

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

1. GENERAL

The Company was incorporated in Bermuda as an exempted company with limited liability and its securities are listed on The Stock Exchange of Hong Kong Limited.

The Company acted an investment holding company during the year. The activities of its principal subsidiaries and associates are set out in notes 40 and 41 respectively.

2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE

In the current year, the Group has adopted, for the first time, the following Statements of Standard Accounting Practice ("SSAP(s)") issued by the Hong Kong Society of Accountants.

SSAP 1 (Revised)	Presentation of financial statements
SSAP 2 (Revised)	Net profit or loss for the period, fundamental errors and changes in accounting policies
SSAP 10 (Revised)	Accounting for investments in associates
SSAP 24	Accounting for investments in securities

SSAPs 1 and 2 are concerned with the presentation and disclosure of financial information. The presentation in the current year's financial statements has been modified in order to conform with the requirements of those SSAPs. Comparative amounts have been restated in order to achieve a consistent presentation.

In particular:

- additional analyses of income and expenditure have been presented;
- items of income and expense that were separately identified on the face of the income statement as 'exceptional items' in the prior year have been reclassified within an appropriate income or cost classification; and

1. 一般資料

本公司為一間於百慕達註冊成立之受豁免有限公司，其證券於香港聯合交易所有限公司上市。

本公司於本年度內之業務為投資控股。其主要附屬公司及聯營公司之業務已分別載於附註40及41。

2. 採納會計實務準則

本集團於本年度已首次採納由香港會計師公會頒佈之下列會計實務準則（「會計實務準則」）：

會計實務準則 第1號（經修訂）	財務報表之 呈報方式
會計實務準則 第2號（經修訂）	期內損益淨額、 基本錯誤及會計 政策之改變
會計實務準則 第10號（經修訂）	聯營公司投資 之會計方法
會計實務準則 第24號	證券投資 之會計方法

會計實務準則第1號及第2號乃有關於財務資料之呈報方式及披露。為符合該等會計實務準則之規定，本年度財務報表之呈報方式已作出修訂。比較數額亦已重新列算，務求達到一致之呈報方式。

其中變動包括：

- 呈列更多有關收入與支出之分析；
- 於上年度之收益表上獨立列作「特殊項目」之收入與開支項目已重新分類，列入適當之收入或開支類別；及

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For the year ended 31st December, 1999

2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE (continued)

- amounts owing to subsidiaries and associates which had previously been presented together with the company's investments in such enterprises have been reclassified as current and non-current liabilities according to the nature of the transactions giving rise to the balances.

In addition, the description of various components in the financial statements and the terminology used has been updated to reflect the terminology of the new Standards.

None of the amendments outlined above has affected the results for the current or prior periods.

The revision of SSAP 10 has not resulted in any significant changes to the accounting treatment adopted for associates and accordingly no prior period adjustment has been required. Disclosures presented have been modified to meet the requirements of the new standard.

SSAP 24 has introduced a new framework for the classification of investments in securities. In adopting SSAP 24, the Group has selected the benchmark treatment for securities other than held-to maturity securities.

Under SSAP 24, investments in securities are now classified as held-to-maturity (carried at amortised cost less provision for irrecoverable amounts), investment securities (carried at cost less impairment) and other investments (carried at fair value, with valuation movements dealt with in the income statement). In prior years, the Group's investments were classified either as long-term (carried at cost less provision for permanent diminution in value) or short-term (carried at the lower of cost and market value on a portfolio basis). The accounting treatment specified by SSAP 24 has been applied retrospectively with no significant financial impact for the current year or prior years.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified for the revaluation of certain properties and investments in securities.

2. 採納會計實務準則(續)

- 早前連同本公司於附屬公司及聯營公司之投資一併呈報之該等企業之欠款，已按產生有關結餘之交易性質，重新分類為流動及非流動負債。

此外，財務報表內多個組成部分之概述及所採用之會計詞彙已作更新，以反映所採用新準則之會計詞彙。

上文簡介之修訂並無影響本年度或過往年度之業績。

會計實務準則第10號之修訂對聯營公司所採用之會計處理方法並無產生重大影響，故此並不需要對過往年度作出修訂。披露事項之呈述已作修訂，以符合新準則之規定。

會計實務準則第24號就證券投資之分類作出新規範。採納會計實務準則第24號時，本集團已就證券(持作到期證券除外)選擇基準會計處理方法。

根據會計實務準則第24號，證券投資現分為持作到期證券(按攤銷成本減不能收回數額撥備列賬)、投資證券(按成本扣除減值列賬)及其他投資(按公平價值列賬，而估值變動於收益表處理)。過往年度，本集團之投資列為長期投資(按成本扣除永久減值撥備列賬)或短期投資(於結算日，根據投資組合之基準按成本或市值之較低者列賬)。會計實務準則第24號所說明之會計處理方法已作追溯應用，對本年度或過往年度並無重大財務影響。

3. 主要會計政策

本財務報表乃按歷史成本法編製，並就重估若干物業及證券投資作出修訂。

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For the year ended 31st December, 1999

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

The financial statements which have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are set out below:

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

All significant intercompany transactions and balances between group enterprises are eliminated on consolidation.

Interests in subsidiaries

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

Investments in subsidiaries are included in the Company's balance sheet at cost, as reduced by any decline in the value of the subsidiary that is other than temporary. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable during the year.

Interests in associates

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

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, interests in associates are stated at the Group's share of the net assets of the associates.

When the Group transacts with its associates, unrealised profits and losses are eliminated to the extent of the Group's interest in the relevant associate, except where unrealised losses provide evidence of an impairment of the asset transferred.

3. 主要會計政策(續)

本財務報表乃按照香港一般採納之會計原則而編製。所採納之主要會計政策載列如下：

綜合賬目基準

綜合財務報表包括本公司及其附屬公司截至每年十二月三十一日止之財務報表。

年內收購或出售之附屬公司業績，乃由實際收購日期起或直至實際出售日期止(按適當情況)計入綜合收益表內。

所有本集團內公司間之重大交易及往來結餘均於綜合賬目時對銷。

附屬公司權益

附屬公司乃指本公司直接或間接持有其已發行股本一半以上，或控制其投票權一半以上，或本公司控制其董事會或等同管理組織組成之公司。

於附屬公司之投資乃按成本減任何減值(暫時性減值除外)而列入本公司資產負債表內。附屬公司之業績按年內已收及應收股息之基準由本公司入賬。

聯營公司權益

聯營公司乃指本集團可對其管理(包括參與財務及經營政策決定)行使重大影響力之公司。

本集團於本年度攤佔其聯營公司之收購後業績計入綜合收益表，而於聯營公司之權益則按本集團應佔之聯營公司資產淨值列於綜合資產負債表內。

本集團與其聯營公司交易時，未變現之盈虧將會撇減至本集團於有關聯營公司之權益，惟倘未變現虧損證明所轉讓資產出現虧損則除外。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Interests in associates (continued)

The results of associates are accounted for by the Company on the basis of dividends received and receivable during the year. In the Company's balance sheet, investments in associates are stated at cost, as reduced by any decline in the value of the associate that is other than temporary.

Goodwill

Goodwill represents the excess of the purchase consideration over the fair value ascribed to the Group's share of the separable net assets at the date of acquisition of a subsidiary and is written off to reserves immediately on acquisition. Negative goodwill, which represents the excess of the fair value ascribed to the Group's share of the separable net assets at the date of acquisition of a subsidiary over the purchase consideration is credited to reserves.

Any premium or discount arising on the acquisition of an interest in an associate, representing the excess or shortfall respectively of the purchase consideration over the fair value ascribed to the Group's share of the separable net assets of the associate at the date of acquisition, is dealt with in the same manner as that described above for goodwill.

On disposal of an investment in a subsidiary or an associate, the attributable amount of goodwill previously eliminated against or credited to reserves is included in the determination of the profit or loss on disposal.

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 year.

3. 主要會計政策 (續)

聯營公司權益 (續)

聯營公司之業績乃按年內已收及應收股息列入本公司賬內。於聯營公司之投資乃按成本減該聯營公司之任何減值(暫時性減值除外)列入本公司之資產負債表內。

商譽

商譽乃指收購一間附屬公司之購買代價高出於收購當日本集團應佔其可分資產淨值之公平價值之數額，並於收購後隨即於儲備撇銷。負商譽乃指於收購一間附屬公司當日本集團應佔其可分資產淨值之公平價格高出購買代價之數額，並計入儲備內。

收購一間聯營公司權益時所產生之溢價或折讓分別指購買代價高出或少於於收購聯營公司當日本集團應佔其可分資產淨值之公平價值，並按上述適用於商譽之相同方法處理。

於出售一間附屬公司或聯營公司時，於前期已撇銷或計入儲備之商譽將計入釐定出售該附屬公司或聯營公司時之溢利或虧損中。

證券投資

證券投資按買賣日期之基準確認，並初步以成本值計算。

持作到期債務證券以外之投資列為證券投資及其他投資。

投資證券(就既定長遠策略目的而持有之證券)乃於報告日後以成本計算，並扣除任何非暫時性之減損。

其他投資乃按公平價值計算，而未變現盈虧乃計入年內之純利或虧損淨額。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Property, plant and equipment

Property, plant and equipment is stated at cost less depreciation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its present working condition and location for its intended use. Expenditure incurred after the asset has been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the asset, the expenditure is capitalised as an additional cost of the asset.

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

Where the recoverable amount of an asset has declined below its carrying amount, the carrying amount is reduced to reflect the decline in value. In determining the recoverable amount of assets, expected future cash flows are not discounted to their present values.

Depreciation is provided to write off the cost of property, plant and equipment other than investment properties 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:

Type	Basis
Leasehold land	Over the term of the lease
Buildings	Over the shorter of the unexpired period of the lease and 40 years
Furniture, fixtures and equipment	3 to 10 years
Yacht and motor vehicles	3 to 10 years

Investment properties

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

3. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備按成本減折舊列賬。資產成本包括其買價及將該項資產置於現時工作狀況及地點作其擬定用途之任何直接應佔成本。固定資產投入運作後產生之支出，如維修保養及大修成本，通常於支出產生期間在收益表中扣除。倘可明確顯示有關支出已導致使用固定資產所預期取得之日後經濟收益增加時，則將該項支出撥作資本，作為固定資產之額外成本。

資產出售或廢置時產生之盈虧乃按銷售所得款項與資產之賬面值兩者間之差額計算，並於收益表確認入賬。

倘資產之可收回數額下降至低於賬面值，則須減低賬面值以反映減值。釐定資產之可收回數額時，預期日後之現金流量不會折算為現值。

投資物業以外之物業、廠房及設備之折舊，乃按其估計可使用年期並計及估計剩餘價值以直線法撇銷成本：

種類	基準
租賃土地	按租約年期
樓宇	按租約尚餘年期與四十年兩者中較短者
傢俬、裝置及設備	三至十年
遊艇及車輛	三至十年

投資物業

投資物業乃指因其投資潛力而長期擁有之已落成物業，其任何租金收入乃按公平原則磋商釐定。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Investment properties (continued)

Investment properties are stated at valuation on an open market value basis, based on annual valuation by professionally qualified executive of the Group and by independent valuers at intervals of not more than three years. Any surplus or deficit arising on the revaluation of investment properties is credited or debited to the investment properties revaluation reserve unless the balance on this reserve is insufficient to cover a deficit, in which case the excess of the deficit over the balance on the investment properties revaluation reserve is charged to the income statement. Where a deficit has previously been charged to the income statement and a revaluation surplus subsequently arises, this surplus is credited to the income statement to the extent of the deficit previously charged.

On disposal of investment properties, the balance on the investment properties revaluation reserve attributable to the properties disposed of is transferred to the income statement.

No depreciation is provided on investment properties except where the unexpired term of the relevant lease is 20 years or less.

Properties under development

Land and buildings in the course of development for production, rental or administrative purposes or for purposes not yet determined, are carried at cost, less any impairment loss. Cost includes professional fees and borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Other assets

Other assets represent club memberships are stated at cost less provision, if necessary, for permanent diminution in value.

Stock of unsold properties

Stock of unsold properties are stated at the lower of cost and net realisable value. Cost includes land cost and other direct costs including borrowing costs capitalised attributable to such properties. Net realisable value represents the estimated selling prices less direct selling expenses, if any.

3. 主要會計政策 (續)

投資物業 (續)

投資物業乃根據每年由本集團具備專業資格之行政人員及每隔不超過三年由獨立估價師按公平市值基準之估值入賬。任何因投資物業重估所產生之盈餘或虧絀均撥入投資物業重估儲備或自該儲備中扣除，惟倘此項儲備結餘不足以彌補虧絀，則超逾投資物業重估儲備結餘之虧絀乃於收益表中扣除。倘虧絀已於年前自收益表中扣除，而其後出現重估盈餘，則該項盈餘以經已扣除之虧絀為限計入收益表。

在出售投資物業時，出售物業應佔之投資物業重估儲備結餘乃轉撥入收益表內。

除租約之剩餘年期為二十年或以下者外，投資物業並無撥備折舊。

發展中物業

在重建中作生產、租賃或行政用途或尚未決定用途之土地及樓宇，乃按成本扣除減值虧損列賬。成本包括按本集團會計政策撥充資本之專業費用及借貸成本。當資產可投入作其擬定用途時，此等資產乃按其他物業資產之相同基準開始折舊。

其他資產

其他資產包括俱樂部會籍，乃按成本扣除永久減值準備(如有)列賬。

未售出物業存貨

未售出物業存貨乃按成本與可變現淨值之較低者入賬。成本包括地價及其他直接成本，包括應佔撥充作該等物業資本之利息費用。可變現淨值為估計售價減直接銷售開支(如有)。

NOTES TO THE FINANCIAL STATEMENTS

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Translation of foreign currencies

Transactions in currencies other than Hong Kong Dollars are translated into Hong Kong Dollars at the rates of exchange ruling on the dates of the transactions. Monetary assets and liabilities denominated in currencies other than Hong Kong Dollars are retranslated into Hong Kong Dollars at the rates ruling on the balance sheet date. Gains and losses arising on exchange are dealt with in the income statement.

On consolidation, the financial statements of subsidiaries and associates which are denominated in currencies other than Hong Kong Dollars are translated into Hong Kong Dollars at the rates ruling on the balance sheet date. All exchange differences arising on consolidation are dealt with in reserves.

Operating leases

Leases of assets in respect of which substantially all the rewards and risks of ownership remain with the lessor are accounted for as operating leases. Rental expenses paid or payable under operating leases are accounted for in the income statement on a straight-line basis over the periods of the respective leases.

Taxation

The charge for taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. Timing differences arise from the recognition for tax purposes of certain items of income and expense in a different accounting period from that in which they are recognised in the financial statements. The tax effect of timing differences, computed using the liability method, is recognised as deferred taxation in the financial statements to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

Revenue recognition

- (a) Income from properties developed for sale is recognised on the execution of a binding sales agreement, or when the relevant occupation permit is issued by the respective building authority; whichever is later.

3. 主要會計政策(續)

外幣折算

以外幣結算之交易均按交易日之匯率折算為港元。以外幣以外貨幣結算之貨幣資產及負債則按結算日之匯率折算為港元。匯兌產生之溢利與虧損撥入收益表中處理。

於綜合賬目時，以港元以外貨幣入賬之附屬公司及聯營公司之財務報表按結算日之匯率折算為港元，所有於綜合賬目時產生之匯兌差額於儲備中處理。

營業租約

凡出租人仍保留資產擁有權人絕大部分之回報及風險之租約稱為營業租約，營業租約已付或應付之租金開支按有關租約年期以直線法列入收益表內。

稅項

稅項之支出乃根據本年度業績就不應課稅或不獲豁免之項目作出調整而計算。時差乃由於在計算稅項時確認若干收入及支出之期間與該等項目於財務報表確認之期間有所不同而產生。因時差產生之稅務影響，倘於可見將來可能實現負債或資產者，則以負債法於財務報表中確認為遞延稅項。

收入確認

- (a) 已發展物業之銷售收入在執行具約束力之銷售協議或獲有關建築當局批出有關居住准許證後，方予確認入賬，以兩者較後者為準。

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For the year ended 31st December, 1999

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Revenue recognition (continued)

- (b) Rentals receivable under operating leases are credited to the income statement, on a straight-line basis, over the lease terms.
- (c) Management fee income is recognised in terms of respective agreements over the relevant period in which the services are rendered.
- (d) Dividend income from investments is recognised when the Group's rights to receive payment have been established.
- (e) Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.

Borrowing costs

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

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Cash equivalents

Cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired; less advances from banks repayable within three months from the date of advance.

Retirement benefits costs

The pension costs charged to the income statement represent the contributions payable in respect of the current year to the Group's defined contribution scheme.

3. 主要會計政策 (續)

收入確認 (續)

- (b) 根據營業租約應收租金乃就有關租約年期按直線法計入收益表中。
- (c) 管理費收入乃就提供服務期間按有關協議之條款確認入賬。
- (d) 投資之股息收入乃於本集團收取款項之權利確立後予以確認入賬。
- (e) 利息收入乃就本金結餘按適用利率及時間比例計算。

借貸成本

直接與收購、興建或生產有限制資產(即須一段長時間準備作其擬定用途或銷售之資產)有關之借貸成本撥充該等資產成本之一部分。當資產接近可投入作其擬定用途或銷售時，則該等借貸成本將不再撥充資本。特定借貸用於有限制資產之前作為短暫投資所賺取之投資收入於已撥充資本之借貸成本中扣除。

所有其他借貸成本於產生之期間入賬列為開支。

現金等值項目

現金等值項目指可隨時轉換為已知數額之現金及於購入後三個月內到期之短期高度流通投資，減去須於借款日期後三個月償還之銀行墊款。

退休福利成本

自收益表扣除之退休金成本指就現年度對本集團定額供款計劃應付之供款。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

4. TURNOVER

4. 營業額

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Sales of properties and property interest	出售物業及物業權益	594,321	444,289
Rental income	租金收入	602,016	682,766
Sales of equities and commodities	出售股票及商品	121,795	3,827,889
Net trading loss on option contracts	期權合約之交易虧損淨額	—	(1,674,497)
Dividend income	股息收入	15,648	9,512
Interest income from loan financing	貸款融資利息收入	66,557	174,244
		1,400,337	3,464,203

5. OTHER REVENUE

5. 其他收入

Included in other revenue is net income from the following

其他收入包括下列各項之收入淨額：

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Gain on repurchase of Floating Rate Notes issued	購回已發行浮息票據溢利	2,108	16,026
Interest earned from deposits with brokers	經紀存款賺取之利息	3	96,219
Interest earned from bank deposits	銀行存款賺取之利息	20,530	95,732
Net management fee income	管理費收入淨額	9,517	9,187
Forfeiture of deposit received	沒收已收定金	—	43,000
Written back on interest in associates	於聯營公司之權益撥回	20,000	—

6. OTHER OPERATING EXPENSES

6. 其他經營開支

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Provision for diminution in value of properties under development	發展中物業減值準備	—	212,275
Provision for interests in associates	於聯營公司之權益準備	96,937	26,424
Miscellaneous operating expenses	其他經營開支	7,441	10,282
		104,378	248,981

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

7. PROFIT FROM OPERATIONS

7. 經營溢利

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Profit from operations has been arrived at after charging:	經營溢利已扣除：		
Auditors' remuneration	核數師酬金	1,686	1,657
Depreciation	折舊	26,797	31,726
Loss on disposal of associates	出售聯營公司虧損	170	708
Loss on disposal of properties under development	出售發展中物業虧損	2,303	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	2,005	123
Loss on disposal of investment properties	出售投資物業虧損	97,947	—
Staff costs excluding Directors' emoluments	僱員成本(不包括董事酬金)	63,604	60,720
Bad debts written off	撇銷壞賬	—	6,926
Net loss on securities investments and option contracts	證券投資及期權合約虧損淨額	—	690,733
and after crediting:	及計入：		
Gross rental income from investment properties	投資物業租金收入總額	602,016	682,766
Less: Outgoings	減：支出	47,488	46,927
		554,528	635,839
Dividend income	股息收入		
— listed	— 上市	912	1,211
— unlisted	— 非上市	14,736	8,301
Gain on disposal of investment properties	出售投資物業溢利	—	388,013

8. INVESTMENT LOSS

8. 投資虧損

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Net unrealised holding loss on other investments	其他物業未變現持有虧損淨值	2,601	34,562

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

9. FINANCE COSTS

9. 財務成本

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Interest on bank loans, overdrafts and other loans wholly repayable within five years	在五年內全數償還之 銀行貸款、透支 及其他貸款之利息	300,949	383,399
Less: Amounts capitalised	減：資本化款項	(2,737)	(12,416)
		298,212	370,983
Other finance costs	其他財務費用	7,490	10,638
		305,702	381,621

10. DIRECTORS' EMOLUMENTS

10. 董事酬金

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Fees:	袍金：		
Executive directors	執行董事	—	—
Independent non-executive directors	獨立非執行董事	100	100
		100	100
Other emoluments	其他酬金		
Executive directors	執行董事		
— Salaries and other emoluments	— 薪金及其他酬金	14,900	14,900
		15,000	15,000

Emoluments of the Directors were within the following bands:

董事之酬金分下列等級：

		Number of directors 董事人數	
		1999	1998
HK\$Nil – HK\$ 1,000,000	零港元 – 1,000,000港元	2	2
HK\$ 4,000,001 – HK\$ 4,500,000	4,000,001港元 – 4,500,000港元	1	1
HK\$10,000,001 – HK\$10,500,000	10,000,001港元 – 10,500,000港元	1	1

No share options were granted to Directors during the year.

年內並無向董事授予購股權。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

11. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (1998: two) were executive directors of the Company whose emoluments are included in the disclosures in note 10 above. The emoluments of the remaining three (1998: three) individuals disclosed pursuant to Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited were as follows:

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	4,853	4,713
Retirement benefit scheme contributions	退休金計劃供款	280	244
		5,133	4,957

Their emoluments were within the following bands:

彼等酬金分下列等級：

		Number of employees 僱員人數	
		1999	1998
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元	1	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元	2	2

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

12. TAXATION

(a) Profits Tax

12. 稅項

(a) 利得稅

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Profit for the year	本年度溢利		
Hong Kong	香港	2,921	16,033
Other regions in the PRC	中國其他地區	865	1,769
		3,786	17,802
Prior years	以往年度		
Hong Kong	香港	(1,119)	(126,378)
Taxation attributable to the Company and its subsidiaries	本公司及附屬公司應佔稅項	2,667	(108,576)
Share of taxation attributable to associates	聯營公司應佔稅項		
Hong Kong	香港	3,574	6,754
Other regions in the PRC	中國其他地區	2,683	754
		6,257	7,508
		8,924	(101,068)

Hong Kong Profits Tax is calculated at 16% on the estimated assessable profit of each individual company and associate of the Group in Hong Kong for the year. Income tax has been provided for at appropriate rates on the estimated assessable profits of each subsidiary in other regions in the PRC.

The Group's subsidiaries and associates in the PRC are generally required under the Foreign Investment Enterprise and the Foreign Enterprise Income Tax Law to pay PRC income tax at a rate of 33%. With respect to those subsidiaries and associates established in the Special Economic Zones, they are subject to income tax at the prevailing rate of 15% or at a rate mutually agreed between the relevant tax authority and the subsidiaries and associates.

香港利得稅乃根據本年度本集團於香港之各間個別公司及聯營公司之估計應課稅溢利按稅率16%計算。中國其他地區之各附屬公司乃按估計應課稅溢利而根據有關之稅率計算。

本集團在中國之附屬公司及聯營公司一般須根據外商投資企業及外資企業所得稅法按稅率33%繳納中國所得稅。就該等於經濟特區成立之附屬公司及聯營公司而言，該等公司須按當時稅率15%或有關稅務機關與附屬公司及聯營公司雙方協定之稅率繳納所得稅。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

12. TAXATION (continued)

(b) Deferred tax

At the balance sheet date, the components of unprovided deferred tax assets are as follows:

		The Group 本集團		The Company 本公司	
		1999 HK\$'000 千港元	1998 HK\$'000 千港元	1999 HK\$'000 千港元	1998 HK\$'000 千港元
Unutilised tax losses	尚未動用之稅務虧損	(189,852)	(151,821)	(3,018)	—
Accelerated depreciation allowances	加速折舊免稅額	(3,571)	(4,742)	—	—
		(193,423)	(156,563)	(3,018)	—

Deferred tax asset has not been recognised in the financial statements as it is not certain whether the benefit will crystallise in the foreseeable future.

No deferred tax is provided on the revaluation surplus arising on the valuation of investment properties situated in Hong Kong as future profits arising on the disposal of these assets would not be subject to taxation. The revaluation therefore does not constitute a timing difference for taxation purpose.

The amount of unprovided deferred tax (credit) charge of the Group for the year is as follows:

12. 稅項 (續)

(b) 遞延稅項

於結算日，未作準備之遞延稅項資產之項目如下：

由於不能確定稅務資產之優惠於可預見將來能實現，故並未於財務報表確認遞延稅項資產。

由於毋須就出售位於香港之投資物業之日後所得溢利繳納稅項，故此等資產進行重估產生之盈餘將毋須作出遞延稅項準備。因此，就稅項而言，重估產生之盈餘不會構成時差。

本年度本集團未撥備遞延稅項 (撥回) 開支總額如下：

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Tax effect of timing differences because of:	時差之稅務影響乃由於下列各項所致：		
Tax losses (incurred) utilised	已 (產生) 動用稅項之虧損	(38,031)	6,227
Accelerated depreciation allowances	加速折舊免稅額	1,171	(6,068)
		(36,860)	159

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

13. PROFIT FOR THE YEAR

Of the Group's profit for the year of HK\$138,237,000 (1998: HK\$514,911,000), a profit of HK\$238,304,000 (1998: HK\$16,019,000) has been dealt with in the financial statements of the Company.

13. 本年度溢利

本集團本年度溢利138,237,000港元(一九九八年: 514,911,000港元)中, 238,304,000港元(一九九八年: 16,019,000港元)之溢利已於本公司之財務報表處理。

14. DIVIDENDS

14. 股息

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Overprovision for 1997 final dividend	一九九七年末期股息 超額撥備	—	1,838

15. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit for the year of HK\$138,237,000 (1998: HK\$514,911,000) and on the weighted average number of 1,932,319,174 (1998: 1,920,754,057) ordinary shares of HK\$0.10 each in the Company in issue throughout the year.

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

15. 每股盈利

每股基本盈利乃根據本公司本年度溢利138,237,000港元(一九九八年: 514,911,000港元)及本年度本公司每股面值0.10港元之已發行普通股之加權平均數1,932,319,174(一九九八年: 1,920,754,057)股計算。

每股基本及攤薄後盈利乃按下列數據計算:

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Profit attributable to shareholders for the year	本年度股東應佔溢利	138,237	514,911
Weighted average number of ordinary shares for the purposes of basic earnings per share	計算每股基本盈利之 普通股加權平均數	1,932,319,174	1,920,754,057
Effect of dilutive potential ordinary shares:	普通股之潛在攤薄影響:		
1999 Warrants	一九九九年認股權證	73,987,705	3,225,406
2000 Warrants	二零零零年認股權證	70,958,983	2,419,055
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄後盈利之 普通股加權平均數	2,077,265,862	1,926,398,518

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Land and buildings 土地及樓宇 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Yacht and motor vehicles 遊艇及 車輛 HK\$'000 千港元	Total 總額 HK\$'000 千港元
THE GROUP	本集團				
AT COST	成本				
At 1st January, 1999	一九九九年一月一日	80,727	225,475	45,389	351,591
Exchange adjustments	匯兌調整	19	—	3	22
Additions	增添	242	4,209	3,644	8,095
Disposals	出售	—	(23,400)	(7,353)	(30,753)
Disposal of subsidiaries	出售附屬公司	(10,292)	(337)	(1,433)	(12,062)
At 31st December, 1999	一九九九年 十二月三十一日	70,696	205,947	40,250	316,893
DEPRECIATION	折舊				
At 1st January, 1999	一九九九年一月一日	6,057	135,293	40,453	181,803
Exchange adjustments	匯兌調整	2	1	2	5
Charge for the year	本年度支出	1,798	22,550	2,449	26,797
Eliminated on disposals	出售時對銷	—	(12,412)	(6,757)	(19,169)
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	(1,400)	(280)	(1,222)	(2,902)
At 31st December, 1999	一九九九年 十二月三十一日	6,457	145,152	34,925	186,534
NET BOOK VALUES	賬面淨值				
At 31st December, 1999	一九九九年 十二月三十一日	64,239	60,795	5,325	130,359
At 31st December, 1998	一九九八年 十二月三十一日	74,670	90,182	4,936	169,788

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

16. PROPERTY, PLANT AND EQUIPMENT

(continued)

The net book value of land and buildings shown above comprises:

16. 物業、廠房及設備(續)

上文所示土地及樓宇之賬面淨值包括：

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Properties in Hong Kong held under:	於香港按下列租約持有之物業：		
Long lease	長期租約	61,854	65,339
Medium-term lease	中期租約	2,385	190
Properties outside	於香港以外按下列		
Hong Kong held under:	租約持有之物業：		
Medium-term lease	中期租約	—	9,141
		64,239	74,670

17. INVESTMENT PROPERTIES

17. 投資物業

		HK'000 千港元
THE GROUP	本集團	
AT VALUATION	估值	
At 1st January, 1999	一九九九年一月一日	12,982,109
Acquisition of subsidiaries	收購附屬公司	605,615
Additions	增添	226,675
Surplus on revaluation	重估盈餘	128,180
Disposals	出售	(444,718)
Disposal of subsidiaries	出售附屬公司	(113,500)
At 31st December, 1999	一九九九年十二月三十一日	13,384,361

The investment properties of the Group were revalued at 31st December, 1999 on an open market value basis by Brooke International Limited, an independent professional valuer. The surplus arising on revaluation has been credited to the investment properties revaluation reserve (note 30).

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

本集團投資物業已於一九九九年十二月三十一日由獨立專業估值師Brooke International Limited以公開市值為基準進行重估。因估值所產生之盈餘已計入投資物業重估儲備(附註30)。

本集團所有投資物業乃根據營業租約出租。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

17. INVESTMENT PROPERTIES (continued)

The net book value of investment properties shown above comprises:

17. 投資物業(續)

上文所示投資物業之賬面淨值包括：

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Properties in Hong Kong held under:	於香港之物業：		
Long lease	長期租約	13,165,400	12,734,400
Medium-term lease	中期租約	212,580	241,480
Properties outside	於香港以外		
Hong Kong held under:	之物業：		
Freehold	永久業權	3,583	3,352
Medium-term lease	中期租約	2,798	2,877
		13,384,361	12,982,109

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

18. PROPERTIES UNDER DEVELOPMENT

18. 發展中物業

		Properties held under long lease in Hong Kong 於香港持有之 長期租約物業 HK'000 千港元	Properties held under medium term lease in Hong Kong 於香港持有之 中期租約物業 HK'000 千港元	Total 總值 HK'000 千港元
THE GROUP	本集團			
AT COST	成本			
At 1st January, 1999	一九九九年一月一日	2,180,670	—	2,180,670
Reclassification	重新分類	(281,984)	281,984	—
Additions	增添	64,370	2,424	66,794
Disposals	出售	(145,604)	—	(145,604)
		1,817,452	284,408	2,101,860
PROVISION FOR DIMINUTION IN VALUE	減值準備			
At 1st January, 1999	一九九九年一月一日	212,275	—	212,275
Reclassification	重新分類	(10,000)	10,000	—
Eliminated on disposal	出售時對銷	(84,604)	—	(84,604)
At 31st December, 1999	一九九九年 十二月三十一日	117,671	10,000	127,671
NET BOOK VALUE	賬面淨值			
At 31st December, 1999	一九九九年 十二月三十一日	1,699,781	274,408	1,974,189
At 31st December, 1998	一九九八年 十二月三十一日	1,968,395	—	1,968,395

At 31st December, 1999, the net interest capitalised to properties under development was HK\$21,846,000 (1998:HK\$19,109,000) of which HK\$2,737,000 (1998:HK\$12,416,000) was incurred during the year.

於一九九九年十二月三十一日，發展中物業已資本化之利息淨額為21,846,000港元（一九九八年：19,109,000港元），其中2,737,000港元（一九九八年：12,416,000港元）乃於年內產生。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

19. INTERESTS IN SUBSIDIARIES

19. 附屬公司權益

		The Company 本公司	
		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Unlisted shares, at cost less provision	非上市股份，成本減準備	4,428,107	3,559,110
Interest bearing advances to subsidiaries	給予附屬公司計息墊款	428,000	531,400
Interest free advances to subsidiaries	給予附屬公司免息墊款	4,908,061	5,032,558
		9,764,168	9,123,068

The amounts due from subsidiaries are unsecured, and have no fixed repayment terms. Of the advances, HK\$428,000,000 (1998: HK\$531,400,000) bear interest at prevailing market rates.

附屬公司欠款為無抵押及無固定還款期。其中428,000,000港元之墊款(一九九八年：531,400,000港元)之利率按一般市場利率計算。

Particulars of the Company's principal subsidiaries at 31st December, 1999 are shown in note 40.

本公司於一九九九年十二月三十一日之主要附屬公司詳情載於附註40。

20. INTERESTS IN ASSOCIATES

20. 聯營公司權益

		The Group 本集團	
		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Share of net assets	應佔資產淨值	1,297,335	1,451,222
Interest bearing advance to associates	給予聯營公司計息墊款	178,425	158,750
Interest free advances to associates (net of provisions)	給予聯營公司免息墊款 (扣除撥備)	1,103,487	1,186,652
		2,579,247	2,796,624

The advances are unsecured and have no fixed repayment terms. Of the advances, HK\$178,425,000 (1998: HK\$158,750,000) bear interest at prevailing market rates.

墊款為無抵押及無固定還款期。其中178,425,000港元之墊款(一九九八年：158,750,000港元)之利息按一般市場利率計算。

The hotel properties and investment properties of the Group's principal associates were valued at 31st December, 1999 on an open market value basis by Brooke International (China) Limited, Brooke International Limited and Messrs. Knight Frank, independent professional valuers. The carrying amount shown above includes the Group's attributable share of the revaluation reserve.

本集團主要聯營公司之酒店物業及投資物業，乃根據獨立專業估值師Brooke International (China) Limited、Brooke International Limited及簡福飴測量行以一九九九年十二月三十一日公開市值基準進行估值。以上所列賬面值包括本集團應佔之重估重備。

Particulars of principal associates at 31st December, 1999 are shown in note 41.

於一九九九年十二月三十一日之主要聯營公司詳情載於附註41。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

20. INTERESTS IN ASSOCIATES (continued)

The following details have been extracted from the financial statements of the Group's significant associates.

20. 聯營公司權益(續)

以下詳情乃摘錄自本集團主要聯營公司之財務報表。

		Evergo China Holdings Limited		Power Jade Capital Limited	
		1999	1998	1999	1998
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Results for the year	經營業績				
Turnover	營業額	44,861	38,117	247,273	164,194
(Loss) profit from ordinary activities before taxation	除稅前經常業務(虧損)溢利	(44,683)	(24,304)	77,162	25,880
(Loss) profit from ordinary activities before taxation attributable to the Group	本集團應佔除稅前經常業務(虧損)溢利	(21,095)	20,722	38,581	12,940
Financial position	財務狀況				
Non-current assets	非流動資產	1,998,166	2,148,173	1,755,028	2,467,864
Current assets	流動資產	358,294	303,154	301,931	491,528
Current liabilities	流動負債	(132,919)	(149,415)	(1,202,569)	(1,452,626)
Non-current liabilities	非流動負債	—	(3,838)	(63,668)	(196,620)
Minority interests	少數股東權益	(178,395)	(242,702)	(686,573)	(825,647)
Net assets	資產淨值	2,045,146	2,055,372	104,149	484,499
Net assets attributable to the Group	本集團應佔資產淨值	952,629	899,427	52,075	242,250

Market value of shares in Evergo China Holdings Limited ("Evergo China") amounted to HK\$130,803,000 (1998: HK\$76,871,000).

Evergo China Holdings Limited (「愛美高中國」)之股份市值為130,803,000港元(一九九八年：76,871,000港元)。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

20. INTERESTS IN ASSOCIATES (continued)

Power Jade Capital Limited (corporate Name: Power Jade Limited) and its group (the "Power Jade Group") had the following contingent liabilities:

- (a) Guarantees given to banks and financial institutions for general facilities granted to associates and investee company

- (a) 就授予聯營公司及投資對象公司之銀行一般信貸而向銀行及財務機構作出擔保

1999 HK\$'000 千港元	1998 HK\$'000 千港元
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88,590	111,978
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- (b) A legal action against a subsidiary of Power Jade Capital Limited, The Kwong Sang Hong International Limited ("KSH"), was taken by a China joint venture partner. On 17th May, 1996, Huibei Provincial High Court ("Huibei Court") granted a judgement against KSH in favour of the China joint venture partner in relation to the joint development of Shuohu Court in Wuhan (the "Development"). The judgement, which KSH appealed against, in effect nullified the joint development agreement for the Development. On 28th May, 1998, the Supreme People's Court of the People's Republic of China dismissed the appeal of KSH but, inter alia, reduced the amount of the judgement sum of the Huibei Court made on 17th May, 1996. The China joint venture partner had on 25th August, 1998 quantified a sum due to it which comprises HK\$2,901,629, RMB8,382,749, interest and legal costs in relation thereto through its legal advisors in Hong Kong even though it had provided another quantification to the Huibei Court. However, the KSH disputes the quantification and through its legal advisors continues to apply for review against the judgement. Based on legal advice, a full provision of HK\$64.8 million was made by KSH in 1998 for the investment cost paid, damages, legal costs and interest charges up to 1998.

On 22nd July, 1999, the Huibei Court caused an Attachment Order being registered against KSH's investment properties with a net book value of approximately HK\$38.5 million situated at 50th Floor, Shun Hing Square, Shenzhen (which are being held by a wholly-owned subsidiary of KSH as the registered owner).

20. 聯營公司權益 (續)

Power Jade Capital Limited (公司原名: Power Jade Limited) 及其集團 (「Power Jade 集團」) 擁有以下或然負債:

1999 HK\$'000 千港元	1998 HK\$'000 千港元
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88,590	111,978
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- (b) 中國一合營夥伴採取法律行動控告 Power Jade Capital Limited 之一間附屬公司 The Kwong Sang Hong International Limited (「廣生行」)。於一九九六年五月十七日，湖北省高級人民法院 (「湖北法院」) 為該中國合營夥伴就武漢市碩湖苑之合營發展項目 (「該發展項目」) 而對廣生行作出判決。該項判決實際上令該發展項目之合營發展協議失效，廣生行已就該項判決提出上訴。中華人民共和國最高人民法院於一九九八年五月二十八日駁回廣生行上訴，但削減湖北法院於一九九六年五月十七日頒佈之判決款項金額。於一九九八年八月二十五日，中國合營夥伴透過其香港法律顧問已計算一筆欠負其之款項，包括 2,901,629 港元、人民幣 8,382,749 元、與此有關之利息及法律費用，儘管中國合營夥伴已向湖北法院提供另一種計算方法。然而，廣生行質疑有關之計算方法，並透過其法律顧問繼續申請覆核該項判決。根據法律意見，廣生行於一九九八年已就所付投資費用、賠償、法律費用及計至一九九八年之利息支出作出合共 64,800,000 港元之撥備。

於一九九九年七月二十二日，湖北法院向廣生行發出裁定書，查封了位於深圳信興廣場五十樓之投資物業 (現由廣生行之全資附屬公司以企業法人身份擁有)，該物業賬面淨值約 38,500,000 港元。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

20. INTERESTS IN ASSOCIATES (continued)

Based on legal advice, the registered owner of the above properties cannot lease out or sell the properties during the attachment period. According to legal advice obtained by KSH, the Huibei Court cannot register an attachment order against real properties not registered under the name of KSH. The Directors consider that there will not be significant impact on the financial statements as provision for the case has been adequately provide as explained above.

20. 聯營公司權益(續)

根據法律意見，擁有上述物業之企業法人於查封期間不能出租或出售該物業。根據廣生行所得之法律意見，湖北法院不得向並非以廣生行為企業法人的房地產物業發出裁定書查封其物業。董事認為，廣生行已作出如上所述之適當撥備，因此該物業查封將不會對財務報表造成重大影響。

21. INVESTMENTS IN SECURITIES

21. 證券投資

		The Group 本集團	
		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Non-current investments	非流動投資		
Unlisted investment securities	非上市證券投資		
Hong Kong	香港	54,080	57,948
Other jurisdictions	其他司法權區	3,867	3,867
		57,947	61,815
Current investments	流動投資		
Other investments listed	其他上市投資		
Hong Kong	香港	1,538	24,912
Other jurisdictions	其他司法權區	—	157
		1,538	25,069
Market value of listed shares	上市股份市值	1,538	25,069

22. LONG-TERM LOANS RECEIVABLE

22. 應收長期貸款

		The Group 本集團	
		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Loans and advances, secured	貸款及墊款，有抵押	446,819	447,191
Less: Current portion receivable within one year	減：一年內應收貸款即期部分	(115)	(294)
		446,704	446,897

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

23. AMOUNT DUE FROM AN ASSOCIATE

The balance represents amount due from Evergo China in relation to the disposal of certain properties interests to Evergo China on 28th October, 1996. The amount is interest-free and originally scheduled to be capitalised by way of issuing shares in Evergo China to the Company on or before 28th October, 1998.

During the year, one of the above properties interests was disposed of by Evergo China to an independent third party. The consideration was arrived at on the basis of an independent valuation (the "Independent Valuation"). A supplemental agreement dated 29th December, 1999 was entered into between the Company and Evergo China, pursuant to which the parties agreed to adopt the Independent Valuation as a reference for determining the number of shares to be issued to the Company. The parties also agreed to defer the capitalisation of the remaining balance due from Evergo China for a period of 24 months expiring on 28th October, 2000.

Based on the Independent Valuation of the aforesaid disposed properties interests, 1,581,384 shares in Evergo China were allotted and issued on 10th January, 2000 by Evergo China to the Company. Upon issue of the shares, the shareholding of the Company in Evergo China has been increased from approximately 46.58% of the then issued share capital to approximately 46.62% of the enlarged issued share capital of Evergo China.

23. 聯營公司欠款

結餘乃指愛美高中國就愛美高中國於一九九六年十月二十八日出售若干物業權益而欠負之款項。該等款項為免息並原透過愛美高中國於一九九八年十月二十八日或之前向本公司發行股份而作資本化。

年內，上述其中一項物業權益已由愛美高中國出售予一名獨立第三者。代價乃按獨立估值（「獨立估值」）之基準而釐訂。愛美高中國與本公司於一九九九年十二月二十九日訂立補充協議，據此，雙方同意採用獨立估值作為釐訂發行予本公司之股份數目之參考。有關各方亦已同意就有關餘下愛美高中國欠負之款項撥作資本遞延二十四個月，並於二零零零年十月二十八日屆滿。

根據上述已出售物業權益之獨立估值計算，愛美高中國已於二零零零年一月十日向本公司配發及發行1,581,384股愛美高中國股份，於發行股份後，本公司於愛美高中國之持股量由佔當時已發行股本約46.58%增加至愛美高中國經擴大已發行股本約46.62%。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

24. LONG-TERM BORROWINGS

24. 長期借貸

		The Group 本集團	
		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Secured bank loans repayable within a period of:	於下列期間應償還之有抵押銀行貸款：		
More than 1 year but within 2 years	一年以上但不超過兩年	279,200	103,603
More than 2 years but within 5 years	兩年至五年	201,600	411,193
Over 5 years	逾五年	—	6,641
		480,800	521,437
Unsecured bank loans repayable within a period of:	須於下列期間償還之無抵押銀行貸款：		
More than 1 year but within 2 year	一年以上但不超過兩年	36,000	—
More than 2 years but within 5 years	兩年至五年	320,719	647,494
Floating Rate Notes due 2002 (note 25)	於二零零二年到期之浮息票據(附註25)	2,087,281	2,106,719
		2,444,000	2,754,213
		2,924,800	3,275,650

25. FLOATING RATE NOTES

The Floating Rate Notes, maturing in 2002 and bearing interest at 3 month Libor plus 1.65 per cent. for the first three years and 1.90 per cent. for the next two years, were issued in March 1997 by a subsidiary of the Company. The captioned notes were fully settled on 30th March, 2000 by long term bank and other borrowings obtained subsequent to the year end date.

25. 浮息票據

本公司一間附屬公司於一九九七年三月發行浮息票據，該浮息票據於二零零二年到期，利息為三個月倫敦銀行同業拆息率，並於首三年加1.65厘及以後兩年加1.90厘計算。於結算日後，上述票據已於二零零零年三月三十日透過所獲得之銀行及其他長期借款清償。

26. ADVANCES FROM ASSOCIATES/AMOUNTS DUE TO SUBSIDIARIES

The amounts are unsecured, interest-free and have no fixed repayment terms.

26. 聯營公司墊款/欠負附屬公司款項

該等款項為無抵押，免息及無固定還款期。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

27. MINORITY INTERESTS

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Share of net assets	應佔資產淨值	2,023	30,916
Amount due to minority shareholders	欠少數股東款項	389,082	376,180
		391,105	407,096

Amounts due to minority shareholders at the balance sheet date are unsecured, interest free and have no fixed repayment terms.

於結算日，欠負少數股東權益之款項為無抵押、免息及無固定還款期。

28. SHARE CAPITAL

Movements during the year in the share capital of the Company were as follows:

28. 股本

年內本公司股本變動如下：

		Number of shares 股份數目		Share capital 股份	
		1999	1998	1999 HK\$'000 千港元	1998 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元 普通股				
Authorised:	法定股本：				
Balance at 1st January and 31st December	於一月一日及十二月 三十一日	2,300,000,000	2,300,000,000	230,000	230,000
Issued and fully paid:	已發行及繳足股本：				
Balance at 1st January	於一月一日	1,913,200,927	1,937,583,609	191,320	193,759
Issued in lieu of cash dividend	發行股份代替 現金股息	—	819,330	—	82
Issued on exercise of warrants	行使認股權證 而發行	184,345,636	21,988	18,435	2
Repurchased and cancelled	購回及註銷	(16,248,000)	(25,224,000)	(1,625)	(2,523)
Balance at 31st December	十二月三十一日結餘	2,081,298,563	1,913,200,927	208,130	191,320

On 20th July, 1998, the Company issued and allotted a total of 819,330 shares at equivalent cash value of HK\$1.48 each in the Company to the shareholders who elected to receive shares in the Company in lieu of cash for the 1997 final dividends pursuant to the scrip dividend scheme announced by the Company on 30th April, 1998. These shares rank pari passu in all respects with other shares in issue.

於一九九八年七月二十日，本公司按相等於現金代價每股1.48港元發行及配發合共819,330股股份予根據本公司於一九九八年四月三十日公布之以股代息計劃選擇收取本公司股份以代替一九九七年末期股息之股東。此等股份在各方面與其他已發行股份享有同等權益。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

28. SHARE CAPITAL (continued)

During the year, the Company repurchased on The Stock Exchange of Hong Kong Limited a total of 16,248,000 (1998: 25,224,000) shares of HK\$0.10 each of the Company, at an aggregate consideration after expenses of HK\$23,779,872 (1998: HK\$50,339,541) which were subsequently cancelled. The nominal value of the cancelled shares was credited to capital redemption reserve of the Company and the aggregate consideration paid was debited to contributed redemption reserve of the Company and the accumulated profits of the Group.

29. WARRANTS

On 16th November, 1998, the shareholders of the Company approved the bonus issue of 1999 warrants and 2000 warrants on the basis of one 1999 warrant and one 2000 warrant for every ten ordinary shares of the Company then held by shareholders on 30th October, 1998.

The 1999 warrant, which was exercisable at the subscription price of HK\$0.97 per share, lapsed after close of business on 24th November, 1999. The 2000 warrant is exercisable at an initial subscription price of HK\$1.02 per share (subject to adjustment).

28. 股本(續)

於年內，本公司在香港聯合交易所有限公司購回本公司合共16,248,000股(一九九八年：25,224,000股)，每股面值0.10港元之股份，扣除支出後之總代價為23,779,872港元(一九九八年：50,339,541港元)，該等股份其後註銷。註銷股份之面值已撥入本公司之資本贖回儲備內，而已付代價總額則自本公司之實繳贖回儲備賬及本集團之保留溢利內扣除。

29. 認股權證

於一九九八年十一月十六日，本公司股東批准按股東於一九九八年十月三十日當時每持有本公司十股普通股獲派一份一九九九年認股權證及一份二零零零年認股權證之基準發行紅利一九九九年認股權證及二零零零年認股權證。

一九九九年認股權證(認購價為每股0.97港元)已於一九九九年十一月二十四日辦公時間後屆滿。二零零零年認股權證乃按每股1.02港元(可予調整)之初步認購價行使。

		Expiry date 到期日		Total 總額 HK\$'000 千港元
		24th November, 1999 一九九九年 十一月二十四日 HK\$'000 千港元	24th November, 2000 二零零零年 十一月二十四日 HK\$'000 千港元	
Warrants issued on 23rd November, 1998	於一九九八年 十一月二十三日 發行之認股權證	185,578	195,144	380,722
Exercised during the year	年內行使	(11)	(11)	(22)
Warrants outstanding as at 1st January, 1999	於一九九九年一月一日 尚未行使之認股權證	185,567	195,133	380,700
Exercised during the year	年內行使	(178,532)	(298)	(178,830)
Lapsed during the year	年內屆滿	(7,035)	—	(7,035)
Warrants outstanding as at 31st December, 1999	於一九九九年 十二月三十一日 之尚未行使認股權證	—	194,835	194,835

Exercise in full of the subscription rights attached to those warrants outstanding at the balance sheet date would result in the issue of 191,015,339 (1998: 382,613,798) ordinary shares of HK\$0.10 each.

全數行使於結算日尚未行使之認股權證所附認購權將會導致發行191,015,339(一九九八年：382,613,798股)股每股面值0.10港元之普通股。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

30. RESERVES

30. 儲備

		Share premium	Contributed surplus	Capital reserve	Investment properties revaluation reserve	Hotel property revaluation reserve	Assets revaluation reserve	Capital redemption reserve	Accumulated profits	Total
		股份溢價	實繳盈餘	資本儲備	投資物業重估儲備	酒店物業重估儲備	資產重估儲備	贖回儲備	累積溢利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
THE GROUP	本集團									
At 1st January, 1998	一九九八年一月一日	2,027,026	—	2,928,464	12,489,106	74,014	—	56,378	2,255,066	19,830,054
Exchange adjustments	匯兌調整	—	—	—	—	—	—	—	2,034	2,034
Cancellation on repurchase of own shares	購回及註銷 本身股份	—	—	—	—	—	—	2,523	(50,340)	(47,817)
Shares issue in lieu of cash dividend	發行股份代替現金股息	(82)	—	—	—	—	—	—	1,214	1,132
Shares issue on exercise of warrants	認股權證獲行使 而發行股份	20	—	—	—	—	—	—	—	20
Reserve on consolidation	綜合賬目儲備	—	—	60,393	—	—	—	—	—	60,393
Deficit on revaluation	重估虧蝕	—	—	—	(4,553,467)	—	—	—	—	(4,553,467)
Share of revaluation deficit by minority interest	少數股東 分佔重估虧蝕	—	—	—	31,880	—	—	—	—	31,880
Surplus realised on disposals	出售所變現之盈餘	—	—	—	(333,276)	—	—	—	—	(333,276)
Surplus realised on disposal of investment properties of associate	出售聯營公司 投資物業時 變現之盈餘	—	—	—	(341)	—	—	—	—	(341)
Profit for the year retained	本年度保留溢利	—	—	—	—	—	—	—	516,749	516,749
Share of associates' reserves movement during the year	聯佔聯營公司 年內儲備變動	—	—	—	(152,635)	(39,909)	212,488	—	—	19,944
At 1st January, 1999	一九九九年一月一日	2,026,964	—	2,988,857	7,481,267	34,105	212,488	58,901	2,724,723	15,527,305
Exchange adjustments	匯兌調整	—	—	—	—	—	—	—	1,190	1,190
Cancellation on repurchase of own shares	購回及註銷 本身股份	—	—	—	—	—	—	1,625	(23,780)	(22,155)
Shares issue on exercise of warrants	認股權證獲行使 而發行股份	160,395	—	—	—	—	—	—	—	160,395
Reserve arising on acquisition of subsidiaries	綜合賬目儲備 —收購附屬公司	—	—	10,067	—	—	—	—	—	10,067
Reserve arising on disposal of subsidiaries	—出售附屬公司	—	—	(9,332)	—	—	—	—	—	(9,332)
Reserve arising on acquisition of additional interest in an associate	購入聯營公司額外 權益而產生 之儲備	—	—	53,074	—	—	—	—	—	53,074
Surplus on revaluation	重估盈餘	—	—	—	128,180	—	—	—	—	128,180
Share of revaluation deficit by minority interest	少數股東 分佔重估虧蝕	—	—	—	1,375	—	—	—	—	1,375
Surplus realised on disposals	出售所變現之盈餘	—	—	—	(22,433)	—	—	—	—	(22,433)
Surplus realised on disposal of investment properties of associate	出售聯營公司 投資物業時 變現之盈餘	—	—	—	(8,809)	—	—	—	—	(8,809)
Disposal of subsidiaries	出售附屬公司	—	—	—	22,802	—	—	—	—	22,802
Profit for the year retained	本年度保留溢利	—	—	—	—	—	—	—	138,237	138,237
Share of associates' reserves movement during the year	聯佔聯營公司 年內儲備變動	—	—	—	(38,438)	(3,225)	—	—	—	(41,663)
Reversal of assets revaluation in prior year	上年之資產重估 撥回	—	—	—	—	—	(212,488)	—	—	(212,488)
At 31st December, 1999	一九九九年 十二月三十一日	2,187,359	—	3,042,666	7,563,944	30,880	—	60,526	2,840,370	15,725,745
Attributable to:	下列公司應佔儲備：									
The Company and subsidiaries	本公司及附屬公司	2,187,359	—	2,958,580	7,538,360	—	—	60,526	2,591,798	15,336,623
Associates	聯營公司	—	—	84,086	25,584	30,880	—	—	248,572	389,122
		2,187,359	—	3,042,666	7,563,944	30,880	—	60,526	2,840,370	15,725,745

The asset revaluation made by an associate in the prior year has been reversed to conform to the accounting policy followed by the Group.

於上年一間聯營公司進行之資產重估已予撥回，以符合本集團之會計政策。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

30. RESERVES (continued)

30. 儲備(續)

		Share premium	Contributed surplus	Capital reserve	Investment properties revaluation reserve	Hotel property revaluation reserve	Assets revaluation reserve	Capital redemption reserve	Accumulated profits	Total
		HK\$'000	HK\$'000	HK\$'000	投資物業重估儲備	酒店物業重估儲備	資產重估儲備	贖回儲備	累積溢利	總額
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
THE COMPANY	本公司									
At 1st January, 1998	一九九八年一月一日	2,027,026	1,570,847	-	-	-	-	56,378	1,713,244	5,367,495
Cancellation on repurchase of own shares	購回及註銷本身股份	-	(50,340)	-	-	-	-	2,523	-	(47,817)
Shares issue in lieu of cash dividend	發行股份代替現金股息	(82)	-	-	-	-	-	-	1,214	1,132
Shares issue on exercise of warrants	認股權證獲行使而發行股份	20	-	-	-	-	-	-	-	20
Profit for the year retained	本年度保留溢利	-	-	-	-	-	-	-	16,019	16,019
At 1st January, 1999	一九九九年一月一日	2,026,964	1,520,507	-	-	-	-	58,901	1,730,477	5,336,849
Cancellation on repurchase of own shares	購回及註銷本身股份	-	(23,780)	-	-	-	-	1,625	-	(22,155)
Shares issue on exercise of warrants	認股權證獲行使而發行股份	160,395	-	-	-	-	-	-	-	160,395
Profit for the year retained	本年度保留溢利	-	-	-	-	-	-	-	238,304	238,304
At 31st December, 1999	一九九九年十二月三十一日	2,187,359	1,496,727	-	-	-	-	60,526	1,968,781	5,713,393

The contributed surplus represents the difference between the underlying net assets of the subsidiaries at the date on which they were acquired by the Company and the nominal value of the Company's share capital issued for the acquisition at the time of the group reorganization prior to the listing of the Company's shares in 1989 after adjusting for cancellation on repurchase of own shares. Under the Companies Act 1981 of Bermuda, the contributed surplus of the Company is available for distribution.

In the opinion of the Directors, as at 31st December, 1999, the Company's reserves available for distribution consisted of contributed surplus of HK\$1,496,727,000 (1998: HK\$1,520,507,000) and accumulated profits of HK\$1,968,781,000 (1998: HK\$1,730,477,000).

實繳盈餘指本公司收購附屬公司之日該等附屬公司之淨資產與本公司於一九八九年上市前於集團重組時就收購而發行之本公司股本之面值之差額，並就註銷購回本身之股份作調整。根據百慕達一九八一年公司法，本公司之實繳盈餘乃可供分派。

董事認為，於一九九九年十二月三十一日，本公司可供分派之儲備包括實繳盈餘1,496,727,000港元（一九九八年：1,520,507,000港元）及累積溢利1,968,781,000港元（一九九八年：1,730,477,000港元）。

31. SHARE OPTION SCHEME

The share option scheme of the Company provides that the Directors may offer to any employees (including the executive directors) of the Company and any of its subsidiaries options to subscribe for shares in the Company in accordance with the terms of the share option scheme. However, no options were granted or exercised during the year or outstanding at the balance sheet date.

31. 購股權計劃

根據本公司之購股權計劃，董事會可向本公司及其任何附屬公司之任何僱員（包括執行董事）授出購股權，以按購股權計劃之條款認購本公司股份。惟年內並無授出或行使任何購股權，而於結算日亦無尚未行使之購股權。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

32. RECONCILIATION OF PROFIT FROM
ORDINARY ACTIVITIES BEFORE
TAXATION TO NET CASH INFLOW FROM
OPERATING ACTIVITIES32. 除稅前來自日常業務溢利與經營業
務之現金流入淨額之調整

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Profit from ordinary activities before taxation	除稅前來自日常業務溢利	147,707	406,424
Share of results of associates	攤佔聯營公司業績	(49,212)	(75,498)
Interest income	利息收入	(20,533)	(191,951)
Interest expenses	利息支出	298,212	370,983
Depreciation	折舊	26,797	31,726
Loss (gain) on disposal of investment properties	出售投資物業之虧損(溢利)	97,947	(388,013)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	2,005	123
Loss on disposal of properties under development	出售發展中物業之虧損	2,303	—
Loss (gain) on disposal of associates	出售聯營公司虧損(溢利)	170	(313,229)
Gain on disposal of subsidiaries	出售附屬公司溢利	(47,271)	—
Gain on repurchase of Floating Rates Notes issued	購回已發行浮息票據之溢利	(2,108)	(16,026)
Net provision for interests in associates	於聯營公司之權益準備淨額	76,937	26,424
Provision for diminution in value of properties under development	發展中物業減值準備	—	212,275
Decrease in investments in securities	證券投資減少	27,240	515,181
Decrease in stock of unsold properties	未出售物業存貨減少	—	29,800
Decrease in debtors, deposits and prepayments	應收賬項、按金及預付款項減少	11,706	427,340
Decrease (increase) in loans and advances	貸款及墊款減少(增加)	840,086	(667,219)
Decrease in creditors, accruals and provision	應付賬項、應計款項及撥備減少	(202,787)	(1,146,786)
Decrease in deposits and receipts in advance	按金及預先收取款項減少	(24,565)	(80,648)
Decrease in liabilities on equity derivatives trading	買賣股票衍生工具之負債減少	—	(1,614,774)
Decrease in deposits with brokers	交付經紀按金減少	—	2,872,604
NET CASH INFLOW FROM OPERATING ACTIVITIES	經營業務之現金流入淨額	1,184,634	398,736

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

33. ACQUISITION OF SUBSIDIARIES

Summary of the effects of acquisition of subsidiaries during the year

33. 收購附屬公司

年內收購附屬公司之影響概要

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
NET ASSETS ACQUIRED	收購資產淨值		
Investment properties	投資物業	605,615	431,449
Properties under development	發展中物業	—	899,776
Debtors, deposits and prepayments	應收賬項、按金及預付款項	6,112	256,765
Cash and bank balances	現金及銀行結餘	9,790	34,122
Creditors, accruals and provisions	應付賬項、應計款項及撥備	(170,229)	(1,242,477)
Deposits and receipts in advance	按金及預先收取款項	(9,962)	(10,285)
Taxation payable	應付稅項	(251)	(682)
Long-term secured bank loans	有抵押長期銀行貸款	(200,000)	(170,000)
		241,075	198,668
Carrying value of interests in associates which became subsidiaries during the year	年內成為附屬公司之聯營公司權益之賬面值	—	(67,572)
Capital reserve on acquisition	收購時之資本儲備	(10,067)	(60,393)
Contribution from minority interests	少數股東之供款	—	(35,238)
		231,008	35,465
Analysis of net outflow of cash and cash equivalents in respect of the acquisition of subsidiary undertakings	收購附屬公司業務之現金及現金等值項目流出淨額分析		
Net cash outflow arising on acquisition:	收購而產生之現金流出淨額：		
Cash paid	已付現金	(231,008)	(35,465)
Cash and bank balances acquired	所收購之現金及銀行結餘	9,790	34,122
Net outflow of cash and cash equivalents	現金及現金等值項目流出淨額	(221,218)	(1,343)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

34. DISPOSAL OF SUBSIDIARIES

Summary of the effects of the disposal of subsidiaries during the year

34. 出售附屬公司

年內出售附屬公司之影響概要

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
NET ASSETS DISPOSED OF	出售資產淨值		
Property, plant and equipment	物業、廠房及設備	9,160	—
Investment properties	投資物業	113,500	—
Interests in associates	聯營公司權益	76	—
Debtors, deposits and prepayments	應收賬項、按金及預付款項	55,508	—
Other investments	其他投資	159	—
Cash and bank balances	現金及銀行結餘	23,646	—
Creditors, accruals and provisions	應付賬項、應計款項及撥備	(1)	—
Taxation payable	應付稅項	(509)	—
Minority interest	少數股東權益	(28,064)	—
		173,475	—
Investment properties deficit released on disposal	出售時轉撥之投資物業虧損	22,802	—
Capital reserve released on disposal	出售時轉撥之資本儲備	(9,332)	—
Gain on disposal	出售溢利	47,271	—
		234,216	—
Analysis of net inflow of cash and cash equivalents in respect of the disposal of subsidiary undertakings	出售附屬公司業務之現金及現金等值項目流入淨額分析		
Net cash inflow arising on disposal:	出售所產生之現金流入淨額：		
Consideration	代價	234,216	—
Cash and bank balances disposed of	所出售之現金及銀行結餘	(23,646)	—
Net inflow of cash and cash equivalents	現金及現金等值項目流入淨額	210,570	—

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

35. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

35. 本年度內融資變動分析

		Share capital premium, and capital redemption reserve 股本、溢價及 資本贖回儲備 HK\$'000 千港元	Bank loans and other loans 銀行及 其他貸款 HK\$'000 千港元	Floating Rates Notes 浮息票據 HK\$'000 千港元	Minority interests 少數股東權益 HK\$'000 千港元	Repurchase of own shares paid out of accumulated profits 自累積溢利 購回本身股份 HK\$'000 千港元	Advances from associates 聯營公司墊款 HK\$'000 千港元
At 1st January, 1998	一九九八年一月一日	2,277,163	2,163,486	2,607,053	411,147	-	18,657
Net cash inflow (outflow) from financing	融資現金流入 (流出)淨額	22	(397,523)	(483,592)	-	(50,340)	(8,744)
Cancellation on repurchase of own shares	回購註銷 本身之股份	-	-	-	-	50,340	-
Share of loss	攤佔虧損	-	-	-	(7,419)	-	-
Share of revaluation deficit by minority interests	少數股東 攤佔重估減值	-	-	-	(31,880)	-	-
Acquisition of new subsidiaries	收購新附屬公司	-	170,000	-	35,238	-	-
Profit arising on repurchase of Floating Rate Notes	回購浮息票據 溢利	-	-	(16,026)	-	-	-
Exchange adjustments	匯兌調整	-	-	(716)	10	-	-
At 1st January, 1999	一九九九年一月一日	2,277,185	1,935,963	2,106,719	407,096	-	9,913
Net cash inflow (outflow) from financing	融資現金流入 (流出)淨額	178,830	(385,981)	(24,236)	12,902	(23,780)	737
Cancellation on repurchase of own shares	回購註銷 本身之股份	-	-	-	-	23,780	-
Share of profit	攤佔溢利	-	-	-	546	-	-
Share of revaluation deficit by minority interests	少數股東 攤佔重估減值	-	-	-	(1,375)	-	-
Disposal of subsidiaries	出售附屬公司	-	-	-	(28,064)	-	-
Acquisition of new subsidiaries	收購新附屬公司	-	200,000	-	-	-	-
Profit arising on repurchase of Floating Rate Notes	回購浮息票據 溢利	-	-	(2,108)	-	-	-
Exchange adjustments	匯兌調整	-	-	6,906	-	-	-
At 31st December, 1999	一九九九年十二月三十一日	2,456,015	1,749,982	2,087,281	391,105	-	10,650

36. PLEDGE OF ASSETS

At the balance sheet date, the Group's investment properties, land and buildings, Floating Rate Notes and time deposits with an aggregate book value of approximately HK\$2,798,141,000 (1998: HK\$2,344,130,000), HK\$61,854,000 (1998: HK\$63,047,000), HK\$407,566,000 (1998: HK\$206,478,000) and HK\$27,409,000 (1998: HK\$34,512,000) respectively were pledged to banks to secure credit facilities made available to the Group.

36. 資產抵押

於結算日，本集團之投資物業、土地及樓宇、浮息票據及定期存款，總賬面值分別約為2,798,141,000港元（一九九八年：2,344,130,000港元）、61,854,000港元（一九九八年：63,047,000港元）、407,566,000港元（一九九八年：206,478,000港元）及27,409,000港元（一九九八年：34,512,000港元）已抵押予銀行，作為取得可供本集團動用之銀行信貸。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

37. CAPITAL COMMITMENTS AND
CONTINGENT LIABILITIES

37. 資本承擔及或然負債

		The Group 本集團		The Company 本公司	
		1999 HK\$'000 千港元	1998 HK\$'000 千港元	1999 HK\$'000 千港元	1998 HK\$'000 千港元
(a)	Capital commitments:	(a)	資本承擔：		
	Authorised and contracted for:		已批准及已簽約：		
	Development expenditure of properties		物業發展 開支		
		70,134	91,490	—	—
	Authorised but not contracted for:		已批准但未簽約：		
	Development expenditure of properties		物業發展 開支		
		1,958,074	2,268,325	—	—
(b)	Contingent liabilities:	(b)	或然負債：		
	Guarantees given to bank, in respect of banking facilities utilised by:		為下列公司所授 銀行信貸額 提供之擔保：		
	Subsidiaries	—	—	3,822,689	4,209,779
	Associates	150,000	317,500	150,000	317,500
		150,000	317,500	3,972,689	4,527,279

Pursuant to an indemnity deed dated 28th October, 1996 entered into between the Company and Evergo China, the Group, subject to certain exceptions, agreed to indemnify the Evergo China Group in respect of any diminution in the value of the Evergo China Group and any liability arising due to, inter alia, land appreciation tax ("LAT"), PRC income tax, land costs, failure to effect tax registration and tax return filing and estate duty in respect of certain properties and property interests disposed of to the Evergo China Group. For the year ended 31st December, 1999, the indemnity in respect of the PRC income tax and LAT amounted to HK\$8,704,000 (1998: HK\$8,704,000) and HK\$23,144,000 (1998: HK\$23,144,000) respectively.

根據本公司及愛美高中國於一九九六年十月二十八日訂立之賠償保證契據，本集團同意（在若干情況下除外）向愛美高中國集團就因（其中包括）售予愛美高中國集團之若干物業及物業權益之土地增值稅（「土地增值稅」）、中國所得稅、土地成本、未能進行稅務登記及報送稅務申請表及遺產稅而產生之債務，從而導致愛美高中國集團出現任何減值而作出賠償。截至一九九九年十二月三十一日止年度，就中國所得稅及土地增值稅之賠償分別約8,704,000港元（一九九八年：8,704,000港元）及約23,144,000港元（一九九八年：23,144,000港元）。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

38. RELATED PARTIES TRANSACTIONS

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

38. 關連人士交易

年內，本集團與關連人士進行下列交易：

		1999 HK\$'000 千港元	1998 HK\$'000 千港元
Income received from	已收愛美高中國及其附屬公司		
Evergo China and its subsidiaries	(「愛美高中國集團」)		
(“Evergo China Group”)	之收入項款		
Secretarial fee	秘書費用	494	497
Office rental	寫字樓租金	1,214	2,464
Building management fee	大廈管理費	198	291
Interest income received	已收聯營公司		
from an associate	利息收入	23,128	13,210

In the opinion of the Directors of the Company, the transactions with the above related parties were carried out in normal commercial terms. Secretarial fee was charged based on an appropriate allocation of costs incurred by central administrative departments of Chinese Estates Group. Office rental and building management fee were determined on terms similar to those applicable to transactions with unrelated parties.

Details of the balances with related parties as at the balance sheet date are set out in notes 20, 23, 26 and 27 above.

本公司董事會認為，與上述關連人士之交易乃按一般商業條款在日常業務範圍內進行。秘書費乃按華人置業集團之中央行政部門所產生之成本之適當分配而收取。寫字樓租金及大廈管理費乃按與無關連人士交易適用之類似條款而釐訂。

於結算日，與關連人士之交易結餘詳情載於上述附註20、23、26及27內。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

39. POST BALANCE SHEET EVENTS

As set out in note 23, on 10th January, 2000, Evergo China allotted and issued 1,581,384 shares to Copper King Investment Limited, a wholly-owned subsidiary of the Company. Upon issue of the shares, the shareholding of the Company in Evergo China has been increased from approximately 46.58% of the then issued share capital to approximately 46.62% of the enlarged issued share capital of Evergo China.

On 30th March, 2000, the Floating Rate Notes issued by a subsidiary of the Company as set out in note 25 were settled by long term bank and other borrowings obtained subsequent to the year end date.

39. 結算日後事項

如附註23所載，於二零零零年一月十日，愛美高中國向本公司之全資附屬公司Copper King Investment Limited配發及發行1,581,384股股份。在發行股份後，本公司佔愛美高中國之股權已由佔愛美高中國當時已發行股本約46.58%增加至佔愛美高中國經擴大已發行股本約46.62%。

於二零零零年三月三十日，如附註25所載本公司一間附屬公司發行之浮息票據，已於結算日後獲得之銀行及其他長期借款清償。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES

The Directors are of the opinion that a complete list of the particulars of all subsidiaries would be of excessive length and therefore the following list discloses only the particulars of those subsidiaries as at 31st December, 1999 which principally affect the results or assets of the Group. All the subsidiaries are indirectly held and wholly owned private limited companies except otherwise stated.

40. 主要附屬公司詳情

董事會認為列出全部附屬公司資料會令篇幅冗長。故此，下表只披露於一九九九年十二月三十一日對本集團之業績或資產有重要影響之附屬公司之詳情。除另有註明外，所有附屬公司均為間接持有及全資擁有之私人有限公司。

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/營業地點	Principal activity 主要業務	Issued and fully paid ordinary share capital except otherwise stated 已發行及繳足普通股股本 (另有註明者除外)
Baharica Limited	Hong Kong 香港	Property investment 物業投資	HK\$20 20港元
Barker Road Investments Limited 白加道投資有限公司	Hong Kong 香港	Property development 物業發展	HK\$2 2港元
Boria Enterprises Limited 博永企業有限公司	Hong Kong 香港	Property investment 物業投資	HK\$20 20港元
Chest Gain Enterprises Limited 盈綽企業有限公司	Hong Kong 香港	Property investment 物業投資	HK\$20 20港元
China Entertainment and Land Investment Company, Limited 中華娛樂置業有限公司	Hong Kong 香港	Investment holding 投資控股	HK\$1,000 1,000港元
China Entertainment and Land Investments Holdings Limited	Bermuda/Hong Kong 百慕達/香港	Investment holding 投資控股	HK\$138,365,535 138,365,535港元
Copper King Investment Limited (direct subsidiary) (直接附屬公司)	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	Investment holding 投資控股	US\$1 1美元
China Entertainment Strategic Investments Limited 中華娛樂策略投資有限公司	Hong Kong 香港	Investment holding 投資控股	HK\$1,000 1,000港元
Chinese Estates (Harcourt House) Limited	Hong Kong 香港	Property investment 物業投資	HK\$200 200港元

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

40. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (continued)

40. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/營業地點	Principal activity 主要業務	Issued and fully paid ordinary share capital except otherwise stated 已發行及繳足普通股股本 (另有註明者除外)
Chinese Estates, Limited (direct subsidiary) 華人置業有限公司 (直接附屬公司)	Hong Kong 香港	Investment holding 投資控股	HK\$1,000 1,000港元
Chinese Estates (Windsor House) Limited	Hong Kong 香港	Property investment 物業投資	HK\$100 and non-voting deferred share capital of HK\$2 100港元及無投票權遞延股 股本2港元
Conduit Road Development Limited (70% owned subsidiary) 干德道發展有限公司 (擁有70%之附屬公司)	Hong Kong 香港	Property development 物業發展	HK\$10,000 10,000港元
Dollar Union Limited (75% owned subsidiary) 金怡彩有限公司 (擁有75%之附屬公司)	Hong Kong 香港	Property development and trading 物業發展及買賣	HK\$100 100港元
Evergo International Holdings Company Limited (direct subsidiary) (直接附屬公司)	Bermuda/Hong Kong 百慕達/香港	Investment holding 投資控股	HK\$200,000 200,000港元
Evergo Holdings Company Limited 愛美高集團有限公司	Hong Kong 香港	Investment holding 投資控股	HK\$1,000 1,000港元
Fame Winner Limited 祺傑有限公司	Hong Kong 香港	Property development 物業發展	HK\$2 2港元
First Castle Limited	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	Property investment 物業投資	US\$1 1美元
Geneva Developments Limited 捷中發展有限公司	Hong Kong 香港	Property investment 物業投資	HK\$2 2港元

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

40. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (continued)

40. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/營業地點	Principal activity 主要業務	Issued and fully paid ordinary share capital except otherwise stated 已發行及繳足普通股股本 (另有註明者除外)
Gold Castle Capital Ltd. (Corporate name: Gold Castle Ltd.) (公司原名: Gold Castle Ltd.)	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	Investment holding 投資控股	US\$1 1美元
Good Top Finance Limited (Corporate name: Good Top Limited) (公司原名: Good Top Limited)	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	Investment holding 投資控股	US\$1 1美元
Grandhall Secretarial Services Limited 均豪秘書服務有限公司	Hong Kong 香港	Secretarial services 秘書服務	HK\$10,000 10,000港元
Groupluck Company Limited	Hong Kong 香港	Money lending 放債	HK\$2 2港元
Hillsborough Holdings Limited	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	Property investment 物業投資	US\$1 1美元
Lawn Bright Limited	Hong Kong 香港	Property investment 物業投資	HK\$2 2港元
Modern City Investment Limited (75% owned subsidiary) 新城鎮投資有限公司 (擁有75%之附屬公司)	Hong Kong 香港	Property investment 物業投資	HK\$4 4港元
Oriental Ford Finance Limited 律豐財務有限公司	Hong Kong 香港	Money lending 放債	HK\$2 2港元
Oriental Master Ltd. (direct subsidiary) (直接附屬公司)	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	Investment holding 投資控股	US\$1 1美元
Paul Y. Holdings Company Limited	Cayman Islands/ Hong Kong 開曼羣島/香港	Investment holding 投資控股	HK\$70,715,006 70,715,006港元

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

40. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (continued)

40. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/營業地點	Principal activity 主要業務	Issued and fully paid ordinary share capital except otherwise stated 已發行及繳足普通股股本 (另有註明者除外)
Paul Y. International Group Limited	Bermuda/Hong Kong 百慕達/香港	Investment holding 投資控股	HK\$46,310,288 46,310,288港元
Paul Y. (New Tunnel) Limited 保華(新隧道)有限公司	Hong Kong 香港	Investment holding 投資控股	HK\$2 2港元
Perfect King Investments Limited	Hong Kong 香港	Securities investment 證券投資	HK\$2 and non-voting preferred share capital of HK\$2 2港元及無投票權優先股 股本2港元
Perfect World Company Limited 忠信物業管理有限公司	Hong Kong 香港	Estate management 物業管理	HK\$10,000 10,000港元
Pioneer Time Investment Limited	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	Property investment 物業投資	US\$1 1美元
September Investment Ltd.	Liberia/Hong Kong 利比里亞/香港	Property investment 物業投資	US\$1 1美元
Silvercord Limited 銀高有限公司	Hong Kong 香港	Property investment 物業投資	HK\$14,600 14,600港元
Sun Power Investments Ltd.	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	Securities investment 證券投資	US\$1 1美元
Superford Financial Holdings Limited	Bermuda/Hong Kong 百慕達/香港	Investment holding 投資控股	HK\$54,657,722 54,657,722港元
Tradewise Investment Limited (direct subsidiary) (直接附屬公司)	Liberia/Hong Kong 利比里亞/香港	Investment 投資	HK\$20 20港元
View Success Investments Limited 景亨投資有限公司	Hong Kong 香港	Property investment and trading 物業投資及買賣	HK\$2 2港元

None of the subsidiaries had any loan capital subsisting at the end of the year or at any time during the year.

於年底及於年內任何時間，概無附屬公司擁有任何債務股本。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December, 1999

41. PARTICULARS OF PRINCIPAL ASSOCIATES

The Directors are of the opinion that a complete list of the particulars of all associates would be of excessive length and therefore the following list discloses only the particulars of those associates as at 31st December, 1999 which principally affect the results or assets of the Group.

41. 主要聯營公司詳情

董事會認為列出全部聯營公司資料會令篇幅冗長。故此，下表只披露於一九九九年十二月三十一日對本集團之業績或資產有重要影響之聯營公司之詳情。

Name of associate 聯營公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Issued and fully paid ordinary share capital 已發行及繳足 普通股股本	Percentage of equity attributable to the Group 本集團所佔 股本百分比	Principal activity 主要業務
Canaria Holding Limited	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	US\$2 2美元	50%	Investment holding 投資控股
* Evergo China Holdings Limited	Bermuda/Hong Kong 百慕達/香港	HK\$216,000,000 216,000,000港元	46.58%	Investment holding 投資控股
Finedale Industries Limited 廣坤實業有限公司	Hong Kong 香港	HK\$9,999 9,999港元	33.33%	Property investment 物業投資
Healthy Point Limited 強邦有限公司	Hong Kong 香港	HK\$2 and non-voting preferred share capital of HK\$1 2港元及無投票權優先股股本1港元	50%	Property investment 物業投資
# Power Jade Capital Limited (Corporate name: Power Jade Limited) (公司原名: Power Jade Limited)	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	US\$20 20美元	50%	Investment holding 投資控股
Primasia Securities Company Limited 華亞證券股份有限公司	Taiwan 台灣	NT\$1,060,000,000 1,060,000,000新台幣	33.76%	Securities broking 證券經紀
Strongplus Limited	British Virgin Islands/ Hong Kong 英屬維爾京羣島/香港	US\$2 2美元	50%	Investment holding 投資控股
Super Location Limited 霸方有限公司	Hong Kong 香港	HK\$2 2港元	50%	Property development and trading 物業發展及買賣
* The Kwong Sang Hong International Limited	Bermuda/Hong Kong 百慕達/香港	HK\$245,398,566 245,398,566港元	32.15%	Investment holding 投資控股

Power Jade Capital Limited holds 64.3% of the issued share capital of The Kwong Sang Hong International Limited, a listed company in Hong Kong.

Power Jade Capital Limited 持有香港上市公司 The Kwong Sang Hong International Limited 64.3% 之已發行股本。

* listed company in Hong Kong
香港上市公司