</u>

At the balance sheet date, the Company has no distributable reserves.

於結算日，本公司並無可供分派儲備。

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20. RESERVES (continued)

Capital Reduction Reserve

On 21st July, 1998, the Court approved the Company, to reduce the capital of the Company from HK\$1,000,000,000 divided into 2,000,000,000 ordinary shares of HK\$0.50 each to HK\$100,000,000 divided into 2,000,000,000 ordinary shares of HK\$0.05 each and, following the reduction, to create an additional 18,000,000,000 ordinary shares of HK\$0.05 each. On 22nd July, 1998, the Companies Registry registered the Court order and the capital of the Company became HK\$1,000,000,000 divided into 20,000,000,000 ordinary shares of HK\$0.05 each, of which 1,258,455,426 ordinary shares have been issued and fully paid.

Pursuant to the undertaking given to the Court, the amounts equal to the credit arising from the reduction of capital of approximately HK\$566,305,000 have been credited to a Capital Reduction Reserve in the books of account of the Company and so long as there shall remain any debt of or claim against the Company outstanding at the date when the reduction of capital took effect which, if such date was the date of the commencement of the winding up of the Company, would have been admissible in proof against the Company and the person entitled to the benefit thereof shall not have agreed otherwise, such reserve:-

- (i) would not be treated as realised profit; and
- (ii) for so long as the Company shall remain a listed company (as defined in the Companies Ordinance), would be treated as an undistributable reserve of the Company for the purposes of Section 79C of the Companies Ordinance or any statutory re-enactment or modification thereof

provided that the amount standing to the credit of the Capital Reduction Reserve may be reduced by the aggregate of any increase in the issued share capital or in the share premium account of the Company resulting from an issue of shares for cash or other new consideration or upon a capitalisation of distributable reserves after the reduction takes effect.

20. 儲備 (續)

削減股本儲備

法院於一九九八年七月二十一日批准本公司將股本由1,000,000,000港元拆分為2,000,000,000股每股面值為0.50港元之普通股，削減至100,000,000港元，拆分為2,000,000,000股每股面值為0.05港元之普通股，並於削減股本後增設18,000,000,000股每股面值0.05港元之普通股。本公司已於一九九八年七月二十二日在公司註冊處登記法院指令，而本公司之股本已變為1,000,000,000港元，拆分為20,000,000,000股每股面值為0.05港元之普通股，其中1,258,455,426股普通股已發行及繳足。

依照向法院作出之保證，因削減股本所引致金額相當於約566,305,000港元之進賬款項已記入本公司賬目之削減股本儲備，且倘於股本削減生效之日（若該日為本公司清盤開始日）公司仍有任何未清償債務或未了結申索，而此等債務或申索為不利於本公司之可接納證據，且擁有權益之人士並無持相反意見，則儲備以下列方式處理：

- (i) 將不視為已變現溢利；及
- (ii) 只要本公司仍為上市公司（定義見《公司條例》），對《公司條例》第79C條或任何法定重新制定法例或任何修訂之法例而言應視為本公司之一項不可分配儲備。

惟倘因此等削減股本生效後發行股份換取現金或其他代價或將可分配儲備資本化，則可將削減股本儲備之進賬金額減少，減少幅度為本公司已發行股本或股份溢價賬內任何增加金額之總和。

21. RELATED PARTIES TRANSACTIONS

- (a) The Company has entered into an arrangement with TGL pursuant to which the Group was allowed to use the office premises and administrative resources of TGL. In return, the Company is required to share an attributable portion of the administrative cost of TGL. During the year ended 31st December, 2004, the administrative cost of TGL shared by the Company amounted to HK\$2,124,000 (2003: HK\$2,124,000). As at 31st December, 2004 and 31st December, 2003, no outstanding balance was owed to TGL.
- (b) As at 31st December, 2004 and 31st December, 2003, included in the consolidated financial statements under trade and other payables, a net amount of approximately HK\$10,274,000 was advanced by a minority shareholder of a subsidiary of the Company. The advance was unsecured, interest free and has no fixed repayment terms.

During the year ended 31st December, 2003, interest of HK\$535,000 payable to the minority shareholder was charged to the income statement.

- (c) During the year ended 31st December, 2003, the Company fully repaid a loan of HK\$6 million and paid total interest of HK\$165,000 to Mr. Tong Cun Lin.

22. CAPITAL COMMITMENTS

At the balance sheet date, the Group had capital commitments amounting to HK\$99,685,000 (2003: HK\$53,162,000) in respect of capital expenditure in construction of properties under development which had been contracted but not provided in the financial statements.

The Company did not have any outstanding capital commitments at the balance sheet date.

21. 關連人士交易

- (a) 本公司與湯臣集團訂立一項安排，據此，本集團獲准使用湯臣集團之辦公室物業及行政資源。本公司須就此與湯臣集團分擔應佔比例之行政費用。於截至二零零四年十二月三十一日止年度，本公司分擔湯臣集團之行政費用為數2,124,000港元(二零零三年：2,124,000港元)。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，本公司並無欠付湯臣集團任何款項。
- (b) 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，一筆淨額約10,274,000港元之款項(已計入綜合財務報表之應付貿易款項及其他應付賬款)由本公司一間附屬公司之少數股東墊付。該筆墊款為無抵押、免息及無固定還款期。

於截至二零零三年十二月三十一日止年度，應付予少數股東之利息535,000港元已於利潤表中扣除。

- (c) 於截至二零零三年十二月三十一日止年度，本公司悉數償還貸款6,000,000港元，並向湯君年先生支付利息總額165,000港元。

22. 資本承擔

於結算日，本集團就發展中物業之建築工程(已訂約但財務報表中未予撥備)而作之資本開支承擔為99,685,000港元(二零零三年：53,162,000港元)。

於結算日，本公司概無任何資本承擔。

For the year ended 31st December, 2004 截至二零零四年十二月三十一日止年度

23. CONTINGENT LIABILITIES

During the year ended 31st December, 2004, the State Administration of Taxation in the PRC promulgated a circular to all local tax bureaus requiring them to levy land appreciation tax on property developers. In the opinion of the directors, after meeting with the officials responsible for land appreciation tax of the local tax bureaus of Shanghai at which the Group's principal property development projects situated, the Group is unlikely to receive demands from the local tax bureaus for the payment of land appreciation tax in respect of sales of properties. The Group, has not, however, been able to secure written confirmation of the local tax bureaus, and the directors consider the chance that land appreciation tax might be levied is less than probable. Accordingly, no provisions for land appreciation tax have been made in the financial statements. Should such levies take place, then land appreciation tax attributable to the Group will amount to approximately HK\$24,744,000 (2003: Nil).

24. RETIREMENT BENEFITS SCHEMES

The Group participates in a Mandatory Provident Fund Scheme ("MPF Scheme") established under the Mandatory Provident Fund Schemes Ordinance in November 2002. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and the employees are obliged to make contributions at the specified rate under the MPF Scheme.

The contributions arising from the MPF Scheme charged to the income statement represent contributions payable to the MPF Scheme by the Group at rates specified in the rules of the MPF Scheme.

23. 或然負債

於截至二零零四年十二月三十一日止年度，中國國家稅務總局向所有地方稅務局頒佈通函，向物業發展商徵收土地增值稅。經與上海（本集團主要物業發展項目所在地）當地稅務局負責土地增值稅之官員會面後，董事認為當地稅務局不大可能要求本集團就其物業銷售繳納土地增值稅。雖然本集團一直未能取得當地稅務局發出之任何書面確認，董事認為可能被徵收土地增值稅之機會頗微。故此，本集團並無就土地增值稅於財務報表中作出撥備。倘須徵收土地增值稅，則本集團應付之土地增值稅約為24,744,000港元（二零零三年：無）。

24. 退休福利計劃

本集團於二零零二年十一月根據《強制性公積金計劃條例》參與一項強制性公積金計劃（「強積金計劃」）。強積金計劃之資產與本集團之資產分開持有，並由一獨立信託人以基金形式管理。根據強積金計劃之規則，僱主及僱員均有責任按強積金計劃訂明之比率作出供款。

於利潤表扣除之就強積金計劃之供款乃指本集團按強積金計劃規則訂明之比率應付予強積金計劃之供款。

24. RETIREMENT BENEFITS SCHEMES *(continued)*

The employees in the PRC are members of respective state-managed defined contribution retirement benefits schemes operated by the local government. The employer and the employees are obliged to make contributions at a certain percentage of the payroll under rules of the schemes. The only obligation of the Group with respect to the retirement benefit schemes is to make the specified contributions.

24. 退休福利計劃 (續)

本集團之中國僱員均為個別地方政府營辦之國家管理界定供款退休福利計劃之成員。根據計劃規則，僱主及僱員均有責任按薪金之若干百分比作出供款。本集團對於該等退休福利計劃之唯一責任為作出訂明供款。