

Notes on the Financial Statements 財務報表附註

For the year ended 31 December 2003 (Expressed in Hong Kong dollars)
截至二零零三年十二月三十一日止年度 (以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (which includes all applicable Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Society of Accountants (“HKSA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the financial statements

Measurement basis

The measurement basis used in the preparation of the financial statements is historical cost modified by the revaluation of investment properties and the marking to market of certain investments in securities as explained in the accounting policies set out below.

一. 主要會計政策

(a) 遵守聲明

此等財務報表是按照香港會計師公會（「香港會計師公會」）頒佈之所有適用香港財務申報準則（包括香港會計實務準則及詮釋）、香港公認會計原則及香港《公司條例》之規定而編製。此外，此等財務報表亦已遵照香港聯合交易所有限公司證券上市規則中適用的披露規定。本集團所採用之主要會計政策撮要載列如下。

(b) 財務報表編製基準

計算基準

編製財務報表所採用之計算基準為歷史成本，並經本文會計準則所闡釋之投資物業重估及若干投資證券以市價定值所修改（詳見下文會計政策所載）。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Subsidiaries

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors.

An investment in a subsidiary is consolidated into the consolidated financial statements, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Group, in which case, it is stated in the consolidated balance sheet at fair value with changes in fair value recognised in the consolidated profit and loss account as they arise.

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

Minority interests at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet separately from liabilities and the shareholders' equity. Minority interests in the results of the Group for the year are also separately presented in the profit and loss account.

一. 主要會計政策 (續)

(c) 附屬公司

根據香港《公司條例》，附屬公司為本集團直接或間接持有其一半以上已發行股本或控制其一半以上投票權或控制其董事會組合之公司。

在附屬公司之投資，一般均合併入綜合財務報表內。但若所購入及持有之附屬公司權益會在不久將來出售，或該公司的運作長期受到嚴重限制，以至嚴重影響其將資金轉移至本集團之能力，則集團在附屬公司之投資額按公允價值在綜合資產負債表列賬，而公允價值之變動則於出現時在綜合損益表內確認。

集團內公司間之結餘及交易和因此而產生之任何未變現盈利於編製綜合財務報表時悉數抵銷。倘並無出現耗損跡象，集團內公司間之交易所產生之未變現虧損則按照未變現收益之相同方式抵銷。

於結算日之少數股東權益，指並非由本公司直接或間接透過附屬公司擁有之股權所佔附屬公司之部份資產淨值；有關權益乃於綜合資產負債表內與負債及股東權益分開列示。少數股東所佔本集團本年度業績之權益亦會在損益表內分開列示。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Subsidiaries (continued)

Where losses attributable to the minority exceed the minority interest in the net assets of a subsidiary, the excess, and any further losses attributable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. All subsequent profits of the subsidiary are allocated to the Group until the minority's share of losses previously absorbed by the Group has been recovered.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (see note 1(j)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Company, in which case, it is stated at fair value with changes in fair value recognised in the profit and loss account as they arise.

(d) Associates and jointly controlled entities

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A jointly controlled entity is an entity which operates under a contractual arrangement between the Group or Company and other parties, where the contractual arrangement establishes that the Group or Company and one or more of the other parties share joint control over the economic activity of the entity.

一. 主要會計政策 (續)

(c) 附屬公司 (續)

倘少數股東應佔之虧損超過其應佔附屬公司資產淨值之權益，超額部分及任何其他少數股東應佔虧損便會抵銷本集團所佔權益；惟如少數股東有具約束力之義務及能力彌補虧損則除外。附屬公司之所有其後盈利均會分配予本集團，直至收回以往由本集團承擔之少數股東應佔虧損為止。

本公司之資產負債表內，於附屬公司之投資按成本值減去任何耗損虧損（見附註一(j)）列賬。但若所購入及持有之附屬公司權益會在不久將來出售，或該公司的運作長期受到嚴重限制，以至嚴重影響其將資金轉移至本公司之能力，則本公司在附屬公司之投資額按公允價值在資產負債表列賬，而公允價值之變動則於出現時在損益表內確認。

(d) 聯營公司及合營公司

聯營公司是指本集團或本公司可以對其管理層發揮重大影響力的公司，包括參與財務及經營政策之決定，但並不控制或共同控制其管理層之公司。

合營公司乃指本集團或本公司與其他方根據合約安排而經營之企業，據此本集團或本公司及一名或多名其他方共同控制企業之經濟業務。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Associates and jointly controlled entities (continued)

An investment in an associate or a jointly controlled entity is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's or the jointly controlled entity's net assets, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the investor or venturer, in which case it is stated at fair value with changes in fair value recognised in the consolidated profit and loss account as they arise. The consolidated profit and loss account reflects the Group's share of the post-acquisition results of the associates and jointly controlled entities for the year, including any amortisation of positive or negative goodwill charged or credited during the year in accordance with note 1(e). When the Group's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

Where the jointly controlled entity has a limited life, the Group's share of post-acquisitions results is adjusted for the amortisation of the original cost on a systematic basis over the joint venture period to the extent the original cost is considered recoverable.

一. 主要會計政策 (續)

(d) 聯營公司及合營公司 (續)

於聯營公司或合營公司之投資乃根據權益法記入綜合財務報表內，首先按成本入賬，其後須按本集團所佔聯營公司或合營公司資產淨值於收購後的變動作出調整。但若所購入及持有該聯營公司或合營公司權益將於不久將來出售，或該公司的運作長期受到嚴重限制，以至嚴重影響其將資金轉移至投資者或合營方的能力，集團則就此等公司之投資額按公允價值在綜合資產負債表列賬，而公允價值之變動則於出現時在綜合損益表內確認，而本集團所佔聯營公司或合營公司於收購後的年度業績包括年內根據附註一(e)扣除或計入賬之任何正商譽或負商譽攤銷則於綜合損益表反映。當本集團分攤之虧損超過聯營公司之賬面值，則其賬面值將會減至零；除本集團需對該聯營公司承擔之責任外，毋須確認其他虧損。

倘合營公司營運年期有限制，本集團將所佔之收購後業績予以調整，即於合營公司營運期間有系統地攤銷原成本，至其可收回數額為限。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Associates and jointly controlled entities (continued)

Unrealised profits and losses resulting from transactions between the Group and its associates and jointly controlled entities are eliminated to the extent of the Group's interest in the associate or jointly controlled entity, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in the profit and loss account.

In the Company's balance sheet, its investments in associates and jointly controlled entities are stated at cost less impairment losses (see note 1(j)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the investor or venturer, in which case, it is stated at fair value with changes in fair value recognised in the profit and loss account as they arise.

一. 主要會計政策 (續)

(d) 聯營公司及合營公司 (續)

本集團及其聯營公司及合營公司間之交易所導致之未變現盈虧均在本集團之聯營公司或合營公司權益中沖銷，惟倘未變現虧損是由已轉讓資產的減值產生，則須立刻在損益表中確認。

本公司之資產負債表內，於聯營公司及合營公司之投資需按成本減去耗損虧損（見附註一(j)）列賬。但若所購入及持有之聯營公司及合營公司權益會在不久將來出售，或該公司的運作長期受到嚴重限制，以至嚴重影響其將資金轉移至本公司或合營方之能力，則本公司在聯營公司及合營公司之投資額按公允價值在資產負債表列賬，而公允價值之變動則於出現時在損益表內確認。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Goodwill

Positive goodwill arising on consolidation represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable assets and liabilities acquired. In respect of subsidiaries:

- for acquisitions before 1 January 2001, positive goodwill is eliminated against reserves and is reduced by impairment losses recognised in the profit and loss account (see note 1(j)); and
- for acquisitions on or after 1 January 2001, positive goodwill is amortised to the consolidated profit and loss account on a straight-line basis over the shorter of its estimated useful life and 20 years. Positive goodwill is stated in the consolidated balance sheet at cost less any accumulated amortisation and any impairment losses (see note 1(j)).

In respect of acquisitions of associates and jointly controlled entities, positive goodwill is amortised to the consolidated profit and loss account on a straight-line basis over the shorter of its estimated useful life and 20 years. The cost of positive goodwill less any accumulated amortisation and any impairment losses (see note 1(j)) is included in the carrying amount of the interest in associates or jointly controlled entities.

一. 主要會計政策 (續)

(e) 商譽

於綜合賬目時產生之正商譽指收購成本與本集團應佔已購入可辨認資產及負債之公允價值的差額。就附屬公司而言：

- 就二零零一年一月一日前之收購事項，其正商譽於儲備內抵銷並減去在損益表確認之耗損虧損（見附註一(j)）；及
- 就二零零一年一月一日或之後進行之收購事項，其正商譽以直線法按其估計可使用年期或分二十年（以較短者為準）於綜合損益表攤銷。正商譽乃按成本扣除任何累計攤銷及任何耗損虧損於綜合資產負債表列賬（見附註一(j)）。

就聯營公司及合營公司而言，正商譽以直線法按其估計可使用年期或分二十年（以較短者為準）於綜合損益表攤銷。正商譽之成本扣除任何累計攤銷及任何耗損虧損（見附註一(j)）包括在聯營公司或合營企業權益之賬面值內。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Goodwill (continued)

Negative goodwill arising on acquisitions of subsidiaries, associates and jointly controlled entities represents the excess of the Group's share of the fair value of the identifiable assets and liabilities acquired over the cost of the acquisition. Negative goodwill is accounted for as follows:

- for acquisitions before 1 January 2001, negative goodwill is credited to a capital reserve; and
- for acquisitions on or after 1 January 2001, to the extent that negative goodwill relates to an expectation of future losses and expenses that are identified in the plan of acquisition and can be measured reliably, but which have not yet been recognised, it is recognised in the consolidated profit and loss account when the future losses and expenses are recognised. Any remaining negative goodwill, but not exceeding the fair values of the non-monetary assets acquired, is recognised in the consolidated profit and loss account over the weighted average useful life of those non-monetary assets that are depreciable/amortisable. Negative goodwill in excess of the fair values of the non-monetary assets acquired is recognised immediately in the consolidated profit and loss account.

一. 主要會計政策 (續)

(e) 商譽 (續)

因收購附屬公司、聯營公司及合營公司而產生之負商譽指本集團應佔所收購可辨別資產及負債之公允價值超出其收購成本之數額。負商譽之入賬處理方式如下：

- 就二零零一年一月一日之前進行之收購事項，負商譽均撥入資本儲備內；及
- 就二零零一年一月一日或之後進行之收購事項，倘負商譽關乎收購計劃之預期未來虧損及開支，並可可靠地計算（惟並未確認），則有關負商譽於未來虧損及開支確認時在損益表中確認。任何餘下負商譽（不超出已收購之非貨幣資產之公允價值）在該等可予折舊／可予攤銷非貨幣資產之加權平均可使用年期內在損益表中確認。超出已收購非貨幣資產公允價值之負商譽即時在損益表中確認。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Goodwill (continued)

In respect of any negative goodwill not yet recognised in the consolidated profit and loss account:

- for subsidiaries, such negative goodwill is shown in the consolidated balance sheet as a deduction from assets in the same balance sheet classification as positive goodwill; and
- for associates and jointly controlled entities, such negative goodwill is included in the carrying amount of the interests in associates or jointly controlled entities.

On disposal of a subsidiary, an associate or a jointly controlled entity during the year, any attributable amount of purchased goodwill not previously amortised through the consolidated profit and loss account or which has previously been dealt with as a movement on group reserves is included in the calculation of the profit or loss on disposal.

一. 主要會計政策 (續)

(e) 商譽 (續)

就任何未於綜合損益表中確認之負商譽而言：

- 倘為附屬公司，有關負商譽在綜合資產負債表內在 同一資產負債分類 (即正商譽) 中列作資產減幅；及
- 倘為聯營公司及合營公司，有關負商譽會包括於 聯營公司或合營公司權益 之賬面值內。

就年內出售附屬公司、聯營公司或合營公司而言，先前並未於損益表中攤銷之任何應佔已收購商譽金額會於計算出售交易之盈利及虧損時計入其中。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Other investments in securities

The Group's and the Company's policies for investments in securities other than investments in subsidiaries, associates and jointly controlled entities are as follows:

- (i) Investments held on a continuing basis for an identified long-term purpose are classified as investment securities. Investment securities are stated in the balance sheet at cost less any provisions for diminution in value. Provisions are made when the fair values have declined below the carrying amounts, unless there is evidence that the decline is temporary, and are recognised as an expense in the profit and loss account, such provisions being determined for each investment individually.
- (ii) All other securities (whether held for trading or otherwise) are stated in the balance sheet at fair value. Changes in fair value are recognised in the profit and loss account as they arise. Securities are presented as trading securities when they were acquired principally for the purpose of generating a profit from short term fluctuations in price or dealer's margin.
- (iii) Profits or losses on disposal of investments in securities are determined as the difference between the estimated net disposal proceeds and the carrying amount of the investments and are accounted for in the profit and loss account as they arise.

一. 主要會計政策 (續)

(f) 其他證券投資

本集團及本公司之證券投資 (除附屬公司、聯營公司及合營公司投資外) 準則如下:

- (i) 按既定長期目的以持續基準持有之投資乃分類為投資證券。投資證券乃按成本值減任何減值準備後列賬。當個別投資之公允價值下降至低於賬面值時則作出撥備，除非能夠證明減值乃暫時性，並已於損益表中確認。
- (ii) 所有其他證券 (不論是否持作買賣或其他目的) 按結算日以公允價值列賬。此等公允價值所產生之改變於損益表中反映。當所收購之證券乃主要作為從價格短期波動或證券差額中取利者，則呈列為買賣證券。
- (iii) 出售證券投資之盈利或虧損按照投資預計所得出售款項淨額及其賬面值之差額釐定，並於產生時計入損益表。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Fixed assets

(i) Fixed assets are carried in the balance sheets on the following bases:

- investment properties with an unexpired lease term of more than 20 years are stated in the balance sheet at their open market value which is assessed annually by external qualified valuers; and
- other fixed assets are stated in the balance sheet at cost less accumulated depreciation (see note 1(i)) and impairment losses (see note 1(j)).

一. 主要會計政策 (續)

(g) 固定資產

(i) 固定資產乃按以下基準在資產負債表列賬:

- 租賃期尚餘二十年以上之投資物業按外聘合資格估值師每年估計之公開市值列賬資產負債表; 及
- 其他固定資產以其成本值扣減累計折舊 (見附註一(i)) 及耗損虧損 (見附註一(j)) 後列入資產負債表。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Fixed assets (continued)

- (ii) Changes arising on the revaluation of investment properties are generally dealt with in reserves. The only exceptions are as follows:
- when a deficit arises on revaluation, it will be charged to the profit and loss account, if and to the extent that it exceeds the amount held in the reserve in respect of the portfolio of investment properties, immediately prior to the revaluation; and
 - when a surplus arises on revaluation, it will be credited to the profit and loss account, if and to the extent that a deficit on revaluation in respect of the portfolio of investment properties, had previously been charged to the profit and loss account.
- (iii) Subsequent expenditure relating to a fixed asset that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the enterprise. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

一. 主要會計政策 (續)

(g) 固定資產 (續)

- (ii) 重估投資物業產生之變動通常在儲備中處理。例外情形如下：
- 重估產生之虧損將計入損益表內，但不多於在重估前就該投資物業組合所持有之儲備；及
 - 重估產生之盈餘將計入損益表內，但不多於就該投資物業組合以往已撥入損益表內之重估虧損。
- (iii) 在有關固定資產之其後開支可令流入企業之未來經濟利益超出現有資產原先衡量之表現水平，該開支可確認並加入為資產之賬面值。所有其後支出將於產生之期間內確認為支出。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Fixed assets (continued)

- (iv) Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the profit and loss account on the date of retirement or disposal. On disposal of an investment property, the related portion of surpluses or deficits previously taken to the investment properties revaluation reserve is also transferred to the profit and loss account for the year.

(h) Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to the profit and loss account in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in the profit and loss account as an integral part of the aggregate net lease payments made. Contingent rentals are charged to the profit and loss account in the accounting period in which they are incurred.

一. 主要會計政策 (續)

(g) 固定資產 (續)

- (iv) 退廢或出售固定資產之收益或虧損按照估計淨出售款項和資產賬面值之差額釐定，並在退廢或出售日於損益表確認。於出售投資物業時，早前撥入投資物業重估儲備之盈餘或虧損之有關部分亦將轉入該年度之損益表內。

(h) 經營租賃開支

倘本集團按經營租賃租用資產，就租賃所付款項按等額分期款項於租賃期所涵蓋會計期間於損益表中扣除，除非租賃資產帶來之收益模式提供其他更具代表性之基準。就租賃獲得之優惠於損益表中確認為已支付租賃款項淨額之其中部分。或然租金於產生之會計期間在損益表中計入。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Depreciation

- (i) No depreciation is provided on investment properties with an unexpired lease term of over 20 years.
- (ii) Depreciation is calculated to write off the cost of other fixed assets over their estimated useful lives as follows:
 - toll bridge is depreciated on an units-of-usage basis which is based on the actual traffic volume for a particular period over the projected total traffic volume throughout the periods for which the Group is granted the right to operate the bridge. It is a Group policy to review regularly the projected total traffic volume throughout the operating periods of the toll bridge. If it is considered appropriate, independent professional traffic studies will be obtained. Appropriate adjustment will be made should there be a material change;
 - leasehold land is depreciated on a straight-line basis over the remaining term of the lease;
 - buildings are depreciated on a straight-line basis over the shorter of their estimated useful lives, being 50 years from the date of completion, and the unexpired terms of the leases; and

一. 主要會計政策 (續)

(i) 折舊

- (i) 租賃年期尚餘二十年以上之投資物業不計提折舊。
- (ii) 其他固定資產乃按其估計可使用年期以撇銷其成本值計算折舊如下：
 - 橋樑之折舊乃按照交通流量法計提。其按有關期間之實際交通流量佔本集團獲授該橋樑經營權期間之預計交通總流量之比例計提。本集團會在有關橋樑之營運期間對預計交通總流量作定期審查。假如認為合適，將會進行獨立專業交通流量研究。倘若預計交通總流量出現重大變動，則將會作出適當調整；
 - 租賃土地乃按餘下之租賃年期以直線法折舊；
 - 樓宇乃按其估計可使用年期（即完成日期起計五十年）及餘下之租賃年期（以較短者為準）以直線法折舊；及

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Depreciation (continued)

(ii) (continued)

- other fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Toll bridge ancillary facilities	5 to 10 years
Leasehold improvements	10 years or over the remaining term of the lease, if shorter
Machinery and equipment	5 to 15 years
Furniture and fixtures	5 to 10 years
Motor vehicles	4 to 12 years
Electronic equipment and other fixed assets	10 years

- (iii) No depreciation is provided in respect of construction in progress.

(j) Impairment of assets

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

- fixed assets (other than properties carried at revalued amounts);
- investments in subsidiaries, associates and jointly controlled entity (except for those accounted for at fair value under notes 1(c) & (d)); and

一. 主要會計政策 (續)

(i) 折舊 (續)

(ii) (續)

- 其他固定資產乃按下列之估計可使用年期以直線法折舊:

橋樑附屬設施	五至十年
租賃物業裝修	十年或剩餘之租賃年期, 以較短者為準
機器及設備	五至十五年
傢俬及裝置	五至十年
汽車	四至十二年
電子設備及其他固定資產	十年

- (iii) 在建工程並不計提折舊。

(j) 資產耗損

自內部及外界所得資料均於每個結算日審閱, 以確定下列資產是否出現耗損或先前已確認之耗損虧損不再存在或已經減少:

- 固定資產 (按重估數額列值之物業除外);
- 於附屬公司、聯營公司及合營公司之投資 (在附註一(c)及(d)下按公允價值列賬者除外); 及

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Impairment of assets (continued)

- positive goodwill (whether taken initially to reserves or recognised as an asset).

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the profit and loss account whenever the carrying amount of an asset (including positive goodwill taken directly to reserves) exceeds its recoverable amount.

(i) Calculation of recoverable amount

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

一. 主要會計政策 (續)

(j) 資產耗損 (續)

- 正商譽 (不論是否屬最初計入儲備或確認為資產者)。

倘出現任何該等跡象，則就資產之可收回價值進行估計。倘資產之賬面值 (包括已直接計入儲備之正商譽) 超過其可收回數額，耗損虧損需於損益表中確認。

(i) 計算可收回數額

資產之可收回數額乃指出售價格淨額與使用價值兩者中之較高者。評估使用價值時，估計日後現金流量乃根據除稅前折現率折現至現值，而該折現率須反映市場現行對款項的時間價值及資產獨有風險之評估。倘資產並不可在近乎獨立於其他資產之情況下產生現金流量，可收回數額則指可獨立產生現金流量之最小資產組別 (即現金產生單位) 之可收回數額。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Impairment of assets (continued)

(ii) Reversals of impairment losses

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

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

(k) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

一. 主要會計政策 (續)

(j) 資產耗損 (續)

(ii) 耗損虧損撥回

就商譽以外的資產而言，倘用作釐定可收回數額之估計出現重大的有利變動，則須撥回耗損虧損。就商譽之耗損而言，倘該耗損乃由一外在非經常性之獨特事件所引致，且可收回數額之增加與該獨特事件之轉變明顯有關，商譽之耗損虧損始可撥回。

耗損虧損撥回只限於該資產並未計算過往年度所確認之耗損虧損時之賬面價值。耗損虧損撥回計入在撥回的年度之損益表內。

(k) 存貨

存貨乃按成本值及可變現淨值兩者之較低值入賬。

成本值以加權平均法計算，包括所有採購成本、轉換成本及將存貨運往現址及達至現況所耗用之其他成本。

可變現淨值為日常業務中之估計售價減估計完成之成本及估計銷售所需之費用。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Inventories (continued)

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(l) Cash equivalents

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

一. 主要會計政策 (續)

(k) 存貨 (續)

於存貨出售時，該等存貨之賬面值會於有關收入確認之期間，確認為支出。任何就可變現淨值而撇減之數額及存貨之所有虧損，均在撇減或虧損出現之期間確認為支出。因可變現淨值增加而撥回之任何撇減存貨數額，將用以沖減於撥回期間的存貨支出。

(l) 現金等價物

現金及現金等價物包括銀行及手頭現金、於銀行及其他財務機構之活期存款及可隨時兌換為已知金額現金之短期及高流通性投資，其價值變動風險並不重大，並在購入起計三個月內到期。在編製現金流量表，現金及現金等價物也包括須按要求償還及構成本集團現金管理中一部分的銀行透支。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Employee benefits

- (i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.
- (ii) Contributions to Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expense in the profit and loss account as incurred. The Group also participates in the retirement schemes operated by the relevant authorities for the employees of the subsidiaries in the People's Republic of China ("PRC") and the Group's contributions to these schemes are recognised as an expense in the profit and loss account as incurred, except to the extent that they are included in the cost of inventories not yet recognised as an expense.
- (iii) When the Group grants employees options to acquire shares of the Company at nil consideration, no employee benefit cost or obligation is recognised at the date of grant. When the options are exercised, equity is increased by the amount of the proceeds received.

一. 主要會計政策 (續)

(m) 僱員福利

- (i) 薪金、年度花紅、年度有薪假期、假期旅遊津貼及本集團非金錢福利之成本於本集團僱員提供服務之年度提取。倘因付款遞延而造成重大分別，有關數額則按其折現值列賬。
- (ii) 根據香港強制性公積金計劃條例之規定作出之強制性公積金供款於產生時在損益表中確認為開支。此外，本集團亦為了中華人民共和國（「中國」）附屬公司之僱員而參與由有關機關管理之退休計劃，而本集團向此等計劃所作供款於產生時在損益表中確認為開支，除非有關成本乃計入存貨成本而並未確認為開支。
- (iii) 倘本集團以零代價向僱員授出購股權以認購本公司股份，則於授出日期不會確認任何僱員福利成本或責任。購股權獲行使時，將按所獲取所得款項之款額增加股本。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

一. 主要會計政策 (續)

(n) Income tax

(n) 所得稅

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the profit and loss account except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

- (i) 本年度所得稅包括即期稅項及遞延稅項資產及負債之變動。即期稅項及遞延稅項資產及負債之變動均在損益表內確認，惟如某部份之即期稅項及遞延稅項資產及負債之變動與直接於股東權益中確認之項目有關，則該部份須於股東權益中確認。
- (ii) 即期稅項是按本年度應課稅收入，以於結算日採用或主要採用之稅率計算之預期應繳稅項，及任何有關以往年度應繳稅項之調整。
- (iii) 遞延稅項資產及負債分別由資產及負債按財務報表之賬面值及課稅值兩者之可予扣減及應課稅之暫時性差異所產生。遞延稅項資產亦可由未經使用之稅務虧損及未經使用之稅項優惠所產生。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Income tax (continued)

(iii) (continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

一. 主要會計政策 (續)

(n) 所得稅 (續)

(iii) (續)

除了若干有限之例外情況外，所有遞延稅項負債，及所有遞延稅項資產（僅限於將來很可能取得應課稅盈利而令該項資產得以運用之部份）均予確認。容許確認由可予扣減暫時性差異所產生之遞延稅項資產之未來應課稅盈利包括其將由目前之應課稅暫時性差異回撥之部份，而此等應課稅暫時性差異應由同一稅務當局向同一應課稅單位徵收，並預期在可予扣減暫時性差異預期回撥之同一期間內回撥或由遞延稅項資產產生之稅務虧損能轉回或轉入之期間內回撥。在評定目前之應課稅暫時性差異是否容許確認由未經使用之稅務虧損及優惠所產生之遞延稅項資產時採用上述相同之標準，即該等暫時性差異由同一稅務當局向同一應課稅單位徵收，並預期在稅務虧損或優惠能應用之期間內回撥方計算在內。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Income tax (continued)

(iii) (continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, negative goodwill treated as deferred income, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

一. 主要會計政策 (續)

(n) 所得稅 (續)

(iii) (續)

該等確認遞延稅項資產及負債之有限例外情況：包括不可在稅務方面獲得扣減之商譽所引致之暫時性差異、作遞延收益處理之負商譽、首次確認但並不影響會計盈利及應課稅盈利之資產或負債（惟其不可為企業合併之部分）、以及有關於附屬公司投資所引致之未來回撥之差異；或如為可予扣減差異，則只限於可能在未來回撥之差異。

應確認之遞延稅項數額是按照資產及負債賬面值之預期變現或清償方式，以結算日採用或主要採用之稅率計算。遞延稅項資產及負債均無作貼現計算。

本集團會在每個結算日評估遞延稅項資產之賬面值。如果不再可能取得足夠之應課稅盈利以運用有關之稅務利益，賬面金額則予以調低。如日後可能取得足夠之應課稅盈利時，已扣減金額則予以撥回。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Income tax (continued)

(iii) (continued)

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

(iv) Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against tax liabilities if, and only if, the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

一. 主要會計政策 (續)

(n) 所得稅 (續)

(iii) (續)

分派股息所產生之額外所得稅在支付有關股息之責任確認時予以確認。

(iv) 即期稅項及遞延稅項結餘及其變動，乃各自分開列示及並無相互抵銷。若 (及只若) 本公司或本集團在法律上擁有抵銷即期稅項資產及即期稅項負債之行使權利及符合下列額外條件，則即期稅項資產可抵銷即期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 若為即期稅項資產及負債：本公司或本集團計劃以淨額清償，或計劃同時變現資產和清償負債；或

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Income tax (continued)

(iv) (continued)

- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

一. 主要會計政策 (續)

(n) 所得稅 (續)

(iv) (續)

- 若為遞延稅項資產及負債：如其與同一稅務當局向下述者徵收之所得稅有關：
 - 同一應課稅單位；或
 - 或如為不同之應課稅單位，預期在未來每一個週期將清償或追償顯著數目之遞延稅項負債或資產及計劃以淨額基準清償即期稅項資產及即期稅項負債或計劃同時變現即期稅項資產及清償即期稅項負債。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Company or Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

一. 主要會計政策 (續)

(o) 撥備及或有負債

當本公司或本集團因過往事件而須負上法律或推定之責任，且可能須就履行該等責任而導致經濟效益流出，並能夠就此作出可靠估計，則始為未能確定何時發生或其款額之負債作出撥備。當數額涉及重大之時間價值時，則按預期用以履行責任之開支之折現值作出撥備。

倘不一定需要流出經濟效益履行責任或未能可靠估計款額，則該等責任將披露為或有負債，除非出現經濟效益流出的可能性極微。可能出現的責任（僅於一項或多項未來事件發生或不發生的情況下確定）亦披露為或有負債，除非出現經濟利益流出的可能性極微。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

一. 主要會計政策 (續)

(p) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the profit and loss account as follows:

(i) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

(ii) Rental income from operating leases

Rental income receivable under operating leases is recognised in the profit and loss account in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised in the profit and loss account as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(p) 收入確認

當經濟效益會預期流入本集團，並且收入及成本（如適用）能可靠計算之情況下，以下各項收入方會於損益表中確認：

(i) 銷售貨品

收入乃當貨品送達客戶物業而客戶接收貨品及有關擁有權風險和權益時確認。收入不包含增值稅或其他銷售稅並已扣減任何貿易折扣。

(ii) 經營租賃產生之租金

根據經營租賃應收之租金於租賃年期所涵蓋之會計期間內分期等額在損益表中確認，除非有另一基準更能代表租賃資產所產生之利益之模式。已授出之租賃獎勵於損益表中確認作為將予收取之總租賃款項淨額的一部份。或有租金於彼等賺取之會計期間確認為收入。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Revenue recognition (continued)

(iii) Toll bridge revenue

Toll bridge revenue, net of business tax, is recognised on a receipt basis.

(iv) Dividends

– Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

– Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(v) Interest income

Interest income from bank deposits is accrued on a time-apportioned basis by reference to the principal outstanding and the rate applicable.

(q) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the profit and loss account.

一. 主要會計政策 (續)

(p) 收入確認 (續)

(iii) 橋樑收益

橋樑收益 (經扣除營業稅) 按收取基準確認。

(iv) 股息

– 非上市投資之股息收入為當股東確立收取該款項之權利後確認。

– 上市投資之股息收入在投資之股價除淨後確認。

(v) 利息收入

銀行存款之利息收入是按時間比例以應計基準，根據結餘之本金額及適用利率計算及確認。

(q) 外幣換算

於本年度內外幣交易按交易當日之匯率換算為港元。以外幣計算之貨幣資產及負債均按結算日之市場匯率換算為港幣。外匯換算而產生之匯兌盈虧撥入損益表內處理。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Translation of foreign currencies (continued)

The results of foreign enterprises are translated into Hong Kong dollars at the average exchange rates for the year; balance sheet items are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are dealt with as a movement in reserves.

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

(r) Borrowing costs

Borrowing costs are expensed in the profit and loss account in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditures for the asset are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

一. 主要會計政策 (續)

(q) 外幣換算 (續)

外國企業之業績按年內平均匯率換算為港元；而資產負債表項目則以結算日匯率換算為港元。匯兌差額均撥入儲備變動處理。

在出售一家外國企業時，於計算出售所得盈虧時將會計入與該外國企業有關之累計匯兌差額。

(r) 借貸成本

借貸成本乃於產生之期間列入損益表，除非該等借貸成本乃與購入、建造或生產需經一段長時期準備方可作預期運用或出售之資產直接有關則予以資本化。

借貸成本乃於資產之開支產生、借貸成本產生及有關籌備資產作其擬定用途或出售所需之活動進行時即資本化為合格資產之部份成本。當所有有關籌備合格資產作其擬定用途或出售所需之活動大致上中斷或完成時，即暫時中止或停止資本化借貸成本。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

(t) Discontinuing operation

A discontinuing operation is a clearly distinguishable component of the Group's business that is disposed of or abandoned pursuant to a single plan, and which represents a separate major line of business or geographical area of operation.

(u) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

一. 主要會計政策 (續)

(s) 關連人士

就此等財務報表而言，凡本集團可直接或間接控制，或於作出財務及經營決策時對其行使重大影響力，或相反而言，或本集團與其均受他人共同控制或影響之人士，均被視為本集團之關連人士。關連人士可為個別人士或機構。

(t) 終止經營業務

終止經營業務是指集團內可清楚劃分之業務單位，其根據單一計劃被出售或放棄，並代表一項獨立的主要業務或一個經營區域。

(u) 分類報告

「分類」是指集團內可劃分的單位，這些單位或負責提供產品或服務（業務分類），或在特定之經濟環境（地區分類）提供產品或服務，而個別分類所承受之風險及所得之回報與其他分類不同。

根據本集團之內部財務報告方式，本集團之財務報表已選定業務分類資料為主要呈報形式，而地區分類資料則為次要呈報形式。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Segment reporting (continued)

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, bank loans, other borrowings, corporate and financing expenses and minority interests.

一. 主要會計政策 (續)

(u) 分類報告 (續)

分類收入、開支、業績、資產及負債包括直接歸屬於該分類之項目，以及該等可按合理基準分配至該類別之項目。例如：分類資產可能包括存貨、應收賬款及物業、廠房及設備。分類收入、開支、資產及負債於綜合賬目過程中對銷集團內公司間之結餘及集團內公司間之交易前釐定，惟集團內公司間結餘及交易源自集團同一業務分類內企業者則除外。

分類之資本支出是收購預期使用超過一段期間的分類資產而於收購期內產生之總成本。

未分配項目主要包括財務及企業資產、銀行貸款、其他借貸、企業及財務開支及少數股東權益。

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2. TURNOVER

The principal activities of the Group are manufacturing and sale of timber products, toll bridge operation, property investments, securities trading and investment holding.

Turnover represents the invoiced value of goods supplied to customers, toll bridge revenue, rental income and proceeds from securities trading. The amount of each significant category of revenue recognised in turnover during the year is as follows:

Sale of timber products	銷售木材產品
Toll bridge revenue	收費橋樑收益
Property rental	物業租金
Securities trading	證券買賣

二. 營業額

本集團之主要業務為製造及銷售木材產品、收費橋樑營運、物業投資、證券買賣及投資控股。

營業額包括向客戶供應貨物之發票價值、收費橋樑收益、租金收入及證券買賣所得款項。於本年度內於營業額確認之個別主要收入類別數額如下：

	2003	2002
	二零零三年	二零零二年
	\$'000	\$'000
	千元	千元
	49,270	245,892
	19,916	-
	13,822	15,157
	605	-
	<u>83,613</u>	<u>261,049</u>

3. OTHER REVENUE

Interest income	利息收入
Write back of interest on other borrowings	撥回其他借貸之利息
Dividend income from unlisted securities	非上市證券之股息收入
Gain on sale of other financial assets	出售其他財務資產之收益
Others	其他

三. 其他收入

	2003	2002
	二零零三年	二零零二年
	\$'000	\$'000
	千元	千元
	465	878
	9,379	-
	530	-
	223	-
	1,425	2,593
	<u>12,022</u>	<u>3,471</u>

4. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION **四. 一般業務除稅前盈利**

Profit from ordinary activities before taxation is arrived at after charging/(crediting):

一般業務除稅前盈利已扣除／(計入)：

		2003	2002
		二零零三年	二零零二年
		\$'000	\$'000
		千元	千元
(a) Finance costs:	(a) 財務費用：		
Interest on bank advances and other borrowings wholly repayable within five years	須於五年內全數償還之銀行貸款及其他借貸之利息	7,150	24,424
Interest on other bank advances	其他銀行貸款之利息	4,742	-
Interest on loans from ultimate holding company	最終控股公司貸款之利息	19,482	40,188
		31,374	64,612
(b) Staff costs:	(b) 職員成本：		
Contributions to defined contribution plans	定額供款退休計劃之供款	701	1,783
Salaries, wages and other benefits	薪金、薪酬及其他福利	16,910	42,017
		17,611	43,800

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4. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION (continued) **四. 一般業務除稅前盈利 (續)**

		2003	2002
		二零零三年	二零零二年
		\$'000	\$'000
		千元	千元
(c) Other items:	(c) 其他項目:		
Cost of inventories	存貨成本	45,613	214,192
Amortisation of investment in jointly controlled entity	合營公司投資攤銷	2,747	6,592
Amortisation of positive goodwill	正商譽攤銷	803	-
Amortisation of negative goodwill included in share of profits of associates	負商譽攤銷 (計入 所佔聯營公司盈利)	(674)	-
Exchange loss	匯兌虧損	139	1,849
Auditors' remuneration	核數師酬金	1,365	1,635
Depreciation	折舊		
– assets held for use under operating leases	– 用作經營租賃的 資產	1,018	1,019
– other assets	– 其他資產	12,260	18,541
Loss on sale of fixed assets	出售固定資產之虧損	69	178
Operating lease charges for premises	物業之經營租賃費用	660	2,079
Provision for diminution in value of other financial assets	其他財務資產減值撥備	29,495	11,400
Unrealised losses on listed securities in Hong Kong carried at fair value	按公允價值列賬之香港 上市證券未變現虧損	-	440
Provision for bad and doubtful debts	呆壞賬撥備	-	3,602
Net deficit on revaluation of investment properties	投資物業重估虧損淨額	17,046	4,394
Rentals receivable from investment properties less direct outgoings of \$1,432,000 (2002: \$1,421,000)	投資物業應收租金減 直接支出1,432,000元 (二零零二年: 1,421,000元)	(12,390)	(13,736)

5. SHARE OF RESULTS OF ASSOCIATES

五. 所佔聯營公司業績

		2003 二零零三年	2002 二零零二年 (restated) (重報)
		\$'000 千元	\$'000 千元
Share of profits of associates	所佔聯營公司盈利	109,217	108,157
Amortisation of negative goodwill	負商譽攤銷	674	-
		<u>109,891</u>	<u>108,157</u>
Share of (deficit)/surplus on revaluation of investment properties	所佔投資物業重估 (虧損) / 盈餘	(13,322)	61
		<u>96,569</u>	<u>108,218</u>

6. INCOME TAX IN THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

六. 綜合損益表之所得稅

(a) Income tax in the consolidated profit and loss account represents:

(a) 綜合損益表所示的所得稅項為:

		2003 二零零三年	2002 二零零二年 (restated) (重報)
		\$'000 千元	\$'000 千元
Current tax – Provision for the PRC income tax	即期稅項 – 中國所得稅撥備		
Tax for the year	本年度稅項	4,306	974
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	產生或撥回暫時差異	206	-
Share of associates' taxation	所佔聯營公司稅項	13,336	17,392
		<u>17,848</u>	<u>18,366</u>

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group sustained a loss for Hong Kong Profits Tax purposes during the year. Taxation for the PRC operations is charged at the appropriate current rates of taxation ruling in the PRC.

由於本年度內本集團蒙受稅項虧損，故此本集團並無在財務報表就香港利得稅作出撥備。中國業務之稅項按中國現行的適用稅率計算。

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6. INCOME TAX IN THE CONSOLIDATED PROFIT AND LOSS ACCOUNT (continued) 六. 綜合損益表之所得稅 (續)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

(b) 按適用稅率計算之稅項開支與會計盈利之對賬:

		2003 二零零三年	2002 二零零二年 (restated) (重報)
		\$'000 千元	\$'000 千元
Profit before tax	除稅前盈利	75,516	20,318
Notional tax on profit before tax, calculated at the rates applicable to profits in the countries concerned	以有關國家之適用所得稅稅率就除稅前盈利計算之象徵稅	21,347	2,782
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	6,404	7,283
Tax effect of non-taxable revenue	非課稅收入之稅務影響	(13,056)	(3,272)
Tax effect of unused tax losses not recognised	未確認未使用稅務虧損之稅務影響	3,153	11,573
Actual tax expense	實際稅務開支	17,848	18,366

7. DIRECTORS' REMUNERATION

七. 董事酬金

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

根據公司條例第一百六十一條披露之董事酬金如下:

		2003 二零零三年	2002 二零零二年
		\$'000 千元	\$'000 千元
Fees	袍金	245	245
Salaries and other emoluments	薪金及其他薪酬	5,393	4,022
Discretionary bonuses	酌情花紅	1,370	366
Retirement scheme contributions	退休計劃供款	145	90
		7,153	4,723

7. DIRECTORS' REMUNERATION (continued)

Included in the directors' remuneration were fees of \$245,000 (2002: \$245,000) paid to independent non-executive directors during the year.

During the year, share options were granted to directors under the Company's share option scheme. The details of the share options are disclosed under the paragraph "Share option scheme" in the report of the directors and note 30.

The remuneration of the directors is within the following bands:

\$0 – \$1,000,000	0元 – 1,000,000元
\$1,000,001 – \$1,500,000	1,000,001元 – 1,500,000元
\$1,500,001 – \$2,000,000	1,500,001元 – 2,000,000元
\$2,000,001 – \$2,500,000	2,000,001元 – 2,500,000元

8. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, all (2002: four) are directors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other one individual in 2002 are as follows:

Salaries and other emoluments	薪金及其他薪酬
Discretionary bonuses	酌情花紅

9. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The consolidated profit attributable to shareholders includes a loss of \$37,600,000 (2002: \$37,648,000) which has been dealt with in the financial statements of the Company.

七. 董事酬金 (續)

董事酬金中包括於本年度支付予獨立非執行董事之袍金245,000元 (二零零二年: 245,000元)。

年內,本公司根據購股權計劃授出購股權予董事。有關購股權詳情在董事會報告「購股權計劃」一段及附註三十披露。

董事酬金在以下組別內:

	2003	2002
	二零零三年	二零零二年
	Number of	Number of
	directors	directors
	董事人數	董事人數
\$0 – \$1,000,000	8	9
\$1,000,001 – \$1,500,000	1	–
\$1,500,001 – \$2,000,000	1	2
\$2,000,001 – \$2,500,000	1	–
	1	–

八. 最高薪酬個別人士

在五名最高薪酬個別人士中,全部 (二零零二年: 四名) 均為董事,其薪酬已於附註七披露。於二零零二年,另一名個別人士之薪酬情況如下:

	2002
	二零零二年
	\$'000
	千元
Salaries and other emoluments	787
Discretionary bonuses	66
	853

九. 股東應佔盈利

股東應佔綜合盈利包括虧損37,600,000元 (二零零二年: 37,648,000元) 已列入本公司之財務報表內。

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10. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to shareholders of \$56,837,000 (2002 (restated): \$1,009,000) and 2,548,311,700 ordinary shares (2002: 2,548,311,700 ordinary shares) in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders of \$56,837,000 (2002 (restated): \$1,009,000) and the weighted average number of ordinary shares of 2,551,060,407 shares (2002: 2,548,311,700 shares) after adjusting for the effects of all dilutive potential ordinary shares under the Company's share option scheme.

(c) Reconciliations

Weighted average number of ordinary shares used in calculating basic earnings per share	計算每股基本盈利時所使用之加權平均普通股股數	2,548,311,700
Deemed issue of ordinary shares for no consideration	被視為以零代價發行之普通股	2,748,707
Weighted average number of ordinary shares used in calculating diluted earnings per share	計算每股攤薄盈利時所使用之加權平均普通股股數	2,551,060,407

十. 每股盈利

(a) 每股基本盈利

每股基本盈利乃按股東應佔盈利56,837,000元(二零零二年(重報):1,009,000元)及年內已發行2,548,311,700股普通股(二零零二年:2,548,311,700股普通股)計算。

(b) 每股攤薄盈利

每股攤薄盈利乃按普通股股東應佔盈利56,837,000元(二零零二年(重報):1,009,000元)及已就在本公司購股權計劃下所有具備潛在攤薄影響之普通股作出調整得出的普通股加權平均數2,551,060,407股(二零零二年:2,548,311,700股)計算。

(c) 對賬

2003 二零零三年 Number of shares 股份數目	2002 二零零二年 Number of shares 股份數目
2,548,311,700	2,548,311,700
2,748,707	—
2,551,060,407	2,548,311,700

11. CHANGE IN ACCOUNTING POLICY

In prior years, deferred tax liabilities were provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. With effect from 1 January 2003, in order to comply with Statement of Standard Accounting Practice 12 (revised) issued by the HKSA, the Group adopted a new policy for deferred tax as set out in note 1(n). As a result of the adoption of this accounting policy, the Group's profit for the year has been decreased by \$Nil (2002: \$5,764,000) and the net assets as at the year end have been decreased by \$41,490,000 (2002: \$41,490,000).

The new accounting policy has been adopted retrospectively, with the opening balances of accumulated losses and other reserves and their respective comparative information adjusted for the amounts relating to prior periods as disclosed in the consolidated statement of changes in equity.

12. DISCONTINUED OPERATION

On 21 March 2003, the Company entered into an agreement with China Everbright Technology Limited ("CE Technology"), an associate of the Group's ultimate holding company, to dispose of its entire 77.12% interest in Everbright Timber Industry (Shenzhen) Co., Ltd. ("SETI") representing the manufacture and sale of timber products segment ("the Timber Segment") for a cash consideration of \$7,000,000. The disposal was completed on 28 March 2003 and the control of the Timber Segment effectively passed to CE Technology on the same day. The gain on sale of the Timber Segment of \$19,576,000 has been credited to the consolidated profit and loss account.

十一. 會計政策更改

在以往年度，遞延稅項負債是就收益及支出的會計與稅務處理方法之間，由所有重大時差而相當可能於可見未來實現的稅項影響，以負債法計提準備。遞延稅項資產只會在合理保證可實現時才會確認。由二零零三年一月一日起，為了符合香港會計師公會頒佈之會計實務準則第12號（經修訂）「所得稅」之規定，本集團採納了一項關於遞延稅項的新會計政策。詳情載於附註一(n)。由於採用這項會計政策，本集團於本年度之盈利無減少（二零零二年：5,764,000元），而於年終時之淨資產則減少41,490,000元（二零零二年：41,490,000元）。

此項新的會計政策已予追溯應用，故綜合權益變動表所列報的累計虧損和其他各儲備的期初結餘及比較資料，均已就有關過往期間的受影響數額作出調整。

十二. 終止經營業務

於二零零三年三月二十一日，本公司與中國光大科技有限公司（「光大科技」，本集團最終控股公司之聯營公司）訂立協議，以現金代價7,000,000元出售其於光大木材工業（深圳）有限公司（「光大木材」）之全數77.12%權益。光大木材之業務代表製造及銷售木材產品業務類別（「木材業務類別」）。是項出售交易已於二零零三年三月二十八日完成，而木材業務類別之控制權亦已於同日有效轉移予光大科技。出售木材業務類別所得收益19,576,000元，並已計入綜合損益表。

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12. DISCONTINUED OPERATION (continued)

十二. 終止經營業務 (續)

The results of the discontinued operation for the current period (up to the date of disposal) and previous year were as follows:

終止經營業務於本期間 (直至出售日期止) 及去年之業績如下:

		Timber Segment 木材業務類別	
		28 March 2003 二零零三年 三月二十八日 \$'000 千元	31 December 2002 二零零二年 十二月三十一日 \$'000 千元
Turnover	營業額	49,270	245,892
Cost of sales	銷售成本	(45,613)	(214,192)
		3,657	31,700
Other revenue	其他收入	1,068	2,916
Distribution costs	分銷成本	(1,305)	(8,004)
Administrative expenses	行政費用	(4,045)	(12,389)
Other operating expenses	其他經營費用	(400)	(11,546)
(Loss)/profit from operations	經營 (虧損) / 盈利	(1,025)	2,677
Finance costs	財務費用	(4,273)	(20,899)
Gain on sale of discontinued operation	出售終止經營業務收益	19,576	-
Profit/(loss) from ordinary activities before taxation	一般業務除稅前 盈利 / (虧損)	14,278	(18,222)
Income tax	所得稅	-	-
Profit/(loss) from ordinary activities after taxation	一般業務除稅後 盈利 / (虧損)	14,278	(18,222)
Minority interests	少數股東權益	(236)	(943)
Profit/(loss) attributable to shareholders	股東應佔盈利 / (虧損)	14,042	(19,165)

12. DISCONTINUED OPERATION (continued)

十二. 終止經營業務 (續)

The net liabilities of the discontinued operation as at the date of discontinuance and 31 December 2002 were as follows:

終止經營業務於終止經營日期及二零零二年十二月三十一日之負債淨額如下:

		Timber Segment	
		木材業務類別	
		28 March	31 December
		2003	2002
		二零零三年	二零零二年
		三月二十八日	十二月三十一日
		\$'000	\$'000
		千元	千元
Total assets	總資產	444,446	404,526
Total liabilities	總負債	(456,404)	(410,950)
Net liabilities	負債淨額	(11,958)	<u>(6,424)</u>
Consideration received	已收代價	7,000	
Exchange reserves realised on disposal	出售時變現之匯兌儲備	618	
Gain on sale of discontinued operation	出售終止經營業務收益	<u>19,576</u>	

The cash flows of the discontinued operation for the current period (up to the date of disposal) and previous year were as follows:

終止經營業務於本期間 (直至出售日期止) 及去年之現金流量如下:

		Timber Segment	
		木材業務類別	
		28 March	31 December
		2003	2002
		二零零三年	二零零二年
		三月二十八日	十二月三十一日
		\$'000	\$'000
		千元	千元
Net cash flow	現金流量淨額		
Cash (outflow)/inflow from operating activities	經營活動之現金 (流出) / 流入	(5,596)	47,725
Cash inflow/(outflow) from investing activities	投資活動之現金流入 / (流出)	368	(2,150)
Cash outflow from financing activities	融資活動之現金流出	<u>(4,736)</u>	<u>(50,203)</u>

13. SEGMENT REPORTING

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group in making operating and financial decisions.

Business segments

The Group comprises the following main business segments:

Manufacture and sale of timber products	The manufacture and sale of timber products.
Property investment and development	The leasing of office premises and shopping arcades to generate rental income and to gain from the appreciation in the properties' values in the long term and investment in associate which engages in property development projects.
Securities trading	The trading of securities to generate a profit from short term fluctuations in price or dealer's margin.
Infrastructure investment and operation	The operation of a toll bridge to generate toll fee revenue and investment in associates, jointly controlled entity and investment securities, which engage in infrastructure and power industry, to generate dividend income and gain from the appreciation in the investment value in the long term.
Environmental protection investment	The investment in associates which engage in environmental protection projects.

十三. 分類報告

分類資料是按本集團之業務類別及經營地區列報。集團為配合所作之營運及財務決策，故選擇以業務類別為主要匯報形式。

業務分類

本集團涉及下列主要業務類別：

製造及銷售木材產品	製造及銷售木材產品。
物業投資及發展	租賃辦公室單位及商場以賺取租金收入，以及從物業價值之長遠升值及從投資於從事物業發展項目的聯營公司賺取收益。
證券買賣	買賣證券以從短期的價格波動或證券差價中賺取收益。
基建投資及營運	營運收費橋樑以賺取收益及投資於從事基建及電力行業的聯營公司、合營公司及投資證券以賺取股息收入及從投資價值之長遠升值中賺取收益。
環保投資	投資於從事環保項目的聯營公司。

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13. SEGMENT REPORTING (continued)

十三. 分類報告 (續)

Business segments (continued)

業務分類 (續)

		Discontinued operation 終止經營業務		Continuing operations 持續經營業務									
		Manufacture and sale of timber products 製造及銷售木材產品		Property investment and development 物業投資及發展		Securities trading 證券買賣		Infrastructure investment and operation 基建投資及營運		Environmental protection investment 環保投資		Consolidated 綜合	
		2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
		二零零三年	二零零二年	二零零三年	二零零二年 (restated) (重報)	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年 (restated) (重報)
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	
Revenue from external customers	外界客戶收入	49,270	245,892	13,822	15,157	605	—	19,916	—	—	—	83,613	261,049
Other revenue from external customers	外界客戶其他收入	1,068	2,916	66	5	79	—	9,379	—	8	—	10,600	2,921
Unallocated other revenue	未分配其他收入	—	—	—	—	—	—	—	—	—	—	1,422	550
Total	合計	50,338	248,808	13,888	15,162	684	—	29,295	—	8	—	95,635	264,520
Segment results	分類業績	(1,025)	2,677	(7,601)	6,679	(44)	(441)	(12,687)	(16,596)	(2,273)	—	(23,630)	(7,681)
Unallocated operating income and expenses	未分配經營收入及開支											(17,607)	(17,739)
Loss from operations	經營虧損											(41,237)	(25,420)
Finance costs	財務費用											(31,374)	(64,612)
Share of profits before taxation of associates	所佔聯營公司除稅前盈利	—	—	13,367	8,629	—	—	95,862	99,528	662	—	109,891	108,157
Share of (deficit)/surplus on revaluation of investment properties of associates	所佔聯營公司投資物業重估(虧損)/盈餘	—	—	(13,322)	61	—	—	—	—	—	—	(13,322)	61
Share of profit of jointly controlled entity	所佔合營公司盈利	—	—	—	—	—	—	31,982	2,132	—	—	31,982	2,132
Gain on sale of discontinued operation	出售終止經營業務收益	19,576	—	—	—	—	—	—	—	—	—	19,576	—
Income tax	所得稅											(17,848)	(18,366)
Minority interests	少數股東權益											(831)	(943)
Profit attributable to shareholders	股東應佔盈利											56,837	1,009
Depreciation and amortisation for the year	本年度折舊及攤銷	3,975	16,967	2,088	2,087	—	—	10,244	6,592	72	—		
Net deficit on revaluation of investment properties	投資物業重估虧損淨額	—	—	17,046	4,394	—	—	—	—	—	—		
Significant non-cash expenses (other than depreciation and amortisation)	重大非現金開支(折舊及攤銷除外)	—	3,602	—	—	—	—	29,495	10,000	—	—		

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13. SEGMENT REPORTING (continued)

十三. 分類報告 (續)

Business segments (continued)

業務分類 (續)

	Discontinued operation 終止經營業務		Continuing operations 持續經營業務									
	Manufacture and sale of timber products 製造及銷售木材產品		Property investment and development 物業投資及發展		Securities trading 證券買賣		Infrastructure investment and operation 基建投資及營運		Environmental protection investment 環保投資		Consolidated 綜合	
	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年 (restated) (重報)	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年 (restated) (重報)
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Segment assets 分類資產	-	404,526	302,483	319,599	645	715	700,184	62,308	47,646	-	1,050,958	787,148
Interest in associates and jointly controlled entity 聯營公司及 合營公司權益	-	-	463,833	463,565	-	-	459,174	964,954	5,401	-	928,408	1,428,519
Unallocated assets 未分配資產											90,238	102,181
Total assets 總資產											2,069,604	2,317,848
Segment liabilities 分類負債	-	51,308	2,837	3,500	-	10	55,707	40,306	61	-	58,605	95,124
Unallocated liabilities 未分配負債											1,010,603	1,269,734
Total liabilities 總負債											1,069,208	1,364,858
Capital expenditure incurred during the year 年內產生之 資本開支	136	2,216	2,312	-	-	-	6,029	-	6,004	-		

Geographical segments

地區分類

The Group's business participates in two principal economic environments. Hong Kong and other parts of the PRC are the major markets for the Group's business.

本集團之業務現處於兩個主要營商環境。香港及中國其他地區為本集團業務之主要市場。

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

按地區分類基準呈報資料時，分類收入按客戶所處地域位置呈報。分類資產及資本開支則按資產所處地域位置呈報。

13. SEGMENT REPORTING (continued)

十三. 分類報告 (續)

Geographical segments (continued)

地區分類 (續)

		2003	2002
		二零零三年	二零零二年
		\$'000	\$'000
		千元	千元
Revenue from external customers:	外界客戶收入:		
Hong Kong	香港	4,552	55,935
Other parts of the PRC	中國其他地區	79,061	205,114
		<u>83,613</u>	<u>261,049</u>
		2003	2002
		二零零三年	二零零二年
		\$'000	(restated)
		千元	重報
		\$'000	\$'000
		千元	千元
Segment assets:	分類資產:		
Hong Kong	香港	266,179	327,810
Other parts of the PRC	中國其他地區	1,803,425	1,990,038
		<u>2,069,604</u>	<u>2,317,848</u>
		2003	2002
		二零零三年	二零零二年
		\$'000	\$'000
		千元	千元
Capital expenditure incurred during the year:	年內產生之資本開支:		
Hong Kong	香港	492	343
Other parts of the PRC	中國其他地區	14,466	2,216
		<u>14,958</u>	<u>2,559</u>

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14. FIXED ASSETS

十四. 固定資產

(a) The Group

(a) 本集團

		Toll bridge ancillary facilities 收費橋樑 附屬設施	Land and buildings 土地及樓宇	Machinery and equipment 機器及設備	Leasehold improve- ments, furniture and fixtures 租賃物業 裝修、傢俬 及裝置	Motor vehicles, electronic equipment and other fixed assets 汽車、 電子設備 及其他 固定資產	Construction in progress 在建工程	Sub-total 小計	Investment properties 投資物業	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Cost or valuation:	成本值或估值:									
At 1 January 2003	於二零零三年 一月一日	-	476,596	352,516	9,245	50,031	1,316	889,704	232,601	1,122,305
Exchange adjustments	兌換調整	(2,981)	(78)	(1)	-	(8)	-	(3,068)	-	(3,068)
Additions	添置									
- through acquisition	- 透過收購									
of subsidiary	附屬公司	571,256	14,886	212	-	1,593	-	587,947	-	587,947
- others	- 其他	-	5,188	333	321	349	-	12,660	2,298	14,958
Disposals	出售									
- through disposal	- 透過出售									
of subsidiaries	附屬公司	-	(360,462)	(351,078)	(6,755)	(49,547)	(1,316)	(769,158)	-	(769,158)
- others	- 其他	-	(1,607)	(159)	-	(234)	-	(2,000)	-	(2,000)
Net deficit on revaluation	重估虧損淨額	-	-	-	-	-	-	-	(17,635)	(17,635)
At 31 December 2003	於二零零三年 十二月三十一日	568,275	19,996	120,996	1,823	2,811	-	716,085	217,264	933,349
Representing:	包括:									
Cost (note (g))	成本值 (附註(g))	568,275	19,996	120,996	1,823	2,811	-	716,085	2,341	718,426
Valuation - 2003 (note (e) and (f))	估值 - 二零零三年 (附註(e)及(f))	-	-	-	-	-	-	-	214,923	214,923
		568,275	19,996	120,996	1,823	2,811	-	716,085	217,264	933,349
Aggregate depreciation:	累計折舊:									
At 1 January 2003	於二零零三年 一月一日	-	276,532	247,499	2,823	32,340	1,027	560,221	-	560,221
Exchange adjustments	兌換調整	(7)	-	-	-	(6)	-	(13)	-	(13)
Through acquisition	透過收購									
of subsidiary	附屬公司	1,340	34	151	-	1,315	-	2,840	-	2,840
Charge for the year	本年度折舊	4,017	2,554	3,291	2,461	709	-	13,278	-	13,278
Written back on disposal	出售時撥回	-	(1,187)	(127)	-	(111)	-	(1,425)	-	(1,425)
Through disposal of subsidiaries	透過出售 附屬公司	-	(235,822)	(248,547)	(1,642)	(32,635)	(1,027)	(519,673)	-	(519,673)
At 31 December 2003	於二零零三年 十二月三十一日	5,350	2,588	42,814	1,437	1,427	-	55,228	-	55,228
Net book value:	賬面淨值:									
At 31 December 2003	於二零零三年 十二月三十一日	562,925	17,408	78,182	386	1,384	-	660,857	217,264	878,121
At 31 December 2002	於二零零二年 十二月三十一日	-	200,064	105,017	6,422	17,691	289	329,483	232,601	562,084

14. FIXED ASSETS (continued)

十四. 固定資產 (續)

(b) The Company

(b) 本公司

		Leasehold improvements 租賃物業 裝修 \$'000 千元	Machinery and equipment 機器及 設備 \$'000 千元	Furniture and fixtures 傢俬及 裝置 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total 總額 \$'000 千元
Cost:	成本值:					
At 1 January 2003	於二零零三年 一月一日	1,861	1,412	238	250	3,761
Additions	添置	-	120	6	349	475
Disposals	出售	-	(41)	-	-	(41)
		<u>1,861</u>	<u>1,491</u>	<u>244</u>	<u>599</u>	<u>4,195</u>
At 31 December 2003	於二零零三年 十二月三十一日	<u>1,861</u>	<u>1,491</u>	<u>244</u>	<u>599</u>	<u>4,195</u>
Aggregate depreciation:	累計折舊:					
At 1 January 2003	於二零零三年 一月一日	870	1,181	153	63	2,267
Charge for the year	本年度折舊	186	90	24	135	435
Written back on disposal	出售時撥回	-	(41)	-	-	(41)
		<u>1,056</u>	<u>1,230</u>	<u>177</u>	<u>198</u>	<u>2,661</u>
At 31 December 2003	於二零零三年 十二月三十一日	<u>1,056</u>	<u>1,230</u>	<u>177</u>	<u>198</u>	<u>2,661</u>
Net book value:	賬面淨值:					
At 31 December 2003	於二零零三年 十二月三十一日	<u>805</u>	<u>261</u>	<u>67</u>	<u>401</u>	<u>1,534</u>
At 31 December 2002	於二零零二年 十二月三十一日	<u>991</u>	<u>231</u>	<u>85</u>	<u>187</u>	<u>1,494</u>

14. FIXED ASSETS (continued)

- (e) Investment properties of the Group situated in Hong Kong were revalued at 31 December 2003 by RHL Appraisal Ltd., who have among their staff Associates of Hong Kong Institute of Surveyors, on an open market value basis calculated by reference to net rental income allowing for reversionary income potential. The revaluation deficit of \$15,850,000 has been charged to the consolidated profit and loss account. The carrying value of the investment properties at 31 December 2003 is \$72,000,000.
- (f) Investment properties of the Group situated in the PRC held on medium leases were revalued at 31 December 2003 by RHL Appraisal Ltd. on an open market value basis calculated by reference to net rental income allowing for reversionary income potential. The revaluation deficit of \$1,785,000 has been charged to the consolidated profit and loss account. The carrying value of the investment properties at 31 December 2003 is \$142,923,000.
- (g) The other investment property situated in the PRC held on medium lease was not revalued as at 31 December 2003 by independent professional valuers since the directors considered that any surplus or deficit on revaluation will not be significant to the Group and the costs involved would outweigh the benefits. The investment property is stated in the financial statements at its cost of \$2,341,000.

十四. 固定資產 (續)

- (e) 本集團位於香港之投資物業已於二零零三年十二月三十一日由永利行評值顧問有限公司 (其中員工為香港測量師學會會員) 根據計入有逆轉可能的淨租金收入而計算之公開市值進行重估。重估虧損15,850,000元已從綜合損益表中扣除。於二零零三年十二月三十一日, 此投資物業之賬面值為72,000,000元。
- (f) 本集團位於中國以中期租賃持有之投資物業已於二零零三年十二月三十一日由永利行評值顧問有限公司根據計入有逆轉可能的淨租金收入而計算之公開市值進行重估。重估虧損1,785,000元已從綜合損益表中扣除。於二零零三年十二月三十一日, 此投資物業之賬面值為142,923,000元。
- (g) 由於董事認為另一位於中國以中期租賃持有之投資物業於二零零三年十二月三十一日之重估盈餘或虧損對本集團並無重大影響, 並且重估涉及之成本會超出其得益, 故該投資物業以其成本2,341,000元在財務報表中列賬。

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14. FIXED ASSETS (continued)

- (h) The Group leases out investment properties and land and buildings under operating leases. The leases typically run for an initial period of one to ten years, with an option to renew the lease after that date at which time all terms are renegotiated.

The gross carrying amounts of investment properties of the Group held for use in operating leases were \$217,264,000 (2002: \$230,260,000). The gross carrying amounts of land and buildings of the Group held for use in operating leases were \$56,330,000 (2002: \$56,330,000), the related accumulated depreciation charges were \$6,328,000 (2002: \$5,310,000) and the related accumulated impairment loss was \$15,000,000 (2002: \$15,000,000).

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

十四. 固定資產 (續)

- (h) 本集團根據經營租賃出租投資物業及土地與樓宇。上述租賃之年期基本上初步為期一至三年，並可選擇續約，屆時所有條款將會重新商訂。

本集團所持有以根據經營租約租出之投資物業之賬面總額為217,264,000元(二零零二年: 230,260,000元)。本集團所持有以根據經營租約租出之土地及樓宇之賬面總額為56,330,000元(二零零二年: 56,330,000元);有關之累計折舊為6,328,000元(二零零二年: 5,310,000元);有關之累計耗損虧損為15,000,000元(二零零二年: 15,000,000元)。

本集團根據不可撤銷經營租約之應收未來租賃款項:

	2003	2002
	二零零三年	二零零二年
	\$'000	\$'000
	千元	千元
Within 1 year	11,322	6,425
After 1 year but within 5 years	7,658	3,293
After 5 years	307	400
	<u>19,287</u>	<u>10,118</u>

15. GOODWILL

十五. 商譽

		The Group 本集團 Positive goodwill 正商譽 \$'000 千元
Cost:	成本值:	
At 1 January 2003	於二零零三年一月一日	—
Addition through acquisition of subsidiary	透過收購附屬公司增加	27,518
		27,518
At 31 December 2003	於二零零三年十二月三十一日	27,518
		27,518
Accumulated amortisation:	累計攤銷:	
At 1 January 2003	於二零零三年一月一日	—
Amortisation for the year	本年度攤銷	803
		803
At 31 December 2003	於二零零三年十二月三十一日	803
		803
Carrying amount:	賬面值:	
At 31 December 2003	於二零零三年十二月三十一日	26,715
		26,715
At 31 December 2002	於二零零二年十二月三十一日	—
		—

Positive goodwill represents the excess of FZGM's carrying value on the Group over the Group's share of the fair value of the identifiable assets and liabilities at the date of revision of co-operative joint venture agreement (note 16). Positive goodwill mainly arose from the additional investment of \$50 million during the year less accumulated amortisation of the investment cost in the jointly controlled entity up to May 2003 of \$23 million.

正商譽指本集團持有光閩路橋之賬面值超過本集團於修訂合作合營協議(附註十六)當日所佔可分辨資產與負債之公允價值之差額。正商譽主要來自年內所作之額外投資50,000,000元,減去合營公司截至二零零三年五月止之投資成本之累計攤銷23,000,000元。

Positive goodwill is amortised to the consolidated profit and loss account on a straight-line basis over 20 years.

正商譽在綜合損益表內,按直線法分二十年攤銷。

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16. INTEREST IN SUBSIDIARIES

十六. 附屬公司權益

		The Company	
		本公司	
		2003	2002
		二零零三年	二零零二年
		\$'000	\$'000
		千元	千元
Unlisted shares/capital contributions, at cost	非上市股份／出資額，按成本值	503,660	751,077
Amounts due from subsidiaries	應收附屬公司款項	1,734,519	2,187,766
		<hr/>	<hr/>
		2,238,179	2,938,843
Less: Impairment losses	減：耗損虧損	(1,485,083)	(2,106,000)
		<hr/>	<hr/>
		753,096	832,843
Amounts due to subsidiaries	應付附屬公司款項	(200,990)	(206,113)
		<hr/>	<hr/>
		552,106	626,730
		<hr/>	<hr/>

Amounts due from/(to) subsidiaries are unsecured, interest free and not expected to be settled within one year.

應收／(應付)附屬公司款項為無抵押、免息及預期不會於一年內償還。

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

以下僅列出對本集團業績、資產或負債構成主要影響之附屬公司資料。除另有註明外，所持股份均為普通股。

16. INTEREST IN SUBSIDIARIES (continued)

十六. 附屬公司權益 (續)

Name of company 公司名稱	Place of establishment/ incorporation and operation 成立/註冊成立 及經營地點	Particulars of issued and paid up capital 已發行及 繳足股本資料	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			Group's effective interest 本集團之 實際權益	held by the Company 由本公司 持有	held by the subsidiaries 由附屬公司 持有	
FZGM # 光閩路橋*	PRC 中國	RMB182,975,000 人民幣182,975,000元	Notes 附註	-	Notes 附註	Development, construction, operation and maintenance of a toll bridge 開發、建造、 營運及維護 收費橋樑
On Land Limited 再倫有限公司	Hong Kong 香港	2 shares of \$1 each 2股每股面值 1元股份	100%	-	100%	Property investment 物業投資
Sino Villa Holdings Limited	British Virgin Islands ("BVI")/ PRC 英屬處女群島/ 中國	1 share of US\$1 1股每股面值 1美元股份	100%	100%	-	Property investment 物業投資

Registered under the laws of the PRC as sino-foreign joint venture.

根據中國法律註冊為中外合營企業。

During the year, the Company disposed of its indirectly held 77.12% interest in SETI (note 12).

年內，本公司出售其於光大木材間接持有之77.12%權益（附註十二）。

16. INTEREST IN SUBSIDIARIES (continued)

Notes:

- (a) Pursuant to the original co-operative joint venture agreement, FZGM was established under the laws of the PRC to develop, construct, operate and maintain a toll bridge and a toll road and related facilities in Fuzhou, the PRC. Greenway Venture Limited ("Greenway"), a subsidiary of the Company and the foreign joint venture partner of FZGM, is committed to contribute the full amount of the total development and construction costs whilst 福州開發區國有資產營運有限公司 ("the PRC joint venture partner") will contribute the relevant toll road and toll bridge rights. The Group owns an 80% equity interest in Greenway.
- (b) Under the original joint venture agreement and the Articles of Association of FZGM, neither the Group nor the PRC joint venture partner has the required number of representatives in FZGM's board of directors in order for either one of them to control FZGM. In view of the above, FZGM was considered to be a jointly controlled entity.
- (c) In 1999, the construction work of the toll road was suspended as a result of a change in project plan. In view of this change in project plan, the Group negotiated new terms of the co-operation with the PRC joint venture partner. On 26 May 2003, Greenway entered into a revised co-operative joint venture agreement with the PRC joint venture partner. Pursuant to the revised co-operative joint venture agreement, Greenway controls 80% of the composition of FZGM's board of directors. Accordingly, the investment in FZGM was accounted for in the financial statements under the equity method up to 25 May 2003 and it has been consolidated into the financial statements thereafter.
- (d) Net profit (after payment of an agreed sum ranging from RMB600,000 to RMB2,500,000 annually to the PRC joint venture partner) of FZGM should first be applied for the repayment of capital and advances made by Greenway. After the capital and advances made by Greenway have been fully repaid, the net profit of FZGM (after payment of an agreed sum to the PRC joint venture partner mentioned above) is to be shared by Greenway and the PRC joint venture partner on a 90:10 basis.

十六. 附屬公司權益 (續)

註:

- (a) 根據原先的合作合營協議，光閩路橋乃根據中國法律成立，以開發、建造、經營及維護位於中國福州市之一條收費橋樑及收費公路及相關設施。本公司之附屬公司兼光閩路橋外方合營夥伴 Greenway Venture Limited (「Greenway」) 承諾注入全部發展及建造成本，而福州開發區國有資產營運有限公司 (「中方合營夥伴」) 則注入有關收費路橋權利。本集團持有 Greenway 80% 股權。
- (b) 根據光閩路橋原先的合作合營協議及組織章程細則，本集團及中方合營夥伴於光閩路橋之董事會均無足夠數目之代表，使其中一方能對光閩路橋行使控制權。鑑於上文所述，光閩路橋被視為一間合營公司。
- (c) 於一九九九年，由於項目計劃之改變，收費公路之建造工程暫時停止。鑑於此項目計劃改變，本集團遂與中方合營夥伴就新的合作條款進行磋商。於二零零三年五月二十六日，Greenway 與中方合營夥伴訂立經修訂合作合營協議。據此，Greenway 能控制光閩路橋董事會組成之 80%。因此，於財務報表內，光閩路橋之投資是按權益法記入至二零零三年五月二十五日為止，其後則綜合計算。
- (d) 光閩路橋之淨盈利 (在每年支付介乎人民幣 600,000 元至人民幣 2,500,000 元之協定款項予中方合營夥伴後) 將首先用以償還 Greenway 已支付之資本及墊款。在全數償還 Greenway 已支付之資本及墊款後，光閩路橋之淨盈利 (在如上文所述般支付協定款項予中方合營夥伴後) 將由 Greenway 及中方合營夥伴按 90:10 之比例攤分。

17. INTEREST IN ASSOCIATES

十七. 聯營公司權益

		The Group		The Company	
		本集團		本公司	
		2003	2002	2003	2002
		二零零三年	二零零二年	二零零三年	二零零二年
			(restated)		
			(重報)		
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Unlisted shares, at cost	非上市股份, 按成本值	-	-	432,085	432,085
Share of net assets	應佔資產淨額	467,781	418,025	-	-
Negative goodwill	負商譽	(26,287)	-	-	-
Amounts due from associates	應收聯營公司款項	486,914	486,909	486,937	486,909
		<u>928,408</u>	<u>904,934</u>	<u>919,022</u>	<u>918,994</u>
Less: Impairment losses	減: 耗損虧損	-	-	(266,503)	(266,503)
		<u>928,408</u>	<u>904,934</u>	<u>652,519</u>	<u>652,491</u>

Amounts due from associates are unsecured, interest free and not expected to be settled within one year.

應收聯營公司款項為無抵押、免息及預期不會於一年內償還。

The following list contains only the particulars of associates, all of which are unlisted corporate entities, which principally affected the results or assets of the Group.

以下僅列出對本集團業績或資產構成主要影響之聯營公司 (均為非上市企業實體) 資料。

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17. INTEREST IN ASSOCIATES (continued)

十七. 聯營公司權益 (續)

Name of company 公司名稱	Form of business structure 業務架構 性質	Place of incorporation and operation 註冊成立及 經營地點	Group's effective interest 由本集團 實際持有	Proportion of ownership interest 擁有權益比例		Principal activity 主要業務
				held by the Company 由本公司 持有	held by the subsidiaries 由附屬公司 持有	
Hong Kong Shanghai Development Co Ltd. ("HK Shanghai") (note i) 港滬發展有限公司 (「港滬發展」) (附註i)	Incorporated 註冊成立	Western Samoa/PRC 西薩摩亞/ 中國	25%	25%	-	Investment holding 投資控股
Newton Industrial Limited ("Newton") (note ii) (附註ii)	Incorporated 註冊成立	BVI/PRC 英屬處女群島/ 中國	44.12%	44.12%	-	Investment holding 投資控股
Dow's Infrastructure (Shunde) Limited ("Dow's") (note iii) (附註iii)	Incorporated 註冊成立	Hong Kong 香港	50%	-	50%	Investment holding 投資控股

Notes:

註:

- | | |
|---|---|
| (i) HK Shanghai holds an 99% equity interest in Shanghai Gang Hu Properties Co., Ltd., a sino-foreign joint venture established in the PRC which is engaged in property development in the PRC. | (i) 港滬發展持有上海港滬房地產有限公司 (一間於中國成立之中外合營企業) 99%股本權益, 該公司在中國從事房地產發展項目。 |
| (ii) Newton holds an 34% equity interest in Shenzhen Mawan Power Company Limited, a sino-foreign joint venture established in the PRC which currently operates two power plants in Shenzhen, the PRC. | (ii) Newton持有深圳媽灣電力有限公司 (一間於中國成立之中外合營企業) 34%股本權益, 該公司現時在中國深圳經營兩間發電廠。 |
| (iii) Dow's holds an 100% equity interest in 順德市順能垃圾發電有限公司, a foreign investment enterprise established in the PRC which is currently constructing a waste-to-energy power plant in Shunde, the PRC. | (iii) Dow's持有順德市順能垃圾發電有限公司 (一間於中國成立之外資企業) 100%股本權益, 該公司現時在中國順德市建造垃圾發電廠。 |

17. INTEREST IN ASSOCIATES (continued)

十七. 聯營公司權益 (續)

(a) Additional combined financial information in respect of the Group's associates is given as follows:

(a) 有關本集團聯營公司之額外合併財務資料如下:

		2003	2002
		二零零三年	二零零二年
			(restated)
			(重報)
		\$'000	\$'000
		千元	千元
(i)	Operating results	(i)	經營業績
	Turnover	64,274	127,699
	Depreciation	74	140
	Profit before taxation	270,715	260,343
	Profit after taxation	<u>239,824</u>	<u>211,159</u>
	Group's share of profits after taxation for the year attributable to associates	96,555	90,765
	Group's share of (deficit)/ surplus on revaluation of investment properties	<u>(13,322)</u>	<u>61</u>
(ii)	Balance sheet	(ii)	資產負債表
	Non-current assets	3,157,243	3,115,836
	Current assets	44,177	40,667
	Current liabilities	(64,031)	(198,789)
	Non-current liabilities	(2,114,785)	(2,039,922)
	Minority interests	<u>(10,965)</u>	<u>(10,992)</u>
	Net assets	<u>1,011,639</u>	<u>906,800</u>
	Group's share of net assets attributable to associates	<u>467,781</u>	<u>418,025</u>

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18. INTEREST IN JOINTLY CONTROLLED ENTITY

十八. 合營公司權益

		2003 二零零三年 \$'000 千元	2002 二零零二年 \$'000 千元
Share of net assets	所佔資產淨值	-	182,166
Amount due from jointly controlled entity	應收合營公司款項	-	361,381
Less: Amortisation	減: 攤銷	-	(19,962)
		<u>-</u>	<u>523,585</u>

The amount due from jointly controlled entity was unsecured, interest-free and not expected to be settled within one year.

應收合營公司款項為無抵押、免息及預期不會在一年內償還。

Upon the revision of the co-operative joint venture agreement in May 2003, the investment in FZGM has been accounted for as a consolidated subsidiary in the financial statements (note 16).

於二零零三年五月修訂合作合營協議後，在光閩路橋之投資已於財務報表內作為綜合附屬公司入賬 (附註十六)。

19. OTHER FINANCIAL ASSETS

十九. 其他財務資產

		The Group 本集團		The Company 本公司	
		2003 二零零三年 \$'000 千元	2002 二零零二年 \$'000 千元	2003 二零零三年 \$'000 千元	2002 二零零二年 \$'000 千元
Listed equity securities in Hong Kong (note (a))	香港上市股本證券 (附註(a))	32,813	62,308	-	-
Unlisted equity securities - in Hong Kong (note (b))	非上市股本證券 - 香港 (附註(b))	-	2,045	-	2,045
- outside Hong Kong (note (c))	- 香港以外地區 (附註(c))	13,649	16,947	13,649	13,649
		<u>46,462</u>	<u>81,300</u>	<u>13,649</u>	<u>15,694</u>
Market value of listed equity securities	上市股本證券 之市值	<u>30,989</u>	<u>27,647</u>	-	-

19. OTHER FINANCIAL ASSETS (continued)

十九. 其他財務資產 (續)

Notes:

註:

- (a) Listed equity securities in Hong Kong represent an approximately 10% equity interest in Hong Kong Construction (Holdings) Limited (“HK Construction”). The directors are of the opinion that the Group holds such interest in HK Construction on a continuing basis for strategic reasons.

- (a) 香港上市股本證券指於香港建設(控股)有限公司(「香港建設」)約10%之股本權益。董事認為本集團乃基於策略性原因而按持續基準持有上述香港建設權益。

		The Group 本集團		The Company 本公司	
		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
(b)	Unlisted equity securities in Hong Kong	香港非上市股本證券			
	Investments, at cost	–	8,420	–	8,145
	Amount due from investee	–	19,500	–	–
	Less: Provision	–	(25,875)	–	(6,100)
		–	2,045	–	2,045

The amount due from investee was unsecured, interest free and not expected to be settled within one year.

應收接受投資者款項為無抵押、免息及預期不會於一年內償還。

		The Group 本集團		The Company 本公司	
		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
(c)	Unlisted equity securities outside Hong Kong	香港以外地區非上市股本證券			
	Investments, at cost	13,649	16,947	13,649	13,649

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20. INVENTORIES

二十. 存貨

		The Group 本集團	
		2003 二零零三年	2002 二零零二年
		\$'000 千元	\$'000 千元
Raw materials	原料	–	24,834
Work in progress	在製品	–	5,495
Finished goods	製成品	–	15,992
		<hr/>	<hr/>
		–	46,321
		<hr/>	<hr/>

Included in raw materials and finished goods as at 31 December 2002 were inventories \$40,826,000, stated net of a general provision, made in order to state these inventories at the lower of their cost and estimated net realisable value.

二零零二年十二月三十一日之原料及製成品包括經扣除一般撥備之40,826,000元存貨，致使存貨可按成本值及估計可變現淨值兩者中之較低者列賬。

21. DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

The amounts are expected to be recovered within one year except for deposits of \$2,400,000 (2002: \$2,400,000) which are expected to be recovered after more than one year.

Included in debtors, other receivables, deposits and prepayments are trade debtors (net of provisions for bad and doubtful debts) with the following ageing analysis:

Current	流動
1 to 6 months overdue	逾期一至六個月
More than 12 months overdue	逾期超過十二個月

Trade debtors at 31 December 2003 represent toll bridge revenue collected by a management company on behalf of the Group. The amount is settled on a monthly basis.

Trade debtors at 31 December 2002 represent receivables from customers of the Timber Segment. Debts are usually due within 30 days from the date of billing.

二十一. 應收賬款、其他應收款項、按金及預付款項

預計該等金額可於一年內收回，惟2,400,000元（二零零二年：2,400,000元）之按金除外，其預計於一年後收回。

應收賬款、其他應收款項、按金及預付款項包括貿易賬款（已扣除呆壞賬撥備），其賬齡分析如下：

The Group	
本集團	
2003	2002
二零零三年	二零零二年
\$'000	\$'000
千元	千元
3,630	18,469
—	35,363
—	2,060
3,630	55,892

於二零零三年十二月三十一日之貿易賬款指一間管理公司代本集團收取之收費橋樑收入。有關款項按月支付。

於二零零二年十二月三十一日之貿易賬款指木材業務類別客戶之應收款項。賬款一般於開發賬單日期起計三十日內到期。

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22. CASH AND CASH EQUIVALENTS

二十二. 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Deposits with bank	銀行存款	-	67,171	-	67,171
Cash at bank and in hand	銀行結餘及現金	164,115	59,876	83,713	26,154
		<u>164,115</u>	<u>127,047</u>	<u>83,713</u>	<u>93,325</u>

23. BANK LOANS

二十三. 銀行貸款

At 31 December 2003, the bank loans were repayable as follows:

於二零零三年十二月三十一日，銀行貸款於下列期間償還如下：

		The Group 本集團		The Company 本公司	
		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Within 1 year or on demand	一年內或按要求	88,037	417,738	83,800	70,000
After 1 year but within 2 years	一年後但兩年內	8,459	-	-	-
After 2 years but within 5 years	兩年後但五年內	36,632	50,800	-	50,800
After 5 years	五年後	232,166	-	-	-
		<u>277,257</u>	<u>50,800</u>	<u>-</u>	<u>50,800</u>
		<u>365,294</u>	<u>468,538</u>	<u>83,800</u>	<u>120,800</u>

23. BANK LOANS (continued)

二十三. 銀行貸款 (續)

At 31 December 2003, the bank loans were secured as follows:

於二零零三年十二月三十一日，銀行貸款抵押情況分析如下：

		The Group		The Company	
		2003	2002	2003	2002
		二零零三年	二零零二年	二零零三年	二零零二年
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Bank loans	銀行貸款				
– secured	– 有抵押	365,294	161,791	83,800	120,800
– unsecured	– 無抵押	–	306,747	–	–
		<u>365,294</u>	<u>468,538</u>	<u>83,800</u>	<u>120,800</u>

Certain banking facilities of the Group are secured by toll bridge revenue, bank deposits, mortgages on land and buildings and first floating charges on certain assets of the Group. Such banking facilities, amounting to \$522,244,000 (2002: \$194,991,000), were utilised to the extent of \$365,294,000 (2002: \$161,791,000) at 31 December 2003.

本集團之部份銀行融資以收費橋樑收入、銀行存款、土地及樓宇及本集團若干資產之第一浮動押記作抵押。於二零零三年十二月三十一日，上述522,244,000元（二零零二年：194,991,000元）之銀行融資已動用365,294,000元（二零零二年：161,791,000元）。

Unsecured bank loans in 2002 amounting to \$306,747,000 were guaranteed by the ultimate holding company of the Group.

二零零二年為數306,747,000元之無抵押銀行貸款乃由本集團之最終控股公司提供擔保。

24. LOAN FROM ASSOCIATE

二十四. 聯營公司貸款

The loan from associate was unsecured, interest bearing at 3.7% per annum and repaid during the year.

聯營公司貸款為無抵押、按年利率3.7%計息及已於年內償還。

25. AMOUNT DUE TO MINORITY SHAREHOLDER

二十五. 應付少數股東款項

The amount is unsecured, interest free and repayable within one year.

有關款項為無抵押、免息及須於一年內償還。

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26. CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES

Included in creditors, other payables and accrued expenses are trade creditors with the following ageing analysis:

二十六. 應付賬款、其他應付款項及應計費用

應付賬款、其他應付款項及應計費用包括貿易賬款，其賬齡分析如下：

		The Group	
		本集團	
		2003	2002
		二零零三年	二零零二年
		\$'000	\$'000
		千元	千元
Due within 1 month or on demand	一個月內到期或按要求	-	11,933
Due after 1 month but within 3 months	一個月後但三個月內到期	-	8,102
		<u>-</u>	<u>8,102</u>
		<u>-</u>	<u>20,035</u>

27. LOANS FROM AND AMOUNT DUE TO ULTIMATE HOLDING COMPANY

(a) Loans from ultimate holding company

The loans are unsecured, interest bearing at 2.46% to 5.75% per annum (2002: 3.8% to 7.5% per annum) and not expected to be settled within one year. The interest rates are generally based on Hong Kong Interbank Offering Rate or London Interbank Offering Rate plus 1.25% to 2%.

(b) Amount due to ultimate holding company

The amount due to ultimate holding company is unsecured, interest free and not expected to be settled within one year.

(c) Continuous financial support

The ultimate holding company has given an undertaking to provide the Company with adequate financial support.

二十七. 最終控股公司貸款及應付最終控股公司款項

(a) 最終控股公司貸款

此貸款為無抵押、按年利率2.46%至5.75% (二零零二年：年利率3.8%至7.5%) 計息及預期不會於一年內償還。利息一般按香港銀行同業拆息或倫敦銀行同業拆息加1.25%至2%計算。

(b) 應付最終控股公司款項

應付最終控股公司款項為無抵押、免息及預期不會於一年內償還。

(c) 持續財務支援

最終控股公司已承諾給予本公司足夠的財務支援。

28. OTHER LOANS

二十八. 其他貸款

The other loans are unsecured, interest free and not expected to be settled within one year.

其他貸款為無抵押、免息及預期不會於一年內償還。

29. INCOME TAX IN THE BALANCE SHEET

二十九. 資產負債表之所得稅

(a) Current taxation in the balance sheet represents:

(a) 資產負債表所示即期稅項為:

		The Group	
		本集團	
		2003	2002
		二零零三年	二零零二年
		\$'000	\$'000
		千元	千元
Provision for the PRC income tax for the year	本年度中國所得稅撥備	4,305	974
Provisional tax paid	已付預繳稅	(1,114)	(943)
		3,191	31

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29. INCOME TAX IN THE BALANCE SHEET (continued)

二十九. 資產負債表之所得稅 (續)

(b) Deferred tax liabilities recognised:

(b) 已確認遞延稅項負債

The Group

本集團

The components of deferred tax liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

年內已於綜合資產負債表確認之遞延稅項負債部份及變動詳情如下:

Deferred tax arising from: 遞延稅項來自:	Depreciation allowances in excess of related depreciation 超出有關折舊之 折舊免稅額	Revaluation of properties 物業重估	Total 總額
	\$'000 千元	\$'000 千元	\$'000 千元
At 1 January 2002	於二零零二年一月一日		
– as previously reported	– 如前呈報	–	–
– prior period adjustments	– 前期調整	19,410	19,410
– as restated	– 已重報	19,410	19,410
Charged to consolidated profit and loss account	從綜合損益表中 扣除	126	126
At 31 December 2002 (restated)	於二零零二年十二月 三十一日 (重報)	19,536	19,536
At 1 January 2003	於二零零三年一月一日		
– as previously reported	– 如前呈報	–	–
– prior period adjustments	– 前期調整	19,536	19,536
– as restated	– 已重報	19,536	19,536
Charged/(credited) to consolidated profit and loss account	從綜合損益表中扣除/ (計入) 綜合損益表	(589)	(383)
At 31 December 2003	於二零零三年 十二月三十一日	18,947	19,153

29. INCOME TAX IN THE BALANCE SHEET (continued)

(c) Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of tax losses of \$24,007,000 (2002: 26,522,000). The tax losses do not expire under current tax legislation.

30. EQUITY COMPENSATION BENEFITS

The Company has a share option scheme which was adopted on 26 May 2003 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options to subscribe for shares of the Company. The exercise price of options is the highest of the nominal value of the shares, the closing price of the shares on the The Stock Exchange of Hong Kong Limited ("the Stock Exchange") on the date of grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant. The options are exercisable six months (or a later date as determined by the directors of the Company) after the date on which the options are granted for a period up to ten years or 25 May 2013, whichever is earlier. Each option gives the holder the right to subscribe for one share.

二十九. 資產負債表之所得稅 (續)

(c) 未確認遞延稅項資產

本集團並無就稅務虧損 24,007,000 元 (二零零二年: 26,522,000 元) 確認遞延稅項資產。根據現行稅務條例, 上述稅項虧損並無作廢期限。

三十. 股本賠償福利

本公司設有一個購股權計劃, 其於二零零三年五月二十六日採納。據此, 本公司董事獲授權可酌情邀請本集團僱員 (包括本集團任何成員公司之董事) 接納可認購本公司股份之購股權。行使價為股份面值、股份於授出日期在香港聯合交易所有限公司 (「聯交所」) 之收市價或股份緊接授出日期前五個營業日在聯交所之平均收市價 (以較高者為準)。購股權自授出日期後六個月起生效及其行使期自屆時起計最多達十年或至二零一三年五月二十五日止 (以較早者為準)。每股購股權賦予其持有人認購一股股份權利。

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30. EQUITY COMPENSATION BENEFITS (continued)

三十. 股本賠償福利 (續)

(a) Movement in share options

(a) 購股權之變動

		2003 二零零三年 Number 數目	2002 二零零二年 Number 數目
At 1 January	於一月一日	2,000,000	11,343,900
Lapsed	已失效	(2,000,000)	(9,343,900)
Issued	已發行	109,400,000	—
		<u>109,400,000</u>	<u>2,000,000</u>
At 31 December	於十二月三十一日	<u>109,400,000</u>	<u>2,000,000</u>
Options vested at 31 December	於十二月三十一日 有效之購股權	<u>—</u>	<u>2,000,000</u>

(b) Terms of unexpired and unexercised share options at balance sheet date

(b) 於結算日尚未到期及尚未行使之購股權之條款

Date granted 授出日期	Exercise period 行使期	Exercise price 行使價	2003 二零零三年 Number 數目	2002 二零零二年 Number 數目
1 November 1997 一九九七年十一月一日	1 May 1998 to 29 September 2003 一九九八年五月一日至 二零零三年九月二十九日	\$2.23 2.23元	—	2,000,000
29 September 2003 二零零三年九月二十九日	29 March 2004 to 25 May 2013 二零零四年三月二十九日至 二零一三年五月二十五日	\$0.296 0.296元	109,400,000	—
			<u>109,400,000</u>	<u>2,000,000</u>

30. EQUITY COMPENSATION BENEFITS (continued)

三十. 股本賠償福利 (續)

(c) Details of share options granted during the year, all of which were granted for nominal consideration

(c) 年內已授出購股權 (均按象徵式代價授出) 詳情

Exercise period 行使期	Exercise price 行使價	2003	2002
		二零零三年 Number 數目	二零零二年 Number 數目
29 March 2004 to 25 May 2013 二零零四年三月二十九日至 二零一三年五月二十五日	\$0.296 0.296元	109,400,000	—

31. SHARE CAPITAL

三十一. 股本

		2003		2002	
		二零零三年		二零零二年	
		No. of shares 股數 '000 千股	\$'000 千元	No. of shares 股數 '000 千股	\$'000 千元
Authorised:	法定:				
Ordinary shares of \$0.10 each	每股面值0.10元 之普通股	<u>5,000,000</u>	<u>500,000</u>	<u>5,000,000</u>	<u>500,000</u>
Issued and fully paid:	已發行及悉數繳足:				
At 1 January and 31 December	於一月一日及 十二月三十一日	<u>2,548,312</u>	<u>254,831</u>	<u>2,548,312</u>	<u>254,831</u>

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32. RESERVES

三十二. 儲備

(a) The Group

(a) 本集團

		Reserve/ (goodwill) arising on consolidation	Exchange differences arising on translation	Capital redemption reserve	Revaluation reserve of land and buildings	Accumulated losses	Total	
	Share premium 股份溢價	綜合賬項 產生之儲備 /(商譽)	匯兌產生之 匯兌差額	資本 贖回儲備	土地及樓宇 之重估儲備	累計虧損	總額	
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	
At 1 January 2002	於二零零二年一月一日							
- as previously reported	一如前呈報	2,817,279	77,307	4,207	70	243	(2,171,666)	727,440
- prior period adjustments in respect of deferred tax (note 11)	一有關遞延稅項之前期調整 (附註十一)	-	(19,130)	-	-	-	(16,596)	(35,726)
- as restated	一已重報	2,817,279	58,177	4,207	70	243	(2,188,262)	691,714
Share of exchange reserves of associates	所佔聯營公司匯兌儲備	-	-	(1,377)	-	-	-	(1,377)
Exchange differences on translation of financial statements of subsidiaries, associates and jointly controlled entity	換算附屬公司、聯營公司 及合營公司財務報表產生 之匯兌差額	-	-	(76)	-	-	-	(76)
Profit for the year (as restated)	本年度盈利 (已重報)	-	-	-	-	-	1,009	1,009
At 31 December 2002	於二零零二年十二月三十一日	<u>2,817,279</u>	<u>58,177</u>	<u>2,754</u>	<u>70</u>	<u>243</u>	<u>(2,187,253)</u>	<u>691,270</u>
At 1 January 2003	於二零零三年一月一日							
- as previously reported	一如前呈報	2,817,279	77,307	2,754	70	243	(2,164,893)	732,760
- prior period adjustments in respect of deferred tax (note 11)	一有關遞延稅項之前期調整 (附註十一)	-	(19,130)	-	-	-	(22,360)	(41,490)
- as restated	一已重報	2,817,279	58,177	2,754	70	243	(2,187,253)	691,270
Share of exchange reserves of associates	所佔聯營公司匯兌儲備	-	-	(904)	-	-	-	(904)
Exchange differences on translation of financial statements of subsidiaries, associates and jointly controlled entity	換算附屬公司、聯營公司 及合營公司財務報表產生 之匯兌差額	-	-	(1,020)	-	-	-	(1,020)
Exchange reserves realised on disposal of subsidiaries	出售附屬公司撥回之匯兌儲備	-	-	(618)	-	-	-	(618)
Profit for the year	本年度盈利	-	-	-	-	-	56,837	56,837
At 31 December 2003	於二零零三年十二月三十一日	<u>2,817,279</u>	<u>58,177</u>	<u>212</u>	<u>70</u>	<u>243</u>	<u>(2,130,416)</u>	<u>745,565</u>

32. RESERVES (continued)

三十二. 儲備 (續)

(a) The Group (continued)

(a) 本集團 (續)

Accumulated losses of the Group can be analysed as follows:

本集團之累計虧損分析如下：

		2003	2002
		二零零三年	二零零二年
			(restated)
		\$'000	\$'000
		千元	千元
Company and its subsidiaries	本公司及其附屬公司	(2,072,965)	(2,120,671)
Associates	聯營公司	(57,451)	(76,416)
Jointly controlled entity	合營公司	-	9,834
		(2,130,416)	(2,187,253)

- (i) The application of the share premium account is governed by Section 48B of the Hong Kong Companies Ordinance.
- (ii) The exchange reserves and revaluation reserves have been set up and will be dealt with in accordance with the accounting policies adopted for foreign currency translation and the revaluation of investment properties.

- (i) 香港公司條例第四十八B條規管股份溢價賬之運用。
- (ii) 匯兌儲備及重估儲備均已設立，並將根據外幣換算及重估投資物業所採納之會計政策處理。

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32. RESERVES (continued)

三十二. 儲備 (續)

(b) The Company

(b) 本公司

		Share premium 股份溢價 \$'000 千元	Capital redemption reserve 資本 贖回儲備 \$'000 千元	Accumulated losses 累積虧損 \$'000 千元	Total 總額 \$'000 千元
At 1 January 2002	於二零零二年一月一日	2,817,279	70	(2,306,621)	510,728
Loss for the year	本年度虧損	—	—	(37,648)	(37,648)
At 31 December 2002	於二零零二年 十二月三十一日	<u>2,817,279</u>	<u>70</u>	<u>(2,344,269)</u>	<u>473,080</u>
At 1 January 2003	於二零零三年一月一日	2,817,279	70	(2,344,269)	473,080
Loss for the year	本年度虧損	—	—	(37,600)	(37,600)
At 31 December 2003	於二零零三年 十二月三十一日	<u>2,817,279</u>	<u>70</u>	<u>(2,381,869)</u>	<u>435,480</u>

The application of the share premium account is governed by Section 48B of the Hong Kong Companies Ordinance.

香港公司條例第四十八B條規管股份溢價賬之用途。

The aggregate amount of reserves available for distribution to shareholders of the Company at 31 December 2003 was \$Nil (2002: \$Nil).

於二零零三年十二月三十一日，本公司並無可分配予本公司股東之儲備 (二零零二年：無)。

32. RESERVES (continued)

- (c) On 5 January 2004, the Company announced its intention to put forward a proposal for the reduction of the Company's share premium account by the sum of \$2,372,172,824 (i.e. accumulated losses of the Company as at 30 September 2003) and the application of the same amount of credit arising from such reduction towards the elimination of the accumulated losses of the Company. The reduction of share premium account, approved by the shareholders at the extraordinary general meeting held on 2 February 2004, was confirmed by an order made by the High Court of Hong Kong ("the Court") on 2 March 2004 and became effective upon registration of the said order by the Registrar of Companies in Hong Kong on the same date.

To safeguard the interests of the Company's creditors, the Company undertakes to the Court to create a special reserve upon the reduction of share premium account on the terms set out below:

- (i) that for so long as there shall remain outstanding any debt of or claim against the Company which, if the date on which the reduction of the share premium account of the Company ("the Effective Date") were the commencement of the winding-up of the Company, would be admissible to proof in such winding-up and the person entitled to the benefit thereof shall not have consented to the said reduction of share premium account or agreed otherwise, the Company shall credit to a special reserve in the books of the Company ("the Special Reserve"):

- any amount arising by reason of a release of any provision taken into account in establishing the accumulated losses of the Company shown in the balance sheet of the management accounts of the Company for the nine months ended 30 September 2003; or

三十二. 儲備 (續)

- (c) 於二零零四年一月五日，本公司公布其擬提呈建議，削減本公司股份溢價賬2,372,172,824元（即本公司截至二零零三年九月三十日之累計虧損），並將削減股份溢價賬所產生之同一數額進賬金額用於抵銷本公司之累計虧損。削減股份溢價賬事項已於二零零四年二月二日舉行之股東特別大會上獲股東批准，並於二零零四年三月二日獲香港高等法院（「法院」）作出頒令予以確認及於本公司在同日向香港公司註冊處登記上述頒令後生效。

為了保障本公司債權人之權益，本公司向法院作出承諾，於削減股份溢價賬時設立一個特別儲備，條款如下：

- (i) 倘於本公司削減股份溢價賬生效之日（「生效日期」）（若該日為本公司清盤開始日）公司仍有任何未清償債務或未了結申索，而此等債務或申索為本公司清盤事宜之可接納證據，且擁有權益之人士不批准或不同意上述削減股份溢價賬事項，則本公司須把下述各項記入本公司賬目之特別儲備（「特別儲備」）下：

- 因撥回已計入本公司截至二零零三年九月三十日止九個月之管理賬目中之資產負債表內所示累計虧損之任何撥備所產生之金額；或

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32. RESERVES (continued)

(c) (continued)

(i) (continued)

- any amount received by the Company as profit by way of distribution from a corporation which was a subsidiary or an associated company of the Company at the Effective Date (a “subsidiary” or an “associated company” respectively) which is made by such subsidiary or associated company out of profits available for distribution prior to the Effective Date or any dividend paid to the Company in respect of any liquidation of a subsidiary or an associated company commencing prior to the Effective Date; and

(ii) the Special Reserve:

- shall not be treated as realised profits of the Company; and
- shall, for so long as the Company shall remain a limited company, be treated as an undistributable reserve of the Company for the purposes of the Companies Ordinance (Chapter 32 of the Laws of the Hong Kong Special Administrative Region of the People’s Republic of China) or any statutory modification or re-enactment thereof.

三十二. 儲備 (續)

(c) (續)

(i) (續)

- 本公司從一間公司收取所得作為分派盈利之金額，有關公司於生效日期為本公司附屬公司或聯營公司 (分別簡稱為「附屬公司」或「聯營公司」)，而上述金額乃由有關附屬公司或聯營公司利用生效日期前可供分派之盈利支付，或本公司就生效日期前已開始清盤行動之附屬公司或聯營公司收取所得之股息；及

(ii) 特別儲備:

- 不得被視為本公司之已變現盈利；及
- 只要本公司仍為有限公司，根據公司條例 (中華人民共和國香港特別行政區法例第32章) 或法例規定就其所作之任何修改或修訂，其應被視為本公司之不可分派儲備。

32. RESERVES (continued)

三十二. 儲備 (續)

(c) (continued)

(c) (續)

Provided always that:

惟:

- | | |
|---|--|
| <p>(1) the Special Reserve may be applied for the same purposes as a share premium account may lawfully be applied;</p> <p>(2) the amount standing to the credit of the Special Reserve may be reduced by an amount equal to any increase, after the Effective Date, in the share premium account of the Company which results from an issue of shares (other than for the purposes of any redemption or purchase by the Company of its own shares) for cash or other consideration or by way of the capitalisation of distributable profits or reserves, and the Company shall be at liberty to transfer the amount so reduced to the general reserves of the Company and the same shall become available for distribution;</p> <p>(3) the amount credited to the Special Reserve in accordance with the foregoing provisions of this undertaking shall not at any time exceed \$1,762,999,500 (“the Limit”);</p> <p>(4) the Limit may be reduced by the amount of any increase, after the Effective Date, in the paid-up share capital or share premium account of the Company which results from an issue of shares (other than for the purposes of any redemption or purchase by the Company of its own shares) for cash or other consideration or by way of the capitalisation of distributable profits or reserves;</p> | <p>(1) 特別儲備可用作適用於股份溢價賬之合法用途;</p> <p>(2) 特別儲備進賬金額可被削減, 數額為在生效日期後, 因發行股份 (因本公司贖回或購買本身股份者除外) 換取現金或其他代價或透過資本化可分派盈利或儲備而引致本公司股份溢價賬增加之數。本公司可轉撥就此減少之數至本公司之一般儲備, 而有關金額可供分派之用;</p> <p>(3) 根據本承諾之上述規定記入特別儲備之金額在任何時間均不得超過 1,762,999,500 元 (「有關限額」);</p> <p>(4) 在生效日期後, 因發行股份 (因本公司贖回或購買本身股份者除外) 換取現金或其他代價或透過資本化可分派盈利或儲備而引致本公司之繳足股本或股份溢價賬增加之數可用作減少有關限額;</p> |
|---|--|

32. RESERVES (continued)

(c) (continued)

(5) the Limit may be reduced upon the liquidation, disposal or other realisation, after the Effective Date, of a subsidiary, an associated company or any of the financial or fixed assets of the Company by the amount of the provision made in relation to such subsidiary, associated company or financial or fixed assets as at 30 September 2003 less such amount (if any) as credited to the Special Reserve as a result of such liquidation, disposal or realisation; and

(6) in the event that the amount standing to the credit of the Special Reserve at any time exceeds the Limit after any reduction of the Limit pursuant to provisos (4) and/or (5) above, the Company shall be at liberty to transfer the amount of any such excess to the general reserves of the Company and the same shall become available for distribution.

As the reduction of the Company's share premium account became effective on 2 March 2004, no special reserve was created as at 31 December 2003 in the financial statements.

三十二. 儲備 (續)

(c) (續)

(5) 於生效日期後，在清盤、出售或以其他方式變現附屬公司、聯營公司或本公司任何財務或固定資產時，於二零零三年九月三十日就有關附屬公司、聯營公司或財務或固定資產所提撥之準備金額減上述清盤、出售或變現事項所產生之特別儲備進賬金額（如有）之數，可用作減少有關限額；及

(6) 倘於根據上文第(4)及／或(5)條削減有關限額後特別儲備之進賬金額超過有關限額，本公司可轉撥超出之數至本公司之一般儲備，而有關金額可供分派之用。

由於本公司削減股份溢價賬事項已於二零零四年三月二日生效，故並無於二零零三年十二月三十一日之財務報表內設立特別儲備。

33. ACQUISITION OF SUBSIDIARY

Upon the revision of the co-operative joint venture agreement on 26 May 2003, the investment in FZGM has been accounted for as a consolidated subsidiary in the financial statements (note 16).

三十三. 收購附屬公司

於二零零三年五月二十六日修訂合作合營協議後，在光閩路橋之投資已於財務報表內作為綜合附屬公司入賬（附註十六）。

	2003 二零零三年 \$'000 千元
Net assets acquired:	收購所得資產淨額:
Fixed assets	固定資產 585,107
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項 2,501
Cash and cash equivalents	現金及現金等價物 6,826
Creditors, other payables and accrued expenses	應付賬款、其他應付款項 及應計費用 (54,293)
Loans from ultimate holding company	最終控股公司貸款 (312,481)
Other loans	其他貸款 (13,513)
Net identifiable assets and liabilities	可辨認資產及負債淨額 214,147
Share of net assets of jointly controlled entity less amortisation of investment cost	所佔合營公司資產淨額 減投資成本攤銷 (241,665)
Goodwill arising on consolidation	綜合賬項所產生之商譽 27,518
Total purchase consideration	總收購代價 —
Add: Cash of the subsidiary acquired	加：收購所得附屬公司之現金 6,826
Net cash inflow in respect of the purchase of subsidiary	收購附屬公司之現金流入淨額 6,826

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34. DISPOSAL OF SUBSIDIARIES

三十四. 出售附屬公司

On 28 March 2003, the Group disposed of the Timber segment for \$7,000,000, satisfied in cash.

於二零零三年三月二十八日，本集團出售木材業務類別，作價7,000,000元並以現金支付。

		2003
		二零零三年
		\$'000
		千元
Net liabilities disposed of:	已出售之負債淨額:	
Fixed assets	固定資產	249,485
Other financial assets	其他財務資產	3,297
Inventories	存貨	55,966
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項	112,238
Cash and cash equivalents	現金及現金等價物	23,460
Bank loans	銀行貸款	(347,738)
Creditors, other payables and accrued expenses	應付賬款、其他應付款項 及應計費用	(92,319)
Amount due to ultimate holding company	應付最終控股公司款項	(9,190)
Minority interests	少數股東權益	(7,157)
Exchange reserve realised on disposal	出售時變現之匯兌儲備	(618)
Net identifiable assets and liabilities	可辨認資產及負債淨額	(12,576)
Gain on sale of discontinued operation	出售終止經營業務收益	19,576
Total sale consideration received, satisfied by cash	已收銷售代價總額 (以現金支付)	7,000
Less: Cash of the subsidiaries disposed of	減: 已出售附屬公司之現金	(23,460)
Net cash outflow in respect of the disposal of the Timber Segment	出售木材業務類別之 現金流出淨額	(16,460)

35. MATERIAL RELATED PARTY TRANSACTIONS

三十五. 與關連人士之重大交易

There were the following material transactions with related parties during the year:

年內，與關連人士之重大交易如下：

- (a) The Group entered into the following related party transactions with its ultimate holding company, China Everbright Holdings Company Limited (“CEH”):

- (a) 本集團與其最終控股公司中國光大集團有限公司（「光大集團」）有以下之關連人士交易：

		2003	2002
		二零零三年	二零零二年
		\$'000	\$'000
		千元	千元
– Interest expense	– 利息支出	19,482	40,188
– Write back of interest expense	– 撥回利息支出	9,379	–
– Guarantees given by CEH to banks in respect of banking facilities extended to a subsidiary of the Company	– 光大集團就給予本公司附屬公司之銀行融資而給予銀行之擔保	–	306,747
		–	306,747

- (b) On 21 March 2003, the Company entered into an agreement with CE Technology whereby the Company agreed to sell and CE Technology agreed to purchase the entire 100% interests in the share capital of each of Bright Merit Investments Limited and Tung On Assets Limited, which in aggregate held an attributable interest of approximately 77.12% interest in SETI, for a cash consideration of \$7,000,000.

- (b) 於二零零三年三月二十一日，本公司與光大科技訂立協議。據此，本公司同意出售，而光大科技同意購入Bright Merit Investments Limited及Tung On Assets Limited（兩者合共持有光大木材約77.12%歸屬權益）兩者股本中之全數100%權益，現金代價為7,000,000元。

35. MATERIAL RELATED PARTY TRANSACTIONS 三十五. 與關連人士之重大交易 (續)
(continued)

(c) On Land Limited, a subsidiary of the Company, entered into the following related party transactions with CEH and its subsidiaries:

(c) 本公司一間附屬公司再倫有限公司與光大集團及其附屬公司訂立之關連人士交易如下:

	2003	2002
	二零零三年	二零零二年
	\$'000	\$'000
	千元	千元
Rental income for the provision of office premises	801	973
提供辦公室物業之租金收入	<u>801</u>	<u>973</u>

(d) In 1998, FZGM (then a jointly controlled entity) entered into an agreement with a minority shareholder of a subsidiary of the Group for the construction of a bridge in Fuzhou, the PRC. The total construction cost amounted to \$401,563,000. At 31 December 2003, construction cost payable to the minority shareholder amounted to \$51,563,000 (2002: \$26,717,000) and it has been fully settled subsequent to the year end date. In the opinion of the directors of the Company, the transaction was carried out on normal commercial terms and in the ordinary course of business.

(d) 於一九九八年，光閩路橋（當時之合營公司）與本集團附屬公司之少數股東就建造位於中國福州市之一座橋樑訂立一項協議。總建造成本為401,563,000元。於二零零三年十二月三十一日，應付予該少數股東之建造成本為51,563,000元（二零零二年：26,717,000元），並已於結算日後悉數支付。本公司董事認為，交易乃於日常業務過程中按一般商業條款進行。

35. MATERIAL RELATED PARTY TRANSACTIONS 三十五. 與關連人士之重大交易 (續)
 (continued)

(e) Included in the balance sheets are the following balances with related parties: (e) 資產負債表包括下列與關連人士之結餘:

		The Group		The Company	
		本集團		本公司	
		2003	2002	2003	2002
		二零零三年	二零零二年	二零零三年	二零零二年
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Amounts due from associates	應收聯營公司 款項	486,914	486,909	486,937	486,909
Amount due from jointly controlled entity	應收合營公司 款項	-	361,381	-	-
Loans from ultimate holding company	最終控股公司 貸款	(487,664)	(645,997)	(487,664)	(487,664)
Loan from associate	聯營公司貸款	-	(18,988)	-	(18,988)
Amount due to ultimate holding company	應付最終控股公司 款項	(37,835)	(77,365)	(37,151)	(33,167)
Amount due to minority shareholder (included in other payables (note 35(d)))	應付少數股東款項 (已計入其他 應付款項 (附 註三十五(d)))	(51,563)	-	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

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36. COMMITMENTS

三十六. 承擔

(a) Capital commitments outstanding at 31 December 2003 not provided for in the financial statements were as follows:

(a) 於二零零三年十二月三十一日，並無在財務報表中撥備之資本承擔如下：

		The Group 本集團		The Company 本公司	
		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Contracted for	已訂約	571	801,763	65,945	—
Authorised but not contracted for	已授權但未訂約	70,313	—	—	—
		<u>70,884</u>	<u>801,763</u>	<u>65,945</u>	<u>—</u>

At 31 December 2002, the Group's commitments represented the funding requirements of FZGM based on the original joint venture agreement. Upon the revision of the co-operative joint venture agreement on 26 May 2003, such commitments ceased to exist.

於二零零二年十二月三十一日，本集團之承擔為按原先合營協議對光閩路橋之資金需求。於二零零三年五月二十六日修訂合作合營協議後，上述承擔不再存在。

(b) At 31 December 2003, the total future payments under contractual agreements to sub-contract certain of the Group's PRC operations are payable as follows:

(b) 於二零零三年十二月三十一日，本集團在合約協議下須於下述年度就所承包之本集團若干中國營運業務所需支付款項之承擔如下：

		The Group 本集團	
		2003 二零零三年	2002 二零零二年
		\$'000 千元	\$'000 千元
Within 1 year	一年內	—	943

36. COMMITMENTS (continued)

(c) At 31 December 2003, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內

三十六. 承擔 (續)

(c) 於二零零三年十二月三十一日，不可撤銷經營租約之應付未來租賃總額年期如下：

		The Group	
		本集團	
		2003	2002
		二零零三年	二零零二年
		\$'000	\$'000
		千元	千元
Within 1 year	一年內	-	377
After 1 year but within 5 years	一年後但五年內	-	126
		-	503

37. CONTINGENT LIABILITIES

At 31 December 2003, there were contingent liabilities in respect of guarantees given to banks by the Company for end user financing guarantees and undertakings executed by an associate to banks amounting to \$245,000 (2002: \$4,396,000).

三十七. 或有負債

於二零零三年十二月三十一日，本公司因一家聯營公司向銀行簽立最終用戶融資擔保與保證書而向有關銀行提供擔保所承擔之或有負債為245,000元（二零零二年：4,396,000元）。

38. PLEDGE OF ASSETS

At 31 December 2003, the Group pledged cash, unlisted investments and fixed assets with an aggregate net book value of approximately \$288,816,000 (2002: \$332,708,000) to secure general banking facilities granted to the Group.

三十八. 資產抵押

於二零零三年十二月三十一日，本集團將賬面淨值總額約288,816,000元（二零零二年：332,708,000元）之現金、非上市投資及固定資產作為本集團之一般銀行融資之抵押品。

Notes on the Financial Statements 財務報表附註

For the year ended 31 December 2003 (Expressed in Hong Kong dollars)

截至二零零三年十二月三十一日止年度 (以港幣計算)

39. POST BALANCE SHEET EVENT

On 2 March 2004, the Company's proposal for the reduction of share premium account was confirmed by an order made by the Court and became effective upon registration of the said order by the Registrar of Companies in Hong Kong on the same date. Details of the reduction of share premium account are set out in note 32(c).

40. COMPARATIVE FIGURES

Certain comparative figures have been adjusted as a result of change in accounting policy for deferred taxation, details of which are set out in note 11.

41. ULTIMATE HOLDING COMPANY

The directors consider the ultimate holding company at 31 December 2003 to be China Everbright Holdings Company Limited, which is incorporated in Hong Kong.

三十九. 結算日後事項

於二零零四年三月二日，本公司削減股份溢價賬之建議獲法院作出頒令予以確認，並於本公司在同日向香港公司註冊處登記上述頒令後生效。削減股份溢價賬之詳情載於附註三十二(c)。

四十. 比較數字

若干比較數字予以調整，以反映附註十一所載遞延稅項會計政策之修訂。

四十一. 最終控股公司

董事認為於二零零三年十二月三十一日之最終控股公司為中國光大集團有限公司，該公司乃在香港註冊成立。