

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

1. GENERAL

The Company is an exempted company incorporated in Bermuda with limited liability. Its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. Its subsidiaries are principally engaged in the business of providing package tours, travel and other related services and hotel operation.

2. POTENTIAL IMPACT ARISING FROM THE RECENTLY ISSUED ACCOUNTING STANDARDS

In 2004, the Hong Kong Institute of Certified Public Accountants issued a number of new or revised Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards (hereinafter collectively referred to as "new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 December 2004.

The Group has commenced considering the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs would have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in changes in future as to how the results and financial position are prepared and presented.

1. 一般資料

本公司乃於百慕達註冊成立之獲豁免有限公司，其股份乃於香港聯合交易所有限公司（「聯交所」）上市。

本公司乃一投資控股公司。其附屬公司主要從事提供旅行團、旅遊及其他相關服務，以及經營酒店業務。

2. 因採納已發行會計準則產生之潛在影響

二零零四年，香港會計師公會頒布了多項新編製或經修訂之香港會計準則及香港財務報告準則（以下統稱為「新香港財務報告準則」），對於二零零五年一月一日或之後開始之會計期間有效。本集團並無於截至二零零四年十二月三十一日止年度編製之財務報表提早採納該等新香港財務報告準則。

本集團已開始研究該等新香港財務報告準則之潛在影響，惟未能釐定該等新香港財務報告準則對本集團之經營業績及財務狀況之編製及呈報方式是否會造成重大影響。該等新香港財務報告準則日後對於業績及財務狀況之編製及呈報方式或會有所更改。

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3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain properties and investments in securities. The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong.

The principal accounting policies are as follows:

Basis of consolidation

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

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

All significant inter-company transactions and balances within the Group are eliminated on consolidation.

Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or an associate at the date of acquisition.

Goodwill arising on acquisition prior to 1 April 2001 continues to be held in reserves and will be charged to the income statement at the time of disposal of the relevant subsidiary or associate, or at such time as the goodwill is determined to be impaired.

3. 主要會計政策

本財務報表乃根據歷史成本慣例編製，並已就若干物業及證券投資之價值重估作出修訂。財務報表已按香港普遍採納之會計原則編製。

主要會計政策如下：

綜合賬目基準

綜合財務報表包括本公司及其附屬公司結算至十二月三十一日止之財務報表。

於年內購入或出售之附屬公司之業績，由收購生效日期起或計算至出售生效日期止（按適用者）計入綜合收益表內。

所有集團內公司間之重大交易及結餘均於編製綜合賬目時對銷。

商譽

商譽指於收購日期收購成本高於本集團所佔收購附屬公司或聯營公司之可識別資產及負債之公平價值權益之數額。

於二零零一年四月一日前因收購產生之商譽會繼續持作儲備及將於出售有關附屬公司或聯營公司，或於商譽已減值時於收益表內扣除。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

Goodwill arising on acquisition after 1 April 2001 is capitalised and amortised on a straight line basis over its useful economic life. Goodwill arising on acquisition of an associate is included within the carrying amount of the associate. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

Negative goodwill

Negative goodwill represents the excess of the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or an associate at the date of acquisition over the cost of acquisition.

Negative goodwill arising on acquisition prior to 1 April 2001 continues to be held in reserves, and will be credited to income at the time of disposal of the relevant subsidiary or associate.

Negative goodwill arising on the acquisition of an associate after 1 April 2001 is deducted from the carrying value of that associate. Negative goodwill arising on the acquisition of subsidiaries after 1 April 2001 is presented separately in the balance sheet as a deduction from assets.

Negative goodwill is released to income based on an analysis of the circumstances from which the balance resulted. To the extent that the negative goodwill is attributable to losses or expenses anticipated at the date of acquisition, it is released to income in the period in which those losses or expenses arise. The remaining negative goodwill is recognised as income on a straight line basis over the remaining average useful life of the identifiable acquired depreciable assets. To the extent that such negative goodwill exceeds the aggregate fair value of the acquired identifiable non-monetary assets, it is recognised as income immediately.

3. 主要會計政策 (續)

商譽 (續)

於二零零一年四月一日後因收購而產生之商譽已資本化及按直線法於可用經濟年限內攤銷。因收購一間聯營公司而產生之商譽已計入該聯營公司之賬面值內。因收購附屬公司而產生之商譽在資產負債表中獨立呈列。

負商譽

負商譽指本集團於收購日期所佔收購附屬公司或聯營公司之可識別資產及負債之公平價值之權益高於收購成本之金額。

於二零零一年四月一日前收購產生之負商譽會持作儲備及將於出售有關附屬公司或聯營公司時計入收入內。

於二零零一年四月一日後因收購一間聯營公司而產生之負商譽須從該聯營公司賬面值中扣除。二零零一年四月一日後因收購附屬公司而產生之負商譽在資產負債表中獨立呈列為資產扣減項目。

負商譽將按產生結餘之情況分析撥入收入內。若負商譽來自可於收購日期所預測之虧損或費用，則其將於該等虧損或費用發生時撥入該期收入內。剩餘之負商譽按直線法於可識別收購折舊資產之剩餘平均可用年限確認為收入。若該負商譽超過已收購可識別非貨幣資產之總公平價值，則其超出部份須立即確認為收入。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Income from tour and travel services is recognised upon the departure date of each tour. Income from other travel related services is recognised when the services are rendered.

Hotel revenue from rooms and other ancillary services are recognised when the services are rendered.

Income from transportation services is recognised when the services are rendered.

Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.

Rental income, including rental invoiced in advance from properties under operating leases, is recognised on a straight line basis over the term of the relevant lease.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Income from disposal of investments is recognised when the risks and rewards of the ownership of the investments have been transferred.

3. 主要會計政策 (續)

收益確認

組團及旅遊服務收入於各團出發當日確認。其他旅遊相關服務之收入於提供該等服務時確認。

來自房間及其他輔助服務之酒店收益乃於提供服務時確認。

客運服務收入於提供服務時確認。

利息收入乃參考未到期本金，按時間比例基準及適用利率計算。

租金收入(包括按經營租約租出之物業預收之租金)以直線法按有關租約年期確認。

投資之股息收入乃於股東收取股息之權利確定時確認。

出售投資之收入乃於投資權益之擁有權之風險及利益已轉移時確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Hotel properties

Hotel properties are stated at cost less accumulated impairment loss. Cost comprises land costs, development costs, borrowing cost capitalised in accordance with the Group's accounting policy and other direct cost attributable to the property. No depreciation or amortisation is provided on hotel property. It is the Group's policy to maintain these assets in a continual state of sound repair and maintenance and to extend and make improvements thereto from time to time, and accordingly the directors consider that given the estimated life of this asset any depreciation would be insignificant.

The gain or loss arising from disposal or retirement of hotel property is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Other property, plant and equipment

Property, plant and equipment other than hotel properties and properties under construction are stated at cost or valuation less accumulated depreciation or amortisation and any identified impairment loss.

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

3. 主要會計政策 (續)

物業、機器及設備

酒店物業

酒店物業按成本減累計減值虧損列賬。成本包括土地成本、開發成本、根據本集團之會計政策撥作資本之借貸成本，以及有關物業應佔之其他直接成本。酒店物業不作折舊或攤銷準備。本集團之方針仍將該等資產一直維持於良好之維修保養狀況以不時作出改善。因此，董事認為，根據該項資產之估計使用年期，不會有任何重大折舊。

出售或廢棄酒店物業時產生之盈虧，按資產之銷售收益與賬面值之差額計算，並於收益表內確認。

其他物業、廠房及設備

酒店物業及在建中物業以外之物業、廠房及設備，乃按該項資產之成本或估值減累計折舊或攤銷及任何已確定之減值虧損列賬。

出售或廢棄資產時產生之盈虧，按資產之銷售收益與賬面值之差額計算，並於收益表的確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Other property, plant and equipment (Continued)

Depreciation and amortisation is provided to write off the cost or valuation of property, plant and equipment other than hotel properties and properties under construction over their estimated useful lives, using the straight line method, at the following rates per annum:

Leasehold land	Over the remaining unexpired terms of the leases
Buildings	2% or over the remaining unexpired terms of the leases, whichever the shorter
Furniture and fixtures	10% – 20%
Leasehold improvements	10% – 20% or the term of the lease or land use rights, if shorter
Motor vehicles	8.33% – 20%
Office equipment and machinery	20%
Vessels	5%

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets.

Properties under construction are stated at cost less impairment loss. Cost includes all development expenditure and other direct costs attributable to such projects. Properties under construction are not depreciated until completion of construction. Cost on completed properties is transferred to other categories of property, plant and equipment.

Investment properties

Investment properties are completed properties which are held for their investment potential, any rental income being negotiated at arm's length.

3. 主要會計政策 (續)

物業、機器及設備 (續)

其他物業、廠房及設備 (續)

除在建物業以外之物業、機器及設備之折舊及攤銷，乃根據其估計可使用年期，按直線法以下列年率攤銷其成本或估值：

租賃土地	按租約剩餘年期
樓宇	2% 或按租約剩餘年期 (以較短者為準)
傢俬及裝置	10% – 20%
租賃物業裝修	10% – 20% (或租賃或土地使用權之年期，以較低者為準)
汽車	8.33% – 20%
辦公室設備及機器	20%
船隻	5%

根據融資租約持有之資產以與自置資產相同之基準，按其估計可使用年期折舊。

在建物業按成本值扣除減值虧損列賬。成本包括該項目之所有發展開支及其他應佔直接成本。在建物業於落成前不予折舊。已落成物業之成本則歸入物業、機器及設備內之其他類別。

投資物業

投資物業指因其具投資潛力而持有之已落成物業，其租金收入在公平磋商原則下訂定。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties (Continued)

No depreciation is provided in respect of investment properties which are held under leases with unexpired terms, including the renewable period, of more than twenty years. Investment properties are stated at their open market values based on a professional valuation at the balance sheet date.

Any surplus or deficit arising on revaluation of investment properties is credited or charged to the investment property revaluation reserve unless the balance of this reserve is insufficient to cover a deficit, in which case the excess of the deficit over the balance on the investment property revaluation reserve is charged to the income statement.

On subsequent sale of an investment property, any revaluation surplus thereon is included in the determination of the gain or loss on disposal.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. 主要會計政策 (續)

投資物業 (續)

按租賃持有而尚餘年期 (包括可續期年期) 為20年以上之投資物業不予折舊。投資物業依據專業估值於結算日之公開市值入賬。

投資物業之重估盈餘或虧絀於投資物業重估儲備中計入或扣除。倘若該投資物業重估儲備不足以填補虧絀，則超出投資物業重估儲備結餘之虧絀數額會在收益表中扣除。

日後出售投資物業時，於計算出售物業之盈利或虧損時包括相關之重估盈餘。

減值

本集團於各結算日審閱其資產之賬面值以確定是否有任何跡象表明該等資產存在減值虧損。倘預計一項資產之可收回金額低於其賬面值，則該項資產之賬面值應扣減至其可收回金額。除非有關資產以重估之價值列賬 (在這情況下，減值虧損被視作重估減值)，否則減值虧損應即時確認為一項開支。

倘減值虧損於日後撥回，則該項資產之賬面值應增至其可收回金額已修訂後估值，惟所增加之賬面值不得超過該項資產於過往年度未出現減值虧損時所釐定之賬面值。除非有關資產以重估之價值列賬 (在這情況下，減值虧損撥回被視作重估增值)，否則減值虧損撥回應即時確認為收入。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at carrying value less any identified impairment loss.

Interest in associates

An associate is an enterprise over which the Group is in a position to exercise significant influence, including participation in financial and operating policy decisions.

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, the interest in associates is stated at the Group's share of net assets of the associates less any negative goodwill on acquisition in so far as it has not already been released to income and any identified impairment loss.

Other long term investment

Other long term investment is stated at cost less impairment loss.

Investments in securities

Investments in securities are recognised on a trade-date basis and are initially measured at cost.

At subsequent reporting dates, debt securities that the Group has the expressed intention and ability to hold to maturity (held-to-maturity securities) are measured at amortised cost, less any impairment loss recognised to reflect irrecoverable amounts. The annual amortisation of any discount or premium on the acquisition of a held-to-maturity security is aggregated with other investment income receivable over the terms of the investment so that the revenue recognised in each period represents a constant yield on the investment.

3. 主要會計政策 (續)

於附屬公司之投資

於附屬公司之投資乃按賬面值減任何可確認之減值虧損計入本公司之資產負債表。

於聯營公司之權益

聯營公司為本集團可對其行使 (包括參與財務及經營決策上) 重大影響力之企業。

綜合收益表包括年內本集團所佔聯營公司自收購後之業績。於聯營公司之權益按本集團所佔聯營公司之資產淨值減任何於收購時產生但迄今為止尚未計進收入之負商譽及任何已確認之減值虧損後於綜合資產負債表內列賬。

其他長期投資

其他長期投資以成本扣除減值虧損列賬。

證券投資

證券投資乃按交易日基準確認，開始時以成本計算。

於往後之呈報日，本集團表明有意及有能力持有至到期之債務證券 (持至到期日證券) 乃按攤銷成本減任何已確認之減值虧損，以反映不可收回之金額。持至到期日證券收購折讓或溢價按投資年期每年攤銷並與其他應收投資收入合共計算，致使各期間之確認收入與所屬之投資成一固定回報。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in securities (Continued)

Investments other than held-to-maturity securities are classified as investment securities and other investments.

Investment securities, which are securities held for an identified long-term strategic purpose, are measured at subsequent reporting dates at cost, as reduced by any impairment loss that is other than temporary.

Other investments are measured at fair value, with unrealised gains and losses included in net profit or loss for the year.

Club debenture

Club debenture is stated at cost less any identified impairment loss.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost comprises all costs of purchase. Net realisable value is calculated at the actual or estimated selling price less related costs of marketing and selling.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

3. 主要會計政策 (續)

證券投資 (續)

持至到期日之證券以外之投資分類為投資證券及其他投資。

持作已確定長期投資目的之投資證券於往後之呈報日按成本減任何減值虧損(短暫者除外)列賬。

其他投資按公平價值計算,未變現盈利及虧損將包括於當年之盈虧淨額內。

會所債券

會所債券乃按成本減任何已確定之減值虧損列賬。

持作出售物業

持作出售物業乃按成本及可變現淨值中之較低者列賬。成本包括所有採購成本。可變現淨值乃按實際或估計售價減有關推廣及銷售成本計算。

存貨

存貨以成本或可變現淨值兩者中之較低者列賬。成本乃按加權平均成本法計算。

稅項

所得稅指本年度應付稅項及遞延稅項之總額。

本年度應付稅項乃按本年度之應課稅溢利計算。應課稅溢利與收益表所載之純利有別,此乃由於其不包括其他期間之應課稅及可扣減之收入或支出,亦不包括永不課稅或不可扣減之項目。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項指按資產負債表負債法，就財務報表內資產及負債賬面值與計算應課稅溢利所用之相關稅基產生之一切差異計算預期應付或可予撥回之稅項。遞延稅項負債一般就一切應課稅臨時差異而予以確認，而遞延稅項資產則按可抵銷可動用之可扣減暫時差異之未來應課稅溢利而予以確認。倘於交易時產生之商譽（或負商譽）或初步確認資產及負債所產生之暫時差異（業務合併除外），概不影響應課稅溢利或會計溢利之情況下，遞延資產及負債則不會予以確認。

遞延稅項負債就於附屬公司及聯營公司之投資所產生之應課稅暫時差異而予以確認，惟本公司在可控制暫時差異之撥回以及暫時差異於可預見將來不可能撥回時之情況下除外。

遞延稅項資產之賬面值於各結算日均予以檢討，並減少至不可能再有充足應課稅溢利可容許撥回所有或部份有關資產。

遞延稅項按預期於償還負債或資產變現之期間適用之稅率計算。遞延稅項於收益表扣除或入賬，惟當與直接於股本扣除或入賬之項目有關之情況下，遞延稅項則同樣於股本中處理。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit schemes

The retirement benefit costs charged in the income statement represent the contributions payable in respect of the current year to the state-managed retirement benefit schemes and the Group's defined contribution schemes.

Leases

Leases are classified as finance leases whenever the terms of the leases transfer substantially all the risks and rewards of ownership of the leased assets to the Group. Assets held under finance leases are capitalised at their fair value at the date of acquisition. The corresponding principal portions of leasing commitments are shown as obligations under finance leases. The finance costs, which represent the difference between the total leasing commitments and the original principal outstanding at the inception of the leases, are charged to the income statement over the period of the relevant leases so as to produce a constant periodic rate of charge on the remaining balances of the obligations for each accounting period.

All other leases are classified as operating leases and their rentals payable or receivable are charged or credited to the income statement on a straight line basis over the term of the relevant lease.

Foreign currencies

Transactions in foreign currencies are translated at the approximate rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rates ruling on the balance sheet date. Gains and losses arising on exchange are dealt with in the income statement.

On consolidation, the assets and liabilities of operations outside Hong Kong are translated at the rates ruling on the balance sheet date. Income and expense items are translated at the average exchange rate for the year. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

3. 主要會計政策 (續)

退休福利計劃

於收益表中扣除之退休福利成本指就本年度向本集團之定額供款計劃之應付供款。

租約

凡租約條款將租賃資產擁有權之絕大部分風險及利益撥歸於本集團之租約，均歸類為融資租約。融資租約持有之資產，按購置日之公平價值資本化。有關租約承擔之本金部分列為融資租約承擔。財務費用指租約總承擔與租約開始時之原來尚未償還本金款項之差額，按有關租約年期在收益表中扣除，使每個會計期間之承擔餘額按固定週期比率扣減。

所有其他租約均歸類為經營租約，應付或應收租金以直線法按有關租約年期在收益表中扣除或計入。

外幣

外幣交易按交易日之概約匯率折算。以外幣為單位之貨幣資產及負債按結算日之匯率重新折算。所有匯兌盈虧均於收益表中處理。

於編製綜合賬目時，香港以外業務之資產及負債按結算日之匯率折算。收支項目乃按本年度之平均匯率折算。產生之匯兌差額（如有）會列作股本，並轉撥至本集團之匯兌儲備。有關匯兌差額於出售有關業務之期間確認為收入或開支。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

4. TURNOVER

Turnover represents the amounts received and receivable from outside customers, less trade discounts and returns during the year. An analysis of the Group's turnover is as follows:

Travel and related services	旅遊及相關服務
Hotel and leisure services	酒店及休閒服務
Transportation services	客運服務

4. 營業額

營業額指於年內提供予外間客戶之服務之已收及應收賬款減貿易折扣及退款。本集團營業額之分析如下：

2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
1,532,143	1,291,906
190,034	–
–	124,329
1,722,177	1,416,235

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

During the year, for management purposes, the Group was organised into two operating divisions – travel and related services, and hotel and leisure services. In 2003, the Group was also involved in the business of transportation services that was discontinued in October 2003. These divisions are the basis on which the Group reports its primary segment information.

5. 業務及地域分類

業務分類

於年內，為方便管理起見，本集團已分為兩個業務部門，分別為旅遊及相關服務與酒店及休閒服務。於二零零三年，本集團亦有從事客運服務業務，惟該業務已於二零零三年十月終止。該等部門乃本集團報告其主要分類資料之基準。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

Principal activities are as follows:

5. 業務及地域分類 (續)

業務分類 (續)

主要業務如下:

		Travel and related services HK\$'000 旅遊及相關服務 千港元	Hotel and leisure services HK\$'000 酒店及休閒服務 千港元	Elimination HK\$'000 對銷 千港元	Consolidated HK\$'000 綜合 千港元
For the year ended 31 December 2004	截至二零零四年十二月三十一日止年度				
TURNOVER	營業額				
External sales	對外銷售額	1,532,143	190,034	–	1,722,177
Inter-segment sales	類別間銷售額	–	1,234	(1,234)	–
Total	合計	1,532,143	191,268	(1,234)	1,722,177
Inter-segment sales are charged at prevailing market price	類別間銷售額按適用市價扣除				
RESULTS	業績				
Segment results	分類業績	49,349	33,701	–	83,050
Interest income	利息收入				3,381
Net unrealised holding loss on other investments	持有其他投資之未變現虧損淨值				(127)
Impairment loss recognised in respect of investments in securities	證券投資之已確認減值虧損				(5,659)
Unallocated corporate expenses	未分配企業開支				(26,831)
Profit from operations	經營溢利				53,814
Finance costs	融資成本				(53,711)
Gain on disposal of associates	出售聯營公司盈利	37,930	–	–	37,930
Share of results of associates	應佔聯營公司業績	(195)	–	–	(195)
Profit before taxation	除稅前溢利				37,838
Taxation credit	稅項撥回				23
Profit before minority interests	未計少數股東權益前溢利				37,861
Minority interests	少數股東權益				(2,484)
Net profit for the year	本年度溢利淨額				35,377

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

5. 業務及地域分類 (續)

業務分類 (續)

		Travel and related services HK\$'000 旅遊及相關服務 千港元	Hotel and leisure services HK\$'000 酒店及休閒服務 千港元	Consolidated HK\$'000 綜合 千港元
As at 31 December 2004	於二零零四年十二月三十一日			
ASSETS	資產			
Segment assets	分類資產	728,181	1,697,328	2,425,509
Interest in associates	於聯營公司之權益	1,989	–	1,989
Unallocated corporate assets	未分配企業資產			174,943
Consolidated total assets	綜合資產總值			2,602,441
LIABILITIES	負債			
Segment liabilities	分類負債	198,949	62,723	261,672
Unallocated corporate liabilities	未分配企業負債			1,395,856
Consolidated total liabilities	綜合負債總額			1,657,528
OTHER INFORMATION	其他資料			
Capital additions	資本性增加	5,221	1,696,828	1,702,049
Goodwill arising from acquisition of subsidiaries	收購附屬公司產生之 商譽	50,215	–	50,215
Depreciation and amortisation of property, plant and equipment	物業、機器及設備之 折舊及攤銷	4,204	22,734	26,938
Impairment losses recognised	已確認減值虧損	6,759	–	6,759
Reversal of impairment loss in respect of leasehold land and buildings	租賃土地及樓宇之 減值虧損撥回	(4,511)	–	(4,511)
Loss (profit) on disposal of property, plant and equipment	出售物業、機器及設備之 虧損(溢利)	365	(145)	220
Allowance for irrecoverable trade debts	不可收回貿易 債項撥備	1,262	–	1,262

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

5. 業務及地域分類 (續)

業務分類 (續)

		Continuing operation	Discontinued operation		
		Travel and related services HK\$'000 持續業務	Transportation services HK\$'000 已終止業務	Elimination HK\$'000	Consolidated HK\$'000
		旅遊及相關服務 千港元	客運服務 千港元	對銷 千港元	綜合 千港元
For the year ended 31 December 2003	截至二零零三年 十二月三十一日止年度				
TURNOVER	營業額				
External sales	對外銷售額	1,291,906	124,329	-	1,416,235
Inter-segment sales	類別間銷售額	-	5,248	(5,248)	-
Total	合計	1,291,906	129,577	(5,248)	1,416,235
Inter-segment sales are charged at prevailing market price	類別間銷售額按 適用市價扣除				
RESULTS	業績				
Segment results	分類業績	(60,207)	(20,169)	-	(80,376)
Interest income	利息收入				1,150
Loss on disposal of investments in securities	出售證券投資之虧損				(31,098)
Net unrealised holding loss on other investments	持有其他投資之 未變現虧損淨額				(2,849)
Unallocated corporate expenses	未分配企業開支				(32,156)
Loss from operations	經營虧損				(145,329)
Finance costs	融資成本				(25,045)
Share of results of associates	應佔聯營公司業績	(114,788)	-	-	(114,788)
Impairment loss recognised in respect of interest in an associate	於一間聯營公司之 權益之已確認 減值虧損	(31,717)	-	-	(31,717)
Loss on disposal of discontinued operation	出售已終止業務 之虧損	-	(32,697)	-	(32,697)
Loss on disposal of associates	出售聯營公司 之虧損	(23,471)	-	-	(23,471)
Loss before taxation	除稅前虧損				(373,047)
Taxation credit	稅項撥回				2,075
Loss before minority interests	未計少數股東 權益前虧損				(370,972)
Minority interests	少數股東權益				-
Net loss for the year	本年度虧損淨額				(370,972)

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

5. 業務及地域分類 (續)

業務分類 (續)

		Continuing operation	Discontinued operation	Consolidated
		Travel and related services HK\$'000 持續業務	Transportation services HK\$'000 已終止業務	HK\$'000
		旅遊及相關服務 千港元	客運服務 千港元	綜合 千港元
As at 31 December 2003	於二零零三年十二月三十一日			
ASSETS	資產			
Segments	分類資產	676,963	–	676,963
Interest in associates	於聯營公司之權益	221,467	–	221,467
Unallocated corporate assets	未分配企業資產			208,921
Consolidated total assets	綜合資產總值			1,107,351
LIABILITIES	負債			
Segment liabilities	分類負債	245,147	–	245,147
Unallocated corporate liabilities	未分配企業負債			539,105
Consolidated total liabilities	綜合負債總額			784,252
OTHER INFORMATION	其他資料			
Capital additions	資本性增加	7,947	15,081	23,028
Depreciation and amortisation of property, plant and equipment	物業、機器及設備之折舊及攤銷	4,935	19,640	24,575
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	28,419	168	28,587
Loss on disposal of interest in a co-operative joint venture	出售一間合作合營企業權益之虧損	20,000	–	20,000
Impairment losses recognised	已確認減值虧損	29,675	–	29,675
Amortisation of goodwill arising on acquisition of subsidiaries	收購附屬公司產生之商譽攤銷	–	496	496

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Geographical segments

No geographical segment information in respect of the Group's operations has been presented as over 90% of the Group's operations were derived from Hong Kong.

The analysis of carrying amount of segment assets and additions to property, plant and equipment and intangible assets analysed by the geographical area in which the assets are located is as follows:

5. 業務及地域分類 (續)

地域分類

由於本集團90%以上之經營業務源自香港，故並無按地區分類呈列本集團經營業務資料。

分類資產賬面值及物業、機器及設備及無形資產之添置按資產所處之地區分析如下：

	Carrying amount of segment assets		Additions to property, plant and equipment and intangible assets		
	2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000	
	分類資產之賬面值		物業、機器及設備及 無形資產之添置		
	二零零四年 千港元	二零零三年 千港元	二零零四年 千港元	二零零三年 千港元	
The People's Republic of China (excluding Hong Kong) (the "PRC")	中華人民共和國 (不包括香港) 〔「中國」〕	1,372,774	248,358	1,074,210	—
Hong Kong	香港	1,040,390	300,522	677,865	23,028
South-east Asia	東南亞	120,914	180,433	137	—
Japan and Korea	日本及韓國	64,710	155,771	—	—
Others	其他	1,664	800	52	—
		2,600,452	885,884	1,752,264	23,028

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

6. OTHER OPERATING INCOME

6. 其他營運收入

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
An analysis of the Group's other operating income is as follows:	本集團之其他營運收入分析如下:		
Exchange gain	匯兌收益	135	335
Interest income	利息收入	3,381	1,150
Net income on sale of computer program source code	銷售電腦程式原始碼收入淨額	-	3,000
Recovery of overseas sales tax	收回海外銷售稅	-	8,242
Sundry income	雜項收入	17,268	9,809
		20,784	22,536

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

7. PROFIT (LOSS) FROM OPERATIONS

7. 經營溢利(虧損)

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Profit (loss) from operations has been arrived at after charging:	經營溢利(虧損)已扣除 下列支出:		
Allowance for irrecoverable trade debts	不可收回貿易債項撥備	1,262	-
Auditors' remuneration	核數師酬金	2,878	1,792
Cost of inventories recognised as expenses	已確認為支出之存貨成本	20,490	2,005
Depreciation and amortisation on:	折舊及攤銷:		
Owned assets	自置資產	26,289	19,689
Assets held under finance leases	以融資租約持有之資產	649	4,886
Information technique development expenses	資訊科技開發開支	-	1,136
Loss on disposal of other investments	其他投資出售虧損	11	465
Loss on disposal of property, plant and equipment	出售物業、機器及 設備之虧損	220	28,587
Minimum lease payments paid in respect of rented premises	已付租賃物業之最低 租金付款	12,913	12,459
Staff costs *	僱員成本*	128,023	80,194
and after crediting:	並已計入:		
Rental income from investment property and premises within the hotel properties less outgoings of HK\$79,000 (2003: HK\$nil)	扣除79,000港元支出(二零零三年:零港元)後之 投資物業及酒店物業內之物業之 租金收入	12,993	109
Rental income from motor vehicles	汽車之租金收入	74	-

* The amount includes retirement benefit scheme contributions (net of forfeiture) of HK\$5,910,000 (2003: HK\$1,879,000).

* 該金額包括退休福利計劃供款(扣除被沒收之供款)5,910,000港元(二零零三年:1,879,000港元)。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

8. DIRECTORS' REMUNERATION AND HIGHEST PAID EMPLOYEES

8. 董事酬金及最高薪酬僱員

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Emoluments to executive directors	執行董事之酬金		
Fees	袍金	–	–
Salaries and other benefits (Note)	薪金及其他福利(附註)	3,554	1,500
Retirement benefit scheme contributions	退休福利計劃供款	24	97
		3,578	1,597
Emoluments to non-executive directors	非執行董事之酬金		
Fees	袍金	–	–
Salaries and other benefits	薪金及其他福利	2,923	1,980
Retirement benefit scheme contributions	退休福利計劃供款	45	210
		2,968	2,190
Emoluments to independent non-executive directors	獨立非執行董事之酬金		
Fees	袍金	30	200
		6,576	3,987
		Number of director(s) 董事數目	
		2004 二零零四年	2003 二零零三年
Emoluments of the directors were within the following bands:	以下為董事之酬金組別:		
Nil – HK\$1,000,000	零至1,000,000港元	12	13
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	–	1
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	2	–

Note: The directors' salaries and other benefits include the operating lease rentals amounting to HK\$1,200,000 (2003: HK\$nil) in respect of rental premises provided to directors. The amounts were also included in the minimum lease payments paid in respect of rental premises under note 7 above.

附註: 董事薪金及其他福利包括就向董事提供租賃物業之經營租約租金1,200,000港元(二零零三年:零港元),此筆款項亦已包括在上文附註7有關租賃物業之最低租金付款內。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

8. DIRECTORS' REMUNERATION AND HIGHEST PAID EMPLOYEES (Continued)

Details of emoluments paid by the Group to the five highest paid individuals (including directors, details of whose emoluments are set out above) are as follows:

8. 董事酬金及最高薪酬僱員 (續)

本集團支付予五位最高薪人士(包括董事, 其酬金詳情載於上文)之酬金詳情如下:

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Salaries and other benefits	薪金及其他福利	10,003	5,927
Retirement benefit scheme contributions	退休福利計劃供款	179	485
		10,182	6,412
		2004 二零零四年	2003 二零零三年
Emoluments of the five highest paid individuals were within the following bands:	以下為五位最高薪人士之酬金組別:		
Nil – HK\$1,000,000	零至1,000,000港元	–	3
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	2	–
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	1	1
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	–	1
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	2	–
Number of directors	董事數目	2	2
Number of employees	僱員數目	3	3
		5	5

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

9. FINANCE COSTS

Finance lease charges	融資租約支出
Interest on borrowings wholly repayable within five years	須於五年內全數償還 借貸之利息
Interest on convertible notes	可換股票據利息
Interest on promissory note	承兌票據利息
Total finance costs	總融資成本

9. 融資成本

2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
133	2,459
39,997	17,504
3,760	5,082
9,821	–
53,711	25,045

10. DISCONTINUED OPERATION

On 25 October 2003, the Group entered into a sale and purchase agreement to dispose of its then subsidiary, Trans-Island Limousine Service Limited and its subsidiaries (“Trans-Island Group”) which carried out all of the Group’s transportation services. The disposal was completed on 31 October 2003, when the control of Trans-Island Group was passed to the purchaser.

The results of the transportation services for the period from 1 January 2003 to 31 October 2003, which have been included in the consolidated financial statements, were as follows:

10. 已終止業務

於二零零三年十月二十五日，本集團訂立一項買賣協議，出售其當時從事本集團所有客運服務之附屬公司環島旅運有限公司及其附屬公司（「環島集團」）。出售已於二零零三年十月三十一日完成，即將環島集團之控制權移交買方之日。

由二零零三年一月一日起至二零零三年十月三十一日止期間之客運服務業績已計入綜合財務報表，並載列如下：

Turnover	營業額
Direct operating costs	直接經營成本
Other operating income	其他營運收入
Administrative expenses	行政開支
Finance costs	融資成本
Loss before taxation	除稅前虧損
Taxation credit	稅項撥回
Net loss for the year	本年度虧損淨額

2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
–	124,329
–	(99,712)
–	1,403
–	(45,687)
–	(2,337)
–	(22,004)
–	1,718
–	(20,286)

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

10. DISCONTINUED OPERATION (Continued)

During the year ended 31 December 2003, Trans-Island Group contributed HK\$26,547,000 to the Group's net operating cash flows, HK\$11,644,000 in respect of investing activities, and HK\$11,205,000 in respect of financing activities.

The carrying amounts of assets and liabilities of Trans-Island Group at the date of disposal are disclosed in note 43.

A loss of HK\$32,697,000 arose on the disposal of Trans-Island Group, being the proceeds of disposal less the carrying amount of the net assets of Trans-Island Group and attributable unamortised goodwill.

11. TAXATION CREDIT

Overprovision for taxation in other jurisdictions in prior years	於其他司法權區之稅項於過往年度之超額撥備	23	-
Deferred tax (Note 38)	遞延稅項(附註38)	-	1,718
Taxation attributable to the Company and its subsidiaries	本公司及其附屬公司應估稅項	23	1,718
Share of taxation attributable to associates in other jurisdictions	其他司法權區應估聯營公司稅項	-	357
Taxation credit	稅項撥回	23	2,075

No provision for Hong Kong Profits Tax has been made as the companies comprising the Group either have no assessable profit in the year or the estimated assessable profits were wholly absorbed by tax losses brought forward.

Taxation for other jurisdictions represents overprovision for taxation in prior years. No provision for overseas taxation has been made as the Group has no taxable profit during the years ended 31 December 2004 and 2003 in other jurisdictions.

10. 已終止業務(續)

於截至二零零三年十二月三十一日止年度內，環島集團為本集團之經營現金流量淨額作出26,547,000港元之貢獻，支付投資活動11,644,000港元及支付融資活動11,205,000港元。

環島集團於出售當日之資產及負債賬面值於附註43內披露。

出售環島集團產生虧損32,697,000港元，即出售所得款項減環島集團之資產淨值賬面值及應佔之未攤銷商譽。

11. 稅項撥回

2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
23	-
-	1,718
23	1,718
-	357
23	2,075

由於本集團旗下之公司於年內並無任何應課稅溢利或估計應課稅溢利已全數計入稅項結轉虧損，故並無作出香港利得稅撥備。

其他司法權區之稅項指過往年度稅項之超額撥備。由於本集團於截至二零零四年及二零零三年十二月三十一日止年度在其他司法權區並無應課稅溢利，故並無就海外稅項作出撥備。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

11. TAXATION CREDIT (Continued)

No charge or credit arose on the loss on discontinuance of the transportation services during the year ended 31 December 2003.

Taxation for the year can be reconciled to the profit (loss) before taxation per the consolidated income statement as follows:

11. 稅項撥回 (續)

終止客運服務之虧損並無於截至二零零三年十二月三十一日止年度產生支出或撥回。

本年度之稅項可與綜合收益表之除稅前溢利(虧損)進行對賬:

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Profit (loss) before taxation	除稅前溢利(虧損)	37,838	(373,047)
Tax at the domestic income tax rate of 17.5% (2003: 17.5%)	按本地利得稅率17.5% (二零零三年: 17.5%) 計算之稅項	(6,622)	65,283
Tax effect of share of results of associates	應佔聯營公司業績之 稅務影響	(34)	(19,495)
Tax effect of expenses that are not deductible in determining taxable profit	於釐定應課稅溢利時 不可扣減之開支之 稅務影響	(887)	(14,614)
Tax effect of income that is not taxable in determining taxable profit	於釐定應課稅溢利時 毋須課稅之收入之 稅務影響	13,649	3,848
Tax effect of tax losses not recognised	未確認之稅務虧損之 稅務影響	(6,645)	(33,901)
Tax effect of tax losses utilised but not previously recognised	已動用但之前未確認之稅務 虧損之稅務影響	3,604	2,023
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之 附屬公司不同稅率 之影響	(3,065)	(314)
Overprovision in prior years	過往年度之超額撥備	23	-
Increase in opening deferred tax liability resulting from an increase in Hong Kong Profits Tax rate	香港利得稅率增加導致 之期初遞延稅項負債增加	-	(755)
Taxation credit for the year	本年度之稅項撥回	23	2,075

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

12. DIVIDENDS

No dividends were declared by the Company for the year ended 31 December 2004 (2003: HK\$nil).

13. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share is based on the following data:

12. 股息

本公司並無宣派截至二零零四年十二月三十一日止年度之股息(二零零三年:零港元)。

13. 每股盈利(虧損)

每股基本及攤薄盈利(虧損)乃按下列數據計算:

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Earnings (loss) for the purpose of basic earnings (loss) per share	用作計算每股基本盈利(虧損)之盈利(虧損)	35,377	(370,972)
Interest expenses on convertible notes	可換股票據之利息開支	3,102	
Earnings for the purpose of diluted earnings per share	用作計算每股攤薄盈利之盈利	38,479	
		Number of shares 股份數目	
		2004 二零零四年	2003 (Restated) 二零零三年 (重列)
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	用作計算每股基本盈利(虧損)之普通股加權平均數	201,251,437	183,167,328
Effect of dilutive potential ordinary shares relating to convertible notes	有關可換股票據之攤薄潛在普通股之影響	97,498,216	
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用作計算每股攤薄盈利之普通股加權平均數	298,749,653	

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

13. EARNINGS (LOSS) PER SHARE (Continued)

Notes:

- (a) The above weighted average number of ordinary shares for the calculation of the basic and diluted earnings (loss) per share for the years ended 31 December 2003 and 31 December 2004 have been adjusted to take into account of the consolidation of shares as mentioned under Note 51(c) completed subsequent to 31 December 2004.
- (b) No diluted loss per share has been presented for 2003 as the conversion of the convertible notes and shares issuable under the subscription agreement dated 31 May 2002 to a subscriber would result in a decrease in loss per share.
- (c) A reconciliation of the restatement of loss per share for 2003 to adjust for the consolidation of shares as mentioned under Note 51(c) subsequent to 31 December 2004 is as follows:

13. 每股盈利(虧損)(續)

附註:

- (a) 誠如附註51(c)所述,上述用作計算截至二零零三年十二月三十一日及二零零四年十二月三十一日止年度每股基本及攤薄盈利(虧損)之普通股加權平均數已計及於二零零四年十二月三十一日後完成之股份合併。
- (b) 本公司並無呈列二零零三年之每股攤薄虧損,理由為兌換可換股票據以及本公司於二零零二年五月三十一日訂立之認購協議下可發行予認購人之股份會導致每股虧損有所減少。
- (c) 為附註51(c)所述於二零零四年十二月三十一日後進行股份合併而作出調整之二零零三年每股虧損重列對賬如下:

		HK\$ 港元
As originally stated	原本呈列	(0.0203)
Consolidation of shares	股份合併	(2.0097)
As restated	經重列	(2.0300)

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、機器及設備

		Leasehold land and buildings HK\$'000	Hotel properties HK\$'000 Note (a)	Properties under construction HK\$'000	Furniture and fixtures HK\$'000	Leasehold improvements HK\$'000	Motor vehicles HK\$'000	Office equipment and machinery HK\$'000	Vessels HK\$'000	Total HK\$'000
		租賃土地 及樓宇 千港元	酒店物業 千港元 附註(a)	在建物業 千港元	傢俬及裝置 千港元	租賃物業裝修 千港元	汽車 千港元	辦公室設備 及機器 千港元	船隻 千港元	合計 千港元
THE GROUP	本集團									
COST OR VALUATION	成本或估值									
At 1 January 2004	於二零零四年一月一日	80,153	-	46,728	3,361	8,592	1,017	15,648	6,467	161,966
Currency realignment	幣值調整	-	-	-	195	118	20	243	-	576
Acquisition of subsidiaries	收購附屬公司	-	1,604,752	-	54,422	15,907	1,448	6,665	-	1,683,194
Additions	添置	-	-	-	4,220	12,043	937	1,655	-	18,855
Disposals	出售	(42,128)	-	-	(7,198)	(5,180)	(443)	(905)	-	(55,854)
At 31 December 2004	於二零零四年 十二月三十一日	38,025	1,604,752	46,728	55,000	31,480	2,979	23,306	6,467	1,808,737
Comprising	包括									
At cost	按成本	31,025	1,604,752	46,728	55,000	31,480	2,979	23,306	6,467	1,801,737
At valuation	按估值	7,000	-	-	-	-	-	-	-	7,000
		38,025	1,604,752	46,728	55,000	31,480	2,979	23,306	6,467	1,808,737
DEPRECIATION, AMORTISATION AND IMPAIRMENT	折舊、攤銷 及減值									
At 1 January 2004	於二零零四年一月一日	58,939	-	8,128	2,087	3,943	583	12,598	5,475	91,753
Currency realignment	幣值調整	-	-	-	152	17	16	197	-	382
Provided for the year	本年度撥備	299	-	-	17,771	5,464	526	2,697	181	26,938
(Reversal of impairment loss) impairment loss recognised for the year	(減值虧損撥回) 本年度已確認 減值虧損									
(Note (c))	(附註(c))	(4,511)	-	1,100	-	-	-	-	-	(3,411)
Eliminated on disposals	出售時撇除	(33,161)	-	-	(6,501)	(4,793)	(443)	(828)	-	(45,726)
At 31 December 2004	於二零零四年 十二月三十一日	21,566	-	9,228	13,509	4,631	682	14,664	5,656	69,936
NET BOOK VALUES	賬面淨值									
At 31 December 2004	於二零零四年 十二月三十一日	16,459	1,604,752	37,500	41,491	26,849	2,297	8,642	811	1,738,801
At 31 December 2003	於二零零三年 十二月三十一日	21,214	-	38,600	1,274	4,649	434	3,050	992	70,213

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

An analysis of the properties of the Group held at the balance sheet date is as follows:

14. 物業、機器及設備(續)

本集團於結算日所持有之物業分析如下:

	Leasehold land and buildings		Hotel properties		Properties under construction	
	2004 HK\$'000 租賃土地及樓宇 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 酒店物業 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 在建物業 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Long leases in Hong Kong 於香港之長期租約	13,299	10,237	626,165	-	-	-
Medium term leases in Hong Kong 於香港之中期租約	3,160	10,977	-	-	-	-
Medium term land use rights in the PRC (note b) 於中國中期租約之土地使用權(附註b)	-	-	978,587	-	37,500	38,600
	16,459	21,214	1,604,752	-	37,500	38,600

Notes:

- (a) Included in the hotel properties at the balance sheet date is a hotel property with a carrying value of HK\$160,837,000 situated in Luoyang, the PRC and held under a medium term land use rights. The land use rights of the hotel property is currently held by Luoyang Power Supply Bureau, a minority shareholder of the subsidiary holding the hotel property. Pursuant to a land use rights agreement entered into between Luoyang Power Supply Bureau and the subsidiary on 15 April 1999 (before the Group acquired the said subsidiary in 2004), Luoyang Power Supply Bureau agreed to permit the said subsidiary to use the land use rights of the hotel property for a term commencing from April 1999 to April 2049 for hotel use.
- (b) Included in the hotel properties held under medium term land use rights in the PRC of HK\$978,587,000 is a hotel property with a carrying value of approximately HK\$217,487,000 of which a subsidiary of the Company has been granted the right to operate and manage the hotel in Guangzhou, the PRC for a period from January 1987 to January 2017, and subject to certain conditions to be fulfilled, the operating period may be extended for a further period of 20 years.

附註:

- (a) 於結算日之酒店物業包括於中國洛陽市賬面值達160,837,000港元之酒店物業。該項物業乃按中期租約土地使用權持有。該酒店土地使用權現時由持有該酒店物業之附屬公司之少數股東洛陽市電業局持有。根據洛陽市電業局及附屬公司於一九九九年四月十五日訂立之土地使用權協議(於本集團在二零零四年收購該附屬公司前),洛陽市電業局同意批准上述附屬公司使用該酒店物業之土地使用權,為期由一九九九年四月至二零四九年四月,以作酒店用途。
- (b) 於中國以中期土地使用權持有之978,587,000港元酒店物業包括一間賬面值約217,487,000港元之酒店物業,而本公司之附屬公司獲授該間位於中國廣州市之酒店之經營及管理權,為期一九八七年一月至二零一七年一月,而在若干須予達成之條件規限下,經營期可進一步延長二十年。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes: (Continued)

- (c) During the year, the directors reviewed the carrying amounts of its property, plant and equipment and identified that the value of properties under construction was impaired and the value of certain properties has increased. Accordingly, the carrying amounts of properties under construction and properties were stated to their recoverable amounts, which were determined with reference to the independent professional valuation on an open market value as at 31 December 2004.

Details of property, plant and equipment which are stated at valuation at the balance sheet date are as follows:

At valuation	按估值
– 31 July 1997	– 一九九七年七月三十一日
– 31 March 1998	– 一九九八年三月三十一日

Less: Accumulated depreciation, amortisation and impairment 減: 累計折舊、攤銷及減值

Net book value 賬面淨值

The valuations at 31 July 1997 and 31 March 1998 represented the carrying values (equivalent to their approximately fair value) of the leasehold land and buildings at the time when they ceased to be classified as investment properties. Had the leasehold properties been carried at their historical cost less accumulated depreciation, amortisation and impairment loss, the carrying value of the leasehold properties would have been stated at HK\$2,372,000 (2003: HK\$2,412,000).

The net book value of motor vehicles, and office equipment and machinery of the Group held under finance leases at 31 December 2004 was HK\$1,774,000 (2003: HK\$nil).

The net book value of motor vehicles of the Group leased to outsiders to earn rental income at 31 December 2004 was HK\$890,000 (2003: HK\$nil).

14. 物業、機器及設備 (續)

附註: (續)

- (c) 於年內，董事檢討物業、機器及設備賬面值，並確認若干在建物業出現減值，而若干物業之價值則有所增加。因此，在建物業及物業之賬面值已按其可收回金額列賬。而可收回金額乃參照二零零四年十二月三十一日之公開市值作出之獨立專業估值釐定。

物業、機器及設備於結算日之估值詳情如下：

Leasehold land and buildings 租賃土地及樓宇	
2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
4,800	4,800
2,200	2,200
7,000	7,000
(4,628)	(4,588)
2,372	2,412

於一九九七年七月三十一日及一九九八年三月三十一日之估值指租賃物業及樓宇不再歸類為投資物業時之賬面值(約相等於其公平價值)。若租賃物業以歷史成本減累計折舊、攤銷及減值虧損列賬，則該等租賃物業之賬面值應為2,372,000港元(二零零三年:2,412,000港元)。

於二零零四年十二月三十一日，以融資租約持有之汽車、辦公室設備及機器之賬面淨值為1,774,000港元(二零零三年:零港元)。

於二零零四年十二月三十一日，本集團向外界人士出租汽車以賺取租金收入之汽車之賬面淨值為890,000港元(二零零三年:零港元)。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

14. 物業、機器及設備 (續)

		Furniture and fixtures HK\$'000 傢俬及裝置 千港元	Motor vehicles HK\$'000 汽車 千港元	Office equipment and machinery HK\$'000 辦公室 設備及機器 千港元	Total HK\$'000 總計 千港元
THE COMPANY	本公司				
COST	成本				
At 1 January 2004	於二零零四年一月一日	1,306	556	467	2,329
Additions	添置	24	–	41	65
Disposals	出售	(9)	–	–	(9)
At 31 December 2004	於二零零四年十二月三十一日	1,321	556	508	2,385
DEPRECIATION	折舊				
At 1 January 2004	於二零零四年一月一日	293	132	189	614
Provided for the year	本年度撥備	264	89	91	444
Eliminated on disposals	出售時撇除	(1)	–	–	(1)
At 31 December 2004	於二零零四年十二月三十一日	556	221	280	1,057
NET BOOK VALUES	賬面淨值				
At 31 December 2004	於二零零四年十二月三十一日	765	335	228	1,328
At 31 December 2003	於二零零三年十二月三十一日	1,013	424	278	1,715

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

15. INVESTMENT PROPERTY

15. 投資物業

At beginning of the year	於年初
Surplus on revaluation	重估盈餘
At end of the year	於年底

THE GROUP 本集團	
2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
1,400	1,230
2,000	170
3,400	1,400

The investment property of the Group is freehold and held outside Hong Kong.

本集團擁有投資物業之永久業權，並於香港以外持有。

The investment property was revalued at 31 December 2004 by a firm of independent professional property valuers, Norton Appraisals Limited, on an open market value basis at HK\$3,400,000 (2003: HK\$1,400,000). The valuation gave rise to a revaluation increase of HK\$2,000,000 (2003: HK\$170,000), of which HK\$nil (2003: HK\$7,000) and HK\$2,000,000 (2003: HK\$163,000) has been credited to the income statement and the investment property revaluation reserve respectively.

投資物業於二零零四年十二月三十一日由獨立專業估值師普敦國際評估有限公司按公開市值基準進行重估為3,400,000港元（二零零三年：1,400,000港元）。估值產生一項2,000,000港元（二零零三年：170,000港元）之重估增值，其中零港元（二零零三年：7,000港元）及2,000,000港元（二零零三年：163,000港元）已分別計入收益表及投資物業估值儲備。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

16. INVESTMENTS IN SUBSIDIARIES

Unlisted shares 非上市股份

During the year, the Group underwent a group reorganisation to rationalise its structure. The Company's investment in a direct subsidiary with a carrying value of HK\$178,000,000 was transferred to another group company.

Particulars of the principal subsidiaries as at 31 December 2004 are set out in note 53.

17. INTEREST IN ASSOCIATES

Share of net assets 應佔資產淨值
Impairment loss recognised 已確認減值虧損

16. 於附屬公司之投資

		THE COMPANY 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Unlisted shares	非上市股份	-	178,000

年內，本集團進行了一次集團重組，以精簡其架構。本公司於一間直接附屬公司面值為178,000,000港元之投資，已轉讓至另一間集團公司。

主要附屬公司於二零零四年十二月三十一日之詳情載於附註53。

17. 於聯營公司之權益

		THE GROUP 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Share of net assets	應佔資產淨值	1,989	253,184
Impairment loss recognised	已確認減值虧損	-	(31,717)
		1,989	221,467

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

17. INTEREST IN ASSOCIATES (Continued)

Particulars of the Group's associates as at 31 December 2004 are as follows:

17. 於聯營公司之權益 (續)

本集團之聯營公司於二零零四年十二月三十一日之詳情如下:

Name of associate 聯營公司名稱	Form of business structure 業務架構形式	Place of incorporation and operation 註冊成立及營業地點	Issued and paid up share capital/ registered capital 已發行及已繳足股本/註冊資本 '000 千元	Proportion of issued/registered capital held by the Group 本集團持有已發行/註冊資本比率		Principal activities 主要業務
				2004 二零零四年	2003 二零零三年	
Ananda Travel Service (Aust.) Pty. Limited	Limited liability company	Australia	A\$400	40%	40%	Travel and related services
Ananda Travel Service (Aust.) Pty. Limited	有限責任公司	澳洲	400澳元	40%	40%	旅遊及相關服務
Apex Quality Group Limited ("Apex")	Limited liability company	British Virgin Islands/ Hong Kong	HK\$43,276	-	49.6%	Investment holding
Apex Quality Group Limited ("Apex")	有限責任公司	英屬維爾京群島/ 香港	43,276港元	-	49.6%	投資控股
Cherry Development Limited	Limited liability company	Hong Kong	HK\$0.002	50%	-	Inactive
緯姿發展有限公司	有限責任公司	香港	0.002港元	50%	-	暫無業務
CYTS Wing On Travel Service Company Limited	Limited liability company	Hong Kong	HK\$2,000	50%	50%	In the process of deregistration
中青旅永安旅行社有限公司	有限責任公司	香港	2,000港元	50%	50%	撤銷註冊中
Heilongjiang Ananda Entertainment Company Limited ("Heilongjiang Ananda")	Sino-foreign equity joint venture	PRC	RMB283,140	-	50%	Operation of a hotel and an entertainment resort complex and development of a residential and commercial complex
黑龍江辰龍游樂有限公司 (「黑龍江辰龍」)	中外合資公司	中國	人民幣283,140	-	50%	經營酒店業務及娛樂渡假村,並發展一幢商住綜合大樓

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

17. INTEREST IN ASSOCIATES (Continued)

17. 於聯營公司之權益 (續)

Name of associate 聯營公司名稱	Form of business structure 業務架構形式	Place of incorporation and operation 註冊成立 及營業地點	Issued and paid up share capital/ registered capital 已發行及已繳足 股本/註冊資本 '000 千元	Proportion of issued/registered capital held by the Group 本集團持有已發行/ 註冊資本比率		Principal activities 主要業務
				2004 二零零四年	2003 二零零三年	
Siu Wah Investments Limited	Limited liability company	Hong Kong	HK\$0.002	50%	-	Inactive
肇華投資有限公司	有限責任公司	香港	0.002港元	50%	-	暫無業務
Wing On International Travel Service Ltd. Guangdong	Sino-foreign equity joint venture	PRC	RMB5,000	49%	49%	Travel and related services
廣東永安國際旅行社有限公司	中外合資公司	中國	人民幣5,000	49%	49%	旅遊及相關服務
Wing On JAS Nice Wing Limited	Limited liability company	Hong Kong	HK\$1,000	-	50%	Liquidated
永安佳速有限公司	有限責任公司	香港	1,000港元	-	50%	已清盤

Other than Ananda Travel Service (Aust.) Pty. Limited whose financial year end date ends on 31 March, the financial year end date of all other associates end on 31 December. The Group's share of their results and net assets under the equity method is based on their financial statements made to 31 December 2004.

除Ananda Travel Service (Aust.) Pty. Limited之財務年結日為三月三十一日外，所有其他聯營公司之財務年結日均為十二月三十一日。按權益會計法，本集團應佔該等聯營公司之業績及資產淨值乃根據該等聯營公司截至二零零四年十二月三十一日止之財務報表計算。

In February 2004, a 50% associate of the Group acquired an interest in a piece of land in Hong Kong for redevelopment purpose. Subsequently, the Group entered into a sale and purchase agreement to dispose of the entire interest in the aforesaid associate resulting and recognising a profit of HK\$37,430,000.

二零零四年二月，本集團擁有50%權益之聯營公司收購香港一幅土地之權益作重新發展用途。其後，本集團訂立一份買賣協議，以出售上述聯營公司之全部權益，產生及確認37,430,000港元之溢利。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

17. INTEREST IN ASSOCIATES (Continued)

Included in the interest in associates at 31 December 2003 was the interest in Apex which became a subsidiary of the Group during the year ended 31 December 2004 and Heilongjiang Ananda which was disposed of during the year ended 31 December 2004 at a profit of HK\$500,000. Extracts from the financial statements prepared in accounting principles generally accepted in Hong Kong of Apex for the period from 13 December 2003 (the date Apex became an associate of the Group) to 31 December 2003 and Heilongjiang Ananda for the year ended 31 December 2003 are as follows:

Apex

2003
HK\$'000
二零零三年
千港元

Financial position	財政狀況	
Non-current assets	非流動資產	1,592,960
Current assets	流動資產	84,038
Current liabilities	流動負債	(143,811)
Net current liabilities	流動負債淨額	(59,773)
Total assets less current liabilities	資產總值減流動負債	1,533,187
Non-current liabilities	非流動負債	(1,018,106)
Minority interests	少數股東權益	(72,058)
Net assets	資產淨值	443,023
Share of net assets attributable to the Group	本集團應佔資產淨值	219,739
Results for the period	本期間業績	
Turnover	營業額	7,857
Net loss for the period	本期間虧損淨額	(12,985)
Net loss for the period attributable to the Group	本集團於本期間應佔虧損淨額	(6,441)

17. 於聯營公司之權益 (續)

於二零零三年十二月三十一日，於聯營公司之權益內包括應佔Apex（於二零零四年十二月三十一日止年度內成為本集團之附屬公司）及黑龍江辰龍（於二零零四年十二月三十一日止年度內出售，並獲500,000港元之盈利）之權益。按香港普遍採納之會計原則分別編製由二零零三年十二月十三日（自該日起Apex成為本集團聯營公司）起至二零零三年十二月三十一日止期間之Apex財務報表摘要，以及截至二零零三年十二月三十一日止年度之黑龍江辰龍財務報表摘要如下：

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

17. INTEREST IN ASSOCIATES (Continued)

Heilongjiang Ananda

黑龍江辰龍

17. 於聯營公司之權益 (續)

2003
HK\$'000
二零零三年
千港元

Financial position	財政狀況	
Non-current assets	非流動資產	876,215
Current assets	流動資產	32,119
Current liabilities	流動負債	(844,900)
Net current liabilities	流動負債淨額	(812,781)
Net assets	資產淨值	63,434
Share of net assets attributable to the Group	本集團應佔 資產淨值	31,717
Impairment loss recognised	已確認減值虧損	(31,717)
		-
Results for the year	本年度業績	
Turnover	營業額	53,388
Net loss for the year	本年度虧損淨額	(52,722)
Net loss for the year attributable to the Group	本集團於本年度應佔 虧損淨額	(26,361)

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

17. INTEREST IN ASSOCIATES (Continued)

In addition, included in the Group's share of results associates for 2003 was its share of results of Rosedale Hotel Group Limited ("Rosedale"). The financial statements of Rosedale for the period from 1 January 2003 to 16 December 2003, the date of completion of disposal of Rosedale, prepared in accounting principles generally accepted in Hong Kong, are as follows:

Rosedale
珀麗

2003
HK\$'000
二零零三年
千港元

Results for the period	本期間業績	
Turnover	營業額	131,303
Net loss for the period	本期間虧損淨額	(165,871)
Net loss for the period attributable to the Group	本集團於本期間應佔虧損淨額	(81,774)

As Rosedale was disposed of in December 2003, no financial position as at 31 December 2003 was presented.

17. 於聯營公司之權益 (續)

此外，本集團於二零零三年應佔聯營公司業績亦計及應佔珀麗酒店集團有限公司（「珀麗」）之業績。珀麗由二零零三年一月一日起至二零零三年十二月十六日（出售珀麗完成日期）止期間按香港普遍採納之會計原則編製之財務報表如下：

由於珀麗已於二零零三年十二月出售，故並無呈列於二零零三年十二月三十一日之財政狀況。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

18. NEGATIVE GOODWILL ARISING FROM ACQUISITION OF AN ASSOCIATE

NEGATIVE GOODWILL	負商譽
Balance at beginning of the year	年初結餘
Released on disposal	出售時解除
Balance at end of the year	年底結餘
REALISATION	變現
Balance at beginning of the year	年初結餘
Released to the income statement during the year	於年內在收益表內解除
Released on disposal	出售時解除
Balance at end of the year	年底結餘
CARRYING AMOUNT	賬面值
At end of the year	於年底

Negative goodwill was recognised to the income statement over 40 years, which was determined based on the remaining average useful life of identifiable acquired depreciable assets.

19. OTHER LONG TERM INVESTMENT

THE GROUP AND THE COMPANY

The other long term investment represented the contribution paid to a joint venture partner in 2001 for a joint development of a piece of land in Chengdu, the PRC, into a tourist attraction. On 11 December 2002, the Group entered into an agreement with the joint venture partner to withdraw from the project. Under the agreement, the joint venture partner would transfer the titles of a total of approximately 3,000 square meters of commercial areas and car parking spaces in a commercial building in Chengdu, the PRC, to the Group. The transaction was cancelled and the contribution paid was refunded during the year ended 31 December 2004.

18. 收購一間聯營公司產生之負商譽

		THE GROUP 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
NEGATIVE GOODWILL	負商譽		
Balance at beginning of the year	年初結餘	–	59,043
Released on disposal	出售時解除	–	(59,043)
Balance at end of the year	年底結餘	–	–
REALISATION	變現		
Balance at beginning of the year	年初結餘	–	125
Released to the income statement during the year	於年內在收益表內解除	–	1,350
Released on disposal	出售時解除	–	(1,475)
Balance at end of the year	年底結餘	–	–
CARRYING AMOUNT	賬面值		
At end of the year	於年底	–	–

負商譽分四十年在收益表內確認。此乃按可識別已收購可折舊資產之剩餘平均使用年期為基準而釐定。

19. 其他長期投資

本集團及本公司

該其他長期投資乃指本公司於二零零一年付予一合營企業夥伴作為合作開發位於中國成都一幅土地之代價，使之成為一處旅遊觀光點。於二零零二年十二月十一日，本集團與合營企業夥伴訂立協議，撤銷該項目。根據該協議，合營企業夥伴將其位於中國成都市一幢商業大廈內，佔地面積共約3,000平方米之商業空間及停車場之業權轉讓予本集團。該交易已取消，而已付金額於截至二零零四年十二月三十一日止年度內已予退回。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

20. LONG TERM INVESTMENT DEPOSITS

20. 長期投資之訂金

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Deposits for acquisition of investment (Note)	收購投資所支付之訂金 (附註)	-	60,000	-	60,000
Disposal	出售	-	(60,000)	-	(60,000)
		-	-	-	-

Note: The amount represented the deposits paid for acquisition of 100% interest in a co-operative joint venture which will develop and operate a hotel in Guangdong, the PRC. During the year ended 31 December 2003, the Group entered into an agreement to dispose of two-third of its rights to the intended interests in the co-operative joint venture for HK\$40,000,000 but the completion thereof had not yet taken place. After the aforesaid agreement, the directors considered it was not viable to carry out the investment to avoid further substantial commitments. The Group then entered into another agreement with the aforesaid purchaser to dispose of the remaining rights and entire commitments of the Group in the said co-operative joint venture (which together with the aforesaid partial interest disposed of constitutes the Group's entire interests in the co-operative joint venture in the acquisition agreement) to the purchaser at a nominal consideration. The loss arising therefrom was disclosed as loss on disposal of interest in a co-operative joint venture for the year ended 31 December 2003.

附註：該筆款項指就收購一間合作合營企業全部權益所支付之訂金。該企業將於中國廣東省開發及經營一間酒店。於截至二零零三年十二月三十一日止年度內，本集團訂立一項協議，出售該合作合營企業擬定權益所附權利之三份之二，作價40,000,000港元，惟該協議尚未落實完成。於上述協議後，董事認為不可能進行投資，藉以避免涉及進一步重大承擔。本集團當時與上述之買方訂立另一項協議，以象徵式代價向買方出售本集團於上述合作合營企業之餘下權益及全部責任，連同上述所出售之部份之權益，即構成本集團於收購協議內於該合作合營企業之所有權益。於截至二零零三年十二月三十一日止年度內，由此產生之虧損已分類為出售於合作合營企業之權益之虧損。

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21. INVESTMENTS IN SECURITIES

THE GROUP

21. 證券投資

本集團

		Investment securities		Other investments		Total	
		2004	2003	2004	2003	2004	2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		投資證券	投資證券	其他投資	其他投資	合計	合計
		二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年
		千港元	千港元	千港元	千港元	千港元	千港元
Equity securities	股本證券						
Unlisted shares, at cost	非上市股份·按成本	126,422	126,232	-	-	126,422	126,232
Listed shares in Hong Kong	香港上市股份	-	-	2,778	2,847	2,778	2,847
		126,422	126,232	2,778	2,847	129,200	129,079
Less: Impairment losses recognised	減: 已確認減值虧損	(32,633)	(26,974)	-	-	(32,633)	(26,974)
		93,789	99,258	2,778	2,847	96,567	102,105
Market value of listed shares	上市股份市值	-	-	2,778	2,847	2,778	2,847
Carrying amount analysed for reporting purposes as:	為呈報目的而按下列分析之賬面值:						
Non-current	非流動	93,789	99,258	-	-	93,789	99,258
Current	流動	-	-	2,778	2,847	2,778	2,847
		93,789	99,258	2,778	2,847	96,567	102,105

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

21. INVESTMENTS IN SECURITIES (Continued)

THE GROUP (Continued)

Particulars of the Group's major investment securities as at 31 December 2004 are as follows:

Name of company 公司名稱	Place of incorporation and operation 註冊成立 及營業地點	Issued and paid up share capital/ registered capital '000 已發行及已繳足 股本/註冊資本 千元	Proportion of issued/registered capital held by the subsidiaries 2004 2003 附屬公司持有已發行/ 註冊資本比率 二零零四年 二零零三年		Interest attributable to the Group 2004 2003 本集團應佔權益 二零零四年 二零零三年		Principal activities 主要業務
Guilin Osmanthus Hotel	PRC	US\$3,489	49.5%	49.5%	49.5%	49.5%	Operation of a hotel
桂林市丹桂大酒店	中國	3,489美元	49.5%	49.5%	49.5%	49.5%	經營一家酒店業務
Guangxi Guijia Property Management Company Limited	PRC	US\$8,021	26%	26%	18.2%	18.2%	Property holding and operation of leisure services
廣西桂嘉物業管理有限公司	中國	8,021美元	26%	26%	18.2%	18.2%	持有物業及經營休閒服務

Notes:

- (a) Though the Group holds a 49.5% interest in Guilin Osmanthus Hotel, the directors considered that the Group cannot exercise influence on the financial and operating policies of the investee company. Accordingly, Guilin Osmanthus Hotel is classified as investment in securities. At 31 December 2003, the directors reviewed the carrying amounts of investments in securities and considered that it is unlikely to recover the interest in Guilin Osmanthus Hotel and the present value of the estimated future cash flows expected to arise from the investment is minimal. Accordingly, an impairment loss of HK\$26,974,000 was recognised in the financial statements to write down the carrying amount of the investment.

21. 證券投資 (續)

本集團 (續)

本集團於二零零四年十二月三十一日之投資證券詳情如下:

附註:

- (a) 雖然本集團持有桂林市丹桂大酒店49.5%權益,惟董事認為本集團未能對該間被投資公司之財務及經營政策行使影響力,故桂林市丹桂大酒店被分類為證券投資。於二零零三年十二月三十一日,董事已審閱該證券投資之賬面值,並認為多半不會收回於桂林市丹桂大酒店之權益,而該投資所產生之預期未來現金流量現值極少。因此,26,974,000港元之減值虧損已於財務報表確認,以減記投資之賬面值。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

21. INVESTMENTS IN SECURITIES (Continued)

THE GROUP (Continued)

- (b) Though a subsidiary of the Group holds a 26% interest in this investee company, the directors considered that the Group cannot exercise significant influence on the financial and operating policies of the investee company and accordingly, it is classified as an investment in securities. At 31 December 2004, the directors reviewed the carrying amount of this investment and considered that it is unlikely to recover the full amount of the interest in this investment and accordingly an impairment loss of HK\$5,659,000 was recognised in the financial statements to write down the carrying amount of the investment to its recoverable amount.

22. GOODWILL

21. 證券投資 (續)

本集團 (續)

- (b) 雖然本集團之一間附屬公司持有此間被投資公司26%權益，惟董事認為本集團未能對該間被投資公司之財務及經營政策行使重大影響力，故其被分類為證券投資。於二零零四年十二月三十一日，董事已審閱該投資之賬面值，並認為多半不會收回於該投資之全部權益，故5,659,000港元之減值虧損已於財務報表確認，以減記該投資之賬面值至可收回款項。

22. 商譽

		THE GROUP 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
COST	成本		
At beginning of the year	於年初	–	13,232
Arising from acquisition during the year (Note 42(b))	於年內收購而產生 (附註42(b))	50,215	–
Eliminated on disposal of a subsidiary	於出售一間附屬公司時 撤銷	–	(13,232)
At end of the year	於年底	50,215	–
AMORTISATION AND IMPAIRMENT	攤銷及減值		
At beginning of the year	於年初	–	165
Charge for the year	本年度支出	–	496
Eliminated on disposal of a subsidiary	於出售一間附屬公司時 撤銷	–	(661)
At end of the year	於年底	–	–
CARRYING AMOUNT	賬面值		
At end of the year	於年底	50,215	–

The amortisation period adopted for the goodwill is 20 years.

本集團所採納之商譽攤銷期間為20年。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

22. GOODWILL (Continued)

No amortisation is provided for the goodwill arising during the year as the acquisition was completed in December 2004. The directors considered that the amount involved was insignificant.

23. NEGATIVE GOODWILL

The negative goodwill arose on the Group's acquisition of Apex in January 2004. The negative goodwill is released to income on a straight line basis of 40 years, the remaining weighted average useful life of the depreciable assets acquired.

22. 商譽 (續)

由於收購已於二零零四年十二月完成，故並無就年內產生之商譽提撥攤銷。董事認為涉及之金額並不重大。

23. 負商譽

本集團於二零零四年一月收購Apex時產生負商譽。負商譽分四十年以直線法在收益表內確認。此乃按已收購之可折舊資產之剩餘加權平均使用年期為基準而釐定。

		THE GROUP 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
GROSS AMOUNT	總額		
Arising on acquisition of Apex during the year (Note 42(a))	於年內收購Apex而產生 (附註42(a))	74,514	—
RELEASE TO INCOME	確認為收入		
Released during the year	於年內確認	(1,863)	—
CARRYING AMOUNT	賬面值		
At end of the year	於年底	72,651	—

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

24. INVESTMENT DEPOSITS

24. 投資訂金

		THE GROUP 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Deposits for the acquisition of 100% interests in certain companies holding land use rights in the PRC (Note a)	收購於國內持有土地使用權之若干公司之100%權益之訂金 (附註a)	150,000	—
Deposits for the acquisition of a hotel booking business (Note b)	收購於酒店訂房業務之訂金 (附註b)	50,945	—
Deposits for the acquisition of interest in a hotel (Note c)	收購於一間酒店之權益之訂金 (附註c)	20,750	—
		221,695	—

Notes:

- (a) The amount represents deposits paid for the acquisition of 100% equity interests in certain companies holding land use rights in the PRC for various development projects, with the objective of developing hotel, shopping malls, recreational and other tourists related amenities respectively. The aggregate consideration for the purchase amounted to HK\$180,000,000. The transactions have not been completed as at the date of this report.
- (b) The amount represents the deposits paid for the acquisition of 51% interest in an enterprise established in the PRC engaging in full scale on-line and off-line hotel booking services for a consideration of approximately HK\$51,500,000. The transaction has not been completed as at the date of this report.
- (c) The amount represents the deposits paid for the acquisition of approximately 34.24% attributable interest in a hotel in Macau ("Kingsway Hotel") for a consideration of HK\$157,504,000 in accordance with the acquisition agreement dated 20 November 2004. Details of the acquisition are set out in the Company's circular dated 16 December 2004. As mentioned in note 51(d), the terms of acquisition was subsequently changed and the transaction was completed on 17 February 2005.

附註:

- (a) 該筆款項指為收購持有國內土地使用權之若干公司之100%權益而支付之訂金，以分別發展酒店、商場、消閒及其他娛樂場所之各項發展項目。該購買代價總額為180,000,000港元。於本報告刊發當日，該等交易尚未完成。
- (b) 該筆款項指為收購於國內成立並從事全面網上及電話酒店訂房服務之企業51%權益而支付之訂金。該收購之代價約為51,500,000港元。於本報告刊發當日，該項交易尚未完成。
- (c) 該筆款項指根據日期為二零零四年十一月二十日之收購協議而收購於澳門一間酒店（「金域酒店」）之應佔權益約34.24%之已付訂金，代價為157,504,000港元。收購詳情已載於本公司於日期為二零零四年十二月十六日之通函。誠如附註51(d)所述，收購事項之條款隨後獲更改，而該交易已於二零零五年二月十七日完成。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

25. INVENTORIES

THE GROUP

The inventories were carried at cost and represent principally food, beverages and general stores which are to be utilised in the ordinary course of operations.

26. AMOUNTS DUE FROM RELATED COMPANIES

THE GROUP AND THE COMPANY

The balances represent the aggregate amounts due from related parties. Certain directors of the Company are also directors of and/or have beneficial interests in these companies. The amounts are unsecured and interest free. The balances were principally trading balances.

The aged analysis of the amounts due from related companies at the reporting dates is as follows:

25. 存貨

本集團

存貨以成本列賬，主要為食品、飲品及於日常業務過程中使用之一般用品。

26. 應收關連公司款項

本集團及本公司

結餘代表應收關連人士款項。本公司若干位董事亦身兼該等公司之董事及／或於該等公司擁有實益權益。該等款項為無抵押及免息。結餘主要為貿易賬款結餘。

應收關連公司款項於呈報日之賬項分析如下：

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
0-30 days	0至30日	661	—	—	—
31-60 days	31至60日	47	4	—	—
61-90 days	61至90日	462	—	—	—
Over 90 days	超過90日	5,352	2,924	673	392
		6,522	2,928	673	392

27. AMOUNTS DUE FROM (TO) ASSOCIATES

THE GROUP AND THE COMPANY

The amounts due from (to) associates are unsecured, interest free and have no fixed terms of repayment.

27. 應收(應付)聯營公司款項

本集團及本公司

應收(應付)聯營公司款項乃無抵押、免息及無固定還款期。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

28. TRADE AND OTHER RECEIVABLES

THE GROUP

Included in trade and other receivables are trade receivables of approximately HK\$13,538,000 (2003: HK\$7,029,000) and the aged analysis of the trade receivables at the reporting dates is as follows:

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	超過90日

The Group allows an average credit period of 60 days to local customers and 90 days to overseas customers.

28. 貿易及其他應收賬款

本集團

列入貿易及其他應收賬款之款項包括為數約13,538,000港元(二零零三年:7,029,000港元)之貿易應收賬款,而該等貿易應收賬款於呈報日之賬齡分析如下:

	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
0 – 30 days	7,446	2,617
31 – 60 days	2,869	1,573
61 – 90 days	1,414	815
Over 90 days	1,809	2,024
	13,538	7,029

本集團給予本地顧客及海外顧客之平均除賬期分別為60日及90日。

29. LOAN RECEIVABLES

29. 應收貸款

Loan to certain companies and individuals (Note a and b)	給予若干公司及人士之貸款(附註a及b)
Loan to land operator (Note c)	給予地接經營商之貸款(附註c)

	THE GROUP 本集團		THE COMPANY 本公司	
	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Loan to certain companies and individuals (Note a and b)	108,000	31,950	82,925	31,950
Loan to land operator (Note c)	23,000	23,000	–	–
	131,000	54,950	82,925	31,950

Notes:

- (a) (i) Included in the amount at 31 December 2004 was HK\$40,000,000 relating to the consideration receivable on disposal of an interest in a co-operative joint-venture in 2003 (note 20). The purchaser entered into an agreement on 31 December 2004 with the Group, under which the Group grants loan facility to the extent of HK\$40,000,000 to the purchaser. The loan is repayable on demand, carries interest at prime rate and is secured on equity interest in an enterprise established in the PRC.

附註:

- (a) (i) 該筆款項於二零零四年十二月三十一日為40,000,000港元,當中包括於二零零三年出售一間合作合營企業之權益之應收代價(附註20)。買方與本集團於二零零四年十二月三十一日訂立了一份協議,據此,本集團向買方提供40,000,000港元之貸款融資額。該貸款須按通知償還,以最優惠利率計算,並以國內成立之一間企業之股本權益抵押。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

29. LOAN RECEIVABLES (Continued)

- (a) (ii) Included in the balances was approximately HK\$5,074,000 (2003: HK\$nil) due from a related company. Certain directors of the Company have beneficial interests in and/or are also directors of the related company.
- (b) The amounts are unsecured, carry interest at market rates and repayable within one year.
- (c) The loan to land operator represents an advance made to one of the Group's land operators for the designated purpose of purchase of coaches. The amount is secured, bears interest at 10% per annum on the principal amount over a period of thirty months and should be repayable by thirty equal monthly instalments commencing August 2000. Pursuant to the subsequent supplemental agreements thereafter, the repayment date of the loan is extended to 31 December 2005.

30. TRADING CASH BALANCES

THE GROUP

The amounts represent foreign currencies held for money exchange purposes.

29. 應收貸款 (續)

- (a) (ii) 結餘包括一家關連公司結欠之5,074,000港元(二零零三年:零港元)。本公司若干董事於該關連公司擁有實益權益及/或兼任其董事。
- (b) 該筆款項為無抵押,以市場利率計息,並須於一年內償還。
- (c) 給予地接經營商之貸款為本集團向其中一間地接經營商墊付作為購買旅遊巴士之特定用途貸款。該筆貸款為有抵押,本金之年息率為10厘,付息期為三十個月,並於二零零零年八月開始分三十個月分期償還。根據其後訂立之補充協議,該筆貸款之還款期已押後至二零零五年十二月三十一日。

30. 貿易現金結餘

本集團

有關金額乃指持作現金找換用途之外幣。

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31. TRADE AND OTHER PAYABLES

THE GROUP

Included in trade and other payables are trade payables of approximately HK\$113,844,000 (2003: HK\$77,121,000) and the aged analysis of the trade payables at the reporting dates is as follows:

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	超過90日

31. 貿易及其他應付賬款

本集團

列入貿易及其他應付賬款之款項包括為數約113,844,000港元(二零零三年: 77,121,000港元)之貿易應付賬款,而該等貿易應付賬款於呈報日之賬齡分析如下:

	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
0 – 30 days	60,876	44,715
31 – 60 days	22,542	15,687
61 – 90 days	16,316	9,593
Over 90 days	14,110	7,126
	113,844	77,121

32. LOANS FROM RELATED COMPANIES

Certain directors of the Company are also directors of and/or have beneficial interests in those companies. The loans are unsecured, bear interest at market rates and with the terms of repayment as follows:

Amounts repayable within 1 year	一年內償還之金額
Amounts repayable after 1 year but within 2 years	一年後但兩年內 償還之金額

32. 關連公司貸款

本公司若干位董事亦身兼該等公司之董事及/或於該等公司擁有實益權益。該等貸款為無抵押,以市場息率計息,而還款期如下:

	THE GROUP 本集團		THE COMPANY 本公司	
	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Amounts repayable within 1 year	260,778	8,000	61,314	–
Amounts repayable after 1 year but within 2 years	112,098	223,312	74,702	223,312
	372,876	231,312	136,016	223,312

33. AMOUNTS DUE TO RELATED COMPANIES

THE GROUP AND THE COMPANY

The balances represent principally trading balances including trade payables and loan interest payable, which are unsecured, interest free and repayable on demand.

33. 應付關連公司款項

本集團及本公司

有關結餘主要為貿易結餘,包括貿易應付賬款及應付貸款利息,該等款項乃無抵押、免息及須按通知償還。

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34. OBLIGATIONS UNDER FINANCE LEASES

34. 融資租約承擔

		Minimum lease payments 最低租金付款		Present value of minimum lease payments 最低租金付款之現值	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
THE GROUP	本集團				
Amounts payable under finance leases:	根據融資租約應付之款項				
Within one year	一年內	395	–	378	–
Between one to two years	一年至兩年內	106	–	93	–
		501	–	471	–
Less: Future finance charges	減：未來融資支出	(30)	–	–	–
Present value of lease obligations	租約承擔之現值	471	–	471	–
Less: Amount due within one year shown under current liabilities	減：列為流動負債之一年內到期款項			(378)	–
Amount due after one year	一年後到期款項			93	–

The Group entered into finance leases to acquire certain of its property, plant and equipment. The terms of the finance leases ranged from 2 to 4 years and the average effective borrowing rate was 6% (2003: 8.5%) per annum. Interest rate was fixed at the contract date. The leases were on a fixed repayment basis and no arrangement was entered into for contingent rental payments. The Group's obligations under the finance leases were secured by the lessors' charge over the leased assets.

本集團簽訂融資租約以收購其若干物業、機器及設備。該等融資租約為期2至4年，平均有效借貸年利率為6%（二零零三年：8.5%）。利率乃於簽訂租約之日釐定。該等租約乃以固定還款為基準，且概無就或然租金付款訂立任何協議。本集團之融資租約承擔以出租人抵押之租賃資產作為擔保。

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35. BORROWINGS

35. 借貸

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Bank loans	銀行貸款	329,091	921	–	–
Bank overdrafts	銀行透支	28,181	–	–	–
Other loans	其他貸款	189	33,560	–	33,560
		357,461	34,481	–	33,560
Less: Amount due within one year shown under current liabilities	減：列為流動負債之 一年內到期款項	(57,066)	(28,230)	–	(28,000)
Amount due after one year	一年後到期款項	300,395	6,251	–	5,560
Secured	有抵押	327,287	921	–	–
Unsecured (Note)	無抵押(附註)	30,174	33,560	–	33,560
		357,461	34,481	–	33,560
Borrowings are repayable as follows:	借貸須於下列期限 償還：				
Within one year or on demand	一年內或按通知	57,066	28,230	–	28,000
Between one to two years	一年至兩年內	30,020	6,251	–	5,560
Between two to five years	兩年至五年內	270,375	–	–	–
		357,461	34,481	–	33,560

Note: At 31 December 2003, included in unsecured other loans of the Group were HK\$15,000,000 which were secured on assets provided by a related company (Note 52(g)).

附註：於二零零三年十二月三十一日，計入本集團無抵押其他貸款之15,000,000港元以一間關連公司提供之資產作抵押(附註52(g))。

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36. CONVERTIBLE NOTES

THE GROUP AND THE COMPANY

Convertible notes	可換股票據
Less: Conversion into shares	減: 兌換股份
Less: Amount repayable within one year classified under current liabilities	減: 分類為須於一年內償還之流動負債

During the year, the Company issued new convertible notes amounting to HK\$260,000,000 to finance the redemption of the convertible notes amounting to HK\$254,125,000 issued in 2002 and due in 2004. All the 2002 convertible notes were redeemed or cancelled by the replacement of the 2004 convertible notes. The new convertible notes carry interest at 2% per annum and are repayable on 14 June 2007. The holders of the new convertible notes were initially entitled to convert on any business day the convertible notes into new shares of the Company at any time from the date of issue of the new convertible notes, at an initial conversion price of HK\$0.02 per share, subject to adjustments.

During the year, HK\$205,000,000 of the 2004 convertible notes were converted into 10,250,000,000 new shares of the Company of HK\$0.01 each.

Following the issue of shares in the Company pursuant to the placing and subscription agreement dated 4 February 2005 (note 51(b)), the conversion price of the convertible notes was adjusted to HK\$0.0197 per share in accordance with its terms and conditions. On 14 March 2005, the day immediately preceding the effective date of the share consolidation as mentioned under Note 51(c), the conversion price was adjusted to HK\$1.97 per new consolidated share.

36. 可換股票據

本集團及本公司

2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
260,000	254,125
(205,000)	—
55,000	254,125
—	(254,125)
55,000	—

於年內，本公司發行價值260,000,000港元之新可換股票據，作資金贖回於二零零二年發行並於二零零四年到期之254,125,000港元可換股票據。二零零二年可換股票據已悉數贖回或註銷，並由二零零四年可換股票據取代。該等新可換股票據按年利率2厘計息並須於二零零七年六月十四日償還。新可換股票據持有人最初有權於可換股票據發行當日起，隨時及不時於任何營業日按初步兌換價每股0.02港元（可予調整）將可換股票據兌換成本公司之新股份。

年內，205,000,000港元之二零零四年可換股票據兌換成本公司10,250,000,000股每股0.01港元新股份。

於本公司根據日期為二零零五年二月四日之配售及認購協議發行股份後（附註51(b)），可換股票據之兌換價已根據其條款及條件調整至每股0.0197港元。於二零零五年三月十四日，緊接附註51(c)所述之股份合併之生效日期前，兌換價獲調整至每股新合併股份1.97港元。

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36. CONVERTIBLE NOTES (Continued)

THE GROUP AND THE COMPANY (Continued)

If and whenever the average closing price per share of the Company for 20 consecutive trading days immediately preceding the first or second anniversary of the date of issue of the convertible notes is lower than the then prevailing conversion price, such conversion price shall be immediately adjusted to such average closing price, provided that such average closing price shall not fall below HK\$1.50. Upon full conversion of the new convertible notes at 31 December 2004 at HK\$1.97 per new consolidated share, a total of 27,918,781 new consolidated shares in the Company of HK\$1.00 each would be issued. Should the conversion price be HK\$1.50 per share as aforesaid, a total of 36,666,666 new consolidated shares in the Company of HK\$1.00 each would be issued.

37. PROMISSORY NOTE

THE GROUP

The promissory note was issued during the year ended 31 December 2002 by a subsidiary of Apex (note 42 (a)) to Hutchison Hotels Holdings (International) Limited as partial consideration for the acquisition of the entire share capital of, and shareholders' loan to, Makerston Limited ("Makerston"), which holds indirectly a 95% interest in a group company holding a hotel property in Beijing. The promissory note is interest bearing at Hong Kong Inter-Bank Offered Rate plus 2%, repayable on 1 December 2007 and secured by the entire issued share capital of, and shareholders' loan to, Makerston and its subsidiaries holding the aforesaid hotel property.

36. 可換股票據 (續)

本集團及本公司 (續)

若本公司股份於緊接可換股票據發行日期第一或第二週年屆滿前連續20個交易日之平均每股收市價，低於當時適用之兌換價，則兌換價將即時調整至該平均收市價(惟該平均收市價不得低於1.50港元)。於二零零四年十二月三十一日以每股1.97港元新可換股票據悉數兌換新可換股票據後，本公司合共發行27,918,781股每股1.00港元新合併股份。若兌換價為上述每股1.50港元，本公司將發行合共36,666,666股每股1.00港元新合併股份。

37. 承兌票據

本集團

承兌票據已於截至二零零二年十二月三十一日止年度透過Apex之附屬公司(附註42(a))發行予Hutchison Hotels Holdings (International) Limited，作為收購Makerston Limited (「Makerston」)之全部已發行股本及股東貸款之部份代價。Makerston間接持有一間於北京持有酒店物業之集團公司95%權益。承兌票據以香港銀行同業拆息加2厘計息，須於二零零七年十二月一日償還，並以Makerston之全部已發行股本及股東貸款向Makerston及其持有上述酒店物業之附屬公司抵押。

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38. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised and movement thereon during the current and prior accounting periods:

		Accelerated tax depreciation HK\$'000 加速稅項折舊 千港元	Tax losses HK\$'000 稅務虧損 千港元	Hotel properties HK\$'000 酒店物業 千港元	Others HK\$'000 其他 千港元	Total HK\$'000 合計 千港元
THE GROUP	本集團					
At 1 January 2003	於二零零三年一月一日	13,062	(5,012)	-	-	8,050
Credit to income for the year	本年度於收入撥回	(106)	(2,133)	-	(234)	(2,473)
Effect of change in tax rate	稅率變動產生之影響					
- charge (credit) to income for the year	- 本年內於收入支出 (撥回)	1,225	(470)	-	-	755
Released on disposal of subsidiaries	出售附屬公司時 解除	(14,181)	7,615	-	234	(6,332)
At 31 December 2003 and 1 January 2004	於二零零三年 十二月三十一日及 二零零四年一月一日	-	-	-	-	-
Acquisition of subsidiaries (note 42(a))	收購附屬公司 (附註42(a))	-	-	243,354	-	243,354
At 31 December 2004	於二零零四年 十二月三十一日	-	-	243,354	-	243,354

For the purpose of the balance sheet presentation, the above deferred tax assets and liabilities were offset.

At 31 December 2004, the Group and the Company has unused tax losses of HK\$947,791,000 (2003: HK\$555,159,000) and HK\$198,796,000 (2003: HK\$190,755,000) respectively available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams. Pursuant to the relevant laws and regulations in the PRC, the unutilised tax losses of approximately HK\$65,000,000 (2003: HK\$nil) can be carried for a period of five years. The losses arising from overseas subsidiaries are insignificant, which will expire after a specific period of time, other unrecognised tax losses may be carried forward indefinitely.

38. 遞延稅項

以下為於本會計期間及過往會計期間已確認之主要遞延稅項負債及資產，以及有關之變動：

就資產負債表之呈報而言，上述遞延稅項資產及負債已對銷。

於二零零四年十二月三十一日，本集團及本公司之未動用稅務虧損分別為947,791,000港元（二零零三年：555,159,000港元）及198,796,000港元（二零零三年：190,755,000港元），可用作抵銷未來溢利。由於未能預計日後之溢利來源，故並無就稅務虧損確認遞延稅項資產。根據中國有關法律及規例，未動用稅務虧損65,000,000港元（二零零三年：零港元）可結轉為期五年。海外附屬公司產生且將於特定期間後到期之稅務虧損並不重要，而其他未確認之稅務虧損或會無限期結轉。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

39. SHARE CAPITAL

39. 股本

		Number of shares 股份數目	Amount HK\$'000 金額 千港元
Shares of HK\$0.01 each	每股面值0.01港元之股份		
Authorised	法定		
At 1 January 2003, 31 December 2003, 1 January 2004 and at 31 December 2004	於二零零三年一月一日、 二零零三年十二月三十一日、 二零零四年一月一日及 二零零四年十二月三十一日	50,000,000,000	500,000
Issued and fully paid	已發行及繳足		
At 1 January 2003, 31 December 2003 and 1 January 2004	於二零零三年一月一日、 二零零三年十二月三十一日及 二零零四年一月一日	18,316,732,770	183,167
Conversion into shares from convertible notes (note 36)	可換股票據 兌換為股份(附註36)	10,250,000,000	102,500
Issue of shares (note)	發行股份(附註)	3,660,000,000	36,600
At 31 December 2004	於二零零四年十二月三十一日	32,226,732,770	322,267

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財務報表附註

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39. SHARE CAPITAL (Continued)

Note:

On 30 November 2004, the Company entered into two placing and subscription agreements with China Enterprises Limited ("CEL"), a subsidiary of China Strategic Holdings Limited ("CSH") and a substantial shareholder of the Company, and Deutsche Bank AG, Hong Kong Branch (the "Placing Agent") pursuant to which the Placing Agent agreed to place 6,000 million shares of HK\$0.01 each in the Company then held by CEL at the price of HK\$0.028 per share to independent investors and CEL would subscribe for up to 6,000 million new shares of HK\$0.01 each in the Company at the same price of HK\$0.028 per share. The first placing and subscription agreement and the second placing and subscription agreement related to the placing and the conditional subscription of 3,660 million and 2,340 million shares of HK\$0.01 each in the Company respectively. The subscription of the shares under the second placing and subscription agreement was conditional upon, among others, the approval of the independent shareholders of the Company. The total proceeds from the above two placing and subscription agreements will be used principally towards payments of HK\$107.5 million of the consideration for the acquisition of interest in Kingsway Hotel and the balance of approximately HK\$53.1 million will be utilised as general working capital of the Group. On 14 December 2004, 3,660 million of shares were issued and allotted at the price of HK\$0.028 per share in accordance with the first placing and subscription agreement and the proceeds, net of expense, amounted to approximately HK\$98.6 million. The new shares issued rank pari passu in all respects with the then existing shares.

39. 股本(續)

附註:

於二零零四年十一月三十日，本公司與China Enterprises Limited(「CEL」)，中策集團有限公司(「中策」)之附屬公司及本公司之主要股東)及德意志銀行香港分行(「配售代理」)訂立兩份配售及認購協議，據此，配售代理同意按每股0.028港元向獨立投資者配售6,000,000,000股當時由CEL持有之本公司每股0.01港元股份，而CEL將按每股0.028港元之相同價格最多認購6,000,000,000股本公司每股0.01港元新股份。首份配售及認購協議及第二份配售及認購協議乃分別關於配售及有條件認購3,660,000,000股及2,340,000,000股本公司每股0.01港元股份。根據第二份配售及認購協議，認購股份須待(其中包括)本公司獨立股東批准後，方可作實。上述兩份配售及認購之收益總額將主要用作支付收購金域酒店權益之代價107,500,000港元，餘額約53,100,000港元將用作本集團之一般營運資金。於二零零四年十二月十四日，本公司按照首份配售及認購協議以每股0.028港元之價格發行及配發3,660,000,000股股份，收益扣除開支後約為98,600,000港元。新股份在各方面均與當時現有股份享有同等權益。

40. SHARE OPTION SCHEME

The Company has a share option scheme (the "Scheme"), which was approved and adopted by shareholders of the Company on 3 May 2002, enabling the directors to grant options to employees, executives or officers of the Company or any of its subsidiaries (including executive and non-executive directors of the Company or any of its subsidiaries) and any suppliers, consultants, agents or advisers who will contribute or have contributed to the Company or any of its subsidiaries as incentives and rewards for their contribution to the Company or such subsidiaries. The maximum number of shares in respect of which options may be granted under the Scheme, when aggregated with any shares subject to any other schemes, shall not exceed 1,388,131,777 shares of HK\$0.01 each in the Company before the consolidation of shares, representing 10% of the issued share capital of the Company on the date of approval and adoption of the Scheme.

Option granted must be taken up within 30 days of the date of offer. The consideration payable for the option is HK\$1. Options may be exercised at any time from the date of acceptance of the share option to such date as determined by the board of directors but in any event not exceeding 10 years. The exercise price is determined by the directors of the Company and will not be less than the higher of (i) the average closing price of the shares for the five business days immediately preceding the date of grant, (ii) the closing price of the shares on the date of grant or (iii) the nominal value of the shares of the Company.

No share options have been granted under the Scheme since its adoption.

40. 購股權計劃

本公司設有一項於二零零二年五月三日由本公司股東批准並採納之購股權計劃(「該計劃」)。根據該計劃,董事可向本公司或其任何附屬公司之僱員、行政人員或高級職員(包括本公司或其任何附屬公司之執行董事或非執行董事),及任何對本公司或其任何附屬公司將有貢獻或有貢獻之供應商、顧問、代理或諮詢人授予購股權,作為彼等對本公司或該等附屬公司所作貢獻之獎勵或回報。根據該計劃可能授出之購股權可認購之股份最高數目加上任何其他計劃涉及之股份,合共不得超過1,388,131,777股於股份合併前本公司每股0.01港元之股份,相當於本公司於批准及採納該計劃之日已發行股本之10%。

授出之購股權必須於建議之日起計三十日內獲接納。購股權之應付代價為1港元。購股權可於購股權獲接納之日起至董事會釐定之日期止任何時間行使,惟無論如何不得超過十年。行使價格由本公司董事釐定,且將不會低於(i)股份緊接授出之日前五個營業日之平均收市價,(ii)股份於授出之日之收市價或(iii)本公司股份之面值(以最高者為準)。

自採納該計劃以來,本公司概無根據該計劃授出購股權。

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41. RESERVES

41. 儲備

		Share premium HK\$'000 股份溢價 千港元	Special reserve HK\$'000 特別儲備 千港元	Investment property revaluation reserve HK\$'000 投資物業 重估儲備 千港元	Translation reserve HK\$'000 匯兌儲備 千港元	Goodwill reserve HK\$'000 商譽儲備 千港元	Statutory reserves HK\$'000 法定儲備 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 合計 千港元
THE GROUP	本集團								
At 1 January 2003	於二零零三年一月一日	1,019,606	55,554	573	(111)	(9,767)	150	(594,596)	471,409
Exchange difference arising on translation of financial statements of operations outside Hong Kong	換算海外公司財務報表產生之匯兌差額	-	-	-	(286)	-	-	-	(286)
Surplus arising from revaluation of investment property	重估投資物業產生之盈餘	-	-	163	-	-	-	-	163
Share of reserve of an associate	應佔一間聯營公司之儲備	-	-	-	73	-	-	-	73
Transfer to investments in securities on reclassification of investments	將投資重新分類時轉撥至證券投資	-	-	-	-	9,767	-	-	9,767
Net loss for the year	本年度虧損淨額	-	-	-	-	-	-	(370,972)	(370,972)
At 31 December 2003 and 1 January 2004	於二零零三年十二月三十一日及二零零四年一月一日	1,019,606	55,554	736	(324)	-	150	(965,568)	110,154
Exchange difference arising on translation of financial statements of operations outside Hong Kong	換算海外公司財務報表產生之匯兌差額	-	-	-	(757)	-	-	-	(757)
Conversion into shares from convertible notes	可換股票據兌換為股份	102,500	-	-	-	-	-	-	102,500
Issue of shares	發行股份	65,880	-	-	-	-	-	-	65,880
Share issue expenses	股份發行開支	(3,832)	-	-	-	-	-	-	(3,832)
Surplus arising from revaluation of investment property	重估投資物業產生之盈餘	-	-	2,000	-	-	-	-	2,000
Realisation on liquidation of a subsidiary	附屬公司清盤變現	-	-	-	(847)	-	-	-	(847)
Net profit for the year	本年度溢利	-	-	-	-	-	-	35,377	35,377
At 31 December 2004	於二零零四年十二月三十一日	1,184,154	55,554	2,736	(1,928)	-	150	(930,191)	310,475

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41. RESERVES (Continued)

The special reserve represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the shares of the Company issued for the acquisition under the group reorganisation in September 1997.

The accumulated losses, translation reserve and statutory reserves of the Group include losses of HK\$1,739,000 (2003: HK\$246,293,000), surplus of HK\$73,000 (2003: HK\$73,000) and HK\$150,000 (2003: HK\$150,000) respectively attributable to the associates of the Group.

41. 儲備 (續)

特別儲備指按一九九七年九月之集團重組時所收購附屬公司股份面值與為收購而發行本公司股份面值之間之差額。

本集團之累計虧損、匯兌儲備及法定儲備包括本集團聯營公司之應佔虧損分別為1,739,000港元(二零零三年:246,293,000港元)、盈餘73,000港元(二零零三年:73,000港元)及150,000港元(二零零三年:150,000港元)。

		Share premium HK\$'000 股份溢價 千港元	Contributed surplus HK\$'000 繳入盈餘 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 合計 千港元
THE COMPANY	本公司				
At 1 January 2003	於二零零三年一月一日	1,019,606	177,800	(855,597)	341,809
Net loss for the year	本年度虧損淨額	–	–	(235,895)	(235,895)
At 31 December 2003 and 1 January 2004	於二零零三年十二月三十一日 及二零零四年一月一日	1,019,606	177,800	(1,091,492)	105,914
Conversion into shares from convertible notes	可換股票據兌換為股份	102,500	–	–	102,500
Issue of shares	發行股份	65,880	–	–	65,880
Share issue expenses	股份發行開支	(3,832)	–	–	(3,832)
Net loss for the year	本年度虧損淨額	–	–	(29,272)	(29,272)
At 31 December 2004	於二零零四年十二月三十一日	1,184,154	177,800	(1,120,764)	241,190

The contributed surplus of the Company represents the difference between the book values of the underlying net assets of the subsidiaries at the date on which they were acquired by the Company and the nominal amount of the Company's shares issued under the group reorganisation in September 1997, net of HK\$100,000 applied in paying up in full at par the 1,000,000 then nil paid shares of HK\$0.10 each of the Company which were allotted and issued nil paid on 12 August 1997.

本公司之繳入盈餘乃指本公司於收購各附屬公司當日，各附屬公司之實際淨資產賬面值與本公司按一九九七年九月之集團重組而發行股份之面值扣除100,000港元後之差額。該筆為數100,000港元之款項用以繳足於一九九七年八月十二日當時配發及發行之1,000,000股本公司每股面值0.10港元之未繳足股份。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

41. RESERVES (Continued)

In addition to the accumulated profits, under The Companies Act 1981 of Bermuda (as amended), contributed surplus is also available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

In the opinion of the directors, the reserves of the Company which were available for distribution to shareholders at 31 December 2004 were nil (2003: nil).

41. 儲備 (續)

除累計溢利外，根據百慕達一九八一年公司法（經修訂），繳入盈餘亦可供分派。然而，如出現以下情況，則本公司不能宣派或派付股息，或從繳入盈餘中作出分派：

- (a) 本公司於派付股息後無法或可能無法償還到期之債項；或
- (b) 資產之變現價值會因此低於其負債、已發行股本及股份溢價賬之總和。

董事之意見認為本公司於二零零四年十二月三十一日可供分派予股東之儲備為零港元（二零零三年：無）。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

42. ACQUISITION OF SUBSIDIARIES

- (a) During the year, the Group acquired through a cash offer further interest in its former associate, Apex. On 9 January 2004, Apex became a subsidiary of the Group. The effect of the acquisition is summarised as follows:

42. 收購附屬公司

- (a) 於年內，本集團透過現金收購建議進一步收購前聯營公司Apex之權益。於二零零四年一月九日，Apex成為本集團附屬公司。收購之影響概述如下：

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Property, plant and equipment	物業·機器及設備	1,683,105	-
Club debenture	會所債券	713	-
Investments in securities	證券投資	212	-
Properties held for sale	持作銷售物業	98	-
Inventories	存貨	5,394	-
Trade and other receivables	貿易及其他應收賬款	65,423	-
Bank balances and cash	銀行結餘及現金	22,258	-
Trade and other payables	貿易及其他應付賬款	(104,544)	-
Amount due to the Group	應付本集團款項	(9,425)	-
Obligations under a finance lease	融資租賃承擔	(1,467)	-
Bank and other borrowings	銀行及其他借貸	(378,829)	-
Amounts due to related companies	應付關連公司款項	(81,654)	-
Promissory note	承兌票據	(365,000)	-
Deferred taxation	遞延稅項	(243,354)	-
Minority interests	少數股東權益	(279,909)	-
Net assets acquired	購入淨資產	313,021	-
Less: Interest previously acquired and classified as interest in an associate	減：以往收購及分類為聯營公司 權益之權益	(218,360)	-
		94,661	-
Negative goodwill arising on acquisition	收購產生之負商譽	(74,514)	-
Cash consideration	現金代價	20,147	-
Net cash inflow arising on acquisition:	收購產生之現金流入淨額：		
Cash consideration	現金代價	(20,147)	-
Bank balances and cash acquired	收購之銀行結餘及現金	22,258	-
		2,111	-

Apex contributed HK\$190,034,000 to the Group's turnover and HK\$5,927,000 to the Group's profit before taxation for the current year.

於本年度，Apex對本集團營業額及本集團除稅前溢利之貢獻分別為190,034,000港元及5,927,000港元。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

42. ACQUISITION OF SUBSIDIARIES (Continued)

(b) In December 2004, the Group acquired 100% of the issued share capital of International Travel Systems Inc. The effect of the acquisition is summarised as follows:

42. 收購附屬公司 (續)

(b) 於二零零四年十二月，本集團收購 International Travel Systems Inc. 之全部已發行股本。收購之影響概述如下：

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Net assets acquired:	購入淨資產：		
Property, plant and equipment	物業、機器及設備	89	-
Trade and other receivables	貿易及其他應收賬款	1,000	-
Bank balances and cash	銀行結餘及現金	502	-
Trade and other payables	貿易及其他應付賬款	(1,806)	-
Net liabilities acquired	購入淨負債	(215)	-
Goodwill arising on acquisition	收購產生之商譽	50,215	-
Cash consideration	現金代價	(50,000)	-
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：		
Cash consideration	現金代價	(50,000)	-
Bank balances and cash acquired	購入銀行結餘及現金	502	-
		(49,498)	-

The subsidiary acquired during the year ended 31 December 2004 contributed an insignificant amount to the Group's turnover and profit before taxation for the current year.

截至二零零四年十二月三十一日止年度，收購之附屬公司對本集團於本年度營業額及除稅前溢利之貢獻並不重大。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

42. ACQUISITION OF SUBSIDIARIES (Continued)

- (c) On 24 September 2003, the Group acquired 100% of the issued share capital of Sinomatrix Limited by assets swap mentioned under note 44(d). Sinomatrix Limited, in turn, holds 70% interest in Silver Bay Commodities Limited. The aggregate assets and liabilities are as follows:

42. 收購附屬公司 (續)

- (c) 於二零零三年九月二十四日，本集團透過附註44(d)所述之資產調換收購 Sinomatrix Limited 之全部已發行股本。Sinomatrix Limited 則持有銀港資源有限公司70%權益。資產及負債總額如下：

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Net assets acquired:	購入淨資產：		
Investments in securities	證券投資	-	99,258
Minority interests	少數股東權益	-	(29,778)
Net assets acquired	購入淨資產	-	69,480

The subsidiaries acquired during the year ended 31 December 2003 contributed an insignificant amount to the Group's turnover and loss from operations.

截至二零零三年十二月三十一日止年度，收購之附屬公司對本集團營業額及經營虧損之貢獻並不重大。

These acquisitions have been accounted for by the acquisition method of accounting.

以上收購已按會計收購法計算。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

43. DISPOSAL OF DISCONTINUED OPERATION

On 31 October 2003, the Group disposed of its subsidiary which carried out the segment of transportation services. The net assets of Trans-Island Group at the date of disposal were as follows:

43. 出售已終止業務

於二零零三年十月三十一日，本集團已出售其從事客運服務分類之附屬公司。環島集團於出售當日之資產淨值如下：

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Net assets disposed of:	已售出之資產淨值：		
Property, plant and equipment	物業、機器及設備	-	92,977
Inventories	存貨	-	56
Amounts due from group companies	應收集團公司款項	-	8,775
Trade and other receivables	貿易及其他應收賬款	-	24,779
Bank balances and cash	銀行結餘及現金	-	3,356
Trade and other payables	貿易及其他應付賬款	-	(39,476)
Tax payable	應付稅項	-	(61)
Bank borrowings	銀行借貸	-	(15,152)
Obligations under finance leases	融資租約承擔	-	(18,529)
Deferred taxation	遞延稅項	-	(6,332)
		-	50,393
Unamortised goodwill	未攤銷商譽	-	12,571
		-	62,964
Cash consideration	現金代價	-	(36,131)
		-	26,833
Commission and related expenses	佣金及相關開支	-	5,864
Loss on disposal of discontinued operation	出售已終止業務之虧損	-	32,697
Net cash inflow arising from disposal:	出售產生之現金流入淨額：		
Cash consideration	現金代價	-	36,131
Less: Bank balances and cash disposed of	減：已出售之銀行結餘及現金	-	(3,356)
Commission and related expenses	佣金及相關開支	-	(5,864)
		-	26,911

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

43. DISPOSAL OF DISCONTINUED OPERATION

(Continued)

The subsidiaries disposed of during the year ended 31 December 2003 contributed HK\$124,329,000 to the Group's turnover and HK\$22,004,000 to the Group's loss before taxation for that year.

44. MAJOR NON-CASH TRANSACTIONS

- (a) During the year, the Company issued convertible notes to finance the redemption of the convertible notes issued in 2002 and due in 2004. The total consideration of 2004 convertible notes of HK\$260,000,000 was partly settled by the cancellation of 2002 convertible notes of HK\$189,800,000.
- (b) During the year, the consideration receivable on disposal of interest in a co-operative joint venture in 2003 of HK\$40,000,000, which was yet to be received as at 31 December 2003, was transferred to loan receivable (note 29(a(i))).
- (c) During the year, the Group entered into finance lease arrangements in respect of assets with a total capital value of HK\$186,000 (2003: HK\$nil) at the inception of the finance leases.
- (d) During the year ended 31 December 2003, the Group disposed of the amount receivable from the property purchaser together with interests in other investments amounting to HK\$77,200,000 and HK\$22,913,000 (including HK\$287,000 receivable from the investee companies) respectively to exchange for a 70% interest in an investment company which holds a 26% interest in a PRC joint venture engaged in property holding and operation of leisure services. The acquired investee company is classified as investment securities at a fair value of HK\$99,258,000 at the date of completion of the transaction.
- (e) During the year ended 31 December 2003, the Group disposed of its interests in Rosedale for a consideration of HK\$88,000,000 of which HK\$68,000,000 was due for payment after 31 December 2003.

43. 出售已終止業務 (續)

截至二零零三年十二月三十一日止年度，出售之附屬公司為本集團之營業額及本集團該年除稅前虧損分別帶來124,329,000港元及22,004,000港元。

44. 重大非現金交易

- (a) 於年內，本公司發行可換股票據贖回於二零零二年發行並於二零零四年到期之可換股票據。二零零四年可換股票據之總代價為260,000,000港元，當中部分已透過註銷二零零二年可換股票據189,800,000港元予以償還。
- (b) 年內，於二零零三年出售一間合作合營企業之權益之應收代價40,000,000港元，已轉換至應收貸款(附註29(a(i)))。該筆款項於二零零三年十二月三十一日尚未收取。
- (c) 於年內，本集團就若干資產達成融資租約協議，其資本總值於融資租約開始時為186,000港元(二零零三年：零港元)。
- (d) 截至二零零三年十二月三十一日止年度，本集團已出售77,200,000港元之應收物業買方賬款及22,913,000港元之其他投資之權益(包括應收被投資公司之賬款287,000港元)，以換取一間投資公司70%之權益。該間投資公司持有一間持有物業及經營休閒相關業務之中國合營企業26%之權益。已收購之被投資公司於交易完成當日已按公平值99,258,000港元分類為投資證券。
- (e) 截至二零零三年十二月三十一日止年度，本集團已出售其於珀麗之權益，作價88,000,000港元，其中68,000,000港元於二零零三年十二月三十一日後到期支付。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

45. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS

Bank balances and cash 銀行結餘及現金
Bank overdrafts 銀行透支

2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
134,317	111,709
(28,181)	–
106,136	111,709

46. PLEDGE OF ASSETS

Save as otherwise disclosed, at 31 December 2004, the Group's credit facilities were secured by the Group's assets as follows:

Hotel property 酒店物業
Property interests 物業權益
Bank balances 銀行結餘

2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
641,569	–
14,060	19,839
6,800	390
662,429	20,229

45. 現金及現金等值項目結餘分析

46. 資產抵押

除另行披露外，於二零零四年十二月三十一日，本集團之信貸融資以本集團下列資產作抵押：

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

47. CONTINGENT LIABILITIES

47. 或然負債

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Guarantees given to banks, financial institutions and suppliers in respect of credit facilities granted to subsidiaries	向銀行、財務機構及供應商就其給予各附屬公司之信貸融資而作出之擔保	-	-	17,488	16,000
An undertaking to Apex to indemnify it against any potential loss upon the transfer of the land use right in relation to the disposal thereof	向Apex作出承諾以彌償其就有關出售轉讓土地使用權時而蒙受之任何潛在損失	-	37,347	-	37,347
Guarantee to the holder of the promissory note issued by a subsidiary of Apex	就Apex一間附屬公司發行之承兌票據持有人作出之擔保	-	365,000	-	365,000
		-	402,347	17,488	418,347

In addition, the Group also had contingent liabilities in respect of liabilities arising from claims against Trans-Island Group in connection with its businesses before the disposal. The directors consider that the final outcomes of those claims will not be material and, accordingly, no provision has been made in the financial statements.

此外，本集團亦有涉及環島集團出售前有關其業務之申索所產生之負債有關之或然負債。董事認為該等申索之最終結果將屬輕微，故並無於財務報表作出撥備。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

48. OPERATING LEASE COMMITMENTS (Continued)

As lessor

Property rental income earned during the year was HK\$13,072,000 (2003: HK\$109,000).

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments for its investment property and premises within the hotel properties:

Within one year	一年內
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)

At 31 December 2004 and 31 December 2003, the Company had not contracted with tenants for any future minimum lease payments.

49. CAPITAL COMMITMENTS

Contracted for but not provided in the financial statements in respect of investments	就投資已訂約惟未於財務報表內撥備
Contracted for but not provided in the financial statements in respect of acquisition of property, plant and equipment	就購買物業、機器及設備已訂約惟未於財務報表內撥備

At 31 December 2004 and 31 December 2003, the Company did not have any significant capital commitments.

48. 經營租約承擔(續)

作為出租人

年內收取之物業租金收入為13,072,000港元(二零零三年:109,000港元)。

於結算日,本集團與租戶訂立合約,內容有關下列投資物業及酒店物業內之樓宇之未來最低租金付款:

THE GROUP 本集團	
2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
11,369	—
33,577	—
44,946	—

於二零零四年十二月三十一日及二零零三年十二月三十一日,本公司並無就任何未來最低租金付款與租戶訂約。

49. 資本承擔

THE GROUP 本集團	
2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
137,697	—
30,760	—
168,457	—

於二零零四年十二月三十一日及二零零三年十二月三十一日,本公司並無任何重大資本承擔。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

50. PROVIDENT FUND SCHEMES

The Group has retirement schemes covering a substantial portion of its employees in Hong Kong. The principal schemes are defined contribution schemes. The assets of these schemes are held separately from those of the Group in funds under the control of independent trustees.

With effect from 1 December 2000, the Group joined a Mandatory Provident Fund Scheme ("MPF Scheme") for all its new employees in Hong Kong employed therefrom or existing employees wishing to join the MPF Scheme. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are required to make contributions to the MPF Scheme at rates specified in the rules. The only obligation of the Group in respect of MPF Scheme is to make the required contributions under the MPF Scheme.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefit scheme operated by the government of the PRC. The subsidiaries are required to contribute certain percentage of their payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The amounts charged to the income statement represent contributions payable to schemes and the MPF Scheme by the Group at rates specified in the rules of the schemes less forfeiture of HK\$277,134 (2003: HK\$1,003,589) arising from employees leaving the Group prior to completion of the qualifying service period, if any.

At the balance sheet date, the total amount of forfeited contributions, which arose upon employees leaving the retirement benefit schemes and which are available to reduce the contributions payable in future years was HK\$65,025 (2003: HK\$98,530).

50. 退休金計劃

本集團為大部分香港僱員設有退休金計劃。主要計劃為定額供款計劃。該等計劃之資產與本集團之資產分開，以基金方式持有，並由獨立信托人控制。

自二零零零年十二月一日起，本集團已為其所有於該日起受僱之新香港僱員及欲參與強制性公積金計劃（「強積金計劃」）之現有僱員參與一個強積金計劃。強積金計劃乃根據強制性公積金計劃條例於強制性公積金計劃管理局註冊。強積金計劃之資產與本集團之資產分開，以基金方式持有，並由一位獨立信托人控制。根據強積金計劃規則，僱主及其僱員須按規則指定比例向強積金計劃作出供款。本集團在強積金計劃方面僅須負責就該計劃作出所需供款。

本集團中國附屬公司之僱員均為中國政府管理之國營退休計劃成員，該等中國附屬公司須按僱員薪酬若干百分比向退休計劃供款。本集團就該退休福利計劃唯一應盡之責任乃根據計劃作出規定之供款。

於收益表中列支之款項，為本集團按各計劃規則指定比例應付予計劃及強積金計劃之供款，減去本集團僱員在未完成合資格服務年期前離職（如有）而被沒收之供款277,134港元（二零零三年：1,003,589港元）。

於結算日，因僱員退出退休金計劃而被沒收，並可供扣減未來年度應付供款之供款總額為65,025港元（二零零三年：98,530港元）。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

51. POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date, the following events have taken place:

- (a) On 31 January 2005, the Company issued and allotted 2,340 million of new shares of HK\$0.01 each in the Company at the price of HK\$0.028 per share under the second placing and subscription agreement as mentioned under note 39 after the approval by the independent shareholders at the special general meeting on 11 January 2005. The proceeds, net of expense, amounted to approximately HK\$61.8 million. The new shares issued rank pari passu in all respects with the then existing shares.
- (b) On 4 February 2005, the Company entered into a placing and subscription agreement with CEL and Tai Fook Securities Company Limited ("Tai Fook") pursuant to which Tai Fook agreed to place up to 6,400 million shares in the Company then held by CEL at the price of HK\$0.022 per share to independent investors and CEL would subscribe for up to 6,400 million new shares of the Company at the same price of HK\$0.022 per share. The net proceeds from the placement amounted to approximately HK\$136.8 million, net of expenses. HK\$50 million of the net proceeds will be used for financing the refurbishment, renovation and upgrading of Kingsway Hotel and the balance of approximately HK\$86.8 million will be used for future investment opportunities relating to existing businesses. The subscription was completed on 18 February 2005. The new shares issued rank pari passu in all respects with the then existing shares.
- (c) On 4 February 2005, the directors proposed to the shareholders of the Company for approval of the consolidation of every one hundred shares of HK\$0.01 each in the issued and unissued ordinary share capital of the Company into one share of HK\$1.00 each. The consolidation of shares of the Company was approved by the shareholders of the Company in the special general meeting on 14 March 2005.

51. 結算日後事項

於結算日後，進行了以下事項：

- (a) 於二零零五年一月三十一日，經獨立股東於二零零五年一月十一日舉行之股東特別大會上批准後，本公司根據第二份配售及認購協議（如附註39所述）以每股0.028港元之價格發行及配發2,340,000,000股本公司每股面值0.01港元之新股份。所得扣除開支後約為61,800,000港元。新股份在各方面均與當時現有股份享有同等權益。
- (b) 於二零零五年二月四日，本公司與CEL及大福證券有限公司（「大福」）訂立配售及認購協議。據此，大福同意以每股0.022港元之價格，向獨立投資者配售最多6,400,000,000股當時由CEL持有之本公司股份，而CEL則會按每股0.022港元之相同價格認購最多6,400,000,000股本公司新股份。配售收益扣除開支後約為136,800,000港元。收益淨額50,000,000港元將用作裝修、翻新及提升金域酒店，餘額約86,800,000港元將用於日後與現有業務相關之投資商機。認購已於二零零五年二月十八日完成。新股份在各方面均與當時現有股份享有同等權益。
- (c) 於二零零五年二月四日，董事向本公司股東提呈批准將本公司已發行及未發行普通股股本中每一百股每股面值0.01港元之股份合併為一股每股面值1.00港元之股份。本公司股東已於二零零五年三月十四日舉行之股東特別大會上批准本公司合併股份。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

51. POST BALANCE SHEET EVENTS (Continued)

- (d) On 17 February 2005, the Group entered into a supplemental agreement under which the Group acquired the attributable interest in Kingsway Hotel from approximately 34.24% (note 24(c)) to 36.26% for a revised consideration of HK\$166,800,000. The transaction was completed on the same date.

52. RELATED PARTY TRANSACTIONS

- (a) During the year, the Group had transactions with related parties as follows:

(i) Nature of transactions	Notes	Name of company	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
(i) 交易性質	附註	公司名稱		
Property rental expenses paid and payable by the Group 本集團已付及應付之物業租金	(i)	Mass Success International Limited Cycle Company Limited and Gunnell Properties Limited 旋高有限公司及 Gunnell Properties Limited	2,268 2,266	1,790 1,630
			4,534	3,420
Air ticketing and travel service income received and receivable by the Group 本集團已收及應收之機票及旅遊服務收入	(ii)	Paul Y. – ITC Construction Holdings Limited and its subsidiaries 保華德祥建築集團有限公司及其附屬公司 Hanny Holdings Limited and its subsidiaries 錦興集團有限公司及其附屬公司 Cheung Wah Ho Dyestuffs Company Limited 祥華號染料有限公司 China Strategic Holdings Limited and its subsidiaries 中策集團有限公司及其附屬公司	1,965 1,240 233 174	486 666 17 213

51. 結算日後事項 (續)

- (d) 於二零零五年二月十七日，本集團簽訂補充協議，據此，本集團收購之金域酒店應佔權益由約34.24%（附註24(c)）增至36.26%，代價則修訂為166,800,000港元。交易已於同日完成。

52. 關連人士交易

- (a) 於年內，本集團與關連人士之交易如下：

2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
2,268	1,790
2,266	1,630
4,534	3,420
1,965	486
1,240	666
233	17
174	213

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52. RELATED PARTY TRANSACTIONS (Continued)

52. 關連人士交易 (續)

(i) Nature of transactions	Notes	Name of company	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
(i) 交易性質	附註	公司名稱		
		ITC Corporation Limited and its subsidiaries 德祥企業集團有限公司及 其附屬公司	153	266
		PSC Corporation Ltd 普威集團有限公司	68	213
		Cyber Business Network (Hong Kong) Limited 數碼網絡(香港)有限公司	3	-
		Pacific Century Premium Developments Limited (formerly known as Dong Fang Gas Holdings Limited) and its subsidiaries 盈科大衍地產發展有限公司 (前稱東方燃氣集團有限公司) 及其附屬公司	-	318
		SMI Corporation Limited (formerly known as Star East Holdings Limited) and its subsidiaries 星美國際集團有限公司 (前稱東方魅力集團有限公司) 及其附屬公司	-	118
		Mobile Media Management Limited 流動廣告管理有限公司	-	27
		X-One Management Limited	-	11
			3,836	2,335

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52. RELATED PARTY TRANSACTIONS (Continued)

52. 關連人士交易 (續)

(i) Nature of transactions	Notes	Name of company	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
(i) 交易性質	附註	公司名稱		
Interest on convertible notes 可換股票據之利息	(iii)	Million Good Limited	2,177	1,696
Loan interest paid and payable by the Group 本集團已付及應付之 貸款利息	(iv)	Hanny Holdings Limited and its subsidiaries 錦興集團有限公司及其附屬公司	9,742	1,790
		Million Good Limited	5,256	1,710
		Nation Cheer Investment Limited 志恒投資有限公司	2,051	385
		China Strategic Holdings Limited and its subsidiaries 中策集團有限公司及其附屬公司	1,465	2,229
			18,514	6,114
Interest on loan receivables 應收貸款利息	(v)	Ruili Holdings Limited 瑞力控股有限公司	76	-
Net income on sales of computer program source code 銷售電腦程式原始碼之 收入淨額	(vi)	Cyber Business Network (Hong Kong) Limited 數碼網絡(香港)有限公司	-	3,000
Website maintenance services paid by the Group 本集團支付之網站維修費	(vii)	Cyber Business Network (Hong Kong) Limited 數碼網絡(香港)有限公司	1,200	-

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

52. RELATED PARTY TRANSACTIONS (Continued)

Notes:

- (i) The property rental expenses paid and payable by the Group were transactions determined in accordance with the terms of relevant agreements.
- (ii) The above companies purchased air tickets and related services from the Group at rates comparable to market rates.
- (iii) The interest on convertible notes was calculated at the rate specified in the convertible notes issued.
- (iv) The interest paid and payable by the Group for loans from these companies was calculated at rates comparable to market rates.
- (v) The interest on loan receivables was calculated at rates comparable to market rates.
- (vi) The above company purchased the computer source code from the Group at a price with reference to the market rate.
- (vii) The above company charged website maintenance service to the Group at comparable market price.

Certain directors of the Company are also directors of and/or have beneficial interests in those companies.

52. 關連人士交易 (續)

附註:

- (i) 本集團已付及應付之物業租金之定價乃根據有關協議條款而釐定。
- (ii) 上列公司按可資比較之市場價格向本集團購買機票及相關服務之服務。
- (iii) 可換股票據之利息按已發行可換股票據列明之息率計算。
- (iv) 本集團已付及應付來自此等公司貸款之利息按可資比較之市場價格計算。
- (v) 應收貸款利息按可資比較之市場價格計算。
- (vi) 上列公司可參考市場價格之價格向本集團購買電腦程式原始碼。
- (vii) 上列公司按可資比較之市場價格向本集團收取網站維修費。

本公司若干位董事亦身兼上述公司之董事及／或於該等公司擁有實益權益。

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財務報表附註

For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

52. RELATED PARTY TRANSACTIONS (Continued)

52. 關連人士交易 (續)

(II) Nature of transactions	Notes	Name of company	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
(II) 交易性質	附註	公司名稱		
Agency fees paid by the Group 本集團支付之代理費用	(i)	Ananda Travel Service, Inc.	—	60
Air ticketing and travel services income received by the Group 本集團收取之機票及旅遊服務收入	(ii)	Ananda Travel Service, Inc.	—	7

Notes:

- (i) During the year ended 31 December 2003, the above company acted as the Group's land operators in the jurisdiction in which it is located. Agency fees were calculated in accordance with the agency agreement entered into between the Group and the above related company on 20 September 1997.
- (ii) During the year ended 31 December 2003, the company purchased air tickets and other travel related services from the Group at rates comparable to market rates.

The Group paid an annual fee of HK\$nil (2003: HK\$10) to Ananda Holdings Limited for a non-exclusive licence to the Group to use the "Ananda" trademark.

Mr. Chan Yeuk Wai has minority interests in Ananda Travel Service, Inc.

- (b) During the year, the Group received loans from related companies. Details of their relationship and the terms of the loans are set out in note 32.
- (c) The Group maintained current accounts with related companies and associates. Their balances as at 31 December 2004 are set out in notes 26, 27 and 33.

Certain directors of the Company are also directors of and/or have beneficial interests in those companies.

附註:

- (i) 截至二零零三年十二月三十一日止年度，上列公司均為本集團位於其他司法權區之地接營運商，其代理費用根據本集團與上述各關連公司於一九九七年九月二十日簽訂之代理協議計算。
- (ii) 截至二零零三年十二月三十一日止期間，公司按可資比較之市場價格向本集團購買機票及其他與旅遊相關之服務。

本集團就非專有使用「辰達」之商標向辰達集團有限公司支付零港元年費（二零零三年：10港元）。

陳若偉先生於Ananda Travel Service, Inc.擁有少數權益。

- (b) 於年內，本集團收取關連公司之貸款。有關其關係及貸款之條款詳情載於附註32。
- (c) 本集團與關連公司及聯營公司維持經常賬目。該等賬目於二零零四年十二月三十一日之結餘載於附註26、27及33。

本公司若干位董事亦身兼上述公司之董事及／或於該等公司擁有實益權益。

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For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度

52. RELATED PARTY TRANSACTIONS (Continued)

(d) During the year, the Group made loans to a related company. Details of its relationship and the terms of the loan are set out in note 29(a(ii)).

(e) During the year, the Company issued convertible notes amounting to HK\$155,000,000 to a related company. Details of the convertible notes are set out in note 36. As at the balance sheet date, the related company holds the convertible notes amounting to HK\$55,000,000.

Certain directors of the Company are also directors of and/or have beneficial interests in that related company.

(f) During the year, the Group received commission and hotel management fee of HK\$3,628,000 (2003: HK\$nil) from Heilongjiang Ananda in accordance with the hotel management contract entered with Heilongjiang Ananda.

(g) During the year ended 31 December 2003, a subsidiary of an indirect substantial shareholder pledged certain of its investments listed in Hong Kong with a lender to secure its loans to the Company. No commission or charges were paid to the subsidiary of the indirect substantial shareholder by the Group in respect of the security provided.

(h) During the year ended 31 December 2003, the Company executed a guarantee in favour of the holder of the promissory note issued by a subsidiary of Apex as security to secure the note to the extent of HK\$365 million together with interest. No commission or charges were received from the Apex Group in respect of the guarantee.

(i) During the year ended 31 December 2003, two directors including a former executive director of the Company executed personal guarantees to a bank and a securities company to secure their loans granted to the Group. No commission or charges were paid to the directors by the Group in respect of the above guarantees.

52. 關連人士交易 (續)

(d) 年內，本集團向一間關連公司提供貸款。其關係之詳情及貸款之條款載於附註29(a(ii))。

(e) 年內，本公司向一間關連公司發行為數155,000,000港元之可換股票據。可換股票據之詳情載於附註36。於結算日，關連公司持有為數55,000,000港元之可換股票據。

若干本公司董事亦身兼該關連公司之董事及／或於該關連公司擁有實益權益。

(f) 年內，本集團根據與黑龍江辰龍訂立之酒店管理合約，向黑龍江辰龍收取佣金及酒店管理費3,628,000港元（二零零三年：零港元）。

(g) 截至二零零三年十二月三十一日止年度，一位間接重大股東之附屬公司向貸方抵押其若干於香港上市之投資，作為向本公司提供之貸款之擔保。本集團並無就所提供之抵押向該間接重大股東之附屬公司支付任何佣金或費用。

(h) 截至二零零三年十二月三十一日止年度，本公司提供一項擔保，受益人為承兌票據（由Apex之一間附屬公司發行）之持有人，藉以作為票據之擔保，金額為365,000,000港元連利息。概無向Apex集團就該擔保收取任何佣金或費用。

(i) 截至二零零三年十二月三十一日止年度，兩位董事（包括本公司之前執行董事）向銀行及證券公司提供個人擔保，作為向本集團授出之貸款之擔保。本集團概無就前述擔保向該等董事支付任何佣金或費用。

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52. RELATED PARTY TRANSACTIONS (Continued)

- (j) On 22 July 2002, the Company together with other parties entered into a series of agreements with Rosedale. One of them included disposing of its interest in an investment company (the "Investment Company") holding a right to acquire a 60% interest in Luoyang Golden Gulf Hotel Co., Limited whose principal asset is the Golden Gulf Hotel in Luoyang, the PRC, for a consideration of HK\$110,000,000 which was satisfied by 366,666,666 new shares of Rosedale.

The Company, in relation to the disposal of the interest in the Investment Company holding Luoyang Golden Gulf Hotel Co., Limited gave an undertaking to Rosedale to indemnify it against any potential loss they may suffer as a result of failure to transfer the land use right including the payment of any land premium payable for such transfer. It is estimated that the land premium for such transfer would be approximately RMB39.7 million (equivalent to approximately HK\$37,347,000).

52. 關連人士交易 (續)

- (j) 於二零零二年七月二十二日，本公司聯同其他各方與珀麗訂立多項協議。其中一項協議包括以代價110,000,000港元出售本公司於投資公司（「投資公司」）之權益，該投資公司有權收購洛陽金水灣大酒店有限公司（其主要資產為位於中國洛陽市之金水灣大酒店）60%之權益，代價乃以發行366,666,666股珀麗新股份支付。

本公司就有關出售其於一間持有洛陽金水灣大酒店有限公司之投資公司權益一事，向珀麗承諾彌償因未能轉讓予洛陽金水灣大酒店有限公司土地使用權所蒙受之任何潛在損失，包括任何就該轉讓應付之地價。該轉讓之地價預計應約為人民幣39,700,000元（約相等於37,347,000港元）。

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53. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 December 2004 are as follows:

53. 主要附屬公司

於二零零四年十二月三十一日·本公司之主要附屬公司之詳情如下:

Name of company	Place of incorporation/ registration	Issued and paid up share capital/ registered capital	Proportion of nominal value of issued share capital/ registered capital held by Company		Principal activities and place of operation
			Directly %	Indirectly %	
公司名稱	註冊成立/登記地點	已發行及繳足股本/註冊資本	本公司持有已發行股本/註冊資本面值之比例 直接 %	間接 %	主要業務及營業地點
Allied Glory Investment Limited	Hong Kong	HK\$2	-	55.7	Investment holding in Hong Kong
合榮投資有限公司	香港	2港元	-	55.7	香港投資控股
Ananda Travel (Canada) Limited	Canada	C\$15,000	-	100	Travel and related services in Canada
Ananda Travel (Canada) Limited	加拿大	15,000加元	-	100	加拿大旅遊及相關服務
Apex Quality Group Limited	British Virgin Islands	US\$5,548,172	-	67.9	Investment holding in Hong Kong
Apex Quality Group Limited	英屬維爾京群島	5,548,172美元	-	67.9	香港投資控股
Asian Pearl Investments Limited	British Virgin Islands	US\$1	-	100	Investment holding in the PRC
Asian Pearl Investments Limited	英屬維爾京群島	1美元	-	100	中國投資控股
Benchmark Pacific Limited	British Virgin Islands	US\$1	-	100	Investment holding in Hong Kong
Benchmark Pacific Limited	英屬維爾京群島	1美元	-	100	香港投資控股
China-HK International Finance Limited	Hong Kong	HK\$2	-	67.9	Financial services in Hong Kong
中港國際財務有限公司	香港	2港元	-	67.9	香港金融服務
Clever Basin Holdings Limited	British Virgin Islands	US\$1	-	67.9	Investment holding in Hong Kong
Clever Basin Holdings Limited	英屬維爾京群島	1美元	-	67.9	香港投資控股

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53. PRINCIPAL SUBSIDIARIES (Continued)

53. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by Company 本公司持有已發行股本/ 註冊資本面值之比例		Principal activities and place of operation 主要業務及營業地點
			Directly % 直接 %	Indirectly % 間接 %	
Credit Paradise Limited	Hong Kong	HK\$2	–	100	Property investment in Malaysia
則誠有限公司	香港	2港元	–	100	馬來西亞物業投資
DS Eastin Limited	Hong Kong	HK\$20	–	67.9	Investment holding in Hong Kong
日陽東方投資有限公司	香港	20港元	–	67.9	香港投資控股
Golden Sun Limited	Hong Kong	HK\$2	–	100	Investment holding in Hong Kong
瑞陽有限公司	香港	2港元	–	100	香港投資控股
Hey Wealth Limited	Hong Kong	HK\$2	–	67.9	Property holding in Hong Kong
Hey Wealth Limited	香港	2港元	–	67.9	持有香港物業
HKWOT (BVI) Limited	British Virgin Islands	US\$1	100	–	Investment holding in Hong Kong
HKWOT (BVI) Limited	英屬維爾京群島	1美元	100	–	香港投資控股
HMH China Investments Limited	Bermuda	CAD\$1,152,913	–	55.7	Investment holding in Canada
HMH China Investments Limited	百慕達	1,152,913加元	–	55.7	加拿大投資控股
Hong Kong Wing On Travel Service Limited	Hong Kong	Ordinary – HK\$180,000,100 Deferred HK\$20,000,000*	–	100	Outbound travel and related services
香港永安旅遊有限公司	香港	普通股份— 180,000,100港元 遞延股份— 20,000,000港元*	–	100	外遊及相關服務

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53. PRINCIPAL SUBSIDIARIES (Continued)

53. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by Company 本公司持有已發行股本/ 註冊資本面值之比例		Principal activities and place of operation 主要業務及營業地點
			Directly % 直接 %	Indirectly % 間接 %	
Kingsgrove International Limited	Hong Kong	HK\$2	–	100	Property investment in Hong Kong
Kingsgrove International Limited	香港	2港元	–	100	香港物業投資
Lucky Million Investments Limited	British Virgin Islands	US\$1	–	67.9	Investment holding in Hong Kong
Lucky Million Investments Limited	英屬維爾京群島	1美元	–	67.9	香港投資控股
Luoyang Golden Gulf Hotel Co., Ltd.	PRC#	RMB145,000,000	–	40.8	Hotel ownership and operation in the PRC
洛陽金水灣大酒店有限公司	中國#	人民幣145,000,000元	–	40.8	中國擁有和經營酒店
Makerston Limited	British Virgin Islands	US\$1	–	67.9	Investment holding in Hong Kong
Makerston Limited	英屬維爾京群島	1美元	–	67.9	香港投資控股
Many Good Money Exchange Limited	Hong Kong	HK\$100,000	–	100	Money exchange services in Hong Kong
萬利冠找換店有限公司	香港	100,000港元	–	100	香港貨幣兌換服務
Mexmara Holdings Limited	British Virgin Islands	US\$1	–	100	Property investment in Hong Kong
Mexmara Holdings Limited	英屬維爾京群島	1美元	–	100	香港物業投資
Millennium Target Holdings Limited	British Virgin Islands	US\$1	–	100	Investment holding
Millennium Target Holdings Limited	英屬維爾京群島	1美元	–	100	投資控股

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53. PRINCIPAL SUBSIDIARIES (Continued)

53. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by Company		Principal activities and place of operation 主要業務及營業地點
			Directly % 本公司持有已發行股本/ 註冊資本面值之比例 直接 %	Indirectly % 間接 %	
Ming Hung (Holdings) Limited	Hong Kong	HK\$1,591,158,590	–	67.9	Investment holding in Hong Kong
明鴻(控股)有限公司	香港	1,591,158,590港元	–	67.9	香港投資控股
Multi-Million Assets Limited	British Virgin Islands	US\$1	–	55.7	Investment holding in Hong Kong
Multi-Million Assets Limited	英屬維爾京群島	1美元	–	55.7	香港投資控股
Rosedale Hotel Beijing Co., Ltd.	PRC#	US\$17,200,000	–	64.5	Hotel ownership and operation in the PRC
北京珀麗酒店有限責任公司	中國#	17,200,000美元	–	64.5	中國擁有和經營酒店
Rosedale Hotel Group Limited	British Virgin Islands	US\$1	–	67.9	Investment holding in Hong Kong
Rosedale Hotel Group Limited	英屬維爾京群島	1美元	–	67.9	香港投資控股
Rosedale Hotel Guangzhou Co., Ltd. ("Rosedale Guangzhou")	PRC##	US\$11,500,000	–	55	Hotel operation in the PRC
廣州珀麗酒店有限公司 (「廣州珀麗」)	中國##	11,500,000美元	–	55	中國經營酒店
Rosedale Hotel Management Limited	Hong Kong	HK\$2	–	67.9	Hotel management in Hong Kong
珀麗酒店管理有限公司	香港	2港元	–	67.9	香港酒店管理
Rosedale Hotel Management International Limited	British Virgin Islands	US\$1	–	67.9	Hotel management in areas other than Hong Kong
Rosedale Hotel Management International Limited	英屬維爾京群島	1美元	–	67.9	於香港以外其他地區 之酒店管理

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53. PRINCIPAL SUBSIDIARIES (Continued)

53. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by Company 本公司持有已發行股本/ 註冊資本面值之比例		Principal activities and place of operation 主要業務及營業地點
			Directly % 直接 %	Indirectly % 間接 %	
Rosedale Park Limited	Hong Kong	HK\$2	–	67.9	Hotel operation in Hong Kong
Rosedale Park Limited	香港	2港元	–	67.9	香港經營酒店
South Africa Express Limited	British Virgin Islands	US\$1	–	100	Overseas travel services
South Africa Express Limited	英屬維爾京群島	1美元	–	100	海外旅遊服務
Success Fund Industrial Limited	Hong Kong	HK\$100	–	100	Property investment in the PRC
萬昌實業有限公司	香港	100港元	–	100	中國物業投資
Super Grade Investment Limited	British Virgin Islands	US\$1	–	100	Property investment in Hong Kong
Super Grade Investment Limited	英屬維爾京群島	1美元	–	100	香港物業投資
Watertours of Hong Kong Limited	Hong Kong	Ordinary – HK\$1,500,000 “B” – HK\$100 *	–	100	Watertour services in Hong Kong
海上遊覽社香港有限公司	香港	普通股 – 1,500,000港元 B股 – 100港元*	–	100	香港海上旅遊
Wing On Holidays (Macau) Limited (Formerly known as “Ananda Travel, Limited”)	Macau	MOP1,000,000	–	100	Travel and related services in Macau
永安假期(澳門)有限公司 (前稱「Ananda Travel, Limited」)	澳門	1,000,000葡幣	–	100	澳門旅遊及相關服務

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53. PRINCIPAL SUBSIDIARIES (Continued)

53. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by Company		Principal activities and place of operation 主要業務及營業地點
			Directly % 本公司持有已發行股本/ 註冊資本面值之比例 直接 %	Indirectly % 間接 %	
Wing On Hotel Management Limited	British Virgin Islands	US\$4	–	100	Hotel management services in the PRC
Wing On Hotel Management Limited	英屬維爾京群島	4美元	–	100	中國酒店管理服務
Wing On Travel and Tour Limited	Hong Kong	HK\$2,000,000	–	100	Inbound travel and related services
永安旅遊及觀光有限公司	香港	2,000,000港元	–	100	本地旅遊及相關服務
Wing On Travel Finance Limited (Formerly known as Asian Universe Limited)	Hong Kong	HK\$2	–	100	Money Lending in Hong Kong
永安旅遊財務有限公司 (前稱Asian Universe Limited)	香港	2港元	–	100	香港借貸
Wing On Travel International Limited	British Virgin Islands	US\$1	100	–	Investment holding
Wing On Travel International Limited	英屬維爾京群島	1美元	100	–	投資控股
Wing On Travel (BVI) Limited	British Virgin Islands	US\$10,000	–	100	Investment holding
Wing On Travel (BVI) Limited	英屬維爾京群島	10,000美元	–	100	投資控股

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53. PRINCIPAL SUBSIDIARIES (Continued)

53. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by Company 本公司持有已發行股本/ 註冊資本面值之比例		Principal activities and place of operation 主要業務及營業地點
			Directly % 直接 %	Indirectly % 間接 %	
Wing On Travel (U.K.) Limited (Formerly known as "Ananda Travel (U.K.) Limited")	United Kingdom	£2	–	100	Travel and related services in UK
Wing On Travel (U.K.) Limited (前稱「Ananda Travel (U.K.) Limited」)	英國	2英鎊	–	100	英國旅遊及相關服務
Yechain Development Limited	Hong Kong	HK\$2	–	67.9	Property investment in Hong Kong
怡翔發展有限公司	香港	2港元	–	67.9	香港物業投資

* The deferred shares and "B" shares are owned by the Group, practically carry no rights to dividends or to receive notice of or to attend or vote at any general meeting of the respective companies or to participate in any distribution in winding up.

* 該等遞延股份及B股由本集團擁有，而實際上不附帶獲派股息或接獲各有關公司任何股東大會通告或出席有關大會或在會上投票，或於公司清盤時參與任何分派之權利。

The subsidiaries are PRC sino-foreign equity joint ventures.

該等附屬公司乃中國中外股本合營公司。

This subsidiary is a PRC sino-foreign co-operative joint venture. The Group is entitled to recoup its total investment (including capital and interest) from the after-tax earnings of Rosedale Guangzhou before any amount are distributed. Thereafter, the after-tax earnings of Rosedale Guangzhou are to be distributed at 80% and 20% to Group and other joint venture partner respectively.

該附屬公司為一家中國中外合作合營公司。廣州珀麗之除稅後盈利用作分派任何款項前，本集團有權從中收回其全部投資（包括資金及利息）。之後，廣州珀麗之除稅後盈利須以80%及20%之比例分別分派予本集團及其他合營夥伴。

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

董事認為上表所列本集團之附屬公司對本集團之業績或資產及負債有重大影響。董事認為細列其他附屬公司之詳情會令篇幅過於冗長，故無詳列。

Save as disclosed, no debt securities have been issued by any of the subsidiaries during the year.

如上文所披露者外，年內附屬公司概無發行債務證券。