

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 4 April 2001 as an exempted company with limited liability under the Companies Law of the Cayman Islands.

The principal activity of the Company is investment holding. On 28 December 2005, the Company entered into a conditional agreement with two independent third parties to acquire 60% equity interest in Newsummit, as further detailed in note 20, with a view of diversifying the business of the Group into exploitation, production and sale of peat moss and coal. The principal activities of the Company's subsidiaries during the year are operation of a chain of Chinese restaurants and food manufacturing in Hong Kong. The principal activities of the subsidiaries are set out in note 17 to the financial statements.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

### 2. GOING CONCERN BASIS

In preparing these financial statements, the directors of the Company have made due care and considerations concerning the appropriateness of the going concern concept in light of the current financial position of the Group and the proposed acquisition of the equity interest in Newsummit as detailed in note 20 to the financial statements.

### 1. 一般資料

本公司於二零零一年四月四日根據開曼群島公司法於開曼群島註冊成立為受豁免之有限公司。

本公司之主要業務為投資控股。本公司於二零零五年十二月二十八日與兩名獨立第三方訂立一份有條件協議，據此，本公司同意收購新頂峰投資有限公司之60%股權，進一步詳情載於附註20，收購目的為將業務擴展至開採、生產及銷售泥炭及煤。於年內本公司附屬公司之主要業務為於香港經營連鎖中式酒樓及食品加工。附屬公司之主要業務載於財務報表附註17。

本財務報表以港元呈列，與本公司之功能貨幣相同。

### 2. 持續經營基準

編製該等財務報表時，本公司董事已作出應有的審慎並考慮到本集團目前之財務狀況及按財務報表附註20詳盡披露建議收購新頂峰之股權是否適合運用持續經營概念。

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### 2 GOING CONCERN BASIS (continued)

As disclosed in note 20, apart from the balance of consideration of HK\$5 billion for the acquisition of 60% equity interests in Newsummit to be settled by the Company by way of the issue of an interest-free convertible note of the same amount, Newsummit will have capital commitments of approximately RMB2 billion in respect of the exploration, exploitation and production of Coal Mine and Peat Moss Mine. Subsequent to 31 December 2005, Newsummit has entered into a letter of intent with an independent third party to set up a joint venture for joint development and exploitation of coal as further detailed in note 20 below.

In addition, the Group had net current liabilities of HK\$39,440,000, and a net loss of HK\$22,042,000 for the year then ended. The financial statements have been prepared on a going concern basis, the validity of which will depend upon future funds being available to the Group to meet its debts as and when they fall due in the foreseeable future, in particular, the capital expenditure for the Peat Moss Mine and Coal Mine following completion of the proposed acquisition of 60% equity interests in Newsummit.

The Company is currently seeking a placing agreement with an independent placing agent to raise funds for financing the operations of the Peat Moss Mine and Coal Mine of Newsummit Group upon completion of the Master Agreement. The directors of the Company are of opinion that the Group will successfully conclude the placing agreement in order to raise funds to meet the capital requirements and expenditure for the Coal Mine and Peat Moss Mine upon completion of the proposed acquisition of 60% equity interests in Newsummit. In addition, a shareholder of the Company, Hon Po investment Limited, has also agreed to provide financial support to the Group so as to maintain the Group as a going concern for the foreseeable future, and will not demand the repayment for the amounts of HK\$35,413,000 due by the Group until the Group has adequate working capital to do so without significantly curtailing its Chinese restaurant operations.

### 2. 持續經營基準 (續)

誠如附註20所披露，除收購新頂峰60%股權所須代價5,000,000,000港元之餘款將由本公司透過發行相同金額之免息可換股票據而支付外，新頂峰集團將會就煤礦及泥炭礦之勘探、開採及生產擁有資本承擔約人民幣2,000,000,000元。於二零零五年十二月三十日後，新頂峰已與一獨立第三方訂立意向書，藉此成立一合營企業以共同發展及開採煤炭，詳情載於下文附註20。

此外，本集團擁有淨流動負債39,440,000港元，以及截至當日止年度之淨虧損22,042,000港元。該等財務報表乃按照持續經營基準編製，其有效性將會視乎本集團日後可供動用之資金以應付其於可見未來到期應付之債項（尤其是建議收購新頂峰之60%股權一事完成後泥炭礦及煤礦所須之資本開支）而定。

本公司目前正尋求於主要協議完成後與一獨立配售代理訂立配售協議，就泥炭礦及煤礦之營運集資。本公司董事認為，本集團將會成功簽訂配售協議，可於建議收購新頂峰之60%股權完成後集資，以應付煤礦及泥炭礦所須之資本開支及開支。此外，本公司一名股東漢寶投資發展（香港）有限公司已同意給予本集團財政支持，藉以維持本集團於可見未來持續經營業務，在本集團具備足夠營運資金而不會嚴重影響其中式酒樓業務之情況下，能夠償還其所欠負一筆為數35,413,000港元之款項前，不會要求本集團償還上述款項。

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### 2 GOING CONCERN BASIS *(continued)*

Should the Group be unable to continue its business as a going concern, adjustments would have been made to restate the value of the assets, including the deposits of HK\$100,000,000 paid for the acquisition of equity interests in Newsummit to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify the non-current assets and non-current liabilities as current assets and current liabilities respectively.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### Statement of compliance

These financial statements have been prepared in accordance with applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of Rules Governing the Listing of Securities on the The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

### 2. 持續經營基準 (續)

一旦本集團未能繼續持續經營業務，本集團須將該等資產（包括建議收購新頂峰股權而已付之按金100,000,000港元）之價值重列至其可收回金額，並須就可能產生之任何其他負債計提撥備，以及將非流動資產及非流動負債分別重新分類列作流動資產及流動負債。

### 3. 主要會計政策

#### 遵例聲明

此等財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「財務報告準則」）編製，其統稱包括所有適用之個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋、香港公認會計原則及香港公司條例之披露規定。此等財務報表亦遵守香港聯合交易所有限公司之證券上市規則之適用披露條文。本集團所採納之主要會計政策概要載述如下。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Statement of compliance (continued)

The HKICPA has issued a number of new and revised HKFRSs that are effective for accounting periods beginning on or after 1 January 2005. The adoption of the new and revised HKFRSs has had no material effect on how the results for the current or prior accounting years are prepared and presented. Accordingly, no prior year adjustment has been required. In summary:

- HKAS 1 has affected the presentation of minority interests and other disclosures
- HKAS 24 has affected the identification of related parties and some other related-party disclosures

The adoption of HKAS 32 and HKAS 39 resulted in a change in accounting policy relating to the classification of financial assets/financial liabilities at fair value through profit or loss.

The Group has not early adopted the following new standards and interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the financial statements of the Group.

- HKAS 1 (Amendment) Capital disclosures
- HKAS 19 (Amendment) Actuarial gains and losses, group plans and disclosures
- HKAS 39 (Amendment) Cash flow hedge accounting of forecast intragroup transactions
- HKAS 39 (Amendment) The fair value option

### 3. 主要會計政策 (續)

#### 遵例聲明 (續)

香港會計師公會已頒佈多項新訂及經修訂香港財務報告準則，並於二零零五年一月一日或以後開始之會計期間生效。採納此等新訂及經修訂香港財務報告準則對本會計年度或過往會計年度之業績編製和呈列方式並無任何重大影響。因此，無須就上年度業績作出調整。概括而言：

- 香港會計準則第1號 影響少數股東權益及其他披露之呈報
- 香港會計準則第24號 影響關連人士之識別及部分其他關連人士披露

採納香港會計準則第32號及香港會計準則第39號導致有關透過損益按公平值將財務資產／財務負債分類之會計政策產生變動。

本集團並未提早採納下列已頒佈但並未生效之新準則及詮釋。本公司董事預期，應用此等準則或詮釋將不會對本集團之財務報表造成任何重大影響。

- 香港會計準則第1號 (修訂本) 資本披露
- 香港會計準則第19號 (修訂本) 累計損益、集團計劃及披露
- 香港會計準則第39號 (修訂本) 預測集團內公司間交易之現金流量對沖會計處理
- 香港會計準則第39號 (修訂本) 選擇以公平值入賬

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Statement of compliance (continued)

- HKAS 39 & HKFRS 4 (Amendment) Financial guarantee contracts
- HKFRS 6 Exploration for and evaluation of mineral resources
- HKFRS 7 Financial instruments: disclosures

#### Basis of preparation

The consolidated financial statements for the year ended 31 December 2005 comprise the Company and its subsidiaries (together referred to as the “Group”). The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 3. 主要會計政策 (續)

#### 遵例聲明 (續)

- 香港會計準則 財務擔保合約  
第39號及香港  
財務報告準則  
第4號(修訂本)
- 香港財務 勘探及評估礦產  
報告準則第6號 資源
- 香港財務 財務工具:披露  
報告準則第7號

#### 編製基準

截至二零零五年十二月三十一止年度之綜合財務報表包括本公司及其附屬公司(統稱「本集團」)。該等綜合財務報表乃根據歷史成本法編製。

根據香港財務報告準則,管理層在編製財務報表時須作出判斷、估計及假設,該等判斷、估計及假設會影響政策之應用及資產、負債、收入及開支之匯報數額。該等估計及相關假設乃根據過往經驗及在當時情況下認為合理之其他不同因素而作出,其結果構成就無法從其他途徑即時得知之資產及負債面值作出判斷之基準。實際業績可能有別於此等估計。

此等估計及相關假設乃按持續基準審閱。倘會計估計之修訂會影響該期間,或作出修訂之期間,則會在該期間內確認;倘修訂對即期及未來期間均有影響,則會在未來期間確認。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

*(continued)*

#### Subsidiary

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital or controls more than half of the voting power or controls the composition of the boards of directors. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, to govern the financial and operating policies, so as to obtain benefits from their activities.

An investment in a controlled subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions and any unrealized profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains but to the extent that there is no evidence of impairment.

Minority interests at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet and statement of change in equity within equity, separately from equity attributable to the equity holders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity holders of the Company.

### 3. 主要會計政策 (續)

#### 附屬公司

根據香港公司條例，附屬公司乃本集團直接或間接持有或控制其過半數已發行股本或投票權之公司，或本集團控制其董事會或等同監管組織組成之公司。附屬公司受控指本公司直接或間接有權監管其財務及經營政策，以從其業務中獲取利益之企業。

於受控制之附屬公司之投資自控制權生效至終止期間在綜合財務報表中綜合入賬。

集團內部往來的餘額和集團內部交易及其產生的未變現溢利，均在編製綜合財務報表時全數抵銷。集團內部交易所產生的未變現虧損的抵銷方法與未變現收益相同，但抵銷額只限於沒有證據顯示已轉讓資產已減值。

於結算日之少數股東權益，即並非由公司（不論直接或間接）透過附屬公司擁有之股份權益應佔之附屬公司資產淨值部份，均於綜合資產負債表及權益變動表內權益一項列賬，並與本公司權益持有人應佔權益分開列賬。本集團業績之少數股東權益作為年內溢利或虧損總額在少數股東及本公司權益持有人之間的分配於綜合收益表中列示。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Subsidiary (continued)

Where losses applicable to the minority exceeds the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against to the Group's interest except to the extent the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been resolved.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

#### Goodwill

Goodwill represents the excess of the cost of a business combination or an investment in and associate or a jointly controlled entity over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generated units and is tested annually for impairment. Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate or a jointly controlled entity is recognised immediately in profit or loss. On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

### 3. 主要會計政策 (續)

#### 附屬公司 (續)

倘少數股東應佔虧損超過其於附屬公司之權益，則超出之款額及少數股東應佔之任何其他進一步虧損乃於本集團之權益中扣除，惟倘少數股東須承擔具約束力之責任及能夠作進一步投資彌補虧損則作別論。該附屬公司日後之所有盈利均分配為本集團權益，直至先前由本集團承擔原應由少數股東攤佔之虧損得到彌補為止。

於附屬公司之投資在本公司資產負債表中以成本扣除減值虧損列賬，除非該投資被分類為持作出售（或包括於被分類為持作出售之組合中）。

#### 商譽

商譽乃指業務合併成本或於聯營公司或共同控制實體之投資超過本集團於被收購公司之可分辨資產、負債及或然負債公平淨值權益之數額。商譽乃按成本減累計減值虧損列賬。商譽乃撥至現金產生單位及每年進行減值測試。任何本集團於被收購公司之可分辨資產、負債及或然負債公平淨值權益超過業務合併成本或於聯營公司或共同控制實體之投資之數額於再次評估後乃於損益賬即時確認。於本年度出售現金生產單位時，任何應佔所購入商譽之金額乃於計算出售損益時包括在內。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

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#### Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the assets put into operation, such as repairs and maintenance, is normally charged to the income statement in period in which it is incurred.

Depreciation is calculated on the straight-line basis to write off the cost or valuation of items of property, plant and equipment over their estimated useful lives as follows:

Leasehold improvements	6 years or over the unexpired period of the lease
Furniture and fixtures	6 – 8 years
Plant and equipment	6 – 8 years
Motor vehicles	4 years

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset and is recognised in the income statement.

#### Assets acquired under finance leases

Leases that substantially transfer to the Group all the rewards and risks of ownership of assets are accounted for as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased assets or the present value of the minimum lease payments. Each lease payment is allocated between the capital and finance charges so as to achieve a constant rate on all the capital balances outstanding. The corresponding rental obligations, net of finance charges, are included in long-term liabilities. The finance charges are charged to the income statement over the lease periods. Assets held under finance leases are depreciated over the shorter of their estimated useful life or the lease periods.

### 3. 主要會計政策 (續)

#### 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及累計減值虧損列賬。資產之成本值包括其購買價及將資產達至運作狀況及位置以作其擬定用途而產生之任何直接成本。資產投入運作後之開支(如維修及保養)一般於開支產生期間在收益表列支。

折舊乃以直線法按估計可使用年期撇銷物業、廠房及設備成本及估值。年率如下：

租賃物業裝修	六年或超過租約未屆滿期間
傢俬及裝置	六至八年
廠房及設備	六至八年
汽車	四年

出售物業、廠房及設備時在收益表內確認之收益或虧損，乃有關資產之銷售所得金額淨額與賬面值兩者之差額。

#### 根據融資租約收購之資產

凡將資產擁有權之所有風險與回報實際上轉歸本集團之租約均屬融資租約。融資租約乃於租約開始時以租賃資產之公平值或最低租金之現值(以較低者為準)撥作資本。租金款額已分配予資本及融資費用，致使尚未償還資本餘額之固定扣除比率一致。有關之租金承擔減融資費用於長期負債列賬。融資費用乃按租賃期限於收益表扣除。按融資租約持有之資產之折舊乃按彼等各自之估計可使用年期或租期(以較短者為準)計算。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Operating leases

Leases where substantially all the rewards and risk of ownership remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the income statements on the straight-line basis over the lease terms. Where the Group is the lessee, the rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

#### Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment; and
- investments in subsidiaries.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

#### i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

### 3. 主要會計政策 (續)

#### 經營租約

出租人保留擁有權之絕大部份回報及風險之租約為經營租約。倘本集團為出租人，本集團根據經營租約出租之資產列為非流動資產，而經營租約應收租金按租期以直線法計入收益表。倘本集團為承租人，經營租約應付租金按租期以直線法於收益表中扣除。

#### 資產減值

於每個結算日會審核內部及外間資料，以識別下列資產是否已出現減值或之前已確認之減值是否已不存在或減少：

- 物業、廠房及設備；及
- 附屬公司投資。

倘資產之賬面值超越其可收回金額時，減值虧損會被確認。

#### i) 計算可收回金額

資產的可收回金額為其銷售淨價及其使用價值兩者中之較高者。評估使用價值時，是以除稅前之折扣率計算預計未來之現金流量的現值，而該折扣率反映當時市場對金錢價值之評估及該項資產的特有風險。如某類資產產生之現金流量不能獨立於其他資產所產生之現金流量，可收回金額按最細資產組合所產生之獨立現金流量計算（即產生現金之單元）。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Impairment of assets (continued)

##### ii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

#### Other assets

Other assets represent utensils, linen and uniforms. No depreciation is provided on the initial purchase of utensils, linen and uniforms which are capitalized at cost. The cost of subsequent replacement of these items is charged directly to the income statement in the year in which such expenditure is incurred.

#### Inventories

Inventories, representing food and beverages, are stated at the lower of cost and net realisable value after making due allowance for any obsolete or slow-moving items. Cost, calculated on a first-in, first-out basis, comprises all costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

### 3. 主要會計政策 (續)

#### 資產減值 (續)

##### ii) 減值虧損轉回

除商譽外之資產，只有在確定可收回金額中所使用的估計有所改變時，減值虧損會被轉回。只有當虧損是由一特別外來事件引起而預期該事件之特殊性質不會再次出現，及增加之可收回金額清楚地跟轉回該特別事件之影響有關時，有關商譽之減值虧損可被轉回。

減值虧損之轉回限於往年度沒有確認減值虧損時的資產賬面值。減值虧損之轉回於確認轉回當年計入收益表。

#### 其他資產

其他資產指廚房器具、桌布及制服。並無就初次採購之廚房器具、桌布及制服（按成本撥充資本）之折舊撥備。其後替換此等物品之成本乃直接於支出產生年度之收益表扣除。

#### 存貨

存貨指食品及飲料，於扣除過時或滯銷物品之金額後按成本及可變現淨值兩者之較低者入賬。成本按先入先出基準計算，包括所有採購成本、轉型成本及將存貨運至其現有地點及狀況之其他成本。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

#### Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost without any difference between cost and redemption value being recognised in profit or loss over the period of borrowings using the effective interest method.

#### Trade and other payables

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, having been within three months of maturity at acquisition. Bank overdrafts, if any, that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

### 3. 主要會計政策 (續)

#### 應收賬款及其他應收款項

應收賬款及其他應收款項最初以公平值確認，之後以已攤銷成本扣除呆壞賬減值虧損列賬。惟在給予關連人士沒有固定還款年期的不計息貸款或貼現影響輕微的情況下，此應收款項以成本扣除呆壞賬減值虧損列賬。

#### 計息借貸

計息借貸最初以公平值減應佔交易成本列賬。於最初確認後，計息貸款按攤銷成本列賬，成本與贖回價值之任何差異不會在貸款期間內以實際利率法在損益表確認。

#### 應付賬款及其他應付款項

應付賬款及其他應付款項初步按公平值確認，其後則按經攤銷成本列賬，惟倘貼現之影響屬微不足道則例外，於該情況下，則按成本列賬。

#### 現金及等同現金

現金及等同現金包括銀行存款、現金、其他金融機構之活期存款，以及可隨時轉換為已知數額現金、價值變動風險不大及於收購後三個月內到期之短期高流動性投資。就綜合現金流量表而言，須按要求償還及組成本集團現金管理一部分之銀行透支（如有）亦作為現金及等同現金之一部分列賬。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING POLICIES

*(continued)*

#### Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

### 3. 主要會計政策 (續)

#### 遞延所得稅

遞延所得稅採用負債法就資產及負債之稅基與其於綜合財務報表之賬面值兩者間之暫時性差異全額撥備。然而，倘遞延所得稅乃源自業務合併以外之交易中初步確認資產或負債，而在交易時並不影響會計或應課稅損益，則不作列賬。遞延所得稅按於結算日之前頒佈或實質頒佈並預期於相關遞延所得稅資產變現或遞延所得稅負債償還後實行之稅率釐定。

遞延所得稅資產於估計未來有足夠應課稅溢利可用於抵銷暫時性差異時確認。

遞延所得稅乃按於附屬公司之投資所產生之暫時性差異撥備，惟倘暫時性差異轉回之時間受控制及暫時性差異在可預見將來可能不會轉回則除外。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Company or Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

#### Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in profit or loss, except those arising from foreign currency borrowings used to hedge a net investment in a foreign operation which are recognised directly in equity.

Non-monetary assets and liabilities that are measured in terms or historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

### 3. 主要會計政策 (續)

#### 撥備及或然負債

當本公司或本集團因過往事件須承擔法定或推定責任，而履行該責任很可能須付出經濟效益及有可靠之估計時，則為未確定時間或金額之負債確認撥備。倘金錢之時間價值重大，撥備將以履行責任預期所須資金現值列報。倘流出經濟效益之可得性不大，或未能可靠地估計數額，則以或然負債形式予以披露，除非流出經濟效益之可能性極微。僅可在日後一項或以上事件發生與否下確定是否須承擔之責任，亦作或然負債予以披露，除非流出經濟效益之可能性極微。

#### 兌換外幣

年內以外幣為本位之交易，均按交易當日之匯率折算。以外幣顯示之貨幣資產與負債則按結算日之匯率折算。兌匯溢利及虧損於損益賬確認，惟若該溢利及虧損由用作對沖海外業務投資淨額之外幣借貸產生，則該溢利及虧損直接於股本確認。

按歷史成本計算並以外幣入賬的非貨幣資產及負債根據交易日的外匯率於結賬日換算。以外幣入賬的非貨幣資產及負債以公平值列賬，並按公平值產生當日的外匯率換算。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Translation of foreign currencies (continued)

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items, including goodwill arising on consolidation of foreign operations acquired after 1 January 2005, are translated into Hong Kong dollars at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity.

On disposal of a foreign operation, the cumulative amount of exchange differences recognised in equity which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

#### Employee benefits

##### i) *Employment Ordinance long service payments*

Certain employees of the Group have completed the required number of years of service under the Employment Ordinance, Chapter 57 of the Laws of Hong Kong (the "Employment Ordinance") to be eligible for long service payments upon termination of their employment. The Group is only liable to make such payments where the termination meets the required circumstances specified in the Employment Ordinance.

### 3. 主要會計政策 (續)

#### 兌換外幣 (續)

海外業務業績於交易日按相若於當日外匯率的匯率換算成港幣。資產負債表項目(包括綜合2005年1月1日以後收購的海外業務所產生的商譽)按結算日之外匯率換算成港幣。該匯兌差額將直接確認為股本的獨立部份。

出售海外業務時，在股本所確認有關海外業務匯兌差額的累計金額將計入出售的損益。

#### 僱員福利

##### i) *僱傭條例長期服務金*

本集團若干僱員於本集團服務已到達指定年數，彼等根據香港法例第57章僱傭條例(「僱傭條例」)符合資格於離職時獲發長期服務金。本集團只須於僱員離職時符合僱傭條例所指定之情況才支付有關款項。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Employee benefits (continued)

##### ii) Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the income statement as they become payable in accordance with rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group’s employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

##### iii) Share-based payment transactions

The Company operates a share option scheme for granting of share options, for the purpose of providing incentives and/or rewards, to eligible employees of the Group.

Employees of the Group (including Directors) receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instrument (“equity-settled transactions”).

### 3. 主要會計政策 (續)

#### 僱員福利 (續)

##### ii) 退休金計劃

根據強制性公積金計劃條例，本集團為其所有僱員設立定額供款強制性公積金退休福利計劃（「強積金計劃」）。供款按僱員基本薪金某一百分比計算，並根據強積金計劃條例之規定於到期供款時自收益表中扣除。強積金計劃之資產以獨立管理基金形式與本集團之資產分開持有。本集團對強積金計劃之僱主供款全歸僱員所有，惟若僱員於取得全數供款之歸益權前離職，根據強積金計劃之規定本集團之僱主自願供款將退還予本集團。

##### iii) 以股份為基礎支付之款項交易

本公司設有一項購股權計劃以授出購股權，目的為提供鼓勵及／或獎賞予本集團之合資格僱員。

本集團僱員（包括董事）以股份為基礎支付之款項交易形式收取酬金，而僱員則提供服務作為權益工具之代價（「權益結算交易」）。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Employee benefits (continued)

##### iii) Share-based payment transactions (continued)

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. It is recognized, together with a corresponding increase in equity, over the year in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (“vesting date”). The cumulative expense recognized for equitysettled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the number of awards that, in the opinion of the Directors at that date, based on the best available estimate of the number of equity instruments that will ultimately vest.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

### 3. 主要會計政策 (續)

#### 僱員福利 (續)

##### iii) 以股份為基礎支付之款項交易 (續)

僱員權益結算交易之成本乃參照該權益工具於授予日期之公平價值計量，在表現及／或服務條件得到履行期間內分期確認，直至相關僱員完全可享有該權利之日（「歸屬日」）為止，而權益亦相應地增加。在歸屬日之前每個結算日對於權益結算交易所確認之累計費用，乃反映歸屬期屆滿之程度及董事認為於當日對最終歸屬之權益工具數量之最佳估計。

除歸屬條件按市場情況之權利外，對於最終未予歸屬之權利，則不確認任何費用。而對於歸屬條件按市場情況之權利，在其他表現條件都符合情況下，不管市場條件是否達到要求，都視作已歸屬。倘權益結算報酬被註銷，則被視為於註銷當日已歸屬，而尚未就該報酬確認之任何費用須即時予以確認。然而，倘有一項新報酬取代已註銷報酬，及於授出當日被指定為該報酬的替代品，則該已註銷報酬及新報酬均被視為原有報酬之改動（見上段所述）。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING POLICIES

*(continued)*

#### Revenue recognition

Provided it is probable that the economics benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the income statement as follows:

- i) Revenue from restaurant operations is recognised when catering services are provided to customers.
- ii) Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.
- iii) Operating lease rental income is recognised on a straight-line basis over the lease periods.
- iv) Handling fee income and sourcing fee income are recognised when the related services have been rendered.

#### Related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where these parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group.

### 3. 主要會計政策 (續)

#### 收益確認

若經濟利益可能流入本集團，而其收益及成本（如適用）可準確計量，收益將按以下方式於收益表盈虧：

- i) 酒樓業務之收益於提供膳食供應服務予顧客時確認；
- ii) 利息收入按時間比例基準根據未償還本金及適用利率確認；
- iii) 經營租賃租金收入於租賃期間按直線法確認；及
- iv) 管理費及雜費收入於提供相關服務時確認。

#### 關連人士

若本集團有能力直接或間接控制另一方或對另一方的財務及經營決策有重大影響力（反之亦然）時，或本集團及另一方受共同控制或共同重大影響力者均視為本集團的關連人士。關連人士可為個人（為主要管理人員、主要股東及／或與彼等關係密切的家族成員）或其他公司，亦包括本集團關連人士（個人）有重大影響力的公司，以及本集團或任何本集團關連人士的僱員受益之退休福利計劃。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING POLICIES

*(continued)*

#### Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products and services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

### 4. FINANCIAL RISK MANAGEMENT

#### Financial risk factors

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. These risks are limited to the Group's financial management policies and practices described below:

#### (a) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that sales of goods are made to customers with an appropriate credit history. Sales to restaurant customers are made in cash or via major credit cards.

### 3. 主要會計政策 (續)

#### 分部報告

業務分部指從事提供產品或服務之一組資產及業務，而該組資產及業務之風險及回報有別於其他業務分部。地區分部乃在某一特定經濟環境下從事提供產品或服務，而該分部之風險及回報有別於在其他經濟環境經營之分部。

### 4. 財務風險管理

#### 財務風險因素

信貸、流動資金、利率及貨幣風險乃在本集團業務之正常過程中產生。該等風險受下列本集團之財務管理政策及實務所制約：

#### (a) 信貸風險

本集團並無重大集中之信貸風險。本集團有政策確保產品之銷售是向擁有適當信貸歷史之客戶作出。酒樓客戶之銷售來自現金或主要信用卡。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 4 FINANCIAL RISK MANAGEMENT (continued)

#### Financial risk factors (continued)

##### (b) Liquidity risk

Prudent liquidity risk management implies sufficient cash, the availability of funding and financial supports when needed from other companies within Group. The Group has maintained a tight treasury controls and the Group's liquidity needs are financed by its working capital.

##### (c) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

#### Fair value estimation

The aggregate net fair values of financial assets and financial liabilities are not materially different from their carrying amounts. Fair value estimates are made at a specific point in time and are based on relevant market information and about the financial instruments. These estimates are subjective in nature and involved uncertainties and matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

### 4. 財務風險管理 (續)

#### 財務風險因素 (續)

##### (b) 流動性風險

謹慎的流動性風險管理包括持有充足的現金及於有須要時獲得本集團其他公司之資金及財務支持。本集團一直嚴謹規管其庫存，並以其營運資金滿足其流動性須求。

##### (c) 現金流量與公平值利率風險

由於本集團並無重大計息資產，故本集團之收入及經營現金流量大致上不受市場利率變動所影響。

#### 公平值估計

財務資產及財務負債之公平淨值總額與其賬面值沒有重大差別。公平值估計是在一個特定的時間按相關的市場訊息及該財務工具的資料而作出。由於這些估計比較主觀，而且亦涉及不明確的因素和相當大程度的人為判斷，故結果不一定十分準確。任何假設上的變動，都可能會嚴重影響估計的結果。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 4 FINANCIAL RISK MANAGEMENT (continued)

#### Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual related results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) *Estimated useful lives of plant and equipment*

The Group's management determines the estimated useful lives and related depreciation charges of its plant and equipment. This estimate is based on the historical experience of the actual useful lives of plant and equipment of similar nature and functions. Management will increase the depreciation charge where useful lives are less than previously estimates lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(b) *Impairment of financial assets*

The Group followed the guidance of HKAS 39 on determining when an investment was other than temporarily impaired. This determination required significant judgements. In making these judgements, the Group evaluated, among other factors, the duration and extent to which the fair value of an investment was less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

(c) *Impairment of deposits paid for the proposed acquisition of Coal Mine and Peat Moss Mine*

The completion of the proposed acquisition of 60% equity interests in Newsummit is subject to the fulfilment of a number of conditions. The directors of the Company believe that there are reasonable grounds that these conditions precedent will be fulfilled and that the Coal Mine and Peat Moss Mine held by Newsummit will be commercially and technically viable. The directors of the Company are of the opinion that no impairment is required on the deposits of HK\$100,000,000 paid for the proposed acquisition of Newsummit.

### 4. 財務風險管理 (續)

#### 關鍵的會計估算及判斷

本集團就未來作出估算和假設，而所得出的會計估算難免偏離實際的相關業績。以下估算和假設有很大機會令下一個財政年度的資產及負債賬面值出現重大調整。

(a) *廠房及設備之估計使用年期*

本集團之管理層釐定其廠房及設備之估計可使用年期及相關折舊費用。該估計乃根據類似性質及功能之廠房及設備之實際可使用年期之過往經驗而釐定。當可使用年期少於先前之估計年期，管理層將增加折舊費用，或將撇銷或撇減已報廢或出售之技術廢舊或非策略性資產。

(b) *財務資產減值*

集團在釐定投資屬否出現暫時性減值時依循香港會計準則第39號的指引。此項釐定涉及重大判斷。在作出此等判斷時，集團所考慮的評估因素包括某項投資的公平值低於其成本的持續時間和數額，以及被投資者的財政健全情況和短期業務前景，包括例如行業和範疇表現、技術轉變以及營運和融資現金流量等因素。

(c) *就建議收購之煤礦及泥炭礦已付按金之減值*

完成建議收購新頂峰之煤礦及泥炭礦60%股權須符合數個條件，本公司董事認為有合理理由相信先決條件將獲符合及由新頂峰持有之煤礦及泥炭礦在商業及技術上均將可實行。本公司董事認為就建議收購新頂峰而付之100,000,000港元按金並無減值之需要。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 5. SEGMENT INFORMATION

No separate analysis of segment information by business or geographical segments is presented as the Group's principal business comprises mainly the operation of a chain of Chinese restaurants in Hong Kong.

### 6. TURNOVER AND OTHER INCOME

Turnover mainly represents the receipts from restaurant operations. All significant intra-group transactions have been eliminated in the preparation of the consolidated financial statements.

An analysis of the Group's turnover and other revenue is as follows:

### 5. 分部資料

由於本集團之主要業務為於香港經營連鎖中式酒樓，故並無呈報業務或地域分部資料之獨立分析。

### 6. 營業額及其他收入

營業額主要指來自酒樓業務之收入。所有重大之集團公司間交易已於編製綜合財務報表時對銷。

本集團營業額及其他收入分析如下：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Turnover	營業額		
Receipts from restaurant operations	來自酒樓業務之收入	186,023	264,387
Sales of food manufactured	銷售加工食品	—	1,733
		<b>186,023</b>	266,120
Other revenue	其他收入		
Rental income, gross	租金收入總額	208	666
Sundry income	雜項收入	754	331
		<b>962</b>	997
Total revenue	總收入	<b>186,985</b>	267,117

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 7. GAIN ARISING FROM DE-CONSOLIDATION OF SUBSIDIARIES

#### i) Gain arising from disposal of subsidiaries

In previous year, the entire issued shares of Hong Kong Hon Po Food Factory Limited, a wholly-owned subsidiary of the Company, were transferred to independent third parties at a consideration of HK\$2. Gain of HK\$282,000 arose from the de-consolidation of the subsidiary in the financial statements for the year ended 31 December 2004.

#### ii) Gain arising from liquidation of a subsidiary

In previous year, gain of HK\$7,170,000 arose from the de-consolidation of a wholly-owned subsidiary of the Company, Milibless International Development Limited, which was under liquidation during that year.

### 7. 不再綜合計算附屬公司所產生之收益

#### i) 出售附屬公司產生之收益

去年本公司一家全資附屬公司香港漢寶食品廠有限公司之全部已發行股份已以代價2港元轉讓予獨立第三方。因於截至二零零四年十二月三十一日止年度財務報表中不再將該附屬公司綜合入賬產生之收益為282,000港元。

#### (ii) 一家附屬公司清盤產生之收益

去年因不再將一家於該年清盤之本公司全資附屬公司百億國際發展有限公司綜合入賬產生之收益為7,170,000港元。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 8. LOSS FROM OPERATIONS

The Group's loss from operations is stated after crediting and charging the following:

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
<b>Crediting</b>	<b>計入</b>		
Gain arising from de-consolidation of subsidiaries	不再將附屬公司綜合入賬產生之收益	-	7,452
Rental income, gross	租金收入總額	<b>208</b>	<b>666</b>
<b>Charging</b>	<b>扣除</b>		
Auditors remuneration	核數師酬金	<b>380</b>	580
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	<b>5,268</b>	4,710
Loss on disposal of other assets	出售其他資產之虧損	-	779
Cost of inventories consumed	經消耗存貨成本	<b>52,642</b>	79,337
Depreciation	折舊		
Owned assets	本身擁有之資產	<b>5,486</b>	6,257
Assets held under finance lease	根據融資租約持有之資產	<b>97</b>	97
Staff costs (including directors' remuneration – note 14):	員工成本 (包括董事酬金 – 附註14)		
Wages and salaries and other staff benefits	工資、薪金及其他員工福利	<b>69,968*</b>	108,436*
Pension scheme contributions	退休金計劃供款	<b>2,901</b>	4,438
Minimum lease payments under operating leases on land and buildings:	土地及樓宇之經營租約之最低租金付款:		
Related companies	關連公司	<b>2,664</b>	8,708
Third parties	第三方	<b>22,306</b>	24,222

\* Included in the staff costs are the severance payments of approximately HK\$1,434,000 (2004: HK\$8,421,000) and provision for long service payments of HK\$3,100,000 (2004: Nil).

### 8. 經營虧損

本集團之經營虧損已扣除及計入：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
<b>計入</b>			
不再將附屬公司綜合入賬產生之收益		-	7,452
租金收入總額		<b>208</b>	<b>666</b>
<b>扣除</b>			
核數師酬金		<b>380</b>	580
出售物業、廠房及設備之虧損		<b>5,268</b>	4,710
出售其他資產之虧損		-	779
經消耗存貨成本		<b>52,642</b>	79,337
折舊			
本身擁有之資產		<b>5,486</b>	6,257
根據融資租約持有之資產		<b>97</b>	97
員工成本 (包括董事酬金 – 附註14)			
工資、薪金及其他員工福利		<b>69,968*</b>	108,436*
退休金計劃供款		<b>2,901</b>	4,438
土地及樓宇之經營租約之最低租金付款:			
關連公司		<b>2,664</b>	8,708
第三方		<b>22,306</b>	24,222

\* 員工成本包括遣散費約1,434,000港元 (二零零四年: 8,421,000港元) 及長期服務金撥備3,100,000港元 (二零零四年: 無)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 9. FINANCE COSTS

### 9. 財務成本

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Interest on bank loans and overdrafts	銀行貸款及透支之利息	106	348
Interest on other loan	其他貸款利息	-	1,123
Interest on finance leases	融資租約之利息	22	44
		<b>128</b>	<b>1,515</b>

### 10. TAXATION

### 10. 稅項

Hong Kong profits tax has been provided for at the rate of 17.5% (2004: 17.5%) on the estimated assessable profits for the year.

香港利得稅乃根據本年度之估計應課稅溢利按稅率17.5% (二零零四年: 17.5%) 作出撥備。

The amount of taxation charged in the consolidated income statement represents:

於綜合收益表支銷之稅項金額:

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Hong Kong profits tax	香港利得稅	-	31
Under/(over) provision in prior year	往年撥備不足 / (超額) 撥備	297	(318)
Deferred taxation (note 21)	遞延稅項 (附註21)	2,194	3,039
		<b>2,491</b>	<b>2,752</b>



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 10. TAXATION (continued)

The charge/(credit) for the year can be reconciled to the loss per income statement as follows:

### 10. 稅項 (續)

年內所扣除／(計入)與收益表內之虧損對賬如下：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Loss before taxation	除稅前虧損	<b>(19,551)</b>	<b>(37,247)</b>
Effect of tax at Hong Kong profits tax rate of 17.5% (2004: 17.5%)	按香港利得稅稅率17.5% (二零零四年: 17.5%) 計算之稅務影響	<b>(3,421)</b>	<b>(6,518)</b>
Income that are not taxable	非課稅收入	<b>(1)</b>	<b>(4,076)</b>
Expenses that are not deductible	不可扣減開支	<b>61</b>	<b>4,806</b>
Increase in deferred taxation	遞延稅項增加	<b>2,194</b>	<b>3,284</b>
Utilisation of tax losses	動用稅項虧損	<b>(315)</b>	<b>(111)</b>
Unused tax losses not recognised	未確認之未動用稅項虧損	<b>2,550</b>	<b>7,440</b>
Temporary timing difference	暫時性差異	<b>1,126</b>	<b>(1,755)</b>
Others	其他	<b>297</b>	<b>(318)</b>
		<b>2,491</b>	<b>2,752</b>

Taxation payable in the consolidated balance sheet represents:

於綜合資產負債表應付之稅項：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Hong Kong profits tax	香港利得稅	<b>-</b>	<b>107</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 11. LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The net loss attributable to equity holders of the Company includes loss of approximately HK\$47,212,000 (2004: loss of HK\$15,373,000) which has been dealt with in the financial statements of the Company for the year ended 31 December 2005.

### 12. DIVIDENDS

No dividend was paid or proposed for the year ended 31 December 2005, nor has any dividend been proposed since the balance sheet date.

### 13. LOSS PER SHARE

The calculation of basic loss per share for the year ended 31 December 2005 is based on the loss attributable to equity holders of approximately HK\$22,040,000 (2004: loss of HK\$39,988,000) and the weighted average of 1,105,633,973 (2004: 126,000,000). The weighted average number of ordinary share in issue for 2004 has been restated to adjust for the effect of the share consolidation of every 5 shares into 1 share being taken effect on 11 April 2005.

Diluted loss per share is not presented as there was no dilutive potential ordinary shares in existence for the years ended 31 December 2005 and 31 December 2004.

### 11. 本公司股權持有人應佔虧損

截至二零零五年十二月三十一日止年度在本公司之財務報表中，本公司權益持有人應佔虧損淨額包括虧損約47,212,000港元（二零零四年：虧損15,373,000港元）

### 12. 股息

截至二零零五年十二月三十一日止年度，並無支付或建議任何股息，自結算日起亦無建議任何股息。

### 13. 每股虧損

截至二零零五年十二月三十一日止年度之每股基本虧損乃根據年內權益持有人應佔虧損約22,040,000港元（二零零四年：虧損39,988,000港元）及已發行普通股加權平均股數1,105,633,973股（二零零四年：126,000,000股）計算。二零零四年已發行普通股加權平均股數已重列以調整於二零零五年四月十一日生效由每五股整合至一股之股份整合之影響。

由於截至二零零五年十二月三十一日及二零零四年十二月三十一日止年度並無出現具潛在攤薄影響之普通股，因此並無呈報每股攤薄虧損。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 14. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

### 14. 董事薪酬

根據香港公司條例第161條披露之董事薪酬如下：

		Salaries, allowances and benefits fees	Retirement scheme contribution	2005 Total	
		薪金、 其他津貼及 董事袍金	退休 計劃供款	2005 總數	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
<b>Executive directors</b>		<b>執行董事</b>			
Cheung To Sang	張道生	-	600	12	612
Cheung Lim Mai Tak, Grace	張林美德	-	600	12	612
She Hing Chiu	余慶潮	-	600	12	612
Tse Chick Sang*	謝植生*	-	450	9	459
Chan Nun Chiu#	陳能照#	-	300	6	306
Chan Shi Yung	陳樹鎔	-	210	6	216
Chui Kwong Kau	崔光球	-	90	3	93
<b>Non-executive directors</b>		<b>非執行董事</b>			
Cheung Sik Pang <sup>Δ</sup>	張錫鵬 <sup>Δ</sup>	-	150	3	153
Ng Wing Po <sup>Δ</sup>	吳永波 <sup>Δ</sup>	-	150	3	153
<b>Independent non-executive directors</b>		<b>獨立非執行董事</b>			
Chang Kin Man	鄭健民	80	-	-	80
Wu Tak Lung	吳德龍	80	-	-	80
Lee Pui Hang, Pieann	李佩衡	10	-	-	10
		<b>170</b>	<b>3,150</b>	<b>66</b>	<b>3,386</b>

\* Mr. Tse Chick Sang resigned on 5 October 2005

# Mr. Chan Nun Chiu retired on 5 July 2005.

Δ Both Mr. Cheung Sik Pang and Mr. Ng Wing Po resigned on 24 March 2005.

\* 謝植生先生於二零零五年十月五日辭任。

# 陳能照先生於二零零五年七月五日辭任。

Δ 張錫鵬先生及吳永波先生均於二零零五年三月二十四日辭任。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 14. DIRECTORS' REMUNERATION (continued)

### 14. 董事薪酬 (續)

		Salaries, allowances and benefits in kind 薪金、 其他津貼及 實物利益 HK\$'000 千港元	Retirement scheme contribution 退休 計劃供款 HK\$'000 千港元	2004 Total 2004 總數 HK\$'000 千港元
<b>Executive directors</b>	<b>執行董事</b>			
Cheung To Sang	張道生	–	600	9
Chan Nun Chiu	陳能照	–	600	9
Cheung Lim Mai Tak, Grace	張林美德	–	600	9
She Hing Chiu	余慶潮	–	600	9
Tse Chick Sang	謝植生	–	600	9
<b>Non-Executive directors</b>	<b>非執行董事</b>			
Cheung Sik Pang	張錫鵬	–	600	9
Ng Wing Po	吳永波	–	600	9
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>			
Chang Kin Man	鄭健民	160	–	–
Wu Tak Lung	吳德龍	50	–	–
Lee Pui Hang, Picann	李佩衡	5	–	–
		<b>215</b>	<b>4,200</b>	<b>63</b>
				<b>4,478</b>
				<b>2005</b>
				<b>HK\$'000</b>
				<b>千港元</b>
				<b>2004</b>
				<b>HK\$'000</b>
				<b>千港元</b>

Fees	袍金		170	215
Other emoluments:	其他薪酬			
Salaries, allowances and benefits in kind	薪金、其他津貼及實物利益		<b>3,150</b>	4,200
Retirement scheme contributions	退休計劃供款		<b>66</b>	63
			<b>3,386</b>	<b>4,478</b>

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

年內，本集團並無向任何董事支付酬金作為彼等加入或於加入本集團時之獎勵，或作為離任之賠償。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 15. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, four (2004: five) are directors whose emoluments are disclosed in note 14. The aggregate of the emoluments in respect of the remaining individual is as follows:

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Basic salaries, other allowances and benefits in kind	薪金、其他津貼及實物利益	450	–
Retirement scheme contributions	退休計劃供款	9	–
		<u>459</u>	<u>–</u>

The emoluments of the remaining one non-director in 2005 with the highest emoluments are within the following band:

		2005	2004
Nil to HK\$1,000,000	無至 1,000,000 港元	<u>1</u>	<u>–</u>

### 15. 最高薪酬人士

在五位最高薪酬人士當中，其中四位（二零零四年：五位）為董事，其薪酬於附註14披露。有關其餘人士之薪酬總額如下：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Basic salaries, other allowances and benefits in kind	薪金、其他津貼及實物利益	450	–
Retirement scheme contributions	退休計劃供款	9	–
		<u>459</u>	<u>–</u>

於二零零五年最高薪酬之其餘一名非董事人士薪酬組別如下：

		2005	2004
Nil to HK\$1,000,000	無至 1,000,000 港元	<u>1</u>	<u>–</u>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 16. PROPERTY, PLANT AND EQUIPMENT

### 16. 物業、廠房及設備

#### Group

#### 本集團

		Leasehold		Furniture		Motor	Total
		land and buildings	Leasehold improvements	and fixtures	Plant and equipment		
		租賃土地及樓宇	租賃物業裝修	傢俬及裝置	廠房及設備	汽車	總數
		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
<b>Cost or valuation</b>	<b>成本或估值</b>						
At 1/1/2004	二零零四年一月一日	1,220	95,176	34,974	2,166	908	134,444
Additions	添置	-	66	56	-	-	122
Disposals	出售	(1,220)	(39,224)	(16,550)	(2,166)	(151)	(59,311)
At 31/12/2004 and 1/1/2005	二零零四年十二月三十一日及二零零五年一月一日	-	56,018	18,480	-	757	75,255
Additions	添置	-	2,983	6,637	-	-	9,620
Disposals	出售	-	(17,952)	(6,548)	-	-	(24,500)
At 31/12/2005	二零零五年十二月三十一日	-	41,049	18,569	-	757	60,375
<b>Accumulated depreciation</b>	<b>累積折舊</b>						
At 1/1/2004	二零零四年一月一日	570	70,016	20,300	131	239	91,256
Charge for the year	年度扣除	-	3,782	2,391	51	130	6,354
Disposals	出售	(570)	(32,038)	(10,016)	(182)	(94)	(42,900)
At 31/12/2004 and 1/1/2005	二零零四年十二月三十一日及二零零五年一月一日	-	41,760	12,675	-	275	54,710
Charge for the year	年度扣除	-	3,474	1,993	-	116	5,583
Disposals	出售	-	(13,206)	(6,026)	-	-	(19,232)
At 31/12/2005	二零零五年十二月三十一日	-	32,028	8,642	-	391	41,061
<b>Net book value</b>	<b>賬面淨值</b>						
At 31/12/2005	二零零五年十二月三十一日	-	9,021	9,927	-	366	19,314
At 31/12/2004	二零零四年十二月三十一日	-	14,258	5,805	-	482	20,545

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 16. PROPERTY, PLANT AND EQUIPMENT

(continued)

The net book value of the properties, plant and equipment of the Group held under finance lease as at 31 December 2005 amounted to HK\$366,000 (2004: HK\$451,000).

As at 31 December 2004 and 2005, the Company had no property, plant and equipment.

### 17. INVESTMENTS IN SUBSIDIARIES

Unlisted shares, at cost	非上市股份，按成本
Amounts due from subsidiaries	應收附屬公司款項
Less: Provision for impairment	扣除：減值撥備

The amounts due from subsidiaries are unsecured, non-interest bearing and not repayable within one year.

### 16. 物業、廠房及設備 (續)

本集團根據融資租約持有的物業、廠房及設備於二零零五年十二月三十一日之賬面淨值為366,000港元(二零零四年：451,000港元)。

於二零零四年及二零零五年十二月三十一日，本公司概無物業、廠房及設備。

### 17. 於附屬公司之投資

	2005	2004
	HK\$'000	HK\$'000
	千港元	千港元
Unlisted shares, at cost	191,464	191,464
Amounts due from subsidiaries	33,526	9,163
	<b>224,990</b>	200,627
Less: Provision for impairment	(224,990)	(180,000)
	<b>-</b>	20,627

應收附屬公司之款項乃無抵押、免息及毋須於一年內償還。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 17. INVESTMENTS IN SUBSIDIARIES (continued)

### 17. 於附屬公司之投資 (續)

Details of the Company's subsidiaries as at 31 December 2005 are as follows:

本公司於二零零五年十二月三十一日之附屬公司資料如下：

Name 公司名稱	Country/ place of incorporation/ establishment	Country/ place of operation	Principal activities 主要業務	Issued and fully paid share capital 已發行及 繳足股本	Percentage of interests held Directly Indirectly 持有權益百分比 直接 間接	
	註冊成立 國家/地點	營運國家/ 地點				
Hon Po International Limited	British Virgin Islands	Hong Kong	Investment and intellectual property holding	Ordinary US\$151	100%	-
漢寶國際有限公司	英屬處女群島	香港	投資控股及持有知識產權	普通股 151美元	100%	-
A. Top Investment Limited	Hong Kong	Hong Kong	Dormant	Ordinary HK\$12,000,000 Class A (Note) HK\$11,500,000	-	96%
一冠投資有限公司	香港	香港	暫無營業	普通股 12,000,000港元 A類股 (附註) 11,500,000港元	-	96%
Bestcase Hong Kong Limited	Hong Kong	Hong Kong	Operation of a Chinese restaurant	Ordinary HK\$6,000,000	-	100%
百基香港有限公司	香港	香港	經營中式酒樓	普通股 6,000,000港元	-	100%
Dragongem Development Limited	Hong Kong	Hong Kong	Operation of a Chinese restaurant	Ordinary HK\$100 Class A (Note) HK\$21,250,000	-	100%
龍之寶發展有限公司	香港	香港	經營中式酒樓	普通股 100港元 A類股 (附註) 21,250,000港元	-	100%



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 17. INVESTMENTS IN SUBSIDIARIES (continued)

### 17. 於附屬公司之投資 (續)

Name 公司名稱	Country/ place of incorporation/ establishment	Country/ place of operation	Principal activities 主要業務	Issued and fully paid share capital 已發行及 繳足股本	Percentage of interests held Directly Indirectly 持有權益百分比 直接 間接	
	註冊成立 國家/地點	營運國家/ 地點				
Hon Po Bright Ocean Enterprises Limited 漢寶明洋企業有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	Dormant 暫無營業	Ordinary US\$1 普通股1美元	-	100%
Hon Po (China) Catering Management Limited 漢寶(中國)飲食管理 有限公司	Hong Kong 香港	Hong Kong 香港	Sourcing business 採購業務	Ordinary HK\$10,000 普通股 10,000港元	-	100%
Hon Po Management Limited 漢寶管理有限公司	Hong Kong 香港	Hong Kong 香港	Sourcing business and property investment 採購業務及 物業投資	Ordinary HK\$2 Class A (Note) HK\$100 普通股2港元 A類股(附註) 100港元	-	100%
Hon Po Sunny Bright Developments Limited 漢寶陽光發展有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	Dormant 暫無營業	Ordinary US\$1 普通股1美元	-	100%
Jing Hua (Allied) Limited 京華(聯合)有限公司	Hong Kong 香港	Hong Kong 香港	Operation of a Chinese Restaurant 經營中式酒樓	Ordinary HK\$10,000 Preference HK\$3,000,000 普通股 10,000港元 優先股 3,000,000港元	-	100%

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 17. INVESTMENTS IN SUBSIDIARIES (continued)

### 17. 於附屬公司之投資 (續)

Name 公司名稱	Country/ place of incorporation/ establishment	Country/ place of operation	Principal activities 主要業務	Issued and fully paid share capital 已發行及 繳足股本	Percentage of interests held	
	註冊成立 國家/地點	營運國家/ 地點			Directly 持有權益百分比 直接	Indirectly 間接
Jing Hua Restaurant Limited	Hong Kong	Hong Kong	Dormant	Ordinary HK\$10,000 Preference HK\$3,000,000	–	100%
京華酒樓有限公司	香港	香港	暫無營業	普通股 10,000港元 優先股 3,000,000港元	–	100%
Metropolis Harbour View Chinese Cuisine Limited	Hong Kong	Hong Kong	Operation of a Chinese restaurant	Ordinary HK\$10,000	–	100%
景逸軒有限公司	香港	香港	經營中式酒樓	普通股 10,000港元	–	100%
More Development Limited	Hong Kong	Hong Kong	Dormant	Ordinary HK\$100 Class A (Note) HK\$28,000,000	–	100%
多恆發展有限公司	香港	香港	暫無營業	普通股100港元 A類股(附註) 28,000,000港元	–	100%
Ocean Grace Investments Limited	Hong Kong	Hong Kong	Operation of a Chinese restaurant	Ordinary HK\$2	–	100%
海洋投資有限公司	香港	香港	經營中式酒樓	普通股2港元	–	100%
Open Global Investments Limited	British Virgin Islands	Hong Kong	Dormant	Ordinary US\$1	–	100%
放眼世界投資有限公司	英屬處女群島	香港	暫無營業	普通股1美元	–	100%

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 17. INVESTMENTS IN SUBSIDIARIES (continued)

### 17. 於附屬公司之投資 (續)

Name 公司名稱	Country/ place of incorporation/ establishment	Country/ place of operation	Principal activities 主要業務	Issued and fully paid share capital 已發行及 繳足股本	Percentage of interests held Directly Indirectly 持有權益百分比 直接 間接	
	註冊成立 國家/地點	營運國家/ 地點			直接	間接
Oriental Team Investments Limited 奧成投資有限公司	Hong Kong 香港	Hong Kong 香港	Dormant 暫無營業	Ordinary HK\$18,200,000 普通股 18,200,000港元	–	67%
Rich Source Management Limited 富源管理有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	Dormant 暫無營業	Ordinary US\$10,000 普通股10,000美元	–	99%
Victory Impact Limited 勝響有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	Dormant 暫無營業	Ordinary US\$1 普通股1美元	–	100%
China Energy Resources Holdings Limited 中西能源控股有限公司	Hong Kong 香港	Hong Kong 香港	Investment Holding 投資控股	Ordinary HK\$1 普通股1港元	100%	–

Note: The Class A shares carry no rights to dividends, no rights to attend or vote at general meetings and no rights to receive any surplus assets in a return of capital in a winding-up (other than the nominal amount paid up or credited as paid up on such shares, after the sum of HK\$100,000,000,000,000 has been distributed to the holders of the ordinary shares of the relevant companies in such winding-up, if any).

附註：A類股無權享有股息，無權出席股東大會或在會上投票，以及無權在清盤中退還股本時收取任何盈餘資產（於有關清盤（如有）中已向有關公司普通股持有人分派100,000,000,000,000港元金額後有關股份之繳足或入賬列作繳足之面值除外）。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 18. OTHER ASSETS

Other assets represent the initial purchase costs of utensils, linen and uniforms. No depreciation is provided on the initial purchase costs. The cost of subsequent replacement cost of these items is charged directly to the income statement in the year in which such expenditure is incurred.

### 19. RENTAL DEPOSITS AND OTHER DEPOSITS

These represent rental deposits paid for the restaurants of HK\$5,428,000 (2004: HK\$4,888,000) and utilities deposits of HK\$2,718,000 (2004: HK\$2,748,000). The fair value of rental deposits and other deposits at 31 December 2005 approximate to their carrying amounts.

### 20. REFUNDABLE DEPOSITS

These represented sale deposit of HK\$81,586,000 paid to the independent third party vendor and subscription deposit of HK\$18,414,000 paid to Newsummit Investments Limited (“Newsummit”), respectively, for the proposed acquisition of 60% equity interest in Newsummit, which through its three 51%-owned subsidiaries in the PRC and Hong Kong, has interests in exploration rights to a coal mine and exploitation rights in a peat moss mine, both located in the PRC.

### 18. 其他資產

其他資產指廚房器具、桌布及制服之初次採購成本，並未就初次採購成本之折舊撥備。其後替換此等物品之成本乃直接於支出產生年度之收益表扣除。

### 19. 租金按金及其他按金

該等按金指就酒樓所付之5,428,000港元（二零零四年：4,888,000港元）之租金按金及2,718,000港元（二零零四年：2,748,000港元）之公用設施按金。租金按金及其他按金於二零零五年十二月三十一日之公平值與其賬面值相若。

### 20. 可退回按金

該等可退回按金指就透過建議收購新頂峰投資有限公司（「新頂峰」）之60%股權而向獨立第三賣方支付銷售按金81,586,000港元及向新頂峰支付認購按金18,414,000港元。新頂峰透過其於中國及香港之三間擁有51%權益之附屬公司持有位於中國之煤礦探礦權及泥炭礦之採礦權。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 20. REFUNDABLE DEPOSITS (continued)

The Company as the acquirer, entered into a conditional agreement dated 28 December 2005 (“Master Agreement”) between two independent third parties (one as a Vendor and the other as a Guarantor individually and separately) and Newsummit, under which, the Company agreed to acquire 60% equity interest of Newsummit at the consideration of HK\$5,100,000,000. Newsummit, through its three 51%-owned subsidiaries in Hong Kong and the PRC (collectively the “Newsummit Group”), has interests in an exploration right to a Coal Mine (with a capacity of 800,000,000 tonnes of coal based on a preliminary assessment) and two exploitation rights to a Peat Moss Mine (up to 5,000,000 tonnes of peat moss), both located in the Wushenqi City of the Inner Mongolia Autonomous Region, the PRC, under a Coal Exploration Agreement and a Peat Moss Exploitation Agreement and Exploration Team Agreement, respectively. Two refundable deposits of HK\$100,000,000, which represented HK\$81,586,000 paid to the Vendor and HK\$18,414,000 paid to Newsummit for the subscription of shares to be issued by Newsummit, were paid by the Company upon signing the Master Agreement and the balance of the consideration of HK\$5 billion is to be settled by the Company by way of the issuance of a convertible note of the same amount upon completion of the acquisition. The two deposits of HK\$100,000,000 are refundable if the conditions precedent to completion of the Master Agreement are not satisfied by 30 June 2006 (or such later date as may be agreed in writing between the Company, Newsummit and the Vendor). As security for the two deposits paid to the Vendor and Newsummit, the Vendor has pledged all the issued shares of Newsummit in favour of the Company under a share charge agreement dated 28 December 2005.

### 20. 可退回按金 (續)

本公司(作為收購人)與兩名獨立第三方(個別及共同地一名為賣方及另一名為擔保人)與新頂峰於二零零五年十二月二十八日訂立一份有條件協議(「總協議」);據此,本公司同意收購新頂峰之60%股權,代價為5,100,000,000港元。新頂峰分別根據煤炭勘探協議、泥炭開採協議及勘探隊協議,透過其於中國及香港之三間擁有51%權益之附屬公司(統稱「新頂峰集團」)持有位於中國內蒙古自治區烏審旗市內之煤礦探礦權(根據初步估計蘊含量為800,000,000噸煤)以及泥炭礦之採礦權(可開採達5,000,000噸泥炭)。本公司已於簽訂主要協議時支付兩筆可退回按金合共100,000,000港元,即就認購將由新頂峰發行之股份而向賣方支付之81,586,000港元及向新頂峰支付之18,414,000港元;而代價餘款5,000,000,000港元將由本公司於收購完成時以發行等額可換股票據之方式償付。倘未能於二零零六年六月三十日(或本公司、新頂峰及賣方可能書面協定之較後日期)前達成完成主要協議之先決條件,則可獲退還兩筆按金100,000,000港元。作為向賣方及新頂峰支付之兩筆按金之抵押,賣方已根據於二零零五年十二月二十八日訂立之股份押記協議,向本公司質押新頂峰全部已發行股份。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 20. REFUNDABLE DEPOSITS (continued)

As set out in the announcement of the Company dated 7 April 2006, the completion of the proposed acquisition of 60% equity interests in Newsummit is conditional upon the fulfillment, on or before 30 June 2006 (or such later date as may be agreed between the Company, Newsummit and the Vendor), of conditions including but not limited to:

- (a) Newsummit Group having obtained the legally valid exploitation licence rights to exploit coal from the Coal Mine;
- (b) Legal opinions to the satisfaction of the Company for, amongst the others, the validity of the exploitation licence obtained by the Newsummit Group for the Coal Mine and Peat Moss Mine; and that the Newsummit Group under the Coal Exploration Agreement and the Peat Moss Exploitation Agreement and Exploration Team Agreement shall have valid, unconditional, unrestricted and irrevocable rights to explore and exploit coal at the Coal Mine and peat moss at the Peat Moss Mine;
- (c) A valuation report on the fair market value of the total equity interest of Newsummit's subsidiaries, issued by an independent professional valuer at not less than HK\$40 billion;
- (d) Approvals from the shareholders of the Company to complete the acquisition of the equity interests in the Newsummit Group; and
- (e) Certain relevant approvals and/or waivers obtained by the Company from the Stock Exchange of Hong Kong Limited.

Under the Master Agreement, the Company will also have a call option to acquire the remaining 40% equity interests in Newsummit during the option period of 24 months following the completion of the acquisition of 60% equity interests in Newsummit, at the call option price of HK\$4,000,000,000 to be settled by ways of cash of HK\$45,000,000 and the issuance of a second convertible note of HK\$3,955,000,000.

### 20. 可退回按金 (續)

誠如本公司於二零零六年四月七日刊發之公佈所載，完成建議收購新頂峰60%股權須待於二零零六年六月三十日（或本公司、新頂峰及賣方可能書面協定之較後日期）或之前達成下列條件後，方可作實。該等條件包括但不限於：

- (a) 新頂峰集團已取得於煤礦開採煤炭之合法有效採礦許可証；
- (b) 本公司信納有關（其中包括）新頂峰集團就煤礦及泥炭礦取得之採礦証之有效性之法律意見；及煤炭勘探協議、泥炭開採協議及勘探協議授予新頂峰集團有效、無條件、無限制及不可撤回之權利，以勘探及開採煤礦之煤炭及泥炭礦之泥炭；
- (c) 獨立專業估值師發出關於新頂峰之附屬公司股權總額之公平市值估值不少於40,000,000,000港元之報告；
- (d) 本公司股東批准完成收購新頂峰集團之股權；及
- (e) 本公司取得香港聯合交易所有限公司發出之若干相關批准及／或豁免。

根據主要協議，本公司亦將擁有收購新頂峰餘下40%權益之認購期權，可於完成收購新頂峰60%股權後24個月之期權期間行使。認購期權價格4,000,000,000港元中，45,000,000港元將以現金償付，而其餘3,955,000,000港元將透過發行第二批可換股票據償付。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 20. REFUNDABLE DEPOSITS (continued)

The Guarantor, an independent third party, agreed to guarantee the obligations of the Vendor under the Master Agreement and also to act as warrantor to give warranties under the Master Agreement. Under the Master Agreement, the Vendor and the Guarantor jointly and severally undertook to the Company that they will use their respective best endeavours to assist Newsummit Group to obtain all the necessary licenses and approvals for the exploitation and sale of coal and exploitation of peat moss including but not limited to:

- (a) Issuance of business licence for a subsidiary of Newsummit with the business scope covering exploitation, production and sale of coal and exploitation of peat moss;
- (b) Signing the land use rights contract relating to the Coal Mine and factory, and obtaining the construction and planning permit, construction project planning permit, construction permit for the constructions on the Coal Mine and of the factory;
- (c) Obtaining approvals of environmental effect evaluation reports for the Coal Mine and passing the inspections from the Environmental Administration Bureau for the Coal Mine and the Peat Moss Mine (or waiver for the Peat Moss Mine);
- (d) Obtaining a coal production licence for the Coal Mine; and
- (e) Obtaining production safety licence for the Coal Mine and Peat Moss Mine (or waiver for the Peat Moss Mine).

### 20. 可退回按金 (續)

擔保人(獨立第三方)同意擔保賣方於主要協議項下之責任,並以保證人身份根據主要協議作出保證。根據主要協議,賣方及擔保人共同及個別向本公司承諾,其將各自盡力協助新頂峰集團取得開採及銷售煤炭及泥炭之一切所需牌照及批准,包括但不限於:

- (a) 發出涉及新頂峰附屬公司變更後之營業執照,以使其經營範圍包括開採、生產及銷售煤炭及開採泥炭;
- (b) 簽署關於煤礦及工廠之土地使用權轉讓合約,以及就煤礦及廠房之建設工程取得建設用地規劃許可証、建設工程規劃許可証及施工許可証;
- (c) 為煤礦取得環境影響評價報告批准,並為煤礦及泥炭礦取得由環境保護局簽發之驗收合格證明文件(或為泥炭礦取得有關之豁免);
- (d) 為煤礦取得煤炭生產許可証;及
- (e) 為煤礦及泥炭礦取得安全生產許可証(或為泥炭礦取得有關之豁免)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 20. REFUNDABLE DEPOSITS (continued)

At the date of approving the financial statements by the directors of the Company, apart from the rights granted to exploit the peat moss at yearly production of 200,000 tonnes at the Peat Moss Mine for two years from June 2005 to June 2007, Newsummit Group has not yet obtained the necessary approvals from the environmental administration and protection authorities and the production safety license which are the pre-requisites for the production and sale of peat moss. In addition, Newsummit Group has not yet obtained the exploitation license rights and land use rights at the Coal Mine, the necessary approvals such as the inspection pass from the environmental administration and protection authorities, the relevant production safety license and coal production license which are pre-requisites for the exploitation, production and sale of coal.

Significant costs to be incurred by Newsummit Group are land premium costs, balance of coal exploration costs and premium for exploitation rights of coal at the Coal Mine which are estimated to be approximately RMB40.8 million, RMB10.5 million and RMB400 million respectively.

On 21 February 2006, Newsummit Group entered into a letter of intent with Asian American Coal, Inc., an independent third party which has extensive experiences in the design, construction and management of coal mines, to form a joint venture for joint coal resource exploitation at the Coal Mine. Newsummit Group and Asian American Coal, Inc. will take 55% and 45% equity shares respectively in the proposed joint venture company. The estimated total investment cost for the construction of Coal Mine will be approximately RMB1.5 billion, of which approximately RMB600 million shall be contributed by each of the Newsummit Group and Asian American Coal, Inc and the balance shall be raised by way of bank loans.

The Company is currently seeking a placing agreement with an independent placing agent to raise funds to finance the operations of the Peat Moss Mine and Coal Mine of the Newsummit Group upon completion the Master Agreement.

Further details are disclosed in the Company's announcement dated 7 April 2006.

Based on a professional valuation report issued by an independent valuer, Grant Sharman Appraisal Limited on 18 April 2006, the fair market value of the Peat Moss Mine is approximately RMB227 million (equivalent to approximately HK\$218 million).

The directors of the Company are of the opinion that no impairment is required to be made on the deposits paid of HK\$100,000,000 for the proposed acquisition of 60% equity interest in Newsummit.

### 20. 可退回按金 (續)

於本公司董事批准財務報表當日，除於二零零五年六月起至二零零七年六月止兩年獲授權於泥炭礦開採泥炭（年產量為200,000噸）外，新頂峰集團尚未取得環境保護當局之所需批准及生產及銷售泥炭所必須之安全生產許可証。此外，新頂峰集團尚未取得煤礦之採礦許可証及土地使用權、環境保護當局之所需批准（如驗收合格證明文件）、有關安全生產許可証及勘探、生產及銷售煤炭所必須之煤炭生產許可証。

新頂峰集團將會產生之大額成本為地價成本、煤炭勘探成本結餘及煤礦之煤炭採礦權溢價，估計分別約為人民幣40,800,000元、人民幣10,500,000元及人民幣400,000,000元。

於二零零六年二月二十一日，新頂峰集團與Asian American Coal, Inc.訂立意向書，以成立於煤礦共同勘探煤資源之合營企業。Asian American Coal, Inc.為一獨立第三方，具有豐富設計、建設及管理煤礦方面之經驗。新頂峰集團及Asian American Coal, Inc.將分別於擬成立之合營公司佔有55%及45%股份。興建煤礦之估計投資成本總額將約為人民幣1,500,000,000元，其中人民幣約600,000,000元將由新頂峰集團及Asian American Coal, Inc.各自出資，而餘額將透過銀行貸款籌集。

就完成總協議，本公司正尋求與獨立配售代理訂立配售協議，藉此籌集資金以為新頂峰集團之泥炭礦營運業務融資。

其他詳情於本公司在二零零六年四月七日刊發之公佈中披露。

基於估值師中證評估有限公司於二零零六年四月十八日發出之專業估值報告，泥炭礦之公平市值為約人民幣227,000,000元（相等於約218,000,000港元）。

本公司之董事認為就擬收購新頂峰60%股權已支付100,000,000港元之按金並不需要作減值。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 21. DEFERRED TAXATION

The followings are the major deferred tax assets and liabilities recognised by the Group during the current and prior years:

		2005	2004
		HK\$'000	HK\$'000
		千港元	千港元
<b>Deferred tax assets</b>	<b>遞延稅項資產</b>		
The movements for the year in the deferred tax assets are as follows:	年內之遞延稅項資產變動如下：		
At beginning of the year	年初	2,194	5,233
Transfer to income statement (note 10)	轉撥至收益表(附註10)	(2,194)	(3,039)
At end of the year	年終	—	2,194

The principal components of the Group's provision for deferred tax in the financial statements are as follows:

		2005	2004
		HK\$'000	HK\$'000
		千港元	千港元
<b>Deferred tax liabilities</b>	<b>遞延稅項負債</b>		
Accelerated depreciation allowances	加速折舊撥備	645	645
Tax losses	稅務虧損	(515)	(515)
		130	130

### 21. 遞延稅項

本集團於本年度及過往年度確認之主要遞延稅項資產及負債如下：

本集團於財務報表呈列之遞延稅項之主要組成部分如下：

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 22. INVENTORIES

		2005	2004
		HK\$'000	HK\$'000
		千港元	千港元
At cost:	按成本:		
Food and beverages	食品及飲料	4,502	3,993

### 23. TRADE AND OTHER RECEIVABLES

Customers are usually offered a credit period ranging from one to three months. An ageing analysis of accounts receivable after provision as at 31 December 2005 and 31 December 2004 is as follows:

### 22. 存貨

### 23. 應收賬款及其他應收款項

客戶一般獲得之信貸期為一至三個月不等。撥備後應收賬款於二零零五年十二月三十一日及二零零四年十二月三十一日之賬齡分析如下:

		Group		Company	
		本集團		本公司	
		2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Current to 3 months	即期至三個月	964	1,041	-	-
Deposits paid to professionals in respect of the proposed acquisition of the equity interest in Newsummit	就建議收購 新頂峰集團之股權 付予專業人士之訂金	750	-	750	-
Other receivables	其他應收款項	1,628	2,333	283	52
		<b>2,378</b>	2,333	<b>1,033</b>	52

The carrying amounts of trade and other receivables of the Group and the Company approximate to their fair values.

本集團及本公司應收賬款及其他應收款項之賬面值與其公平值相若。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 24. TRADE AND OTHER PAYABLES

The ageing analysis of the accounts payable of Group as at 31 December 2005 and 31 December 2004 is as follows:

		Group		Company	
		2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Current to 3 months	即期至三個月	8,968	7,808	-	-
4 to 6 months	四至六個月	611	547	-	-
7 to 12 months	七至十二個月	-	4,982	-	-
Over 12 months	超過十二個月	3,848	-	-	-
		<b>13,427</b>	13,337	-	-
Accruals and other payables	應計款項及其他應付款項	<b>27,400</b>	27,732	<b>1,213</b>	352

The carrying amounts of trade and other payables of the Group and the Company approximate to their fair values.

### 25. AMOUNT DUE TO A SHAREHOLDER

The amount due to a shareholder is unsecured, interest free and is repayable on demand.

### 24. 應付賬款及其他應付款項

本集團於二零零五年十二月三十一日及二零零四年十二月三十一日應付賬款賬齡分析如下：

		Group		Company	
		2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Current to 3 months	即期至三個月	8,968	7,808	-	-
4 to 6 months	四至六個月	611	547	-	-
7 to 12 months	七至十二個月	-	4,982	-	-
Over 12 months	超過十二個月	3,848	-	-	-
		<b>13,427</b>	13,337	-	-
Accruals and other payables	應計款項及其他應付款項	<b>27,400</b>	27,732	<b>1,213</b>	352

本集團及本公司應付賬款及其他應付款項之賬面值與其公平值相若。

### 25. 應付股東款項

應付股東款項乃無抵押、免息及於催繳時償還。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 26. BANK LOANS

### 26. 銀行貸款

		Group		Company	
		本集團		本公司	
		2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank loans wholly repayable:	須於下列期限悉數償還之銀行貸款：				
Within one year	一年內	574	602	-	-
In the second year	第二年	637	642	-	-
In the third to fifth years	第三至第五年	-	566	-	-
		<b>1,211</b>	<b>1,810</b>	<b>-</b>	<b>-</b>
Portion classified as current liabilities	已列作流動負債部分	(574)	(602)	-	-
Non-current portion	非即期部分	<b>637</b>	<b>1,208</b>	<b>-</b>	<b>-</b>

At 31 December 2005, the Group's banking facilities were supported by corporate guarantees executed by the Company (note 33) and personal guarantees executed by certain directors.

於二零零五年十二月三十一日，本集團之銀行融資額度由本公司簽立之公司擔保（附註33）及若干董事簽立之個人擔保作抵押。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 27. OBLIGATIONS UNDER FINANCE LEASES

At 31 December 2005, the total future minimum lease payments under finance leases and their present value, were as follows:

Group	本集團	Minimum lease payments		Present value of minimum lease payments	
		最低租約支付額	最低租約支付額現值	最低租約支付額	最低租約支付額現值
		2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Amounts payable	應付款項				
Within one year	一年內	47	185	42	162
In the second year	第二年	-	47	-	47
In the third to fifth years	第三年至第五年	-	-	-	-
Total minimum lease payments	最低租約支付總額	47	232	42	209
Future finance charges	未來融資費用	(5)	(23)		
Total net finance lease payables	應付融資租約的淨額總計	42	209		
Portion classified as current liabilities	已列作流動負債部分	(42)	(162)		
Non-current portion	非即期部分	-	47		

At 31 December 2004 and 2005, the Company had no obligations under finance leases.

### 27. 融資租約責任

於二零零五年十二月三十一日，於融資租約下未來最低租約支付總額及其現值如下：

	Minimum lease payments		Present value of minimum lease payments	
	最低租約支付額	最低租約支付額現值	最低租約支付額	最低租約支付額現值
	2005	2004	2005	2004
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Amounts payable				
Within one year	47	185	42	162
In the second year	-	47	-	47
In the third to fifth years	-	-	-	-
Total minimum lease payments	47	232	42	209
Future finance charges	(5)	(23)		
Total net finance lease payables	42	209		
Portion classified as current liabilities	(42)	(162)		
Non-current portion	-	47		

於二零零四年及二零零五年十二月三十一日，本公司均無融資租約責任。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 28. SHARE CAPITAL

### 28. 股本

		2005		2004	
		Number of shares 股份數目	Amount 金額 HK\$'000 千港元	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定:				
At 1 January	於一月一日				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股	10,000,000,000	100,000	10,000,000,000	100,000
Consolidation of every 5 shares to 1 share	每5股合併為1股	(b) (8,000,000,000)	-	-	-
Increase in authorised share capital	法定股本增加	(c) 8,000,000,000	400,000	-	-
At 31 December	於十二月三十一日				
Ordinary shares of HK\$0.05 each	每股面值0.05港元之普通股	10,000,000,000	500,000	10,000,000,000	100,000
Issued and fully paid:	已發行及繳足:				
At 1 January	於一月一日				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股	630,000,000	6,300	630,000,000	6,300
Issue upon share placements	配售股份	(a) 126,000,000	1,260	-	-
Consolidation of every 5 shares to 1 share	每5股合併為1股	(b) (604,800,000)	-	-	-
Issue upon conversion of convertible notes	於兌換可換股票據時發行股份	(d) 1,000,000,000	50,000	-	-
Issue upon conversion of convertible notes	於兌換可換股票據時發行股份	(e) 400,000,000	20,000	-	-
Issue upon conversion of convertible notes	於兌換可換股票據時發行股份	(f) 1,000,000,000	50,000	-	-
At 31 December	於十二月三十一日				
Ordinary shares of HK\$0.05 each	每股面值0.05港元之普通股	2,551,200,000	127,560	630,000,000	6,300

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 28. SHARE CAPITAL (continued)

The following changes in the share capital of the Company took place during the year:

- (a) On 20 January 2005, the Company entered into a placing agreement with Yicko Security Limited for placing 126 million ordinary shares of HK\$0.01 each at a price of HK\$0.0624 each. The premium on issue of shares of HK\$6.6 million was credited to the share premium account.
- (b) A special resolution was passed on 21 February 2005, the issued and unissued share capital of the Company had been consolidated for every five shares of HK\$0.01 each into one share of HK\$0.05 each.
- (c) On 30 June 2005, the authorised share capital of the Company was increased from HK\$100,000,000 to HK\$500,000,000 by creation of an additional 8,000,000,000 ordinary shares of HK\$0.05 each ranking pari passu in all respects with the existing ordinary shares of the Company.
- (d) On 25 July 2005, 1,000 million ordinary shares of HK\$0.05 each were issued upon conversions of convertible notes with principal amount of HK\$50 million at a conversion price of HK\$0.05 per share.
- (e) On 11 August 2005, 400 million ordinary shares of HK\$0.05 each were issued upon conversions of convertible notes with principal amount of HK\$40 million at a conversion price of HK\$0.10 per share.
- (f) On 22 August 2005, 1,000 million ordinary shares of HK\$0.05 each were issued upon conversions of convertible notes with principal amount of HK\$50 million at a conversion price of HK\$0.05 per share.

The net proceeds from the issue of shares by conversion of convertible notes in (d) to (f) had been used for the deposits of acquisition of long term investment in the PRC and the Group's general working capital.

### 28. 股本 (續)

本公司股本於年內出現以下變更：

- (a) 本公司於二零零五年一月二十日與益高證券有限公司簽訂配售協議，藉以按每股0.0624港元之價格配售126,000,000股每股面值0.01港元之普通股。發行股份之6,600,000港元溢價已計入股份溢價賬。
- (b) 根據一項於二零零五年二月二十一日獲通過之特別決議案，本公司每五股每股面值0.01港元之已發行及未發行股本合併為每股面值0.05港元之股份。
- (c) 於二零零五年六月三十日，本公司之法定股本因增設8,000,000,000股每股面值0.05港元之普通股由100,000,000港元增加至500,000,000港元，所新股份於各方面均與本公司之現有普通股享有同等地位。
- (d) 於二零零五年七月二十五日，就本金為50,000,000港元之可換股票據換股而發行每股兌換價0.05港元之1,000,000,000股每股面值0.05港元之普通股。
- (e) 於二零零五年八月十一日，就本金為40,000,000港元之可換股票據換股而發行每股兌換價0.10港元之400,000,000股每股面值0.05港元之普通股。
- (f) 於二零零五年八月二十二日，就本金為50,000,000港元之可換股票據換股而發行每股兌換價0.05港元之1,000,000,000股每股面值0.05港元之普通股。

(d) 至(f)項由於兌換可換股票據時發行股份所得之淨額款項已用作收購於中國之長期投資及本集團之一般營運資金。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 29. SHARE OPTION SCHEME

The Company operates a share option scheme (the “Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the Scheme include the Company’s directors, independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group and sub-contractors of the Group. The Scheme became effective on 18 February 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share option currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 30% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

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Share options granted to a director, chief executive or substantial shareholder of the Company, or any of their associates are subject to approval in advance by the independent non-executive directors. In addition, any share option granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company’s shares at the date of the grant) in excess of HK\$5 million, within 12 months period, are subject to shareholders’ approval in advance in a general meeting.

### 29. 購股權計劃

本公司實行一套購股權計劃(「計劃」),實行該計劃之目的是要提供獎勵及回報予對本集團之業務成就有貢獻之合資格參予者。該計劃之合資格參予者包括本公司董事、獨立非執行董事、本集團其他僱員、本集團貨品或服務供應商及本集團之分包商,該計劃於二零零二年二月十八日生效,有效期由該日起計為期十年(除非另有取消或修訂)。

根據該計劃本公司現行可授予之未行使的購股權之上限之數目等同於行使時,本公司於任何時間已發行股份的30%。任何超過此上限被授出之購股權必須於股東大會上得到股東批准。

授予本公司董事、行政總裁或主要股東或其任何聯繫人士之購股權必須事先得到獨立非執行董事的批准。此外,任何在十二個月內授予本公司主要股東或獨立非執行董事或任何聯繫人士之購股權,如超過本公司任何時間已發行股份之0.1%或總值超過五百萬港元之股份(以授予購股權之日期之本公司股份價格為基準)須事先於股東大會獲得股東批准。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 29. SHARE OPTION SCHEME (continued)

An option may be exercised in accordance with the terms of the Scheme at any time during the period commencing immediately after the date on which the option is deemed to be granted and accepted and expiring on a date to be notified by the directors to each grantee which shall not be more than 10 years from the date on which the option is deemed to be granted and accepted. According to the Scheme, there is no provision requiring a minimum holding period before an option may be exercised. A nominal consideration of HK\$1 is payable on acceptance on grant of an option under the Scheme.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of grant of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the grant; and (iii) the nominal value of the Company's shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

At the balance sheet date and up to the date of approval of the financial statements, no share options have been granted under the Scheme.

### 29. 購股權計劃 (續)

緊隨購股權被視作授出及被接納之日起至董事會通知各承授人購股權到期之日期間，可按照購股權計劃之條款隨時行使購股權，該段期間自購股權被視作授出及被接納之日起計不得超過十年。根據購股權計劃，行使購股權前並無最短持有期之規定。根據該計劃接納授出了購股權付出之面值代價為1港元。

購股權行使價將由本公司董事會釐定，及不少於下列三者之最高者即(i)於授出購股權之日聯交所股份之收市價(ii)緊接授出購股權之前五個營業日聯交所所報本公司股份之平均收市價；及(iii)本公司股份面值。

購股權並無賦予其持有人收取股息或於股東大會上投票之權利。

於結算日至此財務報表被通過期間，概無根據此計劃授出購股權。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 30. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

### 30. 綜合現金流量表附註

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Net assets of subsidiaries disposed:	出售附屬公司資產淨值：		
Trade receivables	應收賬款	-	6
Prepayments, deposits and other receivable	預付款項、訂金及 其他應收款項	-	1,352
Cash and bank balances	現金及銀行結餘	-	41
Trade payables	應付賬款	-	(1,840)
Accruals and other payables	應計款項及其他應付款項	-	(1,011)
		-	(1,452)
Contributed surplus realised on disposal	出售時變現實繳盈餘	-	(6,000)
Gain on disposal of subsidiaries	出售附屬公司之收益	-	7,452
		-	-
Net cash outflow arising on disposal of subsidiaries:	出售附屬公司時 產生之現金		
Cash and bank balances	流出淨額	-	(41)
		-	(41)

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 31. COMMITMENTS

#### (a) Operating lease commitments

The Group leases certain of its restaurants, staff quarters, offices and warehouses under non-cancellable operating lease arrangements with remaining lease terms ranging from one to five years.

At 31 December 2005, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Within one year	於一年內	27,476	21,580
In the second to fifth years, inclusive	第兩年至第五年 (包括首尾兩年)	67,250	61,536
After five years	五年以後	-	-
		<u>94,726</u>	<u>83,116</u>

At the balance sheet date, the Company has given corporate guarantee in favour of a landlord to secure for future minimum lease payments of a wholly-owned subsidiary amounting to approximately HK\$20,150,000 (2004: HK\$27,810,000).

At 31 December 2005 and 2004, the Company did not have any other significant operating lease arrangements.

#### (b) Capital commitments

At the balance sheet date, the Group and the Company had commitments approximately HK\$500,000,000 for capital expenditure contracted but not provided for in the financial statements in respect of the acquisition of the Coal Mine and Peat Moss Mine, details are set out in note 20 to the financial statements.

### 31. 承擔

#### (a) 經營租賃承擔

本集團根據不可撤銷經營租約安排租用若干酒樓、員工宿舍、辦公室及倉庫，餘下租期為一至五年不等。

於二零零五年十二月三十一日，本集團根據於下列年期到期之不可撤銷經營租約之未來應付最低租金總額為：

	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Within one year	27,476	21,580
In the second to fifth years, inclusive	67,250	61,536
After five years	-	-
	<u>94,726</u>	<u>83,116</u>

於結算日，本公司就一家全資附屬公司之未來最低租賃付款約20,150,000港元（二零零四年：27,810,000港元）向一業主提供公司擔保。

於二零零五年及二零零四年十二月三十一日，本公司並無任何其他重大經營租約安排。

#### (b) 資本承擔

於結算日，本集團及本公司就收購煤礦及泥炭礦於財務報表已訂約但未撥備之資本開支承擔約500,000,000港元，詳情載於財務報表附註20。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 32. RELATED PARTY TRANSACTIONS

During the year, the Group had the following significant transactions with related parties:

Purchases of foodstuffs from related companies	向關連公司採購食品
Rental expenses paid to related companies	向關連公司所付租金
Licence fees income received from non-wholly owned subsidiaries	來自非全資擁有附屬公司之許可證費

- i) The Group purchased foodstuffs from Tung Cheong Hong which is beneficially owned by Mr. Cheung Sik Pang, a non-executive director of the Company until 24th March 2005.

The directors of the Company, having regards to the cost of similar foodstuffs obtainable from third parties, consider that the purchases of foodstuffs were charged with reference to cost.

This related party transaction also constitutes a connected party transaction as defined under the Listing Rules.

### 32. 關連人士交易

本集團於年度內與關連人士有以下重大交易：

Notes	2005	2004
附註	HK\$'000	HK\$'000
	千港元	千港元
i)	179	182
ii)	2,664	8,708
	<u>-</u>	<u>83</u>

- i) 本集團向同昌行採購食品，該公司由張錫鵬先生實益擁有（張錫鵬先生擔任本公司非執行董事至二零零五年三月二十四日）。

本公司董事經考慮從第三方取得之類似食品之成本後，認為食品之採購額乃參考成本而收取。

此關連人士交易構成上市規則定義的關連人士交易。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

31 December 2005 二零零五年十二月三十一日

### 32. RELATED PARTY TRANSACTIONS (continued)

(ii) The rental expenses were paid to:

- (a) N.W.P. Investments, Mr. Ng Wing Po was a non-executive director of the Company until 24 March 2005 and a director of N.W.P. Investments which is controlled indirectly by a discretionary trust of which Mr. Ng Wing Po's wife and certain of his children are beneficiaries. The rental expenses were based on the agreement signed with the Group.
- (b) A property beneficially owned by a shareholder, Hon Po Investment Limited, wholly-owned by Hon Po Holdings Limited, which was leased to the Group for its operations. The rental expenses were based on the tenancy agreements signed with the Group.

These related party transactions also constitute connected party transactions as defined under the Listing Rules.

### 33. CONTINGENT LIABILITIES

At 31 December 2005, except for the corporate guarantee given by the Company in support of banking facilities granted to a subsidiary as set out in note 26 and the corporate guarantee for operating lease commitment of a wholly-owned subsidiary as set out in note 31(a) to the financial statements, the Company has no other significant contingent liabilities.

At 31 December 2005, the Group had no significant contingent liabilities.

### 34. POST BALANCE SHEET EVENT

Subsequent to the balance sheet date, the Group temporarily closed one of its restaurants located at Tokwawan for refurbishment and will be re-opened by the end April 2006. The associated fixed assets has been written off and provision for employees' other benefits of the restaurant amounting to approximately HK\$5.1 million and approximately HK\$2.2 million, respectively, were recognised in the financial statements for the year ended 31 December 2005.

### 32. 關連人士交易 (續)

(ii) 租金開支乃支付予:

- (a) 永波投資, 吳永波先生至二零零五年三月二十四日乃是本公司之非執行董事及永波投資之董事, 永波投資乃由吳永波先生之妻子及其若干子女為受益人之全權信託所間接控制。租金開支乃根據與本集團簽訂之協議。
- (b) 漢寶控股有限公司全資擁有公司漢寶投資發展(香港)有限公司實益擁有之物業, 乃出租予本集團作為營運用途。租金開支乃根據與本集團所簽訂之租賃協議計算。

此等關連人士交易亦構成聯交所上市規則定義的關連人士交易。

### 33. 或然負債

於二零零五年十二月三十一日, 除財務報表附註26所載本公司為支持授予一間附屬公司之銀行信貸作出公司擔保, 以及於財務報表附註31(a)所載為一間全資附屬公司之經營租賃承擔作出公司擔保外, 本公司概無任何其他重大或然負債。

於二零零五年十二月三十一日, 本集團並無重大或然負債。

### 34. 結算日後事項

於結算日後, 本集團因翻新之故暫時關閉其一間位於土瓜灣的酒樓, 該酒樓將於二零零六年四月底重開及恢復酒樓業務。已撇銷相關固定資產及為該酒樓僱員提供之其他福利涉及數額約5,100,000港元及約2,200,000港元, 已於截至二零零五年十二月三十一日止年度之財務報表中確認。