

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31 December 2003 二零零三年十二月三十一日

1. BASIS OF PREPARATION

a) GENERAL

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

In the opinion of the directors, Hon Po Holdings Limited (“Hon Po Holdings”), a company incorporated in Hong Kong, is the Company’s ultimate holding company.

b) PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries have not changed during the year and involve the operation of a chain of Chinese restaurants and food manufacturing in Hong Kong. The principal activities of the subsidiaries are set out in note 14 to the financial statements.

c) GOING CONCERN BASIS

As at 31 December 2003, the Group had net current liabilities of HK\$52,966,000. In addition, the Group had contingent liabilities of HK\$23,322,000 in respect of long service payments and accrued salaries and wages. Details of the Group’s contingent liabilities are set out in note 26 to the financial statements.

In order to improve the Group’s financial position, immediate liquidity, profitability and operations, the directors have adopted the following measures:

- i) by disposing all the leasehold land and buildings and investment properties during the year and after the year end in order to reduce the Group’s secured borrowings and provide additional cash flows for the Group’s operations.

1. 編製基準

a) 一般資料

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

董事認為，於香港註冊成立之漢寶控股有限公司（「漢寶控股」）乃本公司之最終控股公司。

b) 主要業務

本公司之主要業務為投資控股。本公司的附屬公司之主要業務於年內未有改變，其包括於香港經營連鎖式中式酒樓及食品製造。附屬公司之主要業務列於財務報表附註14。

c) 持續基準

於二零零三年十二月三十一日，本集團之流動負債淨額為52,966,000港元。此外，本集團有關長期服務金之或然負債及累計薪金及工資為23,322,000港元。有關本集團或然負債之詳情載於財務報表附註26。

為改善本集團之財務狀況、即時之流動資金、利潤及營運，董事已採取下列措施：

- i) 出售於年內及年結日後之所有租賃土地及樓宇及投資物業，藉以減低本集團之有抵押借貸，並為本集團之營運提供額外現金流量。

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1. BASIS OF PREPARATION (continued)

c) GOING CONCERN BASIS (continued)

- ii) by disposing four loss making restaurants during the year in order to relieve the Group's liquidity pressure.
- iii) by closing down three loss making restaurants during the year and two after the year end so as to reduce further losses to the Group.
- iv) by carrying out renovation in the restaurants to provide a new and comfortable dining environment so as to attract more patrons.
- v) by taking actions to tighten cost controls over the staff costs, overheads and general and administrative expenses.

In the opinion of the directors, in light of the measures taken and on the basis of the ongoing support from its bankers and suppliers, it is reasonable to expect the Group will return to profitable concern as a whole. Accordingly, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis, notwithstanding the Group had net current liabilities of HK\$52,966,000 as at 31 December 2003.

Should the Group be unable to continue its business as a going concern, adjustments would have been made to restate the value of assets to their recoverable amounts, to provide for any further liabilities which might arise, including those contingent liabilities as set out in note 26 to the financial statements, and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effect of these potential adjustments has not been reflected in these financial statements.

d) BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December 2003.

1. 編製基準 (續)

c) 持續基準 (續)

- ii) 出售年內四家出現虧損之酒樓，藉以紓緩本集團之流動資金壓力。
- iii) 關閉於年內三家及於年結日後兩家出現虧損之酒樓，藉以減低本集團之進一步虧損。
- iv) 於酒樓進行翻新裝修，提供全新而舒適的用餐環境，藉以吸引更多食客。
- v) 採取措施收緊對員工成本、日常開支及行政開支方面之成本控制。

董事認為，鑑於現在採取之措施及得到銀行和供應商之持續支持，故可合理地期望本集團將能全面回復至盈利水平。據此，董事相信持續經營基準乃適用於編製本財務報表，縱使本集團於二零零三年十二月三十一日錄得流動負債淨額52,966,000港元。

如本集團未能以持續經營基準繼續其業務，將會分別把資產值重列於其可收回金額，並提供任何進一步可產生之負債，包括列於財務報表附註26之或然負債，及重新把非流動資產及負債分類為流動資產及負債之調整。該潛在調整之影響仍未於本財務報表中反映。

d) 綜合基準

綜合財務報表包括本公司及其附屬公司截至二零零三年十二月三十一日止之財務報表。

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1. BASIS OF PREPARATION (continued)

d) BASIS OF CONSOLIDATION (continued)

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

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

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any goodwill or capital reserve which was not previously charged or recognised in the consolidated income statement. Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

2. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles in Hong Kong and comply with Statements of Standard Accounting Practice ("SSAPs") issued by the Hong Kong Society of Accountants (the "HKSA") and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements are prepared under the historical cost convention as modified by the revaluation of certain leasehold land and buildings and investment properties. These financial statements also comply with the applicable disclosure provisions of the Listing Rules. A summary of the principal accounting policies adopted by the Group is set out below.

In the current year, the Group has adopted, for the first time, the following SSAP issued by the HKSA:

SSAP 12 (Revised) : Income taxes

1. 編製基準 (續)

d) 綜合基準 (續)

於年內收購或出售之附屬公司業績自收購生效日或截至出售生效日止 (如適用) 已載入綜合收益表內。

所有本集團公司間之重大交易及結餘已於綜合賬目時對銷。

出售附屬公司時之盈虧指出售所得款項與本集團分佔其資產淨值連同之前未於收益表內扣除或確認之任何商譽或資本儲備之差額。少數股東權益指外間股東於附屬公司之經營業績及資產淨值所佔權益。

2. 主要會計政策

此財務報表乃根據香港公認會計原則及遵守香港會計師公會頒佈之會計實務準則以及香港公司條例之披露規定而編製。編製財務報表是以原值成本為計量基準，但經重估若干租賃土地及樓宇以及投資物業所修訂。該等財務報表亦遵照上市規則適用之披露條文。本集團採用之主要會計政策詳述如下：

本年內，本集團首次採納以下由香港會計師公會頒佈之會計實務準則：

會計實務準則第12號 (經修訂)：所得稅

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

In the current year, the Group has adopted the SSAP12 (Revised) "Income taxes". The principal effect of the implementation of SSAP12 (Revised) is in relation to deferred taxation. In previous years, partial provision was made for deferred tax liabilities using the income statement liability method, i.e. a liability was recognised in respect of timing differences arising, except where those timing differences were not expected to reverse in the foreseeable future. SSAP 12 (Revised) requires the adoption of a balance sheet liability method, whereby deferred taxation is recognised in respect of all timing differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits, with limited exceptions. The adoption of SSAP 12 (Revised) represents a change in accounting policy, which has been restated retrospectively so that the comparatives presented have been restated to conform with the change.

As disclosed in the consolidated statement of changes in equity, as at 1 January 2002 and 1 January 2003, the accumulated losses have been decreased by HK\$1,396,000 and HK\$2,428,000 respectively. These changes have resulted in an increase in deferred tax assets as at 31 December 2001 of HK\$1,396,000 and as at 31 December 2002 of HK\$2,428,000. The impact of SSAP 12 (Revised) on the income statement for the year ended 31 December 2002 has been a decrease in reported net loss of HK\$2,428,000.

a) REVENUE RECOGNITION

- i) Revenue from restaurant operations is recognised when catering services are provided to customers;
- ii) Revenue income under operating leases is recognised on the straight-line basis over the lease terms;
- iii) Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable; and
- iv) Handling charges and sundry income are recognised when services are rendered.

2. 主要會計政策 (續)

本集團於本年度採納會計實務準則第12號(經修訂)：「所得稅」。採用會計實務準則第12號(經修訂)之主要影響與遞延稅項有關。於過往年度，遞延稅項負債乃使用收益表負債法作出部份撥備，即就所產生之時差確認負債，惟預計不會於可預見將來撥回之有關時差則除外。會計實務準則第12號(經修訂)規定採納資產負債表負債法，據此就財務報表內之資產及負債之賬面值與用於計算應課稅溢利之相應稅基之間的一切時差確認遞延稅項，惟少數情況除外。採納會計實務準則第12號(經修訂)代表會計政策之變動，故已作出追溯重列，繼而將呈報之比較數字予以重列，以符合有關變動。

誠如於綜合權益變動表所披露，於二零零二年一月一日及二零零三年一月一日之累計虧損已分別減少1,396,000港元及2,428,000港元。此等變動導致截止至二零零一年十二月三十一日及二零零二年十二月三十一日之遞延稅項資產分別增加2,428,000港元。會計實務準則第12號(經修訂)對於截至二零零二年十二月三十一日止年度收益表之影響為減少申報虧損淨額2,428,000港元。

a) 收益確認

- i) 酒樓業務之收益於提供膳食供應服務予顧客時確認；
- ii) 營運租約下之收入按租約期間以直線法基準予以確認；
- iii) 利息收入按時間比例基準根據未償還本金及適用利率確認；及
- iv) 管理費及雜費收入於提供服務時確認。

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

b) NEGATIVE GOODWILL

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

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the acquisition plan and that can be measured reliably, but which do not represent identifiable liabilities as at the date of acquisition, that portion of negative goodwill is recognised as income in the income statement when the future losses and expenses are recognised.

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the income statement on a systematic basis over the remaining average useful life of the acquired depreciable/amortisable assets. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

On disposal of businesses, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of negative goodwill which has not been recognised in the consolidated income statement and any relevant reserves as appropriate.

c) PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

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

2. 主要會計政策 (續)

b) 負商譽

收購業務所產生之負商譽指收購日本集團所佔附屬公司相關可識辨資產及負債之公平值之數額超過收購成本。

有關於收購計劃中可識辨將來虧損及支出的預計之負商譽而該虧損數額能可靠地計算出(但並非指收購日可識辨之負債),此部份之負商譽,可被確認為收益表之收入當將來虧損及支出被確認。

而該些在收購日與將來可識辨及預計虧損及支出無關的負商譽則在收益表中以系統基準在已收購折舊/攤銷之資產的剩餘平均可用年期中確認。任何超出已收購非貨幣資產公平值的負商譽總額即被確認為收入。

於出售業務時,該出售所得之收益及虧損於出售日用參考資產淨值以計算,包括未於綜合收益表中確認之負商譽金額及任何相關儲備(如適用)。

c) 物業、廠房及設備以及折舊

物業、廠房及設備以成本或估值減累計折舊及減值損失。資產之成本包括購買價及將資產達致運作狀況及地點作擬定用途之任何直接成本。固定資產投產後產生之支出(如維修保養費)一般於產生期間自收益表扣除。

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

c) PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION (continued)

Changes in the values of land and buildings other than investment properties, are dealt with as movements in the property revaluation reserve. When a deficit arises on revaluation, it will be charged to the income statement, if and to the extent that it exceeds the amount held in the reserve in respect of that same asset. On disposal of a revalued asset, the relevant portion of the revaluation reserve realised in respect of the previous valuations is transferred to the income statement.

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

Leasehold land	Over the lease terms
Buildings	2.5% or over the lease terms, whichever the shorter
Leasehold improvements	15% or over the lease terms, whichever is the shorter
Furniture and fixtures	15%
Plant and equipment	15%
Motor vehicles	25%

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

d) INVESTMENT PROPERTIES

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are held for their investment potential with rental income being negotiated at arm's length.

2. 主要會計政策 (續)

c) 物業、廠房及設備以及折舊 (續)

土地及樓宇(投資物業除外)之價值變動以物業重估儲備賬變動處理。倘在重估時產生虧絀,則在該等虧絀超逾儲備內列於同一資產項下的款項的情況下,超出之款額將會在收益表內扣除。出售重估資產時,就先前價值之重估儲備變賣之相關部份將轉為至收益表內。

折舊乃以直線法按估計可使用年期撇銷資產成本及估值。年率如下:

租賃土地	按租期
樓宇	2.5%或按租期 (以較短者為準)
租賃物業裝修	15%或按租期 (以較短者為準)
傢俬及裝置	15%
廠房及設備	15%
汽車	25%

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

d) 投資物業

投資物業乃指工程及發展經已完成之土地及樓宇之權益,並因其具備投資潛力而持有而租賃收入則在公平原則下磋商。

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

d) INVESTMENT PROPERTIES (continued)

Investment properties are not depreciated except where the unexpired term of the lease is 20 years or less in which case depreciation is provided on the carrying amount over the remaining term of the lease.

Investment properties are stated in the balance sheet at their open market value.

Changes in the value of investment properties are treated as movements in the investment properties revaluation reserve, unless the total of this reserve is insufficient to cover a deficit on a portfolio basis, in which case the amount by which the deficit exceeds the total amount in the investment properties revaluation reserve is charged to the income statement. Where a deficit has previously been charged to the income statement and a revaluation surplus subsequently arises, this surplus is credited to the income statement to the extent of the deficit previously charged. Upon the disposal of an investment property, the relevant portion of the revaluation reserve realised in respect of previous valuations is released from the investment properties revaluation reserve to the income statement.

2. 主要會計政策 (續)

d) 投資物業 (續)

除尚餘年期為二十年或以下情況下賬面值以直線法按其各自剩餘之租期攤銷外，投資物業不作折舊準備。

投資物業按公開市值於資產負債表中呈列。

投資物業價值之變動以投資物業重估儲備之變動處理。惟此儲備之總值不足以按投資組合之基準抵銷虧絀者除外，在此情況下，虧絀超出投資物業重估儲備總額之金額乃於收益表中扣除。倘一項虧絀先前於收益表中扣除而一項重估盈餘於其後產生，此項盈餘限於先前扣除虧絀於收益表中入賬。於出售一項投資物業後，因先前重估而變現之重估儲備有關部分，乃由投資物業重估儲備中撥回收益表。

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

e) ASSETS UNDER LEASES

i) Finance leases

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

ii) Operating leases

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

f) OTHER ASSETS

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

2. 主要會計政策 (續)

e) 租賃資產

(i) 融資租約

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

(ii) 經營租約

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

f) 其他資產

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

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

g) IMPAIRMENT OF ASSETS

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

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

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

i) Calculation of recoverable amount

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

ii) Reversals of impairment losses

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

2. 主要會計政策 (續)

g) 資產減值

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

- 物業、廠房及設備；及
- 附屬公司投資。

倘資產或其產生現金之單元之賬面值超越其可收回金額時，減值虧損會被確認。

i) 計算可收回金額

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

ii) 減值虧損轉回

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

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

g) IMPAIRMENT OF ASSETS (continued)

ii) Reversals of impairment losses (continued)

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

h) SUBSIDIARIES

A subsidiary is an enterprise in which the Company, directly or indirectly, holds more than half of the issued share capital or controls more than half of the voting power, or where the Company controls the composition of its board of directors or equivalent governing body.

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

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.

i) RELATED PARTIES

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

2. 主要會計政策 (續)

g) 資產減值 (續)

ii) 減值虧損轉回 (續)

減值虧損之轉回限於往年度沒有確認減值損失時的賬面值。減值虧損之轉回於確認轉回當年計入收益表。

h) 附屬公司

附屬公司乃本公司直接或間接持有或控制其過半數已發行股東或投票權之公司，或本公司控制其董事會或等同監管組織組成之公司。

於附屬公司之投資乃按成本值扣減任何已辨悉減值虧損而計入本公司之資產負債表內。附屬公司之業績按已收及應收股息作基準計入本公司賬目內。

集團內之結餘及交易及任何因集團內交易而產生之未變現溢利乃於編製綜合財務報表時全數對銷。因集團內交易而產生之未變現虧損乃以未變現收益同等方式對銷，惟僅限於無證據顯示減值之部份。

i) 關連人士

倘一方可直接或間接控制另一方或可對另一方之財務及營運決策發揮重大影響則雙方均會被當作關連人士，反之亦然。或雙方受到共同控制或重大影響，則雙方均被視為有關連。

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財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

j) INVENTORIES

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

k) ACCOUNTS RECEIVABLE

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

l) CASH EQUIVALENTS

Cash equivalents are short-term, highly liquid investments which are readily convertible into known amounts of cash without notice and which were within three months of maturity when acquired. Cash equivalents include investments and advances denominated in foreign currencies provided that they fulfil the above criteria.

For the purposes of the cash flow statement, cash equivalents would also include bank overdrafts and advances from banks repayable within three months from the date of the advance.

m) 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.

2. 主要會計政策 (續)

j) 存貨

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

k) 應收賬款

凡被視為屬呆賬之貿易應收款，均作出撥備。在資產負債表內列賬之貿易應收款已扣除有關之撥備。

l) 等同現金

等同現金指於購入日期起三個月內到期，並可隨時在未經通知下轉換為已知現金金額之短期高流動投資。等同現金包括符合上述條件而以外幣列值之投資及墊款。

就現金流量表而言，等同現金將包括須於支取日期後三個月內償還之銀行透支及銀行貸款。

m) 撥備及或然負債

當本公司或本集團因過後事件須承擔法定或推定責任，而履行該責任很可能需付出經濟效益及有可靠之估計時，則為未確定時間或金額之負債確認撥備。倘金錢之時間價值重大，撥備將以履行責任預期所需資金現值列報。

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

m) PROVISIONS AND CONTINGENT LIABILITIES

(continued)

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.

n) DEFERRED TAXATION

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

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

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

o) TRANSLATION OF FOREIGN CURRENCIES

Transactions in foreign currencies during the year are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the income statement.

2. 主要會計政策 (續)

m) 撥備及或然負債 (續)

倘流出經濟效益之可得性不大，或未能可靠地估計數額，則以或然負債形式予以披露，除非流出經濟效益之可能性極微。僅可在日後一項或以上事件發生與否下確定是否須承擔之責任，亦作或然負債予以披露，除非流出經濟效益之可能性極微。

n) 遞延稅項

遞延稅項採用負債法就資產負債之稅基與他們在賬目之賬面值而者之暫時差異作全數撥備。遞延稅項採用在結算日前已頒佈或實質頒佈之稅率釐定。

遞延稅項資產乃就有可能將未來應課稅溢利與可動用之暫時差異抵銷而確認。

遞延稅項乃就附屬公司投資產生之暫時差異而撥備，但假若可以控制暫時差異之撥回，並有可能在可預見未來不會撥回則除外。

o) 外幣換算

年內以外幣為本位之交易，均按交易當日之匯率折算。以外幣顯示之貨幣資產與負債則按結算日之匯率折算。由此產生之滙兌盈虧均計入收益表。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31 December 2003 二零零三年十二月三十一日

2. PRINCIPAL ACCOUNTING POLICIES (continued)

o) TRANSLATION OF FOREIGN CURRENCIES (continued)

The financial statements of subsidiaries expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the income statement is translated at an average rate. Exchange differences arising are dealt with as movement in income statement.

p) EMPLOYEE BENEFITS

i) *Employment Ordinance long service payments*

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

A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources of the Group. The Group’s contingent liabilities in respect of such payments are set out in note 26 to the financial statements.

ii) *Pension scheme*

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

2. 主要會計政策 (續)

o) 外幣換算 (續)

附屬公司以外幣顯示之財務報表均按結算日之匯率折算，而收益表則按平均匯率折算。由此產生之匯兌盈虧於收益表中入賬。

p) 僱員福利

i) *僱傭條例長期服務金*

本集團若干僱員已完成服務於本集團的指定年數，倘該等僱員，彼等根據香港法例第57章僱傭條例（「僱傭條例」）符合資格，離職獲發長期服務金。本集團只須於僱員離職時符合僱傭條例所指定之情況才支付有關款項。

本集團尚未就可能發生之金額作出撥備，而本集團並不認為這可能發生的情況會為集團將來帶來重要的資源流失。本集團就有關款項之或然負債列於財務報表附註26。

ii) *退休金計劃*

根據強制性公積金計劃條例，本集團為其所有僱員設立定額供款強制性公積金退休福利計劃（「該強積金計劃」）。供款按僱員基本薪金某百分比計算，並根據強積金計劃條例之規定於到期供款時自損益表中扣除。該強積金計劃之資產以獨立管理基金形式持有，與本集團之資產分開。本集團對該強積金計劃之僱主供款全歸僱員所有，惟若僱員於取得全數供款之歸益權前離職，根據該強積金計劃之規定本集團之僱主自願供款將退還予本集團。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

p) EMPLOYEE BENEFITS (continued)

iii) Share option scheme

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

2. 主要會計政策 (續)

p) 僱員福利 (續)

iii) 購股權計劃

本公司設有購股權計劃，為對本集團業務營運之成功有所貢獻之合資格參與者提供獎勵及回報。根據該等購股權計劃售出之購股權之財務影響不會記錄於本公司或本集團之資產負債表內。直至該等購股權獲發行之時為止，且亦無於收益表或資產負債表扣除該等購股權之成本。於購股權獲行使時，就此發行之股份按股份之面值由本公司記入為額外股本，而每股股份之行使價高出面值之差額記入本公司之股份溢價賬。於行使日期前註銷或失效之購股權於有關之未行使購股權登記冊中刪除。

NOTES TO THE FINANCIAL STATEMENTS

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3. TURNOVER AND REVENUE

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

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

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Turnover	營業額		
Receipts from restaurant operations	來自酒樓業務之收入	503,532	724,195
Sales of goods of a food factory	銷售食品廠貨品	4,385	6,271
		<u>507,917</u>	<u>730,466</u>
Other revenue	其他收入		
Rental income, gross	租金收入總額	3,398	3,498
Bank interest income	銀行利息收入	-	31
Negative goodwill recognised	已確認負商譽	-	3,267
Sundry income	雜項收入	1,850	2,186
		<u>5,248</u>	<u>8,982</u>
Total revenue	總收入	<u>513,165</u>	<u>739,448</u>

4. SEGMENT INFORMATION

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

3. 營業額及收入

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

本集團營業額及其他收入分析如下：

4. 分部資料

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

NOTES TO THE FINANCIAL STATEMENTS

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5. GAIN ARISING FROM DE-CONSOLIDATION OF SUBSIDIARIES

i) Gain arising from disposal of subsidiaries

On 30 June 2003 and 3 December 2003, Hon Po International Limited, the Company's wholly-owned subsidiary entered into sale and purchase agreements with independent third parties to dispose of four wholly-owned subsidiaries, namely, Beautiguide Investments Limited, Bestrade Investments Limited, Chai Wan Hon Po Restaurant Limited and Hon Po Rich Harvest Resources Limited at a consideration of HK\$221. Gain of HK\$41,397,000 arose on the de-consolidation of these four subsidiaries in the financial statements for the year ended 31 December 2003.

ii) Gain arising from liquidation of a subsidiary

Gain of HK\$1,197,000 arose from the de-consolidation of a wholly-owned subsidiary of the Company, Harmony Sky Investment Limited, which was under liquidation during the year. The liquidation process was completed after the year end.

5. 不再綜合計算附屬公司之收益

i) 出售附屬公司產生之收益

於二零零三年六月三十日及二零零三年十二月三日，本公司之全資附屬公司漢寶國際有限公司與獨立第三方訂立買賣協議，以代價221港元出售四家全資附屬公司多而美投資有限公司、百翔投資有限公司、柴灣漢寶酒樓有限公司及漢寶豐富資源有限公司。於截至二零零三年十二月三十一日止年度之財務報表中因不再將此四家附屬公司綜合入賬而產生合共41,397,000港元之收益。

ii) 一家附屬公司清盤產生之收益

不再將本公司全資附屬公司鴻天投資有限公司（其於年內正進行清盤）綜合入賬，因而產生1,197,000港元之收益。清盤過程已於結算日後完成。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31 December 2003 二零零三年十二月三十一日

6. PROFIT/(LOSS) FROM OPERATIONS

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

6. 經營溢利／（虧損）

本集團之經營溢利／（虧損）已扣除及計入：

		As restated 經重列
	2003 HK\$'000 千港元	2002 HK\$'000 千港元
Crediting	已計入	
Negative goodwill recognised	已確認負商譽	(3,267)
Gain on disposal of leasehold land and buildings	出售租賃土地及樓宇之收益	—
Rental income, gross	租金收入總額	(3,498)
Bank interest income	銀行利息收入	(31)
	<u> </u>	<u> </u>
Charging	已扣除	
Cost of inventories consumed	經消耗存貨成本	232,744
Depreciation	折舊	18,793
Staff costs (including directors' remuneration — note 12):	員工成本 (包括董事酬金 — 附註12):	
Wages and salaries and other staff benefits	工資及薪金及其他員工福利	269,349
Pension scheme contributions	退休金計劃供款	11,690
Minimum lease payments under operating leases on land and buildings:	土地及樓宇之經營租約之最低租金付款:	
Related companies	關連公司	10,731
Certain fellow subsidiaries for the benefit of the ultimate holding company	若干同系附屬公司 — 最終控股公司獲益	
Third parties	第三方	14,494
Auditors' remuneration	核數師酬金	820
Provision for impairment of leasehold land and buildings	租賃土地及樓宇之減值準備	5,500
Provision for impairment of leasehold improvements	租賃物業裝修之減值準備	22,375
Provision for impairment of furniture and fixtures	傢俬及裝置之減值準備	4,888
Provision for impairment of plant and equipment	廠房及設備之減值準備	1,283
Provision for impairment of other assets	其他資產之減值準備	1,865
Revaluation deficit on leasehold land and buildings	租賃土地及樓宇之重估虧拙	585
Loss on disposal of leasehold land and buildings	出售租賃土地及樓宇之虧損	94
Loss on disposal of other assets	出售其他資產之虧損	232
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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7. FINANCE COSTS

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Interest on bank loans and overdrafts	銀行貸款及透支之利息	3,346	4,359
Interest on other loans	其他貸款利息	77	-
Interest on finance leases	融資租約之利息	50	109
		<u>3,473</u>	<u>4,468</u>

8. TAXATION

Hong Kong profits tax has been provided for at the rate of 17.5% (2002: 16%) on the estimated assessable profits for the year.

The amount of taxation credited to the consolidated income statement represents:

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Hong Kong profits tax	香港利得稅	619	100
Overprovision in prior year	往年超額撥備	(623)	-
Deferred taxation (note 15)	遞延稅項 (附註15)	(1,409)	(2,442)
		<u>(1,413)</u>	<u>(2,342)</u>

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

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Profit/(loss) before taxation	除稅前溢利/(虧損)	<u>28,751</u>	<u>(76,994)</u>
Effect of tax at Hong Kong profits tax rate of 17.5% (2002: 16%)	按香港利得稅稅率17.5% (二零零二年:16%) 計自之稅務影響	5,031	(12,319)
Income that are not taxable	非課稅收入	(44,229)	(18,292)
Expenses that are not deductible	不可扣減開支	31,626	24,464
Increase in deferred tax assets resulting from an increase in Hong Kong profits tax rate	因香港利得稅稅率增加而產生之遞延稅項資產增加	(278)	-
Decrease in deferred taxation	遞延稅項減少	(1,689)	(2,428)
Utilisation of tax losses	動用稅項虧損	(348)	-
Unused tax losses not recognised	未確認之未動用稅項虧損	11,084	8,735
Temporary timing difference	暫時性時差	(2,639)	(1,875)
Others	其他	29	(627)
		<u>(1,413)</u>	<u>(2,342)</u>

7. 財務成本

8. 稅項

香港利得稅乃根據本年度之估計應課稅溢利按稅率17.5% (二零零二年:16%) 作出撥備。

計入綜合收益表之稅項金額:

年內所扣除/(計入) 與收益表內之溢利對賬如下:

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8. TAXATION (continued)

Tax payable in the consolidated balance sheet represents:

	2003 HK\$'000 千港元	2002 HK\$'000 千港元
Hong Kong profits tax 香港利得稅	<u>826</u>	<u>1,325</u>

9. PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS

The net profit/(loss) attributable to shareholders includes a profit of approximately HK\$5,981,000 (2002: loss of HK\$81,030,000) which has been dealt with in the financial statements of the Company for the year ended 31 December 2003.

10. DIVIDENDS

No dividend was paid or proposed for the year ended 31 December 2003, nor has any dividend been proposed since the balance sheet date.

Special dividends of HK\$92,554,000 were declared and approved by the directors of the Company in previous year. The special dividends were used to set-off against the account balance due to the Company from Hon Po Investment Limited, the sole shareholder of the Company arising upon the completion of the Group Reorganisation on 17 January 2002 prior to the listing. The special dividends did not involve any cash payment.

A special dividend of HK\$7,560,000, representing HK1.2 cents per share of the Company was declared and paid out from the Company's distributable reserves on 28 June 2002.

8. 稅項 (續)

綜合資產負債表內之應付稅項：

	2003 HK\$'000 千港元	2002 HK\$'000 千港元
	<u>826</u>	<u>1,325</u>

9. 股東應佔溢利／(虧損)

截至二零零三年十二月三十一日止年度在本公司之財務報表中，股東應佔純利／(虧損)包括溢利約5,981,000港元(二零零二年：虧損81,030,000港元)。

10. 股息

截至二零零三年十二月三十一日止年度並無支付或建議任何股息，自結算日起亦無建議任何股息。

本公司董事於去年宣派及批准92,554,000港元之特別股息。特別股息乃用作抵銷漢寶投資發展(香港)有限公司欠負本公司之賬目結餘。漢寶投資發展(香港)有限公司於上市前在二零零二年一月十七日集團重組完成後成為本公司之唯一股東。有關特別股息並無涉及任何現金付款。

本公司於二零零二年六月二十八日從本公司之可供分派儲備中宣派及支付7,560,000港元(即每股1.2港仙)之特別股息。

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11. EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings per share for the year ended 31 December 2003 is based on the profit attributable to shareholders of approximately HK\$31,223,000 (2002: loss of HK\$74,616,000) and the weighted average of 630,000,000 (2002 : 611,780,822) ordinary shares in issue during the year.

Diluted earnings/(loss) per share is not presented as there was no dilutive potential ordinary shares in existence for the year ended 31 December 2003.

12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

a) Details of directors' emoluments are:

Fees for executive directors	執行董事袍金
Fees for non-executive directors	非執行董事袍金
Independent non-executive directors	獨立非執行董事袍金
Other emoluments	執行董事
for executive directors:	其他薪酬:
– Basic salaries, allowances	– 基本薪金、
and benefits in kind	津貼及實物利益
– Contribution to pension scheme	– 退休計劃供款

11. 每股盈利／(虧損)

截至二零零三年十二月三十一日止年度之每股基本盈利乃根據年內股東應佔溢利約31,223,000港元(二零零二年:虧損74,616,000港元)及已發行普通股加權平均股數630,000,000股(二零零二年:611,780,822股)計算。

由於截至二零零三年十二月三十一日止年度並無出現具潛在攤薄影響之普通股,因此並無呈報每股攤薄盈利／(虧損)。

12. 董事及僱員薪酬

a) 董事薪酬之詳情如下:

	2003	2002
	HK\$'000	HK\$'000
	千港元	千港元
Fees for executive directors	3,000	2,650
Fees for non-executive directors	1,200	1,200
Independent non-executive directors	30	90
Other emoluments		
for executive directors:		
– Basic salaries, allowances		
and benefits in kind	–	–
– Contribution to pension scheme	60	53
	4,290	3,993

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12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

b) Analysis of directors' emoluments by number of directors and emolument ranges is as follows :

		Number of directors 董事人數	
		2003	2002
Nil to HK\$1,000,000	無至1,000,000港元	12	10
		<u>12</u>	<u>10</u>

The five highest paid individuals during the year included four (2002 : four) directors, details of whose remuneration have been disclosed above. Details of the remuneration of the remaining one (2002: one) non-director, highest paid individual are as follows:

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	715	710
Pension scheme contributions	退休計劃供款	12	12
		<u>727</u>	<u>722</u>

The number of the five highest paid individuals whose remuneration fall within the following bands were as follows:

		2003	2002
Nil to HK\$1,000,000	無至1,000,000港元	5	1

During the year, no emoluments were paid to the five highest paid individuals (including directors and other employees) as inducement to join or upon joining the Group or as compensation for loss of office.

12. 董事及僱員薪酬 (續)

b) 按董事人數及薪酬範圍分析之董事薪酬如下：

於本年度五位最高薪酬人士包括四位董事(二零零二年:四位)之薪酬資料已於上文披露。其餘一位最高薪酬人士(非董事)(二零零二年:一位)薪酬之詳情如下：

屬於以下酬金組別之五位最新薪酬人士分佈如下：

於年內，本集團並無向五名最高薪酬人士(包括董事及其他僱員)支付任何酬金，作為加入本集團或加入時之獎金或作為離職賠償。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

Group 本集團

		Leasehold land and buildings HK\$'000 租賃土地 及樓宇 千港元	Investment properties HK\$'000 投資物業 千港元	Leasehold improvements HK\$'000 租賃 物業裝修 千港元	Furniture and fixtures HK\$'000 傢俬及 裝置 千港元	Plant and equipment HK\$'000 廠房及 設備 千港元	Motor vehicles HK\$'000 汽車 千港元	Total HK\$'000 總數 千港元
Cost or valuation	成本或估值							
At 1/1/2003	二零零三年 一月一日	117,620	29,000	146,334	48,809	10,756	263	352,782
Additions	添置	-	-	10,982	3,746	111	645	15,484
Disposals	出售	(116,400)	(29,000)	(62,140)	(17,581)	(8,701)	-	(233,822)
At 31/12/2003	二零零三年 十二月三十一日	1,220	-	95,176	34,974	2,166	908	134,444
Accumulated depreciation and impairment	累積折舊及 減值							
At 1/1/2003	二零零三年 一月一日	5,500	-	120,399	34,498	8,453	77	168,927
Charge for the year	年度扣除	64	-	4,927	3,269	379	162	8,801
Impairment provided during the year	年度減值撥備	540	-	-	-	-	-	540
Disposals	出售	(5,534)	-	(55,310)	(17,467)	(8,701)	-	(87,012)
At 31/12/2003	二零零三年 十二月三十一日	570	-	70,016	20,300	131	239	91,256
Net book value	賬面淨值							
At 31/12/2003	二零零三年 十二月三十一日	650	-	25,160	14,674	2,035	669	43,188
At 31/12/2002	二零零二年 十二月三十一日	112,120	29,000	25,935	14,311	2,303	186	183,855
Representing:	代表:							
At cost	按成本	-	-	95,176	34,974	2,166	908	133,224
At valuation	按估值	1,220	-	-	-	-	-	1,220
		1,220	-	95,176	34,974	2,166	908	134,444

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13. PROPERTY, PLANT AND EQUIPMENT (continued)

The carrying value of the Group's leasehold land and buildings is analysed as follows:

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Leasehold land and buildings held under:	租賃土地及樓宇之持有方式		
Long term leases	長期租賃	-	110,900
Medium term leases	中期租賃	650	1,220
		<u>650</u>	<u>112,120</u>

The leasehold land and buildings and investment properties are all situated in Hong Kong.

Pursuant to a sale and purchase agreement entered into between Dragongem Development Limited, a subsidiary of the Company and an independent third party to dispose of the leasehold land and buildings at a consideration of HK\$650,000 subsequent to the balance sheet date, the carrying value of the property has been reduced by an impairment loss of HK\$540,000 and was charged to income statement for the year ended 31 December 2003.

At 31 December 2003, the Group's leasehold land and buildings with carrying value of HK\$650,000 were pledged to secure banking facilities granted to the Group (note 20).

The net book values of the property, plant and equipment of the Group held under finance leases included in the total amount of property, plant and equipment were as follows:

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Furniture and fixtures	傢俬及裝置	-	388
Plant and equipment	廠房及設備	1,014	1,194
Motor vehicles	汽車	548	135
		<u>1,562</u>	<u>1,717</u>

As at 31 December 2003 and 31 December 2002, the Company had no property, plant and equipment.

13. 物業、廠房及設備 (續)

本集團之租賃土地及樓宇之賬面值分析如下：

	2003 HK\$'000 千港元	2002 HK\$'000 千港元
租賃土地及樓宇以及投資物業均位於香港。		
根據本公司附屬公司龍之寶發展有限公司與獨立第三方於結算日後以650,000港元出售租賃土地及樓宇而訂立之買賣協議，該物業之賬面值已扣減減值虧損540,000港元，並於截至二零零三年十二月三十一日止年度之收益表內扣除。		
於二零零三年十二月三十一日，本集團賬面值為650,000港元之租賃土地及樓宇已抵押作為本集團獲授銀行信貸之擔保（附註20）。		
本集團根據融資租約持有的物業、廠房及設備賬面淨值包括物業、廠房及設備總額如下：		
於二零零三年十二月三十一日及二零零二年十二月三十一日，本公司並無任何物業、廠房及設備。		

租賃土地及樓宇以及投資物業均位於香港。

根據本公司附屬公司龍之寶發展有限公司與獨立第三方於結算日後以650,000港元出售租賃土地及樓宇而訂立之買賣協議，該物業之賬面值已扣減減值虧損540,000港元，並於截至二零零三年十二月三十一日止年度之收益表內扣除。

於二零零三年十二月三十一日，本集團賬面值為650,000港元之租賃土地及樓宇已抵押作為本集團獲授銀行信貸之擔保（附註20）。

本集團根據融資租約持有的物業、廠房及設備賬面淨值包括物業、廠房及設備總額如下：

	2003 HK\$'000 千港元	2002 HK\$'000 千港元
傢俬及裝置	-	388
廠房及設備	1,014	1,194
汽車	548	135
	<u>1,562</u>	<u>1,717</u>

於二零零三年十二月三十一日及二零零二年十二月三十一日，本公司並無任何物業、廠房及設備。

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14. INTERESTS IN SUBSIDIARIES

14. 於附屬公司之權益

		Company 本公司	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost	非上市股份，按成本	191,464	191,464
Amounts due from subsidiaries	應收附屬公司款項	12,240	20,038
Amounts due to subsidiaries	應付附屬公司款項	-	(96,079)
		203,704	115,423
Less : Provision for impairment	扣除：減值撥備	(167,000)	(80,000)
		36,704	35,423

The amounts due from/(to) subsidiaries are unsecured, interest free and were repayable on demand.

應收／（應付）附屬公司之款項乃無抵押、免息及毋須於催繳償還。

Details of the Company's subsidiaries as at 31 December 2003 are as follows:

本公司於二零零三年十二月三十一日之附屬公司資料如下：

Name 公司名稱	Country/place of incorporation/ establishment 註冊成立/ 成立國家／地點	Country/ place of operation 營運國家／地點	Principal activities 主要業務	Issued and fully paid share capital 已發行及繳足股本	Percentage of interests held	
					Directly 持有權益百分比 直接	Indirectly 間接
Hon Po International Limited	British Virgin Islands	Hong Kong	Investment and intellectual property holding	Ordinary US\$151	100%	-
漢寶國際有限公司	英屬處女群島	香港	投資控股及 持有知識產權	普通股151美元	100%	-
A. Top Investment Limited	Hong Kong	Hong Kong	Inactive	Ordinary HK\$12,000,000 Class A (Note) HK\$11,500,000	-	96%
一冠投資有限公司	香港	香港	暫無營業	普通股12,000,000港元 A類股 (附註) 11,500,000港元	-	96%
Beautiguide Investments Limited **	Hong Kong	Hong Kong	Operation of a Chinese restaurant	Ordinary HK\$10,000	-	100%
美而佳投資有限公司**	香港	香港	經營中式酒樓	普通股10,000港元	-	100%

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14. INTERESTS IN SUBSIDIARIES (continued)

14. 於附屬公司之權益 (續)

Name 公司名稱	Country/place of incorporation/ establishment 註冊成立/ 成立國家/地點	Country/ place of operation 營運國家/地點	Principal activities 主要業務	Issued and fully paid share capital 已發行及繳足股本	Percentage of interests held	
					Directly 持有權益百分比 直接	Indirectly 間接
Bestcase Hong Kong Limited 百基香港有限公司	Hong Kong 香港	Hong Kong 香港	Operation of a Chinese restaurant 經營中式酒樓	Ordinary HK\$6,000,000 普通股6,000,000港元	-	100%
Bestrade Investments Limited** 百翔投資有限公司**	Hong Kong 香港	Hong Kong 香港	Operation of a Chinese restaurant 經營中式酒樓	Ordinary HK\$100 Class A (Note) HK\$17,500,000 普通股100港元 A類股 (附註) 17,500,000港元	-	100%
Chai Wan Hon Po Restaurant Limited** 柴灣漢寶酒樓有限公司**	Hong Kong 香港	Hong Kong 香港	Operation of a Chinese restaurant 經營中式酒樓	Ordinary HK\$10,000 Class A (Note) HK\$5,000,000 普通股10,000港元 A類股 (附註) 5,000,000港元	-	100%
Dragongem Development Limited 龍之寶發展有限公司	Hong Kong 香港	Hong Kong 香港	Operation of a Chinese restaurant 經營中式酒樓	Ordinary HK\$100 Class A (Note) HK\$21,250,000 普通股100港元 A類股 (附註) 21,250,000港元	-	100%
Harmony Sky Investment Limited* 鴻天投資有限公司*	Hong Kong 香港	Hong Kong 香港	Under Liquidation 正進行清盤	Ordinary HK\$10,000 Class A (Note) HK\$10,000 普通股10,000港元 A類股 (附註) 10,000港元	-	99%
Hon Po Bright Ocean Enterprises Limited 漢寶明洋企業有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	Operation of a Chinese restaurant 經營中式酒樓	Ordinary US\$1 普通股1美元	-	100%
Hon Po Management Limited 漢寶管理有限公司	Hong Kong 香港	Hong Kong 香港	Sourcing business and property investment 採購業務及 物業投資	Ordinary HK\$2 Class A (Note) HK\$100 普通股2港元 A類股 (附註) 100港元	-	100%

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14. INTERESTS IN SUBSIDIARIES (continued)

14. 於附屬公司之權益 (續)

Name 公司名稱	Country/place of incorporation/ establishment 註冊成立/ 成立國家/地點	Country/ place of operation 營運國家/地點	Principal activities 主要業務	Issued and fully paid share capital 已發行及繳足股本	Percentage of interests held	
					Directly 持有權益百分比 直接	Indirectly 間接
Hon Po Rich Harvest Resources Limited**	British Virgin Islands	Hong Kong	Operation of a Chinese restaurant	Ordinary US\$1	-	100%
漢寶豐富資源有限公司**	英屬處女群島	香港	經營中式酒樓	普通股1美元	-	100%
Hon Po Sunny Bright Developments Limited	British Virgin Islands	Hong Kong	Inactive 暫無營業	Ordinary US\$1	-	100%
漢寶陽光發展有限公司	英屬處女群島	香港		普通股1美元	-	100%
Hong Kong Hon Po Food Factory Limited	Hong Kong	Hong Kong	Production of seasonal food	Ordinary HK\$10,000	-	100%
香港漢寶食品廠有限公司	香港	香港	季節性食品製造	普通股10,000港元	-	100%
Jing Hua (Allied) Limited	Hong Kong	Hong Kong	Operation of a Chinese restaurant	Ordinary HK\$10,000 Preference HK\$3,000,000	-	100%
京華(聯合)有限公司	香港	香港	經營中式酒樓	普通股10,000港元 優先股3,000,000港元	-	100%
Jing Hua Restaurant Limited	Hong Kong	Hong Kong	Property investment	Ordinary HK\$10,000 Preference HK\$3,000,000	-	100%
京華酒樓有限公司	香港	香港	物業投資	普通股10,000港元 優先股3,000,000港元	-	100%
Metropolis Harbour View Chinese Cuisine Limited	Hong Kong	Hong Kong	Operation of a Chinese restaurant	Ordinary HK\$10,000	-	100%
景逸軒有限公司	香港	香港	經營中式酒樓	普通股10,000港元	-	100%
Milibless International Development Limited	Hong Kong	Hong Kong	Operation of a Chinese restaurant	Ordinary HK\$100 Class A (Note) HK\$6,000,000	-	100%
百億國際發展有限公司	香港	香港	經營中式酒樓	普通股100港元 A類股(附註) 6,000,000港元	-	100%
More Development Limited	Hong Kong	Hong Kong	Operation of a Chinese restaurant	Ordinary HK\$100 Class A (Note) HK\$28,000,000	-	100%
多恆發展有限公司	香港	香港	經營中式酒樓	普通股100港元 A類股(附註) 28,000,000港元	-	100%
Ocean Grace Investments Limited	Hong Kong	Hong Kong	Operation of a Chinese restaurant	Ordinary HK\$2	-	100%
滋洋投資有限公司	香港	香港	經營中式酒樓	普通股2港元	-	100%

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14. INTERESTS IN SUBSIDIARIES (continued)

14. 於附屬公司之權益 (續)

Name 公司名稱	Country/place of incorporation/ establishment 註冊成立/ 成立國家/地點	Country/ place of operation 營運國家/地點	Principal activities 主要業務	Issued and fully paid share capital 已發行及繳足股本	Percentage of interests held	
					Directly 持有權益百分比 直接	Indirectly 間接
Open Global Investments Limited 放眼世界投資有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	Inactive 暫無營業	Ordinary US\$1 普通股1美元	-	100%
Oriental Team Investments Limited 奧成投資有限公司	Hong Kong 香港	Hong Kong 香港	Operation of a Chinese restaurant 經營中式酒樓	Ordinary HK\$18,200,000 普通股 18,200,000港元	-	67%
Rich Source Management Limited 富源管理有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	Operation of a Chinese restaurant 經營中式酒樓	Ordinary US\$10,000 普通股10,000美元	-	99%
Victory Impact Limited 勝響有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	Operation of a Chinese restaurant 經營中式酒樓	Ordinary US\$1 普通股1美元	-	100%

* The subsidiary was wound up by a court order.

* 附屬公司按法院頒令而清盤。

** The subsidiaries were disposed of to an independent third party on 30 June 2003 and 3 December 2003.

** 附屬公司於二零零三年六月三十日及二零零三年十二月三日出售予獨立第三方。

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

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

The above table lists the subsidiaries of the Company as at 31 December 2003 which in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details at all the subsidiaries would in the opinion of the directors, result in particulars of excessive length.

上述之一覽表列出本公司於二零零三年十二月三十一日之附屬公司，董事認為，其主要影響本集團於本年度之業績或形成本集團之資產淨值實值部份。董事認為，若詳細列出所有附屬公司之詳情則造成冗長之細節。

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15. DEFERRED TAXATION

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

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Deferred tax assets	遞延稅項資產		
The movements for the year in the deferred tax assets are as follows:	年內之遞延稅項資產變動如下:		
At beginning of the year	年初	3,824	1,396
Transfer to income statement (note 8)	轉撥至損益賬 (附註8)	1,409	2,428
At end of the year	年終	<u>5,233</u>	<u>3,824</u>
		2003 HK\$'000 千港元	2002 HK\$'000 千港元

Deferred tax liabilities	遞延稅項負債		
The movements for the year in the deferred tax liabilities are as follows:	年內之遞延稅項負債變動如下:		
At beginning of the year	年初	688	688
Overprovision in prior year	往年超額撥備	(558)	-
At end of the year	年終	<u>130</u>	<u>688</u>

16. INVENTORIES

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Food and beverages	食品及飲品	<u>10,933</u>	<u>27,901</u>

At 31 December 2003, no inventories were stated at net realisable value (2002 : Nil).

15. 遞延稅項

本集團於本年度及往年度確認之主要遞延稅項資產及負債如下:

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
遞延稅項資產			
年內之遞延稅項資產變動如下:			
年初		3,824	1,396
轉撥至損益賬 (附註8)		1,409	2,428
年終		<u>5,233</u>	<u>3,824</u>
		2003 HK\$'000 千港元	2002 HK\$'000 千港元

16. 存貨

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
食品及飲品		<u>10,933</u>	<u>27,901</u>

於二零零三年十二月三十一日, 概無存貨按可變現淨值列賬 (二零零二年: 無)。

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17. ACCOUNTS RECEIVABLE

Customers are usually offered a credit period ranging from one to six months. An ageing analysis of trade receivables after provision as at 31 December 2003 and 31 December 2002 is as follows:

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Current to 3 months	即期至三個月	1,582	1,980
4 to 6 months	四至六個月	-	2
		<u>1,582</u>	<u>1,982</u>

18. ACCOUNTS PAYABLE

The ageing of the accounts payable of the Group fell within the range of one to twelve months as at 31 December 2003 and 31 December 2002 is follows:

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Current to 3 months	即期至三個月	19,101	34,989
4 to 6 months	四至六個月	651	-
6 months to 12 months	六至十二個月	1,502	-
		<u>21,254</u>	<u>34,989</u>

19. AMOUNT DUE TO THE IMMEDIATE HOLDING COMPANY

The amount due to the immediate holding company is unsecured, interest free and repayable on demand.

17. 應收賬款

客戶一般獲得之信貸期為一至六個月不等。應收貿易賬於二零零三年十二月三十一日及二零零二年十二月三十一日之賬齡分析如下：

18. 應付賬款

本集團於二零零三年十二月三十一日及二零零二年十二月三十一日於一個月至十二個月到期之應付賬款之賬齡如下：

19. 應付最終控股公司款項

應付最終控股公司款項乃無抵押、免息及於催繳時償還。

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20. INTEREST-BEARING BORROWINGS

20. 附息借貸

		Group		Company	
		本集團	本公司	本公司	本公司
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank overdrafts	銀行透支	327	11,124	-	-
Bank loans, secured	銀行貸款·已抵押	4,571	115,070	1,400	5,400
Other loans, secured	其他貸款·已抵押	6,000	-	-	-
		10,898	126,194	1,400	5,400
Analysis:	分析:				
Bank overdrafts	銀行透支	327	11,124	-	-
Loans wholly repayable:	須於下列期限悉數償還之貸款:				
Within one year	一年內	8,762	19,925	1,400	2,400
In the second year	第二年	1,809	12,174	-	-
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	-	26,309	-	3,000
Over five years	五年後	-	56,662	-	-
		10,898	126,194	1,400	5,400
Portion classified as current liabilities	已列作流動負債部分	(9,089)	(31,049)	(1,400)	(2,400)
Non-current portion	非即期部分	1,809	95,145	-	3,000

At 31 December 2003, the Group's and the Company's banking facilities were secured by the leasehold land and buildings of the Group and supported by corporate guarantees executed by the Company (note 26) and personal guarantees executed by certain directors and a related party of the Company. Two subsidiaries' issued and paid up shares were pledged to an independent third party as security for a short-term borrowing amounting to HK\$6 million for working capital of the Group.

於二零零三年十二月三十一日，本集團及本公司之銀行融資額度由本集團之租賃土地及樓宇作抵押及由本公司提供公司擔保（附註26），及由本公司若干董事和關連人士提供個人擔保。另兩家附屬公司之已發行及繳足股份已抵押予獨立第三方作為用作本集團營運資金6,000,000港元短期借貸之擔保。

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21. OBLIGATIONS UNDER FINANCE LEASES

At 31 December 2003, the total future minimum lease payments under finance leases and their present value, were as follows:

21. 融資租約責任

於二零零三年十二月三十一日，於融資租約下未來最低租約支付總額及其現值如下：

		Minimum lease payments		Present value of minimum lease payments	
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Amounts payable	應付款項				
Within one year	一年內	615	631	576	571
In the second year	第二年	367	426	342	409
In the third to fifth years	第三年至第五年	47	177	42	176
Total minimum lease payments	最低租約支付總額	1,029	1,234	960	1,156
Future finance charges	未來融資費用	(69)	(78)		
Total net finance lease payables	應付融資租約的淨額總計	960	1,156		
Portion classified as current liabilities	已列作流動負債部份	(576)	(571)		
Non-current portion	非即期部份	384	585		

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22. ISSUED CAPITAL

22. 已發行股本

		2003		2002	
		Number of shares 股份數目	Amount 金額 HK\$'000 千港元	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised ordinary shares of HK\$0.01 each	每股面值0.01港元 之法定普通股				
At 1 January	一月一日	10,000,000,000	100,000	-	-
Upon incorporation of the Company and subdivision of shares	本公司註冊成立及 股份拆細時	-	-	1,000,000,000	10,000
Increase of authorised share capital	法定股本增加	-	-	9,000,000,000	90,000
At 31 December	十二月三十一日	<u>10,000,000,000</u>	<u>100,000</u>	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid ordinary shares of HK\$0.01 each	每股面值0.01港元之 已發行及繳足普通股				
At 1 January	一月一日	630,000,000	6,300	-	-
Issue upon Group Reorganisation	集團重組時發行	-	-	455,000,000	4,550
Issue of shares upon listing	上市時發行股份	-	-	175,000,000	1,750
At 31 December	十二月三十一日	<u>630,000,000</u>	<u>6,300</u>	<u>630,000,000</u>	<u>6,300</u>

Share option scheme

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

購股權計劃

本公司實行一個購股權計劃（「該計劃」），目的是要提供獎勵及回報予對本集團之業務成就有貢獻之合資格參予者。該計劃之合資格參予者包括本公司董事、獨立非執行董事、本集團其他僱員、本集團之貨品或服務供應商及本集團之分包商，該計劃於二零零二年二月十八日生效，有效期由該日起計為期十年（除非另有取消或修訂）。

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22. ISSUED CAPITAL (continued)

Share option scheme (continued)

The maximum number of unexercised share option currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 30% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme with any 12-month period, is limited to 1% at the shares of the Company in issue at anytime. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

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

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

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

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

22. 已發行股本 (續)

購股權計劃 (續)

根據該計劃本公司現行可授予之未行使的購股權之上限之數目等同於行使時，本公司於任何時間已發行股份的30%。根據購股權於任何12個月期間可發行予該計劃之各名合資格參與者之股份數目上限為本公司於任何時間之已發行股份之1%。任何超過此上限被授出之購股權必須於股東大會上得到股東批准。

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

緊隨購股權被視作授出及被接納之日起至董事會通知各承授人購股權到期之日期間，可按照該計劃之條款隨時行使購股權，該段期間自購股權被視作授出及被接納之日起計不得超逾十年。根據該計劃，行使購股權前並無最短持有期之規定。根據該計劃接納授出了購股權付出之面值代價為1港元。

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

購股權並無賦予持有人收取股息或於股東大會上投票之權利。

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22. ISSUED CAPITAL (continued)

Share option scheme (continued)

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

22. 已發行股本 (續)

購股權計劃 (續)

於資產負債表日及截至本財務報表審批日止，並無任何購股權於該計劃項下授出。

23. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT

23. 綜合現金流量表之附註

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Net assets disposed of:	出售資產淨值:		
Property, plant and equipment	物業、廠房及設備	196	-
Other assets	其他資產	342	-
Inventories	存貨	288	-
Accounts receivable	應收賬款	56	-
Prepayment, deposits and other receivable	預付款項、訂金及 其他應收款項	499	-
Tax recoverable	可收回稅項	909	-
Cash and bank balances	現金及銀行結餘	279	-
Accounts payable	應付賬款	(21,585)	-
Other payable and accruals	其他應付款項及應計費用	(101)	-
Bank overdrafts and bank loans	銀行透支及銀行貸款	(966)	-
		<u>(20,083)</u>	-
Contributed surplus realised on disposal	出售時變現實繳盈餘	(22,511)	-
Gain on disposal of subsidiaries	出售附屬公司之收益	42,594	-
		<u>-</u>	<u>-</u>
Net cash inflow arising on disposal:	出售時產生之現金流入淨額:		
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Cash and bank balances disposed of	出售之現金及銀行結餘	(279)	-
Bank overdrafts	銀行透支	966	-
		<u>687</u>	<u>-</u>

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24. OPERATING LEASE COMMITMENTS

a) As lessor

The Group leases its investment properties under non-cancellable operating lease arrangements with lease terms ranging from two to three years.

At 31 December 2003, the Group had total future minimum lease rental receivables under non-cancellable operating leases falling due as follows:

		Group 本集團	
		2003	2002
		千港元	千港元
Within one year	於一年內	222	2,775
In the second to fifth years, inclusive	第兩年至第五年 (包括首尾兩年)	759	2,698
		981	5,473

b) As lessee

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

At 31 December 2003, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	於一年內	39,140	72,507
In the second to fifth years, inclusive	第兩年至第五年 (包括首尾兩年)	98,064	114,970
After five years	五年以後	3,080	26,125
		140,284	213,602

At 31 December 2003 and 31 December 2002, the Company did not have any significant operating lease arrangements.

24. 經營租約安排

(a) 出租者

本集團根據不可撤銷營業租約安排出租其投資物業，議定之租期為兩至三年不等。

於二零零三年十二月三十一日，本集團根據與其租戶於下列年期到期之不可攤銷營業租約之未來應收最低租金總額為：

(b) 承租者

本集團據不可撤銷營業租約安排承租若干酒樓、員工宿舍、辦公室及貨倉，議定之租約期為一年至十年不等。

截至二零零三年十二月三十一日，本集團根據於下列年期到期之不可撤銷營業租約之未來應付最低租金總額為：

本公司於二零零三年十二月三十一日及二零零二年十二月三十一日並無作出任何營業租約安排。

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25. RELATED PARTY TRANSACTIONS

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

		2003	2002
	Note	HK\$'000	HK\$'000
	附註	千港元	千港元
Purchases of foodstuffs from related companies	i)	1,669	3,075
Minimum lease payments under operating leases on land and buildings paid to related companies	ii)	7,896	10,731
Minimum lease payments under operating leases on land and buildings paid to certain fellow subsidiaries for the benefit of the holding companies	iii)	12,559	14,494
Licence fees income received from non-wholly owned subsidiaries	iv)	372	764

- i) The Group purchased foodstuffs from Tung Cheong Hong and Pacific Good Trading Limited, companies which are beneficially owned by a director of the Company.

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

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

- ii) The rental expenses were paid to N.W.P. Investments, To Sang Management, Composite Interest Limited ("Composite") and Wong Chung Ming Development Fund Company Limited ("WCM Fund"). Mr. Ng Wing Po is a non-executive director of the Company and a director of N.W.P. Investments which is controlled indirectly by a discretionary trust of which Mr. Ng Wing Po's wife and certain of his children are beneficiaries. To Sang Management is beneficially owned by certain directors of the Company. Composite and WCM Fund are beneficially owned Mr. Wong Chung Ming who is a minority shareholder with a 4% interest in A. Top. The rental expenses were based on the agreement signed with the Group.

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

25. 關連人士交易

本集團於年度內與關連人士有以下重大交易：

	2003	2002
	HK\$'000	HK\$'000
	千港元	千港元
Purchases of foodstuffs from related companies	1,669	3,075
Minimum lease payments under operating leases on land and buildings paid to related companies	7,896	10,731
Minimum lease payments under operating leases on land and buildings paid to certain fellow subsidiaries for the benefit of the holding companies	12,559	14,494
Licence fees income received from non-wholly owned subsidiaries	372	764

- i) 本集團向同昌行及順佳貿易有限公司採購食品。上述兩家公司均由本公司一名董事實益擁有。

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

此關連人士交易亦構成上市規則定義的關連交易。

- ii) 租金開支乃支付予永波投資、道生管理、最佳置業有限公司（「最佳」）及 Wong Chung Ming Development Fund Company Limited（「WCM Fund」）。吳永波先生為本公司之非執行董事，並為永波投資之董事。永波投資由吳永波先生之妻子及其若干子女為受益人之全權信託間接控制。道生管理乃由本公司若干董事實益持有。最佳及WCM Fund乃由王仲銘先生實益擁有，王仲銘先生為於一冠擁有4%權益之少數股東。租金開支乃以本集團所簽訂之協議為基準。

此關連人士交易亦構成聯交所上市規則定義的關連交易。

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25. RELATED PARTY TRANSACTIONS (continued)

- iii) Certain properties beneficially owned by the ultimate holding company and the intermediate holding company were leased to the Group for its operations. The rental expenses were based on the tenancy agreements signed with the Group.

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

Out of the total rent deposits and other deposits as at 31 December 2003, an amount of HK\$2,065,000 (2002: HK\$3,498,000) represented rental deposits in respect of certain premises rented to the Group by certain fellow subsidiaries for the benefit of the ultimate holding company.

- iv) A. Top and Oriental Team are non-wholly owned subsidiaries of the Company. Mr. Wong Chung Ming is a director of A. Top and Oriental Team. He is also interested in approximately 4.17% in the ordinary shares of A. Top. Mr. Wong and his family are beneficially interested in Megalopolis Limited which in turn holds approximately 32.97% of ordinary shares in Oriental Team. The Group has granted a trademark licence to A. Top and Oriental Team at a monthly licence fee calculated at 0.5% of the gross turnover.

- v) On 30 June 2003, Bright Ocean entered into a deed of variation and confirmation (the "Deed") with Better. Pursuant to the Deed, the monthly rental payable by Bright Ocean to Better under the New Tenancy Agreement was reduced from HK\$320,000 to HK\$200,000 for renting the New Property for the period from 1 June 2003 to 30 November 2005 and the option to renew for a further term of three years at a monthly rental of HK\$352,000 was amended to the market rental to be agreed by Bright Ocean and Better. The other terms and conditions as stipulated in the New Tenancy Agreement remain in full force and effect.

The Deed constitutes a connected transaction of the Company as defined under the Listing Rules. Further details of the above transaction are set out in an announcement made by the Company on 30 June 2003.

- vi) On 5 July 2003, Hon Po Management Limited ("Ho Po Management"), a wholly owned subsidiary of the Company entered into a sale and purchase agreement ("Agreement") with N.W.P. Investments to dispose of the property located at Honour Building, To Kwa Wan ("Property") for a cash consideration of HK\$55 million. The cash consideration was determined after arm's length negotiations between the parties involved in the Agreement and by reference to the property valuation prepared by PFD Savills (Hong Kong) Limited. In accordance with the Agreement, Ocean Grace Investments Limited ("Ocean Grace"), an indirect wholly-owned subsidiary of the Company (as tenant) to enter into new tenancy agreement with N.W.P. Investments with regard of the Property. Pursuant to the new Tenancy Agreement, Ocean Grace pays rentals of HK\$250,000 to N.W.P. Investments for renting the Property for a period of six years commencing from 28 August 2003.

25. 關連人士交易 (續)

- iii) 最終控股公司及直接控股公司實益擁有之若干物業乃出租予本集團作為營運用途。租金開支乃根據與本集團所簽訂之租賃協議。

此關連人士交易亦構成聯交所上市規則定義的關連交易。

於二零零三年十二月三十一日，在租金按金及其他按金之合計數中，其中2,065,000港元（二零零二年：3,498,000港元）乃若干同系附屬公司就有關租賃若干物業予本集團而收取之租金按金，其受益者為最終控股公司。

- iv) 一冠及奧成為本公司非全資擁有之附屬公司，王仲銘先生乃其董事。彼亦於一冠之普通股中擁有約4.17%權益。王先生與其家族實益持有Megalopolis Limited之權益，而Megalopolis Limited則持有奧成之普通股中約32.97%權益。本集團已向一冠及奧成授出商標許可證，每月許可證收費乃按總營業額之0.5%計算。

- v) 於二零零三年六月三十日，明洋與百德訂立更改及確認契約（「契約」）。根據契約，由二零零三年六月一日至二零零五年十一月三十日期間，明洋在新租賃協議項下就租用新物業而繳付予百德之月租將由每月320,000港元調減至200,000港元，而按月租352,000港元租期三年之選擇權則修訂為明洋及百德所協定之市場租值。新租賃協議訂明之其他條款及條件將繼續全面執行及有效。

契約構成上市規則所界定本公司一項關連交易，上述交易之進一步詳情載於本公司於二零零三年六月三十日刊發之公佈。

- vi) 於二零零三年七月五日，本公司之全資附屬公司漢寶管理有限公司（「漢寶管理」）與永波投資訂立項買賣協議（「協議」），以現金代價55,000,000港元出售位於土瓜灣定安大廈之物業（「物業」）。現金代價涉及協議之訂約方以公平原則磋商，並參考PFD Savills (Hong Kong) Limited編製之物業估值後釐定。根據協議，本公司之間接全資附屬公司滄洋投資有限公司（「滄洋」）（即租客）與永波投資就物業訂立一項新租賃協議。根據新租賃，滄洋向永波投資支付租金250,000港元，作為由二零零三年八月二十八日起計為期六年租用物業之租金。

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25. RELATED PARTY TRANSACTIONS (continued)

The disposal of the To Kwa Wan property constitutes a major connected transaction of the Company as defined under the Listing Rules, and the new tenancy agreement constitutes a connected transaction of the Company as defined under the Listing Rules. Further details of the above transaction are set out in an announcement and the circular on 9 July 2003 and 25 August 2003.

- vii) On 21 July 2003, the Group permanently closed the restaurant located at Cheong Wah Building in Tsuen Wan, Open Global Investments Limited (“Open Global”), a wholly-owned subsidiary of the Company, and Bestall International Development Limited (“Bestall”), a fellow subsidiary of the Company, entered into an agreement in relation to the termination (the “July Surrender Agreement”) of the tenancy agreement (the “Tsuen Wan Old Tenancy Agreement”) previously entered into between Better and Bestall on 16 July 2001. Pursuant to the Tsuen Wan Old Tenancy Agreement, Bestall leased to Better a property situated in Cheong Wah Building, Tsuen Wan, New Territories, Hong Kong for a term of 9 years and fifteen days commencing on 16 July 2001 and expiring on 31 July 2010 at a monthly rental of HK\$220,000. In accordance with the deed of novation dated 10 December 2001, the rights and obligations of Better under the Tsuen Wan Old Tenancy Agreement were assumed and accepted in all respects by Open Global. The Tsuen Wan Old Tenancy Agreement was terminated with effect from 1 May 2003.

The July Surrender Agreement constitutes a connected transaction as defined under the Listing Rules. Further details of the above transaction are set out in an announcement made by the Company on 22 July 2003.

- viii) On 29 September 2003, The Group permanently closed the restaurant located at Continental Mansion in North Point, Hon Po Rich Harvest Resources Limited (“Rich Harvest”), a wholly-owned subsidiary of the Company, and Hon Po Investment entered into an agreement in relation to the termination (the “September Surrender Agreement”) of the tenancy agreement (the “North Point Old Tenancy Agreement”) previously entered into between Dynaone Development Limited (“Dynaone”), a fellow subsidiary of the Company, and Hon Po Investment on 27 September 2001. Pursuant to the North Point Old Tenancy Agreement, Hon Po Investment leased to Dynaone a property situated in Continental Mansion, North Point, Hong Kong for a term of 3 years commencing on 27 September 2001 and expiring on 26 September 2004 at a monthly rental of HK\$331,000 with an option to renew for another term of three years. In accordance with the deed of novation dated 10 December 2001, the rights and obligations of Dynaone under the North Point Old Tenancy Agreement were assumed and accepted in all respects by Rich Harvest. The North Point Old Tenancy Agreement was terminated with effect from 29 September 2003.

The September Surrender Agreement constitutes a connected transaction as defined under the Listing Rules. Further details of the above transaction are set out in an announcement made by the Company on 2 October 2003.

25. 關連人士交易 (續)

出售土瓜灣物業構成本公司按上市規則所界定之一項主要關連交易。按上市規則之定義，新租約協議構成本公司之關連交易。上述交易之詳情乃載於二零零三年七月九日之公佈及二零零三年八月二十五日之通函中。

- vii) 於二零零三年七月二十一日，本公司永久關閉荃灣昌華大廈之酒樓。本公司全資附屬公司放眼世界投資有限公司（「放眼世界」）與本公司之同系附屬公司百寶國際發展有限公司（「百寶」）就有關終止二零零一年七月十六日百德與百寶簽訂之租賃協議（「荃灣舊租賃協議」），簽訂一份協議（「七月放棄租賃協議」）。根據荃灣舊租賃協議，百寶租予百德一個位於香港新界荃灣昌華大廈物業，租賃期由二零零一年七月十六日起至二零零一年七月三十一日止，為期九年零十五日，月租220,000港元。根據二零零一年十二月十日之更替契據，放眼世界已接受百德在荃灣舊租賃協議下之所有權利及責任，荃灣舊租賃協議於二零零三年五月一日起終止。

七月放棄租賃協議構成上市規則所界定之關連交易，上述交易之進一步詳情載於本公司於二零零三年七月二十二日刊發之公佈。

- viii) 於二零零三年九月二十九日，本集團永久關閉位於北角五洲大廈之酒樓。本公司之全資附屬公司漢寶豐富資源有限公司（「豐富資源」）與漢寶投資就有關終止二零零一年九月二十七日本公司之同系附屬公司一領發展有限公司（「一領」）與漢寶投資簽訂之租賃協議（「北角舊租賃協議」），簽訂一份協議（「九月放棄租賃協議」）。根據北角舊租賃協議，漢寶投資租予一領一個位於香港北角五洲大廈之物業，租賃期由二零零一年九月二十七日起至二零零四年九月二十六日止，為期三年，月租331,000港元，並給予有權選擇再續期三年。根據二零零一年十二月十日之更替契據，豐富資源已接受一領在北角舊租賃協議下之所有權利及責任，北角舊租賃協議於二零零三年九月二十九日起終止。

九月放棄租賃協議構成按上市規則所界定之關連交易。上述交易之進一步詳情列於本公司二零零三年十月二日之公佈。

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26. CONTINGENT LIABILITIES

At 31 December 2003, a number of current employees had achieved the required number of years of services to the Group in order to be eligible for long service payments under the Employment Ordinance should their employment be terminated under certain prescribed circumstances. A provision has not been recognised in respect of such possible payments, as it is not considered probable that there will be a material future outflow of resources from the Group in respect thereof.

The Group has a contingent liability in respect of future payments to employees under the Employment Ordinance and as detailed in note 2(p) to the financial statements, "Employee benefits", with a maximum possible amount of HK\$23,322,000 (2002 : HK\$ 24,440,000) as at 31 December 2003.

At 31 December 2003, except for the corporate guarantees given by the Company in support of banking facilities granted to certain subsidiaries as set out in note 20 to the financial statements, the Company had no significant contingent liabilities.

27. POST BALANCE SHEET EVENTS

- i) Subsequent to the balance sheet date, the Group permanently closed two of the Group's restaurants located at Kwai Chung and Kowloon City. Provisions for employees long service payments and accrued salaries and wages in respect of the two closed restaurants approximately HK\$6,334,000 has been included in contingent liabilities under note 26 to the financial statements.
- ii) Subsequent to the balance sheet date, Dragongem Development Limited, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with an independent third party to dispose of the property located at Jordan for a total cash consideration of HK\$650,000. As at 31 December 2003, provision for impairment of the carrying value of the property of HK\$540,000 was made.

28. COMPARATIVE FIGURES

With a review of financial statements' presentation, certain items in the financial statements were reclassified which would result in a more appropriate presentation of events or transactions. Accordingly, comparative figures have been reclassified to conform with the current year's presentation.

26. 或然負債

截止至二零零三年十二月三十一日，本集團若干現職僱員之服務年期已達到僱傭條例之要求，倘於規定情況下遭終止受聘，在離職時則可獲支付長期服務金。由於本集團認為日後不會因此出現重大資金流出，因此並無在賬目中確認有關該等可能須支付之金額，亦無作出撥備。

截止至二零零三年十二月三十一日，本集團之或然負債為根據僱傭條例日後可能須支付僱員之款項（詳見財務報表附註2(p)），其最高潛在金額為23,322,000港元（二零零二年：24,440,000港元）。

於二零零三年十二月三十一日，除本公司就若干附屬公司之銀行額度作公司擔保外（詳見財務報表附註20），本公司並無重大或然負債（二零零一年：無）。

27. 結算日後事項

- i) 於結算日後，本集團永久關閉本集團分別位於葵涌及九龍城之兩家酒樓。就該兩家酒樓而作出之僱員長期服務金及累計薪金及工資撥備約為6,334,000港元，已計入財務報表附註26之或然負債內。
- ii) 於結算日後，本公司全資附屬公司龍之寶發展有限公司與獨立第三方訂立買賣協議，出售位於佐敦之物業，總現金代價為650,000港元。二零零三年十二月三十一日，就該物業賬面值之減值作出之撥備為540,000港元。

28. 比較數字

就財務報表之呈報而言，為了能夠更恰當地呈列事件或交易，財務報表內之若干項目已經重新分類。因此，比較數字亦已重新分類以配合本年度之呈報方式。