

賬目附註

NOTES TO THE ACCOUNTS

1. 主要會計政策

編製賬目所採納之主要會計政策如下：

(a) 編製基準

本賬目乃按照香港普遍採納之會計原則及香港會計師公會頒佈之準則編製。賬目並依據歷史成本常規法編製，惟若干投資證券、債務證券及其他投資乃按公平值列賬(見下文會計政策)。

於本年度，本集團採納下列由香港會計師公會頒佈之會計準則，該等會計準則於二零零三年一月一日或以後開始之會計期間生效：

會計實務準則第12號(經修訂)：所得稅

採納此新準則之影響載於以下之會計政策。

(b) 綜合賬基準

綜合賬包括本公司及其附屬公司計算至十二月三十一日之賬目。附屬公司指本集團控制董事會之組成、超過半數投票權或持有過半數發行股本之公司。於本年度內收購或售出之附屬公司，其業績由收購生效日起計或計至出售生效日止(如適用)入綜合損益賬內。

所有本集團內公司間之重大交易及結餘已於綜合賬目時對銷。

1. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these accounts are set out below:

(a) Basis of preparation

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants ("HKSA"). They have been prepared under the historical cost convention except that, as disclosed in the accounting policies below, certain investment securities, debt securities and other investments are stated at fair value.

In the current year, the Group adopted the following Statement of Standard Accounting Practice ("SSAPs") issued by the HKSA which is effective for accounting periods commencing on or after 1st January, 2003:

SSAP 12 (revised) : Income Taxes

The effect of adopting this new standard is set out in the accounting policies below.

(b) Consolidation

The consolidated accounts include the accounts of the Company and its subsidiaries made up to 31st December. Subsidiaries are those entities in which the Group controls the composition of the board of directors, controls more than half the voting power or holds more than half of the issued share capital. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

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1. 主要會計政策(續)

(b) 綜合賬基準(續)

少數股東權益指外界股東在附屬公司之經營業績及資產淨值中擁有之權益。

在本公司之資產負債表內，附屬公司之投資以成本值扣除減值虧損準備入賬。本公司將附屬公司之業績按已收及應收股息入賬。

(c) 投資

- (i) 聯營公司(並非附屬公司)為本集團持有其股權作為長期投資，並對其管理具有重大影響力之公司。

綜合損益賬包括本集團所佔聯營公司之本年度業績，而綜合資產負債表包括本集團所佔聯營公司之資產淨值及收購產生之商譽／負商譽(扣除累計攤銷)。

在本公司之資產負債表內，聯營公司之投資以成本值減去減值虧損準備列賬。本公司將聯營公司之業績按已收及應收股息入賬。

當在聯營公司之投資賬面值到達零，便不再採用權益會計法，除非本集團就該聯營公司已產生承擔或有擔保之承擔。

- (ii) 成立共同控權合資公司乃一項合約安排，據此本集團及其他訂約方進行一項受共同控制之經濟活動，而參與各方概不能單方面控制對該經濟活動。

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Consolidation (continued)

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

In the Company's balance sheet the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(c) Investments

- (i) An associated company is a company, not being a subsidiary, in which an equity interest is held for the long-term and significant influence is exercised in its management.

The consolidated profit and loss account includes the Group's share of the results of associated companies for the year, and the consolidated balance sheet includes the Group's share of net assets of the associated companies and also goodwill/negative goodwill (net of accumulated amortisation) on acquisition.

In the Company's balance sheet the investments in associated companies are stated at cost less provision for impairment losses. The results of associated companies are accounted for by the Company on the basis of dividends received and receivable.

Equity accounting is discontinued when the carrying amount of the investment in an associated company reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associated company.

- (ii) A jointly controlled entity is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity.

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1. 主要會計政策(續)

(c) 投資(續)

綜合損益賬包括本集團應佔共同控權合資公司本年度業績，而綜合資產負債表則包括本集團應佔共同控權合資公司之資產淨值及收購產生之商譽／負商譽(扣除累計攤銷)。

在本公司之資產負債表內，共同控權合資公司之投資以成本值減去減值虧損準備列賬。本公司將共同控權合資公司之業績按已收及應收股息入賬。

共同控權合資公司尚未開展業務。

- (iii) 投資證券包括並非為買賣用途而持有之上市及非上市證券，分別按結算日之公平值及董事會所作估值列賬。個別證券之公平值或董事會所作估值之變動均計入重估投資儲備，直至證券售出或確定減值為止。出售證券時，代表出售所得款項淨額與有關證券賬面值之差額之累計損益，將與撥自投資重估儲備之有關盈餘／虧絀一併計入損益賬。

個別投資均定期檢討，以釐定是否有減值。當投資被視為出現減值時，於重估投資儲備中記錄之累計虧損在損益賬中支銷。

因出現減值而從重估投資儲備撥入損益賬之數額，將於導致減值之情況及事件不再出現時自損益賬內撥回。

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(c) Investments (continued)

The consolidated profit and loss account includes the Group's share of the results of jointly controlled entities for the year, and the consolidated balance sheet includes the Group's share of the net assets of the jointly controlled entities and goodwill/negative goodwill (net of accumulated amortisation) on acquisition.

In the Company's balance sheet, the investments in jointly controlled entities are stated at cost less provision for impairment losses. The results of jointly controlled entities are accounted for by the Company on the basis of dividends received and receivable.

The jointly controlled entities have not started operation.

- (iii) Investment securities including those listed and unlisted securities which are held for non-trading purpose are stated at fair value and directors' valuation respectively at the balance sheet date. Changes in the fair value or directors' valuation of individual securities are credited or debited to the investment revaluation reserve until the security is sold, or is determined to be impaired. Upon disposal, the cumulative gain or loss representing the difference between the net sales proceeds and the carrying amount of the relevant security, together with any surplus/deficit transferred from the investment revaluation reserve, is dealt with in the profit and loss account.

Individual investments are reviewed regularly to determine whether they are impaired. When an investment is considered to be impaired the cumulative loss recorded in the investment revaluation reserve is taken to the profit and loss account.

Transfers from the investment revaluation reserve to the profit and loss account as a result of impairments are written back in the profit and loss account when the circumstances and events leading to the impairment cease to exist.

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1. 主要會計政策(續)

(c) 投資(續)

- (iv) 其他投資及債務證券按公平值入賬。於每年結算日，因其他投資及債務證券之公平值變動而產生之未變現盈虧淨額將計入損益賬。出售其他投資及債務證券之盈虧即出售所得款項淨額與賬面值之差額，概於出現時計入損益賬。

(d) 經營及其他應收款

凡被視為屬呆賬之經營及其他應收款，均提撥準備。在資產負債表內列賬之經營及其他應收款已扣除有關之準備金。

(e) 現金及現金等價物

現金及現金等價物按成本在資產負債表內列賬。在現金流量表中，現金及現金等價物包括手頭現金、銀行通知存款、由投資日起計三個月內到期之現金投資及銀行透支。

(f) 或然負債及或然資產

或然負債指因為過往事件而可能引起之承擔，而其存在只能就集團控制範圍以外之一宗或多宗不確定未來事件之出現而確認。或然負債亦可能是因為過往事件引致之現有承擔，但由於可能不需要有經濟資源流出，或承擔金額未能可靠衡量而未有記賬。

或然負債不會被確認，但會在賬目附註中披露。假若資源流出之可能性改變導致可能出現資源流出，則確認為準備。

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(c) Investments (continued)

- (iv) Other investments and debt securities are carried at fair value. At each balance sheet date, the net unrealised gains or losses arising from the changes in fair value of other investments and debt securities are recognised in the profit and loss account. Profits or losses on disposal of other investments and debt securities, representing difference between the net sales proceeds and the carrying amounts, are recognised in the profit and loss account as they arise.

(d) Trade and other receivables

Provision is made against trade and other receivables to the extent they are considered to be doubtful. Trade and other receivables in the balance sheet are stated net of such provision.

(e) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, cash investments with a maturity of three months or less from date of investment and bank overdrafts.

(f) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

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NOTES TO THE ACCOUNTS

1. 主要會計政策(續)

- (f) 或然負債及或然資產(續)
或然資產指因為過往事件而可能產生之資產，而其存在只能就集團控制範圍以外之一宗或多宗不確定事件之出現而確認。

或然資產不會被確認，但會於經濟收益有可能流入時在賬目附註中披露。若實質確定有收益流入，則確認為資產。

(g) 遞延稅項

遞延稅項乃採用負債法，就資產及負債之課稅基礎與其於賬目內賬面值間產生之暫時差異全數撥備。於結算日訂立或實際上訂立之稅率乃用作計算遞延稅項。

遞延稅項資產乃以日後有可能動用作為與暫時差異抵銷之應課稅溢利為限予以確認。

遞延稅項乃就於附屬公司、聯營公司及共同控權合資公司之投資產生之暫時差異撥備，惟撥回暫時差異之時間可予控制及有可能不會於可見將來撥回暫時差異則另作別論。

於過往年度，遞延稅項乃按現行稅率，就課稅而計算之溢利與賬目載列之溢利間之時差入賬，惟以預期於可見將來應支付或應收回之負債或資產之數額為限。採納新增之會計實務準則第12號代表會計政策有所改變，並須作出追溯應用。然而，此項會計政策變動被視為對本集團於過往年度之業績並無重大影響，因此，期初結餘及比較數字並無予以重列。

(h) 收益確認

股息收入在收取股息之權利確定時確認。銀行利息及債務證券利息收入在考慮未償還本金額及適用利率後按時間比例確認。

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(f) **Contingent liabilities and contingent assets (continued)**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

Contingent assets are not recognised but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(g) **Deferred taxation**

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

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

In prior years, deferred taxation was accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset was expected to be payable or recoverable in the foreseeable future. The adoption of the new SSAP 12 represents a change in accounting policy which requires retrospective application. However, the effect of this change in accounting policy is considered not material to the Group's results in prior years and therefore the opening balances and comparative figures herein have not been restated.

(h) **Revenue recognition**

Dividend income is recognised when the right to receive payment is established. Bank interest income and interest income from debt securities are recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

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1. 主要會計政策(續)

(i) 外幣換算

以外幣進行之交易以交易日期之匯率折算。於結算日以外幣顯示之貨幣資產及負債均按結算日之匯率折算。一切滙兌差額均撥入損益賬。

(j) 借貸成本

所有借貸成本於產生之年度在損益賬扣除。

2. 營業額

本公司及其附屬公司之主要業務為持有上市及非上市證券。

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(i) Translation of foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. All exchange differences are dealt with in the profit and loss account.

(j) Borrowing costs

All borrowing costs are charged to the profit and loss account in the year in which they are incurred.

2. TURNOVER

The principal activity of the Company and its subsidiaries is the holding of listed and unlisted securities.

	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Interest income from debt securities 債務證券之利息收入	3,697,106	8,457,644
Bank interest income 銀行利息收入	3,592,553	7,711,270
Dividend income from 來自下列項目之股息收入		
– listed investments 上市投資	107,600	479,651
– unlisted investments 非上市投資	282,324	206,768
	7,679,583	16,855,333

本集團只從事單一投資控股業務。

由於本集團綜合營業額及綜合經營業績少於10%源自海外業務，故無按地域分析本集團之營業額及經營業績。

The Group operates in a single business segment of investments holding.

No geographical analysis is provided as less than 10% of the consolidated turnover and less than 10% of the consolidated trading results of the Group are attributable to operations outside Hong Kong.

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3. 經營溢利

3. OPERATING PROFIT

	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Operating profit is stated after charging/(crediting) the following: 經營溢利已扣除／(計入)下列各項：		
Staff cost (excluding directors' emoluments) 員工成本(董事酬金除外)	390,332	535,900
Depreciation and impairment of fixed assets 固定資產折舊及耗蝕	—	392,097
Auditors' remuneration 核數師酬金	180,000	200,000
Net exchange loss/(gain) 外匯虧損／(收益)淨額	4,391,351	(29,755,357)

4.(a) 董事酬金

4.(a) DIRECTORS' EMOLUMENTS

	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Fees: 袍金：		
Executive directors 執行董事	100,000	100,000
Non-executive directors 非執行董事	80,000	80,000
	180,000	180,000

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4.(a) 董事酬金 (續)

上述袍金乃根據所有董事(包括執行及非執行董事)對本集團之服務按服務年期比例支付。

支付予董事之酬金組別如下：

Emolument band (HK\$) 酬金組別 (港元)	Number of directors 董事數目	
	2003 二零零三年	2002 二零零二年
nil – 1,000,000 無 – 1,000,000	9	9

4.(b) 五位最高薪酬人士

本年度本集團五位最高薪酬人士包括三名董事，其酬金已反映在附註4(a)內。其餘二位(二零零二年：一位)僱員本年度的薪酬分析如下：

4.(b) FIVE HIGHEST PAID INDIVIDUALS

The five individuals whose emoluments were the highest in the Group for the year include three directors whose emoluments are reflected in the analysis presented in 4(a). The emoluments payable to two (2002: one) employees during the year are as follows:

	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Basic salaries 基本薪金	280,300	483,600
Bonus 花紅	20,000	40,300
Retirement scheme contribution 退休計劃供款	13,000	12,000
Termination benefits 終止僱用福利	77,032	—
	390,332	535,900

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5. 稅項

香港利得稅乃按本年度之估計應課溢利以稅率17.5% (二零零二年：16%) 提撥準備。於二零零三年，政府制訂更改利得稅，將二零零三年／二零零四年財政年度，稅率由16%更改至17.5%。

於綜合損益賬(入賬)／扣除之稅項款額乃指：

5. TAXATION

Hong Kong profits tax has been provided at the rate of 17.5% (2002: 16%) on the estimated assessable profits for the year. In 2003, the government enacted a change in the profits tax rate from 16% to 17.5% for the fiscal year 2003/2004.

The amount of taxation (credited)/charged to the consolidated profit and loss account represents:

	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Current taxation 本年度稅項		
– (Over)/under provisions in prior years – 過往年度(超額撥備)／撥備不足	(4,781,725)	648,133
Share of taxation attributable to: 攤佔下列公司之稅項：		
Associated companies 聯營公司	(16,961)	57,237
Taxation (credit)/charge 稅項(撥回)／支出	(4,798,686)	705,370

由於資產及負債之課稅基礎及其賬面值之暫時差異對本集團並無重大影響，故毋須確認遞延稅項。

遞延收入稅項資產乃就所結轉之稅項虧損而予以確認，惟以有可能透過日後之應課稅溢利變現之相關稅項利益為限。於二零零三年十二月三十一日，本集團之未確認估計稅項虧損為2,145,217港元(二零零二年：2,145,217港元)，可予以結轉以抵銷日後之應課稅收入。此等稅項虧損並無屆滿日期。

Deferred tax is not recognised as the temporary differences between the tax bases of assets and liabilities and their carrying amounts are not material to the Group.

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. As at 31st December, 2003, the Group has unrecognised estimated tax losses of HK\$2,145,217 (2002: HK\$2,145,217) to carry forward against future taxable income. These tax losses have no expiry date.

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5. 稅項 (續)

本集團之除稅前溢利稅項與採用本公司所在國家之稅率計算之理論款額之差異如下：

5. TAXATION (continued)

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the taxation rate of the home country of the Company as follows:

	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Profit before taxation (excluding share of profits less losses of associated companies) 除稅前溢利 (不包括所佔聯營公司溢利減虧損)	134,610,171	4,924,213
Calculated at a taxation rate of 17.5% (2002: 16%) 按稅率17.5% (二零零二年: 16%) 計算	23,556,780	787,874
Income not subject to taxation 毋須課稅之收入	(30,494,332)	(3,171,366)
Expenses not deductible for taxation purposes 就課稅而言不可扣減之開支	7,361,269	2,383,492
Utilisation of previously unrecognised tax losses 動用先前未確認之稅項虧損	(423,717)	—
(Over)/under provisions in prior years 過往年度 (超額撥備) / 撥備不足	(4,781,725)	648,133
Taxation (credit)/charge before share of taxation of associated companies 除所佔聯營公司稅項之稅項 (撥回) / 支出	(4,781,725)	648,133
Share of taxation of associated companies 所佔聯營公司稅項	(16,961)	57,237
Taxation (credit)/charge 稅項 (撥回) / 支出	(4,798,686)	705,370

6. 股東應佔溢利

列於本公司賬目上之股東應佔溢利為139,089,781港元 (二零零二年: 股東應佔虧損44,196,095港元)。

6. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit attributable to shareholders is dealt with in the accounts of the Company to the extent of HK\$139,089,781 (2002: loss attributable to shareholders of HK\$44,196,095).

7. 股息

7. DIVIDENDS

	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Interim, paid, nil (2002: HK2 cents) per ordinary share 已付中期股息每股普通股: 無 (二零零二年: 港幣2仙)	—	33,823,440
Final, proposed, nil (2002: HK2 cents) per ordinary share 擬派末期股息每股普通股: 無 (二零零二年: 港幣2仙)	—	33,823,440
	—	67,646,880

賬目附註

NOTES TO THE ACCOUNTS

8. 每股盈利

每股基本及攤薄盈利乃根據本集團之股東應佔溢利143,401,200港元(二零零二年: 18,379,605港元)計算。

每股基本盈利乃根據年內已發行之普通股數目合共1,691,171,989股(二零零二年: 1,691,171,989股)計算。

鑑於所有於二零零二年十二月三十一日尚未行使之購股權獲行使不會對每股盈利造成攤薄影響，故並無呈報截至二零零二年十二月三十一日止年間之每股攤薄盈利。

鑑於購股權於二零零三年五月期滿，截至二零零三年十二月三十一日止年間之每股盈利並無攤薄影響。

9. 財務費用

8. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share are based on the Group's profit attributable to shareholders of HK\$143,401,200 (2002: HK\$18,379,605).

The basic earnings per share is based on the number of 1,691,171,989 (2002: 1,691,171,989) ordinary shares in issue during the year.

For the year ended 31st December, 2002, the diluted earnings per share was not disclosed as the exercise of the share options outstanding would have no dilutive effect.

For the year ended 31st December 2003, there was no dilutive effect on earnings per share as the share options expired in May, 2003.

9. FINANCE COST

	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Interest on loan from a financial institution 財務機構之貸款利息	762,596	288,262
Bank charges 銀行費用	125,442	92,296
	888,038	380,558

賬目附註

NOTES TO THE ACCOUNTS

10. 附屬公司

10. SUBSIDIARIES

	Company	
	本公司	
	2003	2002
	二零零三年	二零零二年
	HK\$	HK\$
	港元	港元
Unlisted shares, at cost 非上市股份，按成本	1,503,177	1,503,179
Amounts due from subsidiaries 附屬公司欠款	883,172,263	949,019,417
Amounts due to subsidiaries 欠附屬公司款項	(136,969,989)	(141,993,892)
Impairment 耗蝕	(393,662,298)	(492,886,411)
	354,043,153	315,642,293

附屬公司欠款及欠附屬公司款項均為無抵押，免息及不設固定償還期。

Amounts due from subsidiaries and amounts due to subsidiaries are unsecured, interest free and have no fixed terms of repayment.

以下為各間附屬公司之詳情：

Details of the subsidiaries are as follows:

Name	Place of incorporation/ operation 註冊成立/ 營業地點	Principal activities	Particulars of issued share capital	Group's equity interest 本集團之股本權益
Asia Vision Holdings Limited 亞洲創見控股有限公司	Hong Kong 香港	Dormant 暫無營業	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%

賬目附註

NOTES TO THE ACCOUNTS

10. 附屬公司 (續)

Name	Place of incorporation/ operation 註冊成立/ 營業地點
公司名稱	營業地點
Capital Sharp Investment Limited 昌鍵投資有限公司	Hong Kong 香港
Contana Investment Limited 家利投資有限公司	Hong Kong 香港
Grand Fast Investments Limited	British Virgin Islands 英屬處女群島
The Hong Kong Equity Guarantee Corporation Limited	Hong Kong 香港
Long Lead Investments Limited 朗領投資有限公司	Hong Kong 香港

10. SUBSIDIARIES (continued)

Principal activities	Particulars of issued share capital	Group's equity interest 本集團之股本權益
主要業務	已發行股本詳情	
Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Dormant 暫無營業	1 ordinary share of US\$1 1股普通股，面值1美元	100%
Dormant 暫無營業	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%

賬目附註

NOTES TO THE ACCOUNTS

10. 附屬公司 (續)

Name	Place of incorporation/ operation 註冊成立/ 營業地點
公司名稱	
Long Oceanic Development Limited 長海發展有限公司	Hong Kong 香港
Long Rainbow Limited 大利標有限公司	Hong Kong 香港
Long Resources Limited 隆源有限公司	Hong Kong 香港
Long Scene Limited 朗倩有限公司	Hong Kong 香港
Long Set Investments Limited 朗式投資有限公司	Hong Kong 香港
Longfine Investment Limited 朗利投資有限公司	Hong Kong 香港

10. SUBSIDIARIES (continued)

Principal activities	Particulars of issued share capital	Group's equity interest 本集團之股本權益
主要業務	已發行股本詳情	
Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%

賬目附註

NOTES TO THE ACCOUNTS

10. 附屬公司 (續)

10. SUBSIDIARIES (continued)

Name	Place of incorporation/ operation 註冊成立/ 營業地點	Principal activities	Particulars of issued share capital	Group's equity interest 本集團之股本權益
公司名稱		主要業務	已發行股本詳情	
Longjoy Development Limited 朗悅發展有限公司	Hong Kong 香港	Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Longson Limited 朗星有限公司	Hong Kong 香港	Investment holding 投資控股	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Mark Light Limited 貴健有限公司	Hong Kong 香港	Dormant 暫無營業	2 ordinary shares of HK\$1 each 2股普通股，每股面值1港元	100%
Mix Limited	Hong Kong 香港	Investment holding 投資控股	1,400,000 ordinary shares of HK\$1 each 1,400,000股普通股，每股面值1港元	100%
NV Limited (Previously NetValue Limited) (Indirectly held) (前為聯智環球有限公司) (非直接持有)	Hong Kong 香港	Dormant 暫無營業	7,846 ordinary shares of HK\$1 each 7,846股普通股，每股面值1港元 2,154 preference shares of HK\$8,755 each 2,154股優先股，每股面值8,755港元	100%

賬目附註

NOTES TO THE ACCOUNTS

10. 附屬公司 (續)

Name	Place of incorporation/ operation 註冊成立/ 營業地點
公司名稱	
Odelon Limited	Hong Kong
協成利有限公司	香港
Odino Limited	Hong Kong
	香港
Kickradio.com Limited*	Hong Kong
	香港

除 NV Limited 外，所有附屬公司均由本公司直接持有。

* 此附屬公司非由羅兵咸永道會計師事務所審核。

10. SUBSIDIARIES (continued)

Principal activities	Particulars of issued share capital	Group's equity interest
主要業務	已發行股本詳情	本集團之股本權益
Investment holding	2 ordinary shares of HK\$1 each	100%
投資控股	2股普通股，每股面值1港元	
Dormant	2 ordinary shares of HK\$1 each	100%
暫無營業	2股普通股，每股面值1港元	
Internet radio broadcasting	13,125,000 ordinary shares of HK\$0.01 each	79%
網上電台廣播	13,125,000股普通股，每股面值0.01港元	

All subsidiaries, except NV Limited, are held directly by the Company.

* This subsidiary is not audited by PricewaterhouseCoopers.

賬目附註

NOTES TO THE ACCOUNTS

11. 聯營公司

11. ASSOCIATED COMPANIES

	本集團	
	2003	2002
	二零零三年	二零零二年
	HK\$	HK\$
	港元	港元
Share of net assets/(liabilities) 應佔資產／(負債)淨值	2,363,865	(1,645,439)
Loans to associated companies 借予聯營公司之貸款	137,028,135	138,028,135
Loans from an associated company 來自聯營公司之貸款	(220,305)	(220,305)
	139,171,695	136,162,391
Impairment 耗蝕	(38,418,041)	(38,418,041)
	100,753,654	97,744,350
Investments in unlisted associated companies, at cost 非上市聯營公司投資，按成本	11,127	11,127

借予／來自聯營公司之貸款均為無抵押，免息及不設固定償還期。

The loans to/from associated companies are unsecured, interest free and have no fixed terms of repayment.

賬目附註

NOTES TO THE ACCOUNTS

11. 聯營公司 (續)

非直接持有之聯營公司之詳情如下：

11. ASSOCIATED COMPANIES (continued)

Details of the indirectly held associated companies are as follows:

Name	Place of incorporation	Principal activities/ Place of business	Particulars of issued share capital	Group's effective interest
公司名稱	註冊成立地點	主要業務及 營業地點	已發行股本詳情	本集團之 有效權益
Honnex Development Limited*	Hong Kong	Property trading and letting in Hong Kong	Ordinary shares of HK\$1 each	33.3%
康恩發展有限公司*	香港	香港物業買賣及租賃	普通股，每股面值1港元	
China Power Investment Limited	British Virgin Islands 英屬處女群島	Dormant 暫無營業	Ordinary shares of US\$1 each 普通股，每股面值1美元	50%
Advance Super International Limited 浚裕國際有限公司	Hong Kong 香港	Dormant 暫無營業	Ordinary shares of HK\$1 each 普通股，每股面值1港元	50%
Long Vocation Investments Limited#	British Virgin Islands 英屬處女群島	Investment holding in Hong Kong 香港投資控股	Ordinary shares of HK\$1 each 普通股，每股面值1港元	33.3%

賬目附註

NOTES TO THE ACCOUNTS

11. 聯營公司 (續)

Name	Place of incorporation
公司名稱	註冊成立地點
J.J. Richardson (Holdings) Limited	Hong Kong 香港
* 康恩發展有限公司(「康恩」)主要從事旺角中心商舖及攤檔之買賣及租賃。	
# Long Vocation Investments Limited之業務為持有康恩。	

年內並無收到康恩任何股息。

根據康恩截至二零零三年十二月三十一日止年度之綜合財務報告，康恩之詳情如下：

11. ASSOCIATED COMPANIES (continued)

Principal activities/ Place of business	Particulars of issued share capital	Group's effective interest
主要業務及營業地點	已發行股本詳情	本集團之有效權益
Dormant 暫無營業	Ordinary shares of HK\$1 each 普通股，每股面值1港元	33%

* The principal activities of Honnex Development Limited ("Honnex") are trading and letting of shops and kiosks in Argyle Centre.

The activity of Long Vocation Investments Limited is the holding of Honnex.

No dividend was received from Honnex during the year.

In accordance with the consolidated financial statements of Honnex for the year ended 31st December, 2003, particulars of Honnex are as follows:

	<i>HK\$</i> 港元
Non-current assets 非流動資產	11,577,519
Current assets 流動資產	688,390,732
Current liabilities 流動負債	40,733,628
Non-current liabilities 非流動負債	698,010,039
Turnover 營業額	59,405,276
Profit after taxation 除稅後溢利	12,027,912

賬目附註

NOTES TO THE ACCOUNTS

12. 共同控權合資公司

12. JOINTLY CONTROLLED ENTITIES

	Group 本集團		Company 本公司	
	2003 二零零三年 HK\$ 港元		2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元
Share of net assets 攤佔資產淨值	77,850	—	77,850	—
Loans to jointly controlled entities 向共同控權合資公司貸款	9,670,627	—	9,670,627	—
	9,748,477	—	9,748,477	—
Unlisted shares, at cost 非上市股份，按成本	77,850	—	77,850	—

Name 公司名稱	Place of incorporation 註冊成立地點	Principal activities 主要業務	Percentage of interest in ownership 擁有權益百分比
IEC Investments Limited	Hong Kong 香港	Investment holdings 投資控股	37.85%
IEC Operations Limited	Hong Kong 香港	Management and operation of exhibition facilities 管理及經營展覽設施	40.00%

於二零零三年八月，本集團組成共同控權合資公司（「合資公司」），隨同香港特別行政區政府及機場管理局投資發展及經營位於香港國際機場之香港國際展覽中心（「國際展覽中心」）。於二零零三年十二月三十一日，本集團擁有該合資公司37.85%權益，而直至二零零四年八月二十三日止亦有權向一名關連人士支付所涉及之成本，以增加其於該合資公司之權益至60%。而該合資公司則擁有國際展覽中心13.5%權益。

於二零零三年十二月三十一日，本集團已抵押約165,000,000港元之銀行存款予銀行，以供發出備用信用證予合資公司。

In August 2003, the Group formed a jointly controlled entity ("JCE") to invest with the Hong Kong Government and the Airport Authority to develop and operate the Hong Kong International Exhibition Centre ("IEC") at the Hong Kong International Airport. As at 31st December, 2003, the Group had 37.85% interest in JCE and has a right until 23rd August, 2004 to increase its interest in JCE to 60% at cost from a connected person. That JCE in turn has 13.5% interest in IEC.

As at 31st December, 2003, the Group had pledged bank deposits of approximately HK\$165 million to banks for the issuance of standby letters of credit to JCE.

13. 投資證券

13. INVESTMENT SECURITIES

	Group 本集團	
	2003 二零零三年 HK\$ 港元	
Shares listed in Hong Kong, at market value 香港上市股份，按市值	10,159,904	99,576,224
Unlisted shares, at directors' valuation 非上市股份，按董事會估值	2	217,084
Other unlisted investments, at directors' valuation 其他非上市投資，按董事會估值	45,771,263	62,783,530
	55,931,169	162,576,838

賬目附註

NOTES TO THE ACCOUNTS

13. 投資證券 (續)

本集團 (續)

投資證券之詳情如下：

13. INVESTMENT SECURITIES (continued)

Group (continued)

Details of investment securities are as follows:

Name	Balance at 1.1.2003 二零零三年 一月一日 結餘 HK\$ 港元	Additions 增購 HK\$ 港元	Disposals 出售 HK\$ 港元	Impairment 耗蝕 HK\$ 港元	Surplus/ (Deficit) on revaluation 重估盈餘/ (虧絀) HK\$ 港元	Balance at 31.12.2003 二零零三年 十二月三十一日 結餘 HK\$ 港元	% of total assets of the Group 佔本集團 資產總值 百分比
Shares listed in Hong Kong							
香港上市股份							
Next Media Limited 壹傳媒有限公司	46,540,000	—	(46,540,000)	—	—	—	0.00%
Lam Soon (Hong Kong) Limited 南順(香港)有限公司	41,282,700	—	(41,282,700)	—	—	—	0.00%
e-New Media Company Limited 安寧數碼科技有限公司	3,622,000	1,151,234	—	—	71,855	4,845,089	0.60%
Value Convergence Holdings Limited 匯盈控股有限公司 (Previously iAsia Technology Limited) (前為亞洲網上交易科技有限公司)	2,910,307	—	—	(582,062)	—	2,328,245	0.29%
New World China Land Limited 新世界中國地產有限公司	2,289,804	—	(2,289,804)	—	—	—	0.00%
South China Morning Post (Holdings) Limited 南華早報(集團)有限公司	975,000	—	(975,000)	—	—	—	0.00%
Guangdong Investment Limited 粵海投資有限公司	849,835	—	(849,835)	—	—	—	0.00%
Dan Form Holdings Company Limited 丹楓控股有限公司	660,000	1,844,725	—	—	479,985	2,984,710	0.37%
Innovative International (Holdings) Limited 巨川國際(集團)有限公司	446,578	—	(446,578)	—	—	—	0.00%
Seapower Resources International Limited 凱暉國際實業有限公司 (前為海暉國際實業有限公司)	—	—	—	—	1,860	1,860	0.00%
	99,576,224	2,995,959	(92,383,917)	(582,062)	553,700	10,159,904	1.26%

賬目附註

NOTES TO THE ACCOUNTS

13. 投資證券(續)

本集團(續)

投資證券之詳情如下：

13. INVESTMENT SECURITIES (continued)

Group (continued)

Details of investment securities are as follows:

Name	Balance at 1.1.2003 二零零三年 一月一日	Additions	Disposals	Impairment	Surplus/ (Deficit) on revaluation 重估盈餘/ (虧絀)	Balance at 31.12.2003 二零零三年 十二月三十一日	% of total assets of the Group 佔本集團 資產總值 百分比
名稱	結餘 HK\$ 港元	增購 HK\$ 港元	出售 HK\$ 港元	耗蝕 HK\$ 港元	HK\$ 港元	結餘 HK\$ 港元	
Unlisted shares 非上市股份							
BOC China Fund Limited 中銀中國基金有限公司	217,079	—	(217,079)	—	—	—	0.00%
GH Water Supply (Holdings) Limited 粵港供水(控股)有限公司	1	—	(1)	—	—	—	0.00%
Guangdong Alliance Limited 廣聯有限公司	1	—	(1)	—	—	—	0.00%
Hong Kong Property Co Limited	1	—	(1)	—	—	—	0.00%
E-Med Limited 醫網有限公司	1	—	—	—	—	1	0.00%
Convergence Technologies Limited 嘉合科技有限公司	1	—	—	—	—	1	0.00%
	217,084	—	(217,082)	—	—	2	0.00%
Unlisted investments 非上市投資							
MYM High Yield Bond Trust (Previously Yu Ming High Yield Bond Trust) (前為 Yu Ming High Yield Bond Trust)	33,552,120	22,784,121	(33,552,120)	—	(854,556)	21,929,565	2.71%
Matignon Technologies FCPR	15,002,738	8,838,960	—	—	—	23,841,698	2.95%
MYM China Trust (Previously Yu Ming Matignon Trust 1) (前為 Yu Ming Matignon Trust 1)	14,228,672	—	(14,228,672)	—	—	—	0.00%
	62,783,530	31,623,081	(47,780,792)	—	(854,556)	45,771,263	5.66%
Total investment securities 投資證券總額	162,576,838	34,619,040	(140,381,791)	(582,062)	(300,856)	55,931,169	6.92%

賬目附註

13. 投資證券(續)

主要投資之投資證券詳情：

安寧數碼科技有限公司(「安寧數碼」)

安寧數碼從事提供電訊及數據服務，經營俱樂部、投資控股、證券買賣及提供電子商貿技術。

本集團目前持有20,884,000股安寧數碼股份，佔安寧數碼已發行股本1.27%，而投資成本扣除耗蝕準備後約為4,400,000港元。年內並無收到任何股息。按安寧數碼二零零三年六月三十日結算之中期報告所述，安寧數碼資產淨值約941,000,000港元。

MYM High Yield Bond Trust (“MYMBT”) (前為 Yu Ming High Yield Bond Trust)

MYMBT之主要業務為自二手市場上購入正在進行重組活動之高回報債務工具，將該等債務工具組成多元化投資組合進行投資，從而達到中期資本增長。

本集團持有101.46個MYMBT信託單位。投資成本約為2,900,000美元。本年度內並無收取股息。根據於二零零三年十二月三十一日發出之每週報告，本集團應佔MYMBT之資產淨值約為2,800,000美元。

NOTES TO THE ACCOUNTS

13. INVESTMENT SECURITIES (continued)

Particulars of major investments in investment securities :

e-New Media Company Limited (“e-New Media”)

e-New Media is engaged in provision of telecommunications and data bureau services, recreational club operation, investment holding, trading of securities and provision of e-commerce enabling technologies.

The Group currently holds 20,884,000 shares in e-New Media, representing 1.27% interest in the issued share capital of e-New Media. The cost of investment less provision for impairment is approximately HK\$4.4 million. No dividend was received during the year. Based on the interim report of e-New Media at 30th June, 2003, the net assets of e-New Media were approximately HK\$941 million.

MYM High Yield Bond Trust (“MYMBT”) (Previously Yu Ming High Yield Bond Trust)

The principal business activities of MYMBT is to achieve medium term capital growth through investments primarily in a diversified portfolio of high yield debt instruments available on the secondary market and going through restructuring exercises.

The Group holds 101.46 units in MYMBT. The cost of investment is approximately US\$2.9 million. No dividend was received during the year. Based on the weekly report as at 31st December, 2003, our share of net asset value of MYMBT was approximately US\$2.8 million.

賬目附註

13. 投資證券 (續)

MYMBT乃由MYM Management Limited (「MYMML」) (前為Yu Ming Matignon Management Limited) 管理。本公司之若干董事為MYMML之董事，擁有MYMML之間接股本權益。

Matignon Technologies FCPR (「Matignon Technologies」)

Matignon Technologies為封閉型基金，初期資本為50,000,000歐羅，旨在歐洲投資最近成立之高科技公司，尤其集中投資媒體及電訊公司、基因工程及從環境著眼的公司。投資組合中有非上市公司，並處於成立階段或早期融資階段。該基金由Matignon Investissement & Gestion管理。本公司其中一位董事乃Matignon Investissement & Gestion之董事總經理。

本集團目前持有500股F類及86股G類之Matignon Technologies股份，分別佔該已發行股份類別10%及4.3%權益。投資成本將為約5,000,000歐羅，已支付其中之3,750,000歐羅。年內並無收到任何股息。

NOTES TO THE ACCOUNTS

13. INVESTMENT SECURITIES (continued)

MYMBT is managed by MYM Management Limited ("MYMML") (previously Yu Ming Matignon Management Limited). Certain directors of the Company are directors of MYMML and have indirect equity interests in MYMML.

Matignon Technologies FCPR ("Matignon Technologies")

Matignon Technologies is a closed-end fund with an initial capital base of Euro 50 million. It aims at investing in recently set-up high technology companies in Europe, with particular emphasis on media and telecom, genetics and environment-focused companies. The portfolio is invested in unlisted companies, at a start-up stage or early-financing stage. The fund is managed by Matignon Investissement & Gestion. One of the directors of the Company is the managing director of Matignon Investissement & Gestion.

The Group currently holds 500 shares of class F and 86 shares of class G in Matignon Technologies representing 10% and 4.3% interest in that particular class of issued share capital of Matignon Technologies respectively. The total cost of investment will be approximately Euro 5 million of which Euro 3.75 million has been paid. No dividend was received during the year.

賬目附註

NOTES TO THE ACCOUNTS

14. 債務證券

本集團

債務證券之詳情如下：

14. DEBT SECURITIES

Group

Details of debt securities are as follows:

Name of issuer	Balance at 1.1.2003 二零零三年 一月一日 結餘 HK\$ 港元	Additions	Disposals	Surplus/ (Deficit) on revaluation 重估盈餘/ (虧絀) HK\$ 港元	Balance at 31.12.2003 二零零三年 十二月 三十一日結餘 HK\$ 港元	% of total assets of the Group 佔本集團 資產總值 百分比
Convertible notes						
可換股票據						
800 TeleServices Holding Limited	4,000,000	—	—	—	4,000,000	0.49%
Lai Sun Development Company Limited 麗新發展有限公司	3,563,731	—	(3,563,731)	—	—	0.00%
	7,563,731	—	(3,563,731)	—	4,000,000	0.49%
Bonds						
債券						
Xerox Corp.	12,987,000	—	(12,987,000)	—	—	0.00%
Federal – Mogul Corp.	3,510,000	—	—	1,170,000	4,680,000	0.58%
Marconi Plc	3,078,972	—	(3,078,972)	—	—	0.00%
WorldCom Inc.	1,813,500	25,173,720	—	(1,149,720)	25,837,500	3.19%
Polaroid Corp. – 2006	1,560,000	—	(1,560,000)	—	—	0.00%
K-Mart Corp.	1,131,000	—	(1,131,000)	—	—	0.00%
Polaroid Corp. – 2002	624,000	—	(624,000)	—	—	0.00%
ABB International Finance Limited	—	52,121,866	—	18,587,568	70,709,434	8.74%
Parmalat Capital Finance Limited	—	3,266,250	—	(2,603,250)	663,000	0.08%
	24,704,472	80,561,836	(19,380,972)	16,004,598	101,889,934	12.59%
	32,268,203	80,561,836	(22,944,703)	16,004,598	105,889,934	13.08%

於二零零三年十二月三十一日，本集團已抵押約132,000,000港元之銀行存款予一間財務機構，作為取得可供投資於債務證券所須資金之貸款抵押品。

As at 31st December, 2003, the Group had pledged bank deposit of approximately HK\$132 million to a financial institution to secure borrowing facilities available for financing the investment of debt securities.

賬目附註

NOTES TO THE ACCOUNTS

14. 債務證券 (續)

本集團 (續)

債務證券之詳情如下：

14. DEBT SECURITIES (continued)

Group (continued)

Particulars of major investments in debt securities:

Name of issuer 發行者名稱	Principal activities 主要業務	Original cost of investment 初期投資成本 HK\$ 港元
800 TeleServices Holding Limited	Total solution provider 完整解決方案供應商	4,000,000
Federal-Mogul Corp.	Manufacturing and distributing components for light trucks, automobiles, heavy duty trucks and industrial products 生產及分銷輕型貨車、汽車及載重貨車之部件及工業產品	5,534,100
ABB International Finance Limited	Manufacturing equipment and offering services to the power transmission and distribution, automation, oil, gas and petrochemicals industries, and offering construction and financial services 向電力輸送及配電、汽車、石油、天然氣及石化行業製造設備及提供服務，並提供建造及金融服務	52,121,866
WorldCom Inc.	Operating data, internet, hosting, international commercial voice businesses and a global facilities-based communications network that provides international data and internet services 經營數據、互聯網、寄存、國際商業話音業務及提供國際數據及互聯網服務之全球設施通訊網絡	29,736,720

賬目附註

NOTES TO THE ACCOUNTS

15. 經營及其他應收款

15. TRADE AND OTHER RECEIVABLES

	Group 本集團		Company 本公司	
	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Other receivables 其他應收款	103,943,040	40,889,366	46,629,382	37,108,733
	103,943,040	40,889,366	46,629,382	37,108,733

16. 經營及其他應付款

16. TRADE AND OTHER PAYABLES

	Group 本集團		Company 本公司	
	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Other payables 其他應付款	11,020,341	14,511,194	389,368	378,352
	11,020,341	14,511,194	389,368	378,352

17. 欠一間有關連公司款項

欠一間有關連公司款項均為無抵押、免息及不設固定償還期。

17. AMOUNTS DUE TO A RELATED COMPANY

Amounts due to a related company are unsecured, interest free and have no fixed terms of repayment.

賬目附註

NOTES TO THE ACCOUNTS

18. 股本

18. SHARE CAPITAL

	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
<i>Authorised:</i> 法定：		
2,100,000,000 (2002: 2,100,000,000) ordinary shares of HK\$0.10 each 2,100,000,000股(二零零二年：2,100,000,000股) 每股面值0.10港元之普通股	210,000,000	210,000,000
<i>Issued and fully paid:</i> 已發行及繳足：		
1,691,171,989 (2002: 1,691,171,989) ordinary shares of HK\$0.10 each 1,691,171,989股(二零零二年：1,691,171,989股) 每股面值0.10港元之普通股	169,117,199	169,117,199

於二零零零年四月十八日舉行之本公司股東特別大會上，一項購股權計劃獲得批准及採納。在二零零零年已將可認購本公司普通股167,000,000股之購股權批授予若干董事。每位董事就所批授之購股權而支付之代價為1.00港元。購股權可由接納日後三年內按每股普通股0.3184港元之行使價行使。購股權已於二零零三年五月失效。

在此購股權計劃下，年內並無購股權批授、行使或註銷，而於二零零三年十二月三十一日概無尚未行使之購股權。進一步詳情載於董事會報告內「購股權」一節。

At the Extraordinary General Meeting of the Company held on 18th April, 2000, the Share Option Scheme was approved and adopted. Options to subscribe for 167,000,000 ordinary shares of the Company were granted to selected directors in 2000. The consideration paid by each director for the options granted was HK\$1.00. The options can be exercised at an exercise price of HK\$0.3184 per ordinary share during a period of three years commencing from the date of acceptance. The share options were lapsed in May 2003.

No share options were granted, exercised or cancelled under the Share Option Scheme during the year and there were no outstanding option at 31st December, 2003. Further details of the Share Option Scheme are set out under the heading "Share Options" in the Report of the Directors.

賬目附註

NOTES TO THE ACCOUNTS

19. 儲備

(a) 本集團

19. RESERVES

(a) Group

	Share premium 股份溢價 HK\$ 港元	Investment revaluation reserve 重估投資儲備 HK\$ 港元	Capital redemption reserve 資本贖回儲備 HK\$ 港元	Retained earnings 保留盈利 HK\$ 港元	Total 總額 HK\$ 港元
At 1st January, 2002 二零零二年一月一日結算	311,582,062	12,958,363	4,031,600	156,095,912	484,667,937
Net surplus on revaluation of investment securities 重估投資證券之淨盈餘	—	18,953,162	—	—	18,953,162
Profit attributable to shareholders 股東應佔溢利	—	—	—	18,379,605	18,379,605
2001 Final dividend paid 二零零一年已派末期股息	—	—	—	(33,823,440)	(33,823,440)
2002 Interim dividend paid (note 7) 二零零二年已派中期股息 (附註7)	—	—	—	(33,823,440)	(33,823,440)
At 31st December, 2002 二零零二年 十二月三十一日結算	311,582,062	31,911,525	4,031,600	106,828,637	454,353,824
Representing: 相當於:					
2002 Final dividend proposed (note 7) 二零零二年擬派末期股息 (附註7)				33,823,440	
Other 其他				73,005,197	
Retained earnings at 31st December, 2002 二零零二年十二月三十一日 保留盈利				106,828,637	
Retained by: 保留於:					
Company and subsidiaries 本公司及附屬公司	311,582,062	31,911,525	4,031,600	148,482,508	496,007,695
Associated companies 聯營公司	—	—	—	(41,653,871)	(41,653,871)
	311,582,062	31,911,525	4,031,600	106,828,637	454,353,824

賬目附註

NOTES TO THE ACCOUNTS

19. 儲備 (續)

(a) 本集團 (續)

19. RESERVES (continued)

(a) Group (continued)

	Share premium 股份溢價 HK\$ 港元	Investment revaluation reserve 重估投資儲備 HK\$ 港元	Capital redemption reserve 資本贖回儲備 HK\$ 港元	Retained earnings 保留盈利 HK\$ 港元	Total 總額 HK\$ 港元
At 1st January, 2003 二零零三年一月一日結算	311,582,062	31,911,525	4,031,600	106,828,637	454,353,824
Net deficit on revaluation of investment securities 重估投資證券之淨虧絀	—	(31,822,196)	—	—	(31,822,196)
Profit attributable to shareholders 股東應佔虧損	—	—	—	143,401,200	143,401,200
2002 Final dividend paid (note 7) 二零零二年已派末期股息 (附註7)	—	—	—	(33,823,440)	(33,823,440)
At 31st December, 2003 二零零三年 十二月三十一日結算	311,582,062	89,329	4,031,600	216,406,397	532,109,388
Representing: 相當於:					
2003 Final dividend proposed (note 7) 二零零三年擬派末期股息 (附註7)				—	
Other 其他				216,406,397	
Retained earnings at 31st December, 2003 二零零三年十二月三十一日 保留盈利				216,406,397	
Retained by: 保留於:					
Company and subsidiaries 本公司及附屬公司	311,582,062	89,329	4,031,600	254,050,964	569,753,955
Associated companies 聯營公司	—	—	—	(37,644,567)	(37,644,567)
	311,582,062	89,329	4,031,600	216,406,397	532,109,388

賬目附註

NOTES TO THE ACCOUNTS

19. 儲備 (續)

(b) 本公司

	Share premium 股份溢價 HK\$ 港元	Capital redemption reserve 資本贖回儲備 HK\$ 港元	Retained earnings 保留盈利 HK\$ 港元	Total 總額 HK\$ 港元
At 1st January, 2002 二零零二年一月一日結算	311,582,062	4,031,600	189,426,693	505,040,355
Loss attributable to shareholders 股東應佔虧損	—	—	(44,196,095)	(44,196,095)
2001 Final dividend paid 二零零一年已派末期股息	—	—	(33,823,440)	(33,823,440)
2002 Interim dividend paid (note 7) 二零零二年已派中期股息 (附註7)	—	—	(33,823,440)	(33,823,440)
At 31st December, 2002 二零零二年十二月三十一日結算	311,582,062	4,031,600	77,583,718	393,197,380
At 1st January, 2003 二零零三年一月一日結算	311,582,062	4,031,600	77,583,718	393,197,380
Profit attributable to shareholders 股東應佔溢利	—	—	139,089,781	139,089,781
2002 Final dividend paid (note 7) 二零零二年已派末期股息 (附註7)	—	—	(33,823,440)	(33,823,440)
At 31st December, 2003 二零零三年十二月三十一日結算	311,582,062	4,031,600	182,850,059	498,463,721
			2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Representing: 相當於:				
2003 (2002) Final dividend proposed 二零零三(二零零二)年擬派末期股息			—	33,823,440
Other 其他			182,850,059	43,760,278
Retained earnings at 31st December 十二月三十一日保留盈利			182,850,059	77,583,718

20. 每股資產淨值

每股資產淨值按資產淨值701,226,587港元(二零零二年: 623,471,023港元)及於二零零三年十二月三十一日之已發行普通股1,691,171,989股(二零零二年: 1,691,171,989股)計算。

20. NET ASSET VALUE PER SHARE

The calculation of net asset value per share is based on the net assets of HK\$701,226,587 (2002: HK\$623,471,023) and the 1,691,171,989 (2002: 1,691,171,989) ordinary shares in issue as at 31st December, 2003.

賬目附註

NOTES TO THE ACCOUNTS

21. 綜合現金流量表之附註

經營溢利與經營所產生之現金(流出)／流入淨額之調節：

21. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT

Reconciliation of operating profit to net cash (outflow)/inflow generated from operations:

	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Operating profit 經營溢利	135,498,209	5,304,771
Depreciation and impairment of fixed assets 固定資產折舊及耗蝕	—	392,097
Impairment of investment securities 投資證券之耗蝕	582,062	41,172,546
Impairment of associated companies 聯營公司之耗蝕	—	3,698,481
Provision for bad debt 壞賬準備	1,700,000	6,200,000
Interest income from debt securities 債務證券之利息收入	(3,697,106)	(8,457,644)
Bank interest income 銀行利息收入	(3,592,553)	(7,711,270)
Dividend income 股息收入	(389,924)	(686,419)
Loan interest income 貸款利息收入	(1,036,442)	(2,242,314)
Profit on disposal of investment securities 出售投資證券之溢利	(108,586,564)	(38,613,890)
Profit on disposal of debt securities 出售債務證券之溢利	(25,728,444)	(6,862,147)
Profit on disposal of other investments 出售其他投資之溢利	(2,421,240)	—
Unrealized (gain)/losses on debt securities 債務證券之未變現(溢利)／虧損	(10,555,783)	23,835,790
Unrealized losses on other investments 其他投資之未變現虧損	—	1,459,300
Effect of foreign exchange rate changes on debt securities 債務證券之外幣匯率改變之結果	(5,448,815)	—
(Increase)/decrease in trade and other receivables 經營及其他應收款之(增加)／減少	(61,942,308)	6,051,074
Decrease in trade and other payables 經營及其他應付款之減少	(2,456,582)	(12,466,830)
Increase /(decrease) in amounts due to a related company 欠一間有關連公司款項之增加／(減少)	24,153,191	(16,688)
Net cash (outflow)/inflow generated from operations 經營所產生之現金(流出)／流入淨額	(63,922,299)	11,056,857

賬目附註

NOTES TO THE ACCOUNTS

22. 或然負債

- (a) 本公司就聯營公司所欠款項向一間銀行提供 33 $\frac{1}{3}$ % 之擔保，而本集團擁有該聯營公司 33 $\frac{1}{3}$ % 權益。該聯營公司於二零零三年十二月三十一日欠該銀行之未償還債項約為 393,000,000 港元（二零零二年：約為 421,000,000 港元）。
- (b) 本公司為一間全資附屬公司所獲一間財務機構提供之不超過 15,000,000 美元之受貸額提供擔保。於二零零三年十二月三十一日之未償還債務約為 7,400,000 歐羅（於二零零二年十二月三十一日：無）。

管理層預計上述來自日常業務之銀行及財務機構提供擔保不會產生重大負債。

22. CONTINGENT LIABILITIES

- (a) The Company has given a guarantee to a bank to secure 33 $\frac{1}{3}$ % of the outstanding indebtedness due by an associated company, of which the Group controlled 33 $\frac{1}{3}$ % interest in it. The amount of outstanding indebtedness due by the associated company to this bank as at 31st December, 2003 was approximately HK\$393 million (2002: HK\$421 million).
- (b) The Company has given a guarantee to a financial institution to secure the borrowing facilities available to a wholly-owned subsidiary in the amount not exceeding US\$15 million. The outstanding indebtedness at 31st December, 2003 was approximately Euro 7.4 million (at 31st December, 2002: Nil).

Management anticipates that no material liabilities will arise from the above material guarantees given to the bank and the financial institution which arose in the ordinary course of business.

賬目附註

NOTES TO THE ACCOUNTS

22. 或然負債(續)

- (c) 於二零零一年九月，本公司與周大福代理有限公司及馮永祥先生作為原告人(下稱「原告人」)向三名獨立第三方(下稱「被告人」)提出訴訟，追索被告人退回訂金和違反買賣九龍建業有限公司股份(下稱「建議收購」)之條款所造成之損失。涉及應收回本公司之訂金額約為17,000,000港元(包括在綜合資產負債表之「經營及其他應收款項目」中)。隨後，於二零零一年十月，被告人向原告人提起反訴訟，追索原告人賠償未完成建議收購所造成之損失。目前階段，董事們並無對該訂金和反訴訟作出撥備，因為董事們相信本公司對被告人的訴訟有合理的根據，但董事們及本公司之法律顧問都無法評估上述之訴訟對本公司之影響。

除上文所披露者外，就董事所知，本公司及其附屬公司並無尚未了結或可能提出或面臨威脅的重大訴訟或索償要求。

22. CONTINGENT LIABILITIES (continued)

- (c) In September 2001, the Company, together with Chow Tai Fook Nominee Limited and Mr. Fung Wing Cheung, Tony together referred to as the "Plaintiffs", issued a statement of claim against three independent third parties (the "Defendants") for the refund of a deposit made to the Defendants and related damages as a result of a breach of terms in an offer (the "Offer") relating to the sale and purchase of shares in Kowloon Development Company Limited. The deposit attributable to the Company amounts to approximately HK\$17 million and is included in "Trade and other receivable" on the consolidated balance sheet. Subsequently in October 2001, the Defendants served a counterclaim on the Plaintiffs for loss and damages as a result of the non-completion of the Offer. At this stage, the directors have not made any provision against the deposit and the counterclaim because they believe the Company have meritorious claims against the Defendants, however the directors and the Company's legal advisor are unable to assess the outcome and the effect of the above legal proceedings on the Company.

Saved as disclosed above, the directors are not aware of any litigation or claims of material importance pending or threatened against the Company or any of its subsidiaries.

賬目附註

NOTES TO THE ACCOUNTS

23. 承擔

23. COMMITMENTS

	Group	
	本集團	
	2003	2002
	二零零三年	二零零二年
	HK\$	HK\$
	港元	港元
Capital commitments for investments in investment securities 投資於投資證券之資本承擔		
Authorised but not contracted for 已批准但未簽約	12,221,625	18,408,825
Capital commitments for investments in jointly controlled entities 投資於共同控權合資公司之資本承擔		
Contracted but not provided for 已簽約但未撥備	123,917,598	—

24. 與有關連人士之交易

年內本集團曾與有關連公司進行下列重大交易：

24. RELATED PARTY TRANSACTIONS

The Group had the following material transactions with its related company during the year:

	Group	
	本集團	
	2003	2002
	二零零三年	二零零二年
	HK\$	HK\$
	港元	港元
Incentive fee expenses to a related company 給予一間有關連公司之獎金費用	23,463,680	—
Management fee expenses to a related company 給予一間有關連公司之投資管理費用	9,236,394	10,768,209

賬目附註

NOTES TO THE ACCOUNTS

24. 與有關連人士之交易 (續)

根據本集團與禹銘投資管理於一九九七年三月五日訂立並經股東於一九九七年三月二十七日批准之管理協議(「現行管理協議」)，禹銘投資管理同意由一九九七年三月二十七日起計五年內協助董事會處理本集團之日常管理工作。禹銘投資管理有權收取投資管理費用，金額相等於每季最後一日之資產淨值之0.375%，以及獎金費用(如有)，金額相等於各財政年度完結後之經審核之除稅前綜合溢利(未計獎金費用前)減去本集團於該年度之每月平均資產淨值6%後之超出數額之20%。而計算投資管理費用及獎金費用時，本公司之聯營公司將不會按權益會計法計算入每季及每月平均資產淨值及綜合除稅前溢利。

在二零零二年三月四日，獨立股東批准一份補充協議(「補充協議」)延長現行管理協議之到期日，直至二零零七年三月三十一日。補充協議中，管理費用維持不變。在補充協議中的有效期限內，如本集團錄得累計虧損時，禹銘投資管理將不收取獎金費用。因而，該項獎金費用金額為截至每年度十二月三十一日止經審核之除稅前綜合溢利(未計獎金費用前)，扣除補充協議中的有效期限內之累計虧損後，如有溢利，再減本集團每月平均綜合資產淨值6%後超出數額之20%。而計算投資管理費用及獎金費用時，本公司之聯營公司將不會按權益會計法計算入每季及每月平均資產淨值及綜合除稅前溢利。

25. 賬目之通過

本年度賬目已於二零零四年三月十五日由董事會通過。

24. RELATED PARTY TRANSACTIONS (continued)

Under the management agreement ("Existing Investment Management Agreement") approved by shareholders on 27th March, 1997 and dated 5th March, 1997 between the Group and YMIM, YMIM agreed to assist the board of directors with the day-to-day management of the Group for a period of five years commencing 27th March, 1997. YMIM will be entitled to a management fee equal to 0.375% of the net asset value on each quarter date and an incentive fee equal to 20% of such amount (if any) by which the audited consolidated profit before tax for each financial year completed (before adjusting for the incentive fee) exceeds such amount as is equal to 6% of average monthly net asset value of the Group for each such financial year. For the calculation of management fee and incentive fee, the associated companies of the Group will not be equity accounted for the purpose of calculating such quarterly and average monthly net asset value and consolidated profit before tax.

On 4th March, 2002, a supplemental agreement ("Supplemental Agreement") was approved by independent shareholders to extend the expiry date of the Existing Investment Management Agreement to 31st March, 2007. Under the Supplemental Agreement, the management fee remains unchanged. Pursuant to the Supplemental Agreement, YMIM will not be entitled to the incentive fee if the Group reports an accumulated loss during the term of the Supplemental Agreement at the time of the incentive fee computation. Therefore, the incentive fee will be equivalent to 20% of the amount by which the audited consolidated profit before tax for each year ending 31st December (before adjusting for the incentive fee), and after offsetting the accumulated losses during the term of the Supplemental Agreement, if any, exceeds 6% of the average monthly net asset value of the Group for such financial year. For the calculation of management fee and incentive fee, the associated companies of the Group will not be equity accounted for the purpose of calculating such quarterly and average monthly net asset value and consolidated profit before tax.

25. APPROVAL OF ACCOUNTS

The accounts were approved by the board of directors on 15th March, 2004.