1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company's ultimate holding company is Velocity International Limited ("Velocity"), a company incorporated in the British Virgin Islands ("BVI"). The addresses of the registered office and principal place of business of the Company are disclosed in the introduction to the annual report.

The functional currency of the Company is Renminbi. The consolidated financial statements are presented in Hong Kong dollars for the convenience of the shareholders, as the Company is listed in Hong Kong.

The Company is an investment holding company. The activities of its subsidiaries are set out in note 36.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied, for the first time, a number of new standards amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are either effective for accounting periods beginning on or after 1st December, 2005 or 1st January, 2006. The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new standards, amendment and interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standards, amendment or interpretations, except HKFRS 8, will have no material impact on the results and the financial position of the Group are prepared and presented. The directors are not yet in a position to determine how for HKFRS 8 would have an impact on segment information disclosure:

HKAS 1 (Amendment)	Capital Disclosures[1]
HKFRS 7	Financial Instruments: Disclosures[1]
HKFRS 8	Operating Segments[2]
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies[3]
HK(IFRIC)-Int 8	Scope of HKFRS 2[4]
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives[5]
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment[6]
HK(IFRIC)-Int 11	HKFRS 2: Group and Treasury Shares Transactions[7]
HK(IFRIC)-Int 12	Service Concession Arrangements[8]

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(continued)*

[1] Effective for annual periods beginning on or after 1st January, 2007
[2] Effective for annual periods beginning on or after 1st January, 2009
[3] Effective for annual periods beginning on or after 1st March, 2006
[4] Effective for annual periods beginning on or after 1st May, 2006
[5] Effective for annual periods beginning on or after 1st June, 2006
[6] Effective for annual periods beginning on or after 1st November, 2006
[7] Effective for annual periods beginning on or after 1st March, 2006
[8] Effective for annual periods beginning on or after 1st January, 2008

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Basis of consolidation *(continued)*

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under *HKFRS 3 Business Combinations* are recognised at their fair values at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill

Goodwill arising on acquisition of subsidiaries for which the agreement date is on or after 1st January, 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiaries at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of subsidiaries is presented separately in the consolidated balance sheet.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Goodwill *(continued)*

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units ("CGUs"), or groups of CGUs, that are expected to benefit from the synergies of the acquisition. A CGU to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the CGUs to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the CGUs is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of the assets' (disposal groups') previous carrying amount and fair value less costs to sell.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivables and amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.

Income from sale of completed properties is recognised on the executive of a binding sales agreement.

Sales of food and beverages are recognised when payments was received.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of financial asset to that asset's net carrying amount.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property, plant and equipment

Properties under construction

Properties under construction, are stated at cost, which includes related construction costs less accumulated impairment losses. No depreciation is provided on properties under construction until the construction is completed and the properties and assets are ready for use.

Other property, plant and equipment

Property, plant and equipment, other than properties under construction, are stated at cost, less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of furniture, equipment and motor vehicles and leasehold improvement over their estimated useful lives and after taking into account of their estimated residual value, using the straight line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Retirement benefit scheme

Payments to state-managed retirement benefit schemes and Mandatory Provident Fund Scheme which are defined contribution schemes are charged as an expense when employees have rendered service entitling them to the contributions.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Leasing *(continued)*

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, leasehold land which title is not expected to pass to the leasee by the end of the lease term is classified as an operating lease unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is classified as a finance lease.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Borrowing costs

All borrowing costs are recognised as and included in finance costs in the consolidated income statement in the period in which they are incurred.

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 profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base 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 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.

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

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

Inventories

Inventories, comprising food and beverages, are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost comprises all costs of purchase. Net realisable value is calculated at the actual or estimated selling price less related costs of marketing and selling.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified as loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of the financial assets are set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Financial liabilities

Financial liabilities, including trade and other payables, other borrowing and loan from ultimate holding company, are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Impairment losses (other than goodwill, see the accounting policy in respect of goodwill)

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

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

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimated carrying amounts of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGUs and a suitable discount rate in order to calculate the present value.

As at 31st December, 2006, the carrying amount of goodwill is approximately HK$1,847,000. Details of the recoverable amount calculation are disclosed in note 17.

5. FINANCIAL INSTRUMENTS

5a. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bank balances, trade and other payables and loan from ultimate holding company. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

As at 31 December 2006, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation is mainly arisen from the other receivable of HK$32,800,000. For details of impairment testing, please refer to note 20.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

5. FINANCIAL INSTRUMENTS *(continued)*

5b. Fair value

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions.

The directors consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the financial statements approximate their fair values.

6. REVENUE

Revenue represents the amounts received and receivable from outside customers during the year, net of sales taxes, and is analysed as follows:

	2006	2005
	HK$'000	HK$'000
Sales of properties	**6,402**	2,924
Property rental income	**2,277**	8,734
Sales of food and beverages	**23,061**	3,823
	31,740	15,481

7. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into three major operating divisions — (i) property sales and development; (ii) property rental; and (iii) restaurant operation. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Property investment	—	property sales and development
	—	leasing of properties
Restaurant operation	—	sales of food and beverage

For the year ended 31st December, 2006

	Property sales and development HK$'000	Property rental HK$'000	Restaurant operation HK$'000	Consolidated HK$'000
REVENUE				
External sales	6,402	2,277	23,061	31,740
RESULT				
Segment result	(1,856)	1,454	(1,763)	(2,165)
Unallocated corporate expenses				(6,381)
Other income				489
Finance costs				(10,104)
Loss before taxation				(18,161)
Income tax expense				(16)
Loss for the year				(18,177)

7. BUSINESS AND GEOGRAPHICAL SEGMENTS *(continued)*

Business segments *(continued)*

For the year ended 31st December, 2006 *(continued)*

	Property sales and development HK$'000	Property rental HK$'000	Restaurant operation HK$'000	Consolidated HK$'000
ASSETS				
Segment assets	33,801	—	5,782	39,583
Unallocated corporate assets				35,554
Consolidated total assets				75,137
LIABILITIES				
Segment liabilities	—	—	3,568	3,568
Unallocated corporate liabilities				10,058
Consolidated total liabilities				13,626

OTHER INFORMATION

	Property sales and development HK$'000	Property rental HK$'000	Restaurant operation HK$'000	Unallocated HK$'000	Consolidated HK$'000
Capital additions	—	—	462	224	686
Depreciation	—	—	911	150	1,061
Loss on disposal of property, plant and equipment	—	—	77	—	77
Impairment loss recognised in respect of goodwill relating to subsidiaries	—	—	1,300	—	1,300

7. BUSINESS AND GEOGRAPHICAL SEGMENTS *(continued)*

Business segments *(continued)*

For the year ended 31st December, 2005

	Properties sales and development HK$'000	Property rental HK$'000	Restaurant operation HK$'000	Consolidated HK$'000
REVENUE				
External sales	2,924	8,734	3,823	15,481
RESULT				
Segment result	(5,868)	(4,838)	384	(10,322)
Unallocated corporate expenses				(5,760)
Other income				14
Finance costs				(16,512)
Loss before taxation				(32,580)
Income tax expense				(17)
Loss for the year				(32,597)

7. BUSINESS AND GEOGRAPHICAL SEGMENTS *(continued)*

Business segments *(continued)*

For the year ended 31st December, 2005 *(continued)*

	Property sales and development HK$'000	Property rental HK$'000	Restaurant operation HK$'000	Consolidated HK$'000
ASSETS				
Segment assets	41,090	140,992	16,860	198,942
Unallocated corporate assets				30,441
Consolidated total assets				229,383
LIABILITIES				
Segment liabilities	15,217	3,266	3,224	21,707
Unallocated corporate liabilities				127,530
Consolidated total liabilities				149,237

OTHER INFORMATION

	Property sales and development HK$'000	Property rental HK$'000	Restaurant operation HK$'000	Unallocated HK$'000	Consolidated HK$'000
Capital additions	—	—	2,695	—	2,695
Depreciation	—	127	11	39	177
Impairment losses	2,489	9,025	—	—	11,514

Geographical segments

No analysis of the Group's turnover, carrying amount of segment assets and capital additions by geographical area is presented as less than 10% are generated from or located outside the People's Republic of China (the "PRC").

8. IMPAIRMENT LOSSES

	2006 HK$'000	2005 HK$'000
Impairment losses recognised in respect of:		
— goodwill relating to subsidiaries (note 17)	**1,300**	—
— properties held for sale (note 19)	**—**	2,489
— disposal group (note 22)	**—**	9,025
	1,300	11,514

9. FINANCE COSTS

	2006 HK$'000	2005 HK$'000
Interest on other borrowing wholly repayable within five years	**4,772**	11,180
Imputed interest expense on non-current interest-free loan from ultimate holding company	**332**	332
Penalty interest on default of other borrowing (note 24)	**5,000**	5,000
	10,104	16,512

10. INCOME TAX EXPENSE

The income tax charge for both years represented taxation charge in the PRC.

Tax in the PRC is calculated at the rates prevailing in the jurisdiction.

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Company and its subsidiaries had no assessable profit in both years.

The income tax expense for the year can be reconciled to the loss before taxation per the consolidated income statement as follows:

	2006	2005
	HK$'000	HK$'000
Loss before taxation	**(18,161)**	(32,580)
Tax at the domestic income tax rate of 33%	**(5,993)**	(10,751)
Tax effect of expenses not deductible for tax purpose	**3,928**	5,006
Tax effect on income not taxable for tax purposes	**(189)**	—
Tax effect of deferred tax asset and tax losses not recognised	**—**	3,155
Utilisation of deferred tax asset not recognised in previous years	**—**	(1,561)
Utilisation of tax losses not recognised in previous years	**(496)**	(112)
Effect of different tax rates of subsidiaries operating in other jurisdictions	**2,766**	4,280
Income tax expense for the year	**16**	17

At the balance sheet date, the Group has unutilised tax losses of approximately HK$2,987,000 (2005: HK$63,412,000) available to offset against future profits. No deferred tax asset has been recognised in respect of the unutilised tax losses due to the unpredictability of future profits stream. Included in unrecognised tax losses are losses of HK$2,987,000 (2005: HK$61,412,000) that will expire in 2007 to 2011 (2005: 2007 to 2011).

At the balance sheet date, the Group has deductible temporary differences of HK$1,662,000 (2005: HK$283,408,000). No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

11. LOSS FOR THE YEAR

	2006 HK$'000	2005 HK$'000
Loss for the year has been arrived at after charging:		
Directors' emoluments (note 12)	**1,823**	1,834
Other staff costs	**4,827**	3,940
Total staff costs	**6,650**	5,774
Auditors' remuneration	**1,162**	981
Cost of inventories recognised as expenses	**22,163**	5,475
Depreciation	**1,061**	177
Loss on disposal of property, plant and equipment	**77**	—
Release of prepaid lease payments	**959**	240
and after crediting:		
Gain on disposal of subsidiaries	**50**	—
Interest income	**11**	14
Net rental income in respect of premises after direct expenses of HK$120,000 (2005: HK$460,000)	**2,157**	8,274

Included in total staff costs is an aggregate amount of approximately HK$58,000 (2005: HK$137,000) in respect of contribution to retirement benefit schemes paid or payable by the Group.

12. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the six (2005: five) directors were as follows:

For the year ended 31st December, 2006

	Chan Yeung Nam HK$'000	Fu Jie Pin HK$'000	Tang Cheung Fai HK$'000	Jee Wengue HK$'000	Tong Ka Ming HK$'000	Lam Ping Cheung HK$'000	Total 2006 HK$'000
Fees	—	—	100	50	39	50	239
Other emoluments:							
Salaries and other benefits	1,200	360	—	—	—	—	1,560
Contributions to retirement benefits schemes	12	12	—	—	—	—	24
Total emoluments	1,212	372	100	50	39	50	1,823

For the year ended 31st December, 2005

	Chan Yeung Nam HK$'000	Fu Jie Pin HK$'000	Tang Cheung Fai HK$'000	Lam Ping Cheung HK$'000	Jee Wengue HK$'000	Total 2005 HK$'000
Fees	—	—	100	100	50	250
Other emoluments:						
Salaries and other benefits	1,200	360	—	—	—	1,560
Contributions to retirement benefits schemes	12	12	—	—	—	24
Total emoluments	1,212	372	100	100	50	1,834

No directors waived any emoluments during the year ended 31st December, 2005 and 2006.

13. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2005: two) were directors of the Company whose emoluments are included in the disclosures in note 12 above. The emoluments of the remaining three (2005: three) highest paid individuals were as follows:

	2006 HK$'000	2005 HK$'000
Remuneration:		
Salaries and benefits	3,028	2,012
Retirement benefits schemes contribution	34	33
	3,062	2,045

Their emoluments were within the following bands:

	2006 Number of employees	2005 Number of employees
HK$nil to HK$1,000,000	2	2
HK$1,000,001 to HK$1,500,000	1	1

14. LOSS PER SHARE

The calculation of the basic loss per share attributable to the equity holders of the Company is based on the loss attributable equity holders of the Company of HK$18,169,000 (2005: HK$32,589,000) and on 277,408,596 (2005: 277,408,596) ordinary shares in issue during the year.

No diluted loss per share has been presented as there is no potential ordinary share in issue during both years.

15. PROPERTY, PLANT AND EQUIPMENT/INVESTMENT PROPERTIES

(a) Property, plant and equipment

	Properties under construction HK$'000	Furniture, equipment and motor vehicles HK$'000	Leasehold improvement HK$'000	Total HK$'000
COST				
At 1st January, 2005	258,548	2,482	—	261,030
Acquisition of subsidiaries	—	949	1,746	2,695
Reclassified as assets held for sale	(258,548)	(2,280)	—	(260,828)
At 31st December, 2005	—	1,151	1,746	2,897
Exchange adjustments	—	38	70	108
Additions	—	72	614	686
Disposals	—	(79)	—	(79)
At 31st December, 2006	—	1,182	2,430	3,612
DEPRECIATION				
At 1st January, 2005	246,954	2,147	—	249,101
Charge for the year	—	100	77	177
Reclassified as assets held for sale	(246,954)	(2,147)	—	(249,101)
At 31st December, 2005	—	100	77	177
Exchange adjustments	—	1	3	4
Charge for the year	—	199	862	1,061
Eliminated on disposals	—	(2)	—	(2)
At 31st December, 2006	—	298	942	1,240
CARRYING VALUES				
At 31st December, 2006	—	884	1,488	2,372
At 31st December, 2005	—	1,051	1,669	2,720

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Furniture, equipment and motor vehicles	10%-20%
Leasehold improvement	20% or over the lease term, whichever is shorter

15. PROPERTY, PLANT AND EQUIPMENT/INVESTMENT PROPERTIES *(continued)*

(b) Investment properties

	HK$'000
FAIR VALUE	
At 1st January, 2005	140,000
Reclassified as assets held for sale	(140,000)
At 31st December, 2005 and 2006	—

The Group's investment properties are situated in PRC and held under medium term lease.

16. PREPAID LEASE PAYMENTS

	2006 HK$'000	2005 HK$'000
The Group's prepaid lease payments comprise of medium term land use rights in the PRC	**33,801**	34,760
Analysed for reporting purposes as:		
Current asset	**959**	959
Non-current asset	**32,842**	33,801
	33,801	34,760

The title to the land use rights in respect of the property has not yet been transferred to the Group since the date of acquisition. While the Group has paid the full amount of the consideration in accordance with the sale and purchase agreement, the relevant government authority has not granted formal title to the land use rights to the Group. The directors believe that formal title to the land use rights will be granted to the Group in due course.

17. GOODWILL

	HK$'000
COST	
At 1st January, 2005	—
Arising on acquisition of subsidiaries and at 31st December, 2005 and 31st December, 2006	3,147
	3,147
IMPAIRMENT	
At 1st January, 2005 and 31st December, 2005	—
Impairment loss recognised for the year	1,300
At 31st December, 2006	1,300
CARRYING AMOUNTS	
At 31st December, 2006	1,847
At 31st December, 2005	3,147

As explained in note 7, the Group uses business segments as its primary segment for reporting segment information. For the purposes of impairment testing, goodwill have been allocated to the two individual CGUs, including two subsidiaries in restaurant operation segment. The carrying amounts of goodwill (net of impairment loss) as at 31st December 2006 allocated to these units are as follows:

	Goodwill	
	2006	2005
	HK$'000	HK$'000
Restaurant operation — Shenzhen (Unit A)	**540**	540
Restaurant operation — Beijing (Unit B)	**1,307**	2,607
	1,847	3,147

17. GOODWILL *(continued)*

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarised below:

Unit A and Unit B

The recoverable amounts of these units have been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period and discount rate of 10%, for both units. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Another key assumption for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the units' past performance and management's expectations for the market development. Due to the increased competition in the market, the management recognized an impairment loss of HK$1,300,000 for Unit B for the year.

18. INVENTORIES, AT COST

	THE GROUP	
	2006	2005
	HK$'000	HK$'000
Raw materials	**1,107**	645

19. PROPERTIES HELD FOR SALE

	2006	2005
	HK$'000	HK$'000
At 1st January,	**5,937**	11,350
Disposal	**(5,937)**	(2,924)
Impairment loss	**—**	(2,489)
At 31st December, at net realisable value	**—**	5,937

All the Group's properties held for sale are situated in the PRC under long term land use rights.

In August 2004, a wholly owned subsidiary of the Group entered into various conditional sale and purchase agreements ("S&P Agreements") with independent third parties for the disposal of all the properties held for sale and the Group fully disposed the remaining properties held for sale with a carrying amount of approximately HK$5,937,000 pursuant to the S&P Agreements during the year.

20. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period of 30 days to 60 days to its trade customers. Included in trade and other receivables at 31st December, 2006 are trade receivables of HK$456,000 (2005: HK$1,254,000), which are aged within 0 to 90 days.

	2006 HK$'000	2005 HK$'000
0-90 days	456	1,254
Other receivable (Note)	33,414	33,979
	33,870	35,233

Note: In August 2004, the Group disposed of its entire interest in, and shareholders' loan to, Huizhou Gladly Property Limited, Huizhou World Express Property Limited and Huizhou Best Glory Limited (the "Huizhou Companies") to State Achieve Properties Limited (the "Purchaser") for a cash consideration of RMB50.0 million (equivalent to HK$46.8 million). At 31st December 2006, the outstanding amount of HK$32.8 million (2005: HK$32.8 million) were secured by the shares of the Purchaser. The net assets of the Purchaser mainly comprised of properties in PRC with fair value amounting to approximately RMB111,000,000. The fair value of such properties has been arrived at based on a valuation carried out by Assets Appraisal Limited, independent valuers not connected with the Group. The valuation, which conforms to International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties. In the opinion of the directors, the underlying asset value of the Purchaser are not less than the carrying value of the consideration receivable and no impairment is considered necessary.

21. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and bank balances that are interest bearing at prevailing market rate range from 1.5% to 2.5% and have original maturity of three months or less. The carrying amount of these assets approximates their fair value.

The bank balances and cash of the Group are mainly denominated in Hong Kong dollars and Renminbi. Included in the bank balances and cash as at 31st December, 2006 was Renminbi of RMB1,998,000 (2005: RMB1,719,000). Renminbi is not freely convertible into other currencies.

22. ASSETS HELD FOR SALE

On 25th February, 2005 and 21st April, 2005, a wholly-owned subsidiary of the Company, entered into conditional sale and purchase agreements with a third party for the disposal of respective 40% and 60% interests in More Cash Limited ("More Cash"), a wholly-owned subsidiary of the Company, for a cash consideration of HK$40,000,000 and HK$90,000,000. More Cash, through its subsidiary, Guang Zhou Jiang Nan Property Co., Ltd., is engaged in property investment and development in Guangzhou, the PRC. Details of the disposal of 40% and 60% interest are set out in the circular of the Company dated 24th March, 2005 and 16th June, 2005, respectively.

The major classes of assets and liabilities comprised by More Cash and its subsidiaries ("More Cash Group") at 31st December, 2005 and classified as assets held for sale are as follows:

	Property sales and development HK$'000	**Property rental** HK$'000	**Total** HK$'000
Property, plant and equipment	11,727	—	11,727
Investment properties	—	140,000	140,000
Other receivable	—	992	992
	11,727	140,992	152,719
Less: impairment loss	(9,025)	—	(9,025)
Total assets classified as held for sale	2,702	140,992	143,694
Trade and other payables, and total for liabilities associate with assets classified held for sale	(11,171)	(3,266)	(14,437)
Net assets of disposal group	(8,469)	137,726	129,257

During the year ended 31st December, 2005, the directors of the Group have re-assessed the recoverable amounts of the relevant assets and liabilities with reference to the sales proceeds, and accordingly, impairment loss of approximately HK$9,025,000 has been identified and recognised in the consolidated income statement.

The transactions were completed on 12th April, 2006.

23. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of HK$1,033,000 (2005: HK$993,000), and their aged analysis is as follows:

	2006 HK$'000	2005 HK$'000
0 to 90 days	**310**	993
Over 90 days	**723**	—
	1,033	993
Other payables	**5,894**	10,203
	6,927	11,196

24. OTHER BORROWING

	2006 HK$'000	2005 HK$'000
Unsecured other borrowing	**—**	119,228

The amount was interest bearing at prime rate plus 3.25% and repayable on 30th June, 2005. Starting from 1st October, 2005, the interest rate on the other borrowing was increased to prime rate plus 7.75% and the repayment date was extended to 31st December, 2005.

Due to the delay in the completion of the disposal of More Cash to 12th April, 2006, the Group defaulted in repayment of the other borrowing on both 30th June, 2005 and 31st December, 2005, respectively. Accordingly, penalty interest of HK$5,000,000 was charged to the consolidated income statement during the year ended 31st December, 2005 and 31st December, 2006.

On 12th April, 2006, the other borrowing was fully settled.

25. LOAN FROM ULTIMATE HOLDING COMPANY

The amount is unsecured, interest free (2005: carried effective interest rate at 8.25%) and repayable in June 2007.

26. SHARE CAPITAL

	Number of shares	Value '000
Authorised		
At 1st January, 2005, 31st December, 2005 and 2006, ordinary shares of US$0.02 each	19,000,000,000	US$380,000
Issued and fully paid		
At 1st January, 2005, 31st December, 2005 and 2006, ordinary shares at US$0.02 each	277,408,596	US$5,548
Shown in the financial statements as at 1st January, 2005 31st December, 2005 and 2006		HK$43,276

27. SHARE OPTIONS

On 4th June, 2002, the Company adopted a new share option scheme (the "Scheme") for the primary purpose of providing incentives and rewards to employees, executives or officers, directors of the Company or any of its subsidiaries and any business consultants, agents, legal or financial advisers of the Company or any of its subsidiaries (the "Participants") for their contribution to the Group. The Scheme will expire on 3rd June, 2012. Under the Scheme, the board of directors (the "Board") may grant options to the participants to subscribe for shares in the Company for a consideration of HK$1 for each lot of share options granted. The exercise price is to be determined by the Board and shall not be less than the highest of:

(a) the official closing price of the shares as stated in the daily quotation sheet of the Stock Exchange on the offer date which must be a business day (and for this purpose, shall be taken to be the date of the Board meeting at which the Board proposes to grant the options);

(b) the average of the official closing price of the shares as stated in the daily quotation sheet of the Stock Exchange for the 5 business days immediately preceding the offer date; and

(c) The nominal value of a share.

27. SHARE OPTIONS *(continued)*

Pursuant to the Scheme, the maximum number of shares in the Company in respect of which options may be granted when aggregated with any other share option scheme of the Company is not permitted to exceed 13,624,193 shares, representing 10% of the issued share capital of the Company as at the date of adoption of the Scheme or approximately 4.9% of the issued share capital of the Company as at 31st December, 2006. Subject to the issue of a circular and the approval of the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may refresh the limit at any time to 10% of the total number of shares in issue as at the date of approval by the shareholders of the Company in general meeting. Notwithstanding the foregoing, the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the shares in issue from time to time.

No option may be granted to any person if the total number of shares of the Company already issued and issuable to him under all the options granted to him in any 12 month period up to and including the date of grant exceeding 1% of total number of shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to the issue of a circular by the Company and the approval of the shareholders in general meeting. The participant and his associates (as defined in the Listing Rules) are abstained from voting and/or other requirements prescribed under the Listing Rules from time to time. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK$5 million must be approved in advance by the Company's shareholders.

There is no specific requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no option may be exercised more than 10 years from the date of grant.

During the year ended 31st December, 2005 and 2006, no options under the Scheme were granted or exercised by any directors or employees of the Company and its subsidiaries and no options were cancelled or lapsed since the adoption date.

28. DISPOSAL OF A SUBSIDIARY

As detailed in note 22, the disposal of More Cash was completed on 12th April, 2006. The net assets of More Cash at the date of disposal were as follows:

	2006 HK$'000
Net assets disposed of:	
Investment properties	140,000
Property, plant and equipment	2,702
Trade and other receivables	1,281
Bank balances and cash	1,046
Trade and other payables	(14,512)
	130,517
Minority interests	(567)
Gain on disposal	50
Total consideration	130,000
Total consideration satisfied by cash	130,000
Net cash inflow of cash and cash equivalents in respect of disposal of More Cash:	
Consideration received	130,000
Bank balances and cash disposed of	(1,046)
	128,954

The subsidiaries disposed of during the year ended 31st December, 2006 contributed HK$2,277,000 to the Group's turnover and profit of HK$1,454,000 to the Group's loss for the year.

29. ACQUISITION OF ASSET AND SUBSIDIARIES

Acquisition of asset

In September 2005, the Group acquired a piece of land at a consideration of HK$35,000,000 through the acquisition of a subsidiary Renowned Holdings Limited ("Renowned").

Acquisition of subsidiaries

In October 2005, the Group acquired the entire interest in Zhong Hua Health Food Culture Research Limited and Zhong Hua Jin Long Teng Health Food (Holdings) Limited ("Restaurants"), company engaged in restaurants operation for a cash consideration of HK$5,500,000.

The net assets acquired in the transaction, and the goodwill arising, are as follows:

	At the date of acquisition Carrying amount and fair value HK$'000
Net assets acquired:	
Property, plant and equipment	2,695
Inventories	408
Trade and other receivables	3,237
Bank and cash balances	1,764
Trade and other payable	(5,751)
	2,353
Goodwill	3,147
Total consideration	5,500
Total consideration satisfied by cash	5,500
Net cash outflow of cash and cash equivalents in respect of acquisition of subsidiaries:	
Cash consideration paid	5,500
Bank balances and cash acquired	(1,764)
	3,736

29. ACQUISITION OF ASSET AND SUBSIDIARIES *(continued)*

Acquisition of subsidiaries *(continued)*

The acquired subsidiaries contributed HK$3,823,000 to the Group's turnover and profit of HK$368,000 to the Group's loss before taxation for the period between the date of acquisition and the balance sheet date.

If the acquisition had been completed on 1st January, 2005, total group revenue for the period would have been HK$34,294,000, and loss for the period would have been HK$31,661,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1st January, 2005, nor is it intended to be a projection of future results.

The goodwill arising on the acquisition of the Restaurants is attributable to the anticipated profitability of the distribution of the Group's products in the new markets and the anticipated future operating synergies from the combination.

30. CAPITAL COMMITMENTS

At 31st December, 2005, the Group had capital expenditures of approximately HK$129,393,000 contracted for but not provided in the consolidated financial statements relating to properties under construction of More Cash and its subsidiaries.

The capital expenditure relating to properties under construction at 31st December, 2005 were released on the disposal of More Cash on 12th April, 2006.

31. OPERATING LEASE ARRANGEMENTS

The Group as lessee

The Group made minimum lease payments of approximately of HK$2,710,000 (2005: HK$1,559,000) under operating leases during the year in respect of office properties and restaurants. Operating lease payments represent rent payable by the Group for certain of its office premises and staff quarters. Leases are negotiated for an average term of 5 years and rentals are fixed for an average of 2-5 years.

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follow:

	2006	2005
	HK$'000	HK$'000
Within one year	**2,856**	2,567
In the second year	**2,577**	2,656
In the third year	**2,657**	2,507
In the forth year	**1,117**	2,605
In the fifth year	**192**	2,709
Over five year	**—**	181
	9,399	13,225

The Group as lessor

Property rental income earned during the year was approximately HK$2,277,000 (2005: HK$8,734,000), net of outgoing of HK$120,000 (2005; HK$460,000).

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2006	2005
	HK$'000	HK$'000
Within one year	**—**	8,890
In the second year	**—**	8,890
In the third year	**—**	9,001
In the forth year	**—**	9,335
In the fifth year	**—**	9,335
Over five year	**—**	67,280
	—	112,731

The operating lease arrangement at 31st December, 2005 were released on the disposal of More Cash on 12th April, 2006.

32. CONTINGENT LIABILITIES

Litigation

(a) In August 1999, the architect of Paul Y. Plaza located in Guangzhou, the PRC, initiated legal proceedings against Eventic Limited ("Eventic"), a wholly-owned subsidiary of the Company in respect of claim for payment of service fees and other expenses of HK$0.6 million and HK$6.6 million respectively. Eventic engaged the architect for architectural services in respect of Paul Y. Plaza.

Eventic has vigorously defended the claims and made a counterclaim for loss and damages suffered due to insufficient supervision services provided by the architect. In view of the counterclaim made by Eventic, the architect amended its total claims to HK$7.7 million.

(b) In June 2003, a sub-contractor of Paul Y. Plaza initiated legal proceedings against Eventic in respect of a claim for payment of sub-contract works for approximately RMB5.2 million (equivalent to HK$5 million).

Eventic has vigorously defended the claim as there was no contractual relationship between Eventic and the sub-contractor. Eventic has also made a counterclaim and/or set off against the sub-contractor for the balance of unused advance payment and overpayment of approximately RMB4.2 million (equivalent to HK$4 million) and RMB0.8 million (equivalent to HK$0.7 million) respectively paid to the sub-contractor.

The above litigations were related to More Cash and were eliminated on the disposal of More Cash on 12th April, 2006.

33. RETIREMENT BENEFITS SCHEME

The Group operates a Mandatory Provident Fund Scheme (the "Scheme") for all qualifying employees in Hong Kong. The assets of the Scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of the relevant payroll costs to the Scheme, which contribution is matched by employees.

The employees of the Group's subsidiary in PRC are members of the state-managed retirement benefit scheme operated by the government of the PRC. The subsidiaries are required to contribute certain percentage of their payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

34. RELATED PARTY DISCLOSURES

Compensation of key management personnel

The remuneration of directors as key management of the Group during the year was as follows:

	2006 HK$'000	2005 HK$'000
Short-term benefits	**1,799**	1,810
Post-employment benefits	**24**	24
	1,823	1,834

The remuneration of key management personnel, which were the directors of the Company, were decided by the Board of Directors, who are authorised by the shareholders, having regard to the performance of the individuals and market trends.

Other than as disclosed in note 25 to the financial statements and above, the Group had no other significant related party disclosures.

35. BALANCE SHEET OF THE COMPANY

	2006 HK$'000	2005 HK$'000
Total assets		
Interests in subsidiaries	**—**	—
Amount due from a subsidiary	**32,451**	161,467
Bank balances and cash	**25**	1,467
	32,476	162,934
Total liabilities		
Other payables	**1,926**	32,846
Other borrowing	**—**	100,000
Loan from ultimate holding company	**6,696**	4,359
	8,622	137,205
	23,854	25,729
Capital and reserves		
Share capital	**43,276**	43,276
Reserves (Note)	**(19,422)**	(17,547)
	23,854	25,729

35. BALANCE SHEET OF THE COMPANY *(continued)*

Note:

Reserves

	Capital reserve HK$'000 (Note a)	Shareholders' contribution HK$'000 (Note b)	Contributed surplus HK$'000 (Note c)	Accumulated loss HK$'000	Total HK$'000
THE COMPANY					
At 1st January, 2005	945	—	470,001	(420,589)	50,357
Imputed interest expenses on non-current interest free loan from ultimate holding company	—	664	—	—	664
Loss for the year	—	—	—	(68,568)	(68,568)
At 31st December, 2005	945	664	470,001	(489,157)	(17,547)
Loss for the year	—	—	—	(1,875)	(1,875)
At 31st December, 2006	945	664	470,001	(491,032)	(19,422)

Notes:

(a) The capital reserve of the Company represents capital redemption reserve fund.

(b) The shareholders' contribution represents imputed interest expense non-current interest free loan from ultimate holding company at 31st December, 2005.

(c) The contributed surplus of the Company represents (i) the aggregate of the difference between the underlying net assets of the subsidiaries which were acquired by the Company and the nominal amount of the share capital issued by the Company under a group reorganisation in 1995 and (ii) contribution arising from capital reorganisation and group reorganisation in prior years.

36. PARTICULARS OF SUBSIDIARIES

Particulars of the subsidiaries of the Company at 31st December, 2006 are as follows:

Name of subsidiary	Issued and fully paid ordinary share capital/ registered capital	Place of incorporation/ registration	Proportion of nominal value of issued share capital/registered capital held by the Company		Principal activities and place of operation
			Directly	Indirectly	
			%	%	
Alpha Sheen Development Limited	HK$100	Hong Kong	—	100	Property investment, PRC
Best Glory Limited	HK$2	Hong Kong	—	70	Investment holding, Hong Kong
Bremer Assets Limited	US$1	BVI	—	100	Investment holding, Hong Kong
China Land Group Limited	HK$2	Hong Kong	—	100	Management services, Hong Kong
China Land Holdings Limited	US$1	BVI	100	—	Investment holding, Hong Kong
China Land (HK) Limited	US$1	BVI	—	100	Investment holding, Hong Kong
China Land (PRC) Limited	US$1	BVI	—	100	Investment holding, Hong Kong
China Land Resources Limited	US$1	BVI	—	100	Inactive, Hong Kong
China Velocity Investments Limited	HK$6,000,000	Hong Kong	—	100	Investment holding, Hong Kong

36. PARTICULARS OF SUBSIDIARIES *(continued)*

Name of subsidiary	Issued and fully paid ordinary share capital/ registered capital	Place of incorporation/ registration	Proportion of nominal value of issued share capital/registered capital held by the Company Directly %	Indirectly %	Principal activities and place of operation
Dionysus Investments Limited	US$10	BVI	—	70	Investment holding, Hong Kong
Exburg Ltd.	US$1	BVI	—	70	Investment holding, Hong Kong
Gladly Development Limited	HK$2	Hong Kong	—	70	Investment holding, Hong Kong
Goldsmith Assets Limited	US$1	BVI	—	70	Investment holding, Hong Kong
Holburn Property Limited	US$1	BVI	—	70	Investment holding, Hong Kong
Hongkong Macau (Nominees) Limited	HK$2	Hong Kong	—	100	Nominee services, Hong Kong
Hongkong Macau (International) Ltd.	US$1	BVI	100	—	Investment holding, Hong Kong
Hongkong Macau Secretarial Services Limited	HK$2	Hong Kong	—	100	Investment holding, Hong Kong
Pearlbound Properties Limited	US$1	BVI	—	100	Investment holding, Hong Kong

36. PARTICULARS OF SUBSIDIARIES *(continued)*

Name of subsidiary	Issued and fully paid ordinary share capital/ registered capital	Place of incorporation/ registration	Proportion of nominal value of issued share capital/registered capital held by the Company Directly %	Indirectly %	Principal activities and place of operation
Renowned	US$1	BVI	—	100	Investment holding, Hong Kong
Superwide Development Limited	US$10,000	BVI	—	100	Property investment, PRC
World Express Limited	HK$2	Hong Kong	—	70	Investment holding, Hong Kong
Zhong Hua Health Food Culture Research Limited	HK$2	Hong Kong	—	100	Investment holding, Hong Kong
Zhong Hua Jin Long Teng Health Food (Holdings) Limited	HK$2	Hong Kong	—	100	Investment holding, Hong Kong
北京金龍騰健康飲食（集團）有限公司 (i)	RMB500,000	PRC	—	100	Restaurant operation
深圳金龍騰海鮮酒樓（深圳）有限公司 (i)	RMB5,000,000	PRC	—	100	Restaurant operation

Note:

(i) The Company was established in the PRC as a sino-foreign equity joint venture company.

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