

# 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 a public limited company incorporated in Hong Kong with its shares listed on the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

The Company is an investment holding company. The principal activities of its subsidiaries and associates are set out in notes 17 and 18.

## 2. POTENTIAL IMPACT ARISING FROM THE RECENTLY ISSUED ACCOUNTING STANDARDS

In 2004, the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) issued a number of new or revised Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards (“HKFRSs”) (herein collectively referred to as “new HKFRSs”) which are effective for accounting periods beginning on or after 1st January, 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31st 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 the future as to how the results and financial position are prepared and presented.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified for the valuation of investments in securities.

The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

## 1. 一般事項

本公司為於香港註冊成立之公眾有限公司，其股份於香港聯合交易所有限公司（「香港聯交所」）上市。

本公司為一間投資控股公司，其附屬公司及聯營公司之主要業務載於附註17及18。

## 2. 近期頒佈之會計準則所產生之潛在影響

於二零零四年，香港會計師公會（「香港會計師公會」）頒佈了若干新訂及經修訂之香港會計準則（「香港會計準則」）及香港財務報告準則（「香港財務報告準則」）（統稱「新香港財務報告準則」），新香港財務報告準則於二零零五年一月一日或以後開展之會計時期生效。本集團並無於截至二零零四年十二月三十一日止年度之財務報表提早採納該等新香港財務報告準則。

本集團已開始考慮該等新香港財務報告準則之潛在影響，但現時仍未能評定該等新香港財務報告準則對其營運業績及財務狀況之編製及呈列方式是否有重大影響。此等新香港財務報告準則可能使業績及財務狀況之編製及呈列方式於未來出現變動。

## 3. 主要會計政策

財務報表乃根據歷史成本慣例法編製，並就證券投資之估值作出修訂。

財務報表已遵照香港普遍採納之會計準則編製。所採納之主要會計政策如下：

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## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### Basis of consolidation

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

The results of subsidiaries which are 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 intra-group transactions and balances have been eliminated on consolidation.

### Goodwill

Goodwill arising on consolidation 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 associate at the date of acquisition.

Goodwill arising on acquisition prior to 1st January, 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.

Goodwill arising on acquisition after 1st January, 2001 is capitalised and amortised on a straight-line basis over its useful economic life. Goodwill arising on the 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.

On disposal of a subsidiary or associate, the attributable amount of unamortised goodwill/goodwill previously eliminated against reserve is included in the determination of the profit or loss on disposal.

## 3. 主要會計政策 (續)

### 綜合賬目基準

綜合財務報表包括本公司及其附屬公司每年結算至十二月三十一日止之財務報表。

於年內收購或出售之附屬公司業績分別由收購生效日期起或截至出售生效日期止(如適用)計入綜合收益表內。

所有集團內公司間之交易及結餘已於綜合賬內對銷。

### 商譽

綜合賬目產生之商譽指收購成本高於本集團於收購附屬公司或聯營公司當日應佔有關公司可辨識資產與負債之公平值之數。

二零零一年一月一日前收購產生之商譽將繼續保留在儲備，並會於出售有關附屬公司或聯營公司時或決定商譽出現減值時在收益表扣除。

二零零一年一月一日後收購產生之商譽會撥作資本並按其估計可用經濟年期以直線基準攤銷。收購聯營公司產生之商譽計入聯營公司之賬面值。收購附屬公司產生之商譽在資產負債表內另行呈列。

出售附屬公司或聯營公司時，出售之損益已計及未攤銷商譽之應佔金額／以往以儲備撇銷之商譽之應佔金額。

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## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### 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 1st January, 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 acquisition after 1st January, 2001 is presented as deduction from assets and will be 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 in income immediately.

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

### Investments in subsidiaries

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

### Investments in associates

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, interest in associates is stated at the Group's share of the net assets of the associates less any identified impairment loss.

## 3. 主要會計政策 (續)

### 負商譽

負商譽指本集團於收購附屬公司或聯營公司當日應佔有關公司可辨識資產與負債之公平值高於收購代價。

二零零一年一月一日前收購產生之負商譽將繼續保留在儲備，並會於出售有關附屬公司或聯營公司時計入收益表。

二零零一年一月一日後收購產生之負商譽會列作資產之扣減並將根據產生有關結餘之情況之分析回撥為收益。

倘負商譽乃源自收購當日經已預期之虧損或開支，則會於有關虧損或開支產生期間回撥為收益。其餘負商譽將按可辨識之所收購可折舊資產之尚餘平均使用年期以直線基準確認為收益。倘有關負商譽超出已收購可辨識非貨幣資產之總公平值，則會即時確認為收益。

收購聯營公司產生之負商譽自聯營公司之賬面值扣除。收購附屬公司產生之負商譽在資產負債表內另外列作資產之扣減。

### 於附屬公司之投資

於附屬公司之投資乃按成本值減任何已辨識之減值虧損在本公司之資產負債表列賬。

### 於聯營公司之投資

綜合收益表包括本集團所佔聯營公司於本年度之收購後業績。在綜合資產負債表內，於聯營公司之權益乃按本集團所佔聯營公司之資產淨值減任何已辨識之減值虧損列賬。

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## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### Investments in associates (continued)

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

### Recognition of revenue

Revenue of the Group for the year is recognised on the following bases:

Sales of goods is recognised when goods are delivered and title has passed to the customers.

Dividend income from investments in securities is recognised when the Group's rights to receive payment have been established.

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

### Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible 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 expenses immediately.

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.

## 3. 主要會計政策 (續)

### 於聯營公司之投資 (續)

本公司按年內已收及應收股息計算所佔聯營公司之業績。於聯營公司之投資乃按成本值減任何已辨識之減值虧損後在本公司之資產負債表列賬。

### 收入之確認

本集團於本年度之收入乃按下列基準確認：

銷售貨品乃在貨品交付客戶及貨品擁有權已轉移至客戶時予以確認。

證券投資所得股息收入乃在本集團收取股息之權利確定後予以確認。

利息收入乃根據未償還之本金按時間比例及適用息率累計。

### 資產減值

本集團於每個結算日均會對有形及無形資產之賬面值作出評估，以確認有否任何跡象顯示有關資產出現減值虧損。倘估計資產之可收回金額低於其賬面值，則會將資產之賬面值調低至可收回金額，減值虧損乃即時確認為開支。

倘減值虧損其後出現逆轉，則有關資產之賬面值將調升至經修訂之估計資產可收回金額，惟增加之賬面值不得超出假設有相關資產未有於過往年度確認減值虧損時所釐定之賬面值。減值虧損之撥回即時確認為收益。



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## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### Property, plant and equipment

#### Construction in progress

Construction in progress are stated at cost, which includes land cost and the related construction cost in accordance with the Group's accounting policies, less accumulated impairment losses. No depreciation or amortisation is provided on properties under construction and construction in progress until the construction is completed and the properties and assets are ready for use.

#### Other property, plant and equipment

Property, plant and equipment, other than construction in progress, is stated at cost less depreciation, amortisation and accumulated impairment losses.

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.

Depreciation and amortisation is provided to write off the other items of the property, plant and equipment over their estimated useful lives and after taking into account their estimated residual value, using the straight-line method, at the following rates per annum:

Leasehold land and land use rights	Over the term of the lease or land use rights
Buildings	2% or the term of the lease or land use rights, if shorter
Furniture and fixtures	10% – 25%
Machinery and equipment	10% – 20%
Motor vehicles	12.5% – 25%

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

## 3. 主要會計政策 (續)

### 物業、廠房及設備

#### 在建工程

在建工程按成本列賬，包括根據本集團之會計政策計算之土地成本及相關建築成本減去累計減值虧損。在建物業及在建工程均不予折舊或攤銷，直至有關物業或資產落成及投入使用為止。

#### 其他物業、廠房及設備

物業、廠房及設備(在建工程除外)乃按成本減折舊、攤銷及累計減值虧損列賬。

出售資產或資產報廢所產生之收益或虧損乃根據銷售所得款項與資產賬面值兩者間之差額而釐定，並將在收益表內確認。

其他物業、廠房及設備項目之折舊及攤銷乃在考慮到其估計剩餘價值後按其估計可使用年期以直線基準法攤銷計算，每年折舊率如下：

租賃土地及土地 使用權	樓宇	按租約或土地 使用權之年期	2%或按租約或土地 使用權之年期 (以較短者為準)
傢俬及裝置	機器及設備	汽車	10% – 25% 10% – 20% 12.5% – 25%

根據融資租賃持有之資產之折舊乃按其估計可使用年期根據與本集團自置資產之相同基準計算。

## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### Investments in securities

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

Investments other than held-to-maturity debt 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 period.

### Leased assets

Leases are classified as finance leases when the terms of the leases transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. Assets held under finance leases are capitalised at their fair value at the date of acquisition. The corresponding liability to the lessor, net of interest charges, is included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the original principal at the inception of the respective leases, are charged to the income statement over the period of the relevant lease so as to produce a constant periodic rate of charge on the remaining balances of the obligations for each accounting year.

All other leases are classified as operating leases and the rentals payables are charged to the income statement on a straight-line basis over the relevant lease term.

### Other asset

Other asset are stated at the lower of cost and net realisable value.

### Inventories

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

## 3. 主要會計政策 (續)

### 證券投資

證券投資乃按交易日之基準確認及初步按成本計算。

持有至到期日債務證券以外之投資列作投資證券及其他投資。

投資證券(為持作明確長期投資目的之證券)乃於隨後之申報日期按成本計算, 及減去任何非暫時性質之減值虧損。

其他投資乃按公平值計算, 連同未變現收益及虧損計入期內之溢利或虧損淨額內。

### 租賃資產

凡根據租約條款, 資產擁有權之絕大部份風險與回報轉歸本集團所有之租約, 均列作融資租約。根據融資租約持有之資產按收購當日之公平值撥充資本。出租人之相應債務(扣除利息開支)乃計入資產負債表作融資租賃承擔。融資成本(指總租賃承擔與相關租約開始當日原本金之差額)於有關租約期間在收益表扣除, 以此得出各會計年度有關承擔餘額之定期固定支出率。

所有其他租約皆列作經營租約, 應付租金以直線法按相關租約年期在收益表扣除。

### 其他資產

其他資產乃按成本及可變現淨值兩者中之較低者列值。

### 存貨

存貨乃按成本及可變現淨值兩者中之較低值列值。成本乃按加權平均法計算。

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## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### Foreign currencies

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Gains and losses arising on exchange are dealt with in net profit or loss for the year.

On consolidation, the assets and liabilities of the Group's operations outside Hong Kong are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates 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.

### Pension/Retirement benefit scheme

The pension costs/retirement benefit scheme contributions relating to the defined contribution scheme/mandatory provident fund scheme charged to the income statement represents contributions payable to the schemes by the Group at rates specified in the rules of the schemes. The amount of contributions payable to pension schemes in jurisdictions other than Hong Kong are charged to the income statement.

### 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 years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

## 3. 主要會計政策 (續)

### 外幣

外幣交易初步均按交易當日之匯率折算。以外幣為單位之貨幣資產及負債則按結算日之匯率再行折算。因滙兌而產生之損益均列入收益表內處理。

於綜合賬目時，本集團香港以外業務之資產及負債按結算日之通行匯率換算。收支項目按年內平均匯率換算。由此產生之匯兌差額(如有)列作權益並轉入本集團之匯兌儲備。該等匯兌差額於出售業務期間確認作收入或開支。

### 退休金／退休福利計劃

在收益表中扣除有關定額供款計劃／強制性公積金計劃之退休金成本／退休福利計劃供款指本集團按該等計劃之規則所訂明之比率應就該等計劃支付之供款。就香港以外之司法權區之退休金計劃支付之供款額乃在收益表中扣除。

### 稅項

所得稅開支指現時應付稅項及遞延稅項。

現時應付稅項乃按本期間應課稅盈利計算。應課稅盈利與收入表中所報盈利淨額不同，乃由於前者不包括在其他期間應課稅或可扣稅收入及開支，並且不包括收入表內從未課稅及扣稅之項目。本集團本期稅項乃按現行稅率或結算日時實際確立之稅率計算。

## 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 profits 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 tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group 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 in 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)

遞延稅項為就財務報表資產及負債賬面值及計算應課稅盈利相應稅基差額而預期須支付或收回之稅項，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅盈利時提撥。若於一項交易中，因商譽(或負商譽)或因業務合併以外原因開始確認其他資產及負債而引致之臨時差額既不影響應課稅溢利、亦不影響會計盈利，則不會確認該等資產及負債。

遞延稅項負債乃按因於附屬公司及聯營公司之投資而引致之應課稅臨時差異而確認，惟若本集團可令臨時差額對沖及臨時差額有可能未必於可見將來對沖之情況除外。

遞延稅項資產之賬面值於每個結算日作檢討，並於沒可能會有足夠應課稅盈利恢復全部或部分資產價值時作調減。

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於收入表中扣除或計入收入表。惟倘遞延稅項直接在股本權益中扣除或計入股本權益之情況(在此情況下遞延稅項亦會於股本權益中處理)除外。



# 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

## 4. TURNOVER

Sales of goods, net of returns and sales taxes 貨品銷售，扣除退貨及銷售稅

The Group carries out its activities primarily in the People's Republic of China ("PRC") including Hong Kong, details of the analysis of the Group's turnover and contribution to results from operations by principal business segment and geographical market are set out in note 5.

## 5. SEGMENT INFORMATION

### Business segments

During the year, the Group acquired a 80% interest in Talent Cosmos Limited for consideration of HK\$30 million. Talent Cosmos Limited and its subsidiaries are engaged in manufacturing and trading of battery products and related accessories. The segment of manufacturing and trading of battery products and related accessories are regarded as a new business segment of the Group upon the completion of acquisition.

For management purposes, the Group is currently organised into the following three major divisions-pharmaceutical products, battery products and investment in securities and advance divisions. These divisions are the basis on which the Group reports its primary segment information.

Pharmaceutical products	– Manufacturing and trading of Chinese and western medicine products
Battery products	– Manufacturing and trading of battery products and related accessories
Investments in securities and advance	– Investments in securities holding and advance of receivables
Others	– Corporate and investment holding

## 4. 營業額

<b>2004</b>	2003
二零零四年	二零零三年
<b>HK\$'000</b>	HK\$'000
港幣千元	港幣千元

<b>123,403</b>	2,884,493
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本集團主要在中華人民共和國(「中國」)及香港經營業務，本集團按主要業務分部及地區市場劃分之營業額及經營業績貢獻之分析詳情載於附註5。

## 5. 分部資料

### 業務分部

年內，本集團以30,000,000港元之代價收購才宇有限公司之80%權益。才宇有限公司及其附屬公司主要從事製造及銷售電池產品及相關配件。於收購事項完成後，製造及銷售電池產品及相關配件分部將被視作為本集團之新業務分部。

就管理而言，本集團現時之部門架構為三個主要分部—藥品、電池產品及證券投資與墊款。該等部門乃本集團呈報其首要分部資料之基準。

藥品	– 生產及銷售中西藥產品
電池產品	– 製造及銷售電池產品及相關配件
證券投資與墊款	– 證券投資及墊付應收款項
其他	– 公司及投資控股

# 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. SEGMENT INFORMATION (continued)

### Business segments (continued)

An analysis of the Group's turnover and contribution to operating results and segment assets and liabilities by business segments is as follows:

## 5. 分部資料 (續)

### 業務分部 (續)

本集團按業務分部劃分之營業額及經營業績貢獻分析如下：

		Discontinuing operation 正終止經營業務		Continuing operation 持續經營業務			Elimination 對銷	Consolidated 綜合
		Pharmaceutical products 藥品 HK\$'000 港幣千元 (Note b) (附註b)	Investments in securities and advance 證券投資 與墊款 HK\$'000 港幣千元	Battery products 電池產品 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元		
For the year ended 31st December, 2004	截至二零零四年 十二月三十一日止年度							
TURNOVER	營業額							
External	對外	96,262	-	27,141	-	27,141	-	123,403
Inter-segment	分部間	-	-	-	2,184	2,184	(2,184)	-
		<u>96,262</u>	<u>-</u>	<u>27,141</u>	<u>2,184</u>	<u>29,325</u>	<u>(2,184)</u>	<u>123,403</u>
RESULT	業績							
Segment result	分部業績	6,778	(160,712)	(2,005)	(16,870)	(179,587)	(2,184)	(174,993)
Unallocated corporate expenses	未分攤企業支出							(27,269)
Interest income	利息收入							54,591
Dividend income	股息收入							1,542
Loss from operations	經營虧損							(146,129)
Finance costs	融資成本							(17,434)
Loss on disposal/dilution of interests in subsidiaries	出售/攤薄附屬公司 權益之虧損	(5,257)	-	-	-	-	-	(5,257)
Gain on disposal/liquidation of interests in associates	出售/清盤聯營公司 權益之收益	-	-	-	81,631	81,631	-	81,631
Share of results of associates	所佔聯營公司之業績	(618)	-	(147)	(36,610)	(36,757)	-	(37,375)
Loss before taxation	稅前虧損							(124,564)
Taxation	稅項							(6,464)
Loss before minority interests	未計少數股東權益之虧損							(131,028)
Minority interests	少數股東權益							(45,024)
Net loss for the year	年度虧損淨額							<u>(176,052)</u>

Inter-segment sales are charged at terms determined and agreed between the group companies.

分部間收益乃按集團公司所決定及協定之條款收取。

# 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. SEGMENT INFORMATION (continued)

## 5. 分部資料 (續)

Business segments (continued)

業務分部 (續)

		Discontinuing operation		Continuing operation			Consolidated
		Pharmaceutical products	Investments in securities and advance	Battery products	Others	Sub-total	
		藥品	證券投資與墊款	電池產品	其他	小計	綜合
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(Note a)					
		(附註a)					
Assets and liabilities	於二零零四年十二月						
at 31st December, 2004	三十一日之資產與負債						
ASSETS	資產						
Segment assets	分部資產	-	1,095,673	79,226	62,187	1,237,086	1,237,086
Interests in associates	於聯營公司之權益	-	-	-	429,000	429,000	429,000
Unallocated total assets	未分攤總資產						236,462
Consolidated total assets	綜合總資產						1,902,548
LIABILITIES	負債						
Segment liabilities	分部負債	-	(4,258)	(10,738)	(34,816)	(49,812)	(49,812)
Unallocated corporate liabilities	未分攤企業負債						(245,390)
Consolidated total liabilities	綜合總負債						(295,202)
Other information for the	截至二零零四年十二月三十一日						
year ended 31st December, 2004	止年度之其他資料						
Capital expenditure	資本支出						
- Property, plant and equipment	- 物業、廠房及設備	1,370	-	29,844	251	30,095	31,465
- Deposit paid for acquisition of interest in properties	- 收購物業權益支付之按金	-	-	-	47,012	47,012	47,012
- Goodwill arising on acquisition of interests in subsidiaries	- 收購附屬公司權益產生之商譽	-	-	26,812	-	26,812	26,812
- Goodwill arising on acquisition of interests in associates	- 收購聯營公司權益產生之商譽	-	3,931	-	-	3,931	3,931
- Payment for acquisition of subsidiaries	- 收購附屬公司付款	-	-	-	40,000	40,000	40,000
Depreciation and amortisation	折舊及攤銷	2,000	-	1,183	1,892	3,075	5,075
Other non-cash expenses	其他非現金支出	-	153,438	-	22,275	175,713	175,713
Loss on disposal of investments in securities	出售證券投資虧損	-	5,478	-	-	5,478	5,478
Loss on disposal of interests in subsidiaries	出售附屬公司權益之虧損	5,257	-	-	-	-	5,257

# 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. SEGMENT INFORMATION (continued)

## 5. 分部資料 (續)

Business segments (continued)

業務分部 (續)

		Discontinuing operation 正終止經營業務		Continuing operation 持續經營業務				Consolidated 綜合
		Pharmaceutical Tires	products 藥品	Sub-total 小計	Investments in securities and advance 證券投資 與墊款	Others 其他	Sub-total 小計	
		HK\$'000 港幣千元 (Note b) (附註b)	HK\$'000 港幣千元 (Note a) (附註a)	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
For the year ended 31st December, 2003	截至二零零三年十二月 三十一日止年度							
TURNOVER	營業額							
External	對外	2,635,235	249,258	2,884,493	-	-	-	2,884,493
Inter-segment	分部間	-	-	-	-	984	984	(984)
		<u>2,635,235</u>	<u>249,258</u>	<u>2,884,493</u>	<u>-</u>	<u>984</u>	<u>984</u>	<u>(984)</u>
RESULT	業績							
Segment result	分部業績	95,847	154	96,001	(17,615)	(19,032)	(36,647)	(984)
Unallocated corporate expenses	未分攤企業支出							(15,507)
Interest income	利息收入							48,416
Dividend income	股息收入							2,832
Profit from operation	經營溢利							94,111
Finance costs	融資成本							(50,712)
Gain on disposal/dilution of interests in subsidiaries	出售/攤薄附屬公司 權益之收益	3,711	8,587	12,298	-	46	46	-
Loss on disposal/liquidation of interests in associates	出售/清盤聯營公司 權益之虧損	-	-	-	-	(36,481)	(36,481)	-
Share of results of associates	所佔聯營公司之業績	14,188	2	14,190	-	(189,924)	(189,924)	-
Allowance on receivables advanced to an associate	墊付予一家聯營公司之 應收賬撥備	-	-	-	-	(12,712)	(12,712)	-
Loss before taxation	稅前虧損							(169,184)
Taxation	稅項							(10,935)
Loss before minority interests	未計少數股東權益之虧損							(180,119)
Minority interests	少數股東權益							(9,409)
Net loss for the year	年度虧損淨額							<u>(189,528)</u>

Inter-segment sales are charged at terms determined and agreed between the group companies.

分部間收益乃按集團公司所決定及協定之條款收取。



# 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. SEGMENT INFORMATION (continued)

## 5. 分部資料 (續)

Business segments (continued)

業務分部 (續)

		Discontinuing operation 正終止經營業務			Continuing operation 持續經營業務			Consolidated 綜合
		Tires 輪胎 HK\$'000 港幣千元 (Note b) (附註b)	Pharmaceutical products 藥品 HK\$'000 港幣千元 (Note a) (附註a)	Sub-total 小計 HK\$'000 港幣千元	Investments in securities and advance 證券投資與墊款 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元	
Assets and liabilities at 31st December, 2003	於二零零三年十二月 三十一日之資產與負債							
ASSETS	資產							
Segment assets	分部資產	-	88,395	88,395	953,060	88,670	1,041,730	1,130,125
Interests in associates	於聯營公司之權益	-	15,416	15,416	-	807,731	807,731	823,147
Unallocated total assets	未分攤總資產							235,972
Consolidated total assets	綜合總資產							2,189,244
LIABILITIES	負債							
Segment liabilities	分部負債	-	(56,505)	(56,505)	(4,110)	(24,516)	(28,626)	(85,131)
Unallocated corporate liabilities	未分攤企業負債	-	-	-	-	-	-	(320,573)
Consolidated total liabilities	綜合總負債							(405,704)
Other information for the year ended 31st December, 2003	截至二零零三年十二月 三十一日止年度之其他資料							
Capital expenditure	資本支出							
- Property, plant and equipment	- 物業、廠房及設備	260,872	7,978	268,850	-	22	22	268,872
Depreciation and amortisation	折舊及攤銷	47,750	11,454	59,204	-	770	770	59,974
Impairment loss of goodwill	商譽減值虧損	-	-	-	-	20,387	20,387	20,387
Other non-cash expenses	其他非現金支出	-	4	4	107,312	-	107,312	107,316
Gain on disposal of investments in securities	出售證券投資收益	-	-	-	46,368	-	46,368	46,368
Gain (loss) on disposal of property, plant and equipment	出售物業、廠房及設備 之收益(虧損)	16,122	(127)	15,995	-	-	-	15,995

# 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. SEGMENT INFORMATION (continued)

### Business segments (continued)

#### Note:

- (a) Following the disposal of Tung Fong Hung Investment Limited and its subsidiaries which are engaged in the manufacturing and trading of pharmaceutical products in May 2004, the business segment of manufacturing and trading of pharmaceutical products was regarded as discontinuing operations during the year ended 31st December, 2004.
- (b) Following the disposal of interest in subsidiaries which are engaged in the business of manufacturing and trading of tire products in September, 2003, the tire operation was regarded as discontinuing operation during the year ended 31st December, 2003.

The aggregate carrying amounts of the assets and liabilities of the discontinuing operations at the date of discontinuance were as follows:

## 5. 分部資料 (續)

### 業務分部 (續)

#### 附註：

- (a) 於二零零四年五月出售從事藥品製造及銷售之Tong Fong Hung Investment Limited及其附屬公司後，藥品製造及銷售業務分部於截至二零零四年十二月三十一日止年度內被視為正終止經營業務。
- (b) 於二零零三年九月出售從事輪胎製造及銷售業務之附屬公司權益後，輪胎業務於截至二零零三年十二月三十一日止年度被視為正終止經營業務。

正終止經營業務之資產及負債合計賬面值如下：

		2004 二零零四年 Pharmaceutical products 藥品 HK\$'000 港幣千元
Total assets	總資產	141,747
Total liabilities	總負債	(103,673)
The condensed cash flow information of the discontinuing operations during the year ended 31st December, 2004 were as follows:		
		HK\$'000 港幣千元
Operating cash inflow	經營現金流入	13,601
Cash outflow in respect of investing activities	投資活動之現金流出	(1,209)
Cash outflow in respect of financing activities	融資活動之現金流出	(21,545)
Net operating cash outflow	經營現金流出淨額	9,153

# 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. SEGMENT INFORMATION (continued)

Business segments (continued)

Geographical segments

The following provides an analysis of the Group's turnover by geographic market, irrespective of the origin of the goods/services:

PRC, other than Hong Kong	中國(不包括香港)
Hong Kong	香港
Overseas	海外

## 5. 分部資料(續)

業務分部(續)

地區分部

本集團按地區市場劃分之營業額分析如下(當中並無計及貨品/服務之來源地):

		Turnover 營業額	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
		27,141	2,683,004
		96,262	172,080
		-	29,409
		<b>123,403</b>	<b>2,884,493</b>

The following is an analysis of the carrying amount of segment assets and capital additions analysed by the geographical area in which the assets are located:

本集團分部資產之賬面值與資本添置按資產所在地區分析如下:

		Carrying amount of segment assets 分部資產之賬面值		Capital additions 資本添置	
		At 31st December, 於十二月三十一日		For the year ended 31st December, 截至十二月三十一日止年度	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
PRC	中國	29,012	752,431	147,599	260,872
Hong Kong	香港	1,707,734	1,263,279	1,621	8,000
Overseas	海外	165,802	173,534	-	-
		<b>1,902,548</b>	<b>2,189,244</b>	<b>149,220</b>	<b>268,872</b>

# 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

## 6. OTHER OPERATING INCOME

## 6. 其他經營收入

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Interest income from loan receivables	應收貸款之利息收入	47,119	39,628
Interest income from banks	銀行利息收入	3,478	4,091
Interest income from unlisted convertible bonds	非上市可換股債券利息收入	3,994	4,697
Net exchange gain	滙兌收益淨額	3,151	23,108
Gain on disposal of investments in securities	出售證券投資收益	-	46,368
Dividend income from listed investments	上市投資之股息收入	1,542	2,832
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	17	15,995
Others	其他	880	9,012
		<b>60,181</b>	<b>145,731</b>

## 7. (a) OTHER EXPENSES

## 7. (a) 其他支出

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Allowances for bad and doubtful debts	呆壞賬撥備	17,286	10,728
Unrealised holding loss on investments in securities	持有證券投資之未變賣虧損	12,549	37,604
Loss on disposal of investment in securities	出售證券投資之虧損	5,478	-
Allowances for amounts due from associates	應收聯營公司款項撥備	4,989	2,458
Impairment loss on goodwill on acquisition of subsidiaries	收購附屬公司之商譽減值虧損	-	20,387
Allowances for inventories	存貨撥備	-	4
Staff redundancy cost	冗員成本	-	1,938
Others	其他	177	1,467
		<b>40,479</b>	<b>74,586</b>



# 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

## 7. (b) ALLOWANCES FOR LOANS AND INTEREST RECEIVABLE

The amount represents allowance made on loans and interest receivable with reference to the (i) market value of the collateral secured to the Group and (ii) difference between the repayment amount received by the Group and the overdue amount of loans receivable and interest receivables subsequent to balance sheet date.

## 7. (b) 貸款及應收利息撥備

該金額指就貸款及應收利息作出之撥備，並已參考(i)提供予本集團之抵押品之市值及(ii)於結算日後本集團所收取之還款與到期應收貸款及應收利息間之差額。

## 8. (LOSS) PROFIT FROM OPERATIONS

## 8. 經營(虧損)溢利

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
(Loss) profit from operations has been arrived at after charging:	經營(虧損)溢利已扣除下列各項：		
Staff costs	員工成本		
– directors remuneration (note 9(a))	– 董事酬金(附註9(a))	3,413	3,217
– other staff costs (note 9(b))	– 其他員工成本(附註9(b))	22,418	150,543
– retirement benefits scheme contributions, excluding directors	– 退休福利計劃供款(不包括董事)	851	27,196
– redundancy payment	– 冗員支出	–	1,938
Total staff costs	總員工成本	<b>26,682</b>	182,894
Auditors' remuneration	核數師酬金		
Current year	本年度	5,181	5,427
Under(over)provision in prior years	過往年度撥備不足(超額)	392	(381)
Depreciation and amortisation of property, plant and equipment	物業、廠房及設備之折舊及攤銷	3,915	58,346
Amortisation of goodwill included in administrative expenses	計算入行政支出之商譽攤銷	1,160	1,628

# 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

## 9. DIRECTORS' AND EMPLOYEE REMUNERATION

## 9. 董事及僱員酬金

### (a) DIRECTORS' REMUNERATION

### (a) 董事酬金

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Fees	袍金		
– Executive directors	– 執行董事	–	–
– Non-executive directors	– 非執行董事	–	–
– Independent non-executive directors	– 獨立非執行董事	–	–
		<b>317</b>	228
		<b>317</b>	228
Other emoluments	其他酬金		
– Executive directors	– 執行董事		
Salaries and other benefits	薪酬及其他福利	3,071	2,965
Retirement benefits scheme contributions	退休福利計劃供款	25	24
		<b>3,096</b>	2,989
		<b>3,413</b>	3,217

The number of directors (including independent non-executive directors) whose remuneration falls within the bands set out below is as follows:

屬於下文所載酬金範圍內之董事(包括獨立非執行董事)人數如下:

		2004 二零零四年 Number of directors 董事人數	2003 二零零三年 Number of directors 董事人數
HK\$			
港幣			
Nil to 1,000,000	零至1,000,000	8	9
1,000,001 to 1,500,000	1,000,001至1,500,000	1	1
1,500,001 to 2,000,000	1,500,001至2,000,000	1	1
		<b>10</b>	11

During the year, no emoluments were paid by the Group to any director as an inducement to join or upon joining the Group or as compensation for loss of office.

本年度內，本集團並無向任何董事支付酬金作為鼓勵加入本集團或加入本集團後之獎勵或作為離職補償。

# 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

## 9. DIRECTORS' AND EMPLOYEE REMUNERATION 9. 董事及僱員酬金 (續) (continued)

### (b) EMPLOYEES' REMUNERATION

The five highest paid individuals in the Group included two (2003: two) directors of the Company, details of whose salaries and other benefits are set out above. The aggregate remuneration of the remaining highest paid individuals, who are employees of the Group, is as follows:

Salaries and other benefits	薪金及其他福利
Retirement benefit scheme	退休福利計劃

HK\$  
港幣

Nil to 1,000,000

零至1,000,000

### (b) 僱員酬金

本集團五名最高薪酬人士包括本公司兩名(二零零三年：兩名)董事，彼等之酬金及其他福利詳情載於上文。餘下最高薪酬人士為本集團之僱員，彼等之薪酬總額如下：

2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
1,482	1,515
36	36
<b>1,518</b>	<b>1,551</b>
2004 二零零四年 Number of employees 僱員人數	2003 二零零三年 Number of employees 僱員人數
3	3

## 10. FINANCE COSTS

Interest on borrowings wholly repayable within five years:	須於五年內悉數償還之 借貸利息：
Bank borrowings	銀行借貸
Other borrowings and payables	其他借貸及應付款項
Obligations under finance leases	融資租約債項

## 10. 融資成本

2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
943	34,455
16,488	16,246
3	11
<b>17,434</b>	<b>50,712</b>

# 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

## 11. 稅項

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
The charge (credit) comprises:	稅項支出(抵免)包括:		
Taxation in other jurisdictions	其他司法權區之稅項		
– Current year	— 本年度	1,340	11,467
– Underprovision in prior years	— 過往年度之撥備不足	–	238
Hong Kong Profits Tax	香港利得稅	<b>5,124</b>	–
		<b>6,464</b>	11,705
Deferred tax credit (note 21)	遞延稅項抵免(附註21)	–	(770)
Taxation attributable to the Company and its subsidiaries	本公司及其附屬公司應佔稅項	<b>6,464</b>	10,935

Hong Kong Profits Tax is calculated at 17.5% (2003: 17.5%) of the estimated assessable profit for the year. No provision for Hong Kong Profits Tax was made in the financial statements for the year ended 31st December, 2003 as the subsidiaries operated in Hong Kong has no assessable profit for that year.

香港利得稅乃按年內估計應課稅溢利之17.5%(二零零三年:17.5%)計算。由於本公司與其附屬公司在截至二零零三年十二月三十一日止年度內並無應課稅溢利,故並無在該年度之財務報表作出香港利得稅撥備。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. Pursuant to the relevant laws and regulations in the PRC, certain PRC subsidiaries of the Group are exempted from PRC income tax for two years starting from their first profit-making year, followed by a 50% reduction for the next three years ("Tax Reduction"). Since these PRC subsidiaries were disposed of during the year ended 31st December, 2003, no PRC subsidiaries of the Group were exempted from Tax Reduction.

其他司法權區之稅項乃按個別司法權區之適用稅率計算。根據有關中國法律及法規,若干本集團中國附屬公司由首個獲利年度起獲豁免中國所得稅兩年,其後三年則獲稅項減半(「稅項寬減」)。由於此等中國附屬公司已於截至二零零三年十二月三十一日止年度內出售,因此並無本集團中國附屬公司享有稅項寬減。



# 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 (continued)

The tax charge for the year can be reconciled to the loss before taxation as per the consolidated income statement as follows:

## 11. 稅項 (續)

本年度稅項支出可與綜合收益表內所列之稅前虧損反映如下：

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Loss before taxation	稅前虧損	<u>(124,564)</u>	<u>(169,184)</u>
Tax at the average income tax rate (Note a)	按平均所得稅率計算之稅款(附註a)	(23,455)	(51,297)
Tax effect of share of results of associates	分佔聯營公司業績之稅務影響	6,540	30,753
Tax effect of income not taxable in determining taxable profit	釐定應課稅溢利時不可課稅收入之稅務影響	(34,334)	(28,399)
Tax effect of expenses not deductible for tax purpose	計稅用不可扣減開支之稅務影響	25,679	44,503
Tax effect of deductible temporary differences not recognised	未確認可扣減暫時性差異之稅務影響	23,849	11,769
Underprovision in respect of prior year	去年撥備不足	-	238
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	6,280	2,209
Utilisation of tax losses previously not recognised	動用先前未確認稅務虧損	-	(3,084)
Effect of tax exemption granted to PRC subsidiaries	授予中國附屬公司稅務減免之影響	(485)	(13,104)
Effect of different tax rates of subsidiaries operating in other jurisdictions	在不同司法權區經營之附屬公司稅率各異之影響	2,139	16,570
Others	其他	251	777
Tax expense for the year	本年度內的稅務支出	<u>6,464</u>	<u>10,935</u>

# 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 (continued)

### Notes:

- (a) The average income tax rate for both years represents the weighted average income tax rate of the operations in different jurisdictions on the basis of the relative amounts of net profits before taxation and the related statutory rates.
- (b) As at 31st December, 2004, the Group had unused tax loss of approximately HK\$29,682,000 (2003: HK\$231,337,000) available to offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profits streams.
- (c) As at 31st December, 2004, the Group had deductible temporary differences in respect of allowances on doubtful debts of approximately HK\$308,765,000 (2003: HK\$172,483,000). No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

## 12. LOSS PER SHARE

The calculation of the basic loss per share is based on the net loss for the year of approximately HK\$176,052,000 (2003: HK\$189,528,000) and on the weighted average of 877,471,799 (2003: 829,734,016) ordinary shares in issue during the year.

No disclosure of the diluted loss per share has been shown for the year ended 31st December, 2004 and 2003 as the exercise of the share options and warrants would result in a decrease in loss per share.

## 11. 稅項 (續)

### 附註：

- (a) 兩個年度內平均所得稅率即不同司法權區營運之加權平均所得稅率，計算基準為稅前純利及相關法定稅率之有關款額。
- (b) 於二零零四年十二月三十一日，本集團有未使用稅務虧損約29,682,000港元(二零零三年：231,337,000港元)可用以抵銷未來溢利。鑒於未來溢利來源之不明朗性，故未有就未使用稅務虧損確認遞延稅項資產。
- (c) 於二零零四年十二月三十一日，本集團就呆賬撥備有約308,765,000港元(二零零三年：172,483,000港元)之可扣減暫時性差異。由於並未能確定是否有應課稅溢利可供扣減暫時性差異抵銷，因此並無就該可扣減暫時性差異確認遞延稅項資產。

## 12. 每股虧損

每股基本虧損乃根據年度之虧損淨額約176,052,000港元(二零零三年：189,528,000港元)及年內已發行普通股之加權平均數877,471,799股(二零零三年：829,734,016)計算。

由於行使購股權及認股權證會導致截至二零零四年及二零零三年十二月三十一日止年度每股虧損減少，故此並無披露該兩個年度之每股攤薄虧損。

# 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

## 13. PROPERTY, PLANT AND EQUIPMENT

## 13. 物業、廠房及設備

		Land and buildings 土地及 樓宇 HK\$'000 港幣千元	Furniture and fixtures 傢俬及 裝置 HK\$'000 港幣千元	Machinery and equipment 機器及 設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
<b>THE GROUP</b>	<b>本集團</b>						
<b>COST</b>	<b>成本值</b>						
At 1st January, 2004	於二零零四年一月一日	67,944	33,096	158,767	3,605	760	264,172
Currency realignment	幣值重估	-	8	-	-	-	8
Reclassification	重新分類	-	205	-	-	(205)	-
Arising from acquisition of subsidiaries	收購附屬公司產生	-	614	9,800	551	16,500	27,465
Additions	添置	-	1,011	2,206	596	187	4,000
Disposals	出售	-	(1,263)	(26)	-	-	(1,289)
Disposal of subsidiaries	出售附屬公司	(4,590)	(31,389)	(1,526)	(3,191)	(742)	(41,438)
At 31st December, 2004	於二零零四年十二月三十一日	63,354	2,282	169,221	1,561	16,500	252,918
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSS</b>	<b>折舊、攤銷及減值虧損</b>						
At 1st January, 2004	於二零零四年一月一日	57,611	3,615	157,533	2,257	-	221,016
Provided for the year	年內撥備	195	2,257	1,100	363	-	3,915
Eliminated on disposals	出售後撇除	-	(732)	(5)	-	-	(737)
Eliminated on disposal of subsidiaries	出售附屬公司後撇除	(402)	(4,061)	(483)	(1,568)	-	(6,514)
At 31st December, 2004	於二零零四年十二月三十一日	57,404	1,079	158,145	1,052	-	217,680
<b>NET BOOK VALUES</b>	<b>賬面淨值</b>						
At 31st December, 2004	於二零零四年十二月三十一日	5,950	1,203	11,076	509	16,500	35,238
At 31st December, 2003	於二零零三年十二月三十一日	10,333	29,481	1,234	1,348	760	43,156
<b>THE COMPANY</b>	<b>本公司</b>						
<b>COST</b>	<b>成本值</b>						
At 1st January, 2004 and 31st December, 2004	於二零零四年一月一日及二零零四年十二月三十一日	6,824	1,488	1,338	541	-	10,191
<b>DEPRECIATION</b>	<b>折舊</b>						
At 1st January, 2004	於二零零四年一月一日	703	888	1,181	337	-	3,109
Provided for the year	年內撥備	171	285	109	135	-	700
At 31st December, 2004	於二零零四年十二月三十一日	874	1,173	1,290	472	-	3,809
<b>NET BOOK VALUES</b>	<b>賬面淨值</b>						
At 31st December, 2004	於二零零四年十二月三十一日	5,950	315	48	69	-	6,382
At 31st December, 2003	於二零零三年十二月三十一日	6,121	600	157	204	-	7,082

13. PROPERTY, PLANT AND EQUIPMENT (continued) 13. 物業、廠房及設備 (續)

At the balance sheet dates, the land and buildings of the Group and the Company are held under medium-term land use rights in the PRC.

於結算日，本集團及本公司之土地及樓宇均於中國以中期土地使用權持有。

The carrying value of construction in progress as at 31st December, 2004 represented the amount paid to acquire a land use right with medium lease term relating to the land located in Zhuhai, the PRC for a consideration of HK\$16,500,000 for the construction of a factory. The land use right has not yet been obtained by the Group as at 31st December, 2004. The directors are of the opinion that the land use right will be obtained in due course.

於二零零四年十二月三十一日，在建工程之賬面值指就以16,500,000港元之代價，按中期租約收購位於中國珠海之土地之土地使用權興建工廠所支付之款項。於二零零四年十二月三十一日，本集團仍未取得土地使用權。董事認為，土地使用權將可於適當時候取得。

The net book value of motor vehicles and furniture and fixtures as at 31st December, 2004 included an amount of approximately HK\$3,000 (2003: HK\$173,000) in respect of assets held under finance leases.

汽車與傢俬及裝置於二零零四年十二月三十一日之賬面淨值包括關於根據融資租約持有之資產約3,000港元(二零零三年：173,000港元)之款項。

14. DEPOSIT PAID FOR ACQUISITION OF INTEREST IN PROPERTIES 14. 就收購物業權益支付之按金

During the year, the Group entered into a conditional agreement with a third party (“Vendor”) to acquire the properties interest in a parcel of land situated in Shanghai, the PRC (the “Land”) and the 24-storey building being erected upon the land together with 2 levels of underground car parks (the “Building”) (collectively referred to as to the “Properties”) for a consideration of RMB450,000,000 (approximately HK\$424,528,000). A deposit of RMB50,000,000 (HK\$47,012,000) was paid upon the entering into the conditional agreement.

年內，本集團與第三方(「賣方」)訂立一項有條件協議，以收購一塊位於中國上海市之土地(「土地」)及一幢建於土地上樓高24層之樓宇，連同兩層地庫停車場(「樓宇」)(統稱「該等物業」)之物業權益，代價為人民幣450,000,000元(約424,528,000港元)。於訂立有條件協議時已支付人民幣50,000,000元(47,012,000港元)之按金。

According to the conditional agreement, prior to the completion of acquisition, the Vendor should (i) obtain the certificate in respect of the land use rights of the Land and the ownership of the Building; (ii) obtain an approval from 上海市計劃委員會 that the use of the Properties be changed from office to both commercial and residential and that all relevant fee and charges arising from the sale of the Land payable to the relevant authorities including 上海市國土局 having been settled in full; (iii) agree with the Group on the specification of installation, fixtures and furniture and other internal decoration of the Properties; (iv) procure all the contractors engaged in the development/construction of the Properties to enter into agreements with the Group to bind these contractors with obligations to the Group to rectify all defects of the Properties which may arise after the completion of the development/construction; and (v) procure the granting of a loan (“Loan”) to be granted by PRC banks to the Group to finance the remaining consideration.

根據有條件協議，於收購事項完成前，賣方須(i)取得土地之土地使用權及樓宇之擁有權證明；(ii)取得上海市計劃委員會之批文，當中訂明該等物業之用途由辦公室改為商住用途，及一切就出售土地所產生而應付有關機構(包括上海市國土局)之有關費用已悉數繳付；(iii)與本集團議定該等物業之安裝、裝置及傢俬之規格及其他內部裝修事宜；(iv)促使所有於有關發展／工程中受聘之承建商與本集團訂立協議，約束各承建商有責任為本集團補救該等物業於完成有關發展／工程後可能出現之一切缺陷；及(v)促使國內銀行向本集團授出貸款(「貸款」)，以支付餘下之代價。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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### 14. DEPOSIT PAID FOR ACQUISITION OF INTEREST IN PROPERTIES (continued)

Provided that if the conditions are not fulfilled on or before 1st June, 2005, the Group shall agree to a further extension of not less than 60 days without imposing any fine on the Vendor. If the conditions are not fulfilled within the extended period, the Group shall be entitled to terminate the agreement and the Vendor shall refund the deposit to the Group together with interests accrued during the period from the date of the agreement to the date the deposit is refunded and calculated on the relevant prevailing market interest rate.

It is one of the conditions for completion of the acquisition that the Vendor should obtain approval for the change of use of the Properties from office to both commercial and residential. Should the Vendor fail to obtain such approval within 150 days from the date of the agreement, the Group is entitled to either (i) to proceed with the agreement in accordance with the existing terms and conditions; or (ii) to acquire the 1st to 7th floors and the 23rd floor of the Properties together with the two levels underground car parks for a consideration of RMB70,000,000 approximately (HK\$65,817,000).

The remaining consideration will be settled upon the grant of the Loan and the transfer of the ownership of the Land and Buildings to the Group.

Although the conditions stated above for the change of the use of the Properties has not yet fulfilled within the said period and as at the date of this report, the directors has decided to proceed with the agreement in accordance with the existing terms and conditions.

### 15. PAYMENT FOR ACQUISITION OF SUBSIDIARIES

During the year, the Group entered into conditional agreements with third parties ("Vendor Parties") to acquire the entire interest in 廣州耀陽實業有限公司 ("廣州耀陽") and 88% interest in 東莞市江海貿易有限公司 ("東莞市江海") for consideration of approximately RMB27,300,000 (approximately HK\$25,756,000) and RMB25,700,000 (approximately HK\$24,244,000) respectively. 廣州耀陽 and 東莞市江海 are companies incorporated in the PRC and engaged in the business of sand mining. As one of the conditions according to the conditional agreements, the Vendor Parties should procure the Group to obtain all necessary approval from relevant government authorities for the proper transfer of ownership in 廣州耀陽 and 東莞市江海. Deposits of RMB21,200,000 (approximately HK\$20,000,000) and RMB21,200,000 (approximately HK\$20,000,000) were paid upon entering into the conditional agreements. If the conditions are not fulfilled, the Group shall be entitled to terminate the agreements and the Vendor Parties shall refund the deposit to the Group. As at the date of this report, the conditions has not yet been fulfilled and the transaction has not yet been completed.

### 14. 就收購物業權益支付之按金 (續)

倘上述條件未能於二零零五年六月一日或之前達成，本集團須同意給予不少於六十日之順延日期而不得向賣方加收罰款。若上述條件於順延期間內仍未達成，本集團有權終止協議，而賣方須向本集團退還按金，連同由訂立協議日期起至退還按金當日止期間之應計利息。利息乃按有關之當前市場息率計算。

完成收購事項之其中一項條件為賣方應取得將該等物業之用途由辦公室更改為商住用途之批文。倘賣方未能於協議訂立日期後150日內取得有關批文，本集團有權(i)按照現有之條款及條件履行協議；或(ii)以代價人民幣70,000,000元(約65,817,000港元)收購該等物業之第1至第7層、第23層，以及兩層地下停車場。

餘下之代價將於貸款授出及土地及樓宇之擁有權轉讓至本集團後支付。

儘管上述更改該等物業之用途之條件仍未能於所述期間及本報告日期達成，但董事決定按照現有之條款及條件履行協議。

### 15. 收購附屬公司付款

年內，本集團與第三方(「賣方」)訂立多項有條件協議，以收購廣州耀陽實業有限公司(「廣州耀陽」)之全部權益及東莞市江海貿易有限公司(「東莞市江海」)之88%權益，所涉及之代價分別約為人民幣27,300,000元(約25,756,000港元)及人民幣25,700,000元(約24,244,000港元)。廣州耀陽及東莞市江海均為於中國註冊成立之公司，主要從事採沙業務。根據有條件協議，其中一項條件為賣方應促使本集團向有關政府當局取得一切必要之批文，以按適當程序轉讓廣州耀陽及東莞市江海之所有權。為數約人民幣21,200,000元(約20,000,000港元)及人民幣21,200,000元(約20,000,000港元)之按金已於有條件協議訂立時支付。如未能達成有關條件，則本集團有權終止該等協議，而賣方亦須向本集團退還按金。截至本報告日期，有關條件仍未達成，而有關交易亦未完成。



# 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. GOODWILL

## 16. 商譽

		THE GROUP 本集團	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
<b>COST</b>	<b>成本值</b>		
At 1st January	於一月一日	<b>33,469</b>	33,082
Arising from acquisition of subsidiaries	收購附屬公司所產生	<b>26,812</b>	387
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	<b>(33,469)</b>	—
At 31st December	於十二月三十一日	<b>26,812</b>	33,469
<b>AMORTISATION AND IMPAIRMENT</b>	<b>攤銷及減值</b>		
At 1st January	於一月一日	<b>24,144</b>	2,129
Provided for the year	年內撥備	<b>1,160</b>	1,628
Impairment loss recognised	已確認減值虧損	—	20,387
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	<b>(24,299)</b>	—
At 31st December	於十二月三十一日	<b>1,005</b>	24,144
<b>NET BOOK VALUES</b>	<b>賬面淨值</b>		
At 31st December	於十二月三十一日	<b>25,807</b>	9,325

Goodwill is amortised on a straight-line basis and the amortisation period for goodwill is 20 years.

商譽按直線基準攤銷，而商譽之攤銷期為二十年。

# 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. INVESTMENTS IN SUBSIDIARIES/RECEIVABLES DUE FROM SUBSIDIARIES/PAYABLES DUE TO SUBSIDIARIES

## 17. 於附屬公司之投資／應收附屬公司款項／應付附屬公司款項

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
<i>Investments in subsidiaries</i>	於附屬公司之投資		
Shares listed overseas, at cost	海外上市股份，按成本值	139,703	139,703
Unlisted shares, at cost	非上市股份，按成本值	85,037	85,037
		<b>224,740</b>	<b>224,740</b>
Market value of listed shares	上市股份之市值	<b>37,344</b>	69,885
<i>Receivables due from subsidiaries</i>	應收附屬公司之款項		
Amounts due from subsidiaries	附屬公司之欠款	3,779,832	3,801,035
Less: Allowances	減：撥備	<b>(2,023,959)</b>	(1,943,059)
		<b>1,755,873</b>	<b>1,857,976</b>
<i>Payables due to subsidiaries</i>	應付附屬公司之款項		
Amounts due to subsidiaries	虧欠附屬公司之款項	<b>840,225</b>	743,971

The receivables due from and payables due to subsidiaries are unsecured, non-interest bearing and have no fixed terms of repayment. The amounts are not repayable within one year and are therefore shown as non-current.

應收及應付附屬公司之款項均為無抵押、免息及無固定還款期。該等款項毋須於一年內償還，故列作非流動項目。

# NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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## 17. INVESTMENTS IN SUBSIDIARIES/RECEIVABLES DUE FROM SUBSIDIARIES/PAYABLES DUE TO SUBSIDIARIES (continued)

Particulars of the principal subsidiaries at 31st December, 2004 are as follows:

## 17. 於附屬公司之投資／應收附屬公司款項／應付附屬公司款項 (續)

於二零零四年十二月三十一日，各主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 成立／註冊 及經營業務 之地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足之 普通股股本／ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司持有已發行 股本／註冊資本 面值之比例		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
MRI Holdings Limited ("MRI") (note c) (附註c)	Australia (note a) 澳洲 (附註a)	A\$31,184,116 31,184,116澳元	–	57.26	Investment holding 投資控股
China Pharmaceutical Industrial Limited (note c) 中國製藥工業集團 有限公司 (附註c)	Hong Kong 香港	HK\$2 2港元	–	57.26	Investment holding 投資控股
China Enterprises Limited ("China Enterprises") (note c) (附註c)	Bermuda (note b) 百慕達 (附註b)	Supervoting Common Stock US\$30,000 Common Stock US\$60,173 附有投票權 普通股 30,000美元 普通股 60,173美元	33.27 (note b) (附註b)	24.84 (note b) (附註b)	Investment holding 投資控股
Zhuhai Zhongce Property Investment Limited (note c) 珠海中策產業園投資有限公司 (附註c)	British Virgin Islands (note e) 英屬處女群島 (附註e)	US\$1 1美元	–	100	Holding of land development project held for resale 持有土地發展項目 以作轉售
Talent Cosmos Limited (note c) 才宇有限公司 (附註c)	British Virgin Islands 英屬處女群島	US\$13,000 13,000美元	–	80	Investment holding 投資控股
Super Energy Group Limited (note c) 超量集團有限公司 (附註c)	Hong Kong 香港	HK\$13,000,000 13,000,000港元	–	80	Investment holding and trading of battery products 投資控股及銷售電池產品

# 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. INVESTMENTS IN SUBSIDIARIES/RECEIVABLES DUE FROM SUBSIDIARIES/PAYABLES DUE TO SUBSIDIARIES (continued)

## 17. 於附屬公司之投資／應收附屬公司款項／應付附屬公司款項 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立／註冊 及經營業務 之地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足之 普通股股本／ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司持有已發行 股本／註冊資本 面值之比例		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
Super Energy Battery Industries Limited (note c) 超量電池實業有限公司 (附註c)	Hong Kong 香港	HK\$2,500,000 2,500,000港元	–	80	Investment holding and trading of battery products 投資控股及銷售電池產品
台山市超量電池有限公司 ("台山市超量") (note c) (附註c)	PRC 中國	RMB9,183,763 人民幣9,183,763元	–	76 (note d) (附註d)	Manufacturing of battery products 製造電池產品

### Notes:

- MRI operates both in Australia and Hong Kong and its shares are listed on the Australian Stock Exchange. MRI and its subsidiaries are mainly engaged in the investment holding activities.
- China Enterprises operates in both Hong Kong and PRC and its shares are traded on the Over the Counter Bulletin Board of the United States of America. The Group holds a 55.2% effective equity interest and a 88.8% effective voting interest in China Enterprises.
- These companies are limited liability company incorporated in the respective jurisdiction.
- 台山市超量 is a 95% subsidiary of Super Energy Battery Industries Limited and the Group hold effective 76% interest in 台山市超量.
- Zhuhai Zhongce Property Investment Limited operates in PRC.

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the 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.

### 附註：

- MRI於澳洲及香港兩地經營業務，其股份於澳洲證券交易所上市。MRI及其附屬公司主要從事投資控股業務。
- China Enterprises於香港及中國經營業務，其股份於美國場外交易議價板買賣。本集團擁有其55.2%之實際股本權益及88.8%之實際投票權。
- 此乃於各自之司法權區註冊成立之有限責任公司。
- 台山市超量為超量電池實業有限公司擁有95%權益之附屬公司，而本集團則擁有台山市超量76%實際權益。
- 珠海中策產業園投資有限公司於中國經營業務。

各附屬公司於年終或年內任何時間概無任何仍然有效之債務證券。

上表所列乃董事認為主要影響本年度之業績或佔本集團資產及負債之重大部份之本集團附屬公司。董事認為詳列其他附屬公司之資料將令篇幅過份冗長。

# 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

## 18. INTERESTS IN ASSOCIATES/RECEIVABLES DUE FROM ASSOCIATES/PAYABLES DUE TO ASSOCIATES 18. 於聯營公司之權益／應收聯營公司款項／應付聯營公司款項

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Interests in associates	於聯營公司之權益				
Share of net assets	所佔資產淨值	<b>337,212</b>	531,015	-	-
Goodwill (note i)	商譽(附註i)				
At 1st January	於一月一日	<b>91,785</b>	91,785	-	-
Accumulated amortisation as at 1st January	於一月一日之累計攤銷	<b>(10,326)</b>	(1,148)	-	-
Arising from acquisition of associates	收購聯營公司所產生	<b>3,931</b>	-	-	-
Less: amortisation provided for the year	減：於過往年度撥備之攤銷	<b>(3,059)</b>	(9,178)	-	-
Realised upon disposal/dilution of interests in associates	出售／攤薄聯營公司權益時變現	<b>(80,325)</b>	-	-	-
At 31st December	於十二月三十一日	<b>2,006</b>	81,459	-	-
Negative goodwill (note i)	負商譽(附註i)				
At 1st January	於一月一日	<b>(123,379)</b>	(123,379)	-	-
Accumulated negative goodwill released at 1st January	於一月一日撥回之累計負商譽	<b>12,338</b>	-	-	-
Release of negative goodwill during the year	年內撥回之負商譽	<b>10,598</b>	12,338	-	-
Release upon disposal/dilution of interests in associates	出售／攤薄聯營公司權益時撥回	<b>53,385</b>	-	-	-
At 31st December	於十二月三十一日	<b>(47,058)</b>	(111,041)	-	-
Unlisted shares, at cost	非上市股份，按成本值	-	-	<b>2</b>	2
Unlisted convertible notes due from an associate (note ii)	應收聯營公司非上市可換股票據(附註ii)	<b>55,000</b>	84,800	-	-
Loans receivables due from associates (note iii)	應收聯營公司貸款應收款(附註iii)	<b>81,840</b>	260,312	-	-
Less: Allowance	減：撥備	-	(23,398)	-	-
		<b>136,840</b>	321,714	-	-
		<b>429,000</b>	823,147	<b>2</b>	2



# NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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## 18. INTERESTS IN ASSOCIATES/RECEIVABLES DUE FROM ASSOCIATES/PAYABLES DUE TO ASSOCIATES (continued)

### Notes:

- (i) Goodwill is amortised on a straight-line basis and the amortisation period for goodwill is 10 years. Negative goodwill is released to income over 10 years.
- (ii) The carrying value of the unlisted convertible notes at 31st December, 2003 represented investments in convertible note issued by Wing On ("Wing On Note"). The Wing On Note bore interest at 2% per annum and was due for redemption on 19th April, 2004 at HK\$84,800,000 with accrued interest. It also entitled the holders at any time after the date of the issuance of the Wing On Note and up to 19th April, 2004 to convert the Wing On Note into shares of Wing On at an initial conversion price of HK\$0.032 per share (subject to adjustment).

In January 2004, the Group entered into a new convertible note agreement with Wing On pursuant to which Wing On issued the convertible notes with principal amount of HK\$155,000,000 ("New Wing On Note") to the Group, of which HK\$84,800,000 was used to settle Wing On Note and HK\$70,200,000 were used to settle the receivables due from Wing On. The New Wing On Note is interest bearing at 2% per annum and is due for redemption on 14th June, 2007 at HK\$155,000,000 with accrued interest. The New Wing On Note entitled the holders at any time after the date of the issuance of the New Wing On Note and up to 14th June, 2007 to convert the New Wing On Note into shares of Wing On at an initial conversion price of HK\$0.020 per share (subject to adjustment).

In October and November, 2004, the Group converted HK\$100,000,000 convertible notes of Wing On into ordinary shares of HK\$0.01 each in Wing On at conversion price of HK\$0.020 per share. Certain convertible notes holders also converted their convertible notes of Wing On into ordinary shares of HK\$0.01 each in Wing On at conversion price of HK\$0.020 per share. The interest in Wing On held by the Group was accordingly increased from approximately 32.21% to approximately 38.16% upon the conversion of the convertible notes into shares of HK\$0.01 each in Wing On by the Group and other convertible note holder. The Group also disposed of approximately 7.88% interest in Wing On for a consideration of approximately HK\$45 million and the interest in Wing On held by the Group was decreased to approximately 30.28%.

## 18. 於聯營公司之權益／應收聯營公司款項／應付聯營公司款項 (續)

### 附註：

- (i) 商譽按直線基準攤銷，而商譽之攤銷期為十年。負商譽分十年撥回作收入。
- (ii) 非上市可換股票據於二零零三年十二月三十一日之賬面值即於永安所發行可換股票據(「永安票據」)之投資。永安票據按年息二厘計息，並須於二零零四年四月十九日以84,800,000港元連息贖回。永安票據亦賦予其持有人權利，可於永安票據發行日期起至二零零四年四月十九日隨時按每股初步換股價0.032港元(可予調整)將永安票據轉換為永安股份。

於二零零四年一月，本集團與永安訂立一項新可換股票據協議。據此，永安發行本金額達155,000,000港元之可換股票據(「新永安票據」)予本集團，當中84,800,000港元用作償還永安票據，而70,200,000港元則用作償還永安結欠之應收款項。新永安票據按年息二厘計息，並須於二零零七年六月十四日以155,000,000港元連息贖回。新永安票據賦予持有人權利，可於新永安票據發行日期起至二零零七年六月十四日隨時按每股初步換股價0.020港元(可予調整)轉換為永安股份。

於二零零四年十月及十一月，本集團將100,000,000港元之永安可換股票據按換股價每股0.020港元兌換為永安每股面值0.01港元之普通股。部分可換股票據持有人亦將彼等之永安可換股票據按換股價每股0.020港元兌換為永安每股面值0.01港元之普通股。據此，在本集團及其他可換股票據持有人將可換股票據兌換為永安每股面值0.01港元之股份後，本公司於永安所持權益由約32.21%增至約38.16%。本集團亦已出售約7.88%永安權益，代價約45,000,000港元，而本集團於永安所持權益已減至約30.28%。

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## 18. INTERESTS IN ASSOCIATES/RECEIVABLES DUE FROM ASSOCIATES/PAYABLES DUE TO ASSOCIATES (continued)

Notes: (continued)

On 30th November, 2004, the Group further entered into two placing and subscription agreements with Wing On and placing agent pursuant to which the placing agent agreed to place 6,000 million ordinary shares of HK\$0.01 each in Wing On on behalf of the Group at the price of HK\$0.028 per share and the Group would subscribe up to 6,000 million new ordinary shares of Wing On at HK\$0.028 per share. The placing of 6,000 million ordinary shares of HK\$0.01 each in Wing On and subscription of 3,660 million new ordinary shares of HK\$0.01 each of Wing On were completed in December, 2004 and the Group's interest in Wing On was decreased to approximately 19.58% as at 31st December, 2004. The Group further subscribed 2,340 million new ordinary shares of Wing On in January, 2005 and the Group's interest in Wing On was increased to 25.02% subsequent to 31st December, 2004.

- (iii) The amounts are unsecured, carry interest at the prevailing market date and not repayable within one year from the balance sheet date.
- (iv) In March 2004, Pacific Century Premium Development Limited ("PCPD", formerly known as Dong Fang Gas Holdings Limited whose shares are listed on the Hong Kong Stock Exchange), a then 43.06% owned associate of the Group, entered into agreements with PCCW Limited ("PCCW", a company whose shares are listed on the Hong Kong Stock Exchange) to acquire various property interests from PCCW for a consideration of approximately HK\$6,557 million which was satisfied by the issue of new shares and convertible notes by PCPD to PCCW or as it may direct. The above transaction was completed in May 2004 and the Group's interest in PCPD was decreased from 43.06% to 2.83% and PCPD ceased to be an associate of the Group accordingly. The Group further disposed of all its 2.83% interest in PCPD and no interest in PCPD was held by the Group as at 31st December, 2004.

## 18. 於聯營公司之權益／應收聯營公司款項／應付聯營公司款項 (續)

附註：(續)

於二零零四年十一月三十日，本集團與永安及配售代理再訂立兩份配售及認購協議，據此，配售代理同意代表本集團配售6,000,000,000股每股面值0.01港元之永安普通股，每股作價0.028港元；而本集團將按每股0.028港元之價格認購最多6,000,000,000股每股面值0.01港元之永安新普通股。配售6,000,000,000股每股面值0.01港元之永安普通股及認購3,660,000,000股每股面值0.01港元之永安新普通股已於二零零四年十二月完成。於二零零四年十二月三十一日，本集團於永安之權益減至約19.58%。本集團於二零零五年一月另外認購2,340,000,000股永安新普通股，而本集團於永安之權益在二零零四年十二月三十一日後增至25.02%。

- (iii) 以上金額均為無抵押，按當前市場利率計息及毋須於結算日後一年內償還。
- (iv) 於二零零四年三月，本集團當時持有43.06%之聯營公司盈科大衍地產發展有限公司(「盈大地產」，前稱東方燃氣集團有限公司，其股份於香港聯交所上市)與電訊盈科有限公司(「電訊盈科」，其股份於香港聯交所上市)訂立多份協議，以向電訊盈科收購若干物業權益，代價約6,557,000,000港元，其支付方式為盈大地產向電訊盈科(或按其指示)發行新股及可換股票據。上述交易於二零零四年五月完成，而本集團於盈大地產之權益由43.06%減至2.83%，因此盈大地產不再為本集團聯營公司。本集團進一步出售其全部2.83%盈大地產權益，於二零零四年十二月三十一日，本集團並無持有盈大地產任何權益。

# 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

## 18. INTERESTS IN ASSOCIATES/RECEIVABLES DUE FROM ASSOCIATES/PAYABLES DUE TO ASSOCIATES (continued)

## 18. 於聯營公司之權益／應收聯營公司款項／應付聯營公司款項 (續)

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Receivables due from associates	應收聯營公司款項				
Amounts due from associates	聯營公司欠款	<u>57,163</u>	<u>6,294</u>	<u>563</u>	<u>719</u>
Payables due to associates	應付聯營公司款項				
Amounts due to associates	虧欠聯營公司款項	<u>3,737</u>	<u>185</u>	<u>-</u>	<u>185</u>
Market value of listed shares in associates	聯營公司上市股份之市值	<u>311,480</u>	<u>325,245</u>	<u>-</u>	<u>-</u>

The amounts due from associates are unsecured and repayable on demand. Except for amount due from an associate of approximately HK\$54,247,000 (2003: Nil) are interest bearing, all remaining amount due from associates are non-interest bearing. The amounts due to associates are unsecured, non-interest bearing and repayable on demand.

應收聯營公司款項為已抵押及須於要求時償還。除為數約54,247,000港元(二零零三年：無)之應收聯營公司款項計息外，其餘所有應收聯營公司款項均為免息。虧欠聯營公司款項為無抵押、免息及須於要求時償還。

# 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

## 18. INTERESTS IN ASSOCIATES/RECEIVABLES DUE FROM ASSOCIATES/PAYABLES DUE TO ASSOCIATES (continued)

The amounts due to associates are unsecured, non interest bearing and repayable on demand.

Particulars of the principal associates at 31st December, 2004 are as follows:

## 18. 於聯營公司之權益／應收聯營公司款項／應付聯營公司款項 (續)

應付聯營公司之款項為無抵押、免息及需於要求時償還。

於二零零四年十二月三十一日，各主要聯營公司之詳情如下：

Name of associate	Place of the incorporation/ registration/ establishment	Place of operation	Proportion of nominal value of issued share capital/registered capital held indirectly by the Company 本公司間接持有已發行股本／註冊資本面值之比例 %	Principal activities
聯營公司名稱	註冊成立／註冊／成立地點	經營業務之地點		主要業務
China Velocity Group Limited ("China Velocity") (notes a and b)	Bermuda	Hong Kong and PRC	22.65	Property investment and development in the PRC
中國高速(集團)有限公司 ([中國高速]) (附註a及b)	百慕達	香港及中國		中國之物業投資及發展
Wing On (notes a and b)	Bermuda	Hong Kong	19.58	Business of providing package tours, travel and other related services
永安 (附註a及b)	百慕達	香港		提供旅遊團、旅遊、及其他相關服務之業務
Hangzhou Zhongce Rubber Company Limited ("HZ Rubber") (note c)	PRC	PRC	26.00	Manufacturing of tires
杭州中策橡膠有限公司 ([杭州橡膠]) (附註c)	中國	中國		輪胎製造

Notes:

- (a) The shares of China Velocity and Wing On are listed on the Hong Kong Stock Exchange.
- (b) These companies are a limited liability company incorporated in the respective jurisdiction.
- (c) This is a sino-foreign equity joint venture.

附註：

- (a) 中國高速及永安之股份於香港聯交所上市。
- (b) 此為於所屬司法權區註冊成立之有限公司。
- (c) 此乃中外合資合營公司。



# 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

## 18. INTERESTS IN ASSOCIATES/RECEIVABLES DUE FROM ASSOCIATES/PAYABLES DUE TO ASSOCIATES (continued)

The above table lists the associates of the Group which, in the opinion of the directors, constituted a substantial portion of the share of results or of net assets of the associates. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.

The following is a summary of the most recent published financial information and management account of the principal associates held by the Group as at 31st December, 2004:

Consolidated results for the year:

## 18. 於聯營公司之權益／應收聯營公司款項／應付聯營公司款項 (續)

上表列出董事認為可構成聯營公司所佔業績或資產淨值主要部份之本集團聯營公司。董事認為提供其他聯營公司之詳情會令篇幅過份冗長。

以下為本集團所持有主要聯營公司最新近公佈財務資料及於二零零四年十二月三十一日管理賬目概要：

年度之綜合業績：

		<b>HZ Rubber</b>	<b>China Velocity</b>	<b>Wing On</b>
		<b>1.1.2004 to</b>	<b>1.1.2004 to</b>	<b>1.1.2004 to</b>
		<b>31.12.2004</b>	<b>31.12.2004</b>	<b>31.12.2004</b>
		杭州橡膠	中國高速	永安
		二零零四年	二零零四年	二零零四年
		一月一日至	一月一日至	一月一日至
		二零零四年	二零零四年	二零零四年
		十二月	十二月	十二月
		三十一日	三十一日	三十一日
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Turnover	營業額	4,784,903	12,605	1,722,177
Net (loss) profit for the year	本年度(虧損)溢利淨額	97,940	(235,515)	35,377
Net (loss) profit for the year attributable to the Group	本集團應佔本年度(虧損)溢利淨額	25,464	(53,344)	10,614



# 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

## 18. INTERESTS IN ASSOCIATES/RECEIVABLES DUE FROM ASSOCIATES/PAYABLES DUE TO ASSOCIATES (continued)

## 18. 於聯營公司之權益／應收聯營公司款項／應付聯營公司款項 (續)

Consolidated financial position:

綜合財務狀況：

		<b>HZ Rubber</b>	<b>China Velocity</b>	<b>Wing On</b>
		<b>as at</b>	<b>as at</b>	<b>as at</b>
		<b>31.12.2004</b>	<b>31.12.2004</b>	<b>31.12.2004</b>
		<b>杭州橡膠</b>	<b>中國高速</b>	<b>永安</b>
		<b>於二零零四年</b>	<b>於二零零四年</b>	<b>於二零零四年</b>
		<b>十二月</b>	<b>十二月</b>	<b>十二月</b>
		<b>三十一日</b>	<b>三十一日</b>	<b>三十一日</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>港幣千元</b>	<b>港幣千元</b>	<b>港幣千元</b>
Non-current assets	非流動資產	1,286,257	151,929	2,037,951
Current assets	流動資產	1,753,486	81,482	564,490
Current liabilities	流動負債	(2,180,756)	(120,665)	(581,588)
Non-current liabilities	非流動負債	(90,165)	(667)	(1,075,940)
Minority interests	少數股東權益	(24,109)	(14,430)	(312,171)
<b>Net assets</b>	<b>資產淨值</b>	<b>744,713</b>	<b>97,649</b>	<b>632,742</b>
Share of net assets by the Group:	本集團應佔資產淨值：			
As at 31st December, 2004	於二零零四年十二月三十一日	190,893	22,117	123,890
Market value of interest held by the Group	本集團所持權益市值	N/A	52,770	258,710

# 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

## 19. RECEIVABLES

## 19. 應收賬款

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Loan and interest receivables	應收貸款及應收利息				
– secured (note a)	— 有抵押 (附註a)	230,105	242,967	–	–
– unsecured (note b)	— 無抵押 (附註b)	666,513	297,124	41,958	33,725
Promissory note and its interest receivables (note c)	承付票及其利息 (附註c)	6,735	–	–	–
Receivable due from related companies (note c)	應收關連公司款項 (附註c)	–	10	–	–
		<b>903,353</b>	540,101	<b>41,958</b>	33,725
Less: Allowances	減：撥備	<b>(302,643)</b>	(138,356)	<b>(35,223)</b>	–
		<b>600,710</b>	401,745	<b>6,735</b>	33,725
Less: Amounts due within one year and shown under current assets	減：一年內到期並列作流動資產之款項	<b>(563,666)</b>	(370,459)	<b>(6,735)</b>	(14,586)
Amounts due after one year	一年後到期之款項	<b>37,044</b>	31,286	–	19,139

Notes:

附註：

(a) Included in secured loan and interest receivables were amounts of approximately HK\$109,286,000 (2003: HK\$128,183,000) and approximately HK\$120,819,000 (2003: HK\$114,784,000) due from Danwei Limited (“Danwei”) and Lucklong Venture Limited (“Lucklong”) respectively. Allowances made in the loans receivables due from Danwei and Lucklong as at 31st December, 2004 were approximately HK\$143,905,000 (2003: HK\$48,000,000) with reference to the market value of the collateral secured to the Group. Shares in certain companies were pledged to the Group as securities to the loans receivables.

(a) 有抵押貸款及應收利息中包括分別應收 Danwei Ltd. (「Danwei」) 及 Lucklong Venture Ltd. (「Lucklong」) 約 109,286,000 港元 (二零零三年：128,183,000 港元) 及 約 120,819,000 港元 (二零零三年：114,784,000 港元) 之款項。於二零零四年十二月三十一日，就應收 Danwei 及 Lucklong 之貸款作出之撥備約為 143,905,000 港元 (二零零三年：48,000,000 港元)，此乃參考提供予本集團之抵押品之市值而釐訂。若干公司之股份已予抵押，作為本集團向 Danwei 及 Lucklong 提供貸款之抵押品。

The loan receivables carry interest at the prevailing market rate.

此應收貸款均按當前市場利率計息。

# 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

## 19. RECEIVABLES (continued)

(b) Included in unsecured loan and interest receivables were amount of approximately HK\$80,021,000 (2003: HK\$40,662,000) due from a subsidiary of an investee.

The loan receivables carry interest at the prevailing market rate.

(c) The principal amount of HK\$6,500,000 is unsecured, carries interest at prevailing market rate and repayable on 6th May, 2005.

(d) Details of the receivable due from related companies are as follows:

## 19. 應收賬款 (續)

(b) 無抵押貸款及應收利息包括應收所投資公司之附屬公司約80,021,000港元(二零零三年：40,662,000港元)之款項。

此應收貸款乃按當前市場利率計息。

(c) 6,500,000港元之本金乃無抵押、按當前市場利率計息及須於二零零五年五月六日償還。

(d) 應收關連公司款項之詳情如下：

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Paul Y. – ITC Construction Holdings Limited	保華德祥建築集團有限公司	-	5	-	-
ITC Corporation Limited	德祥企業集團有限公司	-	5	-	-
		<b>-</b>	<b>10</b>	<b>-</b>	<b>-</b>

The amounts were unsecured, non-interest bearing and were repayable on demand.

Paul Y. – ITC Construction Holdings Limited (“Paul Y. – ITC”) is a substantial shareholder of the Company and ITC Corporation Limited is a shareholder of Paul Y. – ITC.

該等款項為無抵押、免息及須應要求償還。

保華德祥建築集團有限公司(「保華德祥」)為本公司主要股東，而德祥企業集團有限公司則為保華德祥之股東。

# 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

## 20. INVESTMENTS IN SECURITIES

## 20. 證券投資

		THE GROUP Other investments 本集團 其他投資		THE COMPANY Other investments 本公司 其他投資	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Equity securities:	股本證券：				
Listed	上市	91,081	140,053	-	-
Unlisted	非上市	76,909	36,314	-	-
		<b>167,990</b>	<b>176,367</b>	<b>-</b>	<b>-</b>
Debt securities:	債務證券：				
Unlisted	非上市	45,084	43,421	-	-
Club debentures	會所債券	825	825	825	825
Total	總計	<b>213,899</b>	<b>220,613</b>	<b>825</b>	<b>825</b>
Total and reported as:	總計及列作：				
Listed	上市				
Hong Kong	香港	80,415	112,800	-	-
Elsewhere	其他地方	10,666	27,253	-	-
Unlisted	非上市	91,081	140,053	-	-
		122,818	80,560	825	825
		<b>213,899</b>	<b>220,613</b>	<b>825</b>	<b>825</b>
Classified under	分類為				
Current	流動	19,849	2,930	-	-
Non-current	非流動	194,050	217,683	825	825
		<b>213,899</b>	<b>220,613</b>	<b>825</b>	<b>825</b>
Market value of listed securities	上市證券之市價	91,081	140,053	-	-



# 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

## 20. INVESTMENTS IN SECURITIES (continued)

The carrying value of listed securities in Hong Kong at 31st December, 2004 included amounts of HK\$28,860,000 (2003: HK\$18,300,000), representing 4.64% (2003: 4.64%) interest in Y.T. Realty Group Limited ("YT Realty"). YT Realty is incorporated in Bermuda with its shares listed on the Hong Kong Stock Exchange.

The carrying value of unlisted securities in Hong Kong at 31st December, 2004 included an amount of HK\$43,498,000 (2003: Nil), representing 9.77% interest in Apex Quality Group Limited ("Apex"). Apex is incorporated in the British Virgin Islands and engaged in hotel and leisure related business. Apex was a 22.65% associate of the Group as at 31st December, 2003. Upon the completion of disposal of approximately 12.88% interest of Apex by the Group in September 2004, Apex ceased to be the Group's associate.

## 21. DEFERRED TAX ASSETS

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

		<b>Bad and doubtful debts and allowance 呆壞帳及撥備</b>
		<i>HK\$'000</i> 港幣千元
At 1st January, 2003	於二零零三年十二月三十一日	13,454
Credit to the consolidated income statement	計入綜合收益表	770
Realised on disposal of subsidiaries (note 32)	出售附屬公司時變現 (附註32)	14,224
		(14,224)
At 31st December, 2003 and 31st December, 2004	於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	—

## 20. 證券投資 (續)

香港上市證券於二零零四年十二月三十一日之賬面值包括於 渝太地產集團有限公司 (「渝太地產」) 4.64% (二零零三年：4.64%) 之權益，價值為28,860,000港元 (二零零三年：18,300,000港元)。Y.T. Realty於百慕達註冊成立，其股份於香港聯交所上市。

於二零零四年十二月三十一日，香港非上市證券之賬面值包括43,498,000港元 (二零零三年：無) 之金額，佔Apex Quality Group Limited (「Apex」) 9.77%之權益。Apex於英屬處女群島註冊成立，從事酒店及消閒相關業務。於二零零三年十二月三十一日，Apex為本集團擁有22.65%之聯營公司。本集團於二零零四年九月完成出售Apex約12.88%之權益後，Apex已不再為本集團之聯營公司。

## 21. 遞延稅項資產

以下為於過往會計時期確認之主要遞延稅項資產及其變動情況：

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## 22. OTHER ASSET

The amount represents cost incurred in connection with a land development project in the PRC. The project is a land development of 珠海市龍山智業產業園 located in Long Shan Development Area, Doumen District, Zhuhai City and is to be jointly developed with 珠海市龍山工業區管理委員會. The Group is entitled to the exclusive development right to the project and also the right to obtain the land for the development ("Other Asset"). The Group is also entitled to sell the Other Asset to investors at consideration to be agreed among themselves.

The amount of approximately HK227,045,000 (2003: approximately HK\$226,596,000) was paid by the Group for obtaining the exclusive development right to the project and in obtaining certain parts of the right for land development.

As the directors are of the opinion that the Other Asset is held for sale, the cost incurred for the Other Asset is included in current asset accordingly.

The directors has assessed the carrying value of the Other Asset with reference to the valuation performed by Norton Appraisal Limited, an independent valuer, on open market value basis and no impairment loss is identified.

## 23. INVENTORIES

Raw materials	原料
Work in progress	在製品
Finished goods	製成品

## 22. 其他資產

此數額指國內土地發展項目產生之成本。該項目為珠海市龍山智業產業園之土地發展項目，位於珠海市斗門區龍山發展區，將由集團與珠海市龍山工業區管理委員會共同發展。本集團享有項目之獨家發展權及享有權利取得土地以再發展（「其他資產」）。本集團亦有權按協定代價將其他資產售予投資者。

本集團已就取得項目之獨家發展權及部份項目土地發展權支付約227,045,000港元（二零零三年：約226,596,000港元）。

由於董事視其他資產為持作發售，故其他資產所產生之成本乃列作流動資產。

董事已參考獨立估值師普頓國際評估有限公司按公開市值基準所作估值評估其他資產之賬面值，並無發覺有減值虧損。

## 23. 存貨

### THE GROUP 本集團

2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
8,004	12,146
-	163
5,704	54,667
<b>13,708</b>	<b>66,976</b>

# NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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## 23. INVENTORIES (continued)

Included in above are finished goods of HK\$5,704,000 (2003: HK\$54,667,000) which are carried at net realisable value.

The cost of inventories recognised as an expense during the year was approximately HK\$76,066,000 (2003: HK\$2,459,991,000).

## 24. TRADE DEBTORS

The Group allows its trade customers with credit period normally ranging from 90 days to 180 days. The aged analysis of the trade debtors at the balance sheet date is as follows:

0-90 days	0至90日
91-180 days	91至180日
Over 180 days	180日以上

## 23. 存貨 (續)

上述包括按可變現淨值列賬之製成品 5,704,000港元 (二零零三年: 54,667,000港元)。

於年內確認為開支之存貨成本約為 76,066,000港元 (二零零三年: 2,459,991,000港元)。

## 24. 應收貿易賬款

本集團一般給予貿易客戶為期90至180日之賒賬期。於結算日之應收貿易賬款之賬齡分析如下:

### THE GROUP

#### 本集團

2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
6,832	12,011
114	762
34	945
<b>6,980</b>	<b>13,718</b>

# NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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## 25. CREDITORS, OTHER PAYABLES AND ACCRUED CHARGES

Included in creditors, other payables and accrued charges are creditors with the following aged analysis:

0-90 days	0至90日
91-180 days	91至180日
Over 180 days	180日以上
Add: Other payables and accrued charges	加：其他應付款項及應計費用

## 25. 應付賬款、其他應付款項及應計費用

應付賬款、其他應付款項及應計費用之賬齡分析如下：

THE GROUP 本集團	
2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
1,613	39,468
2,838	1,413
513	813
<b>4,964</b>	41,694
<b>41,111</b>	43,252
<b>46,075</b>	84,946

## 26. PAYABLES

Details of the payables are as follows:

Payables due to related companies	應付關連公司款項	(a)	185,635	201,286	185,218	198,105
Payables due to third parties	應付第三方款項	(b)	7,945	77,795	-	50,603
Less: Amounts shown under current liabilities	減：列作流動負債之款項		(8,637)	(34,611)	(275)	(5,430)
			<b>184,943</b>	244,470	<b>184,943</b>	243,278

## 26. 應付款項

應付款項之詳情如下：

THE GROUP 本集團		THE COMPANY 本公司	
2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
185,635	201,286	185,218	198,105
7,945	77,795	-	50,603
<b>193,580</b>	279,081	<b>185,218</b>	248,708
(8,637)	(34,611)	(275)	(5,430)
<b>184,943</b>	244,470	<b>184,943</b>	243,278

# 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

## 26. PAYABLES (continued)

Notes:

(a) Details of the payables due to related companies are as follows:

		Notes 附註
Nation Cheer Investment Limited	志恒投資有限公司	(i)
Hanny Magnetics Limited	錦興磁訊有限公司	(i)
ITC Management Limited	德祥企業管理有限公司	(ii)
Paul Y. Project Management International Limited	Paul Y. Project Management International Limited	(i)
Mass Success International Limited	Mass Success International Limited	(iii)
Paul Y. – ITC Management Limited	保華德祥管理有限公司	(i)
Micro Tech Limited	Micor Tech Limited	(i)
Cycle Company Limited and Gunnell Properties Limited	旋高有限公司及 Gunnell Properties Limited	(i)
ITC Corporation Limited	德祥企業集團有限公司	(iv)
Paul Y. – ITC (E&M) Company Limited	保華機電有限公司	(i)
Paul Y. – ITC (E&M) Contractors Limited	保華德祥機電工程有限公司	(i)

Notes:

- (i) The companies are wholly-owned subsidiaries of substantial shareholders of the Company.
- (ii) ITC Management Limited is a wholly-owned subsidiary of ITC Corporation Limited, a shareholder of the Company's substantial shareholder.
- (iii) Mass Success International Limited is an associate of a substantial shareholder of the Company.
- (iv) ITC Corporation Limited is a shareholder of the Company's substantial shareholder.

### THE GROUP AND THE COMPANY

The amounts are unsecured and carry interest at prevailing market rate.

Except for the payable of HK\$184,943,000 (2003: HK\$192,675,000) which is repayable after one year from the balance sheet date, all remaining balances are repayable on demand.

## 26. 應付款項 (續)

附註：

(a) 應付關連公司之款項詳情如下：

		THE GROUP 本集團	THE COMPANY 本公司
	Notes 附註	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
		184,943	192,675
		–	1,076
		275	519
		–	2,314
		–	1,251
		–	450
		–	270
		417	693
		–	744
		–	1,014
		–	280
		<b>185,635</b>	<b>201,286</b>
		<b>185,218</b>	<b>198,105</b>

附註：

- (i) 該等公司為本公司主要股東之全資附屬公司。
- (ii) 德祥企業管理有限公司為德祥企業集團有限公司之全資附屬公司，德祥企業集團有限公司為本公司主要股東之股東。
- (iii) Mass Success International Limited為本公司主要股東之聯營公司。
- (iv) 德祥企業集團有限公司為本公司主要股東之股東。

### 本集團及本公司

所有款項均為無抵押、及按當前市場利率計息。

除184,943,000港元(二零零三年：192,675,000港元)之應付款項為於結算日起計一年後償還外，其餘款項均須應要求償還。



# 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

## 26. PAYABLES (continued)

- (b) The amounts are unsecured, carry interest at prevailing market rate and repayable on demand.

### THE GROUP

As at 31st December, 2003, except for the payable of HK\$51,795,000 which was repayable after one year from the balance sheet date, all remaining balances were repayable on demand.

### THE COMPANY

As at 31st December, 2003, except for the payable of HK\$50,603,000 which was repayable after one year from the balance sheet date, all remaining balances were repayable on demand.

## 26. 應付款項 (續)

- (b) 該等款項乃無抵押、按市場利率計息及須應要求償還。

### 本集團

於二零零三年十二月三十一日，除51,795,000港元之應付款項為於結算日起計一年後償還外，其餘款項均須應要求償還。

### 本公司

於二零零三年十二月三十一日，除50,603,000港元之應付款項為於結算日起計一年後償還外，其餘款項均須應要求償還。

## 27. BANK LOANS AND OTHER BORROWINGS

## 27. 銀行貸款及其他借貸

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Bank loans	銀行貸款	2,245	12,991	-	-
Obligations under finance leases (note a)	融資租約債項 (附註a)	13	175	13	24
Bank overdrafts	銀行透支	6,800	5,131	-	5,131
Other borrowings (note b)	其他借貸(附註b)	33,567	20,131	-	-
		<b>42,625</b>	<b>38,428</b>	<b>13</b>	<b>5,155</b>
Secured	有抵押	42,098	12,438	13	5,155
Unsecured	無抵押	527	25,990	-	-
		<b>42,625</b>	<b>38,428</b>	<b>13</b>	<b>5,155</b>
Repayable as follows:	須於以下年期償還：				
Within one year	一年內	42,622	38,284	10	5,142
Between one and two years	一至兩年	3	33	3	13
Between two and five years	兩至五年	-	111	-	-
		<b>42,625</b>	<b>38,428</b>	<b>13</b>	<b>5,155</b>
Less: Amount due within one year included under current liabilities	減：一年內到期 並列作流動 負債之款項	(42,622)	(38,284)	(10)	(5,142)
Amount due after one year	一年後到期之款項	<b>3</b>	<b>144</b>	<b>3</b>	<b>13</b>

# 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

## 27. BANK LOANS AND OTHER BORROWINGS 27. 銀行貸款及其他借貸 (續) (continued)

Notes:

附註：

(a)

		Minimum lease payments 最低租約付款				Present value of minimum lease payments 最低租約付款之現值			
		THE GROUP 本集團		THE COMPANY 本公司		THE GROUP 本集團		THE COMPANY 本公司	
		2004	2003	2004	2003	2004	2003	2004	2003
		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	二零零四年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Amounts payable under finance leases:	根據融資租約 應付金額：								
Within one year	一年內	14	45	14	14	10	31	10	11
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	4	165	4	18	3	144	3	13
		18	210	18	32	13	175	13	24
Less: Future finance charges	減：未來融資費用	(5)	(35)	(5)	(8)	-	-	-	-
Present value of lease obligations	租約債項現值	13	175	13	24	13	175	13	24
Less: Amount due within one year	減：一年內到期之金額					(10)	(31)	(10)	(11)
Amount due after one year	一年後到期之金額					3	144	3	13

The average lease term is two (2003: five) years. For the year ended 31st December, 2004, the average effective borrowing rate was 9.4% (2003: 6.7%). Interest rate is fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The Group's obligations under finance leases contract are secured by the lessor's charge on the hired assets.

(b) The amounts carrying interest at prevailing market rate.

租約平均為期兩年(二零零三年：五年)。截至二零零四年十二月三十一日止年度，平均實質借貸利率為9.4厘(二零零三年：6.7厘)。息率於訂立合同日期釐定。所有租約按固定還款年期訂立，且並無訂立有關或然租賃付款之安排。

本集團之債項以出租人在租賃資產設立之押記作抵押。

(b) 有關款項以最優惠利率計息。

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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

## 28. SHARE CAPITAL

## 28. 股本

		Number of shares 股份數目	Value 價值 HK\$'000 港幣千元
Authorised:	法定：		
Ordinary shares of HK\$0.10 each at 31st December, 2003 and 2004	每股面值0.10港元之普通股 於二零零三年及二零零四年 十二月三十一日	<b>8,000,000,000</b>	800,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.10 each at 1st January, 2003	每股面值0.10港元之普通股 於二零零三年一月一日	<b>829,468,413</b>	82,947
Exercise of warrants	行使認股權證	<b>27,126,674</b>	2,713
Ordinary shares of HK\$0.10 each at 31st December, 2003	每股面值0.10港元之普通股 於二零零三年十二月三十一日	<b>856,595,087</b>	85,660
Issue of shares	發行新股	<b>25,000,000</b>	2,500
At 31st December, 2004	於二零零四年十二月三十一日	<b>881,595,087</b>	88,160

Notes:

附註：

(i) During the year ended 31st December, 2003, 27,126,674 shares in the Company of HK\$0.10 each were issued upon the exercise of 27,126,674 warrants at a price of HK\$0.16 per share. The shares issued during the year ended 31st December, 2003 rank pari passu with the then existing shares in all respect.

(i) 於截至二零零三年十二月三十一日止年度內，27,126,674股每股面值0.10港元之本公司股份因按每股0.16港元之價格行使27,126,674份認股權證而發行。該批於截至二零零三年十二月三十一日止年度內發行之股份在各方面與當時之現有股份享有同等地位。

(ii) During the year ended 31st December, 2004, 25,000,000 ordinary shares in the Company of HK\$0.10 each were issued at a price of HK\$0.1776 per share as a result of exercise of share options. The shares issued during the year rank pari passu with the then existing shares in all respect.

(ii) 於截至二零零四年十二月三十一日止年度內，有25,000,000股每股面值0.10港元之本公司股份因按每股0.1776港元之價格行使購股權而發行。該批於年內發行之股份在各方面與當時之現有股份享有同等地位。

## 29. WARRANTS

In accordance with the conditions attached to the warrants of the Company, each of the warrants confers rights to the registered holder to subscribe for one new share of the Company in cash at an initial subscription price of HK\$0.16 per share, subject to adjustment, at any time from the date of issue to 31st December, 2003 (both days inclusive). The movement in the number of warrants of the Company during the year ended 31st December, 2003 were set out as below:

		Number of outstanding warrant 未行使認股權證數目
At 1st January, 2003	於二零零三年一月一日	165,893,682
Exercised during the year	於年內行使	(27,126,674)
Lapsed during the year	於年內失效	(138,767,008)
		<hr/>
At 31st December, 2003	於二零零三年十二月三十一日	<hr/> <hr/> —

On 31st December, 2003, all of the remaining outstanding warrants, which entitled the registered holders to subscribe for 138,767,008 shares of HK\$0.10 each in the Company, were lapsed.

At 31st December, 2004, there were no outstanding warrants.

## 29. 認股權證

根據本公司認股權證所隨附之條件，認股權證之登記持有人有權憑每份認股權證，於發行日期起至二零零三年十二月三十一日（包括首尾兩日）期間內，隨時以現金按初步認購價每股0.16港元（可予調整）認購一股本公司新股份。於截至二零零三年十二月三十一日止年度內，本公司認股權證數目變動載列如下：

於二零零三年十二月三十一日，所有剩餘之未行使認股權證已告失效，而該等認股權證原授權其登記持有人認購138,767,008股本公司每股面值0.10港元之股份。

於二零零四年十二月三十一日，並無尚未行使之認股權證。

## 30. SHARE OPTIONS

### THE COMPANY

#### The 1992 Scheme

In accordance with the terms of the Company's Executive Share Option Scheme adopted on 20th July, 1992 and effective for a period of ten years after the date of the scheme, the Company granted to directors and employees of the Company and its subsidiaries share options to subscribe for its ordinary shares for a consideration of HK\$1 for the primary purpose of providing incentives to directors and eligible employees. The subscription price, subject to adjustment, is based on 80% of the average of the closing prices of the shares of the Company on the five trading days immediately before the options were offered. Options granted are exercisable not later than ten years after the date the options are granted. The 1992 Scheme was terminated pursuant to an ordinary resolution passed at an extraordinary general meeting of the Company held on 4th June, 2002.

## 30. 購股權

### 本公司

#### 一九九二年計劃

本公司於一九九二年七月二十日採納行政人員購股權計劃，該計劃由計劃採納日期起十年內有效。根據計劃之條款，本公司向本公司及其附屬公司之董事及僱員授予購股權以認購本公司之普通股，並就此收取1港元之代價。設立計劃之主要目的是為董事及合資格僱員提供原動力。認購價（可予調整）乃根據本公司股份在緊接授予購股權建議前五個交易日之平均收市價之80%。已授出之購股權可在購股權授出日期起計十年內行使。一九九二年計劃已根據本公司於二零零二年六月四日股東特別大會中通過之普通決議案終止。



# 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

## 30. SHARE OPTIONS (continued)

### THE COMPANY (continued)

#### The 1992 Scheme (continued)

At 31st December, 2003 and 31st December, 2004, there was no shares issuable under the 1992 Schemes. The total number of shares in respect of which options may be granted under the 1992 Scheme was not permitted to exceed 10% of the shares of the Company in issue excluding any share issued pursuant to the 1992 Scheme at any point in time, without prior approval from the Company's shareholders. The number of shares in respect of which options may be granted to any individual was not permitted to exceed 25% of the aggregate number of shares of the Company in issue and issuable under the 1992 Scheme at any point in time, without prior approval from the Company's shareholders.

A summary of the movements of share options under the 1992 Scheme during the year ended 31st December, 2003 were as follows:

## 30. 購股權 (續)

### 本公司 (續)

#### 一九九二年計劃 (續)

於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，概無股份根據一九九二年計劃可予以發行。根據一九九二年計劃可授出之購股權涉及之股份總數不得超逾本公司不時已發行股份（不包括根據一九九二年計劃所發行之任何股份）之10%，惟取得本公司股東事先批准者則不在此限。向任何人士授予之購股權所涉及之股份數目不得超逾根據一九九二年計劃不時已發行及可予發行之本公司股份總數之25%，惟取得本公司股東事先批准者則不在此限。

一九九二年計劃項下之購股權於截至二零零三年十二月三十一日止年度之變動概要如下：

Date of grant	Exercisable period	Exercise price	Number of shares under option		
			Outstanding at 1.1.2003	Surrendered/lapsed during the year	Outstanding at 31.12.2003
授出日期	可行使期間	行使價 HK\$ 港幣元	於二零零三年一月一日尚未行使	年內放棄／失效	於二零零三年十二月三十一日尚未行使
12.1.2000 二零零零年一月十二日	18.1.2000 to 17.1.2005 二零零零年一月十八日至 二零零五年一月十七日	3.145	75,000	(75,000)	—
Total for directors 董事購股權總數			75,000	(75,000)	—
Employees 僱員					
14.2.2000 二零零零年二月十四日	16.2.2000 to 15.2.2005 二零零零年二月十六日至 二零零五年二月十五日	3.702	435,000	(435,000)	—
Total for employees 僱員購股權總數			435,000	(435,000)	—
Grand total 總計			510,000	(510,000)	—



## 30. SHARE OPTIONS (continued)

## THE COMPANY (continued)

*The 2002 Scheme*

On 4th June, 2002, the Company adopted a new share option scheme ("2002 Scheme") which is effective for a period of ten years for the primary purpose of providing incentives to directors and eligible employees. Under the 2002 Scheme, the Board of Directors of the Company may grant options to eligible employees, including executive directors of the Company and its subsidiaries, to subscribe for shares in the Company for a consideration of HK\$1. Options granted must be taken up within 30 days of the date of grant, upon payment of HK\$1 per grant. Options granted are exercisable not later than ten years after the date the options are granted. The exercise price, subject to adjustment, is determined by the board of directors of the Company and will not be less than the highest of (i) the closing price of the Company's share on the date of options granted; (ii) the average closing price of the Company's shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

The total number of shares in respect of which options may be granted under the 2002 Scheme is not permitted to exceed 46,097,894 shares, representing 10% of the issued share capital of the Company as at the date of adoption of 2002 Scheme. Subject to the issue of a circular and the approval of the shareholders of the Company in general meeting and/or such other requirements prescribed under the Rules Governing the Listing of Securities of Hong Kong Stock Exchange from time to time, the Board may refresh the limit at any time to 10% of the total number of shares in issue as at the date of approval by the shareholders of the Company in general meeting. The number of shares in respect of which options may be granted to any individual is not permitted to exceed 1% of the aggregate number of shares of the Company in issue and issuable under 2002 Scheme at any point in time, without prior approval from the Company's shareholders.

There were no options granted during the year ended 31st December, 2003 under the 2002 Scheme.

## 30. 購股權 (續)

## 本公司 (續)

*二零零二年計劃*

於二零零二年六月四日，本公司採納新購股權計劃（「二零零二年計劃」），該計劃有效期為十年，主要為董事及合資格僱員提供原動力。根據二零零二年計劃，本公司董事會可向合資格僱員（包括本公司及其附屬公司之執行董事）授予購股權以認購本公司股份，並就此收取1港元之代價。已授出之購股權須於授出日期起計三十日內接納，並於接納之時支付每份1港元之費用。已授出之購股權可於購股權授出日期起計十年內行使。行使價（可予調整）由本公司董事會釐定，且不會少於以下三者之最高者：(i)本公司股份於授予購股權當日之收市價；(ii)本公司股份在緊接購股權授出日期前五個營業日之平均收市價；及(iii)本公司股份之面值。

根據二零零二年計劃可授出之購股權涉及之股份總數不得超逾46,097,894股股份，即本公司於採納二零零二年計劃日期時本公司已發行股本之10%。在刊發一份通函及獲本公司股東於股東大會批准之前提下，及／或遵守香港聯交所證券上市規則不時訂出之其他規定下，董事會可隨時更新該限額至本公司股東於股東大會批准當日之已發行股份總數之10%。向任何人士授予之購股權所涉及之股份數目不得超逾二零零二年計劃項下不時已發行及可予發行之本公司股份總數之1%，惟取得本公司股東事先批准者則不在此限。

於截至二零零三年十二月三十一日止年度內並無根據二零零二年計劃授出任何購股權。

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## 30. SHARE OPTIONS (continued)

THE COMPANY (continued)

The 2002 Scheme (continued)

A summary of the movements of share options under the 2002 Scheme during the year ended 31st December, 2004 were as follows:

Date of grant	Exercisable period	Exercise price	Number of shares under option			
			Outstanding at 1.1.2004	Granted during the year	Exercised during the year	Outstanding at 31.12.2004
授出日期	行使期	行使價 HK\$ 港幣元	於二零零四年一月一日 尚未行使	年內授出	年內獲行使	於二零零四年十二月三十一日 尚未行使
Employees 僱員						
8.1.2004 二零零四年一月八日	8.1.2004 to 7.1.2009 二零零四年一月八日 至二零零九年一月七日	0.1776	-	25,000,000	(25,000,000)	-

Consideration was received by the Company in respect of the options granted during the year was insignificant.

The closing prices of the Company's shares at the dates of grant on 8th January, 2004 was HK\$0.172.

The closing price of the Company's shares at the dates of exercise by the employees were HK\$0.46, HK\$0.41, HK\$0.60, HK\$0.58, HK\$0.55 and HK\$0.54 respectively.

## 30. 購股權 (續)

本公司 (續)

二零零二年計劃 (續)

二零零二年計劃項目下之購股權於截至二零零四年十二月三十一日止年度之變動概要如下：

Number of shares under option			
購股權涉及之股份數目			
Outstanding at 1.1.2004	Granted during the year	Exercised during the year	Outstanding at 31.12.2004
於二零零四年一月一日 尚未行使	年內授出	年內獲行使	於二零零四年十二月三十一日 尚未行使

本公司就年內所授出購股權收取之代價低微。

於授出日期(二零零四年一月八日)，本公司股份之收市價為0.172港元。

於各僱員行使日期，本公司股份之收市價分別為0.46港元、0.41港元、0.60港元、0.58港元、0.55港元及0.54港元。

## 30. SHARE OPTIONS (continued)

## SUBSIDIARY

*China Enterprises*

Pursuant to the Executive Share Option Scheme adopted on 7th June, 1994 and effective for a period of ten years after the date of the adoption of the scheme, China Enterprises granted options to officers and employees, and directors who are also employees, of China Enterprises and its subsidiaries to subscribe for common stock in China Enterprises for a consideration of HK\$1 for the primary purpose of providing incentives to officers, directors and eligible employees, subject to a maximum of 910,000 shares. Shares of common stock to be issued upon the exercise of options will be authorised and unissued shares. An independent committee (the "Committee") of China Enterprises' board of directors was formed to monitor and consider the granting of options under the scheme. The subscription price will be determined by the Committee, and will not be less than 80% of the average closing price of shares of common stock over the five trading days immediately preceding the date of offer of the option.

At 31st December, 2003 and 31st December, 2004, there was no shares issuable under the above scheme. The total number of shares in respect of which options may be granted under the schemes is not permitted to exceed 910,000 of the shares of China Enterprises in issue at any point in time, without prior approval from China Enterprises' shareholders. The number of shares in respect of which options may be granted to any individual is not permitted to exceed 25% of the shares of China Enterprises in issue at any point in time, without prior approval from China Enterprises' shareholders.

## 30. 購股權 (續)

## 附屬公司

*China Enterprises*

China Enterprises於一九九四年六月七日採納行政人員購股權計劃，該計劃由採納日期起十年內有效。根據計劃之條款，China Enterprises向China Enterprises及其附屬公司之高級人員及僱員（董事亦屬僱員）授予購股權以認購China Enterprises之普通股，上限為910,000股股份，並就此收取1港元之代價。設立計劃之主要目的是為高級人員、董事及合資格僱員提供原動力。行使購股權所發行之普通股股份將為法定及未發行股份。China Enterprises之董事會成立獨立委員會（「委員會」），監管及考慮根據計劃授出購股權。認購價由委員會釐定，惟不會低於普通股股份在授予購股權建議日期前五個交易日之平均收市價之80%。

於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，並無股份可根據上述計劃而發行。根據該計劃可授出之購股權涉及之股份總數不得超逾China Enterprises不時已發行股份數目之910,000股，惟取得China Enterprises股東事先批准者則不在此限。向任何人士授予之購股權所涉及之股份數目不得超逾China Enterprises不時已發行股份之25%，惟取得China Enterprises股東事先批准者則不在此限。

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## 30. SHARE OPTIONS (continued)

### SUBSIDIARY (continued)

#### China Enterprises (continued)

A summary of the movements of share options under the share option scheme of China Enterprises held by employees during the year ended 31st December, 2003 was as follows:

Exercisable period 可行使期間	Exercise price 行使價	Outstanding at 1.1.2003	Surrendered/ lapsed during the year	Outstanding at 31.12.2003
		於二零零三年一月一日 尚未行使	年內放棄/ 失效	於二零零三年 十二月三十一日 尚未行使
	US\$ 美元			
3.2.2000 to 2.2.2010 二零零零年二月三日至 二零一零年二月二日	9.9375	20,000	(20,000)	-

## 30. 購股權 (續)

### 附屬公司 (續)

#### China Enterprises (續)

China Enterprises購股權計劃項目下僱員所持購股權於截至二零零三年十二月三十一日止年度內之變動概要如下：

Exercisable period 可行使期間	Exercise price 行使價	Outstanding at 1.1.2003	Surrendered/ lapsed during the year	Outstanding at 31.12.2003
		於二零零三年一月一日 尚未行使	年內放棄/ 失效	於二零零三年 十二月三十一日 尚未行使
	US\$ 美元			
3.2.2000 to 2.2.2010 二零零零年二月三日至 二零一零年二月二日	9.9375	20,000	(20,000)	-

## 31. RESERVES

## 31. 儲備

		Share premium	Special capital reserve	Capital redemption reserve	Deficit	Total
		股份溢價 HK\$'000 港幣千元	特別 資本儲備 HK\$'000 港幣千元	贖回儲備 HK\$'000 港幣千元	虧絀 HK\$'000 港幣千元	總額 HK\$'000 港幣千元
THE COMPANY 本公司	At 1st January, 2003 於二零零三年一月一日	1,897,348	414,881	233	(1,157,457)	1,155,005
Exercise of warrants 行使認股權證		1,628	-	-	-	1,628
Net loss for the year 本年度虧損淨額		-	-	-	(94,357)	(94,357)
At 31st December, 2003 於二零零三年十二月三十一日		1,898,976	414,881	233	(1,251,814)	1,062,276
Issue of shares 發行股份		1,940	-	-	-	1,940
Net loss for the year 本年度虧損淨額		-	-	-	(144,053)	(144,053)
At 31st December, 2004 於二零零四年十二月三十一日		1,900,916	414,881	233	(1,395,867)	920,163

The special capital reserve of the Company represents the amount arising from the capital reduction carried out by the Company during the year ended 31st December, 2001.

At 31st December, 2004 and 2003, the Company had no reserves available for distribution to shareholders.

本公司之特別資本儲備代表本公司於截至二零零一年十二月三十一日止年度進行削減股本所產生之金額。

於二零零四年及二零零三年十二月三十一日，本公司並無可供分派予股東之儲備。



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## 32. DISPOSAL/DILUTION OF INTERESTS IN SUBSIDIARIES 32. 出售／攤薄附屬公司權益

During the year, the Group disposed of its 100% interest in Tung Fong Hong Investment Limited ("TFHI"). Details of the assets and liabilities of the subsidiaries disposed of are as follows:

年內，本集團出售其於Tung Fong Hong Investment Limited (「TFHI」) 之全部權益。出售之附屬公司之資產與負債詳情如下：

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Net assets disposed of:	已出售資產淨值：		
Property, plant and equipment	物業、廠房及設備	34,924	901,368
Deferred tax assets	遞延稅項資產	-	14,224
Interests in associates	於聯營公司之權益	14,808	103,064
Receivables due from associates	應收聯營公司款項	-	81,551
Investments in securities	證券投資	-	5,216
Inventories	存貨	49,319	737,767
Trade debtors	應收貿易賬款	12,112	530,528
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	8,427	207,315
Pledged bank deposits	已抵押銀行存款	-	70,098
Bank balances and cash	銀行結餘及現金	22,176	296,719
Trade creditors, other payables and accrued charges	應付貿易賬款、其他應付款項及應計費用	(43,316)	(757,419)
Income and other taxes payable	應繳所得稅及其他應繳稅項	(30)	(34,335)
Bank loans and other borrowings	銀行貸款及其他借貸	(60,197)	(1,274,058)
Obligations under finance leases	融資租約債項	(149)	-
Minority interests	少數股東權益	-	(486,909)
		<b>38,074</b>	395,129
Less: Interest retained as interests in associates	減：權益以於聯營公司權益形式保留	-	(178,053)
		<b>38,074</b>	217,076
Goodwill realised	已變現商譽	9,170	6,852
Negative goodwill reserve realised	已變現負商譽儲備	-	-
Exchange reserve realised	已變現匯兌儲備	13	(3,848)
		<b>47,257</b>	220,080
(Loss) gain on disposal/dilution	出售／攤薄之(虧損)收益	(5,257)	12,344
		<b>42,000</b>	232,424
Satisfied by:	支付方式：		
Cash	現金	35,500	232,424
Promissory note included in receivables	計入應收款項之承付票	6,500	-
		<b>42,000</b>	232,424
Analysis of the net inflow (outflow) of cash and cash equivalents in connection with the disposal/dilution of subsidiaries:	有關出售／攤薄附屬公司之現金及現金等額流入(外流)淨額分析：		
Cash consideration received	已收取之現金代價	35,500	232,424
Bank balances and cash disposed of	已出售之銀行結餘及現金	(22,176)	(296,719)
		<b>13,324</b>	(64,295)



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## 32. DISPOSAL/DILUTION OF INTERESTS IN SUBSIDIARIES (continued) 32. 出售／攤薄附屬公司權益 (續)

The subsidiaries disposed of during the year contributed approximately HK\$96,262,000 (2003: HK\$2,653,540,000) to the Group's turnover, and approximately profit of HK\$6,778,000 (2003: loss of HK\$90,362,000) to the Group's loss from operations.

年內出售之附屬公司為本集團營業額帶來約96,262,000港元(二零零三年: 2,653,540,000港元)之貢獻,另為本集團經營虧損帶來約6,778,000港元(二零零三年: 虧損90,362,000港元)之溢利。

## 33. PURCHASE OF SUBSIDIARIES

During the year, the Group acquired a 80% interest in Talent Cosmos Limited for a consideration of HK\$30 million. Details of the assets and liabilities acquired are as follows:

## 33. 購入附屬公司

年內,本集團以30,000,000港元之代價收購才宇有限公司之80%權益。購入之附屬公司之資產與負債詳情如下:

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Net assets acquired:	已購入資產淨值:		
Property, plant and equipment	物業、廠房及設備	27,465	-
Investment in securities	證券投資	4,160	-
Interests in associates	於聯營公司之權益	386	-
Inventories	存貨	10,079	-
Trade debtors	應收貿易賬款	8,760	-
Bank balances and cash	銀行結餘及現金	3,256	-
Creditors, other payables and accrued charges	應付賬款、其他應付款項 及應計費用	(37,086)	(12)
Payables due to associates	應付聯營公司款項	(2,198)	-
Bank loans	銀行貸款	(10,453)	-
Minority interests	少數股東權益	(1,181)	410
		<b>3,188</b>	398
Goodwill arising on acquisition	收購產生之商譽	<b>26,812</b>	387
		<b>30,000</b>	785
Satisfied by:	支付方式:		
Cash	現金	<b>30,000</b>	785

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## 33. PURCHASE OF SUBSIDIARIES (continued)

Analysis of the net cash outflow of cash and cash equivalents in connection with the purchase of subsidiaries:

Cash consideration paid	已付現金代價
Bank balances and cash acquired	已購入之銀行結餘及現金
Net cash outflow of cash and cash equivalents in connection with the purchase of subsidiaries	有關購入附屬公司之現金及現金等額之現金外流淨額

The subsidiaries acquired during the year ended 31st December, 2004, contributed approximately HK\$27,141,000 to the Group's turnover and approximately HK\$2,005,000 to the Group's loss from operations.

The subsidiaries acquired during the year ended 31st December, 2003 did not make significant contribution to the Group's turnover and the Group's loss from operations.

## 34. MAJOR NON-CASH TRANSACTIONS

During the year ended 31st December, 2004, the major non-cash transactions were as follows:

- Increase in receivables of approximately HK\$34,979,000 before allowances of HK\$10,686,000 were resulted from reclassification from loans receivables due from associates included in interests in associates upon the completion of dilution of interest in associates.
- Addition to deposit paid for acquisition of interest in properties of approximately HK\$46,686,000 were repayments of loans receivables due from associates.
- Addition to investment in securities of approximately HK\$43,588,000 were as result of disposal/dilution of interests in associates.
- Loan receivables due from associates of HK\$70,200,000 were settled by the issuance of convertible notes by the associates included in interests in associates.

## 33. 購入附屬公司 (續)

有關購入附屬公司之現金及現金等額之現金外流淨額之分析：

2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
(30,000)	(785)
3,256	—
<b>(26,744)</b>	<b>(785)</b>

於截至二零零四年十二月三十一日上年度內，於年內收購之附屬公司為本集團營業額帶來約27,141,000港元之貢獻，另為本集團帶來約2,005,000港元之經營虧損。

於截至二零零三年十二月三十一日止年度內，於年內收購之附屬公司並無為本集團帶來重大營業額貢獻及經營虧損。

## 34. 主要非現金交易

於截至二零零四年十二月三十一日止年度內，主要非現金交易如下：

- 因攤薄於聯營公司之權益完成後，將應收聯營公司貸款重新分類至計入於聯營公司之權益中，導致應收款項增加約34,979,000港元(未計10,686,000港元之撥備前)。
- 就收購物業權益支付之按金增加約46,686,000港元，此乃應收聯營公司貸款之還款。
- 因出售／攤薄於聯營公司之權益，導致證券投資增加約43,588,000港元。
- 應收聯營公司貸款70,200,000港元已按聯營公司發行可換股票據之方式償還，並已計入於聯營公司之權益中。

# 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

## 34. MAJOR NON-CASH TRANSACTIONS

- (e) Additions to deposits paid for acquisition of subsidiaries of HK\$40,000,00 were repayments from receivables.

During the year ended 31st December, 2003, the major non-cash transaction are as follows:

- (a) Increase in interests in associates of approximately HK\$74,989,000 arose from the disposed of 25% interest in a 51% owned subsidiary and arose from disposal of 50% interest in a wholly-owned subsidiary.
- (b) Increase in other receivables, deposits and repayment of approximately HK\$11,032,000 were as a result of reclassification from payment for acquisition of land development right upon the termination of the project during the year ended 31st December, 2003.
- (c) Finance lease arrangement in respect of property, plant and equipment with a capital value at the inception of the leases of approximately HK\$168,000.

## 35. COMMITMENTS

At the balance sheet date, the Group had the following capital commitments:

## 34. 主要非現金交易

- (e) 就收購附屬公司支付之按金增加 40,000,000 港元，此乃應收款項之還款。

於截至二零零三年十二月三十一日止年度內，主要非現金交易如下：

- (a) 因出售一家擁有 51% 之附屬公司及出售一家全資附屬公司 50% 權益而使於聯營公司權益增加約 74,989,000 港元。
- (b) 因於截至二零零三年十二月三十一日止年度內終止項目並將收購土地發展權所付款項重新分類而使其他應收帳款、按金及預付款項增加約 11,032,000 港元。
- (c) 有關物業、廠房及設備之融資租約安排於訂立租約時之資本值約 168,000 港元。

## 35. 承擔

於結算日，本集團之資本承擔如下：

Contracted for but not provided in the financial statements in respect of	已訂約惟未在財務報表中就下列事項作出撥備：
(i) Acquisition of interest in properties (note 14)	(i) 收購物業權益 (附註 14)
(ii) Other assets	(ii) 其他資產
(iii) Acquisition of subsidiaries (note 15)	(iii) 收購附屬公司 (附註 15)

THE GROUP 本集團		THE COMPANY 本公司	
2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
377,516	-	-	-
91,981	-	-	-
10,000	-	-	-
<b>479,497</b>	-	-	-

# 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

## 36. OPERATING LEASE COMMITMENTS

The Group has made approximately HK\$8,052,000 (2003: HK\$26,344,000) minimum lease payments under operating leases during the year in respect of office premises.

### The Group as lessee

At the balance sheet date, the Group and the Company had commitments for future minimum lease payments under non-cancellable operating leases in respect of land and buildings which fall due as follows:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)

## 36. 經營租約承擔

本集團於年內根據有關辦公室物業之經營租約須支付之最低租約付款約為8,052,000港元(二零零三年: 26,344,000港元)。

### 本集團作為承租人

於結算日, 本集團及本公司根據有關土地及樓宇之不可撤銷經營租約而負有未來最低租約付款之承擔, 以及有關承擔之到期日如下:

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Within one year	一年內	64	16,216	-	577
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	-	16,930	-	-
		<b>64</b>	<b>33,146</b>	<b>-</b>	<b>577</b>

Leases are negotiated for an average term of one year and rentals are fixed for an average of one year.

租約平均以一年為期進行磋商, 租金平均以一年為期予以釐定。



# 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

## 37. CONTINGENT LIABILITIES

## 37. 或然負債

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
(a) Corporate guarantee given by the Company for banking facilities granted to:	(a) 本公司就售予下列單位之銀行融資提供之公司擔保				
(i) subsidiaries	(i) 附屬公司	-	-	28,500	26,243
(ii) associates	(ii) 聯營公司	15,500	32,300	15,500	32,300
Other guarantees issued to associates	向聯營公司作出之其他擔保	30,780	780	30,780	780
		<b>46,280</b>	<b>33,080</b>	<b>74,780</b>	<b>59,323</b>

(b) The Company has granted a guarantee in favour of MTR Corporation Limited ("MTR") in respect of outstanding rent and obligations under the tenancy agreement entered into between Tung Fong Hung Medicine (Retail) Limited, a wholly-owned subsidiary of the TFHI (note 32) and MTR for the leased properties. As at 31st December, 2004, such guarantee has not yet been released upon the disposal of the entire interest in TFHI by the Group.

(b) 本公司就TFHI(附註32)全資附屬公司Tung Fong Hung Medicine (Retail) Limited 與地鐵有限公司(「地鐵」)就租賃物業而簽訂之租賃協議項下之未付租金及未清償債項向地鐵提供擔保。於二零零四年十二月三十一日，有關擔保於本集團出售TFHI全部權益時仍未解除。

## 38. PLEDGE OF ASSETS

## 38. 資產抵押

(a) As at 31st December, 2004, bank deposits of HK\$1,012,000 (2003: Nil) was pledged to secure credit facilities granted to the Group.

(a) 於二零零四年十二月三十一日，已將1,012,000港元(二零零三年：無)之銀行存款抵押，作為本集團所獲之備用信貸額之擔保。

At 31st December, 2003, interests in an associates with net assets value attributable to the Group of approximately HK\$83,622,000 were pledged to secure credit facilities granted to the associates of the Group.

於二零零三年十二月三十一日，已將本集團應佔資產淨值約83,622,000港元之聯營公司權益抵押，作為本集團聯營公司所獲之備用信貸額之擔保。

(b) At 31st December, 2004, investment in securities with a carrying value of HK\$72,186,000 (2003: HK\$111,496,000) were pledged to secure margin account credit facilities and banking facilities granted to the Group.

(b) 於二零零四年十二月三十一日，已將賬面值為72,186,000港元(二零零三年：111,496,000港元)之證券投資抵押，作為本集團所獲之備用信貸額及銀行信貸額之擔保。

The margin loan facility amounting to HK\$33,567,000 included in bank loans and other borrowings (2003: HK\$7,131,000) were utilised by the Group.

本集團已動用33,567,000港元(二零零三年：7,131,000港元)之保證金備用貸款(已計入銀行貸款及其他借貸)。



# 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

## 39. RELATED PARTY TRANSACTIONS

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

## 39. 關連人士交易

年內，本集團與下列關連公司訂立以下交易：

Name of company 公司名稱	Nature of transactions 交易性質	Notes 附註	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Sing Pao Newspaper Company Limited 成報報刊有限公司	Loan interest income received and receivable by the Group 本集團已收及應收之貸款利息收入	(a)	390	363
Lucklong	Loan interest income received and receivable by the Group 本集團已收及應收之貸款利息收入	(b)	–	5,984
Danwei	Loan interest income received and receivable by the Group 本集團已收及應收之貸款利息收入	(b)	–	6,683
Hanny Magnetics Limited 錦興磁訊有限公司	Loan interest expense paid and payable by the Group 本集團已付及應付之貸款利息支出	(c)	–	2,606
	Rent expenses paid and payable by the Group 本集團已付及應付之租金支出		16	17
	Sale of goods made by the Group 本集團銷售貨品		–	63
Paul Y. – ITC Management Limited 保華德祥管理有限公司	Loan interest paid and payable by the Group 本集團已付及應付之貸款利息	(d)	–	1,193
	Secondment fee paid and payable by the Group 本集團已付及應付之暫調費用		330	354
	Sales of goods by the Group 本集團銷售貨品		3	–
Paul Y. – ITC (E & M) Company Limited 保華機電有限公司	Repair and maintenance fee paid and payable by the Group 本集團已付及應付之維修及保養費	(c)	42	58
	Project management fee paid and payable by the Group 本集團已付及應付之項目管理費		–	872
	Mechanical and electrical service fee paid and payable by the Group 本集團已付及應付之機電服務費		–	7

# 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

## 39. RELATED PARTY TRANSACTIONS (continued)

## 39. 關連人士交易 (續)

Name of company 公司名稱	Nature of transactions 交易性質	Notes 附註	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Cycle Company Limited and Gunnell Properties Limited 旋高有限公司及 Gunnell Properties Limited	Rental expenses paid and payable by the Group 本集團已付及應付之租金支出	(c)	553	554
Paul Y. Project Management International Limited	Project management fee paid and payable by the Group 本集團已付及應付之項目管理費	(c)	–	434
Paul Y. – ITC Management Limited 保華德祥管理有限公司	Sale of goods made by the Group 本集團銷售貨品	(c)	338	687
Paul Y. – ITC Interior Contractors Limited 保華德祥裝飾有限公司	Project management fee paid and payable by the Group 本集團已付及應付之項目管理費	(c)	–	15
Nation Cheer Investment Limited 志恒投資有限公司	Interest expense paid and payable by the Group 本集團已付及應付之利息開支	(c)	12,428	10,270
Millennium Target Holdings Limited	Loan interest income received and receivable by the Group 本集團已收及應收之貸款利息收入	(e)	–	31
Wing On 永安	Loan interest income received and receivable by the Group 本集團已收及應收之貸款利息收入	(f)	1,466	2,198
China Velocity 中國高速	Loan interest income received and receivable by the Group 本集團已收及應收之貸款利息收入	(f)	–	3,249

# 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

## 39. RELATED PARTY TRANSACTIONS (continued)

## 39. 關連人士交易 (續)

Name of company 公司名稱	Nature of transactions 交易性質	Notes 附註	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Hong Kong Wing On Travel Service Limited	Air ticketing and travel service expenses paid and payable by the Group 本集團已付及應付之所有機票及 差旅服務	(e)	260	73
香港永安旅遊有限公司	Sale of goods made by the Group 本集團銷售貨品		–	209
Mass Success International Limited	Rental expenses paid and payable by the Group 本集團已付及應付之租金支出	(g)	577	618
Pacific Century Premium Developments Limited ("PCPD", formerly known as Dong Fang Gas Holdings Limited) 盈科大衍地產發展有限公司 (「盈大地產」, 前稱 東方燃氣集團有限公司)	Management fee received and receivable by the Group 本集團已收及應收之管理費收入	(h)	200	150
Apex	Loan interest income received and receivable by the Group 本集團已收及應收之貸款利息收入	(h)	3,280	248
Mirco Tech Limited	Rental expense of motor vehicles paid and payable by the Group 本集團已付及應付汽車租金開支	(c)	216	216
Chief Altantic Profits Limited	Loan interest income received and receivable by the Group 本集團已收及應收之貸款利息收入	(i)	303	306
Rosedale Park Limited	Sale of goods made by the Group 本集團銷售貨品 Hotel expense paid and payable by the Group 本集團已付及應付之酒店開支	(i)	– –	11 14

# 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

## 39. RELATED PARTY TRANSACTIONS (continued)

### Notes:

- (a) Sing Pao Newspaper Company Limited is wholly-owned subsidiary of an investee of the Group.
- (b) Ms. Chau Mei Wah, Rosanna ("Ms. Chau"), a director of the Company, is the former director of Danwei and Lucklong. Mr. Lau Ko Yuen, the former alternate director to Ms. Chau, is a director of substantial shareholder of the Company and a director of Danwei and Lucklong. During the year ended 31st December, 2004, interest income received and receivable by the Group from Danwei and Lucklong were approximately HK\$6,035,000 and HK\$6,103,000 respectively.
- (c) Hanny Magnetics Limited, Paul Y. - ITC (E & M) Company Limited, Paul Y. Project Management International Limited, Cycle Company Limited and Gunnell Properties Limited, Paul Y. ITC Management Limited, Paul Y - ITC Interior Contractors Limited, Nation Cheer Investment Limited and Mirco Tech Limited are wholly-owned subsidiaries of a substantial shareholder of the Company.
- (d) ITC Management Limited is the shareholder of a substantial shareholder of the Company.
- (e) Millennium Target Holdings Limited and Hong Kong Wing On Travel Service Limited are wholly-owned subsidiaries of Wing On.
- (f) Wing On, China Velocity are associates of the Group.
- (g) Mass Success International Limited is an associate of a substantial shareholder of the Company.
- (h) PCPD and Apex ceased to be associates of the Group during the year ended 31st December, 2004.
- (i) China Atlantic Profits Limited and Rosedale Park Limited are wholly-owned subsidiaries of PCPD and Apex.

During the year, the Company issued "all monies" guarantees and indemnity to a bank for the banking facilities granted to a non-wholly owned subsidiary and an associate of the Group and the amount of approximately HK\$1,913,000 and no amount utilised by that non-wholly subsidiary and an associate respectively as at 31st December, 2004.

## 39. 關連人士交易 (續)

### 附註：

- (a) 成報報刊有限公司為本集團之一間投資公司之全資附屬公司。
- (b) 本公司董事周美華女士(「周女士」)為Danwei及Lucklong之前任董事。劉高原先生(周女士之前任替任董事)為本公司主要股東之董事以及Danwei及Lucklong之董事。於截至二零零四年十二月三十一日止年度內，本集團已收及應收Danwei及Lucklong之利息收入分別約6,035,000港元及6,103,000港元。
- (c) 錦興磁訊有限公司、保華機電有限公司、Paul Y. Project Management International Limited、旋高有限公司及Gunnell Properties Limited、保華德祥管理有限公司、保華德祥裝飾有限公司、志恒投資有限公司與Mirco Tech Limited為本公司主要股東之全資附屬公司。
- (d) 保華德祥管理有限公司為本公司主要股東之股東。
- (e) Millennium Target Holdings Limited及香港永安旅遊有限公司為永安之全資附屬公司。
- (f) 永安及中國高速為本集團之聯營公司。
- (g) Mass Success International Limited為本公司主要股東之聯營公司。
- (h) 於截至二零零四年十二月三十一日止年度內，盈大地產及Apex為本集團之前聯營公司。
- (i) China Atlantic Profits Limited及Rosedale Park Limited為盈大地產及Apex之全資附屬公司。

年內，本公司就本集團一間非全資附屬公司及一間聯營公司所獲授之銀行信貸向銀行提供「一切款項」擔保及彌償保證，而於二零零四年十二月三十一日，非全資附屬公司及聯營公司已分別動用約1,913,000港元及零港元。

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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

## 39. RELATED PARTY TRANSACTIONS (continued)

Details of balances with related parties as at the balance sheet date are set out in the consolidated balance sheet and in notes 18, 19 and 26.

In the opinion of the directors, the above transactions were undertaken in the ordinary course of business transactions and the terms were mutually agreed between the Group and the related parties.

## 40. RETIREMENT BENEFIT SCHEME

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The Group and employees each contribute 5% of the relevant payroll costs to the Scheme.

The retirement benefit scheme contributions relating to the MPF Scheme charged to the income statement represent contributions payable to the scheme by the Group at rates specified in the rules of the schemes.

The employees in the joint venture subsidiaries in the PRC are members of the state-sponsored pension scheme operated by the government in the PRC. The joint venture companies are required to contribute a certain percentage of their payroll to the pension scheme to fund the benefits. The only obligation of the Group with respect to the pension scheme is to make the required contributions under the scheme. The amount of contributions payable to the pension schemes are charged to the income statement.

At the balance sheet date, there were no significant forfeited contributions which arose upon employees leaving the scheme prior to their interests in the Group's contributions becoming fully vested and which are available to reduce the contributions payable by the Group in future years.

The total cost charged to income statements of approximately HK\$851,000 (2003: HK\$27,196,000) represents contribution payable to these schemes by the Group in respect of the current year.

## 39. 關連人士交易 (續)

於結算日與關連人士之結餘詳情載於綜合資產負債表及附註18、19及26。

董事認為，上述交易乃在日常業務交易過程中進行，條款由本集團及關連人士互相議定。

## 40. 退休福利計劃

本集團為全體香港合資格僱員設有強制性公積金計劃（「強積金計劃」）。強積金計劃之資產與本集團之資產分開持有，存放於獨立受託人控制之基金。本集團及其僱員各向計劃供款相關薪金成本之5%。

在收益表扣除有關強積金計劃之退休福利計劃供款乃本集團按計劃規則指定之比率應向計劃作出之供款。

在中國合資附屬公司之僱員均參加由中國政府管理之國家贊助退休金計劃。合資公司須以僱員工資總額之若干百分比向退休金計劃供款，作為有關福利之資金。本集團須就退休金計劃承擔之唯一責任為根據該計劃進作出供款。應向退休金計劃作出之供款額乃在收益表扣除。

於結算日，並無重大被放棄供款因僱員在未可全數獲得本集團之供款前退出該等計劃而產生，及可用以減低本集團於未來數年應付之供款。

於收益表扣除之總成本為851,000港元（二零零三年：27,196,000港元），代表本集團於本年度應就該等計劃支付之供款。



# 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

## 41. POST BALANCE SHEET EVENTS

The following events occurred subsequent to the balance sheet date:

On 19th April, 2005, the Company announced a proposed group reorganization (“China Strategic Group Reorganization”) which, if approved and implemented, will result in, (i) the Company continuing to be a public listed company with its subsidiaries concentrating on its business of manufacturing and trading of battery products, investments in securities and property and investment in unlisted investment; (ii) all other subsidiaries of the Group carrying on property development and investment holding business, and all other associates of the Group carrying on manufacturing and marketing of tires and business of providing package tour, travel and other related services being grouped under the Group Dragon Investments Limited (“GDI”) (a wholly owned subsidiary of the Company) and its subsidiaries upon completion of the China Strategic Group Reorganization; and (iii) the distribution in specie of shares in GDI to the then shareholders of the Company on a record date to be fixed, on the basis of one GDI shares for every share in the Company after consolidation under the capital reorganization as described below (“Capital Reorganization”).

The Company also proposed to carry out the Capital Reorganization which involve, inter alia, the followings:

- (i) cancellation of the paid-up capital of HK\$0.05 on each issued share of the Company and reduction in the nominal value of each issued share from HK\$0.10 to HK\$0.05 (“Capital Reduction”) and the cancellation of the entire share premium account of the Company;
- (ii) subdivision of each authorized but unissued share of the Company into two reduced shares of HK\$0.05 each (“Subdivision”);
- (iii) every two reduced shares of the Company of HK\$0.05 each arising from the Capital Reduction and Subdivision will then be consolidated into one ordinary share of HK\$0.10; and
- (iv) the credits of approximately HK\$44,079,000 and HK\$1,900,916,000 resulting from the Capital Reduction and the cancellation of the share premium account, respectively to the special capital reserve account of the Company.

Details of the China Strategic Group Reorganization and Capital Reorganization are set out in the joint announcement of the Company dated 19th April, 2005.

## 41. 結算日後事項

下列事項乃於結算日後發生：

於二零零五年四月十九日，本公司宣佈集團重組之建議（「中策集團重組」），倘獲批准及付諸實行，將導致(i)本公司繼續保持公眾上市公司之地位，其附屬公司將專注於電池產品製造及銷售業務、證券及物業投資，以及非上市投資項目之投資；(ii)本集團旗下經營物業發展及投資控股業務之所有其他附屬公司，以及本集團旗下經營輪胎製造及營銷、提供旅行團、旅遊及其他相關服務之所有其他聯營公司，將於中策集團重組完後收歸群龍投資有限公司（「群龍」，本公司之全資附屬公司）及其附屬公司；及(iii)於將釐訂之紀錄日期以實物分派方式向本公司當時之股東分派群龍股份，基準為每股本公司股份（於下文所述根據股本重組完成股份合併後）將獲發一股群龍股份（「股本重組」）。

本公司亦建議進行股本重組，當中涉及（其中包括）下列各項：

- (i) 註銷每股本公司已發行股份之繳足股本0.05港元，將每股已發行股份之面值由0.10港元削減至0.05港元（「削減股本」），以及註銷本公司之全部股份溢價賬；
- (ii) 將每股法定但未發行之本公司股份拆細成為兩股每股面值0.05港元之經削減股份（「拆細」）；
- (iii) 削減股本及拆細後，每兩股每股面值0.05港元之本公司經削減股份將合併成為一股面值0.10港元之普通股；及
- (iv) 將分別因削減股本及註銷股份溢價賬所產生之進賬款項約44,079,000港元及1,900,916,000港元，計入本公司之特別資本儲備中。

中策集團重組及股本重組之詳情載於本公司於二零零五年四月十九日刊發之聯合公佈內。