

1. Corporate Information

The registered office of Shenzhen Investment Limited is located at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Kowloon, Hong Kong.

In the opinion of the directors, the ultimate holding company is Shum Yip Holdings Company Limited (“Shum Yip Holdings”), a private company incorporated in Hong Kong.

During the year, the principal activities of the Group were property development, investment and management, the provision of transportation services, the manufacturing and sale of industrial and commercial products, investment in infrastructure business and cable television network transmission, and technological services.

2. Impact of a Revised Statement of Standard Accounting Practice (“SSAP”)

The following revised SSAP and Interpretation are effective for the first time for the current year’s financial statements and have had a significant impact thereon:

- SSAP12 (Revised): “Income taxes”
- Interpretation 20: “Income taxes – Recovery of revalued non-depreciable assets”

This SSAP and Interpretation prescribe new accounting measurement and disclosure practices. The major effects on the Group’s accounting policies and on the amounts disclosed in these financial statements of adopting this SSAP and Interpretation which have had a significant effect on the financial statements, are summarised as follows:

SSAP 12 prescribes the accounting for income taxes payable or recoverable, arising from the taxable profit or loss for the current period (current tax); and income taxes payable or recoverable in future periods, principally arising from taxable and deductible temporary differences and the carryforward of unused tax losses (deferred tax).

1. 公司資料

深圳控股有限公司之註冊辦事處位於香港九龍科學館道9號新東海商業中心八樓。

董事認為，本公司之最終控股公司為於香港註冊成立之私人公司—深業(集團)有限公司(「深業集團」)。

年內，本集團的主要業務為物業發展、投資及管理、提供運輸服務、工業及商業產品之製造及銷售、投資基建業務、有線電視網絡傳輸及科技服務。

2. 經修訂之會計實務準則(「會計實務準則」)之影響

下文經修訂之會計實務準則及釋義於本年度之財務報表首次採用，並已構成重大影響：

- 會計實務準則
第12號(經修訂)：「所得稅」
- 釋義第20號：「所得稅—收回經重估不可折舊資產」

此會計實務準則及釋義訂明新會計措施及披露慣例。對本集團會計政策及採納此會計實務準則及釋義之此等財務報表所披露數額之主要影響，已對財務報表構成重大影響之概述如下：

會計實務準則第12號訂明有關因本期間應課稅溢利或虧損而產生之應付或可收回所得稅(即期稅項)之計算；及主要因應課稅及可扣減暫時差異及轉結未動用稅項虧損而產生之未來期間應付或可收回所得稅(遞延稅項)之計算。

2. Impact of a Revised Statement of Standard Accounting Practice (“SSAP”)

(continued)

The principal impact of the revision of this SSAP on these financial statements is described below:

Measurement and recognition:

- deferred tax assets and liabilities relating to the differences between capital allowances for tax purposes and depreciation for financial reporting purposes and other taxable and deductible temporary differences are generally fully provided for, whereas previously the deferred tax was recognised for timing differences only to the extent that it was probable that the deferred tax asset or liability would crystallise in the foreseeable future;
- a deferred tax liability has been recognised on the revaluation of the Group’s investment properties and land and buildings;
- a deferred tax liability has been recognised relating to the fair value adjustments arising from the acquisition of subsidiaries; and
- a deferred tax asset has been recognised on the revaluation of the Group’s long term investments.

Disclosures:

- deferred tax assets and liabilities are presented separately on the balance sheet, whereas previously they were presented on a net basis; and
- the related note disclosures are now more extensive than previously required. These disclosures are presented in notes 10 and 30 to the financial statements and include a reconciliation between the accounting profit and the tax expense for the year.

Further details of these changes and the prior year adjustments arising from them are included in the accounting policy for deferred tax in note 3 and in note 30 to the financial statements.

Interpretation 20 requires that a deferred tax asset or liability that arises from the revaluation of certain non-depreciable assets and investment properties is measured based on the tax consequences that would follow from the recovery of the carrying amount of that asset through sale. This policy has been applied by the Group in respect of the revaluation of its investment properties in the deferred tax calculated under SSAP 12.

2. 經修訂之會計實務準則（「會計實務準則」）之影響（續）

此會計實務準則之修訂對此等財務報表之主要影響載列如下：

衡量及確認：

- 有關就稅項而言之資本減免及就財務申報而言之折舊兩者間之差異，以及其他應課稅及可扣減暫時差異之遞延稅項資產及負債通常會作出全數撥備，而過往之遞延稅項則確認為時差，惟僅以遞延資產或負債於可預見將來可能會實現為限；
- 遞延稅項負債乃於重估本集團投資物業、土地及樓宇時確認；
- 遞延稅項負債乃於收購附屬公司產生有關公允值調整時確認；及
- 遞延稅項資產乃於重估本集團之長期投資時確認。

披露：

- 遞延稅項資產及負債於資產負債表內作獨立呈報，而過往乃按淨額基準呈報；及
- 現時有關附註之披露比過往之要求較為廣泛。此等披露事項乃於財務報表附註10及30內呈列，並包括年內會計溢利及稅項開支之對賬。

有關此等變動及因其而產生上年度調整之詳情載於財務報表附註3及附註30遞延稅項之會計政策內。

釋義第20號要求因重估若干不可折舊資產及投資物業而產生之遞延稅項資產或負債乃根據因透過銷售而收回該資產賬面值可能產生之稅務後果計算。本集團已於根據會計實務準則第12號計算之遞延稅項重估其投資物業時應用此政策。

3. Summary of Significant Accounting Policies

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Statements of Standard Accounting Practice, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of investment properties, equity investments and certain fixed assets, as further explained below.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2003. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

Subsidiaries

A subsidiary is a company in which the Company, directly or indirectly, controls more than half of its voting power or issued share capital or controls the composition of its board of directors.

The results of subsidiaries are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Associates

An associate is a company, not being a subsidiary or jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

3. 主要會計政策之概要

編製之基準

本財務報表乃按香港會計實務準則、香港公認會計原則及香港公司條例之披露規定所編製。除投資物業、股票投資及若干固定資產定期作重新衡量（下文作進一步解釋）外，財務報表乃根據歷史成本記賬法編製。

綜合賬目之基準

綜合財務報表收納本公司及其附屬公司截至二零零三年十二月三十一日止年度之財務報表。於本年度內所收購或出售附屬公司之業績乃分別由其收購之生效日期或直至出售之生效日期起計入綜合損益表。所有集團公司間之重大交易及結餘乃於綜合賬目時對銷。

少數股東權益指街外股東佔本公司之附屬公司之業績及淨資產之權益。

附屬公司

附屬公司乃一間由本公司直接或間接控制其過半數投票權或已發行股本或控制其董事會之組成之公司。

計入本公司之損益表之附屬公司業績只限於已收及應收股息。本公司於附屬公司之權益乃以成本值減去任何減損後列賬。

聯營公司

聯營公司為除附屬公司及共同控制實體以外本集團持有一般不少於20%投票權之長期權益，並可對其行使重大影響力之公司。

3. Summary of Significant Accounting Policies (continued)

Associates (continued)

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. Goodwill or negative goodwill arising from the acquisition of associates, which was not previously eliminated or recognised in the consolidated reserves, is included as part of the Group's interests in associates.

The results of associates are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's interests in associates are treated as long term assets and are stated at cost less any impairment losses.

Goodwill

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

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life for a period of not exceeding 20 years. In the case of associates, any unamortised goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

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

3. 主要會計政策之概要 (續)

聯營公司 (續)

綜合損益表及綜合儲備分別包括本集團分佔其聯營公司於收購後之業績及儲備。在綜合資產負債表上，本集團於聯營公司之權益乃根據會計權益法按本集團所佔資產淨值扣除任何減損後在綜合資產負債表上列賬。未於綜合儲備對銷或確認之因收購聯營公司所產生之商譽或負商譽，已收納作為本集團於聯營公司權益之一部份。

本公司之損益表包括聯營公司之業績，惟不可多於已收股息及應收股息。本公司於聯營公司之權益被視為長期資產，並按成本扣除任何減損列賬。

商譽

收購附屬公司及聯營公司所產生之商譽，乃指收購成本超逾本集團於收購當日應佔所購入可辨別資產及負債之公允價值之數額。

因收購所產生之商譽乃作為資產於綜合資產負債表內確認，及以直線法按其估計可用年期（不超過二十年）攤銷。至於聯營公司，任何未予攤銷之商譽按賬面值計算，而非作為分開辨別之資產列入綜合資產負債表內。

於二零零一年採納會計實務準則第30號「企業合併」之前，收購產生之商譽在收購年度之綜合儲備中抵銷。採納會計實務準則第30號時，本集團採用有關會計實務準則之過渡條文，容許商譽留於綜合儲備中抵銷。採納此會計實務準則後因收購而產生之商譽乃按上述會計實務準則第30號商譽之會計政策處理。

3. Summary of Significant Accounting Policies (continued)

Goodwill (continued)

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

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

Negative goodwill

Negative goodwill arising on the acquisition of subsidiaries and associates 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 consolidated profit and loss account 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 consolidated profit and loss account 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.

3. 主要會計政策之概要 (續)

商譽 (續)

於出售附屬公司或聯營公司時，出售所得收益或虧損參考出售當日之資產淨值（包括未經攤銷之商譽應佔數額及其他有關儲備（如適用））計算。以往於收購時在綜合儲備抵銷之任何應佔商譽會獲撥回，用於計算出售之收益或虧損。

商譽（包括已於綜合儲備中抵銷之商譽）之賬面值均每年檢討，並於被認為有需要時為減值作出撇減。之前已確認之商譽減值虧損將不會撥回，除非減值虧損是由於預期不會重演而性質特殊之外在事件所致，而其後發生之其他外在事件將該事件之影響消除。

負商譽

收購附屬公司及聯營公司產生之負商譽，乃指在收購當日本集團應佔所收購可辨別資產及負債之公允值超出收購成本之數額。

倘負商譽關乎在收購計劃中確定之預計未來虧損及支出，而且能夠可靠地計量（惟並不代表在收購當日之可確認負債），該部份之負商譽於未來虧損及支出確認時，於綜合損益表中確認為收入。

倘負商譽於收購當日與可確定之預計未來虧損及支出無關，負商譽將有系統地按所收購可折舊／可攤銷資產餘下之平均可使用年期於綜合損益表內確認。任何負商譽之數額超過所收購之非貨幣資產公允價值之數額，將立刻確認為收入。

3. Summary of Significant Accounting Policies (continued)

Negative goodwill (continued)

In the case of associates, any negative goodwill not yet recognised in the consolidated profit and loss account is included in the carrying amount thereof, rather than as a separately identified item on the consolidated balance sheet.

Prior to the adoption of SSAP 30 "Business combination" in 2001, negative goodwill arising on acquisitions was credited to the capital reserve in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of the SSAP that permitted such negative goodwill to remain credited to the capital reserve. Negative goodwill on acquisitions subsequent to the adoption of the SSAP is treated according to the SSAP 30 goodwill accounting policy above.

On disposal of subsidiaries or associates, 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 profit and loss account and any relevant reserves as appropriate. Any attributable negative goodwill previously credited to the capital reserve at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

Impairment of assets

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

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

3. 主要會計政策之概要 (續)

負商譽 (續)

對於聯營公司而言，任何尚未在綜合損益表內確認之負商譽會計入其賬面值，而非以個別可確定項目於綜合資產負債表呈列。

於二零零一年採納會計實務準則第30號「企業合併」前，因收購產生之負商譽乃計入在收購年度之資本儲備內。採納會計實務準則第30號時，本集團採用有關會計實務準則之過渡條文，容許負商譽計入資本儲備內。採納此會計實務準則後因收購而產生之負商譽乃按上述會計實務準則第30號商譽之會計政策處理。

出售附屬公司或聯營公司時，出售所得收益或虧損均參考出售當日之淨資產計算（包括尚未在綜合損益賬確認之負商譽應佔數額及任何相關儲備（如適用））。以往於收購時計入資本儲備之任何應佔負商譽乃予以撥回，以計算出售之收益或虧損。

資產減值

在每個結算日會評估任何資產有否任何減值跡象，或有否於任何往年已確認之資產減值虧損可能不再存在或可能減少之跡象。倘出現任何該等跡象，會估計資產之可收回數額。資產之可收回數額乃以使用中之資產價值或其售價淨值之較高者為準。

只有當資產之賬面值超出其可收回值時，減值虧損才予以確認。除非資產以重估價值來計算價值（即減值虧損根據該重估資產之相關會計政策計算之時），否則減值虧損將計入其產生期間之損益賬中。

3. Summary of Significant Accounting Policies (continued)

Impairment of assets (continued)

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Fixed assets and depreciation

Fixed assets, other than investment properties and construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

Changes in the values of fixed assets, other than investment properties, are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained earnings as a movement in reserves.

3. 主要會計政策之概要 (續)

資產減值 (續)

只有當用以確定資產可收回值之估計出現更改時，才可將以往確認之減值虧損撥回，但有關價值並不可高於假設過往年度並無就該資產確認任何減值虧損之情況下，該資產本來確定之賬面值（經扣除任何折舊／攤銷）。除非資產正以重估價值來計算價值（即減值虧損撥回根據該重估資產之相關會計政策計算之時），否則減值虧損撥回至其產生期間之損益賬中。

固定資產及折舊

除投資物業及在建工程外，固定資產乃按成本值或估值減累計折舊及任何減值虧損列值。資產之成本值包括其購買價及任何令該資產達至現時營運狀況及地點以作原定用途之直接應佔成本。固定資產投入運作後產生之開支（如修理及維修）一般按其產生之期間在損益賬內扣除。倘能清楚顯示費用令固定資產用途取得之預期未來經濟效益有所增加，則該筆費用將撥充資本作為資產之額外成本。

除投資物業外，固定資產價值之變動乃於資產重估儲備變動中處理。倘儲備總額不足以彌補虧絀，則虧絀數額之多出部份將按個別資產於損益賬中扣除。其後任何重估盈餘會按過往扣除之虧絀計入損益表。於出售重估資產時，就過往估值而變現之資產重估儲備之有關部份會轉撥至保留溢利作為儲備變動。

3. Summary of Significant Accounting Policies (continued)

Fixed assets and depreciation (continued)

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

Land and buildings	Over the lease term
Plant and machinery	10% to 25%
Furniture, fixtures and equipment	10% to 25%
Motor vehicles	9% to 20%

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

Construction in progress represents a building under construction, which is stated at cost less any impairment losses and is not depreciated. Cost comprises direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of fixed assets when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential, any rental income being negotiated at arm's length. Such properties are not depreciated and are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year.

Changes in the values of investment properties are dealt with as movements in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged.

On disposal of an investment property, the relevant portion of the investment property revaluation reserve realised in respect of previous valuations is released to the profit and loss account.

3. 主要會計政策之概要 (續)

固定資產及折舊 (續)

折舊乃按各項資產之估計可使用年期以直線法撇銷其原值或估值計算。折舊之主要年率如下：

土地及樓宇	租賃年期
廠房及機器	10% - 25%
傢俬、裝置及設備	10% - 25%
汽車	9% - 20%

於損益賬中確認之出售或報廢固定資產之收益或虧損乃出售所得款項淨額與相關資產賬面值之差額。

在建工程指興建中之樓宇，乃以成本值減減值虧損列賬，並不予以折舊。成本包括直接建築成本及於建築期內有關借貸資金之資本化借貸成本。在建工程於竣工及備用時將重新分類至適當之固定資產類別。

投資物業

投資物業乃指建築工程及發展已竣工及因其投資潛力而計劃長期持有之土地及樓宇權益，而任何租金收入乃按公平基準磋商。該等物業不作折舊，並按每個財政年度之結算日所作年度專業估值之公開市值入賬。

投資物業價值之變動乃於投資物業重估儲備中作變動處理。按組合基準而言，倘儲備總額不足以彌補虧絀，虧絀數額之多出部份則在損益賬中扣除。任何其後之重估盈餘會按過往扣除之虧絀計入損益表。

於出售投資物業時，就過往估值而變現之投資物業重估儲備之有關部份將撥往損益表。

3. Summary of Significant Accounting Policies (continued)

Properties under development

Properties under development, for which pre-sales have not yet commenced, are stated at cost less any impairment losses. Cost includes all costs attributable to such developments, including financing charges.

Properties under development which have been pre-sold are stated at cost plus attributable profits less sales deposits/instalments received and any foreseeable losses. Properties under development which have been pre-sold are classified under current assets.

When properties under development have been pre-sold, the total estimated profit is apportioned over the entire period of construction to reflect the progress of the development. On this basis, profit recognised on properties pre-sold during the period is calculated by reference to the proportion of construction costs incurred up to the balance sheet date to the estimated total construction costs to completion, limited to the amount of sales deposits/instalments received under legally binding contracts at the balance sheet date, with due allowances for contingencies.

Completed properties for sale

Completed properties for sale are stated at the lower of cost and net realisable value. Cost is determined by an apportionment of the total land and development cost attributable to the unsold properties. Net realisable value is estimated by the directors based on prevailing market prices, on an individual property basis.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

3. 主要會計政策之概要 (續)

發展中物業

並未展開預售之發展中物業以成本減任何減值虧損列賬。成本包括應佔該等發展(包括融資費用)之所有成本。

曾作預售之發展中物業以成本加應佔溢利減已收銷售按金/分期款項及任何可預見虧損列賬。曾作預售之發展中物業分類為流動資產。

倘發展中物業已預售，估計溢利總額將按整個建築期間分攤以反映發展進度。就此，於期間預售物業之已確認溢利將參照直至結算日產生之建築成本與估計竣工時之總建築成本之比例計算，惟以於結算日根據具法律約束力之合約已收取之銷售按金/分期款項數額為限，並就或然事項作出適當撥備。

已落成之待銷物業

已落成之待銷物業以成本值及可變現淨值兩者之較低者列賬。成本乃按未出售物業應佔之土地及發展成本總額分攤計算。可變現淨值乃由董事按個別物業當時之現行市場價格估計。

存貨

存貨以成本值及可變現淨值兩者之較低者列賬。成本按加權平均法釐定，而對於在製品及產成品而言，則包括直接材料、直接工資及經常性費用之適當部份。可變現淨值按估計售價減完成及出售產生之任何估計成本而定。

3. Summary of Significant Accounting Policies (continued)

Operating leases

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

Intangible assets

Vehicle licences acquired by the Group are stated at cost less any impairment losses and are amortised on the straight-line basis over the term of the respective licences.

Long term investments

Long term investments are non-trading investments in listed and unlisted equity securities intended to be held on a long term basis.

Held-to-maturity debt securities are redeemable at fixed dates, intended to be held to maturity and are stated at amortised cost less provisions for impairment, on an individual investment basis. Amortised cost is cost plus or minus the cumulative amortisation of the difference between the purchase price and the maturity amount. Provisions for impairment are made when carrying amounts are not expected to be recovered and are charged to the profit and loss account for the period in which they arise.

Listed securities are stated at their fair values on the basis of their quoted market prices at the balance sheet date on an individual investment basis. Unlisted securities are stated at their estimated fair values on an individual basis.

The gains or losses arising from changes in the fair values of a security are dealt with as movements in the investment revaluation reserve, until the security is sold, collected, or otherwise disposed of, or until the security is determined to be impaired, when the cumulative gain or loss derived from the security recognised in the investment revaluation reserve, together with the amount of any further impairment, is charged to the profit and loss account for the period in which the impairment arises.

3. 主要會計政策之概要 (續)

經營租約

凡資產擁有權帶來之絕大部份回報及風險仍歸出租人所有，則有關租賃乃列為經營租賃。倘本集團為出租人，由本集團於經營租賃項下出租之資產乃計入為非流動資產，而經營租賃項下之應收租金則按租期以直線法計入損益賬。倘本集團為承租人，經營租賃項下之應付租金將按租期以直線法於損益賬扣除。

無形資產

本集團購入之車輛執照乃按成本減任何減值虧損列賬，並按各執照之有效期以直線法攤銷。

長期投資

長期投資乃指擬長期持有之非買賣上市投資及非上市股本證券。

持至到期日之債務證券於固定日期贖回，擬持至到期日並按經攤銷成本扣除減值撥備者則按個別投資列賬。經攤銷成本乃成本加或減購買價與到期金額差額之累積攤銷。減值撥備於賬面值預期不可收回時作出，並在其產生期間於損益賬內扣除。

上市證券乃按個別投資於結算日之市價以其公允值列賬。非上市證券乃按個別投資之估計公允值列賬。

證券公允值變動所產生之收益或虧損均於投資重估儲備中處理，直至證券已出售、收回或以其他方式處置或直至證券被釐定為出現減值時，則投資重估儲備中證券所產生之已確認累積收益或虧損連同任何其他減值會於產生之期間自損益表扣除。

3. Summary of Significant Accounting Policies (continued)

Short term investments

Short term investments are investments in equity securities held for trading purposes and are stated at their fair values on the basis of their quoted market prices at the balance sheet date on an individual investment basis. The gains or losses arising from changes in the fair value of a security are credited or charged to the profit and loss account for the period in which they arise.

Infrastructure project investments

Investments in infrastructure projects which did not fall into the definition of subsidiaries, associates or jointly-controlled entities were classified as infrastructure project investments if the Group's return to be derived therefrom was predetermined in accordance with the provisions of the relevant agreements, and if the Group was not entitled to share in the project assets at the end of the investment period.

The Group's interests in infrastructure project investments were recorded at cost less any impairment losses and were amortised over the respective contract period on a straight line basis from the commencement of the projects' operations or the Group's entitlement to income. Where the estimated recoverable amounts of these investments fell below their carrying amounts, the carrying amounts were written down to the recoverable amounts. Income from these investments was recognised when the Group's right to receive payment was established.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the profit and loss account or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

3. 主要會計政策之概要 (續)

短期投資

短期投資乃指持作買賣用途之股本證券投資，並按個別投資於結算日之市價以公平值列賬。證券公允值變動所產生之收益或虧損乃在其產生之期間於損益表中計入或扣除。

基建項目投資

基建項目投資如不屬於附屬公司、聯營公司或共同控制企業，而本集團所得回報在有關協議之條文中已預先設定，以及本集團無權於投資期間完結時分享其項目資產，則把該項投資分類為基建項目投資。

本集團於基建項目投資之權益乃按成本減由項目經營開始或本集團有權開始分享收入起計之各自合同期間內以直線法之攤銷記錄入賬。如此等投資之預計可收回數額下降至低於彼等之賬面值，則賬面值將撇減至可收回數額。此等投資之收入乃於本集團收取付款之權利成立時予以確認。

所得稅

所得稅包括即期及遞延稅項。所得稅乃於損益賬中確認，或倘其與同期或不同期間所確認之項目有關，則直接於權益中確認。

遞延稅項乃以負債法按於結算日就財務申報而言資產及負債之稅基與彼等賬面值兩者間之所有暫時差異作出撥備。

3. Summary of Significant Accounting Policies (continued)

Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates 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.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax assets and unused tax losses can be utilised:

- except where the deferred tax asset relating to the deductible temporary differences arises from negative goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

3. 主要會計政策之概要 (續)

所得稅 (續)

遞延稅項負債乃就所有應課稅暫時差異而確認：

- 惟倘遞延稅項負債乃因商譽或因並非商業組合交易之資產或負債之初步確認而產生，且於交易時並不影響會計溢利及應課稅溢利或虧損者則除外；及
- 就與在附屬公司及聯營公司投資有關之應課稅暫時差異而言，則倘暫時差異撥回之時間可被控制及暫時差異於可預見將來可能將不能撥回者除外。

遞延稅項資產乃就所有可扣減暫時差異、未動用稅項資產及未動用稅項虧損之轉結而確認，惟以可扣減暫時差異、未動用稅項資產及未動用稅項虧損之轉結可獲動用作抵銷應課稅溢利為限：

- 惟倘可扣減暫時差異之遞延稅項資產乃因負商譽或因並非商業組合交易之資產或負債之初步確認而產生，且於交易時並不影響會計溢利及應課稅溢利或虧損者則除外；及
- 就與在附屬公司及聯營公司投資有關之可扣減暫時差異而言，遞延稅項資產之確認僅以暫時差異於可預見將來可撥回及暫時差異可獲動用作抵銷應課稅溢利為限。

遞延稅項資產之賬面值於每個結算日作出檢討，並扣減至應課稅溢利不再足以供所有或部份遞延資產可被動用。相反，以往未被確認之遞延稅項資產乃於應課稅溢利足以供所有或部份遞延稅項資產可被動用時確認。

3. Summary of Significant Accounting Policies (continued)

Income tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Foreign currencies

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

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

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

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

3. 主要會計政策之概要 (續)

所得稅 (續)

遞延稅項資產及負債乃按預期適用於變現資產或償還負債期間之稅率，按照於結算日已制定或實質制定之稅率（及稅務法）計算。

外幣

外幣交易按交易日之適用匯率記錄。於結算日以外幣訂值之貨幣資產及負債乃按結算日之適用匯率換算。匯兌差額均撥入損益表處理。

綜合海外附屬公司及聯營公司之財務報表時，按淨投資法換算為港元。海外附屬公司及聯營公司之損益表按年內之加權平均匯率換算為港元，而資產負債表則按結算日之匯率換算為港元。於綜合時產生之匯兌差額均撥往匯兌變動儲備中處理。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量當日之匯率換算為港元。海外附屬公司在年內恆常產生之現金流按年度之加權平均匯率換算為港元。

借貸成本

因收購、興建或生產有條件資產（即需一段長時間籌備作原定用途或銷售者）所直接產生之借貸成本乃撥作該等資產之部份成本，直至該等資產已大致準備作原定用途或銷售為止。將未用於認可資產開支之特定借貸撥作臨時投資所賺取之投資收入從已撥充資本之借貸成本中扣除。

3. Summary of Significant Accounting Policies (continued)

Convertible guaranteed bonds

Convertible bonds were regarded as liabilities until conversion actually occurs. The finance costs, including the premium payable upon the final redemption of the convertible bonds, recognised in the profit and loss account in respect of the convertible bonds were calculated so as to produce a constant periodic rate of charge on the remaining balances of the convertible bonds for each accounting period.

The costs incurred in connection with the issue of convertible bonds were deferred and amortised on a straight-line basis over the lives of convertible bonds from the date of the issue of the bonds to their final redemption date. If any convertible bonds were purchased and cancelled, redeemed or converted prior to the final redemption date, an appropriate portion of any remaining unamortised costs would be charged immediately to the profit and loss account.

Revenue recognition

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

- (a) from the sale of properties, when the legally binding unconditional sales contracts are signed and exchanged;
- (b) from the sale of industrial and commercial products, when the significant risk and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

3. 主要會計政策之概要 (續)

可換股有擔保債券

可換股債券會列作負債，直至已實際兌換。融資成本（包括最後贖回可換股值為應付之溢價）乃於損益賬內就有關可換股債券確認入賬，以於各會計期間產生可換股債券餘額固定週期收費息率計算。

有關發行可換股債券所涉及之成本乃遞延成本，並自債券發行日期至其最後贖回日期之可換股債券期間以直線法攤銷。倘任何債券於最後贖回日期前獲購入及註銷、贖回或兌換，則任何其餘未攤銷成本適當部份將即時於損益賬中扣除。

收入確認

倘經濟利益將可能流入本集團且在收入可作出可靠計算之情況下，收入乃按下列基準予以確認：

- (a) 出售物業之收入乃於簽定及交換具法律約束力之無條件銷售協議時確認；
- (b) 出售工業及商業產品在擁有權之重大風險及報酬已轉讓給買家時確認，惟前提是本集團不再參與一般與擁有權相聯繫之管理，對已出售之貨品亦無實際控制權；

3. Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

- (c) from the pre-sale of properties under development, when the construction work has progressed to a stage where the ultimate realisation of profit can be reasonably determined and on the basis set out under the accounting policy headed "Properties under development";
- (d) rental income, in the period in which the properties are let out on the straight-line basis over the lease terms;
- (e) income from transportation services, when transportation services are rendered;
- (f) services income, when services are rendered;
- (g) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable; and
- (h) dividend income, when the shareholder's right to receive payment is established.

Dividends

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

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

3. 主要會計政策之概要 (續)

收入確認 (續)

- (c) 預售發展中物業所得收入乃於建築工程達至可合理地釐訂最終變現之利潤時，按會計政策「發展中物業」一節所述基準確認；
- (d) 物業出租期間之租金收入按有關租約年期以直線法確認；
- (e) 運輸服務收入於提供運輸服務時予以確認；
- (f) 服務費用收入乃於提供該服務時予以確認；
- (g) 利息收入根據尚未到期本金並以適用利率按時間比例之基準確認；及
- (h) 股息收入於確定股東有權收取款項時予以確認。

股息

董事建議之末期股息歸類為資產負債表中股本及儲備項下獨立分配之保留溢利，直至股東在股東週年大會上批准。當股東批准及宣派該等股息時，該等股息會確認為負債。

因本公司章程大綱及細則授權董事宣派中期股息，故中期股息可同時建議派付並宣派。因此，中期股息在建議派付及宣派時，隨即確認為負債。

3. Summary of Significant Accounting Policies (continued)

Related parties

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. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Cash and cash equivalents

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

For the purpose of the balance sheet, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. The MPF Scheme has operated since 1 December 2000. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit and loss account as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

3. 主要會計政策之概要 (續)

關連人士

凡有能力直接或間接控制其他方或對其他方之財務及營運決定有重大影響力者，均被視為關連人士。此外，凡受同一來源控制或受同一重大影響者亦為關連人士。關連人士可為個人或公司實體。

現金及現金等值

就綜合現金流量表而言，現金及現金等值包括手頭現金、活期存款、可隨時轉換為已確定數額現金、價值變動風險極微及自收購起三個月內到期之短期高流動性投資，經扣減須按要求償還之銀行透支額（構成本集團現金管理之一部份）。

就資產負債表而言，現金及現金等值指手頭現金及銀行存款，包括定期存款，並無限定用途。

退休福利計劃

本集團根據強制性公積金計劃條例為合資格參與強積金計劃之僱員實施一項界定供款強積金退休計劃（「強積金計劃」）。強積金計劃自二零零零年十二月一日起開始運作。所有作出之供款乃按僱員基本薪金之某一百分比計算，並依照強積金計劃之規定在須支付供款時在損益表中扣除。強積金計劃之資產乃與本集團之資產分開由獨立管理之基金持有。根據強積金計劃條例，若僱員於可全數收取供款前離職，則僱主之自願供款將歸本集團所有，惟本集團就強積金計劃作出之僱主供款全數歸僱員所有。

3. Summary of Significant Accounting Policies (continued)

Retirement benefits scheme (continued)

Each of the subsidiaries operating in the PRC participates in the central pension scheme (the "CPS") operated by the PRC government for all of its staff. These PRC subsidiaries are required to contribute a certain percentage of their covered payroll to the CPS to fund the benefits. The only obligation of the Group with respect to the CPS is to pay the ongoing required contributions under the CPS. Contributions under the CPS are charged to the profit and loss account as they become payable in accordance with the rules of the CPS.

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 profit and loss account or balance sheet for their cost. Upon the exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

4. Segment Information

Segment information is presented by way of the Group's primary segment reporting basis, by business segment. In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. No further geographical segment information is presented as over 90% of the Group's revenue is derived from customers based in Mainland China, and over 90% of the Group's assets are located in Mainland China.

3. 主要會計政策之概要 (續)

退休福利計劃 (續)

所有於中國內地經營之附屬公司參與中央退休金計劃(「中央退休金計劃」)，此計劃由中國政府為該等公司所有僱員制訂。此等中國附屬公司必須按其薪金之特定百分比就中央退休金計劃作出供款。本集團就中央退休金計劃之唯一承擔為根據中央退休金計劃作出持續所需之供款。根據中央退休金計劃作出之供款會根據中央退休金計劃之條款在須付供款時自損益賬中扣減。

購股權計劃

本公司營辦一項購股權計劃，以給予對本集團經營成功付出貢獻之合資格參與者。根據購股權計劃授出之購股權之財務影響並不記錄於本公司或本集團之資產負債表，直至購股權獲行使為止，亦不在損益表或資產負債表扣除其成本。行使購股權時，本公司將所發行之股份按股份面值記錄為額外股本，而每股行使價較股份面值多出之數則記入股份溢價賬。在行使日期前註銷或失效之購股權從已發行購股權記錄冊中剔除。

4. 分類資料

分類資料以業務類別為本集團之主要呈報基準。在釐定本集團地區類別時，收入乃按照客戶所在之地區分類，而資產則按照資產所在之地區分類。由於本集團超過90%之收入乃來自中國大陸之客戶，且本集團超過90%之資產均位於中國大陸，因此並無呈報進一步地區分類資料。

4. Segment Information (continued)

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

- (a) the property development segment engages in development of residential, industrial and commercial properties;
- (b) the property investment segment invests in residential, industrial and commercial properties for its rental income potential;
- (c) the property management segment engages in management of both Group developed properties and non-Group developed properties;
- (d) the transportation services segment consists of passenger and freight transportation services, automobile maintenance and other related services;
- (e) the manufacturing segment engages in manufacture and sale of industrial and commercial products;
- (f) the infrastructure investment segment invests in power infrastructure projects;
- (g) the information technology segment engages in the cable television network transmission and technological services; and
- (h) the "others" segment comprises, principally, building construction and other businesses.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 分類資料 (續)

本集團經營業務按照其不同之運作模式及所提供之產品及服務，以不同的架構及管理模式運作。每個集團業務分類指提供不同產品及服務之策略性業務單位，其個別所受之風險及回報均有別於其他業分類。業務分類之摘要如下：

- (a) 物業發展業務專責發展住宅、工業及商業樓宇；
- (b) 物業投資業務投資至具租務前景之住宅、工業及商業樓宇；
- (c) 物業管理業務專責管理由集團發展及非由集團發展之樓宇；
- (d) 交通運輸服務業務包括提供客運及貨運服務、汽車維修及其他相關服務；
- (e) 製造業務專責製造及銷售工業及商業產品；
- (f) 基建投資業務投資至能源基建項目；
- (g) 資訊科技業務指提供有線電視網絡傳輸及科技服務；及
- (h) 「其他」分類主要包括樓宇建築工程及其他業務。

分類間之銷售及轉撥乃按照當時普遍之市場價格參考銷售予第三方之售價進行交易。

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4. Segment Information (continued)

Business segments

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

4. 分類資料 (續)

業務分類

下表呈列本集團業務分類之收入、溢利／(虧損)及若干資產、負債及開支資料：

Group 本集團		For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度								Total 總額
		Property development 物業發展 千港元	Property investment 物業投資 千港元	Property management 物業管理 千港元	Transportation services 運輸服務 千港元	Manu- facturing 製造 千港元	Infrastructure investment 基建投資 千港元	Information technology 資訊科技 千港元	Others 其他 千港元	
Segment revenue:	分類收益:									
Sales to external customers	銷售予對外客戶	902,057	236,328	213,051	145,913	324,363	-	-	71,701	1,893,413
Segment results	分類業績	138,173	136,542	29,637	2,784	(31,473)	-	-	4,214	279,877
Investment income	投資收入									64,551
Unallocated expenses	未分攤開支									(51,602)
Finance costs	融資成本									(89,802)
Loss on disposal of an associate	出售一家聯營公司之虧損	(58,727)	-	-	-	-	-	-	-	(58,727)
Share of profit and losses of associates	應佔聯營公司溢利及虧損	58,688	-	-	1,984	13,117	217,288	17,424	(324)	308,177
Profit before tax	除稅前溢利									452,474
Tax	稅項									(99,100)
Profit before minority interests	未計少數股東權益前溢利									353,374
Minority interests	少數股東權益									(117,363)
Net profit from ordinary activities attributable to shareholders	股東應佔日常業務之純利									236,011

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4. SEGMENT INFORMATION (continued)

4. 分類資料 (續)

Business segments (continued)

業務分類 (續)

Group 本集團		As at 31 December 2003 於二零零三年十二月三十一日								
		Property development HK\$'000 物業發展 千港元	Property investment HK\$'000 物業投資 千港元	Property management HK\$'000 物業管理 千港元	Transportation services HK\$'000 運輸服務 千港元	Manu- facturing HK\$'000 製造 千港元	Infrastructure investment HK\$'000 基建投資 千港元	Information technology HK\$'000 資訊科技 千港元	Others HK\$'000 其他 千港元	Total HK\$'000 總額 千港元
Segment assets	分類資產	1,825,307	2,269,754	235,421	203,963	398,563	39,410	7,995	2,938,511	7,918,924
Interests in associates	聯營公司權益	204,495	83,123	3,641	55,904	337,089	1,041,930	171,023	(2,723)	1,894,482
Total assets	資產總額	2,029,802	2,352,877	239,062	259,867	735,652	1,081,340	179,018	2,935,788	9,813,406
Segment liabilities	分類負債	(901,000)	(268,408)	(143,836)	(226,625)	(433,711)	(492,971)	(4,719)	(272,718)	(2,743,988)
Unallocated Liabilities	未分類負債									(3,698,272)
Total liabilities	負債總額									(6,442,260)
Other segment information:	其他分類資料:									
Depreciation	折舊	(10,806)	(4,481)	(4,489)	(47,948)	(13,654)	-	-	(5,332)	(86,710)
Amortisation	攤銷	14,575	-	-	(1,654)	-	-	-	-	12,921
Capital expenditure	資本支出	344,348	99,438	6,000	93,500	39,011	-	427	27,738	610,462

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Year ended 31 December 2003 截至二零零三年十二月三十一日止年度

4. SEGMENT INFORMATION (continued)

4. 分類資料 (續)

Business segments (continued)

業務分類 (續)

Group 本集團	For the year ended 31 December 2002 截至二零零二年十二月三十一日止年度									
	Property development HK\$'000 物業發展 千港元	Property investment HK\$'000 物業投資 千港元	Property management HK\$'000 物業管理 千港元	Transportation services HK\$'000 運輸服務 千港元	Manu- facturing HK\$'000 製造 千港元	Infrastructure investment HK\$'000 基建投資 千港元	Information technology HK\$'000 資訊科技 千港元	Others HK\$'000 其他 千港元	Total HK\$'000 (Restated) 總額 千港元 (經重列)	
Segment revenue:	分類收益:									
Sales to external customers	銷售予對外客戶	580,573	185,852	172,379	145,094	201,462	-	-	48,250	1,333,610
Segment results	分類業績	67,843	128,891	30,662	24,613	12,774	(8,334)	-	4,011	260,460
Investment income	投資收入									63,302
Unallocated expenses	未分攤開支									(50,244)
Finance costs	融資成本									(119,046)
Share of profits and losses of associates	應佔聯營公司溢利 及虧損	136,938	-	-	3,129	18,307	225,592	15,799	54	399,819
Profit before tax	除稅前溢利									554,291
Tax	稅項									(101,387)
Profit before minority interests	未計少數股東權益前溢利									452,904
Minority interests	少數股東權益									(178,140)
Net profit from ordinary activities attributable to shareholders	股東應佔日常業務之純利									274,764

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4. SEGMENT INFORMATION (continued)

Business segments (continued)

Group 本集團		As at 31 December 2002 (Restated) 於二零零二年十二月三十一日 (經重列)								Total 總額 千港元 (經重列)
		Property development HK\$'000 物業發展 千港元	Property investment HK\$'000 物業投資 千港元	Property management HK\$'000 物業管理 千港元	Transportation services HK\$'000 運輸服務 千港元	Manu- facturing HK\$'000 製造 千港元	Infrastructure investment HK\$'000 基建投資 千港元	Information technology HK\$'000 資訊科技 千港元	Others HK\$'000 其他 千港元	
Segment assets	分類資產	1,853,490	1,994,607	211,523	236,695	378,102	41,583	-	2,380,515	7,096,515
Interests in associates	聯營公司權益	745,967	14,188	-	54,952	230,846	1,000,394	179,739	29,292	2,255,378
Total assets	資產總額	2,599,457	2,008,795	211,523	291,647	608,948	1,041,977	179,739	2,409,807	9,351,893
Segment liabilities	分類負債	(1,086,491)	(215,873)	(135,972)	(230,289)	(394,819)	(482,421)	-	(248,822)	(2,794,687)
Unallocated Liabilities	未分類負債									(3,356,401)
Total liabilities	負債總額									(6,151,088)
Other segment information:	其他分類資料:									
Depreciation	折舊	(8,161)	(4,049)	(5,448)	(32,268)	(10,034)	-	-	(6,201)	(66,161)
Amortisation	攤銷	9,876	-	-	(1,522)	-	-	-	-	8,354
Capital expenditure	資本支出	40,673	11,621	4,570	46,663	6,380	-	-	38,823	148,730

4. 分類資料 (續)

業務分類 (續)

5. Turnover, Revenue and Gains

Turnover represents proceeds from the sale of properties, pre-sale of properties under development, sale of commercial and industrial goods, rental income, management fee income, income from the provision of transportation services and others.

5. 營業額、收入及收益

營業額指來自銷售物業、預售發展中物業、銷售商業及工業產品所得款項、租金收入、管理費收入、提供運輸服務之收入及其他收入。

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5. Turnover, Revenue and Gains (continued)

An analysis of turnover, other revenue and gains is as follows:

5. 營業額、收入及收益 (續)

本集團之營業額、其他收入及收益之分析如下：

		Group 本集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元 (Restated) (經重列)
	Note 附註		
Turnover	營業額		
Sale of properties and pre-sale of properties under development	銷售物業及預售發展中物業	902,057	580,573
Sale of commercial and industrial goods	銷售商業及工業產品	324,363	201,462
Gross management fee income	總管理費收入	213,051	172,379
Gross rental income	總租金收入	236,328	185,852
Income from transportation services	運輸服務收入	145,913	145,094
Others	其他	71,701	48,250
		1,893,413	1,333,610
Other revenue	其他收入		
Rental income	租金收入	21,734	15,011
Interest earned on bank deposits	銀行存款所得利息	44,969	48,769
Dividends received and receivable from investments:	來自投資之已收及應收股息：		
Listed investments	上市投資	–	982
Unlisted investments	非上市投資	1,644	969
Other interest income	其他利息收入	17,938	12,583
Others	其他	45,234	68,343
		131,519	146,657
Gains	收益		
Gain on disposal of fixed assets	出售固定資產收益	2,361	2,066
Negative goodwill recognised as income:	已確認負商譽為收入：		
From acquisition of subsidiaries	收購附屬公司	10,512	9,876
From acquisition of an additional interest in a subsidiary	收購於附屬公司之額外權益	3,636	–
From acquisition of associates	收購聯營公司	427	131
Gain on disposal of long term investments	出售長期投資收益	1,230	–
Gain on disposal of short term investments	出售短期投資收益	3,197	–
		21,363	12,073
Other revenue and gains	其他收入及收益	152,882	158,730

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6. Profit from Operating Activities

The Group's profit from operating activities is arrived at after charging:

6. 經營業務溢利

本集團之經營業務溢利已扣除下列各項後達至：

		Group 本集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
	Notes 附註		
Cost of inventories sold	銷售存貨成本	1,010,475	584,588
Cost of services provided	提供服務成本	128,138	114,894
Auditors' remuneration	核數師酬金	6,482	5,155
Depreciation	折舊	86,710	66,161
Provision for bad and doubtful debts	呆壞賬撥備	2,933	4,247
Write off of bad and doubtful debts	呆壞賬註銷	10,577	-
Impairment of fixed assets	固定資產減值	3,249	-
Minimum lease payments under operating leases in respect of land and buildings	土地及樓宇之經營租約最低租金	3,801	3,979
Amortisation of vehicle licences *	攤銷汽車牌照*	1,654	1,522
Amortisation of infrastructure project investments	攤銷基建項目投資	-	3,643
Loss on disposal of infrastructure project investments	出售基建項目投資之虧損	-	6,083
Staff costs (excluding directors' remuneration – note 8)	員工成本(不包括董事酬金 – 附註8)		
Wages and salaries	工資及薪金	128,663	128,205
Pension contributions	退休金供款	32,084	20,655
Less: Forfeited contributions	減: 沒收之供款	-	-
Net: Pension contributions **	退休金供款淨額**	32,084	20,655
		160,747	148,860
and after crediting:	已計入下列各項:		
Exchange gains, net	匯兌收益淨額	2,291	854
Net rental income:	租金收入淨額:		
Investment properties	投資物業	176,292	141,049
Land and buildings	土地及樓宇	11,961	6,750
		188,253	147,799

* The amortisation of vehicle licences for the year is included in "Cost of sales" on the face of the consolidated profit and loss account.

** At 31 December 2003, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (2002: Nil).

* 本年度攤銷汽車牌照已被納入綜合損益表之中「銷售成本」項目之內。

** 於二零零三年十二月三十一日，本集團並無已沒收供款可供減少其於未來數年之退休金供款(二零零二年:無)。

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Year ended 31 December 2003 截至二零零三年十二月三十一日止年度

7. Finance Costs

7. 融資成本

		Group 本集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Interest on:	利息支出:		
Bank loans wholly repayable within 5 years	須於五年內悉數償還之 銀行貸款利息	110,853	97,527
Other loans wholly repayable within 5 years	須於五年內悉數償還之 其他貸款利息	5,565	984
Convertible bonds	可換股債券	–	4,960
Accretion of convertible bond premium on redemption	購回可換股債券時 溢價增加	–	29,365
Amortisation of convertible bond issue expenses	攤銷可換股債券 發行開支	–	2,209
Total interest	利息總額	116,418	135,045
Less: Amounts capitalised under property development projects (note 25)	減:撥作物業發展項目資本 之數額(附註25)	(26,616)	(15,999)
		89,802	119,046

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8. Directors' Remuneration

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Companies Ordinance is as follows:

		Group 本集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Fees:	袍金:		
Executive directors	執行董事	-	-
Independent non-executive directors	獨立非執行董事	300	150
		300	150
Other emoluments (executive directors):	其他酬金(執行董事):		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,899	2,290
Pension scheme contributions	退休金計劃供款	100	182
		2,999	2,472
		3,299	2,622

In the year ended 31 December 2002, the three directors received emoluments of approximately HK\$668,000, HK\$951,000 and HK\$853,000, and each of the three non-executive independent directors received emoluments of approximately HK\$50,000. In the year ended 31 December 2003, the eight directors received emoluments of approximately HK\$165,000, HK\$173,000, HK\$130,000, HK\$462,000, HK\$878,000, HK\$260,000, HK\$260,000, and HK\$671,000, and each of the three non-executive independent directors received emoluments of approximately HK\$100,000.

The remuneration of the directors for the year fell within the following band:

		Number of directors 董事人數	
		2003	2002
Nil – HK\$1,000,000	零至1,000,000 港元	12	11

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

8. 董事酬金

本年度根據上市規則及公司條例第161條之董事酬金披露如下:

截至二零零二年十二月三十一日止年度，三名董事分別收取約668,000港元、951,000港元及853,000港元之酬金，而三名獨立非執行董事則各自收取約50,000港元之酬金。截至二零零三年十二月三十一日止年度，八名董事分別收取約165,000港元、173,000港元、130,000港元、462,000港元、878,000港元、260,000港元、260,000港元及671,000港元之酬金，而三名獨立非執行董事則各自收取約100,000港元之酬金。

酬金屬下列組別之董事人數如下:

於本年度內，概無任何董事放棄或同意放棄任何酬金。

9. Five Highest Paid Employees

The five highest paid employees during the year included five (2002: five) directors, details of whose remuneration are set out in note 8 above.

10. Tax

Hong Kong profits tax has been provided at the rate of 17.5% (2002: 16%) on the estimated assessable profits arising in Hong Kong during the year. The increased Hong Kong profits tax rate became effective from the year of assessment 2003/2004, and so is applicable to the assessable profits arising in Hong Kong for the whole of the year ended 31 December 2003. Taxes on profits assessable in the People's Republic of China (the "PRC") are calculated at the rates of tax prevailing in the locations in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Major subsidiaries and associates of the Group operate in Shenzhen, the PRC, which are subject to the corporate income tax rate of 15%.

9. 五名最高薪僱員

本年度之五名最高薪僱員包括五名(二零零二年:五名)董事,該等董事之酬金詳情載列於上文附註8。

10. 稅項

香港利得稅乃根據本年度內於香港產生之估計應課稅溢利按17.5%(二零零二年:16%)之稅率撥備。已增加之香港利得稅率於二零零三/二零零四評稅年度起生效,因此適用於截至二零零三年十二月三十一日止年度整年於香港產生之應課稅溢利。中華人民共和國(「中國」)應課稅溢利須納稅項根據本集團營運地點當時之稅率按現行有關法例、註釋及慣例計算。

本集團之主要附屬公司及聯營公司在深圳營運,按15%繳納企業所得稅。

		2003 HK\$'000 千港元	2002 HK\$'000 千港元 (Restated) (經重列)
Group:	本集團:		
Current – Hong Kong	即期 – 香港	–	–
Current – the PRC	即期 – 中國	43,364	42,651
Deferred PRC Corporate Income Tax (note 30)	遞延中國企業所得稅 (附註30)	6,592	(285)
		49,956	42,366
Share of tax attributable to: Associates	應佔稅項分擔: 聯營公司	49,144	59,021
Total tax charge for the year	本年度稅項支出總額	99,100	101,387

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10. Tax (continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the countries in which the Company and its subsidiaries and associates are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

		2003		2002	
		HK\$'000	%	HK\$'000	%
		千港元		千港元	
Profit before tax	除稅前溢利	452,474		554,291	
Tax at the domestic rates applicable to profits in the provinces concerned	按適用於有關省份溢利之當地稅率計算之稅項	81,764		93,308	
Higher tax rate for specific provinces or local authority	特定省份及地方當局較高之稅率	1,421		2,398	
Incomes not subject to tax	毋須繳納稅款之收入	(7,433)		(10,866)	
Tax losses not recognised	未確認之稅項虧損	10,878		6,116	
Expenses not deductible for tax	不可就稅項扣減之開支	11,039		9,976	
Adjustment in respect of current tax of previous periods	就前期即期稅項作出調整	1,431		455	
Tax charge at the Group's effective rate	按本集團有效稅率扣除之稅項	99,100	22.0	101,387	18.3

10. 稅項 (續)

下文所載為以本公司及其附屬公司及聯營公司註冊所在國家法定稅率計算適用於除稅前溢利之稅項開支及按有效稅率計算稅項開支之對賬，以及適用稅率（即法定稅率）及有效稅率之對賬：

11. Net Profit from Ordinary Activities Attributable to Shareholders

The net profit from ordinary activities attributable to shareholders dealt with in the financial statements of the Company is HK\$347,591,000 (2002: net loss of HK\$127,384,000).

11. 股東應佔日常業務純利

股東佔日常業務純利347,591,000港元（二零零二年：虧損淨額127,384,000港元）已於本公司之財務報表中處理。

12. DIVIDENDS

12. 股息

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Interim – HK1.50 cents (2002: HK1.50 cents) per ordinary share	中期股息 – 每股普通股1.50港仙 (二零零二年: 1.50港仙)	36,664	36,214
Adjustment to prior year's final dividend	上年度末期股息之調整	500	–
Proposed final – HK2.50 cents (2002: HK2.50 cents) per ordinary share	擬派末期股息 – 每股普通股2.50港仙 (二零零二年: 2.50港仙)	61,107	60,357
		98,271	96,571

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

本年度擬派末期股息有待本公司股東於應屆股東週年大會上批准。

13. Earnings Per Share

13. 每股盈利

The calculation of basic earnings per share was based on the net profit attributable to shareholders for the year of HK\$236,011,000 (2002 (restated): HK\$274,764,000) and on the weighted average number of 2,434,376,158 (2002: 2,350,951,063) shares in issue during the year.

每股基本盈利乃按照本年度股東應佔純利約236,011,000港元(二零零二年(經重列): 274,764,000港元)及年內已發行股份加權平均數2,434,376,158股(二零零二年: 2,350,951,063股)計算。

The calculation of diluted earnings per share for the year ended 31 December 2003 was based on the net profit attributable to shareholders for the year of HK\$236,011,000 (2002 (restated): HK\$274,764,000). The weighted average number of ordinary shares used in the calculation is the 2,434,376,158 (2002: 2,350,951,063) ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average of 19,190,504 (2002: 33,975,923) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options granted during the year.

截至二零零三年十二月三十一日止年度之每股攤薄盈利乃按照年內之股東應佔純利236,011,000港元(二零零二年(經重列): 274,764,000港元)計算。用以計算之普通股加權平均數為年內已發行股份2,434,376,158股(二零零二年: 2,350,951,063股)(即用以計算每股基本盈利者)以及視作於年內行使所有購股權而假設已無代價發行普通股加權平均數19,190,504股股份(二零零二年: 33,975,923股)。

The convertible bonds have not been included in the calculation of the diluted earnings per share for the year ended 31 December 2002 since their effects are anti-dilutive.

由於可換股債券具反攤薄效應，故於計算截至二零零二年十二月三十一日止年度之每股攤薄盈利時並未包括在內。

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14.Fixed Assets

14.固定資產

Group		Land and buildings in Hong Kong held under medium term leases	Land and buildings in the PRC held under medium term leases	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
本集團		HK\$'000 以中期租約於香港持有之土地及樓宇 千港元	HK\$'000 以中期租約於中國持有之土地及樓宇 千港元	HK\$'000 廠房及機器 千港元	HK\$'000 傢俬、裝置及設備 千港元	HK\$'000 汽車 千港元	HK\$'000 在建工程 千港元	HK\$'000 總額 千港元
Cost or valuation:	成本或估值:							
At beginning of year	年初	2,354	393,299	94,255	58,677	249,738	59,380	857,703
Additions	添置	-	51,208	39,739	6,687	82,888	38,365	218,887
Acquisition of a subsidiary (note 34(a))	收購附屬公司(附註34(a))	-	25,801	-	-	-	266	26,067
Transfer from investment properties (note 18)	轉撥自投資物業(附註18)	-	21,346	-	-	-	-	21,346
Transfer from properties under development (note17)	轉撥自發展中物業(附註17)	-	3,961	-	-	-	-	3,961
Disposals	出售	-	(23,912)	(620)	(28,269)	(70,248)	(666)	(123,715)
Transfer to investment properties (note18)	轉撥至投資物業(附註18)	-	(42,143)	-	-	-	-	(42,143)
Reclassifications	重新分類	-	41,512	20,304	-	-	(61,816)	-
Exchange realignment	匯兌調整	(8)	(1,456)	(541)	(266)	(891)	(200)	(3,362)
At 31 December 2003	於二零零三年十二月三十一日	2,346	469,616	153,137	36,829	261,487	35,329	958,744
An analysis of cost or valuation:	成本或估值分析:							
At cost	成本	-	305,314	153,137	36,829	261,487	35,329	792,096
At 1997 valuation	一九九七年估值	2,346	164,302	-	-	-	-	166,648
		2,346	469,616	153,137	36,829	261,487	35,329	958,744
Accumulated depreciation and impairment	累積折舊及減值:							
At beginning of year	年初	81	26,805	17,147	30,632	126,858	-	201,523
Provided during the year	本年度撥備	-	15,604	11,412	8,048	51,646	-	86,710
Disposals	出售	-	(12,197)	(335)	(3,015)	(45,045)	-	(60,592)
Impairment during the year recognised	於年內確認之減值	-	-	3,249	-	-	-	3,249
Exchange realignment	匯兌調整	-	(352)	(282)	(174)	(480)	-	(1,288)
At 31 December 2003	於二零零三年十二月三十一日	81	29,860	31,191	35,491	132,979	-	229,602
Net book value:	賬面淨值:							
At 31 December 2003	於二零零三年十二月三十一日	2,265	439,756	121,946	1,338	128,508	35,329	729,142
At 31 December 2002	於二零零二年十二月三十一日	2,273	366,494	77,108	28,045	122,880	59,380	656,180

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14. Fixed Assets (continued)

Certain of the Group's land and buildings were revalued at 31 December 1997 by RHL Appraisal Ltd. (formerly known as Francis Lau & Co., (Surveyors) Ltd.), an independent firm of professional property valuers. These land and buildings were revalued at their open market values based on their existing use. In the opinion of the directors, there has been no material change in the values of these land and buildings as at 31 December 2003.

Had these land and buildings been carried at historical cost less accumulated depreciation, their carrying amounts would have been approximately HK\$135 million (2002: HK\$146 million), as compared to their carrying amounts included in fixed assets of approximately HK\$115 million (2002: HK\$123 million).

14. 固定資產 (續)

本集團之若干土地及樓宇已於一九九七年十二月三十一日由獨立專業物業估值師永利行評值顧問有限公司(前稱劉紹鈞產業測量師行有限公司)進行重估。該等土地及樓宇乃根據公開市值基準按其現時之用途進行重估。董事認為於二零零三年十二月三十一日土地及樓宇之價值並無重大變動。

假如該等土地及樓宇按歷史成本減累積折舊列賬，其賬面值會變為約135百萬港元(二零零二年：146百萬港元)，相對於固定資產所計之賬面值約115百萬港元(二零零二年：123百萬港元)。

Company		Furniture and fixtures	Motor vehicles	Total
		HK\$'000	HK\$'000	HK\$'000
本公司		傢俬及裝置	汽車	總額
		千港元	千港元	千港元
Cost:	成本:			
At beginning of year	年初	471	2,708	3,179
Additions	添置	114	1,262	1,376
Disposals	出售	-	(484)	(484)
At 31 December 2003	於二零零三年十二月三十一日	585	3,486	4,071
Accumulated depreciation:	累積折舊:			
At beginning of year	年初	304	1,385	1,689
Provided during the year	本年度撥備	62	688	750
Disposals	出售	-	(395)	(395)
At 31 December 2003	於二零零三年十二月三十一日	366	1,678	2,044
Net book value:	賬面淨值:			
At 31 December 2003	於二零零三年十二月三十一日	219	1,808	2,027
At 31 December 2002	於二零零二年十二月三十一日	167	1,323	1,490

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15. Intangible Assets

15. 無形資產

		Group HK\$'000 本集團 千港元
Vehicle licences	汽車牌照	
Cost:	成本:	
At beginning of year	年初	38,076
Additions	添置	4,823
Exchange realignment	匯兌調整	(128)
At 31 December 2003	於二零零三年十二月三十一日	42,771
Accumulated amortisation:	累積攤銷:	
At beginning of year	年初	12,740
Provided during the year	本年度撥備	1,654
Exchange realignment	匯兌調整	(42)
At 31 December 2003	於二零零三年十二月三十一日	14,352
Net book value:	賬面淨值:	
At 31 December 2003	於二零零三年十二月三十一日	28,419
At 31 December 2002	於二零零二年十二月三十一日	25,336

16. Negative Goodwill

The amounts of the negative goodwill capitalised as an asset or recognised in the consolidated balance sheet, arising from the acquisition of subsidiaries and a minority interest, are as follows:

16. 負商譽

於收購附屬公司及少數股東權益所產生已資本化作為資產或已於綜合資產負債表中確認之負商譽數額如下：

		Group 本集團 Negative goodwill HK\$'000 負商譽 千港元
Cost:	成本:	
As previously reported	如以往所呈報	130,740
Prior year adjustment:	上年度調整:	
SSAP 12 "Income Taxes" (note 30)	會計實務準則第12號「所得稅」(附註30)	(11,717)
As restated	經重列	119,023
Acquisition of a subsidiary (note 34(a))	收購附屬公司(附註34(a))	2,549
Acquisition of an additional interest in a subsidiary (note 34(b))	收購於附屬公司之額外權益(附註34(b))	28,821
At 31 December 2003	於二零零三年十二月三十一日	150,393
Accumulated amortisation recognition as income:	確認為收入之累積攤銷:	
As previously reported	如以往所呈報	10,895
Prior year adjustment:	上年度調整:	
SSAP 12 "Income Taxes"	會計實務準則第12號「所得稅」	(1,019)
As restated	經重列	9,876
Amortisation recognised as income during the year	本年度確認為收入之攤銷	14,148
At 31 December 2003	於二零零三年十二月三十一日	24,024
Net book value:	賬面淨值:	
At 31 December 2003	於二零零三年十二月三十一日	126,369
At 31 December 2002 (Restated)	於二零零二年十二月三十一日(經重列)	109,147

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16. Negative Goodwill (continued)

As detailed in note 3 to the financial statements, on the adoption of SSAP 30 in 2001, the Group applied the transitional provision of SSAP 30 that permitted goodwill and negative goodwill in respect of acquisitions which occurred prior to the adoption of the SSAP, to remain eliminated against consolidated reserves or credited to the capital reserve, respectively.

The amounts of goodwill remaining in consolidated reserves, arising from the acquisition of subsidiaries and associates prior to the adoption of SSAP 30 in 2001, were HK\$45,525,000 and HK\$61,259,000, respectively, as at 1 January 2003 and 31 December 2003.

17. Properties Under Development

		Group 本集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Land in the PRC held under medium term leases, at cost:	以中期租約於中國持有之土地，按成本：		
At beginning of year	年初	973,151	142,527
Exchange realignments	匯兌調整	(3,280)	(648)
Acquisition of a subsidiary (note 34 (a))	收購附屬公司(附註34 (a))	–	138,603
Additions	添置	135,880	815,125
Transfer to properties under development for sale	轉撥至待銷發展中物業	(100,408)	(122,456)
At 31 December	於十二月三十一日	1,005,343	973,151
Development expenditure, at cost:	開發支出，按成本：		
At beginning of year	年初	71,282	58,470
Exchange realignments	匯兌調整	(240)	(266)
Additions	添置	169,747	177,430
Transfer to properties under development for sale	轉撥至待銷發展中物業	(8,243)	(164,352)
Transfer to fixed assets (note 14)	轉撥至固定資產(附註14)	(3,961)	–
Transfer to investment properties (note 18)	轉撥至投資物業(附註18)	(22,543)	–
At 31 December	於十二月三十一日	206,042	71,282
		1,211,385	1,044,433

As at 31 December 2003, no interest was capitalised in properties under development (2002: Nil).

16. 負商譽 (續)

誠如財務報表附註(3)所述，本集團於二零零一年採用了會計實務準則第30號後，採納了會計實務準則第30號當中之過渡條文，容許於採納該會計實務準則前之收購活動中產生之商譽及負商譽，分別繼續於綜合儲備中扣除及計入資本儲備一項中。

於二零零三年一月一日及二零零三年十二月三十一日，綜合儲備記錄於二零零一年採納會計實務準則第30號前收購附屬公司及聯營公司之所得商譽分別為45,525,000港元及61,259,000港元。

17. 發展中物業

於二零零三年十二月三十一日，發展中物業中並無利息資本化(二零零二年：無)。

18. Investment Properties

18. 投資物業

		Group 本集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元 (Restated) (經重列)
At beginning of year	年初	1,989,920	1,086,900
Exchange realignment	匯兌調整	(6,721)	(4,878)
Transfer from fixed assets (note 14)	轉撥自固定資產(附註14)	42,143	25,122
Additions, at cost	添置·按成本	80,290	–
Acquisition of a subsidiary (note 34 (a))	收購附屬公司(附註34 (a))	–	659,833
Revaluation surplus arising during the year (note 33)	本年度內產生之重估盈餘(附註33)	22,645	205,044
Reclassified from completed properties for sale	重新分類自己落成待銷物業	19,501	17,899
Transfer from properties under development (note 17)	轉撥自發展中物業(附註17)	22,543	–
Transfer to fixed assets (note 14)	轉撥至固定資產(附註14)	(21,346)	–
At 31 December	於十二月三十一日	2,148,975	1,989,920

At the balance sheet date, all the investment properties were revalued on the basis of their open market values by RHL Appraisal Ltd., an independent firm of professional property valuers. The net surplus arising on revaluation has been credited to the investment property revaluation reserve.

All of the Group's investment properties are rented out under operating leases.

The investment properties comprise land and buildings in the PRC which are held under medium term leases.

於結算日，所有投資物業已由獨立專業物業估值師永利行評值顧問有限公司按公開市值基準重估。重估盈餘淨額已計入投資物業重估儲備中。

本集團所有投資物業均以經營租約方式租出。

投資物業包括以中期租約於中國持有之土地及樓宇。

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Year ended 31 December 2003 截至二零零三年十二月三十一日止年度

19. Interests In Subsidiaries

19. 附屬公司權益

		Company 本公司	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Unlisted shares, at cost	非上市股份·按成本	1,746,719	1,955,435
Due from subsidiaries *	應收附屬公司款項*	399,038	433,014
Provisions for diminutions in values	減值撥備	—	(2,686)
		2,145,757	2,385,763

* The amounts due from subsidiaries are unsecured and are not repayable within one year. Except for the amounts due from subsidiaries of HK\$226,772,000 which are interest free, the remaining balance of HK\$172,266,000 bears interest at rates ranging from 3% to 6% per annum.

* 應收附屬公司之款項為無抵押，並非須於一年內償還。除應收附屬公司之226,772,000港元免息款項以外，餘額172,266,000港元按每年3%至6%計算年息。

The amounts due from/to subsidiaries classified under current assets/liabilities are unsecured, interest free and have no fixed terms of repayment.

應收／應付附屬公司款項分類為流動資產／負債，為無抵押，免息及無固定還款期。

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration and operations 成立／註冊 成立及經營地點	Nominal value of issued and fully paid up capital/registered capital 已發行及繳足股本／註冊資本面值	Percentage of equity interest attributable to the Company 本公司應佔之股本權益百分比		Principal activities 主要業務
			2003 %	2002 %	
Ha Er Bin Shum Yip Estate Development Limited (Note 4) 哈爾濱深業房地產發展有限公司(附註4)	PRC 中國	US\$5,000,000 5,000,000美元	100	100	Property development 物業發展
Qingdao Shum Yip Properties Development Co., Ltd. (Note 4) 青島深業房地產發展公司(附註4)	PRC 中國	US\$2,500,000 2,500,000美元	100	100	Property development 物業發展
Shum Yip Holdings (Shenzhen) Co., Ltd. (Note 4) 深業集團(深圳)有限公司(附註4)	PRC 中國	HK\$430,320,000 430,320,000港元	100	100	Property development 物業發展

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Year ended 31 December 2003 截至二零零三年十二月三十一日止年度

19. Interests In Subsidiaries (continued)

19. 附屬公司權益 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration and operations 成立/註冊 成立及經營地點	Nominal value of issued and fully paid up capital/registered capital 已發行及繳足 股本/註冊資本面值	Percentage of equity interest attributable to the Company 本公司應佔 之股本權益百分比		Principal activities 主要業務
			2003 %	2002 %	
Shum Yip Centre Development (Shenzhen) Co., Ltd. (Note 4) 深業中心發展(深圳)有限公司(附註4)	PRC 中國	HK\$40,000,000 40,000,000港元	100	100	Property development 物業發展
Shenzhen Shumyixihu Transportation Company Ltd. (Note 1 & 5) 深圳深業西湖運輸有限公司(附註1及5)	PRC 中國	HK\$3,000,000 3,000,000港元	51	100	Transportation 運輸
Guangdong Shum Yip Transportation Co., Ltd. (Note 1, 2 & 5) 廣東深業運輸有限公司(附註1、2及5)	PRC 中國	HK\$5,000,000 5,000,000港元	51	97.82	Transportation 運輸
Shenzhen Yong Sheng Industrial & Trade Co., Ltd. (Note 1, 2 & 5) 深圳永盛工貿有限公司(附註1、2及5)	PRC 中國	RMB9,180,000 人民幣9,180,000元	49.89	97.82	Operation of fuel stations and motor vehicle repairs 經營油站及汽車維修
New Great Properties Limited 新鉅置業有限公司	Hong Kong 香港	HK\$2 2港元	100	100	Investment holding 投資控股
Shenzhen Shengkong Industrial (Group) Co., Ltd. (Note 6) 深圳深港實業有限公司(附註6)	PRC 中國	RMB95,500,000 人民幣95,500,000元	80	80	Investment holding 投資控股
Shenzhen Shengkong Automobile Maintenance Service Co., Ltd. (Note 1 & 5) 深圳市深港汽車修配有限公司(附註1及5)	PRC 中國	RMB14,830,000 人民幣14,830,000元	79	79	Vehicle repairs 汽車維修
Shenzhen Shengkong Taxi Co., Ltd. (Note 1 & 5) 深圳市深港汽車出租有限公司(附註1及5)	PRC 中國	RMB13,780,000 人民幣13,780,000元	80	80	Vehicle rentals 汽車租賃
Shenzhen Guangfa Combined Transportation Co., Ltd (Note 1 & 5) 深圳市廣發聯運有限公司(附註1及5)	PRC 中國	RMB10,000,000 人民幣10,000,000元	80	80	Transportation 運輸

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19. Interests In Subsidiaries (continued)

19. 附屬公司權益 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration and operations 成立/註冊 成立及經營地點	Nominal value of issued and fully paid up capital/registered capital 已發行及繳足 股本/註冊資本面值	Percentage of equity interest attributable to the Company 本公司應佔 之股本權益百分比		Principal activities 主要業務
			2003 %	2002 %	
Shenzhen Ganglong Transportation Industrial Co., Ltd. (Note 1 & 5) 深圳市港龍運輸實業發展公司(附註1及5)	PRC 中國	RMB10,000,000 人民幣10,000,000元	80	80	Transportation 運輸
Shenzhen Shengkong Properties Management Co., Ltd. (Note 1 & 5) 深圳市深港物業管理有限公司(附註1及5)	PRC 中國	RMB3,000,000 人民幣3,000,000元	80	80	Property management 物業管理
Shenzhen Terra Company Limited (Note 6) 深圳泰然股份有限公司(附註6)	PRC 中國	RMB200,000,000 人民幣200,000,000元	51	51	Property development 物業發展
Shenzhen Tairan Aluminium Alloy Works Company (Note 1 & 5) 深圳市泰然鋁合金工程公司(附註1及5)	PRC 中國	RMB6,200,000 人民幣6,200,000元	51	51	Aluminium engineering 鋁器工程
Shenzhen Tairan Property Management Service Company (Note 1 & 5) 深圳市泰然物業管理服務公司(附註1及5)	PRC 中國	RMB4,390,000 人民幣4,390,000元	51	51	Property management 物業管理
Shenzhen Shengkong Winglee Cross Border Bus Co., Ltd. (Note 1, 3 & 5) 深圳深港榮利直通巴有限公司(附註1、3及5)	PRC 中國	RMB20,000,000 人民幣20,000,000元	40	40	Provision of cross-border bus services and vehicle repairs 直通巴士服務及汽車維修
Shenzhen Shumyip Logistic Holding Co., Ltd. (Note 6) 深業物流集團股份有限公司(附註6)	PRC 中國	RMB160,764,662 人民幣160,764,662元	51	51	Operation of warehouses and property development 經營貨倉及物業發展
Shenzhen Pengji (Holdings) Company Limited (Note 4) 深圳鵬基(集團)有限公司(附註4)	PRC 中國	RMB231,911,337 人民幣231,911,337元	100	100	Property trading investment and development 物業買賣、投資及發展
Shenzhen PJLD Securities Products Co., Ltd. (Note 1 & 5) 深圳龍電安防工程有限公司 (附註1及5)	PRC 中國	RMB75,000,000 人民幣75,000,000元	63.46	63.46	Manufacturing 製造

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Year ended 31 December 2003 截至二零零三年十二月三十一日止年度

19. Interests In Subsidiaries (continued)

19. 附屬公司權益 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration and operations 成立/註冊 成立及經營地點	Nominal value of issued and fully paid up capital/registered capital 已發行及繳足 股本/註冊資本面值	Percentage of equity interest attributable to the Company 本公司應佔 之股本權益百分比		Principal activities 主要業務
			2003 %	2002 %	
Shenzhen Gaofa Investment Holdings Limited (Note 1 & 5) 深圳高發投資有限公司(附註1及5)	PRC 中國	RMB309,200,000 人民幣309,200,000元	50	50	Investment and property development 投資及物業發展
Shenzhen Pengji Property Management Services Limited (Note 1 & 5) 深圳鵬基物業管理服務有限公司(附註1及5)	PRC 中國	RMB20,000,000 人民幣20,000,000元	100	100	Property management 物業管理
South China Automobile Exhibition & Trade Center (Note 5) 華南汽車展示交易中心(附註5)	PRC 中國	RMB6,575,315 人民幣6,575,315元	51	40.8	Investment holding 投資控股
Huizhou Dayawan Shengkong Sanwei Transportation Industrial Limited (Note 1 & 5) 惠州大亞灣深港三維交通實業有限公司(附註1及5)	PRC 中國	RMB10,000,000 人民幣10,000,000元	64	–	Transportation 運輸
Ji'an Tairan Transportation Company Ltd (Note 1 & 5) 吉安泰然交通運輸有限公司(附註1及5)	PRC 中國	RMB12,000,000 人民幣12,000,000元	51	–	Transportation 運輸
Changsha Pengji Real Estate Company Limited (Note 1 & 5) 長沙鵬基地產有限公司(附註1及5)	PRC 中國	RMB65,000,000 人民幣65,000,000元	80	–	Property development 物業發展
Shenzhen Shum Yip Steel Centre Limited (Note 5) 深圳深業五金有限公司(附註5)	PRC 中國	RMB18,695,448 人民幣18,695,448元	100	–	Manufacturing 製造
Shum Yip Capital Limited	British Virgin Islands ("BVI") 英屬處女群島	US\$1 1美元	100	100	Investment holding 投資控股
Coland Limited	BVI 英屬處女群島	US\$1 1美元	100	100	Investment holding 投資控股

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19. Interests In Subsidiaries (continued)

19. 附屬公司權益 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration and operations 成立/註冊 成立及經營地點	Nominal value of issued and fully paid up capital/registered capital 已發行及繳足 股本/註冊資本面值	Percentage of equity interest attributable to the Company 本公司應佔 之股本權益百分比		Principal activities 主要業務
			2003 %	2002 %	
Eastart International Investment Limited	BVI 英屬處女群島	US\$2 2美元	100	100	Investment holding 投資控股
Newton Industrial Limited	BVI 英屬處女群島	US\$34 34美元	55.88	55.88	Investment holding 投資控股
City Capital Limited	BVI 英屬處女群島	US\$1 1美元	100	100	Investment holding 投資控股

None of the subsidiaries had any loan capital outstanding as at 31 December 2003.

於二零零三年十二月三十一日，各附屬公司概無任何未償還借貸資本。

The above table lists the subsidiaries of the Company 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 of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

以上為董事認為對本年度業績構成主要影響或組成本集團資產淨值之主要部份之本公司附屬公司名單。董事認為，列載其他附屬公司詳情將導致資料過於冗長。

Notes:

附註：

- Indirectly held by the Company.
- The Group is entitled to all of the profits and losses remaining after paying the annual guaranteed return to the joint venture partners.
- The Company has control of the board of directors of this entity and therefore this entity is regarded as a subsidiary of the Company.
- Established in the PRC as wholly-owned foreign enterprise.
- Established in the PRC as domestic limited liability enterprise.
- Established in the PRC as a joint venture enterprise.

- 由本公司間接持有。
- 本集團向該等合營企業合夥人支付年度保證回報後，有權享有所有餘下之損益。
- 本公司對該實體之董事會具控制權，故該實體被視為本公司之附屬公司。
- 於中國成立為外商獨資企業。
- 於中國成立為國內有限責任企業。
- 於中國成立為合營企業。

20. Interests In Associates

20. 聯營公司權益

		Group 本集團		Company 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
			(Restated)		
			(經重列)		
Unlisted shares, at cost	非上市股份·按成本	-	-	90,053	189,269
Share of net assets	應佔資產淨值	1,892,589	2,298,339	-	-
Negative goodwill on acquisition	收購時產生之負商譽	(5,864)	(16,253)	-	-
Loans advanced from associates	聯營公司給予之貸款	(50,199)	(87,645)	-	(20,011)
Loans advanced to associates	給予聯營公司之貸款	57,956	60,937	-	-
		1,894,482	2,255,378	90,053	169,258
Market value of listed shares	上市股份市值	-	1,204,593	-	-

The loans from/to associates are unsecured, interest free and are not repayable within one year.

聯營公司所給予／給予聯營公司之貸款為無抵押、免息，且毋須於一年內償還。

The amount due to associates classified under current liabilities are unsecured, interest free and have no fixed terms of repayment.

計入流動負債之應付聯營公司款項為無抵押、免息及無固定還款期。

As detailed in note 3 to the financial statements, on the adoption of SSAP 30 in 2001, the group applied the transitional provision of SSAP 30 that permitted goodwill and negative goodwill in respect of acquisitions which occurred prior to the adoption of the SSAP, to remain eliminated against consolidated reserves or credited to the capital reserve, respectively.

誠如財務報表附註3所述，本集團於二零零一年採用會計實務準則第30號後，採納其過渡性條文，容許於採納該會計實務準則前之收購活動中產生之商譽及負商譽，分別以於綜合儲備中扣除及計入資本儲備一項中。

The amount of goodwill remaining in consolidated reserves, arising from the acquisition of associates, was HK\$61,259,000 as at 31 December 2002 and 31 December 2003.

於二零零二年十二月三十一日及二零零三年十二月三十一日，於綜合儲備中記錄因收購聯營公司所產生之商譽為61,259,000港元。

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20. Interests In Associates (continued)

20. 聯營公司權益 (續)

Particulars of the principal associates are as follows:

主要聯營公司詳情如下：

Name of associates 聯營公司名稱	Business structure 業務架構	Place of establishment/ incorporation and operations 成立/註冊 成立及經營地點	Nominal value of issued and fully paid up capital/ registered capital 已發行及 繳足股本/註冊資本面值	Percentage of Equity Interest attributable to the Group 本集團應佔 之股本權益百分比		Principal activities 主要業務
				2003 %	2002 %	
Shenzhen Longsheng Industrial Co., Ltd. 深圳龍盛實業有限公司	Corporate 公司	PRC 中國	RMB50,000,000 人民幣50,000,000元	45	45	Operation of a godown and property investment 經營倉庫及物業投資
Shenzhen Hua Min Development Co., Ltd. 深圳華民發展有限公司	Corporate 公司	PRC 中國	RMB23,689,890 人民幣23,689,890元	50	50	Property investment and management 物業投資及管理
Hui Yang Hui Shen Transportation Industrial Development Company 惠陽惠深運輸實業發展公司	Corporate 公司	PRC 中國	RMB1,000,000 人民幣1,000,000元	40	40	Transportation 運輸
Karbyony Investment Limited* 祈福投資有限公司*	Corporate 公司	Hong Kong 香港	HK\$10,000,000 10,000,000港元	20	20	Property investment and trading 物業投資及買賣
Karbyony Real Estate Development (Shenzhen) Co., Ltd.* 祈福房地產開發(深圳)有限公司*	Corporate 公司	PRC 中國	US\$12,000,000 12,000,000美元	20	20	Property development 物業發展
Goldfield Industries Inc. ** 金地(集團)股份有限公司**	Corporate 公司	PRC 中國	RMB270,000,000 人民幣270,000,000元	-	26.08	Property trading, investment and development 物業買賣、投資及發展
Shenzhen Tianan Industrial Development Co., Ltd. 深圳天安工業開發有限公司	Corporate 公司	PRC 中國	US\$18,000,000 18,000,000美元	25.5	25.5	Property trading, investment and development 物業買賣、投資及發展
Shenzhen Mawan Power Company Limited ("Mawan") 深圳媽灣電力有限公司(「媽灣」)	Corporate 公司	PRC 中國	RMB560,000,000 人民幣560,000,000元	34	34	Power generation 發電

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20. Interests In Associates (continued)

20. 聯營公司權益 (續)

Name of associates 聯營公司名稱	Business structure 業務架構	Place of establishment/ incorporation and operations 成立/註冊 成立及經營地點	Nominal value of issued and fully paid up capital/ registered capital 已發行及 繳足股本/註冊資本面值	Percentage of Equity Interest attributable to the Group 本集團應佔 之股本權益百分比		Principal activities 主要業務
				2003 %	2002 %	
Shenzhen Topway Video Communication Co., Ltd. 深圳市天威視訊有限公司	Corporate 公司	PRC 中國	RMB200,000,000 人民幣200,000,000元	31.1	31.1	Provision of cable TV and other communication network technology services 有線電視網絡及其他通訊網絡技術服務
Shenzhen SEG-CNEDC Color Display Device Corp. 深圳市賽格中電彩色顯示器有限公司	Corporate 公司	PRC 中國	RMB300,000,000 人民幣300,000,000元	26.76	26.76	Investment holding 投資控股

* Not audited by Ernst & Young, Certified Public Accountants, Hong Kong or other Ernst & Young International member firms.

** On 27 June 2003, the Company entered into a Sale and Purchase Agreement with independent third parties to dispose of its entire equity interest in Goldfield Industries Inc. for a consideration of HK\$338,863,000, resulting in loss on disposal of approximately HK\$58,727,000.

The above table lists the associates of the Group 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 of other associates would, in the opinion of the directors, result in particulars of excessive length.

* 非經香港執業會計師安永會計師事務所或安永會計師事務所國際會員公司審核。

** 於二零零三年六月二十七日，本公司與獨立第三方簽訂買賣協議，藉以出售於金地（集團）股份有限公司之全部股本權益，代價為338,863,000港元，於出售時產生虧損約58,727,000港元。

以上為董事認為對本年度業績構成主要影響或組成本集團資產淨值之重大部份之本集團主要聯營公司名單。董事認為，列載其他聯營公司詳情將導致資料過於冗長。

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20. Interests In Associates (continued)

The following is a condensed summary of certain additional financial information of the major associate:

20. 聯營公司權益 (續)

主要聯營公司之若干額外財務資料之簡明摘要如下：

		Shenzhen Mawan Power Company Limited 深圳媽灣電力有限公司	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Results for year:	本年度業績：		
Turnover	營業額	2,159,936	2,208,665
Profit from ordinary activities after tax	除稅後日常業務溢利	552,733	585,132
Profit from ordinary activities after tax attributable to the Group	本集團應佔除稅後日常業務溢利	187,929	198,945
Financial position:	財務狀況：		
Non-current assets	非流動資產	1,642,962	1,740,833
Current assets	流動資產	1,885,623	1,583,864
Current liabilities	流動負債	(424,003)	(352,042)
Non-current liabilities	非流動負債	(43,422)	(30,319)
Net assets	資產淨值	3,061,160	2,942,336
Share of net assets attributable to the Group	本集團應佔資產淨值	1,040,794	1,000,394

21. Amounts due from Minority Shareholders

Except for the amount due from a minority shareholder of HK\$118,732,000 (2002: Nil) which bears interest at 9% per annum, the amounts due from minority shareholders are unsecured, interest free and have no fixed terms of repayment.

21. 少數股東結欠之款項

除118,732,000港元(二零零二年:無)少數股東結欠之款項以9%年息率計息外,少數股東結欠之其餘款項均為無抵押、免息及無固定還款期。

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22. Long Term Receivables

22. 長期應收款項

		Group		Company	
		本集團		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
Long term receivables	長期應收款項	14,547	29,054	–	–

23. Investments

23. 投資

Long term investments		Group		Company	
長期投資		本集團		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
At amortised cost:	按攤銷成本：				
Held-to-maturity debt securities in the PRC:	在中國持至到期日之債務證券：				
Listed	上市	–	37,668	–	–
Unlisted	非上市	1,196	1,200	–	–
		1,196	38,868	–	–
At market value:	按市值：				
Listed equity investments in the PRC	在中國之上市股票投資	19,320	21,217	–	–
At fair value:	按公允價值：				
Unlisted equity investments in the PRC	在中國之非上市股票投資	8,019	6,076	–	–
At cost:	按成本：				
Club membership	俱樂部會籍	2,340	2,340	1,720	1,720
		30,875	68,501	1,720	1,720
Short term investments		Group		Company	
短期投資		本集團		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
At market value:	按市值：				
Listed equity investments in the PRC	在中國之上市股票投資	–	278	–	–

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24. Inventories

24. 存貨

		Group 本集團		Company 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
Raw materials	原材料	32,146	32,828	-	-
Work in progress	在製品	11,262	30,758	-	-
Finished goods	產成品	46,729	40,753	-	-
Completed properties for sale	已落成之待銷物業	426,675	221,176	-	8,813
		516,812	325,515	-	8,813

The carrying amount of inventories carried at net realisable value included in the above balance was nil (2002: Nil) at the balance sheet date.

於結算日，計入上列數額並以可變現淨值列賬之存貨賬面值為零港元（二零零二年：無）。

25. Properties under Development for Sale

25. 發展中待銷物業

		Group 本集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Costs incurred	產生成本	93,141	633,612
Add: Attributable profits on incomplete projects	加：未落成項目之應佔溢利	10,562	69,024
		103,703	702,636
Less: Sale deposits/instalments received	減：已收銷售訂金／分期款項	(18,864)	(153,077)
		84,839	549,559

The properties under development for sale are located in the PRC and are held under medium term leases.

於中國發展中待銷物業乃以中期租約持有。

As at 31 December 2003, interest capitalised to properties under development for sale amounted to HK\$26,616,000 (2002: HK\$15,999,000).

於二零零三年十二月三十一日，撥入發展中待銷物業之資本化利息數額為26,616,000港元（二零零二年：15,999,000港元）。

26. Accounts Receivable

An aged analysis of the accounts receivable as at balance sheet date is as follows:

26. 應收賬款

於年結日之應收賬款之賬齡分析如下：

		Group 本集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Within 1 year	一年內	163,637	61,786
1 to 2 years	一年至兩年內	9,563	23,255
2 to 3 years	兩年至三年內	11,868	2,073
Over 3 years	三年以上	1,917	347
Total	總計	186,985	87,461
Less: Provisions for bad and doubtful debts	減：呆壞賬撥備	(20,825)	(17,892)
		166,160	69,569

Under normal circumstances, the Group does not grant credit terms to its customers. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are regularly reviewed by the management.

在正常情況下，本集團不會向其客戶授出信貸期。本集團設法對其未收回之應收款項保持嚴格控制及減低信貸風險。逾期款項餘額由管理層作定期檢討。

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27. Cash and Cash Equivalents

27. 現金及現金等值

		Group 本集團		Company 本公司	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元	2003 HK\$'000 千港元	2002 HK\$'000 千港元
Cash and bank balances	現金及銀行結存	1,350,215	621,828	25,796	2,334
Time deposits	定期存款	1,230,175	1,390,468	1,130,459	879,470
Cash and cash equivalents	現金及現金等值	2,580,390	2,012,296	1,156,255	881,804

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$1,368,324,000 (2002: HK\$1,024,609,000). The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of settlement, sale and payment of Foreign Exchange Regulation, the Group is permitted to exchange RMB for the other currencies through banks authorised to conduct foreign exchange business.

於年結日，本集團以人民幣訂值之現金及銀行結存共1,368,324,000港元（二零零二年：1,024,609,000港元）。人民幣並不可自由兌換為其他貨幣。然而，根據中國外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過有權進行外匯業務之銀行將人民幣兌換為其他貨幣。

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28. Interest-bearing Bank Loans

28. 帶息銀行貸款

		Group 本集團		Company 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 loans:	銀行貸款:				
Secured	有抵押	125,856	305,817	–	–
Unsecured	無抵押	3,572,416	3,050,585	2,329,500	2,028,000
		3,698,272	3,356,402	2,329,500	2,028,000
Bank loans repayable:	須償還之銀行貸款:				
Within one year	一年內	1,347,666	1,876,125	77,650	897,000
In the second year	兩年內	370,531	302,192	271,775	–
In the third to fifth years, inclusive	三年至五年內 (包括首尾兩年)	1,980,075	1,178,085	1,980,075	1,131,000
		3,698,272	3,356,402	2,329,500	2,028,000
Portion classified as current liabilities	列為流動負債之部份	(1,347,666)	(1,876,125)	(77,650)	(897,000)
Long term portion	長期部份	2,350,606	1,480,277	2,251,850	1,131,000

Bank loans amounting to HK\$125,856,000 (2002: HK\$305,817,000) were secured by:

- (1) certain of the Group's land and buildings which have an aggregate net book value of approximately HK\$36,197,000 (2002: HK\$217,890,000), and investment properties of the Group with an aggregate value of approximately HK\$13,893,000 (2002: HK\$57,859,000); and
- (2) certain of the Group's properties held for development with a net book value of HK\$329,340,000 (2002: HK\$285,000,000).

銀行貸款金額為125,856,000港元(二零零二年: 305,817,000港元)·由:

- (1) 本集團若干土地及樓宇(其總賬面淨值約36,197,000港元(二零零二年: 217,890,000港元))及本集團投資物業(其總值約13,893,000港元(二零零二年: 57,859,000港元));及
- (2) 賬面淨值329,340,000港元(二零零二年: 285,000,000港元)若干本集團持作發展之物業作抵押。

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29.ACCOUNTS AND NOTES PAYABLES

An aged analysis of the accounts and notes payables as at the balance sheet date is as follows:

29.應付賬款及應付票據

於年結日之應付賬款及應付票據之賬齡分析如下:

		Group 本集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Within 1 year	一年內	267,923	307,473
1 to 2 years	一年至兩年內	20,093	13,525
2 to 3 years	兩年至三年內	7,248	16,843
Over 3 years	三年以上	20,985	82,830
Total	總計	316,249	420,671

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30.Deferred Tax

30.遞延稅項

Group	Timing differences on sales recognition	Revaluation of investment properties	Revaluation of assets	Fair value adjustment arising from acquisition of a subsidiary	Accelerated tax depreciation on investment properties	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
本集團	銷售確認之時差	投資物業重估	資產重估	因收購附屬公司產生之公允值調整	投資物業加速稅項折舊	合計
遞延稅項負債	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2003	於二零零三年一月一日					
As previously reported	原先呈列					
Prior year adjustment:	以前年度調整:					
SSAP 12 - restatement of deferred tax	會計實務準則第12號一經重列遞延稅項					
As restated	經重列					
Deferred tax charged to the profit and loss account (note 10)	於損益表中扣除之遞延稅項 (附註10)					
Deferred tax credited to the equity (note 33)	計入權益之遞延稅項 (附註33)					
At 31 December 2003	於二零零三年十二月三十一日					

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30. Deferred Tax (continued)

30. 遞延稅項 (續)

Deferred tax assets: 遞延稅項資產:		Revaluation of	Others	Total
		investments		
		HK\$'000	HK\$'000	HK\$'000
		投資重估	其他	合計
		千港元	千港元	千港元
At 1 January 2003	於二零零三年一月一日			
As previously reported	原先呈列	-	-	-
Prior year adjustment:	以前年度調整:			
SSAP 12 - restatement	會計實務準則第12號			
of deferred tax	— 重列遞延稅項	1,183	-	1,183
As restated	經重列	1,183	-	1,183
Deferred tax credited to	計入損益表			
the profit and loss	之遞延稅項			
account (note 10)	(附註10)	-	326	326
Deferred tax charged	於權益扣除之			
to the equity (note 33)	遞延稅項(附註33)	(4)	-	(4)
At 31 December 2003	於二零零三年十二月三十一日	1,179	326	1,505

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30. Deferred Tax (continued)

30. 遞延稅項 (續)

Group		Timing differences on sales recognition	Revaluation of investment properties	Revaluation of assets	Fair value adjustment arising from acquisition of a subsidiary	Accelerated tax depreciation on investment properties	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
本集團		銷售確認之時差	投資物業重估	資產重估	因收購附屬公司產生之公允值調整	投資物業加速稅項折舊	合計
遞延稅項負債		千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2002	於二零零二年一月一日						
As previously reported	原先呈列	33,273	-	-	-	-	33,273
Prior year adjustment:	以前年度調整:						
SSAP 12 - restatement of deferred tax	會計實務準則第12號一重列遞延稅項	-	5,859	7,707	-	13,515	27,081
As restated	經重列	33,273	5,859	7,707	-	13,515	60,354
Deferred tax charged/ (credited) to the profit and loss account (note 10)	於損益表中扣除/(計入)之遞延稅項(附註10)	(5,201)	-	-	-	4,916	(285)
Deferred tax charged to equity (note 33)	於權益中扣除之遞延稅項(附註33)	-	25,061	-	-	-	25,061
Deferred tax charged to negative goodwill (note 16)	於負商譽中扣除之遞延稅項(附註16)	-	-	-	11,717	-	11,717
At 31 December 2002	於二零零二年十二月三十一日	28,072	30,920	7,707	11,717	18,431	96,847

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30. Deferred Tax (continued)

30. 遞延稅項 (續)

Deferred tax assets:		Revaluation of investments	Others	Total
遞延稅項資產:		HK\$'000	HK\$'000	HK\$'000
		投資重估	其他	合計
		千港元	千港元	千港元
At 1 January 2002	於二零零二年一月一日			
As previously reported	原先呈列	-	-	-
Prior year adjustment:	以前年度調整:			
SSAP 12 – restatement of deferred tax	會計實務準則第12號 — 重列遞延稅項	1,700	-	1,700
As restated	經重列	1,700	-	1700
Deferred tax charged to equity (note 33)	於權益中扣除之 遞延稅項 (附註33)	(517)	-	(517)
At 31 December 2002	於二零零二年十二月三十一日	1,183	-	1,183

The Group has tax losses of HK\$152,144,778 (2002: HK\$102,240,030) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for years.

本集團之稅務虧損為152,144,778港元(二零零二年: 102,240,030港元), 可用作抵銷產生虧損之公司之未來應課稅溢利。由於該等虧損乃來自虧蝕多年之附屬公司, 故並無就該等虧損確認遞延稅項資產。

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

本公司向其股東派付股息, 不會附帶任何所得稅後果。

SSAP 12 (Revised) was adopted during the year, as further explained in note 2 to the financial statements. This change in accounting policy has resulted in an increase in the Group's deferred tax assets as at 31 December 2003 and 2002 by HK\$1,505,000 and HK\$1,183,000, respectively, and increase in the Group's deferred tax liabilities as at 31 December 2003 and 2002 by HK\$74,763,000 and HK\$68,775,000, respectively. As a consequence, the consolidated retained profits at 1 January 2003 and 2002 have been decreased by HK\$19,450,000 and HK\$13,515,000, respectively.

年內首次採納會計實務準則第12號(經修訂), 詳情見財務報表附註2。此項會計政策之改變, 引致本集團於二零零二年及二零零三年十二月三十一日之遞延稅項資產分別增加1,183,000港元及1,505,000港元, 以及本集團於二零零二年及二零零三年十二月三十一日之遞延稅項負債分別增加68,775,000港元及74,763,000港元。因此, 於二零零二年及二零零三年一月一日之綜合保留溢利分別減少13,515,000港元及19,450,000港元。

31. Share Capital

31. 股本

Shares		2003	2002
股份		HK\$'000	HK\$'000
		二零零三年	二零零二年
		千港元	千港元
Authorised:	法定:		
Ordinary shares of HK\$0.05 (2002: HK\$0.05) each	每股面值0.05港元 (二零零二年: 0.05港元) 之普通股	150,000	150,000
Issued and fully paid:	已發行及繳足:		
2,444,293,966 (2002: 2,414,293,966) ordinary shares of HK\$0.05 each	每股面值0.05港元之普通股 2,444,293,966股 (二零零二年: 2,414,293,966股)	122,215	120,715

During the year, there were the following movements in share capital:

- (i) On 24 January 2003, a total of 3,000,000 and 7,000,000 share options were exercised at a price of HK\$0.665 and HK\$0.595, respectively, resulting in the issue of 10,000,000 new shares of HK\$0.05 each for a total cash consideration before expenses of HK\$6,160,000.
- (ii) On 24 February 2003, a total of 3,000,000 and 7,000,000 share options were exercised at a price of HK\$0.665 and HK\$0.595, respectively, resulting in the issue of 10,000,000 new shares of HK\$0.05 each for a total cash consideration before expenses of HK\$6,160,000.
- (iii) On 10 October 2003, a total of 10,000,000 share options were exercised at a price of HK\$0.595, resulting in the issue of 10,000,000 new shares of HK\$0.05 each for a total cash consideration before expenses of HK\$5,950,000.

本年度內，錄得以下股本變動：

- (i) 於二零零三年一月二十四日，3,000,000份及7,000,000份購股權已分別按每股0.665港元及0.595港元價格行使，導致發行10,000,000股每股面值0.05港元之新股，未扣除開支前之總現金代價為6,160,000港元。
- (ii) 於二零零三年二月二十四日，3,000,000份及7,000,000份購股權已分別按每股0.665港元及0.595港元價格行使，導致發行10,000,000股每股面值0.05港元之新股，未扣除開支前之總現金代價為6,160,000港元。
- (iii) 於二零零三年十月十日，10,000,000份購股權已按每股0.595港元價格行使，導致發行10,000,000股每股面值0.05港元之新股，未扣除開支前之總現金代價為5,950,000港元。

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31. Share Capital (continued)

A summary of the transactions during the year with reference to the above movement in the Company's issued ordinary share capital is as follows:

31. 股本 (續)

參照本公司已發行普通股股本上述變動之年內交易概要如下：

		Number of Shares in issue 發行股份數目	Issued share capital HK\$'000 已發行股本 千港元	Share premium account HK\$'000 股份溢價賬 千港元	Total HK\$'000 合計 千港元
At 1 January 2002	於二零零二年一月一日	1,140,300,000	114,030	1,294,563	1,408,593
Share options exercised	已行使購股權	6,000,000	600	6,460	7,060
Issue of new shares	發行新股	60,846,983	6,085	155,130	161,215
Subdivision of shares	股份分拆	1,207,146,983	-	-	-
At 31 December 2002 and 1 January 2003	於二零零二年 十二月三十一日及 二零零三年一月一日	2,414,293,966	120,715	1,456,153	1,576,868
Share options exercised	已行使購股權	30,000,000	1,500	16,770	18,270
		2,444,293,966	122,215	1,472,923	1,595,138
Share issue expenses	股份發行開支	-	-	(17)	(17)
At 31 December 2003	於二零零三年 十二月三十一日	2,444,293,966	122,215	1,472,906	1,595,121

32. Share Option Scheme

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, the Company's shareholders, and any minority shareholder in the Company's subsidiaries. The Scheme became effective on 5 June 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

32. 購股權計劃

本公司設有購股權計劃(「該計劃」)，為對本集團業務作出貢獻之合資格參與者提供鼓勵及獎勵。該計劃之合資格參與者包括本公司之董事(包括獨立非執行董事)、本集團其他僱員、本集團產品及服務供應商、本集團客戶及本公司股東及本公司附屬公司之少數股東。該計劃於二零零二年六月五日生效，惟除非獲註銷或修訂，該計劃將於當日起計十年內維持有效。

32. Share Option Scheme (continued)

The maximum number of ordinary shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue as at the date of approval of the Scheme unless the Company obtains a fresh approval from its shareholders. Options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating such 10% limit.

The maximum entitlement of each participant under the Scheme is that the total number of shares issued and to be issued upon exercise of the options granted to each Participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

The period under which an option may be exercised will be determined by the directors at their absolute discretion and notified by the directors to each grantee as being the period during which an option may be exercised, and shall expire no later than 10th Anniversary of the date upon which the option is granted and accepted in accordance with the Scheme.

The amount payable on acceptance of an option is HK\$1. The full amount of exercise price for the subscription for shares has to be paid upon exercise of an option.

The exercise price shall be a price determined by the directors and notified to a participant and shall be at least the highest of (i) the closing price of the shares as stated in The Stock Exchange of Hong Kong Limited's daily quotations sheet on the date of offer of grant, which must be a business day, (ii) a price being the average of the closing prices of the shares as stated in The Stock Exchange of Hong Kong Limited's daily quotations sheets for the 5 business days immediately preceding the date of offer of grant, and (iii) the nominal value of a share in the Company.

The Scheme will expire on 5 June 2012.

32. 購股權計劃 (續)

除非本公司獲其股東另外批准，否則因悉數行使根據該計劃授出之購股權及任何其他本公司之購股權計劃而可能予以發行之普通股股數上限不得超過於批准該購股權計劃當日已發行股份總數之10%。根據該計劃條款失效之購股權將不作為計算該10%限額之目的。

各參與者透過該計劃之授權上限為因行使於任何12個月期間授予各參與者之購股權(包括已獲行使及尚未行使之購股權)而已發行及將予以發行之股份總數不得超過已發行股份總數之1%。

購股權之可行使期間由董事全權決定，並由董事通知各承授人可行使購股權之期間；另根據該計劃，該購股權之行使期限應於其被授出及被接納當日起10週年內屆滿。

接納購股權時應付款項為1港元。認購股份之行使價全數須於行使購股權時支付。

行使價乃由董事釐定並通知參與者之價格。行使價將至少為以下之最高者：(i)於授出要約當日(必須為營業日)在香港聯合交易所有限公司日報價表所載之股份收市價；(ii)於緊接授出要約當日前5個營業日在香港聯合交易所有限公司日報價表所載之平均股份收市價；及(iii)本公司股份之面值。

該計劃將於二零一二年六月五日屆滿。

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32. Share Option Scheme (continued)

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

32. 購股權計劃 (續)

在本年度內，根據該計劃尚未行使之購股權之變動如下：

	Number of share options 購股權數目					At 31 December 2003 於二零零三年 十二月 三十一日	Date of grant of share options* 授出購股權 日期*	Exercise price of share options 行使購股權 價格** 港元	Price of Company's shares* 本公司股份之價格*	
	At 1 January 2003 於二零零三年 一月一日	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Cancelled during the year 於年內註銷				At grant date of options 於購股權 授出之日期 港元	At exercise date of options 於購股權 行使之日期 港元
Directors 董事										
SONG Zhiwang 宋枝旺	4,000,000	-	-	(4,000,000)	-	15-6-00	15-12-00 to 14-12-03	0.680	1.700	-
	2,400,000	-	-	(2,400,000)	-	27-6-02	27-6-02 to 26-6-07	1.265	1.275	-
LIU Zixian 劉子先	2,400,000	-	-	-	2,400,000	27-6-02	27-6-02 to 26-6-07	1.265	1.275	-
SUN Juyi 孫聚義	2,000,000	-	-	(2,000,000)	-	27-6-02	27-6-02 to 26-6-07	1.265	1.275	-
ZHANG Luzheng 張路正	2,000,000	-	-	-	2,000,000	27-6-02	27-6-02 to 26-6-07	1.265	1.275	-
ZHU Qiyi 朱其懿	2,400,000	-	-	-	2,400,000	27-6-02	27-6-02 to 26-6-07	1.265	1.275	-
YANG Yefang 楊業方	2,000,000	-	-	-	2,000,000	9-7-02	9-7-02 to 8-7-07	1.265	1.325	-
XU Ruxin 徐汝心	2,000,000	-	-	-	2,000,000	27-6-02	27-6-02 to 26-6-07	1.265	1.275	-
ZHU Huoyang 朱火養	2,000,000	-	-	-	2,000,000	27-6-02	27-6-02 to 26-6-07	1.265	1.275	-
WONG Po Yan 黃保欣	2,000,000	-	-	-	2,000,000	27-6-02	27-6-02 to 26-6-07	1.265	1.275	-
LEE Yip Wah, Peter 李業華	2,000,000	-	-	-	2,000,000	27-6-02	27-6-02 to 26-6-07	1.265	1.275	-
WU Wai Chung, Michael 吳偉聰	1,200,000	-	-	-	1,200,000	5-7-02	5-7-02 to 4-7-07	1.265	1.338	-
	26,400,000	-	-	(8,400,000)	-					

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32. Share Option Scheme (continued)

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

32. 購股權計劃 (續)

在本年度內，根據該計劃尚未行使之購股權之變動如下：

Number of share options 購股權數目						Price of Company's shares* 本公司股份之價格*					
At 1 January 2003 於二零零三年 一月一日	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Cancelled during the year 於年內註銷	At 31 December 2003 於二零零三年 十二月 三十一日	Date of grant of share options* 授出購股權 日期*	Exercise price of share options 行使購股權 價格**	At grant date of options 於購股權 授出之日期	At exercise date of options 於購股權 行使之日期		
							HK\$ 港元	HK\$ 港元	HK\$ 港元		
Other employees 其他僱員											
In aggregate 總計	30,120,000	-	(6,000,000)	-	-	24,120,000	29-9-00	29-3-01 to 28-3-04	0.665	1.670	1.101
	38,000,000	-	(24,000,000)	-	-	14,000,000	8-1-01	8-7-01 to 7-7-04	0.595	1.510	1.072
	16,400,000	-	-	-	-	16,400,000	3-7-02	3-7-02 to 2-7-07	1.265	1.313	-
	22,000,000	-	-	-	-	22,000,000	5-7-02	5-7-02 to 4-7-07	1.265	1.338	-
	1,000,000	-	-	-	-	1,000,000	8-7-02	8-7-02 to 7-7-07	1.265	1.338	-
	107,520,000	-	(30,000,000)	-	-	77,520,000					
	133,920,000	-	(30,000,000)	(8,400,000)	-	95,520,000					

Notes:

- Mr. SUN Yuyi resigned as a director of the Company effective 3 March 2003. His share options lapsed on 3 June 2003.
- Mr. SONG Zhiwang resigned as a director of the Company effective 3 June 2003. His share options lapsed on 3 July 2003 and 3 September 2003.
- Mr. HU Aimin was appointed as a director of the Company on 3 June 2003.
- On 24 January 2003, a total of 3,000,000 and 7,000,000 share options were exercised at a price of HK\$0.665 and HK\$0.595, respectively. These share options were granted on 29 September 2000 and 8 January 2001. The weighted average closing price of this Shares on 23 January 2003 was HK\$1.14.
- On 24 February 2003, a total of 3,000,000 and 7,000,000 share options were exercised at a price of HK\$0.665 and HK\$0.595, respectively. These share options were granted on 29 September 2000 and 8 January 2001. The weighted average closing price of this Shares on 21 February 2003 was HK\$1.10.
- On 10 October 2003, a total of 10,000,000 share options were exercised at a price of HK\$0.595. These share options were granted on 8 January 2001. The weighted average closing price of this Shares on 9 October 2003 was HK\$1.15.

附註：

- 孫聚義先生於二零零三年三月三日辭任本公司董事一職。其購股權於二零零三年六月三日失效。
- 宋枝旺先生於二零零三年六月三日辭任本公司董事一職。其購股權於二零零三年七月三日及二零零三年九月三日失效。
- 胡愛民先生於二零零三年六月三日獲委任為本公司董事。
- 於二零零三年一月二十四日，合共3,000,000及7,000,000份購股權分別按每份行使價0.665港元及0.595港元行使。該等購股權分別於二零零零年九月二十九日及二零零一年一月八日授出。股份於二零零三年一月二十三日之加權平均收市價為1.14港元。
- 於二零零三年二月二十四日，合共3,000,000及7,000,000份購股權分別按每份行使價0.665港元及0.595港元行使。該等購股權分別於二零零零年九月二十九日及二零零一年一月八日授出。股份於二零零三年二月二十一日之加權平均收市價為1.10港元。
- 於二零零三年十月十日，合共10,000,000份購股權按每份行使價0.595港元行使。該等購股權於二零零一年一月八日授出。股份於二零零三年十月九日之加權平均收市價為1.15港元。

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32. Share Option Scheme (continued)

* The price of the Company's shares disclosed as at the date of the grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the options. The price of the Company's shares disclosed as at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices over all of the exercises of options within the disclosure line.

32. 購股權計劃 (續)

* 於購股權授出日期所披露本公司股份之價格乃緊接有關購股權授出日期前一個交易日聯交所之收市價。於購股權行使日期所披露本公司股份之價格乃聯交所收市價與於披露範圍內購股權獲行使之全數之加權平均值。

33. Reserves

33. 儲備

		Investment				Exchange	Statutory*	Retained	Total	
		Share premium account	property revaluation reserve	Assets revaluation reserve	Investment revaluation reserve					Capital reserve
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		股份溢價賬	投資物業重估儲備	資產重估儲備	投資重估儲備	資本儲備	匯兌變動儲備	法定儲備*	保留溢利	總額
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Group	本集團									
At 31 December 2001 and beginning of year:	於二零零一年十二月三十一日及年初									
As previously reported	原先呈列	1,294,563	39,058	51,372	(11,331)	151,515	34,957	228,105	791,065	2,579,304
Prior year adjustment:	以前年度調整:									
SSAP 12 "Income Taxes"	會計實務準則第12號 —「所得稅」	-	(5,859)	(7,707)	1,700	-	-	-	(13,515)	(25,381)
As restated	經重列	1,294,563	33,199	43,665	(9,631)	151,515	34,957	228,105	777,550	2,553,923
Shares issued at premium	以溢價發行股份	161,590	-	-	-	-	-	-	-	161,590
Exchange realignments	匯兌調整	-	-	-	-	-	(17,111)	-	-	(17,111)
Surplus on revaluation	重估盈餘	-	205,044	-	2,455	-	-	-	-	207,499
Share of reserves from associates	應佔聯營公司儲備	-	74,909	-	-	5,370	(9,911)	-	-	70,368
Reserves attributable to minority shareholders	少數股東應佔儲備	-	(112,877)	-	992	-	2,734	-	-	(109,151)
Deferred tax impact	遞延稅項影響	-	(25,061)	-	(517)	-	-	-	-	(25,578)
Net profit for the year	本年度純利	-	-	-	-	-	-	-	274,764	274,764
Interim 2002 dividend	二零零二年中期股息	-	-	-	-	-	-	-	(36,214)	(36,214)
Proposed final 2002 dividend	擬派二零零二年末期股息	-	-	-	-	-	-	-	(60,357)	(60,357)
Transfer from retained profits	轉撥自保留溢利	-	-	-	-	-	-	204,395	(204,395)	-
At 31 December 2002	於二零零二年十二月三十一日	1,456,153	175,214	43,665	(6,701)	156,885	10,669	432,500	751,348	3,019,733
At 1 January 2003	於二零零三年一月一日									
As previously reported	原先呈列	1,456,153	206,134	51,372	(7,884)	156,885	10,669	432,500	770,798	3,076,627
Prior year adjustment:	以前年度調整:									
SSAP 12 "Income Taxes"	會計實務準則第12號: 「所得稅」	-	(30,920)	(7,707)	1,183	-	-	-	(19,450)	(56,894)

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33. Reserves (continued)

33. 儲備 (續)

		Share premium account	Investment property revaluation reserve	Assets revaluation reserve	Investment revaluation reserve	Capital reserve	Exchange fluctuation reserve	Statutory* reserves	Retained profits	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股份溢價賬	投資物業重估儲備	資產重估儲備	投資重估儲備	資本儲備	匯兌變動儲備	法定儲備*	保留溢利	總額
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
As restated	經重列	1,456,153	175,214	43,665	(6,701)	156,885	10,669	432,500	751,348	3,019,733
Shares issued at premium	以溢價發行股份	16,753	-	-	-	-	-	-	-	16,753
Exchange realignments	匯兌調整	-	-	-	-	-	(16,334)	-	-	(16,334)
Surplus on revaluation	重估盈餘	-	22,645	-	137	-	-	-	-	22,782
Share of reserves from associates	聯營公司應佔儲備	-	31,115	-	-	-	(7,170)	-	-	23,945
Arising from disposal of an associate	來自出售一間聯營公司	-	(32,056)	-	-	(113,733)	5,211	-	140,578	-
Reserves attributable to minority shareholders	少數股東應佔儲備	-	(20,973)	-	(111)	-	3,948	-	-	(17,136)
Deferred tax impact	遞延稅項影響	-	345	-	(4)	-	-	-	-	341
Net profit for the year	本年度純利	-	-	-	-	-	-	-	236,011	236,011
Interim 2003 dividend	二零零三年中期股息	-	-	-	-	-	-	-	(37,164)	(37,164)
Proposed final 2003 dividend	擬派二零零三年末期股息	-	-	-	-	-	-	-	(61,107)	(61,107)
Transfer from retained profits	轉撥自保留溢利	-	-	-	-	2,741	-	124,897	(127,638)	-
At 31 December 2003	於二零零三年十二月三十一日	1,472,906	176,290	43,665	(6,679)	45,893	(3,676)	557,397	902,028	3,187,824
Reserves retained by:	由下列公司保留之儲備:									
Company and subsidiaries	本公司及附屬公司	1,472,906	105,651	42,000	(6,679)	102,049	(8,440)	505,937	429	2,213,853
Associates	聯營公司	-	70,639	1,665	-	(56,156)	4,764	51,460	901,599	973,971
31 December 2003	於二零零三年十二月三十一日	1,472,906	176,290	43,665	(6,679)	45,893	(3,676)	557,397	902,028	3,187,824
Company and subsidiaries	本公司及附屬公司	1,456,153	103,775	42,000	(6,701)	99,308	3,688	381,040	(9,673)	2,069,590
Associates	聯營公司	-	71,439	1,665	-	57,577	6,981	51,460	761,021	950,143
31 December 2002 (Restated)	於二零零二年十二月三十一日 (經重列)	1,456,153	175,214	43,665	(6,701)	156,885	10,669	432,500	751,348	3,019,733

Notes to Financial Statements 財務報表附註

Year ended 31 December 2003 截至二零零三年十二月三十一日止年度

33. Reserves (continued)

- * Pursuant to the relevant laws and regulations for Sino-foreign joint venture enterprises, a portion of the profits of the Group's subsidiaries and associates in the PRC has been transferred to statutory reserves which are restricted as to use.

Certain amounts of goodwill arising on acquisition of subsidiaries and associates, remain eliminated against consolidated reserves as explained in notes 16 and 20 to the financial statements.

33. 儲備 (續)

- * 根據中外合營企業之有關法例及規例，本集團於中國之附屬公司及聯營公司之部份溢利均已轉撥至法定公職金作有限用途。

誠如財務報表附註16及20之解釋，收購附屬公司及聯營公司所產生之商譽若干數額，留於綜合儲備中抵銷。

		Share premium account	Retained profits	Total
		HK\$'000	HK\$'000	HK\$'000
		股份溢價賬	保留溢利	總額
		千港元	千港元	千港元
Company	本公司			
At 1 January 2002	於二零零二年一月一日	1,294,563	616,232	1,910,795
Share issued at premium	以溢價發行股份	161,590	–	161,590
Net loss for the year	本年度虧損淨額	–	(127,384)	(127,384)
Interim 2002 dividends	二零零二年中期股息	–	(36,214)	(36,214)
Proposed final 2002 dividend	二零零二年度擬派末期股息	–	(60,357)	(60,357)
At 31 December 2002	於二零零二年十二月三十一日	1,456,153	392,277	1,848,430
Shares issued at premium	以溢價發行股份	16,753	–	16,753
Net profit for the year	本年度純利	–	347,591	347,591
Interim 2003 dividend	二零零三年中期股息	–	(37,164)	(37,164)
Proposed final 2003 dividend	二零零三年擬派末期股息	–	(61,107)	(61,107)
At 31 December 2003	於二零零三年十二月三十一日	1,472,906	641,597	2,114,503

The aggregate amount of reserves available for distribution to shareholders of the Company at 31 December 2003 was HK\$641,597,000 (2002 (restated): HK\$392,277,000), which represents the retained profits at that date.

於二零零三年十二月三十一日，可供分派予本公司各股東之儲備總額為641,597,000港元（二零零二年（經重列）：392,277,000港元），指於該日之保留溢利。

Notes to Financial Statements 財務報表附註

Year ended 31 December 2003 截至二零零三年十二月三十一日止年度

34. Notes to the Cash Flow Statement

34. 現金流量表附註

(a) Acquisition of a subsidiary

(a) 收購附屬公司

		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 (Restated) 二零零二年 千港元 (經重列)
Net assets acquired:	所收購淨資產：		
Fixed assets	固定資產	26,067	249,151
Interests in associates	聯營公司權益	–	55,771
Investment properties	投資物業	–	659,833
Cash and bank balances	現金及銀行結存	4,986	508,893
Properties under development	發展中物業	–	138,603
Accounts receivable	應收賬款	4,979	63,988
Prepayments and other receivables	預付款項及其他應收款項	5,185	57,666
Inventories	存貨	411	243,474
Properties under development for sale	發展中待銷物業	–	192,331
Short term investments	短期投資	–	19,030
Accounts payable	應付賬款	(475)	(296,787)
Other payables and accruals	其他應付款項及應計費用	(3,864)	(217,448)
Tax payable	應付稅項	(36)	(27,660)
Short term bank loans	短期銀行貸款	(4,866)	(647,533)
Long term bank loans	長期銀行貸款	(12,376)	(14,973)
Deferred tax liabilities	遞延稅項負債	–	(12,144)
Minority interests	少數股東權益	–	(243,557)
		20,011	728,638
Negative goodwill on acquisition (note 16)	於收購時產生之負商譽(附註16)	(2,549)	(119,023)
		17,462	609,615
Satisfied by:	支付方式：		
Cash	現金	17,462	152,300
Issue of share capital	股本發行	–	161,173
Decrease in carrying amount of the associate	聯營公司 賬面值減少	–	296,142
		17,462	609,615

34. Notes to the Cash Flow Statement (continued)

(a) Acquisition of a subsidiary (continued)

An analysis of the net inflow of cash and cash equivalents in respect of acquisition of a subsidiary is as follows:

		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Cash consideration	現金代價	(17,462)	(152,300)
Cash and bank balances acquired	所收購現金及銀行結存	4,986	508,893
Net inflow/(outflow) of cash and cash equivalents in respect of the acquisition of a subsidiary	就收購附屬公司之現金及現金等值流入／(流出)淨額	(12,476)	356,593

On 21 January 2003, the Company entered into an agreement with Shum Yip (S.Z) Trading Co., Limited, which is a wholly owned subsidiary of the controlling shareholder of the Company, and Shum Yip International Trading and Development Limited, an independent third party to acquire a 90% and a 10% equity interest in Shenzhen Shum Yip Steel Centre Limited ("Shum Yip Steel") for a cash consideration of RMB16.8 million (equivalent to approximately HK\$15.72 million) and RMB1.85 million (equivalent to approximately HK\$1.75 million), respectively.

Since its acquisition, Shum Yip Steel was contributed HK\$65,485,000 to the Group's turnover and HK\$2,646,000 to the consolidated profit after tax and before minority interests for the year ended 31 December 2003.

For the year ended 31 December 2003, Shum Yip Steel contributed HK\$13,618,000 and HK\$927,000 to the Group's net cash outflows for operating activities and the Group's cash outflows for investing activities, respectively, and gave rise to cash inflows for financing activities of HK\$16,762,000.

34. 現金流量表附註 (續)

(a) 收購附屬公司 (續)

就收購附屬公司之現金及現金等值流入淨額之分析如下：

於二零零三年一月二十一日，本公司與本公司控股股東之全資附屬公司深業（深圳）貿易有限公司及一名獨立第三方深業國際貿易發展有限公司訂立一份協議，分別以現金代價人民幣16.8百萬元（相等於約15.72百萬港元）及人民幣1.85百萬元（相等於約1.75百萬港元）認購深圳深業五金有限公司（「深業五金」）90%及10%股本權益。

自收購事項以來，深業五金為截至二零零三年十二月三十一日止年度本集團營業額貢獻65,485,000港元，為除稅但未計少數股東權益前之綜合溢利貢獻2,646,000港元。

於截至二零零三年十二月三十一日止年度，深業五金為本集團經營業務現金流出淨額及本集團投資活動現金流出淨額分別貢獻13,618,000港元及927,000港元，並產生融資活動現金流入16,762,000港元。

34. Notes to the Cash Flow Statement (continued)

(b) Acquisition of an additional interest in a subsidiary

During the year ended 31 December 2003, the Group indirectly acquired an additional 20% equity interest in South China Automobile Exhibition & Trading Centre. The related net cash outflow was as follows:

		2003 HK\$'000 二零零三年 千港元
Fair value of interest acquired	已收購權益之公允值	31,816
Negative goodwill on acquisition (note 16)	於收購時產生之負商譽(附註16)	(28,821)
Net cash outflow	現金流出淨額	2,995

35. Operating Lease Arrangements

(i) As lessor

The Group leases its investment properties (note 18 to the financial statements) under operating lease arrangements, with leases negotiated for terms ranging from two to five years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

34. 綜合現金流量表附註 (續)

(b) 收購於附屬公司之額外權益

於二零零三年十二月三十一日止年度，本集團間接收購華南汽車展示交易中心額外20%股本權益。有關現金流出淨額如下：

35. 經營租約安排

(i) 作為出租者

根據經營租賃安排，本集團租出旗下投資物業(財務報表附註18)，租期議定為兩年至五年不等。租約條款亦一般要求租戶先繳付保證金及規定視乎當時市場環境而週期性調整租金。

Notes to Financial Statements 財務報表附註

Year ended 31 December 2003 截至二零零三年十二月三十一日止年度

35. Operating Lease Arrangements (continued)

(i) As lessor (continued)

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

		Group 本集團	
		2003	2002
		HK\$'000	HK\$'000
		二零零三年	二零零二年
		千港元	千港元
Within one year	一年內	164,596	77,279
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	262,643	112,161
After five years	超逾五年	54,295	14,240
		481,534	203,680

(ii) As lessee

The Group leases certain of its properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from three to five years.

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

		Group 本集團		Company 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
Within one year	一年內	4,260	2,870	2,374	2,817
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	8,235	7,042	6,909	7,042
		12,495	9,912	9,283	9,859

35. 經營租約安排 (續)

(i) 作為出租者 (續)

於二零零三年十二月三十一日，本集團於以下期間屆滿之不可取消經營租約在未來之最少應收租約總額如下：

(ii) 作為租戶

本集團根據經營租賃安排租入若干物業，物業租期議定為三年至五年不等。

於二零零三年十二月三十一日，本集團及本公司於以下期間屆滿之不可取消經營租約在未來之最少應付租約承擔總額如下：

Notes to Financial Statements 財務報表附註

Year ended 31 December 2003 截至二零零三年十二月三十一日止年度

35. Operating Lease Arrangements (continued)

35. 經營租約安排 (續)

		Group 本集團		Company 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		
(iii)	Commitments in respect of acquisition of land and buildings, and development costs attributable to properties under development: Contracted, but not provided for	(iii)	就收購土地及樓宇以及發展中物業應佔發展成本之承擔: 已訂約, 但未撥備	132,404	106,509	–	–
		132,404	106,509	–	–		
(iv)	Commitments in respect of a capital injection to a joint venture in the PRC: Contracted, but not provided for	(iv)	就於中國合營企業注資之承擔: 已訂約, 但未撥備	21,116	–	–	–

36. Contingent Liabilities

36. 或然負債

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

於結算日, 財務報表並無撥備之或然負債如下:

		Group 本集團		Company 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		
(i)	Guarantees for credit facilities granted to: Subsidiaries Associates	(i)	為下列公司獲授信貸而作出之擔保: 附屬公司 聯營公司	– 7,039	– –	234,450 –	477,536 –
		7,039	–	234,450	–	477,536	–

36. Contingent Liabilities (continued)

(ii) At 31 December 2003, the Group had given guarantees to a maximum extent of approximately HK\$950,789,658 (2002: HK\$1,352,500,000) to banks for housing loans extended by the banks to the purchasers of the Group's properties.

(iii) Pending litigations

(1) statement of claim dated 27 August 2002 was issued by Fancheng Property Development Co., Limited (the "Plaintiff") as the plaintiff against Shum Yip Group (Shenzhen) Co., Ltd. ("Shumyip Shenzhen"), a wholly owned subsidiary of the Company as first defendant and Yaoheng Development Co., Ltd. as the second defendant in a civil claim at the court in the PRC.

The Plaintiff claimed against Shumyip Shenzhen for, inter alia, damages suffered by the Plaintiff as a result of the breach by Shumyip Shenzhen of the terms of a cooperation agreement dated 8 July 1991 entered into between the Plaintiff and Shumyip Shenzhen, which include, (i) Shumyip Shenzhen's deliberately registering the properties called Shenfa Garden under the name of Shumyip Shenzhen and refusal to give the properties to the Plaintiff, (ii) Shumyip Shenzhen's appropriating the Plaintiff's sales proceeds to compensate the individual owners and the construction party of Shenfa Garden and keeping the income in relation to certain car parks and the kindergarten situated within the area of Shenfa Garden. The Plaintiff claimed a total compensation of approximately RMB170 million against Shumyip Shenzhen. Shumyip Shenzhen lodged a defence and counter claim for compensation of RMB1.3 million against the Plaintiff on 22 October 2002. This case was heard in court on 26 March 2003 and the parties were required to provide additional evidences to support their arguments. To date, the parties are still in the progress of gathering further evidences. The PRC lawyers are of the view that, Shumyip Shenzhen's chance of winning the case is greater than that of the plaintiff's.

36. 或然負債 (續)

(ii) 於二零零三年十二月三十一日，本集團給銀行約950,789,658港元（二零零二年：1,352,500,000港元）之最高擔保額，作為給予本集團物業買家之房屋貸款之抵押。

(iii) 待決之法律訴訟

(1) 在中國一宗民事訴訟中，原告凡成物業發展有限公司（「原告」）於二零零二年八月二十七日向本公司之全資附屬公司深業集團（深圳）有限公司（「深業深圳」）（第一被告）及躍恒發展有限公司（第二被告）提出起訴。

原告對深業深圳提出起訴，指稱其本身因深業深圳違反雙方於一九九一年七月八日訂立之合作協議之條款而蒙受損失，該等指控包括：(i)深業深圳故意將一項名為深發花園之物業登記其名下，並拒絕向原告交出該物業；(ii)深業深圳挪用原告出售物業所得之款項，用以補償個別之業主及深發花園之建築商，並扣留與若干位於深發花園內之停車場及幼稚園有關之收入。原告向深業深圳索償合共約人民幣170百萬元。深業深圳於二零零二年十月二十二日提交民事答辯暨反訴狀，對原告反索償人民幣1.3百萬元。此案於二零零三年三月二十六日聆訊，各方須為各自之論據提供額外證據。各方至今尚在搜集進一步證據之階段。中國律師認為，深業深圳於此訴訟之勝算較原告為大。

36. Contingent Liabilities (continued)

- (2) application for arbitration dated 9 August 2002 was issued by Shenzhen Special Economic Zone Estate (Group) Co., Ltd. (the "Applicant") as the applicant and Shumyip Shenzhen as the respondent in an arbitration case. The Applicant claimed against Shumyip Shenzhen for damages suffered by the Applicant as a result of the breach of the terms of a co-operation agreement entered into between the Applicant and Shumyip Shenzhen on 9 November 1993 which include, (i) late payment by Shumyip Shenzhen of the land cost/premium in respect of the properties called Yitai Centre to the relevant government authority; (ii) late application for the certificate for building approval of Yitai Centre, (iii) delay in the application of pre-sale approval in relation to Yitai Centre and (iv) failure to assist the Applicant in the application for property certificate for the individual owners of Yitai Centre. The Applicant has requested for a compensation loss from Shumyip Shenzhen aggregating to approximately RMB137 million. This case was heard on 21 March 2003. The arbitration process is complicated and time consuming, up to date, the parties are still waiting for the delivery of the arbitration award. The PRC lawyers are of the view that the chance of success by the Applicant is not great.

As advised by the Hong Kong lawyers, pursuant to a deed (the "Deed") entered into on 12 February 1997 by Shum Yip Holdings as covenantor in favour of the Company as covenantee in connection with the listing of the Company, the Company may be able to claim indemnity from Shum Yip Holdings if the Plaintiff and/or the Applicant are successful in their claims against Shumyip Shenzhen on the ground that Shumyip Shenzhen had materially breached the co-operation agreements, and the circumstances which gave rise to the above litigations were already in existence at the time of execution of the Deed.

36. 或然負債 (續)

- (2) 在一宗仲裁案件中，深圳經濟特區房地產(集團)股份有限公司(「申請人」)作為申請人於二零零二年八月九日申請仲裁，當中之被申請人為深業深圳。申請人對深業深圳提出申索，指稱其本身因深業深圳違反雙方於一九九三年十一月九日訂立之合作協議之條款而蒙受損失，該等指控包括：(i) 深業深圳未有依期支付名為怡泰中心之物業之地價／土地補價予有關政府部門；(ii) 未有依期申請怡泰中心之建築批文；(iii) 未有依期申請怡泰中心之房地產預售許可證；及(iv) 未有協助申請人為怡泰中心個別業主辦理產權證書。申請人向深業深圳索償共約人民幣137百萬元。此案於二零零三年三月二十一日聆訊，由於仲裁過程複雜且需時，各方至今仍等待判決。中國律師認為，申請人成功之機會不大。

據香港律師給予之意見，根據深業集團(作為契諾承諾人)於一九九七年二月十二日為本公司(作為契諾受益人)之利益而訂立之契據(「該契據」)，此乃因應本公司上市而給予之契諾，倘若原告人及／或申請人在深業深圳之申索中勝訴，本公司或可就上述事宜向深業集團申索補償，理據為深業深圳嚴重違反合作協議，而引致上述訴訟之情況於簽訂該契據時早已存在。

36. Contingent Liabilities (continued)

In the opinion of the directors, having reviewed the outstanding claims and taken legal advices, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources arising from the claim for compensation against Shumyip Shenzhen. With reference to the criteria as set out in SSAP 28 "Provisions, contingent liabilities and contingent assets", no provision is required to be recognised in these financial statements. The possible financial effects arising from the aforesaid contingent liability have not been quantified, as in the opinion of the directors, it is not practicable to estimate these financial effects where no relevant information was readily made available at the date of this report.

37. Related Party Transactions

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

			Group 本集團	
			2003	2002
Notes			HK\$'000	HK\$'000
附註			二零零三年 千港元	二零零二年 千港元
Shum Yip Holdings	深業集團			
- Rental expenses paid	- 已付租金開支	(i)	2,892	3,015
- Acquisition of a subsidiary	- 收購附屬公司	(ii), 34 (a)	15,720	313,545

- (i) The rentals were determined by the directors with reference to the market prices of similar transactions.
- (ii) The consideration was arrived at based on the discounted estimated net asset value acquired.

- (i) 租金經董事參考當時之同類交易市價後釐訂。
- (ii) 代價乃根據所收購折現估計資產淨值計算。

36. 或然負債 (續)

董事認為，經審視待決之申索及採納法律意見，因對深業深圳提出申索賠償或會(雖機會不大)產生資源流出之可能責任或現有責任。惟參照會計實務準則第28號「撥備、或然負債及或然資產」所述之準則，毋須在財務報表確認任何撥備。由於董事認為，於本報告刊發日期並無任何有關資料可供參考，故估計該等財務影響並不實際可行，因此，就上述或然負債可能產生之財務影響並未成為保留意見。

37. 關連人士交易

於年內，本集團與關連人士進行以下重大交易：

38. Post Balance Sheet Event

On 19 January 2004, the Company entered into a Sale and Purchase Agreement with Stagecoach Group plc, a limited liability company incorporated in Scotland, the shares of which are listed on the London Stock Exchange, and Stagecoach Asia Limited, a limited liability company incorporated in Scotland, being a wholly owned subsidiary of Stagecoach Group plc, an independent third party, to acquire a 25% equity interest in Road King Infrastructure Limited, a limited liability company incorporated in Bermuda, the Shares of which are listed on the Main Board of the Hong Kong Stock Exchange for a consideration of HK\$730,346,000 resulting in negative goodwill on acquisition of approximately HK\$456,268,000.

Details of the Sale and Purchase Agreement are set out in the Company's announcement dated 9 February 2004.

39. Comparative Amounts

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

40. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 16 April 2004.

38. 結算日後事項

於二零零四年一月十九日，本公司與一間於蘇格蘭註冊成立之有限公司Stagecoach Group plc及另一間於蘇格蘭註冊成立之有限公司Stagecoach Asia Limited訂立一份買賣協議，代價為730,346,000港元，並於收購時產生約456,268,000港元負商譽。Stagecoach Group plc之股份於倫敦證券交易所(London Stock Exchange)上市，而Stagecoach Asia Limited則為Stagecoach Group plc之全資附屬公司。Stagecoach Asia Limited乃收購一間於百慕達註冊成立之有限公司路勁基建有限公司25%股權之獨立第三方，此外，其股份於香港聯交所主板上市。

有關買賣協議之詳情，請參照本公司於二零零四年二月九日發表之公佈。

39. 比較數額

如財務報表附註2所闡釋，由於本年度採納若干新訂及經修訂會計實務準則及其註釋，財務報表內若干項目及結餘之會計處理及呈列均作出修訂，以遵守新規定。故此，若干比較數額經已重新分類以與本年度之呈列貫徹一致。

40. 批准財務報表

財務報表已於二零零四年四月十六日獲董事會批准及授權刊發。