



Town Health International Holdings Company Limited
康健國際控股有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 8138

Annual Report 2006 年報

06

香港聯合交易所有限公司（「聯交所」）創業板市場（「創業板」）之特色

創業板乃為帶有高投資風險之公司提供一個上市之市場。尤其在創業板上市之公司毋須有過往溢利記錄，亦毋須預測未來溢利。此外，在創業板上市之公司可因其新興性質及該等公司經營業務之行業或國家而帶有風險。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他資深投資者。

由於創業板上市之公司屬新興性質，在創業板買賣之證券可能會較在聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

創業板發佈資料之主要方法為在聯交所為創業板而設之互聯網網頁上刊登。上市公司毋須在憲報指定報章刊登付款公佈披露資料。因此，有意投資之人士應注意，彼等須閱覽創業板網頁www.hkgem.com，方可取得創業板上市發行人之最新資料。

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本報告乃遵照聯交所《創業板證券上市規則》（「創業板上市規則」）的規定而提供有關康健國際控股有限公司（「本公司」）之資料。本公司各董事（「董事」）願共同及個別對本公佈負全部責任，並在作出一切合理查詢後確認，就彼等所知及所信：（1）本報告所載資料在各重大方面均屬準確完整，且無誤導成份；（2）本報告並無遺漏其他事實致使本公佈所載任何內容產生誤導；及（3）本報告內所表達之一切意見乃經審慎周詳考慮後始行發表，並以公平合理之基準及假設為依據。

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GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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This report, for which the directors (the “Directors”) of Town Health International Holdings Company Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

2	公 司 資 料 CORPORATE INFORMATION
5	主 席 報 告 CHAIRMAN'S STATEMENT
12	管 理 層 討 論 與 分 析 MANAGEMENT DISCUSSION AND ANALYSIS
19	董 事 及 高 級 管 理 層 BOARD OF DIRECTORS & SENIOR MANAGEMENT
24	企 業 管 治 報 告 書 CORPORATE GOVERNANCE REPORT
32	董 事 會 報 告 書 DIRECTORS' REPORT
46	核 數 師 報 告 書 AUDITORS' REPORT

目

錄

C o n t e n t s

48	綜 合 收 益 表 CONSOLIDATED INCOME STATEMENT
49	綜 合 資 產 負 債 表 CONSOLIDATED BALANCE SHEET
51	綜 合 權 益 變 動 表 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
52	綜 合 現 金 流 量 表 CONSOLIDATED CASH FLOW STATEMENT
55	財 務 報 表 附 註 NOTES TO THE FINANCIAL STATEMENTS
173	財 務 摘 要 FINANCIAL SUMMARY

公 司 資 料 CORPORATE INFORMATION

執行董事：

曹貴子醫生 (主席)
馮耀棠醫生
曹貴宜先生
蔡加怡女士

Executive directors:

Dr. Cho Kwai Chee (*Chairman*)
Dr. Fung Yiu Tong, Bennet
Mr. Cho Kwai Yee, Kevin
Ms. Choi Ka Yee, Crystal

非執行董事：

蔡志明博士太平紳士

Non-executive directors:

Dr. Francis Choi Chee Ming J.P.

獨立非執行董事：

陳金釗先生
韋國洪太平紳士
何國華先生

Independent non-executive directors:

Mr. Chan Kam Chiu
Mr. Wai Kwok Hung J.P.
Mr. Ho Kwok Wah, George

公司秘書及合資格會計師：

麥祐興先生 CPA, FCCA, ACIS, ACS

Company secretary and qualified accountant:

Mr. Mak Yau Hing CPA, FCCA, ACIS, ACS

監察主管：

曹貴子醫生

Compliance officer:

Dr. Cho Kwai Chee

審核委員會：

陳金釗先生 (主席)
韋國洪太平紳士
何國華先生

Audit committee:

Mr. Chan Kam Chiu (*Chairman*)
Mr. Wai Kwok Hung J.P.
Mr. Ho Kwok Wah, George

薪酬委員會：

韋國洪太平紳士 (主席)
曹貴子醫生
陳金釗先生
何國華先生

Remuneration committee:

Mr. Wai Kwok Hung J.P. (*Chairman*)
Dr. Cho Kwai Chee
Mr. Chan Kam Chiu
Mr. Ho Kwok Wah, George



公 司 資 料 CORPORATE INFORMATION

授權代表：

曹貴子醫生
馮耀棠醫生

核數師：

德勤 • 關黃陳方會計師行
執業會計師

主要往來銀行：

香港上海滙豐銀行有限公司
恒生銀行有限公司
中國銀行(香港)有限公司
大新銀行有限公司
星展銀行(香港)有限公司

主要股份過戶登記處：

Bank of Bermuda (Cayman) Limited
P.O. Box 513 GT
Strathvale House
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George Town
Grand Cayman, Cayman Islands
British West Indies

香港股份過戶登記分處：

登捷時有限公司
香港
皇后大道東28號
金鐘匯中心
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Authorized representatives:

Dr. Cho Kwai Chee
Dr. Fung Yiu Tong, Bennet

Auditors:

Deloitte Touche Tohmatsu
Certified Public Accountants

Principal bankers:

The Hong Kong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
Bank of China (Hong Kong) Limited
Dah Sing Bank Limited
DBS Bank (Hong Kong) Limited

Principal share registrar and transfer office:

Bank of Bermuda (Cayman) Limited
P.O. Box 513 GT
Strathvale House
North Church Street,
George Town
Grand Cayman, Cayman Islands
British West Indies

Hong Kong branch share registrar and transfer office:

Tengis Limited
26th Floor, Tesbury Centre,
28 Queen's Road East,
Hong Kong



公 司 資 料
CORPORATE INFORMATION

註冊辦事處：

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Cayman Islands
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Grand Cayman
Cayman Islands
British West Indies

總辦事處及主要營業地點：

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沙田正街3-9號
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**Head office and principal place
of business:**

Shop 37, Level 3,
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Hong Kong

上市編號：

8138

Stock Code:

8138



主 席 報 告 CHAIRMAN'S STATEMENT

本人謹以極欣悅之心情代表康健國際控股有限公司（「康健國際」或「本公司」）董事會（「董事會」）向各位股東匯報本公司及其附屬公司（統稱「本集團」）截至二零零六年三月三十一日止年度之業績表現。過去一年，是康健國際業績光輝璀璨的一年，本集團全年營業額高達約231,179,000港元，創下自於聯交所上市以來最高的營業紀錄。

業務回顧

本集團過去多年來業務經過不斷地整合，終於得到豐碩的成果。此外，香港經濟持續復甦，市民對身體健康愈加重視，以及特區政府推行醫療成本掛鉤政策，公共醫療服務收費正逐步增加，令到私家醫療服務市場需求持續上升，市場不斷擴大，集團正受惠於此一大氣候之中。

保健及牙科服務繼續是集團核心之業務，本集團於本年度積極在港九新界各合適地點開設醫務中心，於本年度已增設至約七十間網絡門診及綜合醫務中心，並增聘了二十四名西醫及牙醫，令本集團醫生之人數增加至六十六名，集團醫療服務網絡的擴大，令核心業務亦隨之而取得20.9%的增長。

On behalf of the board of directors ("Board") of Town Health International Holdings Company Limited ("Town Health" or the "Company"), I am exceedingly pleased to report to our shareholders the results of the Company and its subsidiaries (together the "Group") for the year ended 31st March, 2006. In the year, Town Health achieved a year of robust results with an annual turnover of approximately HK\$231,179,000, marking a record-high turnover figure since our listing on the Stock Exchange.

Business Review

Fruitful results were gained through a number of continual business consolidations over the past years. Moreover, in light of a constantly reviving local economy, increasing health awareness amongst citizens and a cost-linked medical policy of the HKSAR government, the market demand for private medical services was continually on a surging track under gradually rising public medical services charges. The Group is well poised to capitalize on this macro-atmosphere of an expanding market.

As to our core business of healthcare and dental services, the Group actively added the number of out-patient network clinics and integrated medical services centers to approximately 70 over a geographical coverage varying from Kowloon, New Territories and Hong Kong Island during the Year. Our number of medical practicing staff was increased to 66 with an addition of 24 doctors and dentists. This expanded medical service network created a driving momentum for a 20.9% growth in our core operations.



主 席 報 告 CHAIRMAN'S STATEMENT

增成本效益 加強競爭力

年度內，雖然本港私營醫療集團如雨後春筍般迅速增加，部份更以平價招徠，但對本集團的業務並沒有帶來影響。原因是內部方面，本集團加強員工培訓，提升醫護人員之效率；對外方面，本集團透過不同形式之講座，免費派送集團之醫療雜誌以及設立健康諮詢站，提供更多免費資訊予病人，加強本集團病人網絡之溝通，也加強病人對集團醫療服務之信賴。

康健國際成立至今已有十七年，專業醫護人員對病人的悉心照料，已建立品牌效應，成功奠定了本集團在醫療服務界之地位。集團醫療服務規模日益擴大，亦令到本集團之成本效益相對增加，採購成本下降。故此，雖然新的醫療集團加入競爭，集團仍能在營業額和盈利方面同時獲得理想增長，由本年度股東應佔溢利大幅躍升可見。

Enhanced competitive edges with increased cost efficiencies

During the year, notwithstanding that a flurry of private medical groups emerged in Hong Kong at a speedy pace and some of them attempted to solicit businesses at low prices, yet no material impact was imposed to our business. Internally, staff efficiencies will be enhanced by strengthening staff training. Externally, communication network between patients and the Group as well as patients' confidence in the Group's medical services will be upgraded by the Group through the holding of different kinds of seminars, distribution of our medical and healthcare magazines on a free-of-charge basis, establishment of health consulting counters and provision of additional information to patients on a free-of-charge basis.

With a history of 17 years, Town Health successfully positioned itself as a brand image of a leading medical service player backed by a dedicated team of professional medical personnel caring for patients. The increasingly enlarging scale of our medical services was an attribute for our enhanced cost efficiencies and reduced purchasing costs. Accordingly, despite of new entries of medical groups, the Group reported an impressive growth in terms of turnover and profit, as noted from a significant turnaround in the profit attributable to shareholders in current year.



主 席 報 告 CHAIRMAN'S STATEMENT

拓時尚保健服務 購康健醫療科技票據

除核心業務之外，醫療科技相關之業務亦表現穩定，繼續為本集團帶來理想的收益。其中名華醫療科技集團有限公司業務約有兩成的增長；至於以銷售心臟科及周邊血管產品的帕斯醫療(控股)有限公司，其業務亦有穩定之增長。

隨著社會的進步，香港市民除追求健康外，亦愈來愈倚重醫療科技提升自我形象素質，因此，本集團本年度已開拓與時尚休閒生活相關之保健服務和產品，其中與美國顯赫植髮中心合資經營之植髮中心，採用美國最先進的微型移植技術，為脫髮人士提供價格合理的種髮服務，業務推出後反應良好，三個月內已錄得財政收支平衡。

Developing life-style healthcare services and subscription of TH Medical Tech notes

Apart from our core business, medical technology-related business remained a stable and solid revenue generator to the Group. In particular, First Oriental Medical Technology Group Limited registered an approximately 20% business growth. As to Pacific Medical (Holding) Company Limited engaging in sales of cardiology and peripheral vascular related products, a steady business growth was reported.

Amidst social advancements, local people are increasingly in pursuit of self image enhancements through the aid of medical technologies in addition to health concerns. In this response, we initiated a move towards the development of life-style related healthcare services and products during the year. Specifically, a hair-planting centre operated in joint venture with an established US hair-planting centre is committed to the provision of hair-planting services to people with hair alopecia problems with the state-of-the-art American micro-transplanting sciences at reasonably affordable prices. Those services were extremely well received, as evidenced from a break-even performance within a 3-month operation.



主 席 報 告 CHAIRMAN'S STATEMENT

二零零五年十二月九日，本集團斥資港幣6,000萬元向星虹控股有限公司（「星虹」，現已更名為「康健醫療科技控股有限公司」）購入可換股票據，每股換股價為4.1港仙，倘若全部行使，將佔康健醫療經攤薄後55.79%股權。本集團透過發行可換股票據投資於身體檢查業務，相信是最有效善用集團財政資源之方法。截至零六年三月三十一日康健醫療科技收市價為11.8港仙，足以證明康健醫療在這方面的投資相當成功。

前景展望

對於新財政年度的業務，本集團抱著樂觀的態度，本港利好私營醫療機構的客觀環境相信未來依然持續，而本集團將繼續發揮固有之優勢，希望能在醫療市場中擴展更大的市場份額。

On 9th December, 2005, the Group subscribed convertible notes of Starbow Holdings Limited ("Starbow", now renamed as "Town Health Medical Technology Holdings Company Limited") at a cost of HK\$60 million, being at a conversion price of HK4.1 cents per share. Upon full exercises, the notes will be converted into shares representing 55.79% of the enlarged share capital of TH Medical Tech. Our investment in body checkup business through the subscription of those convertible notes represented probably the most effective use of our financial resources. Proven records were made by Town Health through such an investment, as revealed from a closing price of HK11.8 cents of TH Medical Tech as at 31st March, 2006.

Future Prospect

The Group remains optimistic about our business growth in the next financial year. With a continually conducive future environment for private medical institutions in the territory and inherent advantageous strengths of the Group, we expect to lure strong momentums for a larger market share in the medical sector.



主 席 報 告 CHAIRMAN'S STATEMENT

擴展門診業務 物色收購機會

為此，集團將會擴展核心之門診業務，尋求合適地點開設診所，以保持業內領導者地位；同時亦會加強專科醫療服務，以滿足市民對專科醫療的需求。本集團預期於二零零六年中旬開設一個全港最具規模佔地約5,000平方呎的綜合牙科中心，未來亦會因應市場需求開設不同的專科醫務中心。透過併購活動可加快業務發展步伐，故此本集團將積極物色收購機會，目標包括其他醫療集團或與醫療相關之項目，使集團營業額保持高速增長。

至於本集團持有可換股票據之康健醫療科技，將投資約8,000萬元開設佔地約20,000平方呎的香港體檢中心，提供一站式身體檢查及化驗服務，計劃在零六年底開業。該體檢中心具有獨特之業務營運模式，設備齊全，收費大眾化，相信會受到香港市民及國內遊客的歡迎。倘若本集團行使可換股票據，預期會為集團帶來重要的盈利貢獻。

Expansion of out-patient business through identification of acquisition opportunities

To this end, the Group will expand its core out-patient business by operating clinics at suitable locations in order to present itself as a leading industry player. Specialist medical services will at the same time be strengthened in response to a rising demand for specialist medical services from all walks of life. A comprehensive dental centre of the largest scale in the territory covering an area of approximately 5,000 square feet is expected to be opened in mid 2006, and a variety of specialist medical centers will be operated in response to the future market demand. To foster a more speedy business growth through mergers and acquisitions, the Group will take an active leap in attaining an encouraging turnover growth by seeking acquisition opportunities including other medical groups or medical related projects.

A centre known as Hong Kong Health Check Centre with an area of approximately 20,000 square feet will be set up by TH Medical Tech, the convertible notes of which are held by the Group, at an investment cost of approximately \$80 million for the provision of one-stop body check-up and laboratory-test services. Such centre is planned to commence operation in late 2006. The healthcare centre is set to receive overwhelming responses from the local citizens and domestic travelers by taking advantage of its unique operating mode, an access to a complete range of equipment and affordable charge rates. The exercise of the convertible notes by the Group is expected to be a significant profit contributor to the Group.



主 席 報 告 CHAIRMAN'S STATEMENT

目前，香港各行各業均面對通脹和工資上升的壓力，本集團深諳箇中原因，繼續以各種有效措施控制成本開支增長，其中包括進一步提升員工的服務效率，以及在合適地點自置物業經營，減低租金加幅之壓力，本年度有關措施成效彰顯，所以未來一年亦會繼續採用以提升效益。

進軍國內 放眼海外

此外，本集團亦積極發展香港以外之醫療服務業市場。自二零零一年開放醫療市場以來，目前中國民營醫院僅佔全國醫療市場不到3%，預期未來中國醫療服務市場發展空間遼闊。本集團把握此一機會，已在深圳設立聯絡處，聘請具經驗的醫療人員與及相關專業團隊，致力在國內探求發展機會。

近年來澳門經濟持續蓬勃增長，令醫療保健市場消費增加，集團已開始涉足澳門醫療服務。至於東南亞及亞洲其他地區，對時尚休閒生活相關之保健服務和產品的需求增加，本集團冀能在亞太地區開設如植髮中心等時尚休閒保健業務，以擴闊集團業務領域，把康健此一品牌打入海內外醫療服務市場。

The Group is fully aware of the inflation and salary increment pressures for different industries and sectors. Accordingly, a number of cost control initiatives were put into place to effectively curtail cost and expense increases, including further enhancement of staff efficiencies and business operations at self-own properties at prime locations in order to relieve the ever increasing rental pressures. Those measures were remarkably effective in the Year, and will be constantly adopted in the coming year for flourishing higher efficiencies.

Extending beyond the domestic market to overseas markets

In addition, the Group made a great step in exploring into medical service markets outside Hong Kong. The future domestic medical service market in China will be embedded with enormous potentials given that the domestic private hospitals only account for less than 3% of the national medical market in China since the opening of the medical market in 2001. To capture this opportunity, the Group made concerted efforts in seizing each and every development opportunity in China by setting up a liaison office in Shenzhen and a dedicated team of experienced medical personnel and related professionals.

Given a consumption growth in medical healthcare markets associated with a persistently vigorous economic growth in Macau in recent years, the Group has taken a part in Macau's medical services. On the side of South-east Asia and other Asian regions, an increasing demand was recorded for life-style related healthcare services and products. It is our vision to extend the brand name of Town Health into the domestic and foreign medical service markets through the commencement of life-style related healthcare businesses including hair-planting centers in Asia Pacific region in order to extend into a wider horizon of business scopes.



主 席 報 告 CHAIRMAN'S STATEMENT

醫療保健服務已成為人類生活的基本需求之一，持續殷切的需求令本集團對未來業務的前景充滿信心。雖然業績表現理想，但本集團仍處於高速發展階段，需要充裕資金留作可能之收購項目及發展用途，故不擬派發末期股息。未來，集團會因應公司業務及盈利情況，積極考慮派發股息予各股東。

致 謝

最後，本人謹代表董事會感謝各股東和合作伙伴一直以來的支持；也藉此機會向本集團員工致以由衷之謝意。

主席
曹貴子

香港，二零零六年六月二十八日

Medical healthcare services now form integral parts of our basic necessities. With a continued vivid demand, we are confident of our future business prospects. Notwithstanding our promising results performance, the Group does not recommend payment of any final dividend as it remains in a phase of rapid growth and may need extra fund for acquisitions and business development. Looking ahead, the Group will seriously consider the payment of dividends to our shareholders by taking into account of our operating conditions and profitability.

Acknowledgement

Last but not the least, on behalf of the Board, I would like to express heartfelt appreciation to our shareholders and business partners for their continuous support to the Group. I would also like to take this opportunity to extend sincere gratitude to our staff.

Cho Kwai Chee
Chairman

Hong Kong, 28th June, 2006



管 理 層 討 論 與 分 析 MANAGEMENT DISCUSSION AND ANALYSIS

財務回顧

截至二零零六年三月三十一日止年度，本集團錄得營業額約231,179,000港元（二零零五年：約179,536,000港元），較上年度上升28.8%。營業額上升，主要有賴本集團之核心業務——提供保健及牙科服務之表現顯著進步。

截至二零零六年三月三十一日止年度之毛利率為48.4%（二零零五年：41.4%）。

其他開支由上年度約53,967,000港元減少至約3,865,000港元。上年度，本集團重新評估其投資附屬公司、西醫及牙科業務及聯營公司之前景，並因而確認減值虧損約43,303,000港元。本年度，集團認為毋須作出重大減值導致其他開支大幅下降。

流動資金及財務資源

於二零零六年三月三十一日，本集團持有之現金及銀行結餘約為126,406,000港元（二零零五年：約34,166,000港元）。流動資產淨值約為159,485,000港元（二零零五年：約48,385,000港元）。流動比率（定義為總流動資產除以總流動負債）為2.92（二零零五年：2.40）。

Financial review

The Group recorded a turnover of approximately HK\$231,179,000 for the year ended 31st March, 2006 (2005: approximately HK\$179,536,000), representing an increase of 28.8% as compared with the prior year. The increase was mainly due to the significant improvement in the performance of the Group's core business – provision of healthcare and dental services.

Gross profit margin for the year ended 31st March, 2006 was 48.4% (2005: 41.4%).

Other expenses decreased to approximately HK\$3,865,000 from approximately HK\$53,967,000 registered in prior year. In prior year, the Group re-assessed the prospect of its investments in subsidiaries, medical and dental practices and associated companies and accordingly recognised an impairment loss of approximately HK\$43,303,000. No such significant impairment was considered necessary for the current year, resulting in a significant decrease in other expenses.

Liquidity and financial resources

As at 31st March, 2006, the Group held cash and bank balances of approximately HK\$126,406,000 (2005: approximately HK\$34,166,000). Net current assets amounted to approximately HK\$159,485,000 (2005: approximately HK\$48,385,000). Current ratio (defined as total current assets divided by total current liabilities) was 2.92 (2005: 2.40).



管 理 層 討 論 與 分 析 MANAGEMENT DISCUSSION AND ANALYSIS

於二零零六年三月三十一日，本集團尚未償還之銀行及其他借貸約為62,609,000港元（二零零五年：約7,116,000港元）。本集團銀行貸款方面之浮動利率借貸按最優惠利率減2.5厘至3.5厘計息。本集團借貸之實際利率範圍（亦相當於已訂約利率）如下：

As at 31st March, 2006, the Group had outstanding bank and other borrowings of approximately HK\$62,609,000 (2005: approximately HK\$7,116,000). The Group had variable-rate borrowings on bank loan which carry interest at prime rate less 2.5% to 3.5%. The range of effective interest rates (which were also equal to contracted interest rates) on the Group's borrowings were as follows:

		2006	2005
Effective interest rate:	實際利率：		
Variable-rate borrowings	浮動利率借貸	2.7厘至5.7厘 2.7% to 5.7%	2.45厘至3.50厘 2.45% to 3.50%

其他貸款為無抵押、免息及須按要求立即償還。

The other loan is unsecured, interest free and repayable on demand.

資本架構

於二零零六年三月三十一日，本集團錄得本公司股本持有人應佔權益約249,155,000港元（二零零五年：約123,414,000港元）。

Capital structure

As at 31st March, 2006, the Group had equity attributable to equity holders of the Company of approximately HK\$249,155,000 (2005: approximately HK\$123,414,000).



管 理 層 討 論 與 分 析 MANAGEMENT DISCUSSION AND ANALYSIS

於二零零五年九月二十九日，本集團發行本金總額40,000,000港元之可換股債券。債券按年利率2.5厘計息，每半年期末支付一次。債券之到期日將為緊隨債券發行日期（即二零零五年九月二十九日）後二十四個月翌日。任何未贖回或未兌換之債券將會以現金贖回其全部未兌換本金額連同任何應計利息。債券持有人將有權於債券發行日期後隨時以2,000,000港元為單位按兌換價每股0.105港元將債券任何未兌換款額兌換為股份。本公司可全權酌情選擇按債券本金額105%之金額贖回欲兌換之債券。

於採用香港會計準則第32號「金融工具：披露及呈列」後，可換股債券已分拆為負債及權益部份。權益部份呈列於權益內「可換股債券權益儲備」。於二零零六年三月三十一日，可換股債券之負債部份約為36,692,000港元。

本集團於二零零六年三月三十一日之負債與權益比率（定義為總長期負債除以總股東權益）為26%（二零零五年：5%）。

On 29th September, 2005, the Group issued convertible bonds of an aggregate principal amount of HK\$40,000,000. The bonds bear interest at the rate of 2.5% per annum payable half yearly in arrears. The maturity of the bonds will be the date immediately following twenty four months after the date of issue of the bonds (i.e. 29th September 2005). Any unredeemed and unconverted bonds will be redeemed at 100% of the outstanding principal amount together with any accrued interest in cash. The bondholders shall have the right at any time after the date of issue of the bonds to convert any outstanding amount of the bonds at the unit of HK\$2,000,000 into the shares at the Company at the conversion price of HK0.105 per share. The Company shall have the option at its absolute discretion to redeem the bonds being converted at 105% of the principal amount of the bonds.

Upon the application of HKAS 32 "Financial Instruments: Disclosure and Presentation", the convertible bonds were split between the liability and equity elements. The equity element is presented under "convertible bonds equity reserve" in equity. As at 31st March, 2006, the liability element of the convertible bonds amounted to approximately HK\$36,692,000.

As at 31st March, 2006, gearing ratio (defined as total long-term liabilities divided by total shareholders' equity) of the Group was 26% (2005: 5%).



管 理 層 討 論 與 分 析 MANAGEMENT DISCUSSION AND ANALYSIS

本集團交易所用主要貨幣為港元、人民幣及美元。由於港元與美元掛鉤，以及年內中華人民共和國中央政府有關人民幣之財務政策穩定，故本集團認為，本集團所承受之潛在外匯風險有限。

Major currencies used for the Group's transactions were Hong Kong Dollars, Renminbi and US Dollars. As Hong Kong Dollars are pegged to the US Dollars and the fiscal policy of the Central Government of the People's Republic of China in relation to Renminbi is stable throughout the year, the Group considers that the potential foreign exchange exposure of the Group is limited.

僱員資料

於二零零六年及二零零五年三月三十一日，按職務劃分之本集團員工人數明細載列如下：

Employee information

A breakdown of the number of staff of the Group by responsibilities as at 31st March, 2006 and 2005 is set out below:

		2006	2005
Medical and dental practitioners	西醫及牙醫	66	42
Assistant nurses	助護	132	111
Management	管理人員	17	11
Sales/Administration/Clerical support/Others	銷售／行政／文書支援／其他	145	53
		<u>360</u>	<u>217</u>

僱員總數中約7%派駐中國工作，其餘則駐守香港工作。

Approximately 7% of the total employees are stationed in the PRC and the remaining are stationed in Hong Kong.

本集團主要按業內慣例及個人表現與資歷釐定僱員薪酬。除固定薪酬外，本集團亦會按本集團之表現及員工個人表現授予合資格員工酌情花紅及購股權。

The Group remunerates its employees mainly based on industry practices and individual's performance and experience. On top of regular remuneration, discretionary bonus and share option may be granted to eligible staff by reference to the Group's performance as well as individual's performance.



管 理 層 討 論 與 分 析 MANAGEMENT DISCUSSION AND ANALYSIS

本集團與員工之間勞資關係良好。本集團未嘗因勞資糾紛而影響運作。此外，本集團亦按照僱員居住地所屬司法權區法規為其僱員提供公積金福利。

The Group maintains good relationship with its staff. There has not been any interruption to its operations as a result of labour disputes. In addition, the Group provides provident fund to its employees in accordance with the statutory requirements of the respective jurisdictions in where the employees reside.

或然負債

於二零零六年三月三十一日，本集團並無任何重大或然負債。

Contingent liabilities

As at 31st March, 2006, the Group had no significant contingent liabilities.

資產抵押

於二零零六年三月三十一日，本集團以賬面值分別為5,585,000港元（二零零五年：9,975,357港元）及35,825,000港元（二零零五年：無）之若干本集團物業、廠房及設備以及投資物業，以及10,000,000港元（二零零五年：10,000,000港元）之銀行存款作為本集團獲授之一般銀行融資之抵押。

Pledge of assets

As at 31st March, 2006, certain property, plant and equipment and investment properties of the Group with the carrying value of HK\$5,585,000 (2005: HK\$9,975,357) and HK\$35,825,000 (2005: nil) respectively and bank deposits of HK\$10,000,000 (2005: HK\$10,000,000) were pledged to secure general bank facilities granted to the Group.

資本承擔

於二零零六年三月三十一日，本集團就物業、廠房及設備有已訂約但未於財務報表撥備之資本開支約38,600,000港元（二零零五年：無）。

Capital commitments

As at 31st March, 2006, the Group had capital expenditure contracted for but not provided in the financial statements in respect of the acquisition of property, plant and equipment of approximately HK\$38,600,000 (2005: nil).

結算日後事項

於二零零六年四月一日，本集團之附屬公司康健醫療集團有限公司與周寶華醫生訂立協議，據此，本集團承諾以代價2,736,319港元收購栢安醫療有限公司（「栢安」）之49%權益。栢安現時於香港經營六間診所。

Subsequent event

On 1st April, 2006, Town Health Medical Group Limited, a subsidiary of the Group, entered into an agreement with Dr. Chow Po Wah whereby the Group committed to acquire 49% of interests in Pak On Medical Company Limited ("Pak On") at a consideration of HK\$2,736,319. Pak On currently operates six clinics in Hong Kong.



管 理 層 討 論 與 分 析 MANAGEMENT DISCUSSION AND ANALYSIS

本集團核數師一職於過去三年之變動

德勤 • 關黃陳方會計師行於二零零三年三月十三日首次獲委任為本公司核數師。德勤 • 關黃陳方會計師行自此起一直擔任本集團之核數師，其願意於本公司應屆股東週年大會後留任。

Change in auditors of the Group in the preceding three years

Messrs. Deloitte Touche Tohmatsu were first appointed as auditors of the Company on 13th March, 2003. Messrs. Deloitte Touche Tohmatsu, who have been acting as auditors of the Group since then, will offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

競爭權益

年內，本公司之董事、管理層股東或控股股東（定義見創業板上市規則）概無於任何與本集團業務有或可能有競爭之業務中擁有任何權益。

Competing Interests

None of the directors, management shareholders or controlling shareholders of the Company (as defined in the GEM Listing Rules) has an interest in a business which competes or may compete with the business of the Group during the year.

審核委員會

本公司已遵照創業板上市規則成立具明文職權範圍之審核委員會。審核委員會之主要職責乃審核本公司年報及賬目、中期報告及季度報告，並就此向董事會提供建議及意見。審核委員會亦須負責審閱及監督本集團之財務申報事宜及內部監控之程序。

Audit Committee

The Company has established an audit committee with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the audit committee are to review the Company's annual report and accounts, interim reports and quarterly reports and to provide advice and comments thereon to the board of Directors. The audit committee will also be responsible for reviewing and supervising the Group's financial reporting and internal control procedures.

審核委員會由三名獨立非執行董事，分別為陳金釗先生、韋國洪太平紳士及何國華先生組成。陳金釗先生為審核委員會主席。委員會於年內曾召開四次會議。

The audit committee comprises three independent non-executive directors, namely Mr. Chan Kam Chiu, Mr. Wai Kwok Hung JP and Mr. Ho Kwok Wah, George. Mr. Chan Kam Chiu is the chairman of the committee. The committee has met four times during the year.



管 理 層 討 論 與 分 析 MANAGEMENT DISCUSSION AND ANALYSIS

本集團截至二零零六年三月三十一日止年度之經審核業績已由審核委員會審閱。

The audit committee has reviewed the Group's audited results for the year ended 31st March, 2006.

購買、出售或贖回股份

年內，本公司或其任何附屬公司並無購買、出售或贖回本公司任何股份。

Purchase, Sale or Redemption of Shares

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares.

董事進行之證券交易

年內，本公司已採納不遜於創業板上市規則第5.48至5.67條所載條款之董事進行證券交易之操守守則。本公司已向所有董事作出特定查詢，而本公司並不知悉董事進行證券交易時有不遵守買賣之規定準則及有關操守守則之情況。

Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the year. The Company has also made specific enquiry to all Directors and the Company was not aware of any non-compliance with the required standard of dealing and its code of conduct regarding securities transactions by Directors.



董 事 及 高 級 管 理 層 BOARD OF DIRECTORS & SENIOR MANAGEMENT

執行董事

曹貴子醫生，現年四十二歲，本公司之主席兼行政總裁及本集團之創辦人。彼亦同時擔任本公司之監察主管。曹醫生畢業於香港大學，持有香港大學內外全科醫學士、香港家庭醫學院院士、澳洲皇家全科醫學院院士、英國倫敦皇家醫學院小兒科文憑、愛爾蘭皇家內外全科醫學院兒科文憑及格拉斯哥皇家內外全科醫學院兒科文憑資格。彼亦為香港沙田工商業聯合會永遠會長。曹醫生於一九八九年十二月創立本集團，現今負責監督本集團之整體業務及發展策略。彼為曹貴宜先生之胞弟。曹醫生亦為本公司主要股東Broad Idea International Limited 之董事。

蔡加怡女士，現年二十五歲，畢業於美國波士頓大學，持有會計理學士學位。蔡女士於二零零三年九月加入主要從事玩具製造與買賣及物業投資業務之旭日集團。彼於二零零六年完成香港理工大學之企業融資碩士學位。蔡女士於會計及企業融資方面擁有豐富知識。彼於二零零五年四月加入本公司出任企業融資部總監。蔡女士亦為康健醫療科技控股有限公司之執行董事，該公司為一家股份在香港聯合交易所有限公司主板上市之公司。蔡女士於二零零六年五月十二日獲委任為本公司之執行董事兼副主席。

Executive directors

Dr. Cho Kwai Chee, aged 42, is the Chairman and Chief Executive Officer of the Company as well as the founder of the Group. Dr. Cho is also the compliance officer of the Company. Dr. Cho graduated from the University of Hong Kong and holds the qualifications of MBBS (HK), FHKCFP, FRACGP, DCH (London), DCH (RCP&SI) and DCH (Glasgow). He is also the Permanent President of Hong Kong Shatin Industries and Commerce Association Limited. Dr. Cho founded the Group in December 1989 and now is responsible for directing the Group's overall business and development strategies. He is the brother of Mr. Cho Kwai Yee, Kevin. Dr. Cho is also a director of Broad Idea International Limited, the substantial shareholder of the Company.

Ms. Choi Ka Yee, Crystal, aged 25, graduated from Boston College, the United States of America, with a bachelor degree of science in accountancy. She joined Early Light Group in September 2003, which is principally engaged in the manufacturing and trading of toys and property investment. She completed her master degree in corporate finance from The Hong Kong Polytechnic University in Hong Kong in 2006. Ms. Choi has extensive knowledge in accounting and corporate finance. She joined the Company in April 2005 as the director of the corporate finance department. Ms. Choi is also an executive director of Town Health Medical Technology Holdings Company Limited, a company whose shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited. Ms. Choi was appointed as an executive director and vice-chairman of the Company on 12th May 2006.



董 事 及 高 級 管 理 層 BOARD OF DIRECTORS & SENIOR MANAGEMENT

馮耀棠醫生，現年三十九歲，為本集團之西醫總監。彼畢業於香港大學，持有香港大學內外全科醫學士、英國皇家全科醫學院院士資格、英國倫敦皇家醫學院小兒科文憑、香港中文大學家庭醫學文憑及香港中文大學內科醫學文憑。彼於一九九四年加入本集團，負責本集團醫療服務之策略發展及醫生之培訓。馮醫生亦為康健醫療科技控股有限公司（其股份於聯交所主板上市）之執行董事。

Dr. Fung Yiu Tong, Bennet, aged 39, is the Director of Medical Services of the Group. He graduated from the University of Hong Kong and holds the qualifications of MBBS (HK), MRCP, DCH (London), DFM (CUHK) and Dip Med (CUHK). He joined the Group in 1994 and is responsible for the strategic development of the Group's medical services and provides training to the medical practitioners of the Group. Dr. Fung is also an executive director of Town Health Medical Technology Holdings Company Limited, the shares of which are listed on the main board of the Stock Exchange.

曹貴宜先生，現年四十四歲，於一九九零年畢業於英國紐卡素大學，持有學士學位，彼亦持有香港理工大學之工商管理文憑。彼曾任多間公司的不同高級行政人員職位，曹先生於二零零一年七月二十四日獲委任為本公司之執行董事，彼現負責本集團之醫療服務整體發展及營運。彼為曹貴子醫生之胞兄。曹先生亦為本公司之主要股東Broad Idea International Limited之董事及康健醫療科技控股有限公司（其股份於聯交所主板上市）之執行董事。

Mr. Cho Kwai Yee, Kevin, aged 44, graduated from Newcastle Upon Tyne University in UK with a bachelor degree in 1990. He also holds a Diploma in Management Studies from The Hong Kong Polytechnic University. He has been holding various senior executive positions in a number of corporations. Mr. Cho was appointed as an executive director of the Company on 24th July, 2001. He is responsible for the overall development and operations of the healthcare services of the Group. Mr. Cho is the brother of Dr. Cho Kwai Chee. Mr. Cho is also a director of Broad Idea International Limited, the substantial shareholder of the Company and executive director of Town Health Medical Technology Holdings Company Limited, the shares of which are listed on the main board of the Stock Exchange.



董 事 及 高 級 管 理 層 BOARD OF DIRECTORS & SENIOR MANAGEMENT

非執行董事

蔡志明博士太平紳士，現年六十歲，持有美國Newport University 工商管理碩士學位及英國Sussex College of Technology 工商管理學士學位，並獲中國哈爾濱工業大學管理學博士之銜。蔡博士為旭日國際集團有限公司之主席，於製造業及房地產方面擁有眾多投資。彼現任香港玩具廠商會與香港青年工業家協會之名譽會長及香港理工大學校董。此外，蔡博士亦為中華人民共和國全國政協委員及為富豪酒店國際控股有限公司（股份代號：78，其股份於聯交所主板上市）之非執行董事兼副主席。蔡博士於二零零六年二月七日獲委任為本公司之非執行董事兼副主席。

Non-executive director

Dr. Francis Choi Chee Ming, J.P., aged 60, holds a master degree in business administration from Newport University in the United States of America and a bachelor degree in business administration from Sussex College of Technology in the United Kingdom. He also holds a Ph.D in Business Management from Harbin Institute of Technology, the PRC. Dr. Choi is the chairman of Early Light International (Holdings) Ltd. and has extensive business interests in the manufacturing industry and the property sector. He is the Honorary President of the Toys Manufacturer's Association of Hong Kong, Honorary President of the Hong Kong Young Industrialists Council and Council Member of the Hong Kong Polytechnic University. Dr. Choi is also a member of the National Committee of the Chinese People's Political Consultative Conference and a non-executive director and vice chairman of Regal Hotels International Holdings Limited (stock code: 78), the shares of which are listed on the main board of Stock Exchange. Dr. Choi was appointed as a non-executive director and vice-chairman of the Company on 7th February 2006.



董 事 及 高 級 管 理 層 BOARD OF DIRECTORS & SENIOR MANAGEMENT

獨立非執行董事

陳金釗先生，現年五十三歲，從事飲食業接近三十年，近年亦發展娛樂、地產及投資項目。陳先生現為香港沙田工商業聯合會會長（創會主席）及廣東省清新縣政治協商會議常委及廣州荔灣區政治協商會議委員。自一九九二年起，彼擔任沙田體育會名譽會長兼董事及自一九九六年起擔任沙田少年警訊會長。彼於二零零四年七月獲頒「行政長官社區服務獎狀」。陳先生於二零零二年七月三十日獲委任為本公司之獨立非執行董事及審核委員會主席。

韋國洪太平紳士，現年五十二歲，沙田區議會主席。韋先生自一九八八年起擔任沙田區議會議員，彼於一九九八年至一九九九年期間曾任沙田區議會文化、體育及社區發展委員會主席。彼現為沙田體育會副會長，保良局王賜豪（田心谷）小學校董及梁文燕紀念中學管理委員會委員。韋先生於二零零二年七月三十日獲委任為本公司之獨立非執行董事及審核委員會委員。

Independent non-executive directors

Mr. Chan Kam Chiu, aged 53, has engaged in the catering industry for almost 30 years. He has also involved in entertainment, property and investment project in the recent years. Mr. Chan is the President (founding chairman) of Hong Kong Shatin Industries & Commerce Association Limited and currently an executive member of the Committee of the Chinese People's Political Consultative Conference of Qingxin County, Guangdong Province and member of the Committee of the Chinese People's Political Consultative Conference of Guangzhou Li Wan. He is also an honorary president and director of Shatin Sports Association Limited since 1992 and the chairman of the Shatin District Junior Police Call since 1996. He was awarded the "Chief Executive's Commendation for Community Service" since July 2004. Mr. Chan was appointed as an Independent non-executive Director and the chairman of the audit committee of the Company both on 30th July 2002.

Mr. Wai Kwok Hung, J.P., aged 52, is the chairman of the Shatin District Council. Mr. Wai is a councillor of the Shatin District Council since 1988. He was also the chairman of the Culture, Sports and Community Development Committee of the Shatin Provisional District Board for the period from 1998 to 1999. He is currently a vice-president of Shatin Sports Association Limited, a manager of the board of PLK Dr. Jimmy Wong Chi-Ho (Tin Sum Valley) Primary School and Management Committee Member of Helen Liang Memorial Secondary School. Mr. Wai was appointed as an independent non-executive Director and a member of the audit committee of the Company both on 30th July, 2002.



董 事 及 高 級 管 理 層 BOARD OF DIRECTORS & SENIOR MANAGEMENT

何國華先生，現年四十八歲，乃一位香港執業會計師。彼為何國華會計師事務所之東主，在會計、審計、稅務計劃及業務顧問方面積逾二十年經驗，何先生亦為香港稅務學會及全港各區工商聯有限公司之董事。何先生曾任亞洲資源控股有限公司及曼盛生物科技集團有限公司之獨立非執行董事，惟已分別於二零零二年四月十一日及二零零三年十二月三十一日辭任上述公司董事之職。何先生於二零零四年九月二十八日獲委任為本公司之獨立非執行董事及審核委員會委員。

Mr. Ho Kwok Wah, George, aged 48, is a practicing certified public accountant in Hong Kong. He is the proprietor of George K. W. Ho & Co., Certified Public Accountants and possesses over 20 years' professional experience in accounting, auditing, tax planning and business advisory. Mr. Ho is also a director of The Taxation Institute of Hong Kong and the Hong Kong Commerce and Industry Associations Limited. Mr. Ho was an independent non-executive director of Asia Resources Holdings Limited and MAXX Biosciences Holdings Limited before his resignation as director of the respective company on 11th April 2002 and 31st December 2003. Mr. Ho was appointed as an independent non-executive Director and a member of the audit committee of the Company both on 28th September 2004.

高級管理層

麥祐興先生，現年三十七歲，本公司之財務總監、公司秘書及合資格會計師，彼負責本集團之財務及會計管理和秘書事務。麥先生畢業於香港理工大學，持有文學士學位，主修會計，並於香港公開大學取得企業管治碩士學位。彼為香港會計師公會及香港特許秘書公會之會員。麥先生於一九九九年七月加入本集團。

SENIOR MANAGEMENT

Mr. Mak Yau Hing, aged 37, is the financial controller, the company secretary and the qualified accountant of the Company who is responsible for the financial and accounting management and secretarial affairs of the Group. Mr. Mak graduated from The Hong Kong Polytechnic University with a bachelor of arts degree in accountancy and from The Open University of Hong Kong with a master degree in corporate governance. He is a member of the Hong Kong Institute of Certified Public Accountants and an associate member of The Hong Kong Institute of Chartered Secretaries. Mr. Mak joined the Group in July 1999.



企 業 管 治 報 告 書 CORPORATE GOVERNANCE REPORT

企業管治常規

本公司致力維持高水準的企業管治，以提升股東價值。截至二零零六年三月三十一日止年度，本公司已遵守創業板上市規則附錄15所載的企業管治常規守則的守則條文規定，惟以下偏離除外：

守則條文第A.2.1條

此守則規定，主席及行政人員的職務應予分開，不應由同一人士履行。截至二零零六年三月三十一日止年度，曹貴子醫生（「曹醫生」）擔任本公司主席兼行政總裁，負責管理董事會及本集團業務。董事會認為，曹醫生對醫療業有深入專業知識及廣博網絡，定能令董事會獲益良多。董事會亦認為，此架構無損董事會及本公司管理層之間的權力和職權平衡。透過資深及能幹董事會成員的參與，確保了權力和職權的平衡，而董事會成員會定期商討影響本公司營運的事宜。於二零零六年三月三十一日，董事會七名成員中有三名為獨立非執行董事。此組成進一步確保董事會於行使其職能和權力時整體能保持客觀性和獨立性。儘管如此，董事會將繼續審閱董事會的職能，以及其與管理層的關係，特別是分開主席及行政總裁角色的必要性和得益。

Corporate governance practices

The Company endeavors in maintaining high standard of corporate governance for the enhancement of shareholders' value. The Company has complied with the required code provisions set out in the Code on Corporate Governance Practices contained in Appendix 15 to the GEM Listing Rules for the year ended 31st March, 2006, except for the following deviations:

Code Provision A.2.1

This code stipulates that the role of Chairman and chief executive officer should be separate and should not be performed by the same individual. During the year ended 31st March, 2006, Dr. Cho Kwai Chee ("Dr. Cho") is the Chairman and chief executive officer of the Company who is responsible for managing the Board and the Group's businesses. The Board considers that Dr. Cho's in-depth professional knowledge of and extensive network in the healthcare industry will definitely bring invaluable input to the Board. The Board also considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The balance of power and authority is ensured by the participation of experienced and high caliber members of the Board which meets regularly to discuss issues affecting operations of the Company. As at 31st March, 2006, three out of the seven members of the Board were independent non-executive Directors. Such composition further ensures objectivity and independence of the Board as a whole when exercising its functions and powers. Nevertheless, the Board will continually review the function of the Board and its relationship with the management, especially the necessity and the benefits of separating the roles of the chairman and chief executive officer.



企 業 管 治 報 告 書 CORPORATE GOVERNANCE REPORT

企業管治常規 (續)

守則條文第A.4條

此守則規定，所有董事應定期重選。本公司現有組織章程細則並無訂明擔任董事總經理或聯席董事總經理的董事須輪席告退。本公司將於應屆股東週年大會上向本公司股東提呈修訂組織章程細則的建議，以遵守企業管治常規守則。

守則條文第A.4.2條

此守則規定，所有獲委任以填補臨時空缺的董事應於其委任後的首屆股東大會上由股東推選。本公司現有組織章程細則只規定，獲委任以填補臨時空缺的董事將於下屆股東週年大會上重選連任。本公司將於應屆股東週年大會上向本公司股東提呈修訂組織章程細則的建議，以遵守企業管治常規守則。

Corporate governance practices (Continued)

Code Provision A.4

This code stipulates that all directors should be subject to re-election at regular intervals. The present Articles of Association of the Company do not provide for retirement by rotation of a director holding office as managing director or joint managing director. Proposed amendments to the Articles of Association of the Company will be put forward to the shareholders of the Company at the forthcoming annual general meeting in order to comply with the Code on Corporate Governance practices.

Code Provision A.4.2

This code stipulates that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. The present Articles of Association of the Company only requires such directors who are appointed to fill a casual vacancy to be re-elected at the next annual general meeting. Proposed amendments to the Articles of Association of the Company will be put forward to the shareholders of the Company at the forthcoming annual general meeting in order to comply with the Code on Corporate Governance practices.



企 業 管 治 報 告 書 CORPORATE GOVERNANCE REPORT

企業管治常規 (續)

守則條文第A.4.4條

此守則訂明，上市發行人應成立具書面職權範圍的提名委員會。提名委員會應(其中包括)：(i)審閱董事會架構、規模及組成，並就任何建議中變動提出推薦意見；(ii)物色合適人選成為董事會成員；(iii)評估獨立非執行董事的獨立性；及(iv)就委任或重選董事及董事接任計劃的事宜向董事會提供推薦意見。

本公司並無成立提名委員會。取而代之，整個董事會均參與新任董事的委任。董事會於考慮委任新董事時將計及專才、經驗、誠信及承擔感。董事將對出任獨立董事的人選的獨立性進行深入評估。

守則條文第B.1.1條

此守則訂明，上市發行人應成立具特定書面職權範圍的薪酬委員會。本公司已於二零零六年二月十四日成立薪酬委員會，而薪酬委員會由三名獨立非執行董事及一名執行董事組成。

Corporate governance practices (Continued)

Code Provision A.4.4

This code stipulates that listed issuers should establish a nomination committee with specific written terms of reference. The nomination committee should, among others, (i) reviews the structure, size and composition of the board and make recommendations to the board regarding any proposed changes; (ii) identify individuals suitably qualified to become board members; (iii) assess the independence of independent non-executive directors; and (iv) make recommendations to the board on matters relating to the appointment or re-appointment of directors and succession planning for directors.

The Company has not established a nomination committee. Instead, the full Board is involved in the appointment of new Directors. The Board will take into consideration criteria such as expertise, experience, integrity and commitment when considering new Director appointment. The Board will conduct in-depth assessment on the independence of candidates for post of independent Directors.

Code Provision B.1.1

This code stipulates that listed issuers should establish a remuneration committee with specific written terms of reference. The Company established its remuneration committee on 14th February, 2006 which comprises three independent non-executive Directors and one executive Director.



企 業 管 治 報 告 書 CORPORATE GOVERNANCE REPORT

董事進行證券交易

放整個期間內本公司已就本公司董事進行證券交易採納一套操守守則，其條款不遜於創業板上市規則第5.48至5.67條所載之買賣規定標準。本公司已向所有董事作出特定查詢，而本公司並不知悉有任何違反買賣規定準則及其有關董事進行證券交易的操守守則的情況。

董事會

董事會負責釐定整體策略、審閱及批准本集團的工作計劃，及監察本集團的企業管治。本公司管理層負責提議及實施本集團的工作計劃、執行本集團的日常營運及履行董事會不時所指定的任何其他職責。

Directors' securities transactions

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the year. The Company has also made specific enquiry to all Directors and the Company was not aware of any non-compliance with the required standard of dealing and its code of conduct regarding securities transactions by Directors.

Board of directors

The Board is responsible for determining the overall strategy; reviewing and approving the work plan of the Group; and overseeing the corporate governance of the Group. While the management of the Company is responsible for proposing and implementing the work plan of the Group, executing the day-to-day operation of the Group and undertaking any further responsibility as delegated by the Board from time to time.



企 業 管 治 報 告 書 CORPORATE GOVERNANCE REPORT

董事會 (續)

董事會由三名執行董事及三名獨立非執行董事組成。一名新非執行董事已於二零零六年二月七日獲委任。本公司於截至二零零六年三月三十一日止年度曾舉行四次全體董事會會議。以下載列董事會組成、個別董事名稱及各董事的出席記錄：

Board of directors (Continued)

The Board comprises three executive Directors and three independent non-executive Directors. A new non-executive Director was appointed on 7th February, 2006. The Company held four full Board meeting during the year ended 31st March, 2006. The following shows the composition of the Board, name of individual Director and record of attendance of each Director:

董事名稱	Name of Director	董事任期內曾舉行之 董事會會議次數 Number of board meeting held during the Director's term of office	曾出席之 會議數次數 ¹ Number of meeting attended ¹
執行董事	Executive Directors		
曹貴子醫生 (主席兼行政總裁)	Dr. Cho Kwai Chee (Chairman and CEO)	4	4
曹貴宜先生 ²	Mr. Cho Kwai Yee, Kevin ²	4	4
馮耀棠醫生	Dr. Fung Yiu Tong, Benent	4	4
非執行董事	Non-executive Director		
蔡志明博士太平紳士 (副主席)(於二零零六年 二月七日獲委任)	Dr. Francis Choi Chee Ming JP (Vice-chairman) (Appointed on 7th February, 2006)	1	1
獨立非執行董事	Independent non-executive Directors		
陳金釗先生	Mr. Chan Kam Chiu	4	4
韋國洪太平紳士	Mr. Wai Kwok Hung JP	4	4
何國華先生	Mr. Ho Kwok Wah, George	4	4

¹ 包括董事透過電話會議曾出席的會議

¹ It includes the meeting attended by the director via telephone conference

² 曹貴宜先生為本公司主席兼行政總裁曹貴子醫生的胞兄

² Mr. Cho Kwai Yee, Kevin is the brother of Dr. Cho Kwai Chee, the Chairman and CEO of the Company



企 業 管 治 報 告 書 CORPORATE GOVERNANCE REPORT

非執行董事的任期

陳金釗先生及韋國洪太平紳士已獲委任兩年任期，於二零零六年七月二十九日屆滿，而何國華先生之兩年任期將於二零零六年九月二十七日屆滿。蔡志明博士太平紳士與本公司並無訂立服務合約，亦不會就擔任非執行董事收取任何酬金。該等獲委任的董事須輪席告退並須遵守本公司組織章程細則所規定的其他相關條文。

Term of appointment of non-executive directors

Mr. Chan Kam Chiu and Mr. Wai Kwok Hung JP have been appointed for a term of two years expiring on 29th July, 2006, and Mr. Ho Kwok Wah, George has been appointed for a term of two years expiring on 27th September, 2006. Dr. Francis Choi Chee Ming JP does not have a service contract with the Company nor will he receive any remuneration from acting as a non-executive director. These appointments are subject to retirement by rotation and other related provisions as stipulated in the Articles of Association of the Company.

董事酬金

具特定書面職權範圍的薪酬委員會已於二零零六年二月十四日成立。該委員會主要負責就所有董事及高級管理層的酬金政策及結構並制定發展薪酬政策的正式及具透明度程序向董事會提供推薦意見。委員會由三名獨立非執行董事（分別為韋國洪太平紳士（主席）、陳金釗先生及何國華先生）及一名執行董事（曹貴子醫生）組成。委員會截至二零零六年三月三十一日前並無召開任何會議。

Remuneration of directors

The remuneration committee was established on 14th February, 2006 with specific written terms of reference. The committee is mainly responsible for making recommendation to the Board on policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration. The committee comprises three independent non-executive Directors, namely Mr. Wai Kwok Hung JP (Chairman), Mr. Chan Kam Chiu and Mr. Ho Kwok Wah, George, and one executive Director, Dr. Cho Kwai Chee. The committee has not convened any meeting up to 31st March, 2006.



企 業 管 治 報 告 書 CORPORATE GOVERNANCE REPORT

核數師酬金

核數師德勤•關黃陳方會計師行為本集團提供法定審核及非審核服務。截至二零零六年三月三十一日止年度，本集團之法定審核費用為2,180,000港元。非審核服務包括稅務遵例及計劃、審閱財務報表及交易的議定程序等。截至二零零六年三月三十一日止年度，就非審核服務支付的總費用為548,000港元。

審核委員會

本公司已遵照創業板上市規則第5.28至第5.33條成立具書面職權範圍的審核委員會。審核委員會的主要職責是審閱本公司的年報及賬目、中期報告及季度報告，並就此向董事會提供建議及意見。審核委員會亦將負責審閱及監察本集團的財務申報及內部控制程序。

審核委員會由三名獨立非執行董事（分別為陳金釗先生（主席）、韋國洪太平紳士及何國華先生）組成。該委員會於截至二零零六年三月三十一日止年度曾召開四次會議。本公司外聘核數師亦列席其中一次會議，以便讓委員會成員與核數師交流意見及關注的問題。於該等會議中，委員會已審閱本集團的年報、中期及季度業績，並就本集團的財務申報及內部控制程序向董事會及管理層提出推薦意見。

Auditors' remuneration

The auditors, Deloitte Touche Tohmatsu, provide both statutory audit and non-audit services to the Group. For the year ended 31st March, 2006, fee for statutory audit for the Group amounts to HK\$2,180,000. Non-audit services include tax compliance and planning, agreed upon procedures on review of financial statements and transactions, etc. Total fee paid for non-audit services during the year ended 31st March, 2006 was HK\$548,000.

Audit committee

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the audit committee are to review the Company's annual report and accounts, interim reports and quarterly reports and to provide advice and comments thereon to the board of Directors. The audit committee will also be responsible for reviewing and supervising the Group's financial reporting and internal control procedures.

The audit committee comprises three independent non-executive Directors, namely Mr. Chan Kam Chiu (Chairman), Mr. Wai Kwok Hung JP and Mr. Ho Kwok Wah, George. The committee convened four meetings with full attendance during the year ended 31st March, 2006. One of these meetings was also attended by the Company's external auditors so that the committee members could exchange their views and concerns with the auditors. During these meetings, the committee reviewed the annual, interim and quarterly results of the Group and made recommendations to the Board and the management in respect of the Group's financial reporting and internal control procedures.



企 業 管 治 報 告 書
CORPORATE GOVERNANCE REPORT

董事對財務報表的職責

董事會負責監察各財務期間的賬目編製，以確保該等賬目真實公平地反映本集團於該期間的具體狀況及業績和現金流量。本公司的賬目乃根據所有有關法定規定及適用會計標準編製。董事負責確保選擇及貫徹地應用合適的會計政策，及所作出的判斷及估算乃屬審慎和合理。

Directors' responsibility for financial statements

The directors are responsible for overseeing the preparation of accounts for each financial period with a view to ensuring such accounts give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. The Company's accounts are prepared in accordance with all relevant statutory requirements and applicable accounting standards. The Directors are responsible for ensuring the appropriate accounting policies are selected and applied consistently; and that judgements and estimates made are prudent and reasonable.



董 事 會 報 告 書 DIRECTORS' REPORT

本公司董事會謹提呈截至二零零六年三月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，其主要附屬公司及聯營公司之業務分別載於綜合財務報表附註52及22。

業績及分配

本集團截至二零零六年三月三十一日止年度之業績載於年報第48頁之綜合收益表。

年內向股東支付中期股息每股0.002港元，總計9,993,188港元。

投資物業

年內，本集團已按成本29,814,100港元收購投資物業，並已於年結日重估所有投資物業。投資物業公平值之淨增加3,781,630港元已計入綜合收益表。

投資物業之變動詳情載於財務報表附註18。

The directors of the Company present their annual report and the audited consolidated financial statements for the year ended 31st March, 2006.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries and associates are set out in notes 52 and 22 respectively to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st March, 2006 are set out in the consolidated income statement on page 48 of the annual report.

An interim dividend of HK\$0.002 per share amounting to HK\$9,993,188 was paid to the shareholders during the year.

INVESTMENT PROPERTIES

During the year, the Group acquired investment properties at a cost of HK\$29,814,100 and revalued all of its investment properties at the year end date. The net increase in fair value of investment properties, which has been credited to the consolidated income statement, amounted to HK\$3,781,630.

Details of movements in the investment properties are set out in note 18 to the consolidated financial statements.



董 事 會 報 告 書 DIRECTORS' REPORT

物業、廠房及設備

年內，本集團收購約7,706,000港元之物業、廠房及設備，以供本集團業務擴展。

有關本集團物業、廠房及設備於年內之其他變動詳情載於綜合財務報表附註19。

附屬公司及聯營公司

年內，本集團以代價1,029,000港元收購F&T Company Limited之49%權益。F&T Company Limited乃於香港註冊成立之公司，主要從事提供西醫服務。

本集團以代價4,915,813港元收購金豐投資集團有限公司之49%權益。金豐投資集團有限公司乃於香港註冊成立之公司，主要從事提供西醫服務。

本集團以代價200,000港元進一步收購銀靈有限公司之33.33%權益。銀靈於香港從事經營一間醫療診所，以往被當作本集團之聯營公司。

本公司以代價990,000港元增購Pherson Limited之36%權益。Pherson Limited乃於香港註冊成立從事持有物業之公司。本公司執行董事曹貴子醫生於Pherson Limited有實益權益。於上述收購完成後，本集團於Pherson Limited中合共持有69%權益。

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment of approximately HK\$7,706,000 for the expansion of the Group's business.

Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 19 to the consolidated financial statements.

SUBSIDIARIES AND ASSOCIATES

During the year, the Group acquired 49% interest in F&T Company Limited at a consideration of HK\$1,029,000. F&T Company Limited is a company incorporated in Hong Kong and is principally engaged in the provision of medical services.

The Group acquired 49% interest in Goldwell Investment Holdings Limited at a consideration of HK\$4,915,813. Goldwell Investment Holdings Limited is a company incorporated in Hong Kong and is principally engaged in the provision of medical services.

The Group acquired a further 33.33% interest in Silver Ascot Limited at a consideration of HK\$200,000. Silver Ascot engaged in the operation of a medical clinic in Hong Kong and is previously treated as an associate of the Group.

The Group acquired a further 36% interest in Pherson Limited at a consideration of HK\$990,000. Pherson Limited is a company incorporated in Hong Kong and is principally engaged in property holding. Dr. Cho Kwai Chee, the executive director of the Company, has beneficial interest in Pherson Limited. After the said acquisition, the Group holds a total of 69% interest in Pherson Limited.



董 事 會 報 告 書 DIRECTORS' REPORT

本公司主要附屬公司及聯營公司於二零零六年三月三十一日之詳情分別載於綜合財務報表附註52及22。

可換股債券

於二零零五年四月十一日，本公司向獨立第三方配售32,000,000港元於二零零七年償還之2.5厘可換股債券。可換股債券已於年內按換股價每股0.037港元悉數轉換。年內，共配發及發行864,864,864股股份。

於二零零五年八月三十日，本公司與一名獨立配售代理訂立另一項配售協議，以按盡力基準安排分兩批向認購人發行本金總額達80,000,000港元於二零零七年及二零零八年償還之2.5厘可換股債券。於二零零六年三月三十一日，本金總額最高達40,000,000港元之「首批債券」（即於二零零七年償還之2.5厘可換股債券）經已悉數發行。截至二零零六年二月二十八日為止，並無促使認購人認購第二批債券（即二零零八年到期本金總額最高達40,000,000港元之2.5厘可換股債券）。根據配售協議，第二批債券之配售已終止及撤銷，因此，整批第二批債券均並無發行。

股本

本公司於年內之股本變動詳情載於綜合財務報表附註40。

Details of the Company's principal subsidiaries and associates at 31st March, 2006 are set in notes 52 and 22 to the consolidated financial statements respectively.

CONVERTIBLE BOND

On 11th April, 2005, the Company placed HK\$32,000,000 of 2.5% convertible bonds repayable in 2007, to independent third parties. The convertible bonds were fully converted during the year at a conversion price of HK\$0.037 per share. A total of 864,864,864 shares were allotted and issued during the year.

On 30th August, 2005, the Company entered into another placing agreement with an independent placing agent for the purpose of arranging subscribers for the issue of 2.5% convertible bonds repayable in 2007 and 2008, on a best effort basis, up to an aggregate principal amount of HK\$80,000,000 in two tranches. As at 31st March 2006, "Tranche 1 Bonds", representing 2.5% convertible bonds repayable in 2007 up to an aggregate principal amount of HK\$40,000,000 had been issued in full. No subscribers have been procured to subscribe for the Tranche 2 Bonds (representing 2.5% convertible bonds due 2008 up to an aggregate principal amount of HK\$40,000,000) up to 28th February, 2006. According to the placing agreement, the placing for Tranche 2 Bonds was ceased and terminated and thus the whole Tranche 2 Bonds were not issued.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 40 to the consolidated financial statements.



董 事 會 報 告 書 DIRECTORS' REPORT

優先購股權

本公司之公司組織章程細則或開曼群島之法例並無有關優先購股權之規定，以規定本公司須按比例向現有股東發售新股份。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

購回、出售或贖回股份

年內，本公司或其任何附屬公司概無購回、出售或贖回本公司任何股份。

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares.

本公司之可分派儲備

本公司於二零零六年三月三十一日可供分派予股東之儲備包括股份溢價、實繳盈餘、可供分派儲備及累計虧損，合共為168,001,013港元（二零零五年：104,054,311港元）。根據開曼群島公司法（經修訂），本公司之股份溢價可供根據其組織章程大綱及細則之條文支付分派或股息予股東，前提為緊隨支付分派或股息後，本公司有能力支付其於一般業務過程中之到期負債。根據本公司之組織章程細則，股息將以本公司溢利或其他儲備（包括股份溢價賬）支付。

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to shareholders as at 31st March, 2006 comprised the share premium, continued surplus, distributable reserve and accumulated losses which in aggregate amounts to HK\$168,001,013 (2005: HK\$104,054,311). Under the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the payment of distributions or dividends, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's Articles of Association, dividends shall be payable out of the profits or other reserves, including the share premium account, of the Company.

購股權

本公司購股權計劃之詳情載於綜合財務報表附註41。

SHARE OPTIONS

Particulars of the Company's share option schemes are set out in note 41 to the consolidated financial statements.



董 事 會 報 告 書 DIRECTORS' REPORT

董事及董事之服務合約

年內及直至本報告日期之本公司董事如下：

執行董事：

曹貴子醫生

曹貴宜先生

馮耀棠醫生

蔡加怡女士

(於二零零六年五月十二日獲委任)

非執行董事：

蔡志明博士太平紳士

(於二零零六年二月七日獲委任)

獨立非執行董事：

陳金釗先生

韋國洪太平紳士

何國華先生

根據本公司之公司組織章程細則第99條，蔡志明博士太平紳士及蔡加怡女士將於應屆股東週年大會上退任，惟符合資格並願意膺選連任。

根據本公司之公司組織章程細則第116條，韋國洪太平紳士將於應屆股東週年大會上退任，惟符合資格並願意膺選連任。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Dr. Cho Kwai Chee

Mr. Cho Kwai Yee, Kevin

Dr. Fung Yiu Tong, Bennet

Ms. Choi Ka Yee, Crystal

(appointed on 12th May, 2006)

Non-executive director:

Dr. Francis Choi Chee Ming, JP

(appointed on 7th February, 2006)

Independent non-executive directors:

Mr. Chan Kam Chiu

Mr. Wai Kwok Hung, JP

Mr. Ho Kwok Wah, George

In accordance with Article 99 of the Company's Articles of Association, Dr. Francis Choi Chee Ming, JP and Ms. Choi Ka Yee, Crystal will retire from office at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

In accordance with Article 116 of the Company's Articles of Association, Mr. Wai Kwok Hung, JP will retire from office by rotation at the forthcoming annual general meeting and, being eligible, offer himself for re-election.



董 事 會 報 告 書 DIRECTORS' REPORT

董事及董事之服務合約 (續)

陳金釗先生及韋國洪太平紳士任期兩年，將於二零零六年七月二十九日屆滿；而何國華先生之兩年任期則於二零零六年九月二十七日屆滿。以上任命須受本公司之公司組織章程細則所載有關輪值告退及其他相關條文所限制。

除以上披露外，各董事概無與本公司或其任何附屬公司訂立本集團不可於一年內免付賠償（法定補償除外）予以終止之服務合約。

委任獨立非執行董事

本公司已收到各獨立非執行董事就其身份之獨立性而根據香港聯合交易所有限公司（「聯交所」）創業板證券上市規則（「創業板上市規則」）第5.09條發出之週年確認書。本公司認為全體獨立非執行董事均具備獨立身份。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS (Continued)

Mr. Chan Kam Chiu and Mr. Wai Kwok Hung, JP have been appointed for a term of two years expiring on 29th July, 2006, and Mr. Ho Kwok Wah, George has been appointed for a term of two years expiring on 27th September, 2006. The appointments are subject to retirement by rotation and other related provisions as stipulated in the Articles of Association of the Company.

Other than as disclosed above, none of the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 5.09 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the "GEM Listing Rules") of the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company considers all of the independent non-executive directors are independent.



董 事 會 報 告 書 DIRECTORS' REPORT

董事及主要行政人員於股份、相關股份及可換股債券之權益

於二零零六年三月三十一日，董事、主要行政人員及彼等之聯繫人士於本公司及其相聯法團之股份、相關股份及可換股債券中擁有記入本公司根據證券及期貨條例第352條存置之登記冊內之權益，或根據上市發行人董事進行證券交易之標準守則（「標準守則」）以其他方式知會本公司及聯交所之權益如下：

本公司

於每股面值0.01港元之普通股之好倉

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND CONVERTIBLE BONDS

At 31st March, 2006, the interests of the directors and the chief executives and their associates in the shares, underlying shares and convertible bonds of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers (the "Model Code"), were as follows:

The Company

Long position in ordinary shares of HK\$0.01 each

董事姓名	身分	所持已發行 普通股數目	佔本公司已發行 股本百分比
Name of director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
曹貴子醫生 Dr. Cho Kwai Chee	由受控法團持有（附註） Held by controlled corporation (note)	2,615,027,451	52.34%
蔡志明博士太平紳士 Dr. Francis Choi Chee Ming, JP	由受控法團持有（附註） Held by controlled corporation (note)	2,615,027,451	52.34%
馮耀棠醫生 Dr. Fung Yiu Tong, Bennet	實益擁有人 Beneficial owner	2,689,090	0.05%



董 事 會 報 告 書 DIRECTORS' REPORT

董事及主要行政人員於股份、相關股份及可換股債券之權益 (續)

附註：該 2,615,027,451 股股份由 Broad Idea International Limited 擁有。根據證券及期貨條例第 XV 部，基於曹貴子醫生及蔡志明博士太平紳士分別於 Broad Idea International Limited 之已發行股本中實益擁有 50.1% 及 49.9% 權益，故彼等被視為於 Broad Idea International Limited 擁有之 2,615,027,451 股股份中擁有權益。

除上文所披露者外，於二零零六年三月三十一日，按本公司根據證券及期貨條例第 352 條規定存置之登記冊所記錄，本公司各董事、主要行政人員或彼等之聯繫人士概無在本公司或其任何相聯法團之股份、相關股份或可換股債券中擁有任何權益或淡倉。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND CONVERTIBLE BONDS (Continued)

Note: These 2,615,027,451 shares are owned by Broad Idea International Limited. Dr. Cho Kwai Chee and Dr. Francis Choi Chee Ming, JP are deemed to be interested in the 2,615,027,451 shares owned by Broad Idea International Limited under Part XV of the SFO given that they are beneficially interested in 50.1% and 49.9% of the issued share capital of Broad Idea International Limited respectively.

Other than as disclosed above, none of the directors, the chief executives of the Company, nor their associates had any interests or short positions in the shares, underlying shares or convertible bonds of the Company or any of its associated corporations as at 31st March, 2006 as recorded in the register required to be kept by the Company under sections 352 of the SFO.



董 事 會 報 告 書 DIRECTORS' REPORT

主要股東

於二零零六年三月三十一日，按本公司根據證券及期貨條例第336條規定存置之主要股東登記冊顯示，除上文所披露若干董事及主要行政人員之權益外，以下股東已知會本公司其於本公司股份或相關股份之有關權益或淡倉。

於每股面值0.01港元之普通股之好倉

股東名稱	身分	所持已發行 普通股數目	佔本公司已發行 股本百分比
Name of shareholders	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Broad Idea International Limited	實益擁有人 (附註) Beneficial Owner (Note)	2,615,027,451	52.34%

除上文披露者外，於二零零六年三月三十一日，本公司並無獲悉任何人士在本公司已發行股本中擁有任何其他相關權益或淡倉。

SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2006, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and chief executives, the following shareholder had notified the Company of relevant interests or short position in the shares or underlying shares of the Company.

Long position in the ordinary shares of HK\$0.01 each

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31st March, 2006.



董 事 會 報 告 書 DIRECTORS' REPORT

主要客戶及供應商

截至二零零六年三月三十一日止年度，五大客戶佔本集團總營業額少於30%。本集團五大供應商及最大供應商分別佔本集團總採購額約61%及43%。

除上述者外，於年內任何時間，概無董事、彼等之聯繫人士或據董事所知擁有本公司股本5%以上權益之任何股東持有本集團五大供應商任何一名之實益權益。

競爭業務權益

除「主要客戶及供應商」一節所披露者外，本公司董事、管理層股東或控股股東（定義見創業板上市規則）於年內並無在與本集團業務存在競爭或可能存在競爭之業務中擁有權益。

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st March, 2006, the percentage of turnover attributable to the Group's five largest customers is less than 30% of the Group's total turnovers. The five largest suppliers of the Group and the largest supplier accounted for approximately 61% and 43% of the Group's total purchases respectively.

Other than the aforementioned, at no time during the year, none of the directors, their associates, or any shareholders (which, to the knowledge of the directors, own more than 5% of the Company's share capital) had a beneficial interest in anyone of the Group's top five suppliers during the years.

COMPETING INTERESTS

Save as disclosed in the section "Major Customers and Suppliers", none of the directors, management shareholders or controlling shareholders of the Company (as defined in the GEM Listing Rules) has an interest in a business which competes or may compete with the business of the Group during the year.



董 事 會 報 告 書 DIRECTORS' REPORT

董事購入股份或債券證之權利

除上文「購股權」所披露外，本公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使本公司董事可藉購入本公司或任何其他法人團體之股份或債務證券（包括債權證）而取得利益。

關連交易

二零零四年九月十三日，本集團與九龍聽覺服務有限公司就購買若干助聽產品訂立主協議。於截至二零零六年三月三十一日止年度，本集團向九龍聽覺服務有限公司支付了約1,924,282港元。

此項交易根據創業板上市規則被視為持續關連交易，有關詳情於綜合財務報表附註49披露。

本公司獨立非執行董事確認上述交易乃於本公司一般及日常業務過程中按正常商業條款或對本集團而言不遜於獨立第三方所享有或給出之條款進行，且符合規管有關交易屬公平合理及符合本公司股東整體利益之協議條款。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the section of "Share Options" above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate.

CONNECTED TRANSACTIONS

On 13th September, 2004, the Group entered into a master agreement with Kowloon Hearing Services Limited, in relation to the purchase of certain hearing-aid products. For the year ended 31st March, 2006, the Group paid approximately HK\$1,924,282 to Kowloon Hearing Services Limited.

The transaction is regarded as continuing connected transactions pursuant to the GEM Listing Rules. Particulars of this transaction is disclosed in note 49 to the consolidated financial statements.

The independent non-executive directors of the Company confirmed that the above transactions had been conducted in ordinary and usual course of business of the Company, on normal commercial terms or terms no less favourable to the Group than terms available to or from independent third parties, and in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.



董 事 會 報 告 書 DIRECTORS' REPORT

關連交易 (續)

二零零六年三月三十一日，本集團以現金代價990,000港元增購Pherson Limited(曹貴子醫生擁有實益權益之公司)36%股本權益。交易詳情載於綜合財務報表附註49。

董事於重要合約之權益

除「關連交易」一節所披露者外，本公司、其控股公司或其任何同系附屬公司及附屬公司並無訂立本公司董事於當中直接或間接擁有重大權益、於期末或期內任何時間仍具效力且對本公司而言屬重要之合約。

企業管治

本公司所採納之主要企業管治常規之報告載於年報第24至第31頁。

CONNECTED TRANSACTIONS (Continued)

On 31st March, 2006, the Group acquired a further of 36% equity interest in Pherson Limited, a company in which Dr. Cho Kwai Chee has a beneficial interest, at a cash consideration of HK\$990,000. The details of the transaction are set out in note 49 to the consolidated financial statements.

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed under the heading "Connected transactions", no contracts of significance to which the Company, its holding company or any of its fellow subsidiaries and subsidiaries was a party and in which a director of the Company had a material interest, whether directly and indirectly, subsisted at the end of the period or at any time during the period.

CORPORATE GOVERNANCE

A report on the principle corporate governance practices adopted by the Company is set out on pages 24 to 31 of the annual report.



董 事 會 報 告 書 DIRECTORS' REPORT

董事進行證券交易

於整個年度內，本公司已就本公司董事進行證券交易採納一套操守守則，其條款不遜於創業板上市規則第5.48至5.67條所載之買賣規定標準。本公司已向所有董事作出特定查詢，而本公司並不知悉有任何違反買賣規定準則及其有關董事進行證券交易的操守守則之情況。

薪酬政策

本集團僱員之薪酬政策由董事會根據彼等之表現、資歷及能力制訂。

本公司董事之薪酬乃由董事會考慮到本公司之營運業績及個人表現，以及比較市場數據後決定。

本公司已採納一項購股權計劃，以獎勵董事及合資格僱員，計劃之詳情載於綜合財務報表附註41。

結算日後事項

結算日後發生之重大事項載於綜合財務報表附註50。

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors of the Company on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the year. The Company has also made specific enquiry to all directors of the Company and the Company was not aware of any non-compliance with the required standard of dealing and its code of conduct regarding securities transactions by the directors of the Company.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Board of Directors on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Board of Directors, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme is set out in note 41 to the consolidated financial statements.

POST BALANCE SHEET EVENTS

Details of a significant event occurring after the balance sheet date are set out in note 50 to the consolidated financial statements.



董 事 會 報 告 書
DIRECTORS' REPORT

核數師

於應屆股東週年大會上將提呈決議案，續聘
德勤 • 關黃陳方會計師行為本公司核數師。

代表董事會

主席

曹貴子

香港，二零零六年六月二十八日

AUDITORS

A resolution will be submitted to the forthcoming annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Chairman

Cho Kwai Chee

Hong Kong, 28th June, 2006



核 數 師 報 告 書
AUDITORS' REPORT

Deloitte.

德勤

致康健國際控股有限公司

列位股東

(於開曼群島註冊成立之有限公司)

本核數師已完成審核第48頁至第172頁康健國際控股有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，而該等財務報表乃按照香港普遍採納之會計原則編製。

董事及核數師各自之責任

貴公司之董事須負責編製真實兼公平之綜合財務報表。在編製該等真實兼公平之綜合財務報表時，董事必須採用並貫徹應用適當之會計政策。

本核數師之責任是根據審核之結果，對該等綜合財務報表作出獨立意見，並根據與本核數師協定之委聘條款向股東整體報告，而本報告不作其他用途。本核數師概不就本報告內容向任何其他人士承擔或負上任何責任。

TO THE SHAREHOLDERS OF

TOWN HEALTH INTERNATIONAL HOLDINGS COMPANY LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Town Health International Holdings Company Limited (the "Company") and its subsidiaries (the "Group") on pages 48 to 172 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective responsibilities of directors and auditors

The Company's directors are responsible for the preparation of consolidated financial statements which give a true and fair view. In preparing consolidated financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those consolidated financial statements and to report our opinion solely to you, as a body in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.



核 數 師 報 告 書 AUDITORS' REPORT

意見之基礎

本核數師按照香港會計師公會頒佈之核數準則進行審核工作。審核範圍包括以抽查方式查核與綜合財務報表所載數額及披露事項有關之憑證，亦包括評審董事於編製綜合財務報表時所作之重大估計和判斷；所採用之會計政策是否適合貴集團之具體情況；以及有否貫徹應用該等會計政策並作出充分披露。

本核數師在策劃和進行審核工作時，均以取得所有本核數師認為必需之資料及解釋為目標，以便獲得充份憑證，就該等綜合財務報表是否存有重大錯誤陳述，作出合理之確定。在作出意見時，本核數師亦已評估綜合財務報表所載之資料在整體上是否足夠。本核數師相信吾等之審核工作已為下列意見提供合理之基礎。

意見

本核數師認為，綜合財務報表足以真實且公平地顯示貴集團於二零零六年三月三十一日結算時之財務狀況及貴集團於截至該日止年度之溢利及現金流量，並按照香港公司條例之披露規定妥為編製。

德勤 • 關黃陳方會計師行
執業會計師

香港，二零零六年六月二十八日

Basis of opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the consolidated financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the consolidated financial statements, and of whether the accounting policies are appropriate to the circumstances of the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the consolidated financial statements are free from material misstatement. In forming our opinions, we also evaluated the overall adequacy of the presentation of information in the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinions, the consolidated financial statements give a true and fair view of the state of affairs and the Group as at 31st March, 2006 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 28th June, 2006



綜 合 收 益 表

CONSOLIDATED INCOME STATEMENT

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

		附註 Notes	2006 港元 HK\$	2005 港元 HK\$ (restated) (經重列)
營業額	Turnover	7	231,179,362	179,535,937
銷售成本	Cost of sales		(119,340,223)	(105,199,024)
毛利	Gross profit		111,839,139	74,336,913
其他收入	Other income	8	9,846,782	2,797,479
行政開支	Administrative expenses		(90,987,300)	(106,133,466)
其他開支	Other expenses	9	(3,865,435)	(53,967,286)
融資成本	Finance costs	10	(2,399,910)	(787,564)
部分出售一間附屬公司 之收益	Gain on partial disposal of a subsidiary		—	33,056
攤薄及出售聯營公司 之收益	Gain on dilution and disposal of associates	11	—	5,104,790
應佔聯營公司業績	Share of results of associates		(475,284)	707,028
投資物業公平值增加	Increase in fair value of investment properties		3,781,630	—
除稅前溢利(虧損)	Profit (loss) before taxation		27,739,622	(77,909,050)
稅項	Taxation	14	(6,291,163)	(471,573)
年度溢利(虧損)	Profit (loss) for the year	15	21,448,459	(78,380,623)
應佔：	Attributable to:			
本公司股權持有人	Equity holders of the Company		20,030,499	(84,330,685)
少數股東權益	Minority interests		1,417,960	5,950,062
			21,448,459	(78,380,623)
股息	Dividends		9,993,188	—
每股盈利(虧損)	Earnings (loss) per share			
— 基本	— Basic	17	0.44 仙cents	(6.36 仙cents)
— 攤薄	— diluted		N/A	N/A



綜 合 資 產 負 債 表

CONSOLIDATED BALANCE SHEET

於二零零六年三月三十一日 At 31st March, 2006

	附註 Notes	2006 港元 HK\$	2005 港元 HK\$
非流動資產	Non-current assets		
投資物業	Investment properties	18 35,825,000	—
物業、廠房及設備	Property, plant and equipment	19 16,223,250	15,166,608
預付租賃款項	Prepaid lease payments	20 9,750,235	10,420,096
商譽	Goodwill	21 50,963,605	44,184,246
於聯營公司之權益	Interests in associates	22 21,205,522	20,941,979
於證券之投資	Investments in securities	23 —	3,657,952
可出售投資	Available-for-sale investments	24 3,657,952	—
為收購物業、廠房 及設備已付按金	Deposit paid on acquisition of property, plant and equipment	25 17,206,909	—
		154,832,473	94,370,881
流動資產	Current assets		
存貨	Inventories	26 13,782,789	8,783,991
應收賬款及其他應收款項	Trade and other receivables	27 49,560,143	27,103,400
預付租賃款項	Prepaid lease payments	20 242,727	253,171
應收聯營公司款項	Amounts due from associates	28 13,047,359	3,266,147
應收被投資公司款項	Amounts due from investees	29 683,350	865,702
應收有關連人士款項	Amounts due from related parties	30 4,495,365	7,343,405
應收附屬公司 少數股東款項	Amounts due from minority shareholders of subsidiaries	31 9,362,196	—
應收一名董事款項	Amounts due from a director	32 950,000	—
可收回稅項	Tax recoverable	1,215,084	1,135,383
持作出售投資	Investments held for trading	33 22,929,500	—
已抵押銀行存款	Pledged bank deposits	34 10,000,000	10,000,000
銀行結餘及現金	Bank balances and cash	35 116,406,424	24,165,816
		242,674,937	82,917,015
流動負債	Current liabilities		
應付賬款及其他應付款項	Trade and other payables	36 38,909,353	33,271,703
應付附屬公司 少數股東款項	Amounts due to minority shareholders of subsidiaries	31 4,737,290	657,820
銀行及其他借貸 — 一年內到期	Bank and other borrowings — due within one year	37 37,487,642	602,039
應付稅項	Tax payable	2,056,083	—
		83,190,368	34,531,562
流動資產淨值	Net current assets	159,484,569	48,385,453
總資產減流動負債	Total assets less current liabilities	314,317,042	142,756,334



綜 合 資 產 負 債 表

CONSOLIDATED BALANCE SHEET

於二零零六年三月三十一日 At 31st March, 2006

	附註 Notes	2006 港元 HK\$	2005 港元 HK\$
非流動負債			
遞延稅項負債	38	3,998,342	859,120
銀行及其他借貸			
— 一年後到期	37	25,120,982	6,513,984
可換股債券	39	36,692,212	—
		65,811,536	7,373,104
		248,505,506	135,383,230
資本及儲備			
股本	40	49,965,935	17,467,966
儲備		199,189,296	105,946,243
本公司股權持有人			
應佔權益		249,155,231	123,414,209
少數股東權益		(649,725)	11,969,021
權益總額		248,505,506	135,383,230

第48至172頁之財務報表經由董事會於二零零六年六月二十八日批准及授權刊發並由下列人士代表董事會簽署：

The financial statements on pages 48 to 172 were approved and authorised for issue by the Board of Directors on 28th June, 2006 and are signed on its behalf by:

曹貴子
Cho Kwai Chee
董事
Director

馮耀棠
Fung Yiu Tong, Bennet
董事
Director



綜 合 權 益 變 動 表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

本公司股權持有人應佔

Attributable to equity holders of the Company

	股本	股份溢價	可換股票券 股本儲備	資本儲備	可分派 儲備	匯兌儲備	累計虧損	總計	少數 股東權益	總計
	Share capital	Share premium	Convertible bonds equity reserve	Capital reserve	Distributable reserve	Translation reserve	Accumulated losses	Total	Minority interests	Total
	港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$
於二零零四年四月一日 年度虧損，即年內已確認之 收入及開支總額	12,491,820	135,194,478	-	10,032,822	72,670,245	-	(40,547,708)	189,841,657	3,928,730	193,770,387
於二零零四年四月一日	-	-	-	-	-	-	(84,330,685)	(84,330,685)	5,950,062	(78,380,623)
年度虧損，即年內已確認之 收入及開支總額	-	-	-	-	-	-	-	-	12,103	12,103
部份出售一附屬公司時變現	4,976,146	14,023,854	-	-	-	-	-	19,000,000	-	19,000,000
發行新股	-	(1,096,763)	-	-	-	-	-	(1,096,763)	-	(1,096,763)
股份發行開支	-	-	-	-	-	-	-	-	2,303,176	2,303,176
收購附屬公司	-	-	-	-	-	-	-	-	(225,050)	(225,050)
支付予附屬公司少數股東 之股息	-	-	-	-	-	-	-	-	-	-
Dividends paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-
於二零零五年三月三十一日	17,467,966	148,121,569	-	10,032,822	72,670,245	-	(124,878,393)	123,414,209	11,969,021	135,383,230
換算海外業務時所產生之 匯兌差額直接於權益中 確認	-	-	-	-	-	220,364	-	220,364	172,231	392,595
年度溢利	-	-	-	-	-	-	20,030,499	20,030,499	1,417,960	21,448,459
年內已確認之收入及 開支總額	-	-	-	-	-	220,364	20,030,499	20,250,863	1,590,191	21,841,054
發行新股	23,849,320	64,393,166	-	-	-	-	-	88,242,486	-	88,242,486
股份發行開支	-	(4,968,824)	-	-	-	-	-	(4,968,824)	-	(4,968,824)
少數股東貢獻之資本	-	-	-	-	-	-	-	-	227,707	227,707
Capital contributed by minority shareholders	-	-	-	-	-	-	-	-	(12,454,791)	(12,454,791)
收購附屬公司(附註iii)	-	-	-	-	-	-	-	-	-	-
Acquisition of subsidiaries (note iii)	-	-	-	-	-	-	-	-	-	-
確認可換股票券之 股本部分	-	-	3,202,959	-	-	-	-	3,202,959	-	3,202,959
Recognition of equity component of convertible bonds	-	-	-	-	-	-	-	-	-	-
轉換可換股票券時 發行股份	8,648,649	21,301,043	(942,966)	-	-	-	-	29,006,726	-	29,006,726
Issue of shares upon conversion of convertible bonds	-	-	-	-	-	-	-	-	(1,981,853)	(1,981,853)
支付予少數股東之股息	-	-	-	-	-	-	-	-	-	-
Dividend paid to minority shareholders	-	-	-	-	(9,993,188)	-	-	(9,993,188)	-	(9,993,188)
已付股息	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-
於二零零六年三月三十一日	49,965,935	228,846,954	2,259,993	10,032,822	62,677,057	220,364	(104,847,894)	249,155,231	(649,725)	248,505,506

附註：

- (i) 本集團之股本儲備乃指本公司所發行普通股之面值350,000港元與Town Health (BVI) Limited(根據於二零零零年四月進行之集團重組透過互換股份收購之附屬公司)之股本面值約10,382,822港元之差額。
- (ii) 本集團之可供分派儲備乃指股本削減所產生之款項。
- (iii) 該金額包括本集團根據香港會計準則第27號「綜合及個別獨立財務報表」(「香港會計準則第27號」)將康健醫療科技控股有限公司(前稱星虹控股有限公司)(「康健醫療科技」)之業績綜合計入其綜合財務報表之日康健醫療科技之負債淨額，詳情載於綜合財務報表附註2。

Notes:

- (i) Capital reserve of the Group represents the difference between the nominal value of HK\$350,000 of the ordinary share issued by the Company and the nominal value of the share capital of approximately HK\$10,382,822 of Town Health (BVI) Limited, a subsidiary acquired through an exchange of shares pursuant to the group reorganisation in April 2000.
- (ii) The distributable reserve of the Group represents the amount arising from the reduction of share capital.
- (iii) Included in the amount represents net liabilities of Town Health Medical Technology Holdings Company Limited (formerly known as Starbow Holdings Limited) ("THMT") at the date on which the Group included the results of THMT into its consolidated financial statements in accordance with Hong Kong Accounting Standard 27 "Consolidated and Separate Financial Statements" ("HKAS 27"), detail of which are set out in note 2 to the consolidated financial statements.



綜 合 現 金 流 量 表

CONSOLIDATED CASH FLOW STATEMENT

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

		2006 港元 HK\$	2005 港元 HK\$
經營業務	OPERATING ACTIVITIES		
除稅前溢利(虧損)	Profit (loss) before taxation	27,739,622	(77,909,050)
就以下項目作出調整：	Adjustments for:		
利息收入	Interest income	(2,281,435)	(60,483)
來自上市投資項目之股息收入	Dividend income from listed investments	(2,700,265)	(140,884)
攤銷收購附屬公司、西醫及牙醫診所及聯營公司所得商譽	Amortisation of goodwill arising on acquisitions of subsidiaries, medical and dental practices and associates	-	16,594,158
下列各項之減值虧損：	Impairment loss in respect of:		
— 收購聯營公司所得商譽	— goodwill arising on acquisition of associates	3,327,080	24,066,490
— 應收被投資公司款項	— amount due from investee	538,355	-
— 收購附屬公司、西醫及牙醫診所所得商譽	— goodwill arising on acquisitions of subsidiaries, medical and dental practices	-	19,236,861
物業、廠房及設備之折舊及攤銷	Depreciation and amortisation of property, plant and equipment	6,134,030	18,554,871
持作出售投資之公平值增加	Increase in fair value on investment held for trading	(444,076)	-
存貨撥備淨額	Allowance for inventories, net	457,178	1,550,335
呆壞帳撥備淨額	Allowance for bad and doubtful debts, net	138,654	2,157,545
出售物業、廠房及設備之虧損淨額	Loss on disposal of property, plant and equipment	73,639	117,937
出售非上市證券投資之收益	Gain on disposal of unlisted investments in securities	-	(2,400)
出售上市證券之收益	Gain on disposal of listed securities	(92,575)	(868,314)
解除預付租賃款項	Release of prepaid lease payments	169,616	186,771
投資物業公平值增加	Increase in fair value of investment properties	(3,781,630)	-
應佔聯營公司業績	Share of result of associates	475,284	(707,028)
融資成本	Finance costs	2,399,910	787,564
攤薄及出售聯營公司之收益	Gain on dilution and disposal of associates	-	(5,104,790)
部份出售一附屬公司之收益	Gain on partial disposal of a subsidiary	-	(33,056)
應收聯營公司款項撥備	Allowance for amounts due from associates	-	1,898,658
未計營運資金變動前之經營現金流入	Operating cash inflow before working capital changes	32,153,387	325,185
存貨(增加)減少	(Increase) decrease in inventories	(5,098,710)	1,245,554
應收賬款及其他應收款項增加	Increase in trade and other receivables	(21,893,068)	(2,569,716)
應收有關連人士款項減少(增加)	Decrease (increase) in amounts due from related parties	2,848,040	(4,134,256)
應付賬款及其他應付款項增加	Increase in trade and other payables	781,121	10,014,385
應收一名董事款項增加	Increase in amount due from a director	(950,000)	-
經營業務之現金流入	Cash inflow from operating activities	7,840,770	4,881,152
已繳香港利得稅	Hong Kong Profits Tax paid	(1,831,187)	(873,780)
經營業務產生現金淨額	NET CASH FROM OPERATING ACTIVITIES	6,009,583	4,007,372



綜 合 現 金 流 量 表

CONSOLIDATED CASH FLOW STATEMENT

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

	附註 Notes	2006 港元 HK\$	2005 港元 HK\$
投資活動	INVESTING ACTIVITIES		
購入持作出售投資	Purchase of investment held for trading	(141,061,160)	(26,450,622)
收購投資物業	Acquisition of investment properties	(25,814,100)	—
為收購物業、廠房 及設備已付按金	Deposit paid on acquisition of property, plant and equipment	(17,206,909)	—
收購西醫及牙醫診所	Acquisition of medical and dental practices	(11,380,000)	—
應收聯營公司款項增加	Increase in amounts due from associates	(9,781,212)	(262,181)
收購物業、廠房及 設備	Purchase of property, plant and equipment	(7,166,414)	(8,102,676)
收購聯營公司權益	Purchase of interests in associates	(6,344,917)	(6,565,410)
應收一間被投資公司 款項增加	Increase in amount due from an investee	(356,003)	(189,842)
出售持作出售投資 所得款項	Proceeds from disposal of investment held for trading	134,838,311	27,318,936
收購附屬公司	Acquisition of subsidiaries	9,185,152	(24,539,570)
已收上市投資項目 股息	Dividend received from listed investments	2,700,265	140,884
已收利息	Interest received	2,281,435	60,483
已收聯營公司股息	Dividend received from associates	1,046,350	899,016
出售物業、廠房及 設備所得款項	Proceeds from disposal of property, plant and equipment	785,873	206,009
出售無形資產 所得款項	Proceeds from disposal of intangible assets	—	1,800,000
出售聯營公司所得款項	Proceeds from disposal of associates	—	250,001
部份出售附屬公司 所得款項	Proceeds from partial disposal of a subsidiary	—	33,056
出售非上市證券投資 所得款項	Proceeds from disposal of unlisted investments in securities	—	26,400
過往年度收購附屬 公司之付款	Payment for acquisition of subsidiaries in prior year	—	(13,335,878)
投資活動耗用 之現金淨額	NET CASH USED IN INVESTING ACTIVITIES	(68,273,329)	(48,711,394)



綜 合 現 金 流 量 表

CONSOLIDATED CASH FLOW STATEMENT

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

		2006 港元 HK\$	2005 港元 HK\$
融資活動	FINANCING ACTIVITIES		
發行股份所得款項	Proceeds from issue of shares	88,242,486	—
發行可換股債券所得款項	Proceeds from issue of convertible bonds	72,000,000	19,000,000
新造借貸	New borrowings raised	21,450,000	16,412,735
附屬公司少數股東 貢獻之資本	Capital contributed by minority shareholders of subsidiaries	227,707	—
向股東支付之股息	Dividend paid to shareholders	(9,993,188)	—
就發行股份已付 之開支	Expenses paid in connection with the issue of shares	(4,968,824)	(1,096,763)
就發行可換股債券 已付之開支	Expenses paid in connection with the issue of convertible bonds	(4,875,170)	—
償還借貸	Repayment of borrowings	(4,606,110)	(9,296,712)
向附屬公司少數股東 支付股息	Dividend paid to minority shareholders of subsidiaries	(1,981,853)	(225,050)
(償還)墊付予附屬公司 少數股東之款項	(Repayment of) advance from minority shareholders of subsidiaries	(1,553,626)	(2,144,802)
已付利息	Interest paid	(622,843)	(787,564)
融資活動產生之現金淨額	NET CASH FROM FINANCING ACTIVITIES	153,318,579	21,861,844
現金及現金等值項目 增加(減少)	INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	91,054,833	(22,842,178)
匯率變動之影響	EFFECT OF FOREIGN EXCHANGE RATE CHANGES	392,595	—
年初之現金及現金 等值項目	CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	24,165,816	47,007,994
年終之現金及現金 等值項目	CASH AND CASH EQUIVALENTS AT END OF YEAR	115,613,244	24,165,816
現金及現金等值項目 結餘之分析	ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
銀行結餘及現金	Bank balances and cash	116,406,424	24,165,816
銀行透支	Bank overdraft	(793,180)	—
		115,613,244	24,165,816



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

1. 一般資料

本公司在開曼群島註冊成立為受豁免有限公司。本公司股份在香港聯合交易所有限公司（「聯交所」）創業板上市。本公司的最終控股公司為Broad Idea International Limited，其為一家在英屬處女群島註冊成立的公司。

本公司的註冊辦事處及主要營業地點地址列於年報「公司資料」一節。

綜合財務報表以港元呈列，港元亦是本公司的功能貨幣。

本公司為一家投資控股公司，其主要附屬公司及聯營公司之主要業務分別載於附註52及22。

2. 編製基準

根據康健醫療科技與本集團全資附屬公司Top Act Group Limited（「Top Act」）於二零零五年十二月九日訂立的有條件認購協議，於二零零六年二月二十三日，Top Act已認購康健醫療科技所發行總本金額60,000,000港元的可換股債券。

1. GENERAL

The Company is incorporated as an exempted company with limited liability in the Cayman Islands and its shares are listed on the Growth Enterprise Market ("GEM Board") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Broad Idea International Limited incorporated in the British Virgin Islands.

The addresses of the registered office and principal place of business of the Company are disclosed in the corporation information to the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The Company is an investment holding company. The principal activities of its subsidiaries and associates are set out in note 52 and 22 respectively.

2. BASIS OF PREPARATION

Pursuant to a conditional subscription agreement on 9th December 2005 entered into between THMT and Top Act Group Limited ("Top Act"), a wholly-owned subsidiary of the Group, on 23rd February, 2006, Top Act subscribed for convertible bonds of an aggregate principal amount of HK\$60,000,000 ("CN Subscription Agreement") issued by THMT.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

2. 編製基準 (續)

該等債券可按換股價0.041港元轉換為1,463,414,634股康健醫療科技股份。待轉換債券後，本集團將收購康健醫療科技55.79%擁有權益及有關投票權。於結算日，由於債券可即時轉換，本集團可對康健醫療科技之財務及經營政策行使控制權，因此康健醫療科技已綜合入賬列作本集團之附屬公司。

3. 採納新訂香港財務報告準則

於本年度，本集團首次應用由香港會計師公會（「香港會計師公會」）頒佈的多項新訂香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋（以下統稱「新訂香港財務報告準則」）。新訂香港財務報告準則於二零零五年一月一日或之後開始的會計期間起生效。應用新訂香港財務報告準則導致綜合收益表、綜合資產負債表及綜合權益變動表的呈列方式有變，尤其少數股東權益及攤佔聯營公司稅項的呈報方式已改變。呈列方式的變動已追溯應用。採納新訂香港財務報告準則導致本集團以下方面的會計政策出現變動，而有關變動對現有或過往會計年度業績的編製及呈列方式造成影響：

2. BASIS OF PREPARATION
(Continued)

The bonds are convertible into 1,463,414,634 shares at a conversion price of HK\$0.041. Upon conversion of the bonds, the Group will acquire 55.79% of ownership interest and as a consequence voting rights in THMT. As at the balance sheet date the Group had the ability to exercise control over the financial and operating policies of THMT as the bonds were currently convertible. Accordingly THMT has been consolidated as a subsidiary of the Group.

3. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRS"s), Hong Kong Accounting Standards ("HKAS"s) and Interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are effective for accounting periods beginning on or after 1st January, 2005. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and consolidated statement of changes in equity. In particular, the presentation of minority interests and share of tax of associates, have been changed. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have an effect on how the results for the current and prior accounting years are prepared and presented:



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3. 採納新訂香港財務報告準則 (續)

業務合併

於本年度，本集團採納香港財務報告準則第3號「業務合併」(「香港財務報告準則第3號」)，其對協議日期為二零零五年一月一日或以後之業務合併及對於二零零五年一月一日或以前已存在之商譽和負商譽具有效力。應用香港財務報告準則第3號之過渡性條文對本集團之主要影響概述如下：

商譽

於過往年度，因收購所產生之商譽將會資本化及按其估計可使用年期攤銷。本集團已應用香港財務報告準則第3號之相關過渡性條文。就收購附屬公司產生之商譽(其獨立呈列於資產負債表)及收購聯營公司產生之商譽(其計入聯營公司之賬面值)，本集團已於二零零五年四月一日撤銷有關累計攤銷之賬面值，而商譽成本亦已相應減少(見附註21和22)。本集團由二零零五年四月一日起不再攤銷有關商譽，而商譽會最少每年進行一次減值測試。於二零零五年一月一日後因收購所產生之商譽乃按於初步確認後之成本減累計減值虧損(如有)計量。因此項會計政策之變動，致使本年度不再計算任何商譽攤銷。二零零五年度之比較數字並無重列(有關財務影響見附註3A)。

3. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Business Combinations

In the current year, the Group has applied HKFRS 3 "Business Combinations" ("HKFRS 3") which is effective for business combination for which the agreement date is on or after 1st January, 2005 and for goodwill and negative goodwill existed on or before 1st January, 2005. The principal effects of the application of transitional provision of HKFRS 3 to the Group are summarised below:

Goodwill

In previous years, goodwill arising on acquisition was capitalised and amortised over its estimated useful life. The Group has applied the relevant transitional provisions in HKFRS 3. With respect to goodwill arising on acquisitions of subsidiaries presented separately in the balance sheet and goodwill arising on acquisitions of associates included within the carrying amount of the associates. The Group on 1st April, 2005 eliminated the carrying amount of the related accumulated amortisation with a corresponding decrease in the cost of goodwill (see Notes 21 and 22). The Group has discontinued amortising such goodwill from 1st April, 2005 onwards and such goodwill will be tested for impairment at least annually. Goodwill arising on acquisition after 1st January, 2005 is measured at cost less accumulated impairment losses (if any) after initial recognition. As a result of this change in accounting policy, no amortisation of goodwill has been charged in the current year. Comparative figures for 2005 have not been restated (see Note 3A for the financial impact).



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3. 採納新訂香港財務報告準則 (續)

金融工具

於本年度，本集團已採用香港會計準則第32號「金融工具：披露及呈報」（「香港會計準則第32號」）及香港會計準則第39號「金融工具：確認及計算」（「香港會計準則第39號」）。香港會計準則第32號規定追溯應用。香港會計準則第39號於二零零五年一月一日或之後開始的年度期間生效，一般不會按追溯基準確認、解除確認或計算金融資產及負債。採納香港會計準則第32號及第39號對本集團的主要影響概述如下：

可換股債券

香港會計準則第32號對本集團之主要影響乃與本公司所發行之可換股債券（同時含有負債及股權部份）有關。以往，可換股債券乃於資產負債表上歸類為負債。香港會計準則第32號規定，包含金融負債及股權部份的綜合金融工具的發行人，於初步確認時須將綜合金融工具分為負債及股權部份，並將該等部份分開入賬。於往後期間，負債部份採用實際利息法按攤銷成本入賬。

3. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Financial instruments

In the current year, the Group has applied HKAS 32 *Financial Instruments: Disclosure and Presentation* ("HKAS 32") and HKAS 39 *Financial Instruments: Recognition and Measurement* ("HKAS 39"). HKAS 32 requires retrospective application. HKAS 39, which is effective for annual periods beginning on or after 1st January, 2005, generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis. The principal effects resulting from the implementation of HKAS 32 and HKAS 39 are summarised below:

Convertible bonds

The principal impact of HKAS 32 on the Group is in relation to convertible bonds issued by the Company that contain both liability and equity components. Previously, convertible bonds were classified as liabilities on the balance sheet. HKAS 32 requires an issuer of a compound financial instrument that contains both financial liability and equity components to separate the compound financial instrument into the liability and equity components on initial recognition and to account for these components separately. In subsequent periods, the liability component is carried at amortised cost using the effective interest method.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3. 採納新訂香港財務報告準則 (續)

金融資產及金融負債之分類及計量

本集團已就屬香港會計準則第39號範圍內的金融資產及金融負債的分類及計量，應用香港會計準則第39號相關過渡性條文。

截至二零零五年三月三十一日止，本集團根據會計實務準則第24號「證券投資計算方法」（「會計實務準則第24號」）的基準方法分類及計量其股本證券投資。根據會計實務準則第24號，債務或股本證券投資按適當性質分類為「投資證券」、「其他投資」或「持有至到期日投資」。「投資證券」按成本扣除減值虧損（如有）列賬；而「其他投資」則以公平值計量，當中未變現收益或虧損乃計入損益。持有至到期日投資以攤銷成本扣除減值虧損（如有）列賬。自二零零五年四月一日起，本集團根據香港會計準則第39號分類及計量其股本證券投資。根據香港會計準則第39號，金融資產分類為「按公平值計入損益之金融資產」、「可出售金融資產」、「貸款及應收款項」或「持有至到期日之金融資產」。「按公平值計入損益之金融資產」及「可出售金融資產」均按公平值列賬，而公平值變動則分別於損益及股本確認。倘可出售股本投資並無活躍市場的掛牌報價及無

3. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Classification and measurement of financial assets and financial liabilities

The Group has applied the relevant transitional provisions in HKAS 39 with respect to the classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

By 31st March, 2005, the Group classified and measured its investment in equity securities in accordance with the benchmark treatment of Statement of Standard Accounting Practice 24 *Accounting for Investments in Securities* ("SSAP 24"). Under SSAP 24, investments in debt or equity securities are classified as "investment securities", "other investments" or "held-to-maturity investments" as appropriate. "Investment securities" are carried at cost less impairment losses (if any) while "other investments" are measured at fair value, with unrealised gains or losses included in profit or loss. Held-to-maturity investments are carried at amortised cost less impairment losses (if any). From 1st April, 2005 onwards, the Group has classified and measured its investment in equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as "financial assets at fair value through profit or loss", "available-for-sale financial assets", "loans and receivables", or "held-to-maturity financial assets". "Financial assets at fair value through profit or loss" and "available-for-sale financial assets" are carried at fair value, with changes in fair



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3. 採納新訂香港財務報告準則 (續)

金融資產及金融負債之分類及計量
(續)

法可靠計算其公平值，以及與該等並無掛牌的股本工具掛鉤並須以此作交收的衍生工具，於初步確認後均按成本扣除減值計算。「貸款及應收款項」及「持有至到期日之金融資產」於初步確認後以實際利息法按已攤銷成本列賬。

於二零零五年一月一日，本集團根據香港會計準則第39號之過渡性條文分類及計量其股本證券投資。本集團之證券投資已重新分類至「可出售投資」（有關財務影響見附註3A）。於二零零五年四月一日，分類之改變對本集團之保留溢利並無重大影響。

3. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Classification and measurement of financial assets and financial liabilities (Continued)

values recognised in profit or loss and equity respectively. Available-for-sale equity investments that do not have quoted market prices in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are measured at cost less impairment after initial recognition. "Loans and receivables" and "held-to-maturity financial assets" are measured at amortised cost using the effective interest method after initial recognition.

On 1st January, 2005, the Group classified and measured its investment in equity securities in accordance with the transitional provisions of HKAS 39. Investments in securities of the Group was reclassified to available-for-sale investments (see note 3A for the financial impact). The change in classification has no material effect on the Group's retained profit as at 1st April, 2005.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3. 採納新香港財務報告準則 (續)

債務及股本證券以外之金融資產及金融負債

於二零零五年四月一日以後，本集團根據香港會計準則第39號之規定分類及計量債務及股本證券以外之金融資產及金融負債（根據香港會計準則第39號，早前屬會計實務準則第24號「證券投資會計方法」範圍以外）。金融資產分類為「按公平值計入損益之金融資產」、「可出售金融資產」、「貸款及應收款項」或「持有至到期日之金融資產」。金融負債一般分類為「按公平值計入損益之金融負債」或「其他金融負債」。按公平值計入損益之金融負債按公平值計算，而公平值之變動直接於損益確認。其他金融負債在初步確認後以實際利息法按攤銷成本列值。

3. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Financial assets and financial liabilities other than debt and equity securities

From 1st April, 2005 onwards, the Group has classified and measured its financial assets and financial liabilities other than debt and equity securities (which were previously outside the scope of the SSAP 24 in accordance with the requirements of HKAS 39). Financial assets under HKAS 39 are classified as "financial assets at fair value through profit or loss", "available-for-sale financial assets", "loans and receivables" or "held-to-maturity financial assets". Financial liabilities are generally classified as "financial liabilities at fair value through profit or loss" or "other financial liabilities". Financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value being recognised in profit or loss directly. Other financial liabilities are carried at amortised cost using the effective interest method after initial recognition.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3. 採納新訂香港財務報告準則 (續)

業主佔用租賃土地權益

於過往年度，業主佔用租賃土地及樓宇乃列入物業、廠房及設備，按成本模式計算。於本年度，本集團已應用香港會計準則第17號「租約」。根據香港會計準則第17號，土地及樓宇租約項下土地及樓宇項目在對租約分類時分開考慮，惟租約款項不能於土地及樓宇項目之間可靠分配則除外。在此情況下，整項租約一般當作融資租約。在租約款項能夠於土地及樓宇項目之間可靠分配的情況下，土地的租賃權益重新分類為根據經營租約預付租約款項，按成本入賬，並於租約期內以直線法攤銷。本集團已追溯應用是項會計政策變動，其對本集團於二零零五年四月一日的保留溢利並無重大影響。

3. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Owner-occupied Leasehold Interest in Land

In previous years, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the cost model. In the current year, the Group has applied HKAS 17 "Leases". Under HKAS 17, the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. This change in accounting policy has been applied retrospectively and has no material effect on the Group's retained profits as at 1st April, 2005.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3. 採納新訂香港財務報告準則 (續)

投資物業

於本年度，本集團首次應用香港會計準則第40號「投資物業」(「香港會計準則第40號」)。本集團已選擇以公平值模式將投資物業入賬，有關模式規定投資物業公平值變動產生的收益或虧損直接於產生年度的損益賬確認。於過往年度，本集團並無投資物業。

股份形式付款

於本年度，本集團已應用香港財務報告準則第2號「股份形式付款」，規定當集團以股份或股份權利換取所購貨品或取得服務(「股權結算交易」)，或換取價值相當於指定數目股份或股份權利的其他等值資產(「現金結算交易」)，則須確認開支。香港財務報告準則第2號對本集團的主要影響，為就本公司董事及僱員獲授之本公司購股權按授出購股權當日釐定的公平值在歸屬期內列為開支項目。在應用香港財務報告準則第2號前，本集團並無確認該等購股權的財務影響，直至其獲行使為止。本集團已就二零零五年一月一日或以後授出的購股權應用香港財務報告準則第2號。由於本集團並無於二零零五年三月三十一日前授出任何購股權(但尚未於二零零五年四月一日前歸屬)及於截至二零零六年三月三十一日止年度並無授出任何購股權，因此，應用香港財務報告準則第2號對本集團於過往年度及本年度均並無重大影響。

3. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Investment Properties

In the current year, the Group has, for the first time, applied HKAS 40 "Investment Property" ("HKAS 40"). The Group has elected to use the fair value model to account for its investment properties which requires gains or losses arising from changes in the fair value of investment properties to be recognised directly in profit or loss for the year in which they arise. In previous years, the Group has no investment properties.

Share-based Payments

In the current year, the Group has applied HKFRS 2 "Share-based Payment" which requires an expense to be recognised where the Group buys goods or obtains services in exchange or shares or rights over shares ("equity-settled transactions"), or in exchange for other assets equivalent in value to a given number of shares or rights over shares ("cash-settled transactions"). The principal impact of HKFRS 2 on the Group is in relation to the expensing of the fair value of share options granted to directors and employees of the Company, determined at the date of grant of the share options, over the vesting period. Prior to the application of HKFRS 2, the Group did not recognise the financial effect of these share options until they were exercised. The Group has applied HKFRS 2 to share options granted on or after 1st January, 2005. Since the Group did not grant any share options before 31st March, 2005 but not yet vested before 1st April, 2005 and during the year ended 31st March, 2006 and therefore, the application of HKFRS 2 has no significant impact to the Group in prior and current year.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3A. 會計政策變動的影響摘要

上述之會計政策變動對現有年度業績的影響如下：

可換股債券負債 部份之實際 利息支出增加	Increase in effective interest expenses on the liability component of convertible bonds
投資物業之 公平值增加	Increase in fair value of investment properties
取消商譽攤銷	Non-amortisation of goodwill
取消聯營公司 商譽攤銷	Non-amortisation of goodwill of associates
本年度溢利增加	Increase in profit for the year

按各項目功能呈列該等分項應佔本年度的溢利增加數額的分析：

投資物業之 公平值增加	Increase in fair value of investment Properties
行政開支減少	Decrease in administrative expenses
融資成本增加	Increase in finance costs

3A. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The effects of the changes in the accounting policies described above on the results for the current year are as follows:

2006 港元 HK\$	2005 港元 HK\$
(1,272,958)	—
3,781,630	—
6,122,872	—
2,760,138	—
11,391,682	—

Analysis of increase in profit for the year by line items presented according to their functions:

2006 港元 HK\$	2005 港元 HK\$
3,781,630	—
8,883,010	—
(1,272,958)	—
11,391,682	—



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3A. 會計政策變動的影響摘要 (續)

應用新訂香港財務報告準則於二零零五年三月三十一日及二零零五年四月一日的累計影響概述如下：

3A. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (Continued)

The cumulative effects of the application of the new HKFRSs as at 31st March, 2005 and 1st April, 2005 are summarised below:

		於二零零五年 三月三十一日 (按原列)		於二零零五年 三月三十一日 (經重列)		於二零零五年 四月一日 (經重列)	
		調整		調整		調整	
		As at 31st March, 2005		As at 31st March, 2005		As at 1st April, 2005	
		(originally stated)	Adjustments	(as restated)	Adjustments	(as restated)	
		港元	港元	港元	港元	港元	
		HK\$	HK\$	HK\$	HK\$	HK\$	
<u>香港會計準則</u>		<u>Impact of HKAS 17</u>					
<u>第17號之影響</u>							
物業、廠房及設備	Property, plant and equipment	25,839,875	(10,673,267)	15,166,608	-	15,166,608	
預付租金	Prepaid lease payments	-	10,673,267	10,673,267	-	10,673,267	
<u>香港會計準則</u>		<u>Impact of HKAS 39</u>					
<u>第39號之影響</u>							
證券投資	Investments in securities	3,657,952	-	3,657,952	(3,657,952)	-	
可出售投資	Available-for-sale investments	-	-	-	3,657,952	3,657,952	
對資產之總體影響		29,497,827	-	29,497,827	-	29,497,827	

應用新訂香港財務報告準則對本集團於二零零四年四月一日之權益並無影響。

The application of the new HKFRSs has no effect to the Group's equity on 1st April, 2004.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3A. 會計政策變動的影響摘要 (續)

本集團並無提早採納以下已經頒佈但尚未生效的新準則、修訂及詮釋。本公司董事預期，採納此等新準則、修訂或詮釋不會對本集團的綜合財務報表構成重大影響。

香港會計準則 第1號(修訂本)	資本披露 ¹
香港會計準則 第19號(修訂本)	精算收益及 虧損、集團 計劃及披露 ²
香港會計準則 第21號(修訂本)	外國業務 淨投資 ²
香港會計準則 第39號(修訂本)	估算集團內 公司間交易 之現金流量 對沖會計法 ²
香港會計準則 第39號(修訂本)	公平值選擇權 ²
香港會計準則 第39號及香港 財務報告準則 第4號(修訂本)	財務擔保合約 ²
香港財務報告 準則第6號	礦物資源之 勘探及評估 ²
香港財務報告 準則第7號	金融工具： 披露 ¹
香港(國際財務報告 詮釋委員會) — 詮釋4	釐定一項安排 是否含有租約 ²

3A. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (Continued)

The Group has not early applied the following new standards, amendments and interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these new standards, amendments or interpretations will have no material impact on the consolidated financial statements of the Group.

HKAS 1 (Amendment)	Capital disclosures ¹
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures ²
HKAS 21 (Amendment)	Net investment in a foreign operation ²
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions ²
HKAS 39 (Amendment)	The fair value option ²
HKAS 39 & HKFRS 4 (Amendments)	Financial guarantee contracts ²
HKFRS 6	Exploration for and evaluation of mineral resources ²
HKFRS 7	Financial instruments: Disclosures ¹
HK(IFRIC) – INT 4	Determining whether an arrangement contains a lease ²



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

3A. 會計政策變動的影響摘要 (續)

香港(國際財務報告 詮釋委員會) — 詮釋5	退役、復原及 環境修復基金 所產生之權益 權利 ²
香港(國際財務報告 詮釋委員會) — 詮釋6	因參與特定 市場—廢棄 電器及電子 設備所產生 負債 ³
香港(國際財務報告 詮釋委員會) — 詮釋7	採用香港會計 準則第29號 「在惡性通貨 膨脹經濟中的 財務匯報」的 重列法則 ⁴
香港(國際財務報告 詮釋委員會) — 詮釋8	香港財務報告 準則第2號 之範圍 ⁵
香港(國際財務報告 詮釋委員會) — 詮釋9	再評估附帶 衍生工具 ⁶

- ¹ 於二零零七年一月一日或以後開始的年度期間生效。
- ² 於二零零六年一月一日或以後開始的年度期間生效。
- ³ 於二零零五年十二月一日或以後開始的年度期間生效。
- ⁴ 於二零零六年三月一日或以後開始的年度期間生效。
- ⁵ 於二零零六年五月一日或以後開始的年度期間生效。
- ⁶ 於二零零六年六月一日或以後開始的年度期間生效。

3A. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (Continued)

HK(IFRIC) – INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds ²
HK(IFRIC) – INT 6	Liabilities arising from participating in a specific market – waste electrical and electronic equipment ³
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ⁴
HK(IFRIC) – INT 8	Scope of HKFRS 2 ⁵
HK(IFRIC) – INT 9	Reassessment of embedded derivatives ⁶

- ¹ Effective for annual periods beginning on or after 1st January, 2007.
- ² Effective for annual periods beginning on or after 1st January, 2006.
- ³ Effective for annual periods beginning on or after 1st December, 2005.
- ⁴ Effective for annual periods beginning on or after 1st March, 2006.
- ⁵ Effective for annual periods beginning on or after 1st May, 2006.
- ⁶ Effective for annual periods beginning on or after 1st June, 2006.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策

除投資物業及若干金融工具按公平值計量(參下文會計政策的解釋)外,綜合財務報表根據歷史成本法編製。

綜合財務報表根據香港會計師公會頒佈的香港財務報告準則編製。此外,綜合財務報表亦載入聯交所創業板證券上市規則及香港公司條例所規定的適用披露資料。

綜合賬目基準

綜合財務報表包括本公司及其附屬公司的財務報表。

於年內收購或出售的附屬公司的業績,乃按收購生效日期起計算或計至出售生效日期止(按適用情況而定)計入綜合收益表內。

集團內公司之間所有交易、結餘、收入及開支已於綜合賬目時抵銷。

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost basis except for the investment properties and certain financial instruments, which are measured at fair value, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM Board of the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

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 intra-group transactions, balances, income and expenses are eliminated on consolidation.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

綜合賬目基準 (續)

綜合附屬公司淨資產內的少數股東所佔權益與本集團所佔的權益分開列賬。少數股東於淨資產的權益包括該等權益於原業務合併日期的數額及少數股東應佔該合併日期以後的股本變動。適用於少數股東的虧損超出於附屬公司股權的少數股東權益的數額將與本集團的權益作出分配，惟少數股東具約束力責任及可以額外投資補足虧損者除外。

業務合併

收購附屬公司乃以購入法列賬。收購成本乃按特定資產於交換日期之公平值、本集團就換取被收購公司之控制權而產生或承擔之負債及所發行之股本工具三者總和，另加業務合併直接應佔之任何成本而計量。被收購公司符合香港財務報告準則第3號所載確認條件之可辨識資產、負債及或然負債乃按收購日期之公平值確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 are recognised at their fair values at the acquisition date.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

業務合併 (續)

收購所產生之商譽乃確認為資產，並初步按成本(即業務合併成本高於本集團於所確認可辨識資產、負債及或然負債中之淨公平值權益的數額)計量。倘於重新評估後，本集團於被收購公司之可辨識資產、負債及或然負債中之淨公平值權益高於業務合併成本，則高出數額會即時確認於損益表內。

少數股東於被收購公司之權益初步按少數股東於所確認資產、負債及或然負債中之淨公平值比例計量。

商譽

於二零零五年一月一日前因收購所有之商譽

因收購附屬公司所有之商譽(收購之協議日期為二零零五年一月一日或之前)，乃指在收購日期收購成本超出本集團於有關附屬公司可識別資產及負債中之權益公平價值之差額。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit and loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill

Goodwill arising on acquisition before 1st January, 2005

Goodwill arising on acquisition of a subsidiary for which the agreement date is before 1st January, 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary at the date of acquisition.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

商譽 (續)

就先前已資本化之商譽而言，本集團已從二零零五年四月一日開始停止攤銷，而有關商譽會每年和每當有跡象顯示商譽相關的創現單位可能出現減值時進行減值測試。

於二零零五年一月一日或之後因收購所得之商譽

因收購附屬公司或聯營公司所得之商譽(收購之協議日期為二零零五年一月一日或之後)，乃指在收購日期收購成本超出本集團於有關附屬公司之可識別資產、負債及或然負債公平價值之差額。有關商譽乃按成本減累計減值虧損列賬。

收購附屬公司產生之資本化商譽於資產負債表內獨立呈列。收購聯營公司(以權益法入賬)產生之資本化商譽計入有關聯營公司之投資成本內。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

For previously capitalised goodwill, the Group has discontinued amortisation from 1st April, 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash-generating unit to which the goodwill related may be impaired.

Goodwill arising on acquisition on or after 1st January, 2005

Goodwill arising on an acquisition of a subsidiary or an associate for which the agreement date is on or after 1st January, 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiary at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the balance sheet. Capitalised goodwill arising on an acquisition of an associate (which is accounted for using the equity method) is included in the cost of the investment of the associate.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

商譽 (續)

於二零零五年一月一日或之後因收購所得之商譽 (續)

就減值測試而言，因收購附屬公司所得之商譽會分配至預期自收購所產生協同效益之有關創現單位或創現單位組別。商譽所獲分配之創現單位會每年進行減值測試，或於有跡象顯示該單位可能出現減值時進行減值測試。就因某個財政年度因收購所得之商譽而言，商譽所獲分配之創現單位會於該財政年度結束前進行減值測試。倘創現單位之可收回數額少於其賬面值，則減值虧損會先用作減低任何分配至該單位之商譽之賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。商譽減值虧損乃直接於收益表內確認，商譽減值虧損不會於往後期間撥回。

收購聯營公司之商譽納入於聯營公司權益之賬面值，並於有跡象顯示聯營公司權益可能出現減值時進行減值測試。

於往後出售之附屬公司，資本化商譽應佔金額會用作釐定出售損益數額。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

Goodwill arising on acquisition on or after 1st January, 2005 (Continued)

For the purposes of impairment testing, goodwill arising from an acquisition of subsidiary is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the income statement. An impairment loss for goodwill is not reversed in subsequent periods.

Goodwill on acquisition of associates is included in the carrying amount of interest in associates and is tested for impairment whenever there are indications that interest in associates may be impaired.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

商譽 (續)

於二零零五年一月一日或之後因收購所得之商譽 (續)

收購附屬公司額外權益乃按歷史成本記錄，而收購成本高於所收購資產淨值之賬面值之數額乃確認為商譽。

於聯營公司之投資

聯營公司之業績及資產負債乃按權益會計法納入綜合財務報表內。根據權益法，於聯營公司之投資乃按成本另就本集團攤佔聯營公司之損益及權益變動於收購後之變動調整，減任何已識別減值虧損列於綜合資產負債表。當本集團攤佔聯營公司之虧損等同或超過其於該聯營公司之權益，本集團不再確認其攤佔之進一步虧損。額外攤佔虧損會提撥準備及確認為負債，惟僅以本集團已招致之法定或推定責任或代表該聯營公司支付之款項為限。

當集團個體與本集團之聯營公司進行交易，損益會互相抵銷，數額以本集團於有關聯營公司之權益為限。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

Goodwill arising on acquisition on or after 1st January, 2005 (Continued)

Acquisition of additional interests in subsidiaries is recorded at historical cost and the excess of the cost of acquisition over the carrying amounts of net assets acquired is recognised as goodwill.

Interests in associates

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate, the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

收益確認

收益按已收或應收代價之公平值計量。

西醫及牙醫診金收入在提供有關服務時確認入賬。

與提供醫療保健服務有關之管理及行政服務費在提供該等服務時確認入賬。

許可費收入乃參考有關協議之條款確認入賬。

保健、藥劑產品及外科手術儀器銷售於交付貨品及擁有權轉移時確認入賬。

餐廳業務之銷售收入在向顧客提供有關服務時確認入賬。

金融資產之利息收入乃參考尚餘本金額及適用實際利率(即於金融資產預期年期內將估計未來現金收款貼現至該資產之淨賬面值之比率)並以時間基準累計。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue is measured at the fair values of consideration received or receivable.

Medical and dental consultation income is recognised when the related services are rendered.

Management and administrative service fee income in relation to provision of healthcare services is recognised when services are rendered.

Licence fee income is recognised with reference to the terms of the relevant agreements.

Sales of healthcare, pharmaceutical products and surgical equipment are recognised when goods are delivered and title has passed.

Sales revenue from restaurant operations are recognised when services are rendered to customers.

Interest income from a financial asset is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

收益確認 (續)

來自投資項目之股息收入乃於本集團收取股息之權利確立後確認入賬。

其他診療費收入在提供有關服務時確認入賬。

物業、廠房及設備

物業、廠房及設備乃按成本值減累積折舊及累積減值虧損列賬。

資產乃以直線法按預計可使用年期撇銷其成本值作出折舊撥備。

物業、廠房及設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時解除確認。解除確認資產的任何損益(按出售所得款項淨額與該項目的賬面值之間的差額計算)在項目解除確認的年度計入綜合收益表。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

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

Other consultancy fee income is recognised when the related services are rendered.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of the assets over their estimated useful lives, using the straight-line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

物業、廠房及設備 (續)

倘租賃土地及樓宇正在興建物業以作生產、出租或行政用途，該租賃土地部分則列作預付租金，並以直線法按租期攤銷。樓宇自其可供使用(即其達到可按管理層原定構思運作的位置及狀況)開始折舊。

投資物業

於初步確認時，投資物業按成本(包括任何直接應佔費用)計量。於初步確認後，投資物業採用公平價值模式計量。因投資物業之公平價值變動而產生之盈虧於變動產生期間計入盈利或虧損。

投資物業乃於出售後或在投資物業永久不再使用或預期出售物業不會產生未來經濟利益時取消確認。於取消確認該資產時產生的任何損益(以出售所得款項淨額與該資產的賬面值的差額計算)乃計入於該項目取消確認的年度的綜合收益表內。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

When the leasehold land and buildings are in the course of development for production, rental or for administrative purposes, the leasehold land component is classified as a prepaid lease payment and amortised over a straight-line basis over the lease term. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

Investment properties

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement in the year in which the item is derecognised.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

借貸成本

收購、建造或生產合資格資產直接應佔之借貸成本乃資本化為該等資產之部份成本。當資產其後可供用作擬定用途或出售時，該等借貸成本將不再資本化。特定借貸有待用作合資格資產之開支前用作暫時投資所賺得之投資收入會自合資格資本化之借貸成本中扣除。

所有其他借貸成本乃於產生時於期內之損益表確認。

減值(商譽除外)

本集團於各結算日審核其資產之賬面值，衡量是否有跡象顯示該等資產已出現減值虧損。倘估計資產之可收回數額低於其賬面值，則會將資產賬面值降至可收回數額。減值虧損隨即確認為開支。

倘其後減值虧損撥回，則資產之賬面值將增至重新估計之可收回數額，惟增加後之賬面值不得超過假設並無於過往年度就資產確認減值虧損而釐定之賬面值。減值虧損之撥回會即時確認為收入。

存貨

存貨乃按成本及可變現淨值兩者之較低者入賬。成本乃按加權平均法計算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of 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 of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Impairment (other than goodwill)

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amounts, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense 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 an income immediately.

Inventories

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



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

租賃

凡租約條款訂明有關資產擁有權的絕大部分風險及回報均轉移至承租人，則有關租約列為融資租約，除此之外所有其他租約分類為經營租約。

租賃

本集團作為出租人

經營租約項下的租金收入以直線法於相關租期確認記入綜合收益表。磋商及安排經營租賃直接產生的初始成本計入出租資產的面值，並以直線法在租期確認為開支。

本集團作為承租人

經營租約項下的應付租金以直線法在有關租期內於損益賬扣除。作為訂立經營租約獎勵的已收及應收利益以直線法在租期內扣減租金開支。

退休福利成本

國家管理之退休福利計劃及強制性公積金計劃之應付供款於到期支付時列為開支。向國家管理之退休福利計劃所作之供款，倘相關責任與界定供款退休福利計算相同，則列作向界定供款計劃作出供款處理。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leasing

The Group as lessor

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Retirement benefit costs

Payments to state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme are charged as expenses as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit plan.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

外幣

在編製各個別集團個體的財務報表時，以該個體的功能貨幣以外的貨幣（外幣）計價之交易按交易日期之匯率以其功能貨幣（即個體經營業務的主要經濟環境的貨幣）記錄。在每一個結算日，以外幣為單位之貨幣性項目均按結算日之匯率再換算。以公平值列值並以外幣計價的非貨幣性項目會按確定公平值日期的匯率再換算。以歷史成本計量並以外幣計價的非貨幣性項目不會再換算。

由於結算貨幣性項目及換算貨幣性項目而產生的匯兌差額，會在其形成的期間在損益中確認。再換算按公平值列值的非貨幣性項目所形成的匯兌差額包括於期間損益，但再換算損益直接在權益中確認損益的非貨幣性項目所形成的匯兌差額除外。在該情況下，匯兌差額亦直接在權益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences arising on the settlement of monetary items, and on the re-translation of monetary items, are recognised in profit or loss for the year. Exchange differences arising on the re-translation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the re-translation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss are also recognised directly in equity.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

外幣 (續)

於編製綜合財務報表時，本集團於中華人民共和國(「中國」)之業務之資產及負債，按結算日之匯率換算為本公司的列報貨幣(即港元)，而其收入及支出則按年內之平均匯率換算，除非匯率在期間內大幅波動，在該情況下，則使用交易日期的匯率。所產生之匯兌差額(如有)，分類為權益的獨立組成部分(匯兌儲備)。該等匯兌差額將於業務出售有關中國業務的期間內確認為損益。

稅項

稅項開支是指當期應付稅項及遞延稅項之總額。

當期應付稅項是根據本年度之應課稅溢利計算。應課稅溢利與綜合收益表上呈報之溢利不同，乃由於應課稅溢利不包括其他年期之應課稅收入或可扣稅支出，亦不包括收益表內不需課稅及不可扣稅之項目。本集團現時稅項負債以結算日已制訂或實際採用的稅率計算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations in the People's Republic of China ("PRC") are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such translation differences are recognised in profit or loss in the period in which the PRC operation is disposed of.

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 profit as reported in the consolidated 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.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

稅項 (續)

遞延稅項根據綜合財務報表資產及負債之賬面值及其用於計算應課稅溢利的相應稅基之間的差額而確認，並以資產負債表負債法計算。一般情況之下，所有因應課稅臨時差額而確認之遞延稅項負債均予確認，而遞延稅項資產則按將來應課稅溢利可用作抵銷可扣稅之臨時差額之限額內計算。如暫時性差額是由商譽或因初次確認某交易（業務合併除外）之其他資產及負債而產生，又不影響應課稅溢利及會計溢利，則不會確認此等遞延資產及負債。

遞延稅項資產賬面面值會於每個結算日審閱，並在應課稅溢利可能不足以收回該項資產之全部或部份時作出調減。

遞延稅項是根據預期負債償還或資產變現期間所適用之稅率計算。遞延稅項自綜合收益表中扣除或計入損益，惟倘遞延稅項與直接自股本中扣除或計入股本之項目相關，則遞延稅項將於股本中處理。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

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 realised. Deferred tax is charged or credited in the consolidated 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.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

金融工具

當集團個體成為工具合約條款的一方時，會在資產負債表上確認金融資產及金融負債。金融資產和金融負債在初始確認時會以公平值進行計量。直接歸屬於購置或發行金融資產和金融負債(按公平值計入損益之金融資產及金融負債除外)的交易費用在初始確認時計入或扣自各金融資產或金融負債(視何者適用而定)的公平值。直接歸屬於購置按公平值計入損益之金融資產或金融負債的交易費用立即在損益中確認。

貸款和應收款項

應收賬款及其他應收款項、應收聯營公司／被投資公司／關連人士／附屬公司少數股東款項及銀行結餘，均初步按公平值確認，其後則採用實際利息法以經攤銷成本計算。當有客觀證據顯示有關資產有所減值時，則會在綜合收益表中確認對估計不可收回金額作出的適當撥備。所確認的撥備為資產賬面值與估計未來現金流量按實際利率(根據初步確認計算)折現的現值之間的差額。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the income statement.

Loans and receivables

Trade and other receivables, amounts due from associates/investees/related parties/minority shareholders of subsidiaries, amount due from a director and bank balances are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in the consolidated income statement when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

金融工具 (續)

按公平值計入損益之金融資產

按公平值計入損益之金融資產有兩個次類別，包括持作買賣的金融資產和在初始確認時指定按公平值計入損益之金融資產。初始確認後在每個結算日，以公平值計量按公平值計入損益之金融資產，公平值變動在出現期間直接在損益確認。

可出售金融資產

可出售金融資產為指定為或並非分類為任何其他類別(見上文)之非衍生工具。至於並無於活躍市場有掛牌市價且公平值未能可靠地計量之可出售股本投資，則於初步確認後之各結算日按成本減去任何已認定之減值虧損計量。當有客觀憑證顯示資產出現減值時，減值虧損會於損益表確。減值虧損數額乃計量作資產賬面值與按類似金融資產之現行市場回報率貼現之估計未來現金流量之現值兩者間的差額。該等減值虧損將不會於其後期間撥回。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss has two subcategories, including financial assets held for trading and those designated at fair value through profit or loss on initial recognition. At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories (set out above). For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not reverse in subsequent periods.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

金融工具 (續)

金融負債及權益

本集團發行的金融負債和權益性工具根據所訂立的合約安排的實質內容以及金融負債和權益性工具的定義而歸類。本集團的金融負債一般歸類為其他金融負債。就金融負債和權益性工具採納的會計政策載於下文。

權益性工具指能證明擁有集團在減除其所有負債後的資產中的餘剩權益的任何合約。

其他金融負債

應付賬款及其他應付款項、應收附屬公司少數股東款項及銀行及其他借貸其後運用實際利率法以經攤銷成本計量。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. The Group's financial liabilities are generally classified as other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Other financial liabilities

Trade and other payables, amounts due to minority shareholders of subsidiaries and bank and other borrowings are subsequently measured at amortised cost, using the effective interest method.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

金融工具 (續)

可換股債券

本集團發行同時包含金融負債及股權部份的可換股債券，於初步確認時須分別歸類為負債及股權部份。初步確認時，負債部份的公平值按類似的不可換股債務按當時市場利息釐定。發行可換股債券的收益與劃定為負債部份的公平值之間的差額，即是持有人可轉換貸款票據為股權的內含認購權，乃計入股權（可換股債券股本儲備）。

於往後期間，可換股債券的負債部份乃採用實際利率法攤銷成本列賬。股權部份（即可將負債部份轉換為本公司普通股的期權）將仍然記入可換股債券權益儲備，直至內含期權獲行使為止（屆時在可換股債券權益儲備內所列結餘將解除並轉入保留溢利）。倘於到期日期權仍未行使，可換股債券權益儲備的結餘則會撥至保留溢利。期權兌換或到期時將不會於綜合收益表中確認任何盈虧。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Convertible bonds

Convertible bonds issued by the Group that contain both financial liability and equity components are classified separately into respective liability and equity components on initial recognition. On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the embedded option for the holder to convert the loan notes into equity, is included in equity (convertible bonds equity reserve).

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in convertible bonds equity reserve until the embedded option is exercised (in which case the balance stated in convertible bonds equity reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible bonds equity reserve will be released to retained earnings. No gain or loss is recognised in the consolidated income statement upon conversion or expiration of the option.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

金融工具 (續)

可換股債券 (續)

與發行可換股債券相關之交易成本(如有)乃按所得款項之劃分比例分配至負債及股權部份。與股權部份相關之交易成本乃直接計入股權內。與負債部份相關之交易成本乃計入負債部份之賬面值，並按可換股債券之期限採用實際利率法攤銷。

股本權益工具

本公司發行之股本權益工具乃按實得款項(扣除直接發行成本)入賬。

解除確認

當從資產收取現金流的權利屆滿時，或金融資產已轉讓而本集團實質上已將與金融資產有關的所有權幾乎全部風險和報酬轉移，即會解除確認該項金融資產。一旦解除確認金融資產，資產的賬面值與收到的代價與已直接在權益中確認的累積損益之總和兩者的差額會在損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Convertible bonds (Continued)

Transaction costs, if any that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

4. 主要會計政策 (續)

解除確認 (續)

當金融負債消除時(也就是說,當有關合約中規定的義務解除、取消或到期時),會將該項金融負債從本集團的資產負債表內剔除。解除確認的金融負債的賬面值與已付或應付的代價之間的差額會在損益中確認。

以股份為基礎之付款交易

以股本交收及以股份為基礎之付款交易

授予本公司僱員之購股權

經參考授出日期所授購股權之公平值釐定之已收服務公平值,乃於歸屬期間以直線法支銷,或於所授購股權即時歸屬時於授出日期全面確認為開支,權益(購股權儲備)則會相應增加。

當購股權獲行使時,早前於購股權儲備確認之數額將轉撥至股份溢價。當購股權被放棄或於屆滿日期未行使時,早前於權益(購股權儲備)確認之數額將轉撥至累計溢利。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition (Continued)

For financial liabilities, they are removed from the Group's balance sheet (i.e. when the obligation specified in the relevant contract is discharged, cancelled or expires). The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees of the Company

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, or recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share option reserve).

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited or are unexercised at the expiry date, the amount previously recognised in equity (share option reserve) will be transferred to accumulated profits.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

5. 估計涉及不確定性之主要來源

於應用本集團會計政策時，管理層根據過往經驗、對未來之期望及其他資料作出各種估計。而可能嚴重影響綜合財務報表所確認數額之估計涉及不確定因素主要來源披露如下：

商譽減值

釐定商譽是否出現減值時，需要估計商譽獲分配之創現單位之使用中價值。使用中價值計算需要本集團估計創現單位預期產生之未來現金流量，及合適貼現率，以計算現值。於二零零六年三月三十一日之商譽賬面值及可收回金額計算之詳情披露於附註21。

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies, management makes various estimates based on past experiences, expectations of the future and other information. The key sources of estimation uncertainty that may significantly affect the amounts recognised in the consolidated financial statements are disclosed below:

Impairment of goodwill

Determining whether goodwill are impaired requires an estimation of the value in use of the cash-generating units to which goodwill have been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. The carrying amount off goodwill at 31st March, 2006 and the details of the recoverable amount calculation are disclosed in note 21.



綜 合 財 務 報 表 附 註 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

5. 估計涉及不確定性之主要來源 (續)

應收賬款減值虧損

本集團有關應收款項呆賬之政策乃按管理層之判斷持續評估應收賬款之收回可能性及賬齡分析。評估該等應收款項最終收回可能性時需要作出大量判斷，包括個別客戶之信用情況及過往付款記錄，及以實際利率折算估計未來現金流量之現值。倘本集團客戶之財務狀況轉壞，損害彼等之付款能力，本集團或需作出額外減值虧損撥備。

6. 金融風險管理目標及政策

本集團主要金融工具包括應收賬款及其他應收款項、銀行結餘及現金、應付賬款及其他應付款項及借貸。此等金融工具之詳情於有關附註披露。與此等金融工具有關之風險及減低相關風險之政策載於下文。管理層管理及監控該等風險，確保及時採取有效適當措施。

5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Impairment loss on trade receivables

The policy for doubtful receivables of the Group is based on the ongoing evaluation of the collectability and aging analysis of the trade receivables and on the management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including creditworthiness, the past collection history of each customer and the present value of estimated future cash flows discounted at the effective interest rate. If the financial conditions of the customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment loss may be required.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include trade and other receivables, bank balances and cash, trade and other payables and borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

6. 金融風險管理目標
及政策 (續)

利率風險

本集團承受之利率變動風險主要來自其銀行結餘與其他借貸。以浮動利率計息之銀行結餘及銀行貸款令本集團面對現金流量利率風險。本集團銀行及其他借貸之詳細資料載於附註37。

本集團現在並無利率對沖政策。然而，管理層一直留意利率風險，如有需要，會考慮對沖其所面對之重大利率風險。

貨幣風險

本集團若干應收賬款及其他應收款項以外幣列值。本集團目前並無外匯對沖政策。然而，管理層監控外匯風險，並於有需要時考慮對沖重大外匯風險。

6. FINANCIAL RISK
MANAGEMENT OBJECTIVES
AND POLICIES (Continued)

Interest rate risk

The Group's exposure to changes in interest rates is mainly attributable to its bank balances and other borrowings. Bank balances and bank loans at variable rates expose the Group to cash flow interest-rate risk. Details of the Group's bank and other borrowings have been disclosed in note 37.

The Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Currency risk

Certain trade and other receivables of the Group are denominated in foreign currencies. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

6. 金融風險管理目標及政策 (續)

信貸風險

於二零零六年三月三十一日因交易方未能履行責任而使本集團承受最大的信貸風險，是綜合資產負債表內的應收賬款及其他應收款項的面值。為減低信貸風險，本集團管理層已委派隊伍負責釐定信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期債項。此外，本集團於各結算日檢討各個別貿易債項的可收回數額，以確保就未能收回數額確認足夠減值虧損。就此而言，本公司董事認為本集團信貸風險已大幅減少。

由於交易方均為高信用評級的銀行，故流動資金之信貸風險十分有限。

本集團並無重大集中信貸風險，所承受之信貸風險均分散於若干交易方及客戶。

價格風險

本集團持作出售之投資於各結算日按公平值計量。因此，本集團面對股本證券價格風險。管理層有意透過執行維持具有不同風險特點之投資組合之政策，以管理此項風險。

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31st March, 2006 is the carrying amount of trade receivables as stated in the consolidated balance sheet. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Price risk

The Group's investments held for trading are measured at fair value at each balance sheet date. Therefore, the Group is exposed to equity security price risk. The management intended to manage this exposure by implementing a policy to maintain a portfolio of investments with different risk profiles.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

7. 營業額及分類資料

營業額乃指自第三方已收及應收款項淨額之總額概列如下：

提供醫療保健及牙科服務	Provision of healthcare and dental services
銷售保健產品	Sales of healthcare and pharmaceutical products
及藥品	
銷售心臟科及周邊血管	Sales of cardiology and peripheral
相關外科手術儀器	vascular related surgical equipment
其他	Others

為方便管理，本集團現將業務分為四大經營分部：分別為(1)提供醫療保健及牙科服務、(2)銷售保健產品及藥品，(3)銷售心臟科及周邊血管相關外科手術儀器，及(4)其他。此等分部為本集團呈報其主要分類資料之基礎。

7. TURNOVER AND SEGMENT INFORMATION

Turnover represents the aggregate of the net amounts received and receivable from third parties and is summarised as follows:

2006	2005
港元	港元
HK\$	HK\$
137,037,105	113,317,654
16,701,566	15,911,464
56,545,860	50,306,819
20,894,831	—
231,179,362	179,535,937

For management purposes, the Group is currently organised into four major operating divisions – (1) provision of healthcare and dental services, (2) sales of healthcare and pharmaceutical products and (3) sales of cardiology and peripheral vascular related surgical equipment, and (4) others. These divisions are the basis on which the Group on which the Group reports its primary segment information.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

7. 營業額及分類資料 (續)

- * 提供醫療保健及牙科服務 — 經營本集團之西醫及牙醫診所、向私家醫生及牙醫提供管理及行政服務以及授出「康健醫務中心」名稱之許可。

- * 出售保健產品及藥品 — 銷售保健產品及藥品，包括醫療用放射性同位素。

- * 出售心臟科及周邊血管相關外科手術儀器 — 向醫院、醫療機構及醫生銷售心臟科及周邊血管相關外科手術儀器

- * 其他 — 膳食服務及銷售成衣

7. TURNOVER AND SEGMENT INFORMATION (Continued)

- * Provision of healthcare and dental services — Operations of the Group's medical and dental practices, provision of management and administrative services to private medical and dental practitioners and licensing of the name "Town Health Centre".

- * Sales of healthcare and pharmaceutical products — Sales of healthcare and pharmaceutical products including radioactive isotopes for medical uses.

- * Sales of cardiology and peripheral vascular related surgical equipment — Sales of cardiology and peripheral vascular related surgical equipment to hospitals, medical institutions and medical practitioners.

- * Others — Catering services and sales of garment.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

7. 營業額及分類資料 (續)

7. TURNOVER AND SEGMENT INFORMATION (Continued)

業務分類

Business segments

		提供醫療保健及牙科服務 Provision of healthcare and dental services		銷售保健產品及藥品 Sales of healthcare and pharmaceutical products		銷售心臟科及周邊血管相關外科手術儀器 Sales of cardiology and peripheral vascular related surgical equipment		其他 Others		總計 Total	
		2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$
營業額	TURNOVER	137,037,105	113,317,654	16,701,566	15,911,464	56,545,860	50,306,819	20,894,831	-	231,179,362	179,535,937
業績	RESULTS										
分類業績	Segment results	22,006,803	(38,830,673)	6,189,951	(4,442,853)	2,523,729	(1,251,590)	(2,970,941)	-	27,749,542	(44,525,116)
投資物業公平值增加	Increase in fair value of investment properties									3,781,630	-
未分配集團收入/(開支)	Unallocated corporate income/(expenses)									2,410,724	(3,710,819)
融資成本	Finance costs									(2,399,910)	(787,564)
攤薄及出售聯營公司之收益	Gain on dilution and disposal of associates									-	5,104,790
應佔聯營公司業績	Share of results of associates	(475,284)	707,028	-	-	-	-	-	-	(475,284)	707,028
部份出售一附屬公司之收益	Gain on partial disposal of a subsidiary									-	33,056
攤銷收購聯營公司所得商譽	Amortisation of goodwill arising on acquisitions of associates									-	(8,765,277)
確認收購聯營公司所得商譽之減值虧損	Improvement loss recognised in respect of goodwill arising on acquisitions of associates	(3,327,080)	(24,066,490)	-	-	-	-	-	-	(3,327,080)	(24,066,490)
應收聯營公司款項撥備	Allowances for amounts due from associates									-	(1,898,658)
除稅前溢利(虧損)	Profit (loss) before taxation									27,739,622	(77,909,050)
稅項	Taxation									(6,291,163)	(471,573)
年度溢利(虧損)	Profit (loss) for the year									21,448,459	(78,380,623)



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

7. 營業額及分類資料 (續)

7. TURNOVER AND SEGMENT INFORMATION (Continued)

業務分類 (續)

Business segments (Continued)

		提供醫療保健 及牙科服務 Provision of healthcare and dental services		銷售保健產品 及藥品 Sales of healthcare and pharmaceutical products		銷售心臟科及周邊血管 相關外科手術儀器 Sales of cardiology and peripheral vascular related surgical equipment		其他 Others		總計 Total	
		2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$	2006 港元 HK\$	2005 港元 HK\$
資產	ASSETS										
分類資產	Segment assets	136,226,974	50,603,950	24,867,142	22,927,903	53,451,410	45,639,167	90,293,765	-	304,839,291	119,171,020
於聯營公司之權益	Interests in associates	21,205,522	20,941,979	-	-	-	-	-	-	21,205,522	20,941,979
未分配資產	Unallocated assets									71,462,597	37,174,897
總資產	Total assets									397,507,410	177,287,896
負債	LIABILITIES										
分類負債	Segment liabilities	16,283,598	18,671,458	471,569	637,886	20,734,655	12,154,923	6,606,374	-	44,096,196	31,464,267
未分配負債	Unallocated liabilities									104,905,708	10,440,399
總負債	Total liabilities									149,001,904	41,904,666
其他資料	OTHER INFORMATION										
資本支出	Capital expenditure	46,322,975	7,009,077	289,715	94,994	204,979	25,152,044	2,157,655	-	48,975,324	32,256,115
物業、廠房及設備 之折舊	Depreciation of property, plant and equipment	3,489,931	14,388,587	1,677,533	2,352,048	624,051	1,814,236	342,515	-	6,134,030	18,554,871
攤銷收購附屬公司、 西醫及牙醫診所 所得商譽	Amortisation of goodwill arising on acquisitions of subsidiaries, medical and dental practices	-	4,231,204	-	929,660	-	2,668,017	-	-	-	7,828,881
就以下項目確認 之減值虧損：	Impairment loss recognised in respect of:										
- 收購附屬公司、 西醫及牙醫診所 所得商譽	- Goodwill arising on acquisitions of subsidiaries, medical and dental practices	-	15,643,743	-	-	-	3,593,118	-	-	-	19,236,861
- 收購聯營公司所得商譽	- Goodwill arising on acquisitions of associate	3,327,080	-	-	-	-	-	-	-	3,327,080	-



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

7. 營業額及分類資料 (續)

地區分類

本集團之業務位於香港及中國。提供醫療保健及牙科服務及銷售保健產品及藥品之業務乃於香港進行。銷售心臟科及周邊血管相關外科手術儀器之業務則於中國及香港進行。

以下列出本集團按地區市場分列之營業額分析(不論貨品／服務來源地)：

7. TURNOVER AND SEGMENT INFORMATION (Continued)

Geographical segments

The Group's operations are located in Hong Kong and the the PRC. Provision of healthcare and dental services and sales of healthcare and pharmaceutical products are carried out in Hong Kong. Sales of cardiology and peripheral vascular related surgical equipment are carried out in the PRC and Hong Kong.

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

		營業額 Turnover		佔除稅前溢利 (虧損) 份額 Contributions to profit (loss) before taxation	
		2006	2005	2006	2005
		港元	港元	港元	港元
		HK\$	HK\$	HK\$	HK\$
					(經重列) (restated)
香港	Hong Kong	183,710,985	135,112,625	25,284,446	(85,224,394)
中國	PRC	47,468,377	44,423,312	2,455,176	7,315,344
		<u>231,179,362</u>	<u>179,535,937</u>	<u>27,739,622</u>	<u>(77,909,050)</u>



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

7. 營業額及分類資料 (續)

地區分類 (續)

以下為按資產所在地區分析之分類資產之賬面值以及物業、廠房及設備之添置：

7. TURNOVER AND SEGMENT INFORMATION (Continued)

Geographical segments (Continued)

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

		分類資產之賬面值		資本開支	
		於三月三十一日		截至三月三十一日止年度	
		Carrying amount of segment assets		Capital expenditure	
		At 31st March,		For the year ended 31st March,	
		2006	2005	2006	2005
		港元	港元	港元	港元
		HK\$	HK\$	HK\$	HK\$
				(經重列)	(restated)
香港	Hong Kong	370,535,090	142,320,256	48,875,074	31,015,320
中國	PRC	26,972,320	34,967,640	100,250	1,240,795
		<u>397,507,410</u>	<u>177,287,896</u>	<u>48,975,324</u>	<u>32,256,115</u>



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

8. 其他收入

8. OTHER INCOME

		2006 港元 HK\$	2005 港元 HK\$
來自銀行存款之利息收入	Interest income from bank deposits	2,281,435	60,483
來自上市投資之股息收入	Dividend income from listed investments	2,700,265	140,884
出售持作買賣投資之收益	Gain on disposal of investments held for trading	92,575	868,314
租金收入	Rental income	664,548	—
持作買賣投資之公平值調整， 不包括股息收入	Fair value adjustment on investment held for trading, excluding dividend income	444,076	—
雜項收入	Sundry income	3,663,883	1,727,798
		9,846,782	2,797,479

9. 其他開支

9. OTHER EXPENSES

		2006 港元 HK\$	2005 港元 HK\$
就以下項目確認之減值虧損：	Impairment loss recognised in respect of:		
— 收購聯營公司所得商譽	— goodwill arising on acquisitions of associates	3,327,080	24,066,490
— 應收被投資公司款項	— amount due from investee	538,355	—
— 收購附屬公司、西醫及 牙醫診所所得商譽	— goodwill arising on acquisitions of subsidiaries, medical and dental practices	—	19,236,861
應收聯營公司款項撥備	Allowances for amounts due from associates	—	1,898,658
攤銷收購聯營公司所得商譽	Amortisation of goodwill arising on acquisitions of associates	—	8,765,277
		3,865,435	53,967,286



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

10. 融資成本

以下項目之利息：	Interest on:
– 須於五年內全數償還之銀行借貸	– Bank borrowings wholly repayable within five years
– 銀行透支	– Bank overdraft
– 可換股債券	– Convertible bonds

10. FINANCE COSTS

2006	2005
港元	港元
HK\$	HK\$
377,320	665,413
196,620	31,740
1,825,970	90,411
2,399,910	787,564

11. 攤薄及出售聯營公司收益

截至二零零五年三月三十一日止年度之款額，包括(i)以250,000港元之代價出售本集團於利廣貿易有限公司之全部25%權益之虧損；(ii)以1港元之代價出售本集團於協邦有限公司之全部25%權益之收益；及(iii)普施基因生物科技有限公司(「普施基因」)股份於二零零四年六月十八日在聯交所創業板上市時攤薄於普施基因7.8%權益之收益。

11. GAIN ON DILUTION AND DISPOSAL OF ASSOCIATES

The amounts for the year ended 31st March, 2005 comprised (i) the loss on disposal of the Group's entire 25% interest in Fortune Way Trading Limited at the consideration of HK\$250,000; (ii) the gain on disposal of its entire 25% interest in Smart Leading Limited at the consideration of HK\$1; and (iii) the gain on dilution of 7.8% interest in Plasmagene Biosciences Limited ("Plasmagene") upon the listing of Plasmagene's shares on the GEM Board of the Stock Exchange on 18th June, 2004.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

12. 董事酬金及僱員酬金

年內，本集團並無向董事支付酬金，作為加入或於加入本集團時之獎金或離職之補償。並無董事於年內放棄任何酬金。

個別執行及非執行董事及獨立非執行董事之薪酬詳情載列如下：

12. DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS

During the year, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

Details of emoluments of individual executive and non-executive and independent non-executive directors are set out as below:

		薪金及袍金	其他福利 Salaries and other benefits	表現花紅 Performance bonus (附註) (note)	退休福利 計劃供款 Retirement benefits scheme contributions	酬金總額 Total emoluments
		港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$
截至二零零六年 三月三十一日止年度	For the year ended 31st March, 2006					
執行董事	Executive directors					
曹貴子醫生	Dr. Cho Kwai Chee	-	1,440,000	3,350,000	12,000	4,802,000
馮耀棠醫生	Dr. Fung Yiu Tong, Benent	-	1,347,408	328,314	12,000	1,687,722
曹貴宜先生	Mr. Cho Kwai Yee, Kevin	1,031,970	-	-	-	1,031,970
		1,031,970	2,787,408	3,678,314	24,000	7,521,692
非執行董事	Non-executive directors					
陳金釗先生	Mr. Chan Kam Chiu	50,000	-	-	-	50,000
韋國洪太平紳士	Mr. Wai Kwok Hung	50,000	-	-	-	50,000
何國華先生	Mr. Ho Kwok Wah	25,000	-	-	-	25,000
蔡志明博士太平紳士	Dr. Frances Choi Chee Ming, JP	-	-	-	-	-
		125,000	-	-	-	125,000
總計	Total	1,156,970	2,787,408	3,678,314	24,000	7,646,692



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

12. 董事酬金及僱員酬金 (續) 12. DIRECTORS' EMOLUMENTS
AND EMPLOYEES'
EMOLUMENTS

		薪金及 袍金 Fees	其他福利 Salaries and other benefits	表現 花紅 Performance bonus (附註) (note)	退休福利 計劃供款 Retirement benefits scheme contributions	酬金總額 Total emoluments
					港元 HK\$	
截至二零零五年 三月三十一日止年度	For the year ended 31st March, 2005					
執行董事	Executive directors					
曹貴子醫生	Dr. Cho Kwai Chee	—	3,853,158	5,160,000	12,000	9,025,158
馮耀棠醫生	Dr. Fung Yiu Tong, Benent	—	1,022,000	2,345,272	12,000	3,379,272
曹金陸先生	Mr. Cho Kam Luk	—	3,000,000	—	—	3,000,000
曹貴宜先生	Mr. Cho Kwai Yee, Kevin	918,000	—	—	—	918,000
		918,000	7,875,158	7,505,272	24,000	16,322,430
非執行董事	Non-executive directors					
陳金釗先生	Mr. Chan Kam Chiu	50,000	—	—	—	50,000
韋國洪太平紳士	Mr. Wai Kwok Hung	50,000	—	—	—	50,000
何國華先生	Mr. Ho Kwok Wah	13,000	—	—	—	13,000
		113,000	—	—	—	113,000
總計	Total	1,031,000	7,875,158	7,505,272	24,000	16,435,430



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

13. 僱員酬金

五名最高薪酬人士中，其中兩名（二零零五年：兩名）為本公司執行董事，其酬金已載於上文附註12。餘下三名（二零零五年：三名）最高薪酬人士之酬金總額如下：

薪金及其他津貼	Salaries and other allowances
表現花紅（附註）	Performance bonus (note)
退休福利計劃供款	Retirement benefits scheme contributions

餘下三名（二零零五年：三名）最高薪酬人士之酬金介乎以下範圍：

1,500,001港元至2,000,000港元	HK\$1,500,001 to HK\$2,000,000
3,000,000港元至3,500,000港元	HK\$3,000,000 to HK\$3,500,000
4,000,000港元至4,500,000港元	HK\$4,000,000 to HK\$4,500,000
7,000,001港元至7,500,000港元	HK\$7,000,001 to HK\$7,500,000

13. EMPLOYEES' EMOLUMENTS

The aggregate emoluments of the five highest paid individuals included two (2005: two) executive directors of the Company, whose emoluments are included in note 12 above. The aggregate emoluments of the remaining three (2005: three) highest paid individuals are as follows:

2006 港元 HK\$	2005 港元 HK\$
3,419,500	2,160,000
1,532,021	12,533,405
36,000	36,000
4,987,521	14,729,405

The emoluments of the remaining three (2005: three) highest paid individuals were within the following bands:

2006 僱員人數 Number of employees	2005 僱員人數 Number of employees
3	—
—	1
—	1
—	1
3	3



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

13. 僱員酬金 (續)

年內，本集團並無向五名最高薪酬人士支付酬金，作為加入或於加入本集團時之獎金或離職之補償。

附註：根據各西醫／牙醫與本集團訂立之服務協議，醫生可獲得固定薪金及現金表現花紅，數額為醫生從提供服務之西醫或牙科診所所賺取之每月純利（或視情況而定，每月營業額）的若干百分比。該百分比乃參考醫生的資格和經驗，以及醫生執業之醫療中心之溢利水平而釐定。

13. EMPLOYEES' EMOLUMENTS (Continued)

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

Note: Pursuant to the service agreement entered into between each of the medical/dental practitioners and the Group, the practitioners are entitled to a fixed salary and cash performance bonus of such amount representing a certain percentage of the monthly net profit (or, as the case may be, the monthly turnover) generated by the medical or dental practices at which he provides his services. The percentage is determined with reference to the qualification and experience of the practitioners, as well as the profitability of the medical centres at which the practitioners are practicing.

14. 稅項

14. TAXATION

支出包括：	The charge comprises:
－本集團應佔	－ Hong Kong Profits Tax attributable
香港利得稅	to the Group
－往年撥備不足	－ Underprovision in prior year
遞延稅項(附註38)：	Deferred tax (note 38):
－本年度	－ Current year

香港利得稅乃以年度之估計應課稅溢利按17.5%(二零零五年：17.5%)計算。

遞延稅項之詳情載於附註38。

2006 港元 HK\$	2005 港元 HK\$ (重列) (restated)
1,765,527	393,816
2,042,042	(1,512)
2,483,594	79,269
6,291,163	471,573

Hong Kong Profits Tax is calculated at 17.5% (2005: 17.5%) of the estimated assessable profit for the year.

Details of deferred taxation are set out in note 38.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

14. 稅 項 (續)

年內稅項開支可與收益表所列稅前溢利(虧損)對賬如下：

14. TAXATION (Continued)

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

		2006 港元 HK\$	2005 港元 HK\$ (重列) (restated)
除稅前溢利(虧損)	Profit (loss) before taxation	27,739,622	(77,909,050)
按本地利得稅率17.5% (二零零五年：17.5%) 計算之稅項	Tax at the domestic income tax rate of 17.5% (2005: 17.5%)	4,854,434	(13,634,084)
釐定應課稅溢利時 不可扣稅開支之 稅務影響	Tax effect of expenses that are not deductible in determining taxable profit	2,911,825	11,170,047
釐定應課稅溢利時 毋須課稅收入之 稅務影響	Tax effect of income that are not taxable in determining taxable profit	(1,843,993)	(172,159)
未確認稅項虧損之 稅務影響	Tax effect of tax losses not recognised	754,441	4,068,948
應佔聯營公司業績之 稅務影響	Tax effect of share of results of associates	(83,175)	123,730
可扣減暫時性差異之 稅務影響	Tax effect of deductible temporary differences not recognised	687,832	298,111
運用先前未確認之 稅項虧損	Utilisation of tax losses not previously recognised	(3,032,243)	(1,381,508)
往年不足(超額)撥備	Under (over) provision in prior year	2,042,042	(1,512)
本年度稅項支出	Tax expense for the year	6,291,163	471,573



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

15. 本年度溢利(虧損)

15. PROFIT (LOSS) FOR THE YEAR

		2006 港元 HK\$	2005 港元 HK\$
年度溢利(虧損)	Profit (loss) for the year has been arrived		
已扣除下列項目：	at after charging:		
員工成本	Staff costs		
— 董事薪酬(附註12)	— Directors' remuneration (note 12)	7,646,692	16,435,430
— 其他員工成本	— Other staff costs	78,188,021	61,162,597
— 其他員工退休福利計劃供款	— Other staff's retirement benefits scheme contributions	1,804,220	1,028,572
— 遣散費	— Severance payment	—	12,600
		87,638,933	78,639,199
存貨撥備	Allowance for inventories	1,725,890	1,550,335
核數師酬金	Auditors' remuneration	2,065,420	973,600
已確認為支出之存貨成本	Cost of inventories recognised as expenses	55,412,957	47,752,292
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	6,134,030	18,554,871
應收賬款及其他應收款項之減值虧損	Impairment loss on trade and other receivables	2,537,632	2,157,545
出售物業、廠房及設備之虧損	Loss on disposal of property, plant and equipment	73,639	117,937
匯兌虧損淨額	Net loss on foreign exchange	—	13,676
發還預付租賃付款	Release of prepaid lease payments	169,616	186,771
應佔聯營公司稅項(計入應佔聯營公司業績)	Share of taxation of associates (included in share of results of associates)	934,097	583,961
及計入下列項目：	and after crediting:		
來自投資物業之總租金收入	Gross rental income from investment properties	737,795	—
減：產生租金收入之直接經營開支	Less: Direct operating expenses that generated rental income	(73,247)	—
來自投資物業之淨租金收入	Net rental income from investment properties	664,548	—
應收賬款減值虧損撥回	Write back of impairment loss on account receivables	2,398,978	—
呆滯存貨減值虧損撥回(附註)	Write back of impairment loss on slow moving inventories (note)	1,268,712	—
匯兌收益淨額	Net gain on foreign exchange	152,450	—

附註：由於減值存貨已於年內其後時間出售，故呆滯存貨減值虧損已撥回銷售成本。

Note: Write back of impairment loss on slow moving inventories to cost of sales as impaired inventories were subsequently sold during the year.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

16. 股息

16. DIVIDENDS

中期股息每股0.002港元 Interim dividend paid HK\$0.002 per share
(二零零五年：零港元) (2005: HK\$Nil)

2006	2005
港元	港元
HK\$	HK\$
9,993,188	—

17. 每股盈利(虧損)

17. EARNINGS (LOSS) PER SHARE

本公司普通股本持有人應佔每股基本
盈利(虧損)乃按以下基準計算：

The calculation of the basic earnings (loss) per share
attributable to the ordinary equity holders of the
Company is based on the following data:

就計算每股基本盈利 Earnings for the purpose
之盈利： of basic earnings per share:
本公司股權持有人 Profit (loss) for the year attributable to
應佔本年度溢利(虧損) equity holders of the Company

就計算每股基本盈利之 Weighted average number of ordinary shares
普通股加權平均數 for the purpose of basic earnings per share

2006	2005
港元	港元
HK\$	HK\$
20,030,499	(84,330,685)
4,527,985,666	1,326,342,601

計算每股攤薄盈利並無假設本公司之
未行使可換股債券獲轉換，此乃由於
行使可換股債券將增加每股溢利(二
零零五年：每股虧損減少)。

The computation of diluted earnings per share does
not assume the conversion of the Company's
outstanding convertible bonds since their exercise
would result in an increase in profit per share (2005:
decrease in loss per share).



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

17. 每股盈利(虧損)(續)

下表概述下列事項對每股基本盈利(虧損)之影響：

17. EARNINGS (LOSS) PER SHARE (Continued)

The following table summaries the impact on both basic earnings (loss) per share as a result of:

		對每股基本 盈利(虧損)之影響	
		Impact on basic earnings (loss) per share	
		截至二零零六年 三月三十一日 止年度 Year ended 31st March, 2006 港仙 HK cents	截至二零零五年 三月三十一日 止年度 Year ended 31st March, 2005 港仙 HK cents
調整前之數字	Figures before adjustments	0.19	(6.36)
會計政策變動所產生 之調整(見附註3A)	Adjustments arising from changes in accounting policies (see Note 3A)	0.25	—
已申報/經重列	Reported/restated	0.44	(6.36)



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

18. 投資物業

18. INVESTMENT PROPERTIES

港元

HK\$

公平值	FAIR VALUE	
於二零零五年四月一日	At 1st April, 2005	—
添置	Addition	25,814,100
收購附屬公司時所收購	Acquired on an acquisition of a subsidiary	4,000,000
於收益表確認公平值增加	Increase in fair value recognised in the income statement	3,781,630
由物業、廠房及設備轉撥	Transfer from property, plant and equipment	402,581
由預付租賃付款轉撥	Transfer from prepaid lease payments	1,826,689
		<hr/>
於二零零六年三月三十一日	At 31st March, 2006	<u>35,825,000</u>

於二零零六年三月三十一日，本集團之投資物業之公平值乃以獨立專業估值師譚希仲產業測計師有限公司於當日進行之估值為基準計算。譚希仲產業測計師有限公司為香港測量師學會（「香港測量師學會」）之會員。該估值符合香港測量師學會頒佈之香港測量師學會物業估值準則，並已參考類似物業之市場證據交易價。

投資物業乃按中期租約持有，且位於香港。所有本集團於根據經營租約持有以賺取租金或作資本增值之用之土地中之物業權益均用公平值模式計量及歸類及入賬列作投資物業。

The fair value of the Group's investment properties at 31st March, 2006 have been arrived at on the basis of a valuation carried out on that date by Larry H.C. Tam & Associates Ltd., independent professional valuers. Larry H.C. Tam & Associates Ltd. is a member of the Hong Kong Institute of Surveyors ("HKIS"). The valuation, which conforms to HKIS Valuation Standards on Properties published by the HKIS, was arrived at by reference to market evidence of transaction prices for similar properties.

The investment property was under medium term lease and situated in Hong Kong. All of the Group's property interests in land held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

19. 物業、廠房及設備

19. PROPERTY, PLANT AND EQUIPMENT

		於香港以 中期租約 持有之樓宇					傢俬及 裝置	工具及 設備	合計
		Building in Hong Kong under medium-term leases	租賃 物業裝修 Leasehold improvements	Furniture and fixtures	汽車 Motor vehicle	Tools and equipment			
		港元	港元	港元	港元	港元			港元
		HK\$	HK\$	HK\$	HK\$	HK\$			HK\$
成本	COST								
於二零零四年	At 1st April, 2004,								
四月一日，原先呈列	as originally stated	9,155,229	24,228,263	462,048	192,492	17,714,477			51,752,509
採納香港會計準則	Effect of the application								
第17號之影響	of HKAS 17	(7,340,732)	-	-	-	-			(7,340,732)
於二零零四年	At 1st April, 2004,								
四月一日，經重列	as restated	1,814,497	24,228,263	462,048	192,492	17,714,477			44,411,777
添置	Additions	745,985	699,861	251,365	54,100	2,693,660			4,444,971
收購附屬公司	Acquisition of subsidiaries	-	-	54,804	-	1,076,171			1,130,975
出售	Disposals	-	(669,255)	(349,474)	-	(376,384)			(1,395,113)
於二零零五年三月三十一日	At 31st March, 2005	2,560,482	24,258,869	418,743	246,592	21,107,924			48,592,610
添置	Additions	-	3,259,372	649,219	1,447,719	2,417,876			7,774,186
收購附屬公司	Acquisition of subsidiaries	284,000	279,588	8,413	30,508	76,070			678,579
出售	Disposals	-	(162,662)	(25,216)	(36,067)	(939,000)			(1,162,945)
轉撥至投資物業	Transfer to investment properties	(407,168)	-	-	-	-			(407,168)
於二零零六年三月三十一日	At 31st March, 2006	2,437,314	27,635,167	1,051,159	1,688,752	22,662,870			55,475,262



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

19. 物業、廠房及設備 (續)

19. PROPERTY, PLANT AND EQUIPMENT (Continued)

		於香港以 中期租約 持有之樓宇					傢俬及 裝置	工具及 設備	合計
		Building in Hong Kong under medium-term leases	租賃 物業裝修 Leasehold improvements	Furniture and fixtures	汽車 Motor vehicle				
		港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$		港元 HK\$	港元 HK\$	港元 HK\$
折舊	DEPRECIATION								
於二零零四年四月一日， 原先呈列	At 1st April, 2004, as originally stated	276,782	9,989,744	190,618	92,300		5,531,253		16,080,697
採納香港會計準則 第17號之影響	Effect of the application of HKAS 17	(138,399)	-	-	-		-		(138,399)
於二零零四年四月一日， 經重列	At 1st April, 2004, as restated	138,383	9,989,744	190,618	92,300		5,531,253		15,942,298
年度支出	Charge for the year	71,295	13,854,262	151,708	42,225		4,435,381		18,554,871
出售時撇銷	Eliminated on disposals	-	(467,241)	(278,211)	-		(325,715)		(1,071,167)
於二零零五年三月三十一日	At 31st March, 2005	209,678	23,376,765	64,115	134,525		9,640,919		33,426,002
年度支出	Charge for the year	194,316	1,172,657	248,468	221,143		4,297,446		6,134,030
出售時撇銷	Eliminated on disposals	-	(21,818)	(6,211)	(32,632)		(242,772)		(303,433)
轉撥至投資物業	Transfer to investment properties	(4,587)	-	-	-		-		(4,587)
於二零零六年三月三十一日	At 31st March, 2006	399,407	24,527,604	306,372	323,036		13,695,593		39,252,012
賬面值	CARRYING VALUES								
於二零零六年三月三十一日	At 31st March, 2006	2,037,907	3,107,563	744,787	1,365,716		8,967,277		16,223,250
於二零零五年三月三十一日	At 31st March, 2005	2,350,804	882,104	354,628	112,067		11,467,005		15,166,608



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

19. 物業、廠房及設備 (續)

折舊乃使用直線法按以下年率計提撥備：

樓宇	5%
租賃物業裝修	三年或按租賃年期(倘較短)
傢俬及裝置	20%
汽車	20%
工具及設備	10-33 ¹ / ₃ %

19. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation are provided using the straight-line method, at the following rates per annum:

Buildings	5%
Leasehold improvements	3 years or over the term of the lease, if shorter
Furniture and fixtures	20%
Motor vehicle	20%
Tools and equipment	10 – 33 ¹ / ₃ %

20. 預付租賃付款

20. PREPAID LEASE PAYMENTS

本集團之租賃付款
包括於香港按
中期租約持有之
土地之租賃權益

The Group's prepaid lease payments
comprise leasehold interest in land
in Hong Kong under
medium-term lease

就申報而作出
之分析：

流動資產 Current asset
非流動資產 Non-current asset

Analysed for reporting purposes as:

2006 港元 HK\$	2005 港元 HK\$
9,992,962	10,673,267
242,727	253,171
9,750,235	10,420,096
9,992,962	10,673,267



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

21. 商譽

21. GOODWILL

		附屬公司 Subsidiaries 港元 HK\$	西醫及 牙科診所 Medical and dental practices 港元 HK\$	合計 Total 港元 HK\$
成本	COST			
於二零零四年四月一日	At 1st April, 2004	37,207,039	14,786,180	51,993,219
收購	Acquisitions	26,680,169	–	26,680,169
於二零零五年三月三十一日	At 31st March, 2005	63,887,208	14,786,180	78,673,388
採用香港財務報告準則 第3號撤銷累計攤銷 (見附註3A)	Elimination of accumulated amortisation upon the application of HKFRS 3 (see note 3A)	(9,353,822)	(2,834,929)	(12,188,751)
收購	Acquisitions	261,585	10,446,874	10,708,459
代價下調	Reduction in consideration	(3,929,100)	–	(3,929,100)
於二零零六年三月三十一日	At 31st March, 2006	50,865,871	22,398,125	73,263,996
攤銷	AMORTISATION			
於二零零四年四月一日	At 1st April, 2004	2,955,453	1,404,417	4,359,870
年度支出	Charge for the year	6,398,369	1,430,512	7,828,881
於二零零五年三月三十一日	At 31st March, 2005	9,353,822	2,834,929	12,188,751
採用香港財務報告準則 第3號撤銷累計攤銷 (見附註3A)	Elimination of accumulated amortisation upon the application of HKFRS 3 (see note 3A)	(9,353,822)	(2,834,929)	(12,188,751)
於二零零六年三月三十一日	At 31st March, 2006	–	–	–
減值	IMPAIRMENT			
於二零零四年四月一日	At 1st April, 2004	–	3,063,530	3,063,530
確認減值虧損	Impairment loss recognised	14,897,071	4,339,790	19,236,861
於二零零五年四月一日 及二零零六年 三月三十一日	At 1st April, 2005 and 31st March, 2006	14,897,071	7,403,320	22,300,391
賬面值	CARRYING VALUES			
於二零零六年三月三十一日	At 31st March, 2006	35,968,800	14,994,805	50,963,605
於二零零五年三月三十一日	At 31st March, 2005	39,636,315	4,547,931	44,184,246



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

21. 商譽 (續)

於二零零五年三月三十一日前，商譽於5至10年之估計可使用年期內攤銷。

收購帕斯醫療控股有限公司及其附屬公司所得商譽已作出調整，以反映因銷售股東所提供之溢利保證補償金導致購買價下調之影響。

誠如附註7所述，本集團以業務分類為其申報分類資料之主要分類申報模式。就減值測試而言，商譽將分配至三個現金產生單位（現金產生單位），即醫療及牙科服務、買賣心臟科及周邊血管相關外科手術儀器及買賣保健產品及藥品。於二零零六年三月三十一日，分配至該等單位之商譽之賬面值（扣除累計減值虧損）如下：

21. GOODWILL (Continued)

Until 31st March 2005, Goodwill had been amortised over its estimated useful live ranging from 5 to 10 years.

Goodwill on acquisition of Pacific Medical (Holdings) Company Limited and its subsidiaries have been adjusted to reflect reduction in purchase consideration arising from compensation on amount of profit gurarantee provided by the selling shareholders.

As explained in Note 7, the Group uses business segments as its primary segment for reporting segment information. For the purposes of impairment testing, goodwill have been allocated to three individual cash generating units (CGUs), namely, medical and dental practices, trading of cardiology and peripheral vascular related surgical equipment, trading of healthcare and pharmaceutical products. The carrying amounts of goodwill (net of accumulated impairment losses) as at 31st March, 2006 allocated to these units are as follows:



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

21. 商譽 (續)

21. GOODWILL (Continued)

		2006 港元 HK\$	2005 港元 HK\$
西醫及牙科診所	Medical and dental practices		
威杰有限公司	Bright Dignity Limited	4,505,953	4,505,953
Dermatonic Skincare & Laser Treatment Centre Limited	Dermatonic Skincare & Laser Treatment Centre Limited	2,865,647	2,865,647
康健牙科有限公司	Town Health Dental Limited	5,252,613	4,547,932
康健醫療及牙科服務有限公司	Town Health Medical & Dental Services Limited	9,742,193	—
Pherson Limited	Pherson Limited	157,033	—
銀靈有限公司	Silver Ascot Limited	104,552	—
		22,627,991	11,919,532
銷售心臟科及周邊血管 相關手術儀器：	Trading of cardiology and peripheral vascular related surgical equipment:		
帕斯醫療控股有限公司 及其附屬公司：	Pacific Medical (Holdings) Company Limited and its subsidiaries:		
Pacific Medical (Hong Kong) Company Limited	Pacific Medical (Hong Kong) Company Limited		
Pacific Medical (China) Company Limited	Pacific Medical (China) Company Limited		
Pacific Medical (China) Group Company Limited	Pacific Medical (China) Group Company Limited		
上海帕斯醫療器材有限公司	上海帕斯醫療器材有限公司	16,489,934	20,419,034
銷售保健及藥品：	Trading of healthcare and pharmaceutical products:		
名華醫療科技集團有限公司 及其附屬公司：	First Oriental Medical Technology Group Limited and its subsidiaries:		
名華醫療科技有限公司	First Oriental Medical Technology Limited	8,366,944	8,366,944
First Oriental Cyclotron Limited	First Oriental Cyclotron Limited		
康聆聽覺護理（沙田）有限公司	Audio Health Hearing Care (Shatin) Limited	3,478,736	3,478,736
		11,845,680	11,845,680
		50,963,605	44,184,246



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

21. 商譽 (續)

本集團每年測試商譽有否出現減值，倘有減值跡象，則進行更頻密之測試。

醫療及牙科服務之現金產生單位之可收回數額已按使用價值計算。該計算乃根據管理層批准之五年財務預算估計之現金流，而貼現率約為7.04%。使用價值之計算之另一個重要假設為預算總毛利，預算總毛利乃根據單位之過往表現及管理層預期市場之發展釐訂。

買賣心臟科及周邊血管相關外科手術儀器及買賣保健產品及藥品之現金產生單位之可收回數額乃按使用價值計算。使用價值計算之主要假設為有關貼現率、增長率及售價之預期變化及收購日期至二零零六年三月三十一日期間之直接成本。管理層會使用能反映目前市場對金錢之時間值之評估，以及現金產生單位專有之風險除稅前比率估計貼現率。增長率乃根據

21. GOODWILL (*Continued*)

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts of CGU of medical and dental practices have been determined based on value in use calculations. That calculations use cash flow projections based on financial budgets approved by management covering a period of 5 years, and discount rate of 7.04%. Another key assumption for the value in use calculations is the budgeted gross margin, which is determined based on the unit's past performance and management's expectations for the market development.

The recoverable amounts of the CGUs of trading of cardiology and peripheral vascular related surgical equipment and trading in healthcare and pharmaceutical products are based on value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period from the acquisition date to 31st March, 2006. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts and CGUs' past performances. Changes in selling



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

21. 商 譽 (續)

業內增長預測及現金產生單位之過往表現釐訂。售價變化及直接成本乃以市場過往慣例及預期未來改變為基準。買賣保健產品及藥品之現金產生單位之現金流預測乃根據經管理層批准之未來五年財務預算，按貼現率7.04%計算，並無於截至二零零六年三月三十一日止年度之綜合收益表辨認及確認減值虧損。

銷售心臟科及周邊血管相關手術儀器的現金產生單位之現金流量預測建基於經管理層批准之五年期間的財務預算，而五年期間以上的現金流量則假設並無增長率而推斷。現金產生單位於預算期間的現金流量預測亦建基於預算期間之預期毛利及預算期間之相同原料價格通脹。所預算之毛利及原料價格通脹已按過往表現及管理層預期的市場發展情況而釐定。

21. GOODWILL (*Continued*)

prices and direct costs are based on past practices and expectations of future changes in the market. The cash flow forecasts for the CGU of trading in healthcare and pharmaceutical products is derived from the most recent financial budgets for the next 5 years approved by management using a discount rate of 7.04%, no impairment loss is identified and recognised in the consolidated income statement for the year ended 31st March, 2006.

Cash flow projections of the CGU of trading of cardiology and peripheral vascular related surgical equipment is based on financial budgets approved by management covering a period of 5 years, and cash flows beyond the 5th year period are extrapolated by assuming no growth rate. Cash flow projections during the budget period for the CGU are also based on the expected gross margins during the budget period and the same raw materials price inflation during the budget period. Budgeted gross margins and raw material price inflation have been determined based on past performance and management's expectations for the market development.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

22. 於聯營公司之權益

22. INTERESTS IN ASSOCIATES

		2006 港元 HK\$	2005 港元 HK\$
於聯營公司之投資成本：	Cost of investments in associates:		
一上市	– Listed	4,380,728	4,380,728
一非上市	– Unlisted	6,437,881	4,898,077
應佔收購後溢利	Share of post-acquisition profits	1,487,668	4,241,961
		12,306,277	13,520,766
收購聯營公司所得商譽 (附註)	Goodwill arising on acquisition associates (Note)	8,899,245	7,421,213
		21,205,522	20,941,979
上市股份於結算日 之市值	Market value of listed shares at the balance sheet date	5,249,687	17,098,979

附註：收購聯營公司所得商譽

Note: Goodwill arising on acquisition of associates



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

22. 於聯營公司之權益 (續)

22. INTERESTS IN ASSOCIATES
(Continued)

		2006 港元 HK\$	2005 港元 HK\$
成本	COST		
於四月一日	At 1st April	49,909,341	49,840,958
收購所得	Arising on acquisitions	4,805,112	2,580,160
採用香港財務報告準則 第3號時撇銷累計攤銷 (見附註3)	Eliminated on accumulated amortisation upon the application of HKFRS 3 (see note 3)	(18,421,638)	—
出售時撇銷	Eliminated on disposals	—	(2,511,777)
於三月三十一日	At 31st March	36,292,815	49,909,341
攤銷	AMORTISATION		
於四月一日	At 1st April	18,421,638	10,095,133
年度支出	Charge for the year	—	8,765,277
採用香港財務報告準則 第3號時撇銷累計攤銷 (見附註3)	Eliminated on accumulated amortisation upon the application of HKFRS 3 (see note 3)	(18,421,638)	—
出售及攤薄聯營公司 時撇銷	Eliminated on disposals and dilution of an associate	—	(438,772)
於三月三十一日	At 31st March	—	18,421,638
減值	IMPAIRMENT		
於四月一日	At 1st April	24,066,490	—
已確認減值虧損	Impairment loss recognised	3,327,080	24,066,490
於三月三十一日	At 31st March	27,393,570	24,066,490
賬面值	CARRYING AMOUNT		
於三月三十一日	At 31st March	8,899,245	7,421,213



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

22. 於聯營公司之權益 (續)

於截至二零零六年三月三十一日止年度，鑑於目前經濟情況，本公司董事已審閱本集團聯營公司之賬面值。此等聯營公司之可收回款額乃採用7.04%之貼現率計算估計日後現金流量而釐定。因此，已確認為數3,327,080港元（二零零五年：24,066,491港元）之減值虧損，並已於綜合收益表內扣除。

於二零零五年三月三十一日前，商譽乃於介乎五年至二十年之估計可使用年期攤銷。

22. INTERESTS IN ASSOCIATES (Continued)

During the year ended 31st March, 2006, the directors of the Company reviewed the carrying value of the Group's associates in view of the current economic conditions. The recoverable amounts of these associates are determined with reference to the estimated future cash flows using a discount rate of 7.04%. Accordingly, impairment loss of HK\$3,327,080 (2005: HK\$24,066,491) was identified and charged to the consolidated income statement.

Until 31st March, 2005, goodwill was amortised over its estimated useful life, ranging from five to twenty years.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

22. 於聯營公司之權益 (續)

本集團聯營公司之財務資料概要載列如下：

22. INTERESTS IN ASSOCIATES
(Continued)

The summarised financial information in respect of the Group's associates is set out below:

		2006 港元 HK\$	2005 港元 HK\$
資產總值	Total assets	69,559,997	68,856,756
負債總值	Total liabilities	(28,447,445)	(19,465,395)
資產淨值	Net assets	41,112,552	49,391,361
本集團應佔聯營公司之 資產淨值	The Group's share of net assets of associates	12,814,655	13,520,766
收益	Revenue	42,952,614	34,962,520
年度(虧損)溢利	(Loss) profit for the year	(487,682)	1,985,817
本集團應佔聯營公司之 年度業績	The Group's share of results of associates for the year	(160,284)	707,028



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

22. 於聯營公司之權益 (續)

本集團之主要聯營公司於二零零六年三月三十一日之詳細資料如下：

22. INTERESTS IN ASSOCIATES (Continued)

Details of the Group's principal associates at 31st March, 2006 are as follows:

公司名稱	業務結構形式	註冊成立地點	本公司間接持有之 已發行股本面值 之應佔比例	主要業務
Name of company	Form of business structure	Place of incorporation	Attributable proportion of nominal value of issued capital indirectly held by the Group	Principal activities
綽峰有限公司 Advance Bond Limited	註冊成立 Incorporated	香港 Hong Kong	49%	在香港經營西醫診所 Operation of medical clinics in Hong Kong
貝斯牙科保健有限公司 Bess Dental Services Limited	註冊成立 Incorporated	香港 Hong Kong	49%	向牙齒保健咭持有人 提供牙齒保健服務 Provision of dental card services to dental card holders
朗信國際有限公司 Long Faith International Limited	註冊成立 Incorporated	香港 Hong Kong	40%	在香港經營西醫診所 Operations of a medical clinic in Hong Kong
點•線•面廣告(香港) 有限公司 Next Dimension Advertising (H.K.) Limited	註冊成立 Incorporated	香港 Hong Kong	40%	提供宣傳、廣告及 美術製作服務 Provision of promotion, advertising and artwork production
安潔生命科技有限公司 NSA Life Sciences Limited	註冊成立 Incorporated	香港 Hong Kong	49%	投資控股 Investment holding



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

22. 於聯營公司之權益 (續)

22. INTERESTS IN ASSOCIATES
(Continued)

公司名稱	業務結構形式	註冊成立地點	本公司間接持有之 已發行股本面值 之應佔比例	主要業務
Name of company	Form of business structure	Place of incorporation	Attributable proportion of nominal value of issued capital indirectly held by the Group	Principal activities
安潔遠東有限公司 NSA Far East Limited	註冊成立 Incorporated	香港 Hong Kong	39.2%	分銷保健產品 Distribution of healthcare products
普施基因 (附註) Plasmagene (Note)	註冊成立 Incorporated	開曼群島 Cayman Islands	20.07%	提供醫療診斷服務 Provision of medical diagnostic services
盛冠國際有限公司 Union Crown International Limited	註冊成立 Incorporated	香港 Hong Kong	25%	提供醫療診斷服務 Provision of medical diagnostic services
霍建中一康健醫療集團有限公司 JFA Town Health Limited	註冊成立 Incorporated	香港 Hong Kong	50%	競投公司醫療服務 Tendering for corporate medical services



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

**22. 於聯營公司之權益 (續) 22. INTERESTS IN ASSOCIATES
 (Continued)**

公司名稱	業務結構形式	註冊成立地點	本公司間接持有之 已發行股本面值 之應佔比例	主要業務
Name of company	Form of business structure	Place of incorporation	Attributable proportion of nominal value of issued capital indirectly held by the Group	Principal activities
新形像(亞洲)有限公司	註冊成立	香港	49%	為初生嬰兒提供攝影 設計及相關服務
Smart Vision (Asia) Limited	Incorporated	Hong Kong		Provision of photographic design and related services for new-born babies
盛信有限公司	註冊成立	香港	49%	買賣牙齒美白產品
Star Shine Limited	Incorporated	Hong Kong		Trading in teeth whitening products

附註：普施基因之股份於二零零四年六月十八日在聯交所創業板上市。

Note: Plasmagene has listed its shares on the GEM Board of the Stock Exchange on 18th June, 2004.

董事認為，上述聯營公司對本集團業績或資產有重大影響。董事認為，詳列其他聯營公司之資料將導致資料過於冗長。

In the opinion of the directors, the above associates have a significant effect on the results or assets of the Group. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

23. 證券投資

於二零零五年三月三十一日之證券投資已載列於下文。於二零零五年四月一日採納香港會計準則第39號後，證券投資已重新歸類至可出售投資。

23. INVESTMENTS IN SECURITIES

Investments in securities as at 31st March, 2005 are set out below. Upon the application of HKAS 39 on 1st April, 2005, investments in securities were reclassified to available-for-sale investments.

2005

港元

HK\$

非上市股本證券，按成本	Unlisted, equity securities at cost	4,413,142
減：已確認減值虧損	Less: Impairment loss recognised	(755,190)
		<u>3,657,952</u>

非上市證券之賬面值包括1,999,102港元，為於科詠有限公司76.41%權益。該公司於香港註冊成立，從事提供醫療服務之業務。於截至二零零六年三月三十一日止年度內，本集團以其於科詠有限公司之股東權利，包括控制權、溢利分享權及投票權，換取一名獨立第三方之固定收入。因此，本集團於科詠有限公司之全部權益已重新分類為證券投資。

The carrying value of unlisted securities included an amount of HK\$1,999,102 representing 76.41% interest in Wisasure Limited, a company incorporated in Hong Kong and is engaged in provision of medical consultation services. During the year ended 31st March, 2006, the Group exchanged its right of shareholders, including the right to control, profit sharing rights and voting right, of Wisasure Limited, for a fixed income from an independent third party. Accordingly, the Group's entire interest in Wisasure Limited was reclassified as investment in securities.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

24. 可出售投資

於二零零六年三月三十一日之可出售投資包括：

24. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments as at 31st March, 2006 comprise:

		2006 港元 HK\$
非上市股本證券，按成本	Unlisted equity securities, at cost	4,413,142
減：已確認減值虧損	Less: Impairment loss recognised	(755,190)
		<u><u>3,657,952</u></u>

上述非上市投資代表於非上市股本證券之投資。該投資乃於各結算日按成本減減值計量，此乃由於合理公平值估計之範圍極大，本公司董事認為公平值不能可靠地計量。

The above unlisted investments represent investments in unlisted equity securities. They are measured at cost less impairment at each balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that the fair values cannot be reliably measured.

25. 就收購物業、廠房及設備支付之按金

於二零零六年三月三十一日，本集團就收購若干先進醫療設備以配合未來擴展而支付按金。相關資本承擔載於附註45。

25. DEPOSITS PAID ON ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

At 31st March, 2006, the deposits are paid by the Group in connection with the acquisition of certain advanced medical equipment for future expension. The related capital commitments are set out in note 45.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

26. 存貨

26. INVENTORIES

		2006	2005
		港元	港元
		HK\$	HK\$
藥物	Pharmaceutical supplies	3,162,642	2,026,664
醫療設備	Healthcare equipments	540,243	600,660
牙科用品	Dental materials and supplies	165,812	199,183
醫療用同位素	Isotope for medical uses	262,140	236,348
心臟科及周邊血管	Cardiology and peripheral vascular related		
相關外科手術儀器	surgical equipment	9,651,952	5,721,136
		13,782,789	8,783,991

27. 應收賬款及其他應收款項

27. TRADE AND OTHER RECEIVABLES

		2006	2005
		港元	港元
		HK\$	HK\$
應收賬款(附註a)	Trade receivables (note a)	21,182,175	15,408,913
按金	Deposits	11,413,337	4,319,307
其他應收款項	Other receivables	10,591,536	5,272,258
預付款項	Prepayments	6,373,095	2,102,922
		49,560,143	27,103,400



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

27. 應收賬款及其他應收款項 (續)

附註：

- a. 本集團給予其貿易客戶六十日至二百四十日之平均信貸期。於結算日之應收賬款賬齡分析如下：

0-60日	0 - 60 days
61日-120日	61 - 120 days
121日-180日	121 - 180 days
181日-240日	181 - 240 days
241日-360日	241 - 360 days
361日以上	Over 361 days

減：呆壞賬減值虧損

Less: Impairment loss on bad and doubtful debts

- b. 本集團應收賬款及其他應收款項包括8,632,906港元(二零零五年：7,667,996港元)在資產負債表以人民幣8,923,823元(二零零五年：人民幣8,128,044元)列值之款項。

董事認為，於二零零六年三月三十一日，本集團之應收賬款及其他應收款項之公平值與其相應賬面值相若。

27. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- a. The Group allows its trade customers with an average credit period of 60 days to 240 days. The aged analysis of trade receivables at the balance sheet date is as follow:

2006 港元 HK\$	2005 港元 HK\$
11,249,713	9,482,209
3,964,888	3,439,340
2,998,540	2,884,798
3,546,680	1,335,794
888,366	424,317
830,187	-
23,478,374	17,566,458
(2,296,199)	(2,157,545)
21,182,175	15,408,913

- b. The Group's trade and other receivables included HK\$8,632,906 (2005: HK\$7,667,996) that derminated in RMB8,923,823 (2005: RMB8,128,044) at the balance sheet date.

In the opinion of the directors, the fair values of the Group's trade and other receivables at 31st March, 2006 approximate to the corresponding carrying amount.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

28. 應收聯營公司款項

於二零零六年及二零零五年三月三十一日之款項為無抵押、免息及須按求償還。於二零零六年三月三十一日，該等款項之公平值與其相應公平值相若。

於二零零六年三月三十一日，結餘包括應收聯營公司款項之累計撥備5,298,658港元（二零零五年：5,298,658港元）。

28. AMOUNTS DUE FROM ASSOCIATES

The amounts at 31st March, 2006 and 2005 are unsecured, interest-free and are repayable on demand. The fair values of the amounts at 31st March, 2006 approximate to the corresponding carrying amounts.

At 31st March, 2006, the balance includes accumulated allowances for amounts due from associates of HK\$5,298,658 (2005: HK\$5,298,658).

29. 應收被投資公司之款項

29. AMOUNTS DUE FROM INVESTEEs

應收被投資公司之款項	Amounts due from investees
減：應收被投資公司之款項之減值虧損	Less: Impairment loss for amounts due from investees

2006 港元 HK\$	2005 港元 HK\$
1,221,705	1,213,267
(538,355)	(347,565)
<u>683,350</u>	<u>865,702</u>

應收被投資公司之款項為無抵押、免息及須按求償還。

董事認為，於二零零六年三月三十一日，該等款項之公平值與其相應賬面價值相若。

The amounts due from investees are unsecured, interest-free and repayable on demand.

In the opinion of the directors, the fair value of the amounts at 31st March, 2006 approximate to the corresponding carrying amounts.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

30. 應收有關連人士款項

30. AMOUNTS DUE FROM RELATED PARTIES

		2006 港元 HK\$	2005 港元 HK\$
Dr. Cho, Chan, Fung & Associates (附註a)	Dr. Cho, Chan, Fung & Associates (note a)	4,058,265	3,603,522
Origin Limited (附註b)	Origin Limited (note b)	-	182,939
威福發展有限公司 (附註c)	Weissford Development Ltd. (note c)	-	480,000
Chan Kin Ho, Bosco (附註d)	Chan Kin Ho, Bosco (note d)	-	435,972
Cheng Ping Fai, Daniel (附註d)	Cheng Ping Fai, Daniel (note d)	-	435,972
Helix Overseas Holdings Limited (附註e)	Helix Overseas Holdings Limited (note e)	-	1,215,000
Kingdom Hill Limited (附註e)	Kingdom Hill Limited (note e)	-	990,000
First Oriental Nuclear Medicine Limited (附註f)	First Oriental Nuclear Medicine Limited (note f)	437,100	-
		4,495,365	7,343,405

附註：

- (a) Dr. Cho, Chan, Fung & Associates之合夥人為本集團之僱員醫生。
- (b) 於二零零五年三月三十一日為本公司主要股東。
- (c) 曹貴子醫生、曹金陸先生及曹貴宜先生為該公司董事並於當中擁有實益權益。於年內，結餘之最高額為480,000港元。
- (d) 本公司之非全資附屬公司帕斯醫療控股有限公司之股東。
- (e) 本公司之非全資附屬公司名華醫療科技集團有限公司（「名華醫療科技」）之股東。
- (f) 楊華顯醫生（「楊醫生」）於為該公司之董事及股東。楊醫生亦為一間公司之非全資附屬公司First Oriental Cyclotron Limited之董事。於年內，結餘之最高額為437,100港元。

結餘為無抵押、免息及須按要求償還。董事認為，於二零零六年三月三十一日，該等款項之公平值與其相應賬面值相若。

Notes:

- (a) The partners of Dr. Cho, Chan, Fung & Associates are employee-doctors of the Group.
- (b) A substantial shareholder of the Company at 31st March, 2005.
- (c) A company in which Dr. Cho Kwai Chee, Mr. Cho Kam Luk and Mr. Cho Kwai Yee, Kevin are directors and have beneficial interests. The maximum balance during the year was HK\$480,000.
- (d) A shareholder of the Company's non-wholly owned subsidiary, Pacific Medical (Holding) Company Limited.
- (e) A shareholder of the Company's non-wholly owned subsidiary, First Oriental Medical Technology Group Limited ("First Oriental").
- (f) A company in which Dr. Yeung Wah Hin, Alex ("Dr. Yeung") is a director and shareholder. Dr. Yeung is also a director of First Oriental Cyclotron Limited, a company's non-wholly owned subsidiary. The maximum balance during the year was HK\$437,100.

The balances are unsecured, interest free and repayable on demand. In the opinion of the directors, the fair value of the amounts at 31st March, 2006 approximate to the corresponding carrying amounts.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

31. 應收／應付附屬公司少數股東之款項

該等款項為無抵押、免息及須按要求償還。

董事認為，於二零零六年三月三十一日，該等款項之公平值與其相應公平值相若。

31. AMOUNTS DUE FROM/TO MINORITY SHAREHOLDERS OF SUBSIDIARIES

The amounts are unsecured, interest-free and repayable on demand.

In the opinion of the directors, the fair value of the amounts at 31st March, 2006 approximate to the corresponding carrying amounts.

32. 應收一名董事款項

根據公司條例第161B披露之董事流動賬目／貸款予高級職員載列如下：

32. AMOUNT DUE FROM A DIRECTOR

Directors' current accounts/loans to officers disclosed pursuant to section 161B of the Companies Ordinance are as follows:

董事／高級職員	貸款條件	於二零零六年 三月三十一日	於二零零五年 四月一日	年內最高 未償還金額
		之結餘 Balance at 31.3.2006	之結餘 Balance at 1.4.2005	Maximum amount outstanding during the year
Director/officer	Terms of loan	港元 HK\$	港元 HK\$	港元 HK\$
馮耀棠醫生 (董事)	無抵押及免息， 須於要求時償還			
Dr. Fung Yiu Tong, Bennet (Director)	Non-secured and non-interest bearing, repayable on demand	950,000	—	950,000

董事認為，於二零零六年三月三十一日之公平值與其相應賬面值相若。

In the opinion of the directors, the fair value of the above balance at 31st March, 2006 approximate to the corresponding carrying amount.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

33. 持作買賣投資

33. INVESTMENTS HELD FOR TRADING

公平值	FAIR VALUE
香港之上市股本證券	Listed equity securities in Hong Kong

2006

港元

HK\$

22,929,500

持作買賣股本證券之公平值乃根據可於聯交所獲得之所報價格釐訂。

The fair values of the equity securities held for trading are determined based on the quoted market bid prices available on the Stock Exchange.

34. 已抵押銀行存款

34. PLEDGED BANK DEPOSITS

該款項代表就取得授予本集團之融資抵押予借方。該存款已就取得短期其他借款作出抵押，因此歸類為流動資產。

The amount represents deposits pledged to lenders to secure facilities granted to the Group. The deposits have been pledged to secure short-term other borrowings and are therefore classified as current assets.

該存款按介乎1.50厘至4.10厘之利率計息。已抵押銀行存款將於結算有關借貸後釋出。於二零零六年三月三十一日，銀行存款之公平值與其相應賬面值相若。

The deposits carry interest rate at ranges, from 1.50% to 4.10% per annum. The pledged bank deposits will be released upon the settlement of relevant borrowings. The fair value of bank deposits at 31st March, 2006 approximates to the corresponding carrying amount.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

35. 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金，以及原到期日為三個月以內並按實際年利率3.2厘計息之銀行結餘。該等款項之賬面與其公平值相若。

35. BANK BALANCES AND CASH

Bank balances and cash comprises cash held by the Group and bank balances that are interest-bearing at an effective interest rate of 3.2% per annum and have original maturity of three months or less. The carrying amount of these approximates to their fair value.

36. 應付賬款及其他應付款項

36. TRADE AND OTHER PAYABLES

應付賬款（附註a）	Trade payables (note a)
其他應付款項	Other payables
應計費用	Accruals

2006 港元 HK\$	2005 港元 HK\$
18,127,828	12,945,416
5,507,406	514,645
15,274,119	19,811,642
38,909,353	33,271,703



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

36. 應付賬款及其他應付款項 (續) **36. TRADE AND OTHER PAYABLES (Continued)**

附註：

- a. 於結算日之應付賬款賬齡分析如下：

0 – 60日	0 – 60 days
61日 – 120日	61 – 120 days
121日 – 240日	121 – 240 days
241日以上	Over 241 days

- b. 董事認為，本集團應付賬款及其他應付款項於二零零六年三月三十一日之公平值與其相應賬面值相若。

Notes:

- a. The aged analysis of trade payables at the balance sheet date is as follows:

2006 港元 HK\$	2005 港元 HK\$
6,607,492	10,930,696
10,475,403	1,968,428
–	46,292
1,044,933	–
18,127,828	12,945,416

- b. In the opinion of the directors, the fair values of the Group's trade and other payables at 31st March, 2006 approximate to the corresponding carrying amount.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

37. 銀行及其他借貸

37. BANK AND OTHER BORROWINGS

		2006 港元 HK\$	2005 港元 HK\$
銀行透支	Bank overdraft	793,180	—
其他貸款	Other loan	240,000	—
銀行貸款	Bank loans	61,575,444	7,116,023
		62,608,624	7,116,023
分析為：	Analysed as:		
有抵押	Secured	26,822,559	7,116,023
無抵押	Unsecured	35,786,065	—
		62,608,624	7,116,023
須於下列年期償還之面值：	Carrying amount repayable:		
一年內	Within one year	37,487,642	602,039
第二年	In the second year	1,801,359	622,558
第三年	In the third year	1,909,915	644,493
第四年	In the fourth year	2,024,378	667,216
超過五年	Over the five years	19,385,330	4,579,717
		62,608,624	7,116,023
減：包括於流動負債內 於一年內到期 之金額	Less: Amount due within one year included under current liabilities	(37,487,642)	(602,039)
於一年後到期之金額	Amount due after one year	25,120,982	6,513,984

本集團擁有浮息銀行貸款借貸，利息按最優惠利率減2.5厘至3.5厘計算。

The Group has variable-rate borrowings on bank loan which carry interest at prime rate less 2.5% to 3.5%.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

37. 銀行及其他借貸 (續)

本集團借貸之實際利率(亦等同合約利率)範圍如下：

實際利率：
浮息借貸

Effective interest rate:
Variable-rate borrowings

2006	2005
2.7厘至5.7厘 2.7% to 5.7%	2.45厘至3.5厘 2.45% to 3.5%

其他貸款為無抵押、免息及應要求償還。

The other loan is unsecured, interest free and repayable on demand.

上文所載康健醫療科技集團應佔以其功能貨幣以外計值之借貸包括：

Included in above is borrowings attributable to the THMT Group that are denominated in currencies other than its functional currency.

人民幣
In Renminbi

於二零零六年三月三十一日 As at 31st March, 2006
於二零零五年三月三十一日 As at 31st March, 2005

35,786,065
—

年內，本集團分別從銀行及與康健醫療科技集團綜合賬目取得新貸款21,450,000港元及37,855,531港元。所得款項已用於撥付收購投資物業及康健醫療科技集團之營運。

During the year, the Group obtained new loans from banks and upon the consolidation of THMT Group in the amount of HK\$21,450,000 and HK\$37,855,531 respectively. The proceeds were used to finance the acquisition of investment properties and operation of THMT Group.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

38. 遞延稅項負債

本集團於年內確認之主要遞延稅項負債／（資產）及其變動如下：

38. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities/ (assets) recognised by the Group and movements thereon for the year:

		加速稅項折舊及 重估投資物業 Accelerated tax depreciation and revaluation of investment properties			呆壞賬撥備 稅務虧損 Allowance for bad and doubtful debts	合計 Total
		港元 HK\$	稅務虧損 Tax losses	港元 HK\$	港元 HK\$	港元 HK\$
本集團	THE GROUP					
於二零零四年四月一日	At 1st April, 2004	1,265,372	(485,521)	-	-	779,851
（計入）扣自年度收入	(Credit) charge to income for the year	(350,019)	429,288	-	-	79,269
於二零零五年三月三十一日	At 31st March, 2005	915,353	(56,233)	-	-	859,120
收購附屬公司	Acquisition of subsidiaries	655,628	-	-	-	655,628
扣自（計入）年度收入	Charge to (Credit) income for the year	3,724,100	(1,100,936)	(139,570)	-	2,483,594
於二零零六年三月三十一日	At 31st March, 2006	5,295,081	(1,157,169)	(139,570)	-	3,998,342

於二零零六年三月三十一日，本集團有31,657,141港元（二零零五年：38,382,087港元）未動用稅項虧損可用作抵銷日後溢利。已就為數6,612,394港元（二零零五年：321,331港元）之虧損確認遞延稅項資產。

由於無法預測日後之溢利來源，並無就餘下稅項虧損25,044,747港元（二零零五年：38,060,756港元）確認遞延稅項資產，並可無限期結轉。

At 31st March, 2006, the Group has unused tax losses of HK\$31,657,141 (2005: HK\$38,382,087) available for offset against future profits. A deferred tax asset has been recognised in respect of such losses of HK\$6,612,394 (2005: HK\$321,331).

No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$25,044,747 (2005: HK\$38,060,756) due to the unpredictability of future profit streams and may be carried forward indefinitely.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

38. 遞延稅項負債 (續)

於二零零六年三月三十一日，本集團就應收賬款及存貨作出特定撥備相關之可扣減暫時差額為5,633,960港元（二零零五年：1,703,491港元）。由於無法確定將有應課稅溢利可用作抵銷可扣減暫時差額，故並無就可扣減暫時差額確認遞延稅項資產。

39. 可換股債券

於二零零五年二月二日，本公司與一名獨立配售代理訂立配售協議，向獨立第三方配售最多達32,000,000港元之2.5厘可換股債券，可換股債券於二零零七年到期。於二零零五年四月十一日，已發行本金總額32,000,000港元之可換股債券。可換股債券可按換股價每股0.037港元（可予調整）轉換為本公司普通股，債券持有人可選擇於可換股債券發行日期至到期日（二零零七年四月十日）前90日內任何時間內轉換。倘債券未獲轉換，則將於二零零七年四月十日按面值贖回。利息2.5厘將於每年之三月三十一日及九月三十日每半年如期支付。

38. DEFERRED TAX LIABILITIES (Continued)

At 31st March, 2006, the Group has deductible temporary differences associated with specific provision on trade receivables and inventory of HK\$5,633,960 (2005: HK\$1,703,491). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is uncertain that taxable profit will be available against which the deductible temporary differences can be utilised.

39. CONVERTIBLE BONDS

On 2nd February, 2005, the Company entered into a placing agreement with an independent placing agent in relation to the placing of up to HK\$32,000,000 2.5% convertible bonds due 2007, to independent third parties. On 11th April, 2005, an aggregate principal amount of HK\$32,000,000 convertible bonds were issued. The convertible bonds can be converted into ordinary shares in the Company at a conversion price of HK\$0.037 per share, subject to adjustment, at the option of the bondholders, at any time between the date of issue of the convertible bonds and 90 days prior to the maturity date on 10th April 2007. If the bonds have not been converted, they will be redeemed on 10th April, 2007 at par. Interest of 2.5% will be paid half yearly in arrears on 31st March and 30th September in each year.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

39. 可換股債券 (續)

32,000,000港元之2.5厘可換股債券已於二零零五年四月二十二日至二零零五年五月二十三日獲11名債券持有人悉數轉換。年內配發及發行合共864,864,864股股份。

於二零零五年八月三十日，本公司與一名獨立配售代理訂立另一份配售協議，旨在以盡力基準為發行於二零零七年／二零零八年到期之2.5厘可換股債券安排認購人，本金總額最多達80,000,000港元(分為兩批)。於二零零六年三月三十一日，於二零零七年到期之本金總額為40,000,000港元之2.5厘可換股債券(「第一批債券」)已悉數發行。截至二零零六年二月二十八日為止，並無促使認購人認購於二零零八年到期本金總額最多達40,000,000港元之2.5厘可換股債券(「第二批債券」)。根據配售協議，第二批債券之配售已終止及撤銷，因此，整批第二批債券均並無發行。

第一批債券可按換股價每股0.105港元(可予調整)轉換為本公司普通股，債券持有人可選擇於可換股債券發行日期至到期日(二零零七年九月二十八日)前90日內任何時間內轉換。倘債券未獲轉換，則將於二零零七年九月二十八日按面值贖回。利息2.5厘將於每年之六月三十日及十二月三十一日每半年如期支付。

39. CONVERTIBLE BONDS (Continued)

The HK\$32,000,000 2.5% convertible bonds were fully converted from 22nd April, 2005 to 23rd May, 2005 by 11 bondholders. A total of 864,864,864 shares were allotted and issued during the year.

On 30th August, 2005, the Company entered into another placing agreement with an independent placing agent for the purpose of arranging subscribers for the issue of 2.5% convertible bonds due 2007/2008, on a best effort basis, up to an aggregate principal amount of HK\$80,000,000 in two tranches. As at 31st March 2006, "Tranche 1 Bonds", representing 2.5% convertible bonds due 2007 up to an aggregate principal amount of HK\$40,000,000 had been issued in full. Up to 28th February 2006, no subscribers have been procured to subscribe for the "Tranche 2 Bonds", representing 2.5% convertible bonds due 2008 up to an aggregate principal amount of HK\$40,000,000. According to the placing agreement, the placing for the Tranche 2 Bonds was ceased and terminated and thus the whole Tranche 2 Bonds were not issued.

The Tranche 1 Bonds can be converted into ordinary shares in the Company at a conversion price of HK\$0.105 per share, subject to adjustment, at the option of the bondholders, at any time between the date of issue of the convertible bonds and 90 days prior to the maturity date on 28th September, 2007. If the bonds have not been converted, they will be redeemed on 28th September, 2007 at par. Interest of 2.5% will be paid half yearly in arrears on 30th June and 31st December in each year.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

39. 可換股債券 (續)

可換股債券包括負債及股本兩個部分。於應用香港會計準則第32號「金融工具：披露及呈列」(詳情見附註3)，可換股債券乃分開為負債及股本部分。股本部分根據股本內之「可換股債券股本儲備」呈列。32,000,000港元債券之負債部分及第一批債券之實際利率分別為7.77%及9.40%。

本年度可換股債券負債部分之變動載列如下：

39. CONVERTIBLE BONDS (Continued)

The convertible bonds contain two components, liability and equity elements. Upon the application of HKAS 32 *Financial Instruments: Disclosure and Presentation* (see Note 3 for details), the convertible bonds were split between the liability and equity elements. The equity element is presented under "convertible bonds equity reserve" in equity. The effective interest rates of the liability component of HK\$32,000,000 bonds and Tranche 1 Bonds is 7.77% and 9.40% respectively.

The movement of the liability component of the convertible bonds for the year is set out below:

		2006 港元 HK\$	2005 港元 HK\$
年初之負債部分	Liability component at the beginning of the year	—	—
發行可換股債券	Issue of convertible bonds	68,564,000	19,000,000
減：交易成本	Less: Transaction costs	(4,642,129)	—
利息開支 (附註10)	Interest charge (Note 10)	1,825,970	(90,411)
已付利息	Interest paid	(48,903)	(90,411)
轉換可換股票據	Conversion of convertible notes	(29,006,726)	(19,000,000)
年終負債	Liability at the end of the year	<u>36,692,212</u>	<u>—</u>

董事認為，於二零零六年三月三十一日之公平值與其相應賬面值相約。

In the opinion of the directors, the fair value of the amounts at 31st March, 2006 approximate to the corresponding carrying amount.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

40. 股本

40. SHARE CAPITAL

		股份數目 Number of shares	價值 Amount 港元 HK\$
法定股本：	Authorised:		
於二零零四年四月一日、 二零零五年及二零零六年 三月三十一日每股面值 0.01港元之普通股	Ordinary share of HK\$0.01 each at 1st April, 2004, 31st March, 2005 and 2006	20,000,000,000	200,000,000
已發行及繳足：	Issued and fully paid:		
於二零零四年四月一日每股 面值0.01港元之普通股	Ordinary shares of HK\$0.01 each at 1st April, 2004	1,249,182,000	12,491,820
行使可換股債券（附註a）	Exercise of convertible bonds (note a)	497,614,604	4,976,146
於二零零五年三月三十一日 每股面值0.01港元之普通股	Ordinary shares of HK\$0.01 each at 31st March, 2005	1,746,796,604	17,467,966
行使可換股債券（附註b）	Exercise of convertible bonds (note b)	864,864,864	8,648,649
發行新股（附註c）	Issue of new shares (note c)	2,384,932,060	23,849,320
於二零零六年三月三十一日 每股面值0.01港元之普通股	Ordinary shares of HK\$0.01 each at 31st March, 2006	4,996,593,528	49,965,935



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

40. 股本 (續)

附註：

截至二零零五年三月三十一日止年度之普通股股本變動如下：

- (a) 二零零四年十一月二十四日，本公司訂立配售協議，向獨立第三方發行兩批本金總額合計為19,000,000港元（每批9,500,000港元）之可換股債券。可換股債券按年息率5厘每半年支付利息。兌換價為緊接兌換日期前最後連續十個交易日聯交所所報每股股份平均收市價，或股份面值之較高者。

首批債券於二零零四年十二月九日發行，並於二零零五年一月十九日至二零零五年二月一日期間按每股0.042港元至0.051港元之兌換價悉數換股。因此，合共248,901,248股股份乃按本公司於二零零四年七月二十六日舉行之股東週年大會上董事獲授之一般授權而配發及發行。

第二批債券於二零零五年一月二十日發行，並於二零零五年二月一日至二零零五年二月十六日期間按每股0.038港元至0.039港元之兌換價悉數換股。因此，合共248,713,356股股份乃按本公司於二零零五年一月六日舉行之股東特別大會上董事獲授之特定授權而配發及發行。

以上事項之詳情載於本公司在二零零四年十一月二十四日及二零零四年十二月二十日分別刊發之公佈及通函。

40. SHARE CAPITAL (Continued)

Notes:

The movements of the ordinary share capital for the year ended 31st March, 2005 were as follows:

- (a) On 24th November, 2004, the Company entered into the placing agreement to issue convertible bonds of an aggregate principal amount of HK\$19,000,000 to independent third parties in 2 tranches (each of HK\$9,500,000). The convertible bond borne interest at the rate of 5% per annum payable half yearly in arrears. The conversion price is subject to the average of the closing price per share of the Company as quoted on the Stock Exchange for the 10 consecutive trading days immediately preceding the date of conversion, or the nominal value of the share, whichever is higher.

The Tranche 1 bond was issued on 9th December, 2004 and converted in full during the period from 19th January, 2005 to 1st February, 2005 at conversion price ranged from HK\$0.042 to HK\$0.051 per share. Accordingly, a total of 248,901,248 shares were allotted and issued pursuant under the general mandate granted to the directors at the annual general meeting of the Company held on 26th July, 2004.

The Tranche 2 bond was issued on 20th January, 2005 and converted in full during the period from 1st February, 2005 to 16th February, 2005 at conversion price ranged from HK\$0.038 to HK\$0.039 per share. A total of 248,713,356 shares were allotted and issued accordingly pursuant the specific mandate granted to the directors at the extraordinary general meeting of the Company held on 6th January, 2005.

Details of the above were set out in the Company's announcement and circular dated 24th November, 2004 and 20th December, 2004 respectively.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

40. 股本 (續)

附註：(續)

截至二零零六年三月三十一日止年度之普通股股本變動如下：

- (b) 年內，32,000,000港元之可換股債券獲轉換為本公司普通股。
- (c) 於二零零五年五月三十一日，已就私人配售由本公司主要股東Broad Idea International Limited持有之本公司每股面值0.01港元之2,384,932,060股股份予獨立私人投資者作出安排，每股作價現金0.037港元，較本公司股份於二零零五年五月三十一日在聯交所報收市價每股0.12港元折讓約69%。

根據同日之認購協議，Broad Idea International Limited以每股0.037港元之格價認購本公司2,384,932,060股每股面值0.01港元之新股份。所得款項已用於提供本公司額外營運資金。該等新股份已根據於二零零五年五月三十日舉行之本公司股東特別大會授予董事之一般授權發行，並與其他已發行股份在各方面享有同等地位。

年內發行之所有股份在所有方面均與當時之現有普通股享有同等地位。

40. SHARE CAPITAL (Continued)

Notes: (Continued)

The movements of the ordinary share capital for the year ended 31st March, 2006 were as follows:

- (b) During the year, HK\$32,000,000 of the convertible bonds was converted into the ordinary shares of the Company.
- (c) On 31st May, 2005, arrangement were made for a private placement to independent private investors of 2,384,932,060 shares of HK\$0.01 each in the Company held by Broad Idea International Limited, a substantial shareholder of the Company, in cash at a price of HK\$ 0.037 per share representing a discount of approximately 69% to the closing price of HK\$ 0.12 per share as quoted on the Stock Exchange on 31st May, 2005.

Pursuant to a subscription agreement of on 20th April, 2005, Broad Idea International Limited subscribed for 2,384,932,060 new shares of HK\$0.01 each in the Company at a price of HK\$0.037 per share. The proceeds were used to provide additional working capital for the Company. These new shares were issued under the general mandate granted to the directors at the extraordinary general meeting of the Company held on 30th May, 2005 and rank pari passu with other shares in issue in all respects.

All the shares issued during the year rank pari passu with the then existing ordinary shares in all respects.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

41. 購股權計劃

本公司分別於二零零零年九月二十日及二零零二年四月二十四日採納先前(「二零零零年計劃」)及現有購股權計劃(「二零零二年計劃」)，主要旨在向董事及合資格僱員提供獎勵。

根據二零零零年計劃，本公司可向本公司或其附屬公司之董事及僱員授出可認購本公司股份之購股權，惟涉及之股份數目最多為已發行股本面值之10%。本公司並無根據二零零零年計劃授出購股權。

根據於股東特別大會上通過之決議案，本公司終止二零零零年計劃並採納二零零二年計劃(將於二零一一年四月二十三日屆滿)，本公司可向二零零二年計劃指定類別之合資格人士(包括本公司或其附屬公司之董事、僱員及顧問等)授出可認購本公司股份之購股權，而授出每批購股權之代價為1港元。

41. SHARE OPTION SCHEMES

The Company's previous and existing share option schemes were adopted on 20th September, 2000 (the "2000 Scheme") and on 24th April, 2002 (the "2002 Scheme"), respectively, for the primary purpose of providing incentives to directors and eligible employees.

Pursuant to the 2000 Scheme, the Company might grant options to the directors and the employees of the Company or its subsidiaries to subscribe for the shares in the Company, subject to a maximum of 10% of the nominal value of the issued share capital. No share options were granted under the 2000 Scheme.

Pursuant to a resolution passed at the extraordinary general meeting, the Company terminated the 2000 Scheme and adopted the 2002 Scheme, which will expire on 23rd April, 2011, the Company may grant options to the eligible persons fall within the definition prescribed in the 2002 Scheme including directors, the employees and consultants etc. of the Company or its subsidiaries to subscribe for the shares in the Company at a consideration of HK\$1 for each lot of share options granted.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

41. 購股權計劃 (續)

所授出之購股權須於提呈日期起計21日內接納。所授出之購股權可於授出日期起至授出日期後十年屆滿當日期間內予以行使。所授出之購股權涉及之股份數目最多不得超過本公司不時之已發行股本之10%，惟不包括根據二零零二年計劃所授出購股權行使時發行之任何股份。

每股行使價乃由本公司董事會釐定，並最少須為本公司股份於提呈當日之收市價及緊接提呈日期前五個營業日股份之平均收市價兩者中之較高者。

根據二零零二年計劃可向合資格僱員授出所涉及之股份總數，不得超過根據二零零二年計劃當時已發行及可發行股份總數之1%。

截至二零零六年三月三十一日止兩年內，並無根據二零零二年計劃向本公司董事／僱員授出購股權。

41. SHARE OPTION SCHEMES
(Continued)

Options granted should be accepted within 21 days from the offer date. Options granted are exercisable during the period commencing on the date of grant and expiring on the date ten years after the date of grant. The maximum number of shares in respect of which options may be granted shall not exceed 10% of the issued share capital of the Company from time to time excluding any shares issued upon the exercise of options granted pursuant to the 2002 Scheme.

The exercise price per share is determined by the directors of the Company, and shall be at least the higher of the closing price of the Company's shares on the date of grant and the average closing price of the shares for the five business days immediately preceding the date of grant.

The total number of shares in respect of which may be granted to an eligible employee under the 2002 Scheme is not permitted to exceed 1% of the aggregate number of shares for the time being issued and issuable under the 2002 Scheme.

No share options were granted to the directors/employees of the Company under the 2002 Scheme during the two years ended 31st March, 2006 respectively.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

42. 收購附屬公司

年內，本集團收購若干附屬公司，詳情如下：

- (a) 於二零零五年四月一日，本集團於銀靈有限公司（「銀靈」）之權益由33.33%增加至66.66%，代價為200,000港元。銀靈於香港從事經營一間醫療診所，過往被當作為本集團之聯營公司。
- (b) 於二零零六年三月三十一日，本集團於Pherson Limited（「Pherson」）之權益由33%增加至69%，代價為990,000港元。Pherson從事物業投資，過往被當作為本集團之聯營公司。

42. ACQUISITION OF SUBSIDIARIES

During the year, the Group acquired certain subsidiaries, details of which are as follows:

- (a) On 1st April, 2005, the Group increased its interest in Silver Ascot Limited ("Silver Ascot") from 33.33% to 66.66%, at a consideration of HK\$200,000. Silver Ascot engaged in the operation of a medical clinic in Hong Kong and is previously treated as an associate of the Group.
- (b) On 31st March, 2006, the Group increased its interest in Pherson Limited ("Pherson") from 33% to 69%, at a consideration of HK\$990,000. Pherson engaged in the property investment and is previously treated as an associate of the Group.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

42. 收購附屬公司 (續)

(c) 於二零零六年二月二十二日，本集團認購康健醫療科技(於聯交所主板上市公司)發行之60,000,000港元可換股債券。倘轉換可換股債券，將令本集團於康健醫療科技擁有55.79%投票權。

(d) 根據管理層估計，目前可予行使之60,000,000港元可換股債券為本集團提供於康健醫療科技之潛在投票權，從而令本集團可控制康健醫療科技。於編製本集團之綜合財務報表時，康健醫療科技之財務報表已根據香港會計準則第27號綜合。所有集團內公司間交易、結餘、收入及開支於綜合時對銷，包括可換股債券。由於本集團現時並無於康健醫療科技並擁有股本權益，康健醫療科技本期間之業績及於二零零六年三月三十一日之負債淨額乃分配至少數股東權益。

42. ACQUISITION OF SUBSIDIARIES
(Continued)

(c) On 22nd February, 2006, the Group subscribed a convertible bond amounted to HK\$60,000,000 issued by THMT, a company listed on the Main Board of the Stock Exchange. The convertible bond, if converted, will give the Group 55.79% voting power over THMT.

Based on the management's assessment, the current exercisable convertible bond of HK\$60,000,000 provides the Group the potential voting rights in THMT which in turn provide the Group the ability to control THMT. In preparing the consolidated financial statements of the Group, financial statements of THMT was consolidated in accordance to HKAS 27. All the intra-group transactions, balances, income and expenses are eliminated on consolidation, including the convertible bond. Since the Group has no present equity interest in THMT, the results for the period and the net liabilities of THMT as at 31st March, 2006 was allocated to the minority interests.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

42. 收購附屬公司 (續)

42. ACQUISITION OF SUBSIDIARIES
(Continued)

		2006 港元 HK\$	2005 港元 HK\$
所承擔之負債淨額：	Net liabilities assumed:		
投資物業	Investment properties	4,000,000	—
物業、廠房及設備	Property, plant and equipment	678,579	1,130,975
預付租賃款項	Prepaid lease payment	1,316,000	—
存貨	Inventories	31,912	7,314,202
應收賬款及其他應收款項	Trade and other receivables	702,329	5,949,207
銀行及現金結餘	Bank and cash balances	10,377,136	5,087,424
持作出售投資	Investment held for trading	16,170,000	—
應付賬款及其他應付款項	Trade and other payables	(4,856,529)	(14,231,807)
銀行及其他借貸	Bank and other borrowings	(37,855,531)	—
少數股東提供貸款	Loan from minority shareholders	(200,000)	—
遞延稅項	Deferred tax	(655,628)	—
		(10,291,732)	5,250,001
少數股東權益	Minority interests	12,454,791	(2,303,176)
上年度所收購權益	Interest acquired in prior year		
確認為於一間聯營	recognised as interest		
公司之權益	in an associate	(1,232,660)	—
商譽	Goodwill	261,585	26,680,169
		1,191,984	29,626,994
支付方式：	Satisfied by:		
已付現金代價	Cash consideration paid	1,191,984	27,500,000
收購時之相關開支	Related expense paid on acquisition	—	2,126,994
		1,191,984	29,626,994
有關收購附屬公司之 現金及現金等值項目 流入淨額分析：	Analysis of net inflow of cash and cash equivalents in connection with the acquisition of subsidiaries:		
已付現金代價	Cash consideration paid	1,191,984	29,626,994
所收購銀行結餘及現金	Bank balances and cash acquired	(10,377,136)	(5,087,424)
有關收購附屬公司之 現金(流入)流出淨額	Net cash (inflow) outflow in respect of the acquisition of subsidiaries	(9,185,152)	24,539,570



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

42. 收購附屬公司 (續)

截至二零零六年三月三十一日止年度內收購之附屬公司為本集團之營業額及本集團之年度溢利分別帶來5,010,510港元貢獻及731,760港元之年度虧損。

截至二零零五年三月三十一日止年度內收購之附屬公司為本集團之營業額及本集團之經營虧損分別帶來50,306,819港元貢獻及7,057,000港元之收益。

倘收購已於二零零五年四月一日完成，本集團年內持續經營業務之營業額及溢利將分別為232,986,999港元及23,810,444港元。此備考資料僅供說明之用，不一定能反映倘收購已於二零零五年四月一日完成，本集團將可確實錄得之營業額及業績，亦不擬作為未來業績之預測。

附註：合併賬戶前之資產(負債)之賬面值與於收購日之公平值相若。

42. ACQUISITION OF SUBSIDIARIES
(Continued)

The subsidiaries acquired during the year ended 31st March, 2006 contributed HK\$5,010,510 to the Group's turnover and loss for the year of HK\$731,760 to the Group's profit for the year.

The subsidiaries acquired during the year ended 31st March, 2005 contributed HK\$50,306,819 to the Group's turnover and a gain of HK\$7,057,000 to the Group's loss from operations.

Had the acquisitions been completed on 1st April, 2005, the Group's turnover and profit for the year from continuing operation would have been HK\$232,986,999 and HK\$23,810,444 respectively. This proforma information is for illustrative purposes only and is not necessarily indicative of the turnover and results of the Group that would actually have been impacted had the acquisitions been completed on 1st April, 2005, nor is it intended to be a projection of future results.

Note: The carrying amount of assets (liabilities) before combination approximates fair values as at the date of acquisition.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

43. 收購西醫及牙醫診所

於二零零六年一月及二零零六年二月，本集團以現金代價11,380,000港元收購若干西醫及牙醫診所。

所收購之資產淨值：	Net assets acquired:
物業、廠房及設備	Property, plant and equipment
存貨	Inventories
商譽	Goodwill
支付方式：	Satisfied by:
現金	Cash

為擴展本集團之業務，本集團收購若干擁有經驗豐富的醫生和護士的西醫及牙科診所。商譽乃歸因於該等診所之預計溢利水平及僱員之技能及經驗。

於收購日期至結算日止年度內，所收購之西醫及牙科診所為本集團年內營業額及溢利分別帶來3,563,080港元及532,135港元貢獻。

倘收購已於二零零五年四月一日完成，本集團年內持續經營業務之營業額及溢利將分別為236,395,570港元及21,062,592港元。此備考資料僅供說明之用，不一定能反映倘收購已於二

43. ACQUISITION OF MEDICAL AND DENTAL PRACTICES

During January 2006 and February 2006, the Group acquired certain medical and dental practices at a cash consideration of HK\$11,380,000.

2006 港元 HK\$	2005 港元 HK\$
607,772	—
325,354	—
933,126	—
10,446,874	—
11,380,000	—

For the expansion of the Group's business, the Group acquired certain medical and dental practices with experienced doctors and nurses. Goodwill is attributable to the anticipated profitability from these clinics and the skill and experience of employees.

The medical and dental practices acquired contributed HK\$3,563,080 and HK\$532,135 to the Group's turnover and profit for the year, respectively, during the year between the dates of acquisition and the balance sheet date.

Had the acquisitions been completed on 1st April, 2005, the Group's turnover and profit for the year from continuing operations would have been HK\$236,395,570 and HK\$21,062,592 respectively. This proforma information is for illustrative purposes



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

43. 收購西醫及牙醫診所 (續)

零零五年四月一日完成，本集團將可確實錄得之營業額及業績，亦不擬作為未來業績之預測。

44. 退休福利計劃

本集團為香港所有合資格僱員推行強制性公積金計劃。計劃之資產與本集團之資產分開持有，並以信託人控制之基金持有。本集團向計劃作出有關薪酬成本5%之供款，而僱員則作出等額供款。

本集團於中國上海之附屬公司之僱員乃中國國家管理退休福利計劃成員。該附屬公司須就薪金成本之特定百分比供款至退休福利計劃以撥付福利。本集團就退休福利計劃之唯一責任為根據該計劃作出特定供款。並無已沒收供款可用作減少未來年度應付之供款。

於綜合收益表扣除之費用總額為1,828,220港元（二零零五年：1,052,572港元），乃指本集團於年內應付計劃之供款。

43. ACQUISITION OF MEDICAL AND DENTAL PRACTICES (Continued)

only and is not necessarily indicative of the turnover and results of the Group that would actually have been impacted had the acquisitions been completed on 1st April, 2005, nor is it intended to be a projection of future results.

44. RETIREMENT BENEFITS SCHEME

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees.

The employees of the Group's subsidiary in Shanghai, the PRC, are members of a state-managed retirement benefit scheme in the PRC. The subsidiary is required to contribute a specified percentage of their payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions under the scheme. No forfeited contributions are available to reduce the contribution payable in the future years.

The total cost charged to the consolidated income statement of HK\$1,828,220 (2005: HK\$1,052,572) represents contributions payable to the scheme by the Group during the year.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

45. 資本承擔

45. CAPITAL COMMITMENTS

就購置物業、廠房及
設備之已訂約
但未於財務報表
內撥備之資本開支

Capital expenditure contracted for
but not provided in the financial
statements in respect of the
acquisition of property, plant and
equipment

2006
港元
HK\$

2005
港元
HK\$

38,600,000

—

於二零零五年三月三十一日，本集團
就於中國北京市內與一間醫院成立一
間醫療中心事項訂立意向書，所涉代
價不超過人民幣30,000,000元。該承
擔已於年內失效。

As at 31st March, 2005, the Group entered into a
letter of intent for the setting up of a medical centre
with a hospital in Beijing, the PRC, for a consideration
of not more than RMB30,000,000, the commitments
was lapsed during the year.

46. 經營租約安排

46. OPERATING LEASE ARRANGEMENTS

本集團為承租人

The Group as lessee

2006
港元
HK\$

2005
港元
HK\$

年內就物業經營租約
所付最低租金款項

Minimum lease payments paid under
operating leases in respect
of properties during the year

13,062,776

13,352,264



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

46. 經營租約安排 (續)

於結算日，本集團根據不可撤銷之經營租約承擔須於下列到期日支付之未來最低租金款項如下：

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

經營租約款項乃指本集團就其若干診所及辦公室物業應付之租金。租約及所議定之租金按兩至五年期磋商。

46. OPERATING LEASE ARRANGEMENTS (Continued)

At the balance sheet date, the Group had commitments for future minimum leases payments under non-cancellable operating leases which fall due as follows:

2006 港元 HK\$	2005 港元 HK\$
21,005,651	11,010,719
17,905,353	14,025,869
38,911,004	25,036,588

Operating lease payments represent rentals payable by the Group for certain of its clinics and office premises. Leases are negotiated and rentals are fixed for a term ranging two to five years.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

46. 經營租約安排 (續)

本集團為出租人

年內，本集團有物業租金收入
 737,795港元(二零零五年：無)。

於結算日，本集團就物業根據不可撤銷之經營租約承擔須於下列到期日支付之未來最低租金款項如下：

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

所有物業於未來1.5年至2年均已有作出承諾之租戶。

46. OPERATING LEASE ARRANGEMENTS (Continued)

The Group as lessor

During the year, the Group had property rental income of HK\$737,795 (2005: Nil).

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

2006 港元 HK\$	2005 港元 HK\$
1,328,400	—
295,050	—
1,623,450	—

All of the properties held have committed tenants for the next 1.5 to 2 years.

47. 資產抵押

於二零零六年三月三十一日，本集團以賬面值分別為5,585,000港元(二零零五年：9,975,357港元)及35,825,000港元(二零零五年：無)之若干本集團物業、廠房及設備以及投資物業，以及10,000,000港元(二零零五年：10,000,000港元)之銀行存款作為本集團獲授之一般銀行融資之抵押。

47. PLEDGE OF ASSETS

As at 31st March, 2006, certain property, plant and equipment and investment properties of the Group with the carrying value of HK\$5,585,000 (2005: HK\$9,975,357) and HK\$35,825,000 (2005: HK\$Nil) respectively and bank deposits of HK\$10,000,000 (2005: HK\$10,000,000) were pledged to secure general bank facilities granted to the Group.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

48. 主要非現金交易

於二零零五年二月二日，本公司與獨立配售代理訂立配售協議，內容有關配售32,000,000港元之可換股債券。可換股債券於年內按每股0.037港元之兌換價悉數換股，故已配發及發行合共864,864,864股股份（附註39）。

48. MAJOR NON-CASH TRANSACTION

On 2nd February, 2005, the Company entered into a placing agreement with an independent placing agent in connection with the placing of HK\$32,000,000 convertible bond. A total of 864,864,864 shares were allotted and issued upon the conversion in full of the convertible bond at conversion price at HK\$0.037 per share during the year (note 39).



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

49. 有關連人士交易及結餘 49. RELATED PARTY TRANSACTIONS AND BALANCES

年內，本集團與有關連人士訂立下列
重大交易：

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

關連人士名稱 Name of related party	交易性質 Nature of transactions	2006 港元 HK\$	2005 港元 HK\$
九龍聽覺服務有限公司 (附註b) Kowloon Hearing Services Limited (note b)	購買保健產品 Purchase of healthcare products	1,924,282	2,079,443
普施基因有限公司 (附註a) Plasmagene Limited (note a)	支付實驗室費用 Laboratory fee paid	-	426,845
特別為您國際發展 有限公司 (附註c) Specially for you International Development Limited (note c)	支付顧問費 Consultancy fee paid	374,000	364,000
位元堂控股及其附屬公司 (附註a) WYT Holdings and its subsidiaries (note a)	支付管理費 Management fee paid	-	18,969
	支付推廣費 Promotional fee paid	-	12,647
威福發展有限公司 (附註d) Weissford Development Limited (note d)	食品及膳食開支 Food and catering expenses	-	794,765
	管理服務費開支 Management services fee expenses	-	50,000
銀靈有限公司 (附註a) Silver Ascot Limited (note a)	管理服務費收入 Management services fee income	-	1,022,687
貝斯牙科保健有限公司 (附註a) Bess Dental Services Limited (note a)	管理服務費收入 Management services fee income	-	126,000
朗信國際有限公司 (附註a) Long Faith International Limited (note a)	管理服務費收入 Management services fee income	888,082	110,204



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

49. 有關連人士交易及結餘 (續) 49. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

關連人士名稱 Name of related party	交易性質 Nature of transactions	2006 港元 HK\$	2005 港元 HK\$
點·線·面廣告(香港) 有限公司(附註a) Next Dimension Advertising (H.K.) Limited (note a)	支付推廣及廣告費 Promotion and advertising fees paid 支付顧問費 Consultancy fee paid	- -	951,386 1,000,000
F & T Company Limited (附註b) F & T Company Limited (note b)	管理服務費收入 Management services fee income	98,989	-
激光健膚中心有限公司 (附註b) Skin Health and Laser Centre Limited (note b)	管理服務費收入 Management services fee income 支付顧問費 Consultancy fee paid	560,434 12,720	- -
卓高醫務有限公司(附註b) Essential Health Limited (note b)	管理服務費收入 Management services fee income	135,221	-
皓發有限公司(附註b) Hope Rich Limited (note b)	管理服務費收入 Management services fee income	551,275	-
創譽顧問有限公司(附註b) Mutual consultants Limited (note b)	管理服務費收入 Management services fee income	18,000	-
緯峰有限公司(附註b) Advance Bond Limited (note b)	租金收入 Rental income	64,548	-



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

49. 有關連人士交易及結餘 (續)

附註：

- (a) 本集團之前聯營公司／現聯營公司。
- (b) 賴國輝先生為其董事及股東之公司，彼亦為本公司附屬公司康聆聽覺護理(沙田)有限公司之董事。
- (c) 本公司之非全資附屬公司悅容居專業美容及纖體有限公司之少數股東。
- (d) 曹貴子醫生、曹金陸先生及曹貴宜先生為其董事並於當中擁有實益權益之公司。

於二零零五年三月一日，本集團從威福發展有限公司以代價900,000港元收購物業、廠房及設備。

於二零零六年三月三十一日，本集團與本公司執行董事曹貴子醫生訂立協議，以990,000港元代價收購曹貴子醫生所持之Pherson Limited 36%權益。

此外，曹貴子醫生於截至二零零六年三月三十一日止年度就本集團獲授之一般銀行信貸而以無償方式向銀行作出個人擔保(二零零五年：無)。

49. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Notes:

- (a) The Group's former associate/existing associate.
- (b) A company in which Mr. Lai Kwok Fai is the director and the shareholder and, is also the director of the Company's subsidiary, Audio Health Hearing Care (Shatin) Limited.
- (c) A minority shareholder of the Company's non-wholly owned subsidiary, Harmonic Beauty and Body Slimming Company Limited.
- (d) A company in which Dr. Cho Kwai Chee, Mr. Cho Kam Luk and Mr. Cho Kwai Yee, Kevin are directors and have beneficial interests.

On 1st March, 2005, the Group acquired property, plant and equipment from Weissford Development Limited at a consideration of HK\$900,000.

On 31st March, 2006, the Group entered into an agreement with Dr. Cho Kwai Chee, who is an executive director of the Company, to further acquire a 36% interest in Pherson Limited held by Dr. Cho Kwai Chee at a consideration of HK\$990,000.

In addition, Dr. Cho Kwai Chee issued personal guarantees to a bank to secure general banking facilities granted to the Group during the year ended 31st March, 2006 and 2005 at nil consideration.



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

49. 有關連人士交易及結餘
(續)

於結算日與有關連人士結餘之詳情載於綜合資產負債表及附註28、30、31及32。

董事及其他主要管理層成員於年內之酬金如下：

短期福利	Short-term benefit
退休福利	Post-employment benefits

除上文所披露者外，年內並無與有關連人士訂立其他重大交易或年終時與彼等有重大結餘。

50. 結算日後事項

於二零零六年四月一日，本集團之附屬公司康健醫療集團有限公司與周寶華醫生訂立協議，據此，本集團承諾以代價2,736,319港元收購栢安醫療有限公司（「栢安」）之49%股本權益。栢安現時於香港經營六間診所。

49. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Details of balance with related parties as at the balance sheet date are set out in the consolidated balance sheet and in notes 28, 30, 31 and 32.

The remuneration of directors and other members of key management during the year was as follows:

2006 港元 HK\$	2005 港元 HK\$
8,172,692	19,441,430
24,000	24,000
<u>8,196,692</u>	<u>19,465,430</u>

Save as disclosed above, there were no other significant transactions with related parties during the year or significant balances with them at the end of the year.

50. SUBSEQUENT EVENTS

On 1st April, 2006, Town Health Medical Group Limited, a subsidiary of the Group, entered into an agreement with Dr. Chow Po Wah whereby the Group committed to acquire 49% equity interests in Pak On Medical Co., Limited ("Pak On") at a consideration of HK\$2,736,319. Pak On currently operates six clinics in Hong Kong.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

51. 本公司資產負債表

51. BALANCE SHEET OF THE COMPANY

		2006 港元 HK\$	2005 港元 HK\$
非流動資產	Non-current assets		
於附屬公司之權益	Interests in subsidiaries	28,537,379	123,244,763
持作出售投資	Investment held for trading	5,189,000	—
		33,726,379	123,244,763
流動資產	Current assets		
應收賬款及其他應收款項	Trade and other receivables	2,983,295	1,976,388
應收一間附屬公司款項	Amount due from a subsidiary	213,611,484	13,267,707
應收一間聯營公司款項	Amounts due from associates	1,959,012	232,744
已抵押銀行存款	Pledged bank deposits	10,000,000	10,000,000
銀行結餘	Bank balances	36,208,526	7,073,732
		264,762,317	32,550,521
流動負債	Current liabilities		
應付賬款及其他應付款項	Trade and other payables	3,076,460	631,380
應付一間附屬公司款項	Amount due to a subsidiary	38,493,082	33,641,577
		41,569,542	34,272,957
流動資產（負債）淨值	Net current assets (liabilities)	223,192,775	(1,722,386)
總資產減流動負債	Total assets less current liabilities	256,919,154	121,522,377
非流動負債	Non-current liability		
可換股債券	Convertible bonds	36,692,213	—
		220,226,941	121,522,377
資本及儲備	Capital and reserves		
股本	Share capital	49,965,935	17,467,966
儲備	Reserves	170,261,006	104,054,411
		220,226,941	121,522,377



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

51. 本公司資產負債表 (續)

附註：

儲備

51. BALANCE SHEET OF THE COMPANY (Continued)

Note:

Reserves

		股份溢價	繳入盈餘	可分派儲備	可換股債券 股本儲備	累計虧損	合計
		Share premium	Contributed surplus	Distributable reserve	Convertible bonds equity reserve	Accumulated losses	Total
		港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$	港元 HK\$
於二零零四年四月一日	At 1st April, 2004	135,194,478	28,179,599	72,670,245	-	(65,124,956)	170,919,366
發行新股份	Issue of new shares	14,023,854	-	-	-	-	14,023,854
股份發行開支	Share issue expenses	(1,096,763)	-	-	-	-	(1,096,763)
年度虧損	Loss for the year	-	-	-	-	(79,792,046)	(79,792,046)
於二零零五年三月三十一日	At 31st March, 2005	148,121,569	28,179,599	72,670,245	-	(144,917,002)	104,054,411
發行新股份	Issue of new shares	64,393,166	-	-	-	-	64,393,166
發行可換股債券	Issue of convertible bonds	-	-	-	3,202,959	-	3,202,959
股份發行開支	Share issue expenses	(4,968,824)	-	-	-	-	(4,968,824)
於可換股債券 獲轉換時發行 股份	Issue of shares upon conversion of convertible bonds	21,301,043	-	-	(942,966)	-	20,358,077
已付股息	Dividend paid	-	-	(9,993,188)	-	-	(9,993,188)
年度虧損	Loss for the year	-	-	-	-	(6,785,595)	(6,785,595)
於二零零六年三月三十一日	At 31st March, 2006	<u>228,846,954</u>	<u>28,179,599</u>	<u>62,677,057</u>	<u>2,259,993</u>	<u>(151,702,597)</u>	<u>170,261,006</u>

本集團之繳入盈餘乃指本公司所發行普通股之面值350,000港元與Town Health (BVI) Limited (根據於二零零零年四月進行之集團重組透過互換股份收購之附屬公司)之資產淨值約28,530,000港元之差額。

本集團之可供分派儲備乃指股本削減所產生之款項。

Contributed surplus of the Company represents the difference between the nominal value of HK\$350,000 of the ordinary shares issued by the Company and the net asset value of approximately HK\$28,530,000 of Town Health (BVI) Limited, a subsidiary acquired through an exchange of shares pursuant to the group reorganisation in April 2000.

The distributable reserve of the Company represents the amount arising from the reduction of share capital.



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司

本公司於二零零六年三月三十一日之
主要附屬公司之詳情

52. PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries
at 31st March, 2006

公司名稱 Name of company	註冊成立/ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本/ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本/ 註冊股本面值比例 Proportion of nominal value of issued capital/registered capital held by the Company		主要業務 Principal activities
			直接 Directly	間接 Indirectly	
Town Health (BVI) Limited	英屬處女群島/ 有限公司 British Virgin Islands/ limited liability company	1,331,131美元 US\$1,331,131	100%	—	投資控股 Investment holding
Town Health Sourcing Limited	英屬處女群島/ 有限公司 British Virgin Islands/ limited liability company	1美元 US\$1	—	100%	營業名稱及其他 知識產權之持有人 Holder of trade name and other intellectual property rights
Town Health Trademark Limited	英屬處女群島 /有限公司 British Virgin Islands/ limited liability company	1美元 US\$1	—	100%	營業名稱及其他 知識產權之持有人 Holder of trade name and other intellectual property rights



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)

52. PRINCIPAL SUBSIDIARIES
(Continued)

公司名稱 Name of company	註冊成立地點／ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本／ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本／ 註冊股本面值比例		主要業務 Principal activities
			Proportion of nominal value of issued capital/registered capital held		
			直接	間接	
			Directly	Indirectly	
康健管理及服務有限公司 Town Health Management and Services Limited	香港／有限公司 Hong Kong/ limited liability company	2港元 HK\$2	—	100%	提供管理及行政服務 Provision of management and administrative services
康健醫療及牙科 服務有限公司 Town Health Medical & Dental Services Limited	香港／有限公司 Hong Kong/ limited liability company	2港元 HK\$2	—	100%	提供醫療服務 Provision of medical service
康健輔助醫療服務 有限公司 Town Health Para-medical Services Limited	香港／有限公司 Hong Kong/ limited liability company	2港元 HK\$2	—	100%	投資控股 Investment holding



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)

52. PRINCIPAL SUBSIDIARIES
(Continued)

公司名稱 Name of company	註冊成立地點/ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本/ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本/ 註冊股本面值比例 Proportion of nominal value of issued capital/registered capital held by the Company		主要業務 Principal activities
			直接 Directly	間接 Indirectly	
康健醫療保健服務 有限公司	英屬處女群島/ 有限公司	1美元	—	100%	投資控股
Town Health Preventive Healthcare Services Limited	British Virgin Islands/ limited liability company	US\$1			Investment holding
康健牙科有限公司	香港/有限公司	2港元	—	100%	提供牙科診症服務
Town Health Dental Limited	Hong Kong/ limited liability company	HK\$2			Provision of dental consultation services
進康醫療網絡有限公司	香港/有限公司	2港元	—	100%	向醫療卡持有人 提供網絡服務
Health Matrix Network Limited	Hong Kong/ limited liability company	HK\$2			Provision of network services to medical cardholders



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)

52. PRINCIPAL SUBSIDIARIES
(Continued)

公司名稱 Name of company	註冊成立地點／ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本／ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本／ 註冊股本面值比例 Proportion of nominal value of issued capital/registered capital held by the Company		主要業務 Principal activities
			直接 Directly	間接 Indirectly	
康聆聽覺護理有限公司	英屬處女群島／ 有限公司	10,000美元	—	51%	投資控股
Audio Health Hearing Care Limited	British Virgin Islands/ limited liability company	US\$10,000			Investment holding
康聆聽覺護理(沙田)有限公司	香港／有限公司	1,000港元	—	70%	提供聽力診斷測試及 銷售助聽器設備
Audio Health Hearing Care (Shatin) Limited	Hong Kong/ limited liability company	HK\$1,000			Provision of audio diagnostic tests and sale of hearing-aid devices



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)

52. PRINCIPAL SUBSIDIARIES
(Continued)

公司名稱 Name of company	註冊成立地點／ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本／ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本／ 註冊股本面值比例 Proportion of nominal value of issued capital/registered capital held by the Company		主要業務 Principal activities
			直接 Directly	間接 Indirectly	
康健中醫服務有限公司 Town Health Traditional Chinese Medicine Services Limited	香港／有限公司 Hong Kong/ limited liability company	2港元 HK\$2	—	100%	投資控股 Investment holding
康健醫藥生物科技有限公司 Town Health Bio-Medical Technology Limited	英屬處女群島／ 有限公司 British Virgin Islands/ limited liability company	1,000美元 US\$1,000	100%	—	投資控股 Investment holding
Spring Biotech Limited	英屬處女群島／ 有限公司 British Virgin Islands/ limited liability company	1美元 US\$1	—	100%	投資控股 Investment holding



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)

52. PRINCIPAL SUBSIDIARIES
(Continued)

公司名稱 Name of company	註冊成立地點／ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本／ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本／ 註冊股本面值比例 Proportion of nominal value of issued capital/registered capital held		主要業務 Principal activities
			直接 Directly	間接 Indirectly	
銀靈有限公司 Silver Ascot Limited	香港／有限公司 Hong Kong/ limited liability company	3港元 HK\$3	—	66%	提供醫療及牙科診症服務 Provision of medical and dental consultation services
康健飲食文化有限公司 Town Health Food and Beverage Culture Company Limited	香港／有限公司 Hong Kong/ limited liability company	2港元 HK\$2	—	100%	膳食供應業務 Catering business
豪健國際有限公司 (於二零零六年四月三日改稱 顯赫治髮中心有限公司)	香港／有限公司	100,000港元	—	51%	經營植髮中心
Wing Health International Limited (changed to Nu/Hart Hair Solutions Limited on 3rd April, 2006)	Hong Kong/ limited liability company	HK\$100,000			Operating of a hair transplant centre



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)**52. PRINCIPAL SUBSIDIARIES**
(Continued)

公司名稱 Name of company	註冊成立地點／ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本／ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本／ 註冊股本面值比例 Proportion of nominal value of issued capital/registered capital held by the Company		主要業務 Principal activities
			直接 Directly	間接 Indirectly	
得兆有限公司 Billion Advance Limited	香港／有限公司 Hong Kong/ limited liability company	100港元 HK\$100	—	70%	物業投資服務 Property investment services
康健兒童樂趣坊有限公司 Town Health Children's Land Limited	香港／有限公司 Hong Kong/ limited liability company	500,000港元 HK\$500,000	—	65%	經營教育中心 Operation of an education centre
康健醫療科技控股有限公司 (前稱星虹控股有限公司) (附註42c) Town Health Medical Technology Holdings Company Ltd. (previously known as Starbow Holdings Limited (note 42c))	百慕達／有限公司 Bermuda/ limited liability company	11,595,168港元 HK\$11,595,168	—	—	貿易及製造成衣 Trading and manufacturing of garment



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)

52. PRINCIPAL SUBSIDIARIES
(Continued)

公司名稱 Name of company	註冊成立地點／ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本／ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本／ 註冊股本面值比例		主要業務 Principal activities
			Proportion of nominal value of issued capital/registered capital held by the Company		
			直接 Directly	間接 Indirectly	
威杰有限公司 Bright Dignity Limited	香港／有限公司 Hong Kong/ limited liability company	100港元 HK\$100	—	100%	提供醫療服務 Provision of medical services
悦容居專業美容及纖體 有限公司 Harmonic Beauty and Body Slimming Company Limited	香港／有限公司 Hong Kong/ limited liability company	100港元 HK\$100	—	70%	提供美容及護膚服務 Provision of beauty and skin care services
Dermatonic Skincare & Laser Treatment Centre Limited	香港／有限公司 Hong Kong/ limited liability company	100港元 HK\$100	—	100%	提供皮膚護理及 激光治療服務 Provision of skincare and laser treatment services



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)

52. PRINCIPAL SUBSIDIARIES
(Continued)

公司名稱 Name of company	註冊成立地點／ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本／ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本／ 註冊股本面值比例		主要業務 Principal activities
			Proportion		
			of nominal		
			value of issued		
			capital/registered		
			capital held		
			by the Company		
			直接	間接	
			Directly	Indirectly	
名華醫療科技集團 有限公司	英屬處女群島／ 有限公司	1,100美元	—	51%	投資控股
First Oriental Medical Technology Group Limited	British Virgin Islands/ limited liability company	US\$1,100			Investment holding
名華醫療科技有限公司	香港／有限公司	1,000,000港元	—	51%	投資控股
First Oriental Medical Technology Limited	Hong Kong/ limited liability company	HK\$1,000,000			Investment holding
First Oriental Cyclotron Limited	香港／有限公司 Hong Kong/ limited liability company	1,000,000港元 HK\$1,000,000	—	94%	生產醫療用同位素 Production of isotopes for medical uses



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)

52. PRINCIPAL SUBSIDIARIES
(Continued)

公司名稱 Name of company	註冊成立地點／ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本／ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本／ 註冊股本面值比例 Proportion of nominal value of issued capital/registered capital held by the Company		主要業務 Principal activities
			直接 Directly	間接 Indirectly	
帕斯醫療控股有限公司	英屬處女群島／ 有限公司	800美元	56.13%	—	投資控股
Pacific Medical (Holding) Company Limited	British Virgin Islands/ limited liability company	US\$800			Investment holding
Pacific Medical (Hong Kong) Company Limited	香港／有限公司	100港元	—	56.13%	銷售心臟科及周邊血管 相關外科手術儀器
	Hong Kong/ limited liability company	HK\$100			Sales of cardiology and peripheral vascular related surgical equipment
Pacific Medical (China) Company Limited	香港／有限公司	100港元	—	56.13%	銷售心臟科及周邊血管 相關外科手術儀器
	Hong Kong/ limited liability company	HK\$100			Sales of cardiology and peripheral vascular related surgical equipment



綜 合 財 務 報 表 附 註
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)

52. PRINCIPAL SUBSIDIARIES
(Continued)

公司名稱 Name of company	註冊成立地點／ 法律實體類別 Place of incorporation/ form of legal entity	已發行及繳足股本／ 註冊股本 Issued and fully paid share capital/ registered capital	本公司持有之 已發行股本／ 註冊股本面值比例 Proportion of nominal value of issued capital/registered capital held by the Company		主要業務 Principal activities
			直接 Directly	間接 Indirectly	
Pacific Medical (China) Group Company Limited	英屬處女群島／ 有限公司 British Virgin Islands/ limited liability company	2美元 US\$2	—	56.13%	銷售心臟科及周邊血管 相關外科手術儀器 Sales of cardiology and peripheral vascular related surgical equipment
上海帕斯醫療器材 有限公司	中國／外商獨資企業 PRC/ wholly owned foreign enterprise	200,000美元 US\$200,000	—	56.13%	銷售心臟科及周邊血管 相關外科手術儀器 Sales of cardiology and peripheral vascular related surgical equipment
Pherson Limited	香港 Hong Kong	500,000港元 HK\$500,000	—	69%	物業投資 Property investments



綜 合 財 務 報 表 附 註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零零六年三月三十一日止年度 For the year ended 31st March, 2006

52. 主要附屬公司 (續)

上表列出董事認為對本集團業績或資產有重大影響之本集團附屬公司。董事認為，列出其他附屬公司之詳細資料將導致資料過於冗長。

並無附屬公司於年終或年內任何時間持有任何尚未償還之債務證券。

52. PRINCIPAL SUBSIDIARIES
(Continued)

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

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



財 務 摘 要 FINANCIAL SUMMARY

業績

RESULTS

截至三月三十一日止年度

Year ended 31st March,

		2006 千港元 HK\$'000	2005 千港元 HK\$'000	2004 千港元 HK\$'000	2003 千港元 HK\$'000	2002 千港元 HK\$'000
營業額	Turnover	231,179	179,536	109,717	123,878	100,030
年度溢利 (虧損)	Profit (loss) for the year	21,448	(78,381)	(87,269)	4,884	2,173
應佔：	Attributable to:					
本公司股權 持有人	Equity holders of the Company	20,020	(84,331)	(87,669)	4,741	2,029
少數股東權益	Minority interests	1,418	5,950	400	143	144
		21,448	(78,381)	(87,269)	4,884	2,173

資產負債表

Balance sheet

於三月三十一日

At 31st March,

		2006 千港元 HK\$'000	2005 千港元 HK\$'000	2004 千港元 HK\$'000	2003 千港元 HK\$'000	2002 千港元 HK\$'000
總資產	Total assets	397,507	177,288	219,727	323,391	262,821
總負債	Total liabilities	(149,002)	(41,905)	(25,956)	(68,441)	(53,720)
淨負債	Net liabilities	248,505	135,383	193,771	254,950	209,101
本公司股權 持有人應佔 資產	Assets attributable to equity holders of the Company	249,155	123,414	189,842	254,881	208,926
少數股東權益	Minority interests	(650)	11,969	3,929	69	175
股東資金	Shareholders' funds	248,505	135,383	193,771	254,950	209,101

