

Notes to Financial Statements 財務報告附註

31 December 2002 二零零二年十二月三十一日

1. Corporate Information

During the year, the Group was involved in the following principal activities:

Continuing operations:

- Provision of medical services
- Provision of nursing, physiotherapy and dental services
- Provision of elderly care services

Discontinued operations:

- Provision of healthcare transaction processing services and distribution of medical equipment (collectively, the “Healthcare transaction operations”) (the discontinuance was completed on 28 October 2002, as further detailed in note 6 to the financial statements)

2. Impact of New and Revised Hong Kong Statements of Standard Accounting Practice (“SSAPs”)

The following recently-issued and revised SSAPs are effective for the first time for the current year’s financial statements:

- SSAP 1 (Revised): “Presentation of financial statements”
- SSAP 11 (Revised): “Foreign currency translation”
- SSAP 15 (Revised): “Cash flow statements”
- SSAP 33: “Discontinuing operations”
- SSAP 34: “Employee benefits”

These SSAPs prescribe new accounting measurement and disclosure practices. The major effects on the Group’s accounting policies and on the amounts disclosed in these financial statements of adopting those SSAPs which have had a significant effect on the financial statements, are summarised below.

1. 集團資料

年內，本集團從事下列主要業務：

持續經營業務：

- 提供醫療服務
- 提供護理、物理治療及牙科服務
- 提供護老服務

已終止經營業務：

- 提供保健交易處理及分銷醫療設備（統稱「保健交易業務」）（誠如財政報告附註6所載已於二零零二年十月二十八日終止經營）

2. 新頒及經修訂香港會計實務準則（「會計實務準則」）之影響

以下乃就本年度財務報告而言首次生效之新頒佈及經修訂會計實務準則：

- 會計實務準則第1號（經修訂）：「財務報告之呈報」
- 會計實務準則第11號（經修訂）：「外幣換算」
- 會計實務準則第15號（經修訂）：「現金流量表」
- 會計實務準則第33號：「終止經營業務」
- 會計實務準則第34號：「僱員福利」

上述會計實務準則訂明了新的會計衡量及披露手法。採用對財務報告構成重大影響之有關會計實務準則，對本集團會計政策及財務報告中所披露數額之主要影響概括如下：

Notes to Financial Statements (cont.) 財務報告附註(續)

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2. Impact of New and Revised Hong Kong Statements of Standard Accounting Practice (“SSAPs”) (cont.)

SSAP 1 (Revised) prescribes the basis for the presentation of financial statements and sets out guidelines for their structure and minimum requirements for the content thereof. The principal impact of the revision to this SSAP is that a consolidated summary statement of changes in equity is now presented in place of the consolidated statement of recognised gains and losses that was previously required.

SSAP 11 (Revised) prescribes the basis for the translation of foreign currency transactions and financial statements. The principal impact of the revision of this SSAP on the consolidated financial statements is that the profit and loss accounts of overseas subsidiaries are now translated to Hong Kong dollars at the weighted average exchange rates for the year, whereas previously they were translated at the exchange rates at the balance sheet date. The adoption of the revised SSAP 11 has had no material effect on the financial statements. Further details of this change are included in the accounting policy for “Foreign currencies” in note 3 to the financial statements.

SSAP 15 (Revised) prescribes the revised format for the cash flow statement. The principal impact of the revision of this SSAP is that the consolidated cash flow statement now presents cash flows under three headings, cash flows from operating, investing and financing activities, rather than the five headings previously required. In addition, cash flows from overseas subsidiaries arising during the year are now translated to Hong Kong dollars at the exchange rates at the dates of the transactions, or at an approximation thereto, whereas previously they were translated at the exchange rates at the balance sheet date, and the definition of cash equivalents for the purpose of the consolidated cash flow statement has been revised. Except for the new presentation, the revised SSAP has had no major impact on the amounts previously recorded in the consolidated cash flow statement, and therefore no prior year adjustment required. Further details of these changes are included in the accounting policies for “Cash and cash equivalents” and “Foreign currencies” in note 3 to the financial statements.

SSAP 33 prescribes the basis for reporting information about discontinuing operations and specifies minimum disclosures about discontinuing operations. The major impact of this SSAP is the inclusion of significant additional disclosures, which are set out in note 6 to the financial statements.

2. 新頒及經修訂香港會計實務準則(「會計實務準則」)之影響(續)

會計實務準則第1號(經修訂)訂明財務報告之呈報基準及載列其結構之指引及內容之最低要求。是項會計實務準則之主要影響為把先前呈列綜合確認損益表之規定以呈列綜合權益變動概要表取代。

會計實務準則第11號(經修訂)訂明外幣交易及財務報表之換算基準。此經修訂會計實務準則對綜合財務表之主要影響為海外附屬公司之損益賬，現時以年度加權平均匯率換算為港元，而非如先前以結算日適用之匯率換算。本集團採納會計實務準則第11號(經修訂)對財務報表並無重大影響。有關此項變動之進一步詳情載於財務報表附註3有關「外幣」之會計政策內。

會計實務準則第15號(經修訂)訂明現金流量表新訂格式。此項新訂會計實務準則主要影響為綜合現金流量表現把現金流量歸類為經營、投資及融資活動三項，而非先前規定之五項。此外，年內於海外附屬公司之現金流量，現時以交易日之匯率或有關概約匯率換算為港元，而非如先前結算日適用之匯率換算，而綜合現金流量報表內有關等同現金資產之釋義亦已略作修改。除新呈列方式外，經修訂會計實務準則對綜合現金流量表內過往金額並無重大影響，故此毋須作出上年度調整。有關此項變動之進一步詳情載於財務報表附註3有關「現金及等同現金資產」及「外幣」之會計政策內。

會計實務準則第33號訂明申報正終止經營業務資料之基準以及正終止經營業務之最低披露規定。此項會計實務準則之主要影響為載入大量額外披露資料，而有關披露資料已載於財務報告附註6。

2. Impact of New and Revised Hong Kong Statements of Standard Accounting Practice ("SSAPs") (cont.)

SSAP 34 prescribes the recognition and measurement criteria to apply to employee benefits, together with the required disclosures in respect thereof. Prior to the adoption of SSAP 34, the Group did not provide for the liability in respect of its staff's vested annual leave entitlements. SSAP 34 requires that obligations in respect of such entitlements should be accrued as soon as services are rendered. The adoption of this SSAP has resulted in a change in accounting policy, which has been accounted for retrospectively. This has resulted in a prior year adjustment to recognise the liability for the unused annual leave entitlements and to retrospectively increase the Group's and the Company's opening balances of accumulated losses at both 1 January 2001 and 2002 by approximately HK\$4,071,000 and HK\$467,000, respectively. In addition, disclosures are now required in respect of the Company's share option scheme and share incentive plan as detailed in note 29 to the financial statements. These share option scheme/share incentive plan disclosures are similar to the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") previously included in the Report of the Directors, which are now required to be included in the notes to the financial statements as a consequence of the SSAP.

3. Summary of Significant Accounting Policies

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Statements of Standard Accounting Practice, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2002. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

2. 新頒及經修訂香港會計實務準則(「會計實務準則」)之影響(續)

會計實務準則第34號訂明適用於僱員福利之確認及衡量準則及所需披露。於採納會計實務準則第34號前，本集團並無就歸屬於員工之年假權利之責任作出撥備。會計實務準則第34號規定有關該等權利之責任須於提供服務時累計。採納此會計實務準則導致會計政策出現變動，並已作出追溯應用。此舉導致一項過往年度調整，以確認未運用年假權利之責任，並將本集團及本公司於二零零一年及二零零二年一月一日之累計虧損期初結餘追溯增加分別約4,071,000港元及467,000港元。此外，現須就本公司之購股權計劃及股份獎勵計劃作出披露，詳情載於財務報表附註29。該等購股權計劃／股份獎勵計劃披露與先前載於董事會報告，根據香港聯合交易所有限公司證券上市規則(「上市規則」)之披露規定所作出之披露相類似，惟現時由於採納會計實務準則而須包括於財務報表附註內。

3. 主要會計政策概要

編製基準

該等財務報告乃根據香港會計實務準則、香港普遍接納之會計原則及香港公司條例之披露規定而編製。該等財務報告乃根據歷史成本慣例編製。

綜合基準

綜合財務報告將本公司及旗下所有附屬公司於截至二零零二年十二月三十一日止年度之財務報告均包括在內。年內收購或出售之附屬公司之業績由其被收購之生效日起或至其出售之生效日止綜合計算。集團內各公司間之重大交易及結餘已於綜合賬目時對銷。

Notes to Financial Statements (cont.) 財務報告附註(續)

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3. Summary of Significant Accounting Policies (cont.)

Subsidiaries

A subsidiary is a company whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The Company's interests in subsidiaries are stated at cost less any impairment losses.

Joint venture companies

A joint venture company is a company set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture company operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture company's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

A joint venture company is treated as:

- (a) a subsidiary, if the Company has unilateral control, directly or indirectly, over the joint venture company;
- (b) a jointly-controlled entity, if the Company does not have unilateral control, but has joint control, directly or indirectly, over the joint venture company;
- (c) an associate, if the Company does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture company's registered capital and is in a position to exercise significant influence over the joint venture company; or
- (d) a long term investment, if the Company holds, directly or indirectly, less than 20% of the joint venture company's registered capital and has neither joint control, directly or indirectly, of, nor is in a position to exercise significant influence over, the joint venture company.

3. 主要會計政策概要(續)

附屬公司

附屬公司為本公司直接或間接控制其半數以上表決權或已發行股本或控制其董事會成員之公司。

於附屬公司之權益乃按成本值減去任何減值虧損後入賬。

合營公司

合營公司指本集團與其他人士透過合營安排進行經濟活動。合營公司以獨立實體之形式經營，本集團與其他人士於當中擁有權益。

合營夥伴間訂立之合營企業協議內訂明合營公司各方之出資額、合營企業之期限，以及於解散時變現資產之基準。合營公司業務之損益及任何剩餘資產分派乃根據合營夥伴各自之出資比例或根據合營企業協議之條款攤分。

倘本公司：

- (a) 擁有合營公司之單一控制權，則該合營公司將被視為一間附屬公司；
- (b) 並未擁有合營公司之單一控制權，惟對該公司直接或間接擁有共同控制權，則該合營公司將被視為一間共同控制企業；
- (c) 並未擁有合營公司之單一或共同控制權，惟直接或間接普遍持有合營公司註冊股本不少於20%，並可對該合營公司行使重大影響力，則該合營公司將被視為一間聯營公司；或
- (d) 本公司直接或間接持有合營公司註冊股本少於20%，且並無直接或間接擁有合營公司之共同控制權及不能夠對其行使重大影響力，則該合營公司將被視為一項長期投資。

Notes to Financial Statements (cont.) 財務報告附註(續)

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3. Summary of Significant Accounting Policies (cont.)

Jointly-controlled entities

A jointly-controlled entity is a joint venture company which is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's share of the post-acquisition results and reserves of jointly-controlled entities is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interests in jointly-controlled entities are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of 20 years.

SSAP 30 "Business combinations" was adopted as at 1 January 2001. Prior to that date, goodwill arising on acquisitions was eliminated against consolidated reserves in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of SSAP 30 that permitted such goodwill to remain eliminated against consolidated reserves. Goodwill on acquisitions subsequent to 1 January 2001 is treated according to the SSAP 30 goodwill accounting policy above.

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate. Any attributable goodwill previously eliminated against consolidated reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

3. 主要會計政策概要(續)

共同控制企業

共同控制企業一間受共同控制之合營公司，使任何一個參與方不會對共同控制企業之經濟活動有單一控制權。

本集團應佔共同控制企業之收購後業績及儲備分別計入綜合損益賬及綜合儲備內。本集團於共同控制企業之權益，按本集團應佔資產淨值任何減值虧損並按會計權益法計入綜合資產負債表。

商譽

收購附屬公司而產生之商譽乃是於收購日，收購成本較本集團佔可識別之已收購資產及負債之公平值超出之數額。

收購產生之商譽乃於綜合資產負債表內確認為資產，並按其估計可使用年期20年以直線基準攤銷。

會計實務準則第30號「業務合併」已於二零零一年一月一日採納。於該日期前，收購產生之商譽乃於收購年度內在綜合儲備中扣除。於採納會計實務準則第30號「業務合併」後本集團已採納會計實務準則第30號之過渡規定，容許收購所產生之商譽仍然在綜合儲備中扣除。於二零零一年一月一日後所進行收購產生之商譽乃按上述新會計政策處理。

於出售附屬公司時，出售損益之計算乃參照於出售日之資產淨值，其中包括仍未攤銷之商譽應佔金額及任何有關儲備(如適用)。先前在購入時在綜合儲備中扣除之任何應佔商譽乃撥回及列入出售時損益之計算。

Notes to Financial Statements (cont.) 財務報告附註(續)

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3. Summary of Significant Accounting Policies (cont.)

Goodwill (cont.)

The carrying amount of goodwill, including goodwill remaining eliminated against consolidated reserves, is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

Impairment of assets

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

3. 主要會計政策概要(續)

商譽(續)

商譽(包括仍然在綜合儲備扣除之商譽)之賬面值每年檢討，並在認為有需要時就減值作出撇銷。先前就商譽已確認之減值虧損不作撥回，除非減值虧損是由特殊性質而預期不會再發生之特別外部事件引致，而其後之外部事件已發生並已還原該事件之影響。

資產減值

於各結算日進行評估，以決定是否有任何顯示任何資產出現減值，或有任何顯示往年度已確認之減值虧損不再存在或已減少。倘有任何該等顯示存在，該資產之可收回值須予以評估。資產之可收回值定為資產之使用價值與其銷售淨值之較高者。

減值虧損僅於資產面值超出其可收回值時予以確認。減值虧損於其產生之期間在損益賬內扣除，惟當該資產以重估值為其賬面值時，減值虧損則按重估資產之有關會計政策入賬。

僅於資產之估計可收回值出現變動時，過往已確認之減值虧損方予以撥回，然而，倘往年度該資產並無已確認之減值虧損，則撥回金額不得超過資產扣除任何折舊／攤銷之賬面值。

撥回之減值虧損於其產生之期間計入損益賬內，惟當該資產以重估值為其賬面值時，減值虧損則按重估資產之有關會計政策入賬。

Notes to Financial Statements (cont.) 財務報告附註(續)

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3. Summary of Significant Accounting Policies (cont.)

Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation and any 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 fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

Depreciation is calculated on the straight-line basis to write off the cost of each asset over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land	Over the lease terms
Buildings	2% – 4%
Leasehold improvements	15% – 33.33% or over the lease terms, whichever is higher
Plant and machinery	10% – 25%
Furniture, fixtures and office equipment	15% – 33.33%
Medical equipment	12.5% – 20%
Computer equipment and software	20% – 33.33%
Motor vehicles	20% – 25%

The gain or loss on disposal or retirement of a fixed asset recognised in the profit and loss account is the difference between the net sales proceeds and the carrying amount of the relevant asset.

3. 主要會計政策概要(續)

固定資產及折舊

固定資產概按成本值減累計折舊入賬。資產之成本值乃將資產之購買價加上將該資產運往所擬作用途之工作環境及地點之任何直接應佔成本。於有形固定資產運作後所引致之維修及保養費用等開支一般均自費用產生期間之損益賬中扣除。倘若可明確顯示該等開支可導致日後使用固定資產而獲得之經濟利益有所增加，則該等開支將資本化為有關固定資產之額外成本。

折舊乃按其估計可使用年期以直線法撇銷其成本值。所採用之主要折舊年率如下：

租賃土地	按租約期
樓宇	2% – 4%
租賃物業裝修	15% – 33.33%或按租約期(以較長者為準)
廠房及機器	10% – 25%
傢俬、裝置及辦公室設備	15% – 33.33%
醫療設備	12.5% – 20%
電腦設備及軟件	20% – 33.33%
車輛	20% – 25%

損益賬內所列出售或廢棄固定資產所得之利潤或虧損相當於出售相關資產所得與其賬面值之差額。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

3. Summary of Significant Accounting Policies (cont.)

Intangible assets

Investments in Internet healthcare development and affiliate networks

The Group's investments in Internet healthcare development and affiliate networks represent the direct and indirect costs incurred in the development of a wide range of Internet-based healthcare solutions and services, including an Internet healthcare portal, and the building of affiliate networks in respect of western medicine doctors, Chinese medicine clinics and dentists to enhance the revenue model, by attracting subscribers to the portal, and creating the opportunity to generate affiliated revenue. These costs are capitalised and deferred only when the costs are separately identifiable and can be measured reliably; there is reasonable certainty that the developments are technically feasible; and when it can be reasonably anticipated that they will be recovered through increased future commercial activities. Investments in Internet healthcare development and affiliate networks are stated at cost less accumulated amortisation and any impairment losses. Such costs are amortised on the straight-line basis, over the estimated commercial lives of the investments not exceeding three years, commencing from the respective dates of completion of the developments of the Internet-based healthcare business and the affiliate networks or such earlier date as the directors deem appropriate.

License and cooperative rights

Licence and cooperative rights acquired under contractual arrangements are stated at cost less accumulated amortisation and any impairment losses. Licence and cooperative rights are amortised on the straight-line basis, over the terms of the contractual arrangements.

Software licence rights

Software licence rights are stated at cost less accumulated amortisation and any impairment losses. Software licence rights are amortised on the straight-line basis, over their estimated commercial lives not exceeding three years.

3. 主要會計政策概要(續)

無形資產

互聯網保健發展及聯盟網絡之投資

本集團於互聯網保健發展及聯盟網絡之投資乃指發展廣泛之互聯網上保健解決方案及服務之直接及間接成本，包括一個保健互聯網站及為西醫醫生、中醫藥診所及牙醫而建立之聯盟網絡，用以加強收益及吸引入門網站之瀏覽者，並創造收取聯盟收益之機會。倘該等成本可獨立識別並能夠可靠地量度、可合理地預計有關發展屬技術上可行，以及可合理地預計隨日後商業活動增加將可收回該等成本，則該等成本被撥充資本及予以遞延。於互聯網保健發展及聯盟網絡之投資乃按成本值減累計攤銷及任何減值虧損後列賬。該等成本以直線法按投資項目之預計可用年期(惟限於自個別互聯網站保健業務及聯盟網絡之完成日期或董事認為適當之較早日期起計最多三年期間內)攤銷。

許可及合作權

根據合約安排購入之許可及合作權乃按成本值減累計攤銷及任何減值虧損後列賬。許可及合作權乃以直線法按合約安排之年數攤銷。

軟件許可權

軟件許可權乃按成本於扣除累計攤銷及任何減值虧損後列賬。軟件許可權乃於其估計之商業應用年期(不超過三年)內按直線法攤銷。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

3. Summary of Significant Accounting Policies (cont.)

Leased assets

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in fixed assets and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the profit and loss account so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets 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 profit and loss account on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

Long term investments

Long term investments in unlisted equity and debt securities, intended to be held for a continuing strategic or long term purpose, are stated at cost less any impairment losses, on an individual investment basis.

When impairments in values have occurred, the carrying amounts of the securities are reduced to their fair values, as estimated by the directors, and the amounts of the impairments are charged to the profit and loss account in the period in which they arise. When the circumstances and events which led to the impairments in values cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future, the amounts of the impairments previously charged are credited to the profit and loss account to the extent of the amounts previously charged.

3. 主要會計政策概要(續)

租賃資產

凡將資產擁有權(法定業權除外)之絕大部份回報及風險轉讓予本集團之租約，均列為融資租賃。於融資租賃生效時，租賃資產成本按最低租金現值撥作成本，並連同有關債務(不包括利息部份)入賬，以反映有關之購買及融資。按撥作成本之融資租賃而持有之資產列入固定資產內並按資產於租賃期與估計可使用年期之較短期間內折舊。此等租約之融資成本在損益賬中扣除，以便在租約期間維持固定之定期支銷率。

通過租購合約取得之融資性質的資產，視作融資租賃性而按它們之估計可使用年期折舊。

所有資產之收益及風險實際上仍歸於出租人之租約均視為經營租約。倘本集團為出租人，本集團根據經營租約租賃之資產乃計入非流動資產，而根據經營租約應收之租金則按直線法在租約期內於損益賬中記入。倘本集團為承租人，有關該等經營租約之租金乃按直線法在租約期內於損益賬中扣除。

長期投資

於非上市股本以及債務證券之擬作持續策略性或長線持有之長期投資乃按成本減去個別投資基準之任何減值虧損後列賬。

倘出現此等減值，則此證券之賬面值將減至董事所估計之它們的公平價值，而減值將在它們產生期間之損益賬中扣除。倘任何情況或事件引致減值不再存在，而有明確證據顯示該新情況或事件將於可見將來時間內持續，先前已扣除之減值數額乃按先前已扣除之數額為限計入損益賬。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

3. Summary of Significant Accounting Policies (cont.)

Properties for sale

Properties for sale are stated at the lower of cost and net realisable value, which is determined by the directors with reference to prevailing market prices less any further costs expected to be incurred in the process of disposal, on an individual property basis.

Inventories

Inventories are stated at the lower of cost and net realisable value, after making due allowance for any obsolete or slow-moving items. Cost is determined on the weighted average basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred in the process of disposal.

Cash and Cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Deferred tax

Deferred tax is provided, using the liability method, on all significant timing differences to the extent it is probable that the liability will crystallise in the foreseeable future. A deferred tax asset is not recognised until its realisation is assured beyond reasonable doubt.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the provision of services, including medical services, nursing, physiotherapy and dental services, elderly care services and healthcare transaction processing and related services, on the provision of the relevant services;
- (b) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

3. 主要會計政策概要(續)

待出售物業

待出售物業乃按原值及可變現淨值兩者中較低者入賬，可變現淨值乃按董事參考通行市價扣除任何預期將因於出售過程中而引致之其他成本按個別物業基準釐訂。

存貨

存貨乃經對任何陳舊或滯銷項目作出適當撥備後按成本值及可變現淨值兩者中較低者入賬。成本值以成本值加權平均數計算。可變現淨值乃按估計售價扣除任何預期因出售過程中而引致之其他成本計算。

等同現金資產

就綜合現金流動報表而言，現金及等同現金資產指可隨時轉換為已知數額現金，並承受價值變動風險甚微之手頭現金及活期存款短期高流通性投資，一般於購入時三個月內到期，減除須應要求償還之銀行透支及組成本集團現金管理整體一部份。

遞延稅項

遞延稅項乃採用負債法就會於可預見將來引起負債之重大時差而作出準備。遞延稅項資產只會在可以毫無疑問地保證實現之情況下予以確認入賬。

收益確認

收益乃於本集團可能獲得經濟利益而該等收益又可以用可靠之方法計算時按下列基準入賬：

- (a) 提供服務(包括醫療、護理、物理治療、牙醫服務、護老服務及保健交易處理及索償手續服務)之費用收入：在提供有關服務時；
- (b) 貨物之銷售：於擁有權之重大風險及回報均轉讓予買家時；惟在本集團已不能就其擁有權作出相關之行政參與；及對售出之貨物之銷售亦無有效之控制權；

Notes to Financial Statements (cont.) 財務報告附註(續)

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3. Summary of Significant Accounting Policies (cont.)

Revenue recognition (cont.)

- (c) from construction contracts, on the percentage of completion basis. Contract revenue comprises the agreed contract amount and appropriate amounts from variation orders, claims and incentive payments. When the outcome of a construction contract can be estimated reliably, contract revenue associated with the construction contract is recognised as revenue by reference to the stage of completion of the contract activity at the balance sheet date;
- (d) from hiring of plant and machinery, on a time proportion basis over the lease terms;
- (e) rental income, on a time proportion basis over the lease terms;
- (f) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable; and
- (g) dividends, when the shareholders' right to receive payment has been established.

Foreign currencies

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the profit and loss account.

On consolidation, the financial statements of overseas subsidiaries are translated to Hong Kong dollars using the net investment method. The profit and loss accounts of overseas subsidiaries are translated to Hong Kong dollars at the weighted average exchange rates for the year, and their balance sheets are translated to Hong Kong dollars at the exchange rates at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

3. 主要會計政策概要(續)

收益確認(續)

- (c) 建築合約：按完成百分比基準計算。合約收入包括來自可變動訂單、索償及獎金之商定合約金額及指撥金額。如果建築合約之成果可以可靠地估計並與建築合約有關之合約收入，將會參照合約完成進度於結算日確認為收入；
- (d) 租用廠房及物業：按租賃期以時間比例基準計算；
- (e) 租金收入：按租賃期以時間比例基準計算；
- (f) 利息收入：按時間比例以尚未償還之本金及按適用之實際利率計算；及
- (g) 股息：當股東收取之權利已確立時。

外幣

外幣交易乃按個別交易日之適用匯率計算。於結算日以外幣為單位之貨幣資產及負債均按該日之適用匯率換算。匯兌差額均列入損益賬中處理。

於綜合賬目時，海外附屬公司之財務報告乃按淨投資法折算為港元，而海外附屬公司之損益賬則按照該年度之加權平均匯率折算為港元。海外附屬公司之資產負債表乃按結算日之匯率折算為港元。所產生之匯兌差額已計入匯兌波動儲備內。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

3. Summary of Significant Accounting Policies (cont.)

Foreign currencies (cont.)

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated to Hong Kong dollars at the exchange rates at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated to Hong Kong dollars at the weighted average exchange rates for the year.

Prior to the adoption of the revised SSAPs 11 and 15 during the year, as explained in note 2 to the financial statements, the profit and loss accounts of overseas subsidiaries were translated to Hong Kong dollars at the applicable exchange rates at the balance sheet date. The adoption of the revised SSAP 11 has had no material effect on the financial statements, while the adoption of the revised SSAP 15 has resulted in changes to the layout of the consolidated cash flow statement.

Employee benefits

Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

Prior to the adoption of SSAP 34 during the year, as explained in note 2 to the financial statements, the Group did not accrue for paid annual leave carried forward at the balance sheet date. This change in accounting policy has resulted in a prior year adjustment due to the initial recognition of the accrual, further details of which are included in note 26 to the financial statements.

Employment Ordinance long service payments

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

3. 主要會計政策概要(續)

外幣(續)

就綜合現金流量報表而言，海外附屬公司之現金流量乃按照現金流量產生日期之匯率折算為港元。海外公司於整年內經常出現之現金流量乃按該年度之加權平均匯率折算為港元。

於年內採納會計實務準則第11號及第15號(詳情見財務報表附註2)，海外附屬公司之損益賬乃按照結算日之適用利率折算為港元。採納經修訂之會計實務準則第11號對財務報表並無重大影響，而採納經修訂之會計實務準則第15號導致現金流量報表之編排有變。

僱員福利

有薪假期結轉

本集團根據僱員合約按曆年基準給予其僱員有薪年假。在若干情況下，於結算日未支取之年假容許結轉，留待有關僱員於來年享用。於結算日，將會就年內僱員享有之有關有薪假期之預期未來成本作出累算並予結轉。

於年內採納會計實務準則第34號前(詳情見財務報表附註2)，本集團並無累算於結算日結轉之有薪年假。由於此項會計政策變動導致初次確認累算，因此導致一項過往年度調整，進一步詳情載於財務報表附註26。

僱傭條例長期服務金

本集團若干僱員在本集團已工作滿所需服務年期，根據香港僱傭條例合資格於終止受聘時獲取長期服務金。倘若終止聘用符合僱傭條例所規定之若干情況，本集團有責任支付有關服務金。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

3. Summary of Significant Accounting Policies (cont.)

Employee benefits (cont.)

Employment Ordinance long service payments (cont.)

A contingent liability is disclosed in respect of possible future long service payments to employees, as a number of current employees have achieved the required number of years of service to the Group, to the balance sheet date, in order to be eligible for long service payments under the Employment Ordinance if their employment is terminated in the circumstances specified. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance in Hong Kong, for those employees who are eligible to participate in the Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit and loss account as they become payable in accordance with the 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.

Share option scheme and share incentive plan

The Company operates a share option scheme and a share incentive plan for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The financial impact of share options granted under the share option scheme/share incentive plan is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon the exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled, prior to their exercise date or which lapse are deleted from the register of outstanding options and have no impact on the profit and loss account or balance sheet.

3. 主要會計政策概要(續)

僱員福利(續)

僱傭條例長期服務金(續)

由於在結算日目前若干僱員已為本集團服務滿僱傭條例項下合資格於終止僱用時獲取長期服務金之所需年資，有關可能於未來支付予僱員之長期服務金之或然負債已作披露。由於該情況不大可能導致本集團未來有重大資源流出，因此並無就有關可能服務金確認撥備。

退休福利計劃

本集團據香港強制性公積金計劃條例設立一項界定供款強制性公積金退休福利計劃(「強積金計劃」)，供合資格僱員參加。供款額為僱員基本薪金的若干個百分比，並於根據強積金計劃之規則成為應付時在損益賬中扣除。強積金計劃的資產由獨立於本集團資產之一個獨立行政基金持有。本集團之僱主供款在注入強積金計劃後，便全數歸於僱員；本集團之僱主自願供款則除外；根據強積金計劃之規則，倘僱員在可獲全數供款前離職，則該筆僱主自願供款便退還本集團。

購股權及股份獎勵計劃

本公司設立購股權計劃及股份獎勵計劃旨在鼓勵及獎賞對本集團業務有所貢獻之合資格參與者。已按購股權計劃／股份獎勵計劃授出購股權之財務影響不會於本公司或本集團之資產負債表內記錄，直至購股權獲行使為止，而購股權之成本亦不會於損益賬或資產負債表內記錄為開支。於行使購股權後，所導致發行之股份乃按股份面值記錄為本公司之額外股本，而每股行使價超逾股份面值之部份則會計入本公司之股份溢價賬。於行使日期前被註銷或失效之購股權將自尚未行使購股權登記冊內刪除，對損益賬或資產負債表並無影響。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

3. Summary of Significant Accounting Policies (cont.)

Dividends

Interim dividends are simultaneously proposed and declared, because the Company's bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Final dividends proposed by the directors are classified as a separate allocation of retained profits or contributed surplus within capital and reserves in the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or to exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

4. Segment Information

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. For management purposes, each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other business segments. Summary details of the principal business segments are as follows:

Continuing operations

- (a) the medical services segment engages in the provision of medical services;
- (b) the nursing, physiotherapy and dental services ("nursing, physio & dental") segment engages in the provision of nursing, physiotherapy and dental services;

3. 主要會計政策概要(續)

股息

中期股息由本公司同時建議及宣派，因本公司之公司細則及章程授權董事宣派中期股息之權利。故此，中期股息於建議派付及宣派時隨即確認為負債。

董事建議派付之末期股息於資產負債表之資本及儲備項下另獨立列作保留溢利或繳入盈餘之分配，直至股東於股東周年大會批准派付該等股息。倘該等股息獲股東批准，並予以宣派，則確認為負債入賬。

有關連人士

倘有能力直接或間接控制其他人士，或在作出財務及經營決策時對其他人士發揮重大影響力之人士乃屬有關連人士。倘須受共同控制或共同重大影響力者亦屬有關連人士。有關連人士可為個別人士或公司實體。

4. 分類資料

分類資料以下列兩種方式呈列：(i)按業務分類作主要呈列方式；及(ii)按地區分類作次要呈列方式。

本集團之經營業務乃根據業務性質及所提供之產品及服務而劃分架構及獨立管理。就方便進行管理，本集團每個業務分類均代表一個提供產品及服務之策略性業務單元，所承受之風險及所獲得之回報可與其他業務分類有所不同。主要業務分類之概要如下：

持續經營業務

- (a) 醫療服務類，從事提供醫療服務；
- (b) 護理、物理治療及牙科服務類（「護理、物理治療及牙科」），從事提供護理、物理治療及牙科服務；

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

4. Segment Information (cont.)

Continuing operations (cont.)

(c) the elderly care services segment engages in the provision of elderly care services;

(d) the corporate and other segment comprises the Group's intra-group management service businesses, which principally provides management and other services to group companies, together with other corporate income and expense items;

Discontinued operations

(e) the healthcare transaction operations segment engages in the provision of healthcare transaction processing and related services and medical equipment distribution, which was discontinued during the year; and

(f) the ground engineering and building construction segment engages in the ground engineering and building construction businesses, which was discontinued in the prior year.

Further details of the discontinuance of the operations under the healthcare transaction operations segment and the ground engineering and building construction segment are set out in note 6 to the financial statements.

In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

Intersegment sales and transfers are transacted at mutually agreed terms.

4. 分類資料(續)

持續經營業務(續)

(c) 護老服務類，從事提供護老服務；

(d) 企業及其他類別，包括本集團之集團間管理服務業務，主要向集團公司提供管理及其他服務，以及其他企業收入及開支項目；

已終止經營業務

(e) 保健交易業務類，提供保健交易處理及相關服務及醫療設備經銷(已於年內終止經營)；及

(f) 地基工程及樓宇建築類，從事提供地基工程及樓宇建築服務(已於去年終止經營)。

保健交易業務類及地基工程及樓宇建築類項下已終止經營業務之進一步詳情載於財務報告附註6。

於釐定本集團之地區分類時，收入及業績乃根據客戶所處地區分類，而資產則根據資產所處位置歸入各分類。

分類間之銷售及轉讓乃根據相互協定之條款進行交易。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

4. Segment Information (cont.)

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments.

Group 集團

		Continuing operations 持續經營業務								Discontinued operations 已終止經營業務									
										Ground engineering & building construction									
		Medical services		Nursing, physio & dental		Elderly care services		Corporate and others		Healthcare transaction operations		地基工程 及樓宇建築		Eliminations		Consolidated			
		醫療服務		護理、物理治療及牙科		護老服務		企業及其他		保健交易業務				對銷		綜合			
		2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001		
二零零二年		二零零一年		二零零二年		二零零一年		二零零二年		二零零一年		二零零二年		二零零一年		二零零二年		二零零一年	
HK\$'000		HK\$'000		HK\$'000		HK\$'000		HK\$'000		HK\$'000		HK\$'000		HK\$'000		HK\$'000		HK\$'000	
千港元		千港元		千港元		千港元		千港元		千港元		千港元		千港元		千港元		千港元	
Segment revenue: 分類收入：																			
Sales to external customers 銷售予外來客戶	571,362	584,816	53,574	59,693	112,198	107,474	-	-	16,016	53,357	-	297,369	-	-	753,150	1,102,709			
Intersegment revenue 分類間收入	2,944	3,109	9,631	1,108	100	-	2,449	3,714	12,657	23,263	-	-	(27,781)	(31,194)	-	-			
Gain on early redemption of convertible notes 提早贖回可換股票據收益	-	-	-	-	-	-	-	-	-	14,400	-	-	-	-	-	14,400			
Other revenue and gains 其他收入及收益	5,496	2,153	831	924	436	485	138	-	2,634	7,560	-	953	-	-	9,535	12,075			
Total 總計	579,802	590,078	64,036	61,725	112,734	107,959	2,587	3,714	31,307	98,580	-	298,322	(27,781)	(31,194)	762,685	1,129,184			
Segment results 分類業績	41,663	26,094	1,848	1,793	(1,604)	(8,053)	(13,009)	(16,529)	(2,637)	(199,359)	-	(22,739)	(12,449)	(3,714)	13,812	(222,507)			
Unallocated interest income 未分配利息收入																98	1,494		
Unallocated expenses 未分配開支																(491)	(147,744)		
Gain on disposal/deemed disposal of discontinued operations 出售/視作出售已終止經營業務之收益																37,142	110,451		
Profit/(loss) from operations 經營活動溢利/(虧損)																50,561	(258,306)		
Finance costs 融資費用																(5,338)	(45,058)		
Share of results of a jointly-controlled entity 應佔共同控制企業業績	(613)	(858)	-	-	-	-	-	-	-	-	-	-	-	-	(613)	(858)			
Profit/(loss) before tax 除稅前溢利/(虧損)																44,610	(304,222)		
Tax 稅項																(5,600)	(5,141)		
Profit/(loss) before minority interests 除少數股東權益前溢利/(虧損)																39,010	(309,363)		
Minority interests 少數股東權益																15,134	125,780		
Net profit/(loss) from ordinary activities attributable to shareholders 股東應佔日常業務純利/(淨虧損)																54,144	(183,583)		

4. 分類資料(續)

(a) 業務分類

下表呈列本集團業務分類之收入、溢利／(虧損)以及若干資產、負債及開支資料。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

4. Segment Information (cont.)

(a) Business segments (cont.)

Group 集團

	Continuing operations 持續經營業務								Discontinued operations 已終止經營業務											
	Medical services 醫療服務		Nursing, physio & dental 護理、物理治療及牙科		Elderly care services 護老服務		Corporate and others 企業及其他		Healthcare transaction operations 保健交易業務		Ground engineering & building construction 地基工程 及樓宇建築		Eliminations 對銷		Consolidated 綜合					
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元		
	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)	(Restated) (重新呈列)		
	Segment assets 分類資產	162,480	149,954	13,264	12,103	46,798	56,307	9,117	22,209	-	49,896	-	-	-	-	-	-	231,659	290,469	
Interest in a jointly-controlled entity 於一間共同控制企業之權益	-	614	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	614		
Unallocated assets 未分配資產	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48,060	9,376		
Bank overdrafts included in segment assets 計入分類資產之銀行透支	-	-	-	-	-	-	-	-	-	3,476	-	-	-	-	-	-	-	3,476		
Total assets 總資產																	279,719	303,935		
Segment liabilities 分類負債	70,543	76,141	4,795	4,489	11,460	10,849	16,953	14,696	-	25,106	-	-	-	-	-	-	103,751	131,281		
Unallocated liabilities 未分配負債	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82,178	128,864		
Bank overdrafts included in segment assets 計入分類資產之銀行透支	-	-	-	-	-	-	-	-	-	3,476	-	-	-	-	-	-	-	3,476		
Total liabilities 總負債																	185,929	263,621		
Other segment information: 其他分類資料：																				
Depreciation 折舊	8,438	8,415	1,878	1,733	10,171	10,331	246	400	1,004	11,342	-	10,122	-	-	-	-	21,737	42,343		
Amortisation of software licence rights 軟件許可權攤銷	-	-	-	-	-	-	-	-	-	274	-	-	-	-	-	-	274	-		
Unallocated amortisation 未分配攤銷	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	491	18,421		
Impairment losses* 減值虧損*	-	-	-	-	-	-	-	-	-	3,143	107,556	-	-	-	-	-	3,143	107,556		
- Intangible assets 無形資產	-	-	-	-	-	-	-	-	-	8,612	-	-	-	-	-	-	-	8,612		
- Fixed assets 固定資產	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other unallocated impairment losses* 其他未分配減值虧損*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	129,323		
Provisions for bad and doubtful debts 呆壞賬撥備	1,073	2,625	36	124	48	435	-	-	-	13,978	-	-	-	-	-	-	1,157	17,162		
Provision for properties for sale 待出售物業撥備	-	-	-	-	-	-	-	-	-	499	-	-	-	-	-	-	499	-		
Capital expenditure 資本開支	9,108	4,225	1,349	2,029	893	7,150	73	129	141	14,589	-	44,704	-	-	-	-	11,564	72,826		

* Recognised in the consolidated profit and loss account.

* 已於綜合損益賬內確認。

(b) Geographical segments

Over 90% of the Group's revenue, results, assets and capital expenditure are attributable to its operations in Hong Kong. No analysis by geographical segments is presented.

(b) 地區分類

本集團超過90%之收益、業績、資產及資本性支出乃源自其香港之業務，故此並無提供地區分類分析。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

5. Turnover and Revenue

Turnover from continuing operations represents fees earned for the provision of medical services, nursing, physiotherapy and dental services and elderly care services.

Turnover from discontinued operations includes (i) revenue from healthcare transaction operations, which represents fees earned for the provision of healthcare transaction processing and related services and the net invoiced value of goods sold, after allowances for returns and trade discounts and (ii) revenue from ground engineering and building construction operations, which represents the value of contract work performed and income from the hiring of plant and machinery.

Revenue from the following activities has been included in turnover:

5. 營業額及收益

來自持續經營業務之營業額指提供醫療服務、護理、物理治療及牙醫服務及護老服務。

已終止經營業務營業額包括(i)保健交易業務及有關業務之收入，指提供保健交易處理所賺取之費用，以及售貨之發票淨值(經撇除退回及營業折扣)，及(ii)地基工程及樓宇建築業務之收入，指進行之合約工程之價值及來自出租廠房及機器之收入。

來自下列各項業務之收益已計入營業額內：

	Group 集團	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Continuing operations: 持續經營業務：			
Medical services 醫療服務		571,362	584,816
Nursing, physiotherapy and dental services 護理、物理治療及牙科服務		53,574	59,693
Elderly care services 護老服務		112,198	107,474
		737,134	751,983
Discontinued operations: 已終止經營業務：			
Healthcare transaction operations 保健交易業務		16,016	53,357
Ground engineering and building construction 地基工程及樓宇建築		-	297,369
		16,016	350,726
		753,150	1,102,709

6. Discontinued Operations

In view of the Group's strategy to concentrate on its core/profitable activities, the Group decided to discontinue its ground engineering and building construction operations and its healthcare transaction operations as detailed below:

6. 已終止經營業務

鑑於本集團專注核心／有盈利之業務之策略性，本集團決定終止地基工程及樓宇建築業務及保健交易業務，詳情如下：

6. Discontinued Operations (cont.)

(a) Discontinuance of the ground engineering and building construction operations

On 26 March 2001, ehealthcareasia Limited ("EHA"), a then listed subsidiary of the Group, entered into a conditional agreement with a company owned or controlled by certain then beneficial shareholders/directors of certain subsidiaries of the Group, for the disposal of the Group's entire interest in a subsidiary, Kin Wing Chinney (BVI) Limited ("KWC BVI") for a net cash consideration of approximately HK\$87.4 million (the "KWC BVI Disposal"). The principal activities of KWC BVI and its subsidiaries comprised of the Group's ground engineering and building construction operations, which were reported under the ground engineering and building construction segment of the Group. Further details of the KWC BVI Disposal are also set out in a circular of the Company dated 17 April 2001.

The KWC BVI Disposal was completed on 8 May 2001 and the discontinuance of the ground engineering and building construction operations was then completed. The disposal consideration was received in May 2001 and the carrying amount of the net assets disposed of amounted to approximately HK\$71.7 million. The gain on disposal of such operations amounted to approximately HK\$15.7 million. There was no tax arising on the disposal.

(b) Discontinuance of the healthcare transaction operations

(i) On 11 February 2002, EHA entered into a disposal agreement with an independent third party for the disposal of the Group's entire equity interest in a subsidiary, Top Quality Global Inc., and the assignment to the purchaser all the rights to the repayment of an aggregate outstanding loan owed by Top Quality Global Inc. to the Group of approximately HK\$14.5 million, for an aggregate cash consideration (net of related costs) of approximately HK\$7.4 million. The principal activities of Top Quality Global Inc. and its subsidiaries comprised the telemarketing operations of the Group, which were reported under the healthcare transaction operations segment of the Group. Further details of the disposal are also set out in a circular of the Company dated 8 March 2002.

6. 已終止經營業務(續)

(a) 終止地基工程及樓宇建築業務

於二零零一年三月二十六日，本集團當時之上市附屬公司ehealthcareasia Limited (「EHA」)與由本集團若干附屬公司當時之若干實益股東／董事擁有及控制之一間公司訂立有條件協議，以出售本集團於一間附屬公司Kin Wing Chinney (BVI) Limited (「KWC BVI」)之全部權益，作價淨現金約87,400,000港元(「KWC BVI出售事項」)。KWC BVI及其附屬公司主要業務包括本集團之地基工程及樓宇建築業務(已作為本集團地基工程及樓宇建築業務類別呈報)。KWC BVI出售事項之進一步詳情亦載於本公司於二零零一年四月十七日刊發之本公司通函內。

KWC BVI出售事項已於二零零一年五月八日完成，而本集團之地基工程及樓宇建築業務已被終止。本集團已於二零零一年五月收取出售事項之代價，而已出售淨資產之賬面值約為71,700,000港元。出售該項業務之收益約為15,700,000港元。出售事項並無產生稅項。

(b) 終止保健交易業務

(i) 於二零零二年二月十一日，EHA與一名獨立第三者訂立出售協議，以出售本集團於一間附屬公司Top Quality Global Inc.之全部股權，以及轉讓償還Top Quality Global Inc.尚欠本集團之貸款總額約14,500,000港元之所有權利予買家，合共作價現金(已扣除有關成本)約為7,400,000港元。Top Quality Global Inc.及其附屬公司之主要業務包括本集團之電話傳銷業務，而該項業務乃歸入本集團之保健交易業務分類中申報。出售事項之進一步詳情亦載於本公司於二零零二年三月八日刊發之通函內。

6. Discontinued Operations (cont.)

(b) Discontinuance of the healthcare transaction operations (cont.)

The disposal was completed on 12 February 2002 and the discontinuance of the telemarketing operations of the Group was then completed. HK\$6.9 million of the disposal consideration (net of related costs) was received in February 2002 and the balance of HK\$0.5 million was received in October 2002. The carrying amount of the net assets disposed of amounted to approximately HK\$7.5 million. The loss on disposal of such operations amounted to approximately HK\$0.5 million (after the release of a debit exchange fluctuation reserve of HK\$0.4 million). There was no tax arising from the disposal.

- (ii) On 8 August 2002, EHA entered into a conditional shares subscription agreement (the “Shares Subscription Agreement”) with Wealth Generator Limited (“Wealth Generator”), an independent third party, in relation to the subscription of 5,000,000,000 new EHA shares by Wealth Generator at a subscription price of HK\$0.01 per EHA share in respect of 4,999,998,000 EHA shares and at a subscription price of HK\$0.08 per EHA share in respect of 2,000 EHA shares. The Shares Subscription Agreement was approved by the Company’s independent shareholders on 2 October 2002.

The total consideration for the shares subscription (before deducting any incidental costs) amounted to approximately HK\$50 million, which was settled in cash by Wealth Generator upon completion. The Shares Subscription Agreement was completed on 4 October 2002. Upon the completion of the Shares Subscription Agreement, the Group’s equity interest in EHA was diluted from 53.75% to 4.37% and EHA ceased to be a subsidiary of the Group (the “Deemed Disposal”). Further details of the Deemed Disposal are also set out in a circular of the Company dated 11 September 2002.

6. 已終止經營業務(續)

(b) 終止保健交易業務(續)

出售事項已於二零零二年二月十二日完成，而本集團之電話傳銷業務已告終止。本集團已於二零零二年二月收取出售事項之代價(已扣除有關開支)6,900,000港元，而餘額500,000港元亦已於二零零二年十月收取。已出售淨資產之賬面值約為7,500,000港元。出售該項業務之虧損約為500,000港元(計及解除一項負滙兌波動儲備約400,000港元後)。出售事項並無產生稅項。

- (ii) 於二零零二年八月八日，EHA與獨立第三方Wealth Generator Limited (「Wealth Generator」)訂立一項有條件股份認購協議(「股份認購協議」)，內容為關於Wealth Generator認購5,000,000,000股EHA新股份，當中4,999,998,000股EHA股份為以每股0.01港元之認購價認購，而2,000股EHA股份則以每股0.08港元之認購價認購。股份認購協議已於二零零二年十月二日獲本公司獨立股東批准。

股份認購之總代價(未扣除任何預計附帶成本前)約為50,000,000港元，經由Wealth Generator於完成時以現金支付。股份認購協議已於二零零二年十月四日完成。於股份認購協議完成後，本集團於EHA之股權由53.75%攤薄至4.37%，而EHA終止為本集團之附屬公司(「視作出售事項」)。視作出售事項之進一步詳情亦載於本公司於二零零二年九月十一日刊發之通函內。

6. Discontinued Operations (cont.)

(b) Discontinuance of the healthcare transaction operations (cont.)

On 28 October 2002, the Company disposed of its remaining 4.37% equity interest in EHA (the "Disposal"), being 237,745,963 EHA shares by accepting a cash offer by Wealth Generator at HK\$0.08 per EHA share. The cash consideration for the Disposal pursuant to the cash offer of approximately HK\$19 million was received in November 2002. The incidental costs related to the Disposal/Deemed Disposal were approximately HK\$6.1 million. The gain on the Disposal and the Deemed Disposal (after the release of a debit exchange fluctuation reserve of HK\$67,000) and the consolidated net liabilities of EHA disposed of were approximately HK\$37.6 million and HK\$24.8 million, respectively. There was no tax arising from the Disposal/Deemed Disposal.

Upon the completion of the Disposal, the Group no longer had any interest in EHA, except for its holding of a convertible note with a face value of HK\$7 million, carrying the right to convert into new EHA shares at HK\$0.05 per EHA share (subject to adjustments), as further detailed in note 16 to the financial statements. The Disposal effectively completed the discontinuance of the remaining healthcare transaction operations of the Group, which were reported under the healthcare transaction operations segment of the Group. Further details of the Disposal are also set out in a circular of the Company dated 11 September 2002 and an announcement of the Company dated 28 October 2002.

6. 已終止經營業務(續)

(b) 終止保健交易業務(續)

於二零零二年十月二十八日，本公司藉接納Wealth Generator之每股EHA股份0.08港元之現金收購建議，出售其於EHA餘下之4.37%股本權益(即237,745,963股EHA股份)(「出售事項」)。根據現金收購建議有關出售事項之現金代價約為19,000,000港元已於二零零二年十一月收取。出售事項／視作出售事項相關成本約6,100,000港元。出售事項／視作出售事項之收益(已扣除解除匯兌波動儲備67,000港元)及已出售EHA資產之綜合負債淨額分別約為37,600,000港元及24,800,000港元。出售事項／視作出售事項並無產生稅項。

於出售事項完成後，本集團除持有面值7,000,000港元，附帶權利可按每股EHA股份0.05港元(可予調整)轉換為EHA新股份之可換股票據(詳情見財務報告附註16)外，再無持有EHA任何權益。出售事項已實際上終止本集團餘下之保健交易業務(已作為本集團保健交易業務類別呈報)。有關出售之進一步詳情，亦載於本公司於二零零二年九月十一日刊發之通函，以及於二零零二年十月二十八日刊發之本公司公佈內。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

6. Discontinued Operations (cont.)

The turnover, other revenue and gains, expenses, profit/(loss) before tax from ordinary activities and tax attributable to the discontinued operations for the year ended 31 December 2002 are as follows:

6. 已終止經營業務(續)

於截至二零零二年十二月三十一日止年度，已終止經營業務所應佔營業額、其他收入及收益、開支、除稅前日常業務溢利／(虧損)及稅項如下：

	Healthcare transaction operations 保健交易業務		Ground engineering & building construction 地基工程及樓宇建築		Total 合計	
	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Turnover 營業額	16,016	53,357	-	297,369	16,016	350,726
Gain on early redemption of convertible notes 提早贖回可換股票據之收益	-	14,400	-	-	-	14,400
Other revenue and gains 其他收入及收益	2,817	8,350	-	1,014	2,817	9,364
Purchases and changes in inventories of finished goods 製成品存貨之採購及變動	(9,024)	(18,096)	-	-	(9,024)	(18,096)
Staff costs 員工成本	(11,259)	(81,052)	-	(18,913)	(11,259)	(99,965)
Depreciation and amortisation 折舊及攤銷	(1,278)	(17,601)	-	(10,122)	(1,278)	(27,723)
Impairment losses 減值虧損	(3,143)	(230,483)	-	-	(3,143)	(230,483)
Other operating expenses 其他經營開支	(6,766)	(48,017)	-	(6,679)	(6,766)	(54,696)
Gain on disposal/deemed disposal of discontinued operations 出售／視作出售已終止經營業務之收益	37,142	94,724	-	15,727	37,142	110,451
Cost of ground engineering and building construction 地基工程及樓宇建築之成本	-	-	-	(285,347)	-	(285,347)
Profit/(loss) from operations 經營活動溢利／(虧損)	24,505	(224,418)	-	(6,951)	24,505	(231,369)
Finance costs 融資費用	(338)	(2,252)	-	(2,172)	(338)	(4,424)
Profit/(loss) before tax from ordinary activities 除稅前日常業務溢利／(虧損)	24,167	(226,670)	-	(9,123)	24,167	(235,793)
Tax 稅項	-	(377)	-	(2,475)	-	(2,852)
Profit/(loss) after tax from ordinary activities 除稅後日常業務溢利／(虧損)	24,167	(227,047)	-	(11,598)	24,167	(238,645)

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

6. Discontinued Operations (cont.)

The carrying amounts of the total assets and liabilities of the discontinued operations at the balance sheet date are as follows:

	Healthcare transaction operations 保健交易業務		Ground engineering & building construction 地基工程及樓宇建築		Total 合計	
	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Total assets 總資產	-	52,371	-	-	-	52,371
Total liabilities 總負債	-	(106,512)	-	-	-	(106,512)
Net liabilities 負債淨額	-	(54,141)	-	-	-	(54,141)

6. 已終止經營業務(續)

於結算日，已終止業務之總資產及負債之賬面值如下：

The net cash flows attributable to the discontinued operations for the year ended 31 December 2002 are as follows:

截至二零零二年十二月三十一日止年度，已終止經營業務應佔之現金流量淨額如下：

	Healthcare transaction operations 保健交易業務		Ground engineering & building construction 地基工程及樓宇建築		Total 合計	
	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Net cash inflow/(outflow) from operating activities 經營活動現金流入／(流出)淨額	(18,833)	(91,603)	-	73,484	(18,833)	(18,119)
Net cash inflow/(outflow) from investing activities 投資活動現金流入／(流出)淨額	4,743	116,078	-	(37,889)	4,743	78,189
Net cash inflow/(outflow) from financing activities 融資活動現金流入／(流出)淨額	19,797	(15,053)	-	(12,987)	19,797	(28,040)
Net cash inflow 現金流入淨額	5,707	9,422	-	22,608	5,707	32,030

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

7. Profit/(Loss) from Operations

The Group's profit/(loss) from operations is arrived at after charging:

7. 經營活動溢利／(虧損)

本集團之經營活動溢利／(虧損)經扣除下列各項：

	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元 (Restated) (重新呈列)
Cost of inventories sold/dispensary supplies consumed and services provided and cost of ground engineering and building construction 已出售之存貨／已耗用之藥物供應之成本及已提供之服務 及地基工程及樓宇建築成本	637,137	955,793
Depreciation 折舊	21,737	43,617
Less: Amount capitalised as contract costs 減：資本化作為合約成本之金額	—	(1,274)
	21,737	42,343
Investments in Internet healthcare development and affiliate networks: 投資互聯網保健發展及聯盟網絡：		
Amortisation for the year* 年內攤銷*	—	11,712
Impairment arising during the year 年內出現之減值	—	14,644
	—	26,356
Licence and cooperative rights: 許可權及合作權：		
Amortisation for the year* 年內攤銷*	—	2,444
Impairment arising during the year 年內出現之減值	—	107,556
	—	110,000
Software licence rights: 軟件許可權：		
Amortisation for the year* 年內攤銷*	274	—
Impairment arising during the year 年內出現之減值	3,143	—
	3,417	—

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

7. Profit/(Loss) from Operations (cont.)

7. 經營活動溢利／(虧損) (續)

	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元 (Restated) (重新呈列)
Goodwill: 商譽：		
Amortisation for the year* 年內攤銷*	491	4,265
Impairment arising during the year 年內出現之減值	—	114,679
	491	118,944
Impairment of fixed assets 固定資產減值	—	8,612
Provision against properties for sale 待出售物業撥備	499	—
Provision for bad and doubtful debts 呆壞賬撥備	1,157	17,162
Minimum lease payments under operating leases in respect of land and buildings 根據有關土地及樓宇之經營租約之最低租金付款	73,861	80,237
Staff costs, including directors' remuneration (note 9): 員工成本(包括董事酬金 — 附註9)：		
Salaries, wages, allowances and bonuses 薪金、工資、津貼及紅利	281,134	380,777
Retirement benefits scheme contributions 退休福利計劃供款	6,493	7,656
	287,627	388,433
Less: Staff costs capitalised in respect of construction contracts 減：就建築合約之資本化員工成本	—	(21,962)
	287,627	366,471
Auditors' remuneration 核數師酬金	1,050	2,174
Foreign exchange losses, net 匯兌虧損淨額	60	1,461
Loss on disposal/write off of fixed assets 出售／撇銷固定資產之虧損	1,258	16,224
Loss on disposal of a long term investment 出售一項長期投資之虧損	—	400
and after crediting: 並經計入：		
Interest income 利息收入	401	1,494
Net rental income 租金收入淨額	714	1,179
Dividend income 股息收入	228	363

* Included in "Depreciation and amortisation" on the face of the consolidated profit and loss account.

* 已計入綜合損益賬中「折舊及攤銷」一項。

At 31 December 2002, the Group had no material forfeited contributions available to reduce its contributions to its retirement benefits scheme in future years (2001: Nil).

於二零零二年十二月三十一日，並無重大沒收供款可供本集團用以減少其於未來年度向退休金計劃供款(二零零一年：無)。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

8. Finance Costs

8. 融資費用

	Group 集團	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Interest on: 付利息予：			
Bank loans and overdrafts wholly repayable within five years 須於五年內悉數償還之銀行貸款及透支		5,218	11,032
Other loans wholly repayable within five years 須於五年內償還之其他貸款		113	32,708
Finance leases and hire purchase contracts 融資租賃及租購合約		7	1,318
		5,338	45,058

9. Directors' Remuneration

9. 董事酬金

Directors' remuneration disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance is as follows:

根據上市規則及香港公司條例第161條須予披露之董事酬金詳情如下：

	Group 集團	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Fees 袍金		706	450
Other emoluments: 其他酬金：			
Salaries, allowances and benefits in kind 薪金、津貼及實物福利		7,225	7,687
Retirement benefits scheme contributions 退休金計劃供款		36	46
		7,261	7,733
		7,967	8,183

Fees include HK\$706,000 (2001: HK\$450,000) paid to the independent non-executive directors of the Company. There were no other emoluments payable to the independent non-executive directors during the year (2001: Nil).

袍金包括已付本公司獨立非執行董事之706,000港元(二零零一年：450,000港元)。於年內，並無其他應付酬金予獨立非執行董事(二零零一年：無)。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

9. Directors' Remuneration (cont.)

The number of directors whose remuneration fell within the following bands is as follows:

		Number of directors 董事人數	
		2002 二零零二年	2001 二零零一年
Nil – HK\$1,000,000	無 – 1,000,000港元	8	6
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元	1	2
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	1	–
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元	1	1
		11	9

There were no arrangements under which a director waived or agreed to waive any remuneration during the year (2001: Nil).

During the year, 5,500,000 share options (2001: Nil) were granted to directors in respect of their services to the Group, further details of which are set out in note 29 to the financial statements. No value in respect of the share options granted during the year has been charged to the profit and loss account (2001: Nil).

9. 董事酬金(續)

酬金介乎下列範圍之董事人數：

年內並無作出董事放棄或同意放棄收取任何酬金之安排(二零零一年：無)。

年內，已就董事向本集團提供服務而向彼等授出5,500,000份購股權(二零零一年：無)，進一步詳情載於財務報告附註29。年內所授出購股權之價值概無自損益賬扣除(二零零一年：無)。

10. Five Highest Paid Employees

The five highest paid employees during the year included one (2001: one) director, the details of whose remuneration are set out in note 9 above. The remuneration of the remaining four (2001: four) non-director, highest paid employees comprised salaries, allowances and benefits in kind of approximately HK\$19,066,000 (2001: HK\$16,635,228). Of the five highest paid employees, four (2001: four) are practicing physicians.

10. 五位最高薪僱員

年內之五位最高薪僱員包括一位(二零零一年：一位)董事，其酬金詳情載於上文附註9。已付其他四位(二零零一年：四位)最高薪僱員(非董事)之酬金，包括19,066,000港元(二零零一年：16,635,228港元)之薪金及實物福利。在五位最高薪僱員中，四位(二零零一年：四位)是執業醫生。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

10. Five Highest Paid Employees (cont.)

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 職員人數	
		2002 二零零二年	2001 二零零一年
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元	–	2
HK\$3,500,001 – HK\$4,000,000	3,500,001港元 – 4,000,000港元	1	–
HK\$4,000,001 – HK\$4,500,000	4,000,001港元 – 4,500,000港元	–	1
HK\$4,500,001 – HK\$5,000,000	4,500,001港元 – 5,000,000港元	2	–
HK\$5,000,001 – HK\$5,500,000	5,000,001港元 – 5,500,000港元	–	1
HK\$5,500,001 – HK\$6,000,000	5,500,001港元 – 6,000,000港元	1	–
		4	4

During the year, 1,500,000 share options (2001: Nil) were granted to the four non-director, highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 29 to the financial statements. No value in respect of the share options granted during the year has been charged to the profit and loss account (2001: Nil).

10. 五位最高薪僱員(續)

年內屬非董事之最高薪僱員之酬金介乎：

年內，已就四名非董事最高薪僱員向本集團提供之服務向彼等授出1,500,000份(二零零一年：無)購股權，進一步詳情載於財務報告附註29。年內所授出購股權之價值概無自損益賬扣除(二零零一年：無)。

11. Tax

Hong Kong profits tax has been provided at the rate of 16% (2001: 16%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

11. 稅項

香港利得稅已按年內源自香港的估計應課稅溢利以16%(二零零一年：16%)的稅率撥備。其他地區應課稅溢利之稅項按本集團經營業務所在之國家之適用稅率，根據現行法例、詮釋及慣例計算。

	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Group: 本集團：		
Hong Kong: 香港：		
Current year 本年度	3,300	2,300
Overprovision in prior year 往年超額撥備	–	(617)
Elsewhere 其他地區	–	378
Deferred tax charge – note 28 遞延稅項支出 – 附註28	2,300	3,080
Tax charge for the year 本年度稅項支出	5,600	5,141

There was no significant unprovided deferred tax in respect of the year (2001: Nil).

年內並無重大未撥備遞延稅項(二零零一年：無)。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

12. Net Profit/(Loss) from Ordinary Activities Attributable to Shareholders

The net profit/(loss) from ordinary activities attributable to shareholders for the year ended 31 December 2002 dealt with in the financial statements of the Company is a net loss of HK\$7,980,000 (2001: HK\$338,014,000).

12. 股東應佔日常業務純利／(淨虧損)

截至二零零二年十二月三十一日止年度撥入本公司之財務報告內計算之股東應佔日常業務純利／(淨虧損)為淨虧損7,980,000港元(二零零一年：338,014,000港元)。

13. Dividend

13. 股息

	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Proposed final – HK0.50 cent (2001: Nil) per ordinary share 建議末期股息－每股普通股0.50港仙(二零零一年：無)	10,817	—

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting and will be paid out from the contributed surplus.

本年度建議末期股息須待本公司股東於應屆股東周年大會上批准方可作實，並將從繳入盈餘中支付。

14. Earnings/(Loss) per Share

14. 每股盈利／(虧損)

The calculation of basic earnings/(loss) per share is based on the net profit attributable to shareholders for the year of HK\$54,144,000 (2001: net loss of HK\$183,583,000), and the weighted average of 2,163,679,012 (2001: 1,201,448,413) ordinary shares in issue during the year.

每股基本盈利／(虧損)乃根據年內股東應佔純利54,144,000港元(二零零一年：淨虧損183,583,000港元)，以及年內已發行普通股加權平均數2,163,679,012股(二零零一年：1,201,448,413股)計算。

The calculation of diluted earnings per share for the year is based on the net profit attributable to shareholders for the year of HK\$54,144,000. The weighted average number of ordinary shares used in the calculation is the 2,163,679,012 ordinary shares in issue during the year, as used in the basic earnings per share calculation; and the weighted average of 1,104,638 ordinary shares assumed to have been issued at no consideration on the deemed exercise of all outstanding share options during the year.

本年度每股攤薄盈利乃根據本年度股東應佔純利54,144,000港元計算。於計算時所採用之普通股加權平均數乃指計算每股基本盈利所採用之年內已發行普通股2,163,679,012股，以及假設行使年內所有尚未行使購股權時已按零代價發行之普通股加權平均數1,104,638股。

No diluted loss per share is presented for the year ended 31 December 2001, as the potential ordinary shares outstanding during that year had an anti-dilutive effect on the basic loss per share for that year.

由於截至二零零一年十二月三十一日止年度潛在已發行普通股對該等年度之每股基本虧損具有反攤薄影響，因此並無呈列該年度之每股攤薄虧損。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

15.Fixed Assets

15.固定資產

Group 集團

	Leasehold land and buildings 租賃 土地 及樓宇	Leasehold improve- ments 租賃 物業裝修	Plant and machinery 廠房 及機器	Furniture, fixtures and office equipment 傢俬、 裝置及 辦公室 設備	Medical equipment 醫療設備	Computer equipment and software 電腦設備 及軟件	Motor vehicles 車輛	Total 總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cost: 成本值：								
At beginning of year 年初	12,751	72,481	6,479	21,135	11,860	23,202	480	148,388
Disposed following disposal/deemed disposal of discontinued operations 出售／視作出售已終止業務後出售	(12,751)	(2,438)	(6,479)	(3,144)	–	(7,202)	–	(32,014)
Additions 添置	–	2,730	–	1,722	6,118	979	15	11,564
Disposals/write off 出售／撇銷	–	(3,617)	–	(1,385)	(173)	(784)	–	(5,959)
Transfer to intangible assets 轉撥至無形資產	–	–	–	–	–	(4,925)	–	(4,925)
At 31 December 2002 二零零二年十二月三十一日	–	69,156	–	18,328	17,805	11,270	495	117,054
Accumulated depreciation and impairment: 累計折舊及減值：								
At beginning of year 年初	2,543	31,149	6,200	10,265	6,059	12,660	366	69,242
Depreciation provided during the year 於年內已作出撥備之折舊	193	12,473	180	3,758	2,134	2,935	64	21,737
Disposed following disposal/deemed disposal of discontinued operations 出售／視作出售已終止業務後出售	(2,736)	(2,126)	(6,380)	(2,766)	–	(6,899)	–	(20,907)
Disposals/write off 出售／撇銷	–	(2,926)	–	(887)	(160)	(584)	–	(4,557)
Transfer to intangible assets 轉撥至無形資產	–	–	–	–	–	(1,508)	–	(1,508)
At 31 December 2002 二零零二年十二月三十一日	–	38,570	–	10,370	8,033	6,604	430	64,007
Net book value: 賬面淨值：								
At 31 December 2002 二零零二年十二月三十一日	–	30,586	–	7,958	9,772	4,666	65	53,047
At 31 December 2001 二零零一年十二月三十一日	10,208	41,332	279	10,870	5,801	10,542	114	79,146

The net book value of the fixed assets of the Group held under finance leases/hire purchase contracts included in the total amount of office equipment at 31 December 2001 amounted to HK\$47,000.

於二零零一年十二月三十一日本集團已計入固定資產總值內按融資租賃／租購合約持有之固定資產賬面淨值為47,000港元。

The Group's leasehold land and buildings at 31 December 2001 are situated in Hong Kong and held under medium term leases.

於二零零一年十二月三十一日，本集團之租賃土地及樓宇位於香港，並按中期租約持有。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

15.Fixed Assets (cont.)

At 31 December 2001, the Group's leasehold land and buildings with a net book value of approximately HK\$5,768,000 were pledged to secure banking facilities granted to the Group. The leasehold land and buildings and the related bank borrowings were effectively disposed of upon the Deemed Disposal.

16.Long Term Investments

The loans to investee companies are unsecured, interest-free and have no fixed terms of repayment.

17.Convertible Note

On 8 August 2002, Quality HealthCare Investment Limited ("QHI"), a wholly-owned subsidiary of the Company, entered into a conditional note subscription agreement (the "Note Subscription Agreement") with EHA, pursuant to which, QHI agreed to subscribe for a convertible note (the "Convertible Note") with a face value of HK\$7 million carrying the right of conversion into new shares of EHA at HK\$0.05 per share (subject to adjustments) (the "Note Subscription"). The Convertible Note is non-transferable, bears interest at the Hong Kong dollar prime lending rate plus 3% per annum and will mature on the second anniversary from its date of issue. The Convertible Note is convertible wholly or partially into new EHA shares on any business day following 12 months after the date of issue and is redeemable at the maturity date.

The Note Subscription Agreement was completed on 4 October 2002, whereby the amount owed by QHI in respect of the Note Subscription of HK\$7 million was settled by off-setting part of the loan to EHA (note 20). Further details of the Note Subscription Agreement are set out in a circular of the Company dated 11 September 2002.

15.固定資產(續)

於二零零一年十二月三十一日，本集團賬面淨值約5,768,000港元之租賃土地及樓宇已作抵押，以取得授予本集團之銀行融資。租賃土地及樓宇及有關銀行貸款已於視作出售事項進行時已實際出售。

16.長期投資

	2002 二零零二年 HK\$'000 千港元	Group 集團 2001 二零零一年 HK\$'000 千港元
Unlisted equity investments, at cost 非上市證券投資、按成本值	78	78
Loans to investee companies 貸予所投資公司款項	522	889
	600	967

貸予所投資公司款項乃無抵押、免息及無固定還款期。

17.可換股票據

二零零二年八月八日，本公司之全資附屬公司 Quality HealthCare Investment Limited ("QHI") 與EHA訂立一項有條件票據認購協議(「票據認購協議」)，據此，QHI同意認購面值7,000,000港元，附帶權利可按每股0.05港元之價格(可予調整)轉換為EHA新股份之可換股票據(「可換股票據」)(「票據認購」)。可換股票據屬不可轉讓、按港元最優惠利率加3厘年息計算，並將會於發行日期起計第二週年到期。可換股票據可於發行日期12個月後內之任何營業日全部或部分轉換為EHA新股份，並可於到期日贖回。

票據認購協議已於二零零二年十月四日完成，據此，QHI就票據認購所欠之7,000,000港元將透過抵銷部份EHA貸款(附註20)償還。票據認購協議之進一步詳情載於本公司於二零零二年九月十一日刊發之通函。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

18. Intangible Assets

18. 無形資產

Group 集團

	Licence and cooperative rights 許可及 合作權 HK\$'000 千港元	Investments in Internet healthcare development and affiliate networks 互聯網保健 發展及聯盟 網絡之投資 HK\$'000 千港元	Software licence rights 軟件許可權 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost: 成本：				
At beginning of year 年初	110,000	35,140	—	145,140
Transfer from fixed assets 自固定資產轉撥	—	—	3,417	3,417
Disposed following the Deemed Disposal 於進行視作出售事項時出售	(110,000)	—	(3,417)	(113,417)
Write off 撇銷	—	(35,140)	—	(35,140)
At 31 December 2002 於二零零二年十二月三十一日	—	—	—	—
Accumulated amortisation and impairment: 累計攤銷及減值：				
At beginning of year 年初	110,000	35,140	—	145,140
Amortisation provided during the year 於年內撥備之攤銷	—	—	274	274
Impairment during the year recognised in the consolidated profit and loss account 年內於綜合損益賬確認之減值	—	—	3,143	3,143
Disposed following the Deemed Disposal 於進行視作出售事項時出售	(110,000)	—	(3,417)	(113,417)
Write off 撇銷	—	(35,140)	—	(35,140)
At 31 December 2002 於二零零二年十二月三十一日	—	—	—	—
Net book value: 賬面淨值：				
At 31 December 2002 於二零零二年十二月三十一日	—	—	—	—
At 31 December 2001 於二零零一年十二月三十一日	—	—	—	—

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

19. Goodwill

The amount of goodwill capitalised as an asset in the consolidated balance sheet, arising from the acquisition of subsidiaries and an elderly care home, is as follows:

Group 本集團

	Goodwill 商譽 HK\$'000 千港元
Cost: 成本：	
At beginning of year 年初	17,790
Disposed following the Deemed Disposal 於進行視作出售事項時出售	(7,598)
At 31 December 2002 於二零零二年十二月三十一日	10,192
Accumulated amortisation and impairment: 累計攤銷及減值：	
At beginning of year 年初	8,414
Amortisation provided during the year 於年內撥備之攤銷	491
Disposed following the Deemed Disposal 於進行視作出售事項時出售	(7,598)
At 31 December 2002 於二零零二年十二月三十一日	1,307
Net book value: 賬面淨值：	
At 31 December 2002 於二零零二年十二月三十一日	8,885
At 31 December 2001 於二零零一年十二月三十一日	9,376

As detailed in note 3 to the financial statements, on the adoption of SSAP 30, the Group applied the transitional provision of SSAP 30 that permitted goodwill and negative goodwill in respect of acquisitions which occurred prior to 1 January 2001 to remain eliminated against consolidated reserves and not restated. Accordingly, the goodwill arising from acquisitions, which occurred prior to 1 January 2001 and which have been debited to a goodwill reserve is not restated in the financial statements.

19. 商譽

於收購附屬公司及一間護老院時所產生並撥入綜合資產負債表內作為一項資產之商譽如下：

誠如財務報表附註3所述，於採納會計實務準則第30號時，本集團已採納會計實務準則第30號之過渡規定，該條文允許於二零零一年一月一日前所進行之收購有關之商譽及負商譽維持於綜合儲備對銷及不重新呈列。因此，於二零零一年一月一日前發生及已於財務報告記入商譽儲備之收購商譽並未於財務報表重新呈列。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

19. Goodwill (cont.)

The amount of goodwill reserve, arising from the acquisition of subsidiaries, businesses and elderly care homes prior to 1 January 2001, is as follows:

Group 本集團

	Goodwill reserve 商譽儲備 HK\$'000 千港元
Cost: 成本：	
At beginning of year 年初	724,380
Disposed following the Deemed Disposal 於進行視作出售事項時出售	(177,189)
At 31 December 2002 於二零零二年十二月三十一日	547,191
Accumulated impairment: 累計減值：	
At beginning of year 年初	724,380
Disposed following the Deemed Disposal 於進行視作出售事項時出售	(177,189)
At 31 December 2002 於二零零二年十二月三十一日	547,191
Net amount: 淨額：	
At 31 December 2002 於二零零二年十二月三十一日	—
At 31 December 2001 於二零零一年十二月三十一日	—

19. 商譽(續)

於二零零一年一月一日前收購附屬公司、業務及護老院所產生之商譽儲備如下：

20. Interests In Subsidiaries

20. 於附屬公司之權益

	Company 公司	2001 二零零一年 HK\$'000 千港元
Non-current assets: 非流動資產：		
Unlisted shares, at cost 非上市股份，按成本值	35,443	35,443
Loan to a subsidiary 貸予附屬公司貸款	—	45,000
Due from subsidiaries 應收附屬公司款項	1,157,608	1,135,335
Due to subsidiaries 應付附屬公司款項	(207,667)	(201,568)
	985,384	1,014,210
Provision for impairment 減值撥備	(349,342)	(349,205)
	636,042	665,005
Current asset: 流動資產：		
Loan to a subsidiary 貸予附屬公司貸款	—	15,000

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

20. Interests In Subsidiaries (cont.)

The loan to a subsidiary at 31 December 2001 represented the amount drawn down under a revolving term loan facility granted to EHA (the "Revolving Loan"), which was unsecured, bore interest at the Hong Kong dollar prime lending rate plus 3% per annum and was originally repayable at the earlier of 31 December 2001 or six months after the Company's shareholding interest in EHA fell below 50%.

Pursuant to a renewed loan agreement dated 22 November 2001 entered into between the Company and EHA, the Revolving Loan was renewed with effect from 1 January 2002, principally under the terms as set out above, except for the following:

- the maximum principal amount that might be outstanding at any one time should be (i) the amount of HK\$60,000,000 during the period from 1 January 2002 to 28 February 2002 and (ii) the amount of HK\$45,000,000 during the period from 1 March 2002 to 31 December 2003;
- the renewed Revolving Loan would be terminated and the outstanding principal together with the interest accrued thereon should be repayable upon demand should the Company's shareholding in EHA fall below 30%; and
- the renewed Revolving Loan should be repayable on 31 December 2003.

Upon the completion of the Shares Subscription Agreement, on 4 October 2002, as set out in note 6 to the financial statements, the Company's shareholding in EHA fell below 30% and the renewed Revolving Loan became repayable upon demand. The renewed Revolving Loan was partially settled by EHA using the proceeds from the shares subscription with the remaining balance being offset by the amount owed by QHI in respect of the Note Subscription of HK\$7 million (note 17).

The amounts due from/to subsidiaries are unsecured, interest-free, except for an amount due from a subsidiary of HK\$7,000,000 (2001: Nil), which bears interest at the Hong Kong dollar prime lending rate plus 3% per annum, and have no fixed terms of repayment.

20. 於附屬公司之權益(續)

於二零零一年十二月三十一日之貸予附屬公司貸款指根據一項授予EHA之循環信貸(「循環信貸」)所支取之款額。該貸款為無抵押，按港元最優惠貸款利率加3厘年率計息，並原須於二零零一年十二月三十一日或本公司於EHA之股權下跌至低於50%後六個月(以較早者為準)還款。

根據本公司與EHA於二零零一年十一月二十二日訂立之重續貸款協議，循環貸款已自二零零二年一月一日起重續，有關條款大致與上述相同，惟以下條文除外：

- 於任何時間結欠之最高本金額(i)於二零零二年一月一日至二零零二年二月二十八日期間為60,000,000港元；及(ii)於二零零二年三月一日至二零零三年十二月三十一日期間為45,000,000港元；
- 而倘本公司於EHA持股量降至低於30%，重續循環貸款將會終止，尚未償還本金連同累計利息須應要求償還；及
- 重續循環貸款須於二零零三年十二月三十一日償還。

誠如財務報告附註6所述，於二零零二年十月四日完成股份認購協議後，本公司於EHA之股權下降至低於30%，而重續循環貸款須應要求償還。部分循環貸款已由EHA利用股份認購所得款項償還，而餘款則透過抵銷QHI就票據認購而欠付之7,000,000港元償還(附註17)。

除應收一間附屬公司7,000,000港元(二零零一年：無)須按港元最優惠貸款利率加3厘年息計息外，應收附屬公司／應付附屬公司款項為無抵押、免息及無固定還款期。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

20. Interests In Subsidiaries (cont.)

Particulars of the principal subsidiaries are as follows:

20. 於附屬公司之權益(續)

主要附屬公司之詳情如下：

Name 公司名稱	Place of incorporation/ operations 註冊成立／ 經營地點	Nominal value of issued share capital 已發行 股本面值	Percentage of equity attributable to the Company 本公司 應佔股本 權益百分比		Principal activities 主要業務
			2002 二零零二年	2001 二零零一年	
Medical Services 醫療服務					
Berkshire Group Limited	British Virgin Islands/ Hong Kong 英屬處女羣島／ 香港	Ordinary US\$1 普通股 1美元	100	100	Provision of professional services to medical practices 向醫務所提供 專業服務
Quality HealthCare Limited	British Virgin Islands/ Isle of Man 英屬處女羣島／ 馬恩島	Ordinary HK\$6,000,000 普通股 6,000,000港元	100	100	Owner of franchise names 專利名稱 擁有人
Marvellous Way Limited	Hong Kong 香港	Ordinary HK\$10 普通股 10港元	100	100	Operations of Chinese Medicine clinics 經營中醫藥 診所
Quality HealthCare Medical Centre Limited 卓健醫療體檢中心有限公司	Hong Kong 香港	Ordinary HK\$1,300 普通股 1,300港元	100	100	Medical facilities and service provider 醫療設施及 服務供應商

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

20. Interests In Subsidiaries (cont.)

20. 於附屬公司之權益(續)

Particulars of the principal subsidiaries are as follows (cont.):

主要附屬公司之詳情如下(續)：

Name 公司名稱	Place of incorporation/ operations 註冊成立／ 經營地點	Nominal value of issued share capital 已發行 股本面值	Percentage of equity attributable to the Company 本公司 應佔股本 權益百分比		Principal activities 主要業務
			2002 二零零二年	2001 二零零一年	
Medical Services (cont.) 醫療服務(續)					
Quality HealthCare Medical Services Limited 卓健醫療服務有限公司	Hong Kong 香港	Ordinary HK\$2 普通股 2港元	100	100	Provision of contract healthcare services 提供合約 保健服務
Quality HealthCare Professional Services Limited	Hong Kong 香港	Ordinary HK\$2 普通股 2港元	100	100	Provision of professional services 提供專業 服務
Nursing, Physiotherapy, and Dental Services 護理、物理治療及牙科服務					
Quality HealthCare Dental Services Limited 卓健牙科服務有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通股 1,000港元	100	100	Provision of dental services 提供牙科服務
Quality HealthCare Nursing Services Limited 卓健護理服務有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股 10,000港元	100	100	Provision of nursing services 提供護理服務

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

20. Interests In Subsidiaries (cont.)

20. 於附屬公司之權益(續)

Particulars of the principal subsidiaries are as follows (cont.):

主要附屬公司之詳情如下(續)：

Name 公司名稱	Place of incorporation/ operations 註冊成立／ 經營地點	Nominal value of issued share capital 已發行 股本面值	Percentage of equity attributable to the Company 本公司 應佔股本 權益百分比		Principal activities 主要業務
			2002 二零零二年	2001 二零零一年	
Nursing, Physiotherapy, and Dental Services (cont.) 護理、物理治療及牙科服務 (續)					
Quality HealthCare Physiotherapy Services Limited 卓健物理治療服務有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通股 1,000港元	100	100	Provision of physiotherapy services 提供物理 治療服務
Elderly Care Services 護老服務					
Conifer Elderly Services Limited 青松園護老有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通股 1,000港元	100	100	Provision of elderly care services 提供長者 護理服務
QHES Limited	British Virgin Islands/ Hong Kong 英屬處女羣島／ 香港	Ordinary US\$1 普通股 1美元	100	100	Provision of elderly care services 提供長者 護理服務
Quality HealthCare Man Kee Elderly Limited 卓健耆安萬基有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通股 1,000港元	100	100	Provision of elderly care services 提供長者 護理服務

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

20. Interests In Subsidiaries (cont.)

20. 於附屬公司之權益(續)

Particulars of the principal subsidiaries are as follows (cont.):

主要附屬公司之詳情如下(續)：

Name 公司名稱	Place of incorporation/ operations 註冊成立／ 經營地點	Nominal value of issued share capital 已發行 股本面值	Percentage of equity attributable to the Company 本公司 應佔股本 權益百分比		Principal activities 主要業務
			2002 二零零二年	2001 二零零一年	
Corporate and Others 企業及其他					
Quality HealthCare Investment Limited	British Virgin Islands 英屬處女羣島	Ordinary US\$1 普通股 1美元	100	100	Investment holding 投資控股
Healthcare Transaction Operations (discontinued during the year) 保健交易及相關業務 (已於年內終止經營)					
ehealthcareasia Limited*	Bermuda/ Hong Kong 百慕達／ 香港	Ordinary 2001: HK\$2,948,834 普通股 2001: 2,948,834港元	—	53.8	Investment holding 投資控股
ehealthcareasia.com Limited 亞洲醫療互聯網站有限公司	Hong Kong 香港	Ordinary 2001: HK\$2 普通股 2001: 2港元	—	53.8	Development and provision of healthcare transaction processing and related services 發展及提供保健 交易處理及 有關服務

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

20. Interests In Subsidiaries (cont.)

Particulars of the principal subsidiaries are as follows (cont.):

20. 於附屬公司之權益(續)

主要附屬公司之詳情如下(續)：

Name 公司名稱	Place of incorporation/ operations 註冊成立／ 經營地點	Nominal value of issued share capital 已發行 股本面值	Percentage of equity attributable to the Company 本公司 應佔股本 權益百分比		Principal activities 主要業務
			2002 二零零二年	2001 二零零一年	
Healthcare Transaction Operations (discontinued during the year) (cont.) 保健交易及相關服務 (已於年內終止經營) (續)					
Ultronics Enterprise Limited 科力企業有限公司	Hong Kong 香港	Ordinary 2001: HK\$5 普通股 2001: 5港元 Deferred 2001: HK\$4,313,880 遞延股 2001: 4,313,880港元	—	53.8	Distribution of medical equipment and supplies 分銷醫療設備 及用品

* Listed on The Stock Exchange of Hong Kong Limited

* 於香港聯合交易所上市

Except for Quality HealthCare Man Kee Elderly Limited, all the above subsidiaries are indirectly held by the Company.

除卓健耆安萬基有限公司外，所有上述附屬公司均由本公司間接持有。

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上表所列之本公司附屬公司，按董事之意見，乃主要影響本年度之業績或構成本集團淨資產之重大部份。董事認為列載其他附屬公司之詳情會導致篇幅過於冗長。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

21. Interest in a Jointly-controlled Entity

21. 於一間共同控制企業之權益

	2002 二零零二年 HK\$'000 千港元	Group 集團 2001 二零零一年 HK\$'000 千港元
Share of net liabilities 應佔淨負債	(1,471)	(858)
Due from a jointly-controlled entity 一間共同控制企業之欠款	1,471	1,472
	—	614

The amount due from the jointly-controlled entity is unsecured, interest-free and has no fixed terms of repayment.

一間共同控制企業之欠款為無抵押、不計利息及無固定還款期。

Particulars of the jointly-controlled entity at the balance sheet date are as follows:

共同控制企業於結算日之詳情如下：

Name 名稱	Business structure 業務架構	Place of incorporation and operations 註冊成立及 經營地點	Ownership interest 所有者權益	Percentage of percentages 百分比 Voting power 投票權	Profit sharing 溢利攤分	Principal activities 主要業務
Women's Health Centres International Limited	Corporate 公司	Hong Kong 香港	50	50	50	Development and provision of cancer screening and women's health screening services 發展及提供 癌症檢查及 女性保健 檢查服務

The above jointly-controlled entity is indirectly held by the Company.

上述共同控制企業由本公司間接持有。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

22. Properties for Sale

The properties for sale were situated in the People's Republic of China and were held under medium term leases. Certain of the Group's properties for sale held during the year with a carrying amount of HK\$4,603,000 were leased to third parties under operating lease, further details of which are included in note 33(a) to the financial statements. All the Group's properties for sale were effectively disposed of upon the Deemed Disposal.

At 31 December 2001, one of the Group's properties for sale was pledged to secure a bank loan of the Group (note 25). The pledged property for sale together with the bank borrowing were effectively disposed of upon the Deemed Disposal.

22. 待出售物業

待出售物業乃位於中華人民共和國，並按中期租約持有。本集團若干項賬面值達4,603,000港元之待出售物業已根據經營租約出租予第三者，進一步詳情載於財務報告附註33(a)。本集團所有待出售物業已於進行視作出售事項時實際出售。

於二零零一年十二月三十一日，本集團之其中一項待出售物業乃作抵押以換取本集團之銀行貸款(附註25)。該項已抵押物業連同銀行貸款已實際於進行視作出售事項時出售。

23. Inventories

	2002 二零零二年 HK\$'000 千港元	Group 集團 2001 二零零一年 HK\$'000 千港元
Dispensary supplies 配藥供應品	7,035	6,994
Trading stocks 待銷存貨	—	5,331
Consumables 消耗品	583	553
	7,618	12,878

The carrying amount of inventories at 31 December 2001 stated at net realisable value included in the above balance was HK\$6,019,275.

上述所列於二零零一年十二月三十一日以變現淨值入賬之存貨之賬面值為6,019,275港元。

24. Accounts Receivable

The Group allows an average general credit period of 30 to 90 days to its business-related customers, except for certain well established customers, where the terms are extended beyond 90 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management.

24. 應收賬項

本集團向與業務有關之客戶提供之信貸期平均為30日至90日；若干長久客戶之信貸期為90日以上。本集團致力嚴格控制未收之應收賬項，而高級管理層則定期檢討過期賬款。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

24.Accounts Receivable (cont.)

An aged analysis of the Group's accounts receivable as at the balance sheet date, based on the invoice date and net of provisions, is as follows:

	Group 集團	
	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Current – 90 days 即期至90日	77,291	94,099
91 – 180 days 91日至180日	74	91
181 – 360 days 181日至360日	–	10
	77,365	94,200

24.應收賬項(續)

本集團於結算日之應收賬項之結餘(按發票日期計算，並已扣除撥備)賬齡分析如下：

25.Interest-bearing Bank and Other Borrowings

25.應計利息之銀行及其他貸款

	Group 集團		Company 公司	
	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Secured bank loans and overdrafts 有抵押銀行貸款及透支	67,101	105,093	34,686	51,175
Secured financial institution loan 有抵押財務機構貸款	–	15,000	–	–
	67,101	120,093	34,686	51,175
Portion repayable within one year or on demand classified as current liabilities 一年內償還或應要求償還之部份列作流動負債	(52,347)	(52,762)	(34,686)	(16,488)
Non-current portion 非流動部份	14,754	67,331	–	34,687

The maturity terms of the above amounts are as follows:

上述數額之屆滿期如下：

	Group 集團		Company 公司	
	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Repayable: 於下列期間償還：				
Within one year or on demand 一年內或應要求	52,347	52,762	34,686	16,488
In the second year 第二年	14,754	35,358	–	17,570
In the third to fifth years, inclusive 第三至第五年(包括首尾兩年)	–	31,973	–	17,117
	67,101	120,093	34,686	51,175

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

25. Interest-bearing Bank and Other Borrowings (cont.)

At 31 December 2001, certain of the Group's bank loans and overdrafts were secured by designated receivables and rights under medical services contracts, a leasehold property and a property for sale. During the year, certain bank loan and overdrafts secured by a leasehold property and a property for sale was effectively disposed of upon the Deemed Disposal.

The Group's loan from a financial institution at 31 December 2001 bore interest at 1.5% per month or Hong Kong dollar prime lending rate plus 12.75% per annum or 3-month HIBOR plus 15.913% per annum, whichever was higher, and was secured by an assignment of the proceeds under the rights issue of EHA and a charge over the accounts of EHA kept in rights issue bank accounts. This financial institution loan was repaid in January 2002.

Subsequent to the balance sheet date, the Company has arranged to settle a bank loan amounting to approximately HK\$34,686,000 as at 31 December 2002, including certain portion thereof not repayable within twelve months as at 31 December 2002 of approximately HK\$17,106,000. Accordingly, the entire bank loan was classified as current liabilities in the Group's and the Company's balance sheets as at 31 December 2002.

25. 應計利息之銀行及其他貸款(續)

本集團於二零零一年十二月三十一日之若干銀行貸款及透支乃以醫療服務合約之指定應收款項及權利、一項租賃物業及一項待出售物業作抵押。年內，以租賃物業及待出售物業抵押之若干銀行貸款及透支已於視作出售事項進行時實際出售。

於二零零一年十二月三十一日，本集團之財務機構貸款之利息乃按月利率1.5厘或年利率按港元最優惠貸款利率加12.75厘或年利率按三個月香港銀行同業拆息加15.913厘計算(以較高者為準)，並以轉讓根據EHA供股事項之所得款項，以及抵押EHA之供股事項銀行賬戶作為抵押。此項財務機構貸款已於二零零二年一月償還。

於結算日後，本公司已安排償還於二零零二年十二月三十一日時為數約34,686,000港元之一項銀行貸款，包括於二零零二年十二月三十一日約17,106,000港元毋須於十二個月內償還之部份。因此，所有該銀行貸款均於二零零二年十二月三十一日之本集團及本公司資產負債表內被分類為流動負債。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

26. Accounts and Bills Payable, Other Payables, Accruals and Deposits Received

An aged analysis of the accounts and bills payable included in accounts and bills payable, other payables, accruals and deposits received as at the balance sheet date, based on invoice date, is as follows:

26. 應付賬項及應付票據、其他應付款項、應計款項及已收按金

計入根據發票日期計算於結算日應付賬項及應付票據、其他應付款項、應計款項及已收按金之應付賬項及應付票據，其賬齡分析如下：

	2002 二零零二年 HK\$'000 千港元	Group 集團 2001 二零零一年 HK\$'000 千港元 (Restated) (重新呈列)
Accounts and bills payable: 應付賬項及應付票據：		
Current – 90 days 即期—90日	18,465	35,935
91 – 180 days 91—180日	32	326
181 – 360 days 181—360日	—	148
Over 360 days 360日以上	73	756
	18,570	37,165
Other payables, accruals and deposits received 其他應付款項、應計款項及已收按金	85,181	93,895
	103,751	131,060

SSAP 34 was adopted during the year, as explained in note 2 and under the heading “Employee benefits” in note 3 to the financial statements. As a result, an accrual is now made at the balance sheet date for the expected future cost of paid annual leave earned during the year by employees, which remains untaken by the employees at the balance sheet date and is permitted to be carried forward and utilised in the following year.

誠如附註2及財務報表附註3「僱員福利」一段所述，本年度已採納會計實務準則第34號。因此，於結算日將會就年內僱員享有之有關有薪假期之預期未來成本作出累算，並可予結轉及於來年使用。

This change in accounting policy has resulted in HK\$4,920,000 and HK\$4,071,000 being included in the balance of the Group's accruals in respect of paid annual leave carried forward as at 31 December 2002 and 2001, respectively. As a consequence, consolidated accumulated losses at 1 January 2002 and 2001 have been increased by HK\$4,071,000, respectively, as detailed in the consolidated summary statement of changes in equity.

此項會計政策變動導致本集團有關二零零二年及二零零一年十二月三十一日時之結轉有薪年假之累算結餘分別產生4,920,000港元及4,071,000港元。因此，誠如綜合權益變動概要表所述，於二零零二年及二零零一年一月一日之綜合累計虧損已分別增加4,071,000港元。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

27. Finance Lease and Hire Purchase Contract Payables

There were no obligations under finance lease/hire purchase contract as at 31 December 2002.

The Group leased certain of its office equipment as at 31 December 2001. These leases were classified as finance leases/hire purchases. All finance leases/hire purchase contracts at 31 December 2001 were on a fixed repayment basis and no arrangements were entered into for contingent rental payments.

At 31 December 2001, the total future minimum lease payments under finance leases and hire purchase contracts and their present values, were as follows:

27. 融資租賃及租購合約應付賬款

於二零零二年十二月三十一日並無根據融資租賃／租購合約之責任。

於二零零一年十二月三十一日，本集團租用若干辦公室設備。該等租約被分類為融資租賃／租購合約。於二零零一年十二月三十一日，所有融資租賃／租購合約均以固定付款基準訂立，且並無就或然租金付款訂立任何安排。

於二零零一年十二月三十一日，根據融資租賃及租購合約未來最低租約付款總額及其現值如下：

	Group 集團	Present value of minimum lease payments
	Minimum lease payments 最低租約 付款額 2001 二零零一年 HK\$'000 千港元	最低租約 付款額之現值 2001 二零零一年 HK\$'000 千港元
Amounts payable: 應付款項：		
Within one year 一年內	208	207
In the second year 第二年	14	14
Total minimum finance lease/hire purchase contract payments 融資租賃／租購合約最低付款總額	222	221
Future finance charges 未來融資費用	(1)	
Total net finance lease/hire purchase contract payables		
融資租賃／租購合約合共應付賬款淨額	221	
Portion classified as current liabilities 列作流動負債之部份	(207)	
Long term portion 長期部份	14	

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

28. Deferred Tax

28. 遞延稅項

	2002 二零零二年 HK\$'000 千港元	Group 集團 2001 二零零一年 HK\$'000 千港元
Balance at beginning of year 年初結餘	196	10,556
Charge for the year – note 11 本年度費用－附註11	2,300	3,080
Disposal of subsidiaries 出售附屬公司	–	(13,440)
At 31 December 於十二月三十一日	2,496	196

The principal component of the Group's provision for deferred tax relates to timing differences arising from accelerated depreciation allowances.

遞延稅項撥備主要成份乃與加速折舊準備所產生之時間差異有關。

The Group and the Company have no significant potential deferred tax liabilities for which provision has not been made (2001: Nil).

本集團並無重大之尚未撥備之潛在遞延稅項負債(二零零一年：無)。

29. Share Capital and Share Options

29. 股本及購股權

Shares

股份

	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Authorised: 法定：		
3,000,000,000 (2001: 3,000,000,000) ordinary shares of HK\$0.10 each 3,000,000,000股(二零零一年：3,000,000,000股)每股面值0.10港元之普通股	300,000	300,000
Issued and fully paid: 已發行及繳足：		
2,163,428,848 (2001: 2,168,518,848) ordinary shares of HK\$0.10 each 2,163,428,848股(二零零一年：2,168,518,848股)每股面值0.10港元之普通股	216,343	216,852

During the year, the Company repurchased a number of its own shares through The Stock Exchange of Hong Kong Limited as follows:

年內，本公司於香港聯合交易所有限公司曾購回之本身股份如下：

Month/year 年／月份	Number of ordinary shares of HK\$0.10 each repurchased 購回之每股面值 0.10港元之普通股股份數目	Total consideration before expenses 合共已付代價 扣除開支前 HK\$'000 千港元	Purchase price per share Highest 每股購買價 最高 HK\$ 港元	Lowest 最低 HK\$ 港元
January 2002 二零零二年一月	5,090,000	1,144	0.230	0.198

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

29. Share Capital and Share Options (cont.)

Shares (cont.)

The repurchased shares were duly cancelled during the year and the issued share capital of the Company was reduced by the par value thereof. The premium paid for the repurchase of the shares of HK\$635,000 was charged against the share premium account as shown in note 30 to the financial statements.

A summary of movements of the Company's ordinary share capital is as follows:

Ordinary shares 普通股	Notes 附註	Number of shares in issue 已發行股份數目	Share capital 股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2001 於二零零一年一月一日		912,423,591	91,242	44,359	135,601
Issue of new shares pursuant to a discharge agreement 根據解除協議發行新股	(i)	342,666,666	34,267	119,933	154,200
Rights issue 供股事項	(ii)	912,926,091	91,293	136,939	228,232
Share options exercised 已行使購股權	(iii)	502,500	50	281	331
Share issue expenses 發行股份開支		–	–	(7,764)	(7,764)
At 31 December 2001 and 1 January 2002 於二零零一年十二月三十一日 及二零零二年一月一日		2,168,518,848	216,852	293,748	510,600
Repurchase of shares 購回股份		(5,090,000)	(509)	(635)	(1,144)
Share repurchase expenses 購回股份開支		–	–	(19)	(19)
At 31 December 2002 於二零零二年十二月三十一日		2,163,428,848	216,343	293,094	509,437

Notes:

- (i) During the year ended 31 December 2001, pursuant to a discharge agreement dated 27 July 2001, 342,666,666 shares of the Company were issued to the lender of a financial institution loan of the Company, valued at HK\$0.45 per share, as partial settlement of such loan amounting to HK\$154,200,000. Further details of the discharge agreement are set out in a circular and a prospectus of the Company dated 29 August 2001 and 18 September 2001, respectively.
- (ii) A rights issue of one rights share for every existing share held by members on the register of members on 17 September 2001 was made, at an issue price of HK\$0.25 per rights share, resulting in the issue of 912,926,091 shares of HK\$0.10 each for a total cash consideration, before expenses, of HK\$228,231,523.
- (iii) The subscription rights attached to 502,500 share options were exercised at the subscription price of HK\$0.66 per share, resulting in the issue of 502,500 ordinary shares of the Company of HK\$0.10 each for a total cash consideration, before expenses, of HK\$331,650.

29. 股本及購股權(續)

股份(續)

購回股份已於年內正式註銷，而本公司已發行股本已扣除該等股份之面值。購回股份時所支付之溢價635,000港元已如財務報告附註30所述自股份溢價賬扣除。

本公司普通股本之變動概要如下：

附註：

- (i) 於截至二零零一年十二月三十一日止年度，根據日期為二零零一年七月二十七日之解除協議，本公司向提供財務機構貸款予本公司之貸款方發行342,666,666股每股價值0.45港元之股份，以償還部份貸款154,200,000港元。解除協議之進一步詳情載於本公司分別於二零零一年八月二十九日及二零零一年九月十八日所刊發之通函及供股章程內。
- (ii) 按於二零零一年九月十七日名列股東名冊之股東每持有一股現有股份供一股供股股份之基準(每股供股股份發行價0.25港元)進行之供股事項，導致發行912,926,091股每股面值0.10港元之股份，並獲得總現金代價(扣除開支前)228,231,523港元。
- (iii) 附帶於502,500股購股權之認購權已按照每股0.66港元之認購價行使，導致發行本公司502,500股每股面值0.10港元之普通股，並獲得總現金代價(扣除開支前)331,650港元。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

29. Share Capital and Share Options (cont.)

Share options

SSAP 34 was adopted during the year, as explained in note 2 and under the heading “Employee benefits” in note 3 to the financial statements. As a result, these detailed disclosures relating to the Company’s shares options are now included in the notes to the financial statements. In the prior year, these disclosures were included in the Report of the Directors, as their disclosure is also a requirement of the Listing Rules.

The Company operates a share option scheme (the “Scheme”) and a share incentive plan (the “Plan”), which entitle the holders of share options granted under the Scheme and the Plan to subscribe for ordinary shares of the Company at any time during their exercisable periods. Share options do not confer rights on the holders to dividends or to vote at shareholder meetings.

(a) The Scheme

The Company operates 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 full-time employees and executive directors of the Group. The Scheme was approved by the Company on 5 July 1993 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. The Scheme became effective upon the listing of the Company’s shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 27 July 1993.

At 31 December 2002, the number of shares issuable under share options granted under the Scheme was 34,238,000, which represented approximately 1.58% of the Company’s shares in issue as at that date. The maximum number of shares issuable under share options to each eligible participant in the Scheme is limited to 25% of the aggregate number of shares for the time being issued and issuable under the Scheme. The maximum number of ordinary shares in which options can be granted (together with options exercised and options then outstanding) under the Scheme may not exceed 10% of the issued share capital of the Company excluding any shares issued on the exercise of options from time to time.

29. 股本及購股權(續)

購股權

年內已採納會計實務準則第34號，詳情載於財務報告附註2及附註3「僱員福利」一段。因此，該等有關本公司購股權計劃之詳盡披露經已包括於財務報表附註內。於過往年度，該等披露事項已刊載於董事會報告書內，原因為上市規則亦規定須作出此項披露。

本公司設有一項購股權計劃(「該計劃」)及股份獎勵計劃(「獎勵計劃」)，賦予持有根據該計劃及獎勵計劃所授予之購股權之人士權利，於購股權之行使期間內隨時認購本公司股份。購股權並無賦予持有人享有股息或於股東大會上投票之權利。

(a) 該計劃

本公司設有一項購股權計劃(「該計劃」)，目的為對本集團業務成功作出貢獻之合資格參與者提供鼓勵及獎賞。該計劃之合資格參與者包括本集團之全職僱員及執行董事。該計劃已於一九九三年七月五日獲批准，而除非被撤銷或修訂，該計劃將自該日期起計十年內生效。該計劃已於一九九三年七月二十七日當本公司股份在香港聯合交易所有限公司(「聯交所」)上市後生效。

於二零零二年十二月三十一日，根據該計劃所授予購股權項下可予發行之股份數目為34,238,000股，佔該日期本公司已發行股份約1.58%。每名合資格參與者最高可獲發行之股份數目以當時根據該計劃已發行及可予發行股份總數之25%為限。根據該計劃可授出之購股權(連同已行使購股權及當時尚未行使購股權)項下普通股之最高數目，不得超過本公司已發行股本之10%(不包括不時行使購股權時所發行之任何股份)。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

29. Share Capital and Share Options (cont.)

Share options (cont.)

(a) The Scheme (cont.)

Subsequent to the balance sheet date, 20,000 share options granted to employees at an exercise price of HK\$1.45 per share and with an exercise period from 16 February 2001 to 4 July 2003 were lapsed after the resignation of an employee. As at 18 March 2003, the number of shares issuable under share options granted under the Scheme was 34,218,000, which represented approximately 1.58% of the Company's shares in issue as at that date.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and in any event such period of time may not exceed a period of three years commencing on the expiry of six months after the date of the acceptance of the share options and expiring on the last day of the three-year period or 5 July 2003, whichever is earlier.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of (i) 80% of the average Stock Exchange closing price of the Company's ordinary shares for the five trading days immediately preceding the date of the offer of the share options; and (ii) the nominal value of the Company's ordinary share.

There were no share options granted or exercised under the Scheme during the year.

From 1 September 2001, the Stock Exchange has amended Chapter 17 (Share Option Schemes) of the Listing Rules. In response to the amendments, the Company terminated the Scheme and then adopted a new share incentive plan on 7 June 2002.

29. 股本及購股權(續)

購股權(續)

(a) 該計劃(續)

結算日後，可於二零零一年二月十六日至二零零三年七月四日期間以每股1.45港元行使而授予僱員之20,000份購股權隨一名僱員辭職後已告失效。於二零零三年三月十八日，根據計劃授出之購股權可予發行之股份數目為34,218,000股，佔本公司已發行股份約1.58%。

要約授予之購股權可由獲要約日期起計28天內接納，而承授人須於接納該等購股權時支付合共1港元之象徵式代價。所授出的購股權之行使期可由董事釐定，惟於任何情況下不得超過接納該購股權日期後六個月起計三年或二零零三年七月五日(以較早者為準)。

購股權之行使價可由董事釐定，惟不得超過下列兩項之較高者(i)緊接要約日期前五個交易日普通股於聯交所之平均收市價之80%；及(ii)本公司普通股之面值。

於年內概無根據該計劃授出或行使購股權。

自二零零一年九月一日起，聯交所已修訂上市規則第17章(購股權計劃)。因應該等變動，本公司終止該計劃，並於二零零二年六月七日採納新股份獎勵計劃。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

29. Share Capital and Share Options (cont.)

Share options (cont.)

(a) The Scheme (cont.)

The following share options were outstanding under the Scheme during the year:

29. 股本及購股權(續)

購股權(續)

(a) 該計劃(續)

年內，根據該計劃尚未行使之購股權如下：

Name or category of participant 姓名或參與者類別	Number of share options 購股權數目			Date of grant of share options * 授出購股權日期 *	Exercise period of share options (both dates inclusive) 購股權行使期 (包括首尾兩日)	Exercise price of share options ** 購股權行使價格 **
	At 1 January 2002 於二零零二年一月一日	Cancelled/lapsed during the year 於年內註銷/屆滿	At 31 December 2002 於二零零二年十二月三十一日			
Directors 董事						
Brian O'Connor	750,000	(750,000)	–	19-11-98	19-11-99 to 18-05-02	0.330
	750,000	(750,000)	–	19-11-98	19-11-00 to 18-05-02	0.330
	3,000,000	(3,000,000)	–	19-04-99	03-05-00 to 02-11-02	0.435
	3,000,000	(3,000,000)	–	19-04-99	03-05-01 to 02-11-02	0.435
	8,000,000	–	8,000,000	08-11-99	15-05-00 to 14-05-03	0.640
	15,500,000	(7,500,000)	8,000,000			
Wong Tai Chun, Mark 王大鈞	300,000	(300,000)	–	19-11-98	20-11-00 to 19-05-02	0.330
	400,000	(400,000)	–	19-04-99	26-04-00 to 25-10-02	0.435
	400,000	(400,000)	–	19-04-99	26-04-01 to 25-10-02	0.435
	750,000	–	750,000	21-02-00	24-02-01 to 04-07-03	1.450
	750,000	–	750,000	21-02-00	24-02-02 to 04-07-03	1.450
	1,500,000	–	1,500,000	10-06-00	14-06-01 to 04-07-03	1.150
	1,500,000	–	1,500,000	10-06-00	14-06-02 to 04-07-03	1.150
	5,600,000	(1,100,000)	4,500,000			
Wong Chi Kit, Nelson 黃自傑	6,000,000	–	6,000,000	03-08-00	07-02-01 to 04-07-03	1.025
	27,100,000	(8,600,000)	18,500,000			
Other employees 其他僱員						
In aggregate 合計	2,570,000	(2,570,000)	–	19-11-98	19-11-99 to 30-06-02	0.330
	9,350,000	(9,350,000)	–	19-04-99	26-04-00 to 15-11-02	0.435
	3,440,000	(1,000,000)	2,440,000	01-11-99	02-05-00 to 10-05-03	0.595
	14,000,000	(14,000,000)	–	22-01-00	15-08-00 to 04-07-03	1.175
	10,810,000	(1,762,000)	9,048,000	16-02-00	16-02-01 to 04-07-03	1.450
	1,200,000	–	1,200,000	21-02-00	24-02-01 to 04-07-03	1.450
	600,000	(600,000)	–	28-03-00	30-03-01 to 04-07-03	1.575
	800,000	–	800,000	22-07-00	18-02-01 to 04-07-03	0.990
	1,000,000	(1,000,000)	–	02-08-00	23-08-01 to 04-07-03	0.830
	6,000,000	(6,000,000)	–	03-08-00	16-02-01 to 04-07-03	0.960
	2,250,000	–	2,250,000	25-08-00	25-08-01 to 04-07-03	1.160
	52,020,000	(36,282,000)	15,738,000			
	79,120,000	(44,882,000)	34,238,000			

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

29. Share Capital and Share Options (cont.)

Share options (cont.)

(a) The Scheme (cont.)

- * The vesting period of the share options is from the date of the acceptance until the commencement of the exercise period.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

In the prior year, the Company granted a total of 6,000,000 share options under the Scheme with an exercise period from 8 December 2001 to 4 July 2003 and an exercise price of HK\$0.305 for nominal consideration of HK\$1 in total per grant.

The options granted are exercisable in accordance with the terms and restrictions contained in the respective offer letters. The exercise in full of the outstanding share options at 31 December 2002 would, under the present capital structure of the Company, result in the issue of 34,238,000 additional ordinary shares of the Company of HK\$0.10 each and additional share capital of HK\$3,423,800 and share premium of HK\$33,184,600 (before issue expenses).

(b) The Plan

In order to comply with the latest requirements of the Listing Rules, the Company adopted the Plan to replace the Scheme for the purpose of providing incentives to attract and retain employees of the Group, as well as other eligible persons, who have or can make contributions to the business development of the Group. Eligible participants of the Plan include employees, executive and non-executive directors (including independent non-executive directors), officers, advisers, consultants or such other persons from time to time as determined by the board of directors. The Plan was approved and adopted on 7 June 2002 (the "Adoption Date") and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. Options granted and are not yet exercised under the Scheme will however remain effective and are bound by the terms of the Scheme.

29. 股本及購股權(續)

購股權(續)

(a) 該計劃(續)

- * 購股權之歸屬期為由接納日期至行使期開始為止。
- ** 購股權之行使價於供股或紅股發行，或本公司股本出現其他類似變動時作出調整。

於過往年度，本公司根據該計劃合共授出6,000,000份行使期由二零零一年十二月八日至二零零三年七月四日之購股權，行使價為0.305港元，而每項授予則收取象徵式代價1港元。

獲授出之購股權乃根據各自之邀請函件所載之條款及條件行使。根據本公司現時資本結構，全數行使於二零零二年十二月三十一日尚未行使之購股權會導致本公司發行額外34,238,000股每股面值0.10港元普通股以及獲得(扣除開支前)額外股本3,423,800港元及股份溢價33,184,600港元。

(b) 獎勵計劃

為符合上市規則之最新規定，本公司已採納獎勵計劃以取代該計劃。獎勵計劃旨在為本集團招徠及挽留僱員或其他已對或可對本集團業務發展作出貢獻之合資格人士。獎勵計劃之合資格參與者包括僱員、執行董事及非執行董事(包括獨立非執行董事)、高級人員、顧問、專家顧問或董事會不時決定之其他人士。計劃於二零零二年六月七日(「採納日」)獲予批准及採納，及除非另行註銷或修訂，否則將自該日起十年內有效。根據該計劃授出及尚未行使之購股權仍將有效，且受該計劃條款之限制。

29. Share Capital and Share Options (cont.)

Share options (cont.)

(b) The Plan (cont.)

At 31 December 2002, the number of shares issuable under share options granted under the Plan was 25,445,000, which represented approximately 1.18% of the Company's shares in issue as at that date. The maximum entitlement of each eligible participant under the Plan and the Scheme of the Group in any 12-month period up to the date of grant must not exceed 1% of the shares of the Company in issue at the date of grant, unless a shareholders' approval has been obtained.

Subsequent to the balance sheet date, 100,000 share options granted to employees at an exercise price of HK\$0.15 per share with exercise period from 16 October 2003 to 15 October 2007 lapsed after the termination of an employee. As at 18 March 2003, the number of shares issuable under share options granted under the Plan was 25,345,000 which represented approximately 1.17% of the Company's shares in issue at that date.

The total number of shares in respect of which options may be granted under the Plan and the Scheme (excluding options lapsed) is not permitted to exceed 10% of the shares of the Company in issue as at the Adoption Date, without a prior approval from the Company's shareholders.

The offer of a grant of share options may be accepted within 14 business days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, but in any event such period may not go beyond 10 years from the Adoption Date.

29. 股本及購股權(續)

購股權(續)

(b) 獎勵計劃(續)

於二零零二年十二月三十一日，按獎勵計劃授予之購股權而可予發行之股份數目為25,445,000股，約佔本公司於當日已發行股份之1.18%。除非經股東批准，否則於授出日前任何十二個月期間因行使根據獎勵計劃及先前之該計劃授予各合資格參與者之購股權涉及之股份總數，不得超過本公司於授出日已發行股份之1%。

結算日後，可於二零零三年十月十六日至二零零七年十月十五日期間以每股0.15港元行使而授予僱員之100,000份購股權一名僱員被解僱後已告失效。於二零零三年三月十八日，根據獎勵計劃授出之購股權可予發行之股份數目為25,345,000股，佔本公司該日已發行股份約1.17%。

未經本公司股東事先批准，根據獎勵計劃及該計劃授出之購股權(不包括已失效購股權)所涉及之股份總數，不得超過本公司於採納日已發行股份之10%。

承授人可於要約日起計十四個營業日內，支付合共1港元象徵代價後，即可接納授出購股權要約。所授出購股權之行使期由董事釐定，惟於任何情況下不得超過採納日起計十年。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

29.Share Capital and Share Options (cont.)

Share options (cont.)

(b) The Plan (cont.)

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the nominal value of the Company's ordinary shares; (ii) the average Stock Exchange closing price of the Company's ordinary shares on the five consecutive trading days immediately preceding the date of the offer of the share option; and (iii) the Stock Exchange closing price of the Company's ordinary shares on the date of the offer of the share option (which must be a business day). Further details of the Plan are also set out in a circular of the Company dated 22 May 2002.

The following share options were outstanding under the Plan during the year:

29.股本及購股權(續)

購股權(續)

(b) 獎勵計劃(續)

購股權之行使價由董事釐定，惟不得低於下列三者中最高者：(i)本公司普通股面值；(ii)緊接要約前連續五個營業日聯交所報本公司普通股之平均收市價；及(iii)在要約日(必須為營業日)聯交所報本公司普通股之收市價。獎勵計劃詳見本公司於二零零二年五月二十二日刊發之通函。

年內根據獎勵計劃尚未行使之購股權如下：

Name or category of participant 姓名或參與者類別	Number of share options granted during the year and balance at 31 Dec 2002 購股權數目及於二零零二年十二月三十一日結餘	Date of grant of share options * 授出購股權日期 *	Exercise period of share options (both dates inclusive) 購股權行使期間(首尾兩日包括在內)	Exercise price of share options ** HK\$ 購股權行使價 ** 港元	Price of Company's shares at grant date of options *** HK\$ 於授出購股權日本公司之股份價格 *** 港元
Directors 董事					
Brian O'Connor	2,000,000	16-10-02	16-10-03 to 15-10-07	0.15	0.145
Wong Tai Chun, Mark 王大鈞	1,500,000	16-10-02	16-10-03 to 15-10-07	0.15	0.145
Wong Chi Kit, Nelson 黃自傑	2,000,000	16-10-02	16-10-03 to 15-10-07	0.15	0.145
	5,500,000				
Consultant 顧問	200,000	16-10-02	16-10-03 to 15-10-07	0.15	0.145
Other employees in aggregate					
其他僱員合計	19,745,000	16-10-02	16-10-03 to 15-10-07	0.15	0.145
	25,445,000				

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

29. Share Capital and Share Options (cont.)

Share options (cont.)

(b) The Plan (cont.)

None of the above share options were exercised during the year.

- * The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- *** The price of the Company's shares disclosed as at the date of the grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the share options.

The share options granted are exercisable in accordance with the terms and restrictions contained in the respective offer letters. The exercise in full of the outstanding share options at 31 December 2002 would, under the present capital structure of the Company, result in the issue of 25,445,000 additional ordinary shares of the Company of HK\$0.10 each and additional share capital of approximately HK\$2,545,000 and share premium of approximately HK\$1,272,000 (before issue expenses).

29. 股本(續)

購股權(續)

(b) 獎勵計劃(續)

上述購股權概無於年內行使。

- * 購股權之歸屬期為由授出日期至行使期開始為止。
- ** 購股權之行使購於供股或紅股發行，或本公司股本出現其他類似變動時作出調整。
- *** 於購股權授出日期所披露之本公司股份價格，乃於緊接購股權日期前交易日股份於聯交所之收市價。

獲授出之購股權乃根據各自之邀請函件所載之條款及條件行使。根據本公司現時資本結構，全數行使於二零零二年十二月三十一日尚未行使之購股權會導致本公司額外發行25,445,000股每股面0.10港元普通股以及獲得(扣除開支前)額外股本約2,545,000港元及股份溢價約1,272,000港元。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

30. Reserves

30. 儲備

Group 集團						
	Note 附註	Share premium account 股份溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Exchange fluctuation reserve 滙兌波動儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2001 於二零零一年一月一日						
As previously reported 以往呈報		44,359	534,880	291	(817,017)	(237,487)
Prior year adjustment: 上年度調整:						
SSAP 34 – recognition of unused annual leave entitlements						
會計實務準則第34號 – 未運用						
年假權利之確認	2	–	–	–	(4,071)	(4,071)
As restated 重新呈列		44,359	534,880	291	(821,088)	(241,558)
Premium on issue of shares 發行股份之溢價		257,153	–	–	–	257,153
Share issue expenses 發行股份開支		(7,764)	–	–	–	(7,764)
Exchange realignments 滙兌調整		–	–	(786)	–	(786)
Net loss for the year 本年度淨虧損		–	–	–	(183,583)	(183,583)
At 31 December 2001 於二零零一年十二月三十一日		293,748	534,880	(495)	(1,004,671)	(176,538)

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

30. Reserves (cont.)

30. 儲備(續)

Group 集團		Share premium account 股份溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Exchange fluctuation reserve 滙兌波動儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
	Notes 附註					
At 1 January 2002 於二零零二年一月一日						
As previously reported 以往呈報		293,748	534,880	(495)	(1,000,600)	(172,467)
Prior year adjustment: 上年度調整:						
SSAP 34 – recognition of unused annual leave entitlements						
會計實務準則第34號— 未運用年假權利之確認	2	—	—	—	(4,071)	(4,071)
As restated 重新呈列		293,748	534,880	(495)	(1,004,671)	(176,538)
Repurchase of shares 購回股份		(635)	—	—	—	(635)
Share repurchase expenses 購回股份開支		(19)	—	—	—	(19)
Release on disposal of subsidiaries 於出售附屬公司時解除		—	—	495	—	495
Net profit for the year 本年度純利		—	—	—	54,144	54,144
Proposed final dividend 建議末期股息	13	—	(10,817)	—	—	(10,817)
At 31 December 2002 於二零零二年十二月三十一日		293,094	524,063	—	(950,527)	(133,370)
Reserves retained by/(accumulated in): 由下列機構保留/(累計)儲備:						
Company and subsidiaries 本公司及附屬公司		293,094	524,063	—	(949,056)	(131,899)
Jointly-controlled entity 共同控制企業		—	—	—	(1,471)	(1,471)
At 31 December 2002 於二零零二年十二月三十一日		293,094	524,063	—	(950,527)	(133,370)
Reserves retained by/(accumulated in): 由下列機構保留/(累計)儲備:						
Company and subsidiaries (restated) 本公司及其附屬公司(重新呈列)		293,748	534,880	(495)	(1,003,813)	(175,680)
Jointly-controlled entity 共同控制企業		—	—	—	(858)	(858)
At 31 December 2001 於二零零一年十二月三十一日		293,748	534,880	(495)	(1,004,671)	(176,538)

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

30. Reserves (cont.)

30. 儲備(續)

Company 公司	Notes 附註	Share premium account 股份溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2001 於二零零一年一月一日					
As previously reported 以往呈報		44,359	514,335	(50,139)	508,555
Prior year adjustment: 上年度調整:					
SSAP 34 – recognition of unused annual leave entitlements					
會計實務準則第34號 – 未運用年假權利之確認	2	–	–	(467)	(467)
As restated 重新呈列		44,359	514,335	(50,606)	508,088
Premium on issue of shares 發行股份之溢價		257,153	–	–	257,153
Share issue expenses 發行股份開支		(7,764)	–	–	(7,764)
Net loss for the year 本年度淨虧損		–	–	(338,014)	(338,014)
At 31 December 2001 於二零零一年十二月三十一日		293,748	514,335	(388,620)	419,463
At 1 January 2002 於二零零二年一月一日					
As previously reported 以往呈報		293,748	514,335	(388,153)	419,930
Prior year adjustment: 上年度調整:					
SSAP 34 – recognition of unused annual leave entitlements					
會計實務準則第34號 – 未運用年假權利之確認	2	–	–	(467)	(467)
As restated 重新呈列		293,748	514,335	(388,620)	419,463
Repurchase of shares 購回股份		(635)	–	–	(635)
Share repurchase expenses 股份購回開支		(19)	–	–	(19)
Net loss for the year 本年度淨虧損		–	–	(7,980)	(7,980)
Proposed final dividend 建議末期股息	13	–	(10,817)	–	(10,817)
At 31 December 2002 於二零零二年十二月三十一日		293,094	503,518	(396,600)	400,012

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

30. Reserves (cont.)

The contributed surplus of the Company originally represented the difference between the par value of the Company's shares issued in exchange for the issued share capital and the net asset value of subsidiaries acquired pursuant to a Group reorganisation effected before the listing of the Company's shares on the Stock Exchange in 1993.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to shareholders under certain circumstances.

30. 儲備(續)

本公司之繳入盈餘原指根據本公司於一九九三年在聯交所上市前進行之集團重組，就交換附屬公司已發行股本而發行之本公司股份之面值與所收購附屬公司資產淨值兩者間之差額。

根據一九八一年百慕達公司法(經修訂)之規定，繳入盈餘可在若干情況下分派予股東。

31. Notes to the Consolidated Cash Flow Statement

(a) Acquisition of subsidiaries, an elderly care home, business operations and certain business assets and liabilities

31. 綜合現金流動報表附註

(a) 收購附屬公司、護老院、業務及若干業務資產與負債

	Group 集團	
	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Net assets acquired/(liabilities assumed): 所購入之資產／(承擔之負債) 淨額：		
Fixed assets 固定資產	—	8,276
Cash and bank balances 現金及銀行結存	—	16
Amount due from a subsidiary of the Group 應收本集團一間附屬公司款項	—	447
Prepayments, deposits and other receivables 預付款項、按金及其他應收款項	—	1,931
Accounts and bills payable, other payables, accruals and deposits received 應繳賬項及應付票據、其他應付款項、應計款項及已收按金	—	(7,442)
Finance lease and hire purchase contract payables 融資租賃及租購合約應付賬款	—	(13,921)
Amount due to a subsidiary of the Group 應付本集團一間附屬公司款項	—	(800)
		(11,493)
Goodwill on acquisition attributable to the Group 集團應佔收購產生之商譽	—	128,319
	—	116,826
Satisfied by: 以下列方式支付：		
Cash consideration paid 現金代價	—	17,826
New shares of EHA EHA新股份	—	99,000
	—	116,826

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

31. Notes to the Consolidated Cash Flow Statement (cont.)

(a) Acquisition of subsidiaries, an elderly care home, business operations and certain business assets and liabilities (cont.)

Analysis of the net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries, elderly care homes, certain business operations and certain business assets and liabilities:

	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Cash consideration paid 已付現金代價	—	(17,826)
Cash and bank balances acquired 購入所得之現金及銀行結存	—	16
Net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries, an elderly care home, business operations and certain business assets and liabilities 有關購入附屬公司、護老院、業務及若干業務資產與負債之現金及等同現金資產之流出淨額	—	(17,810)

The subsidiaries, an elderly care home, business operations and business assets and liabilities acquired in the prior year contributed HK\$15,059,000 to the Group's turnover and reduced the consolidated loss after tax for the year ended 31 December 2001 by HK\$569,000.

31. 綜合現金流動報表附註(續)

(a) 收購附屬公司、護老院、業務及若干業務資產與負債(續)

有關收購附屬公司、護老院、若干業務及若干業務資產與負債之現金及等同現金資產之流出淨額分析：

上年度收購之附屬公司、護老院、業務及業務資產與負債為截至二零零一年十二月三十一日止年度之營業額帶來15,059,000港元，並令截至二零零一年十二月三十一日止年度之除稅後綜合虧損減少569,000港元。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

31. Notes to the Consolidated Cash Flow Statement (cont.)

(b) Disposal of subsidiaries

31. 綜合現金流動報表附註(續)

(b) 出售附屬公司

	2002 二零零二年 HK\$'000 千港元	Group 集團 2001 二零零一年 HK\$'000 千港元
Net assets disposed of: 已出售資產淨值：		
Fixed assets 固定資產	11,107	222,958
Long term investments 長期投資	—	2,807
Loan receivable 應收貸款	493	1,560
Retention monies receivable 應收保留款	—	75,620
Properties for sale 待出售物業	8,573	—
Inventories 存貨	4,764	—
Accounts receivable 應收賬款	6,397	137,094
Prepayments, deposits and other receivables 預付款項、按金及其他應收款項	4,798	1,387
Amounts due from contract customers 應收合約客戶欠款	—	63,312
Cash and bank balances 現金及銀行結存	12,280	7,120
Interest-bearing bank and other borrowings 應計利息之銀行及其他貸款	(3,762)	(70,923)
Loan from the Company 本公司借款	(46,999)	—
Amounts due to contract customers 應欠合約客戶款項	—	(69,959)
Accounts and bills payable, other payables, accruals and deposits received 應付賬項及應付票據、其他應付款項、應計款項及已收按金	(14,603)	(168,518)
Finance lease and hire purchase contract payables 融資租賃及租購合約應付賬款	(10)	(36,921)
Tax payable 應付稅項	(378)	47
Deferred tax 遞延稅項	—	(13,440)
Minority interests 少數股東權益	—	(88,677)
	(17,340)	63,467
Exchange fluctuation reserve released on disposal 於出售時解除之匯兌波動儲備	495	(763)
Gain on disposal of subsidiaries 出售附屬公司之收益*	37,142	24,487
Consideration 代價	20,297	87,191
Satisfied by: 以下列方式償付：		
Cash 現金	20,297	87,191

The consideration received was net of incidental costs of disposal totalling approximately HK\$6,688,000 (2001: HK\$809,000), comprised primarily of legal and professional fees, which were satisfied by cash.

所收取代價已扣除出售附屬公司之額外開支合共約6,688,000港元(二零零一年：809,000港元)，主要包括法律及專業費用，並均以現金償付。

* This included the gain on Disposal and Deemed Disposal.

* 這包括出售事項及視作出售事項之收益。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

31. Notes to the Consolidated Cash Flow Statement (cont.)

(b) Disposal of subsidiaries (cont.)

	2002 二零零二年 HK\$'000 千港元	Group 集團 2001 二零零一年 HK\$'000 千港元
Analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries: 有關出售附屬公司之現金及等同現金資產之流入淨額分析：		
Cash consideration 現金代價	20,297	87,191
Cash and bank balances disposed of 已出售現金及銀行結存	(12,280)	(7,120)
Bank overdrafts disposed of 已出售銀行透支	3,493	48,011
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries 出售附屬公司之現金及等同現金資產之流入淨額	11,510	128,082

The subsidiaries disposed of during the year contributed HK\$16,016,000 to the Group's turnover and HK\$24,167,000 to the consolidated profit after tax for the year ended 31 December 2002.

The results of the subsidiaries disposed of in the prior year contributed HK\$312,007,000 to the Group's turnover and HK\$40,181,000 to the consolidated loss after tax for the year ended 31 December 2001.

(c) Major non-cash transaction

During the year, the Group subscribed for the Convertible Note with a face value of HK\$7 million which was settled by offsetting the amount owed by a then subsidiary of the Company as set out in note 17 to the financial statements.

31. 綜合現金流動報表附註(續)

(b) 出售附屬公司(續)

年內出售之附屬公司對本集團營業額之貢獻為16,016,000港元，並為本集團截至二零零二年十二月三十一日止年度帶來24,167,000港元除稅後綜合溢利。

於上年度出售之附屬公司業績對本集團營業額之貢獻為312,007,000港元，並導致本集團截至二零零一年十二月三十一日止年度之除稅後綜合虧損40,181,000港元。

(c) 主要非現金交易

年內，本集團認購面值7,000,000港元之可換股票據，並以透過抵銷本公司當時一間附屬公司所欠之款項支付(見財務報告附註17)。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

32. Contingent Liabilities

- (a) At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

	Company 公司
2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Guarantees given in connection with tenancy agreements entered into by subsidiaries 就附屬公司所訂立之租賃協議作出之擔保	47,808
Guarantees given to banks in connection with banking facilities granted to subsidiaries 就附屬公司所獲的銀行融資向銀行作出之擔保	118,557
	166,365
	53,852
	118,557
	172,409

- (b) At 31 December 2002, the Group had a number of current employees who have completed the required number of years of service to the Group under the Hong Kong Employment Ordinance (the "Employment Ordinance") in order to be eligible for long service payments if their employment is terminated under certain circumstances. If the employment of all these employees were terminated on 31 December 2002 under circumstances meeting the requirements of the Employment Ordinance, the Group's and the Company's contingent liability in respect of possible future long service payments at that date would have been approximately HK\$8,882,000 (2001: HK\$7,975,000) and HK\$521,000 (2001: HK\$211,000), respectively. No provision has been made in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group and the Company.

32. 或然負債

- (a) 於結算日，未於財務報告內作出撥備之或然負債如下：

- (b) 於二零零二年十二月三十一日，本集團多名僱員截至結算日已完成香港僱傭條例（「僱傭條例」）所規定年資，合資格於終止受聘時領取長期服務金。倘若所有該等員工均於二零零二年十二月三十一日根據僱傭條例所訂情況被終止受聘，本集團及本公司於二零零二年十二月三十一日就可能須支付之長期服務金之或然負債應分別約為8,882,000港元（二零零一年：7,975,000港元）及521,000港元（二零零一年：211,000港元）。現無就有關可能須支付之款項作出撥備，因為本公司認為有關情況不會導致本集團及本公司資源日後嚴重流出。

33. Operating Lease Arrangements

(a) As lessor

The Group leased its properties for sale (note 22) under operating lease arrangements, with leases negotiated for terms ranging from 1 to 4 years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rental adjustments according to the then prevailing market conditions. The properties for sale were effectively disposed of upon the Deemed Disposal.

33. 經營租約安排

(a) 作為出租人

本集團根據經營租約安排出租其若干待出售物業（附註22），經協商之租期介乎一年至四年。租約條款一般要求租客支付按金以及規定定期根據當時市況作出租金調整。該等待出售物業已於視作出售事項進行時實際出售。

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

33. Operating Lease Arrangements (cont.)

(a) As lessor (cont.)

At the balance sheet date, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	Group 集團	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Within one year 一年內		–	269
In the second to fifth years, inclusive 第二至五年(包括首尾兩年)		–	243
		–	512

(b) As lessee

The Group leases certain of its medical centres, office premises and elderly care homes under operating lease arrangements. Leases for properties are negotiated for terms ranging from 1 to 6 years and rentals are normally fixed in accordance with the respective tenancy agreements and no arrangements have been entered into for contingent rental payments.

At 31 December 2002, the Group and the Company had total future minimum lease payments under non-cancellable operating leases in respect of land and buildings falling due as follows:

33. 經營租約安排(續)

(a) 作為出租人(續)

於結算日，本集團可根據與租客訂立之不可撤銷經營租約按以下年期收取之未來最低租金總額如下：

(b) 作為承租人

本集團根據經營租約安排租用若干醫療中心、辦公室物業及護老院。經協商之物業租賃租期介乎一年至六年，而租金通常乃根據各租約釐定，且並無就或然租金付款訂立安排。

於二零零二年十二月三十一日，根據不可撤銷之經營租約，本集團及本公司須按以下年期支付土地及樓宇之未來最低租金總額如下：

	Group 集團	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	Company 公司	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Within one year 一年內		65,940	66,895		670	780
In the second to fifth years, inclusive 第二至五年(包括首尾兩年)		64,757	103,226		715	65
After five years 五年後		329	113		–	–
		131,026	170,234		1,385	845

Notes to Financial Statements (cont.) 財務報告附註(續)

31 December 2002 二零零二年十二月三十一日

34. Capital Commitments

At the balance sheet date, the Group and the Company did not have any significant capital commitments (2001: Nil).

35. Related Party Transactions

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

- (i) During the year, an independent non-executive director of the Company, Ronald Carstairs was the vice chairman/non-executive director of Dah Sing Financial Holdings Limited ("Dah Sing"). During the year, the Group placed certain deposits with Dah Sing Bank Limited, a subsidiary of Dah Sing and thereby earned interest income of approximately HK\$81,000 (2001: HK\$208,000) at prevailing bank deposit rates. In addition, certain bank and factoring loans were drawn from Dah Sing Bank Limited, with interest rates ranging from Hong Kong dollar prime lending rate plus 1% to 1.5% per annum. Interest expense of approximately HK\$2,906,000 was incurred during the year in respect thereof (2001: HK\$6,037,000). Ronald Carstairs retired as vice chairman/non-executive director of Dah Sing with effect from 29 November 2002.
- (ii) Cheng Mo Chi, Moses, an independent non-executive director of the Company, is a partner of P.C. Woo & Co., which is one of the Group's legal advisers. Mr. Cheng, however, is not the partner in charge of the provision of advisory services provided to the Group. The Group incurred costs of approximately HK\$365,000 (2001: HK\$96,000) for legal advisory services provided by P.C. Woo & Co. during the year. The directors consider that those services were provided at rate similar to those offered to other clients of that firm.
- (iii) In the prior year, the Group carried out construction work amounting to approximately HK\$30,713,000 for certain then related companies, in which certain then directors and/or then beneficial shareholders of certain subsidiaries were directors and/or beneficial shareholders of those companies. In the opinion of the directors, the construction work for related companies was carried out at prices determined on the cost plus a percentage mark-up basis.

34. 資本承擔

於結算日，本集團及本公司並無任何重大資本承擔(二零零一年：無)。

35. 有關連人士之交易

本集團於年內有下列並未於財務報告其他部份作出披露之重大關連人士交易：

- (i) 年內，本公司之獨立非執行董事Ronald Carstairs乃大新金融集團有限公司(「大新」)之副主席／非執行董事。年內，本集團於大新之附屬公司大新銀行存放若干存款，並按當時銀行存款利率賺取約81,000港元(二零零一年：208,000港元)之利息收入。此外，本集團向大新銀行取得若干銀行及貼現貸款，年利率為港元最優惠之貸款利率加1厘至1.5厘，並於年內支付約2,906,000港元之利息開支(二零零一年：6,037,000港元)。Ronald Carstairs先生已自二零零二年十一月二十九日起退任大新副主席／非執行董事。
- (ii) 本公司獨立非執行董事鄭慕智先生為本集團其中一名法律顧問胡百全律師事務所之合夥人。儘管如此，鄭先生並非負責向本集團提供顧問服務之合夥人。年內，本集團就胡百全律師事務所所提供之法律顧問服務所涉及之費用約為365,000港元(二零零一年：96,000港元)。董事認為有關服務按該公司其他客戶所適用之收費水平提供。
- (iii) 於上年度，本集團為若干當時之關連公司(若干附屬公司於當時之董事及／或實益股東是該等公司之董事及／或實益股東)進行的建築工程涉及金額約30,713,000港元。董事認為，替有關連公司進行之建築工程之價格乃按照成本加上若干百分比之提價來釐定。

Notes to Financial Statements (cont.) 財務報告附註(續)

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35.Related Party Transactions (cont.)

(iv) On 26 March 2001, EHA entered into an agreement with New Luck Assets (“New Luck”) in relation to the disposal of KWC BVI for a cash consideration of HK\$88 million. New Luck was 86.05% owned by Chinney Investments, Limited (“Chinney”) and 13.95% owned by Zuric Yuen Keung Chan (“Mr Chan”), a then director of EHA both of whom are beneficial shareholders of KWC BVI. On the same date, the Warrantors (Chinney, Mr. Chan and Johnny Yu), EHA, Chinney Contractors Company Limited (“CCC”) and the custodian of a custodian account entered into a supplemental deed pursuant to which the Company unconditionally agreed that, subject to the completion of the disposal of KWC BVI and the approval of the Company’s independent shareholders, all monies amounting to HK\$89,999,999 (plus accrued interest) be released to the Warrantors from a custodian accounts. CCC was 77.11% owned by Chinney, 12.5% by Mr. Chan and 10.39% by Johnny Yu who was also a director of KWC BVI. James Wong (a director of KWC BVI and a former director of EHA up to his resignation on 27 July 2000) had a significant beneficial interest in Chinney, which was the holding company of New Luck. Further details of these transactions are set out in a circular of the Company dated 17 April 2001.

36.Post Balance Sheet Event

Subsequent to the balance sheet date, a senior executive of the Group has alleged that he has been constructively dismissed by the Company and has demanded a termination payment under his service agreement amounting to approximately HK\$1.8 million. However formal proceedings have not been instituted as of the date on which these financial statements were approved. Based on the advice from the Company’s legal advisor, the board of directors is of the view that the senior executive is not entitled to the payment demanded and, accordingly, no provision for any potential liability has been made at this stage.

35.有關連人士之交易(續)

(iv) 於二零零一年三月二十六日，EHA與New Luck Assets Limited (「New Luck」) 訂立一項內容有關出售KWC BVI之協議，現金代價為88,000,000港元。New Luck由建業實業有限公司(「建業實業」)擁有86.05%及EHA當時之董事陳遠強(「陳先生」)擁有13.95%。建業實業及陳先生為KWC BVI之實益股東。同日，本公司、擔保人(建業實業、陳先生及余榮生)、EHA、Chinney Contractors Company Limited (「CCC」) 以及一個托管戶口的托管人訂立補充契據，據此本公司無條件同意，待完成出售KWC BVI及獲得獨立股東批准後，所有共89,999,999港元之款項(加應計利息)將會由託管戶口解除及給予擔保人。CCC由建業實業、陳先生及余榮生(乃KWC BVI一名董事)分別擁有77.11%、12.5%及10.39%。鑒於王世榮(KWC BVI一名董事及在二零零零年七月二十七日前辭職為EHA一名前董事)於作為New Luck控股公司之建業實業擁有重大實益權益。該項交易的詳情載於本公司二零零一年四月十七日之通函內。

36.結算日後事項

結算日後，本集團一名高級行政人員指稱被本公司有計劃地解僱，並要求根據其服務協議支付終止聘用付款約1,800,000港元。但截至該日，尚未進行正式法律程序。根據本公司律師之意見，董事會認為該名高級行政人員無權獲得所要求款項，因此，現無就有關可能須支付之款項作出撥備。

Notes to Financial Statements (cont.) 財務報告附註(續)

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37. Comparative Amounts

As further explained in note 2 to the financial statements, due to the adoption of certain new and revised SSAPs during the year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, a prior year adjustment has been made and certain comparative amounts have been reclassified to conform with the current year's presentation.

38. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 18 March 2003.

37. 比較數字

誠如財務報告附註2所述，由於本年度採納若干項新頒佈及經修訂之會計實務準則，有關財務報告內若干項目及結餘之會計處理及呈列方式已作出修訂，以遵照有關新規定。因此，已作出上年度調整，而若干比較數字亦已重新分類，以符合本年度之呈列方式。

38. 通過財務報告

財務報告於二零零三年三月十八日獲董事會通過及授權刊發。