

**24. MINORITY INTERESTS**

	<b>The Group</b>	
	<b>2001</b>	2000
	<i>HK\$</i>	<i>HK\$</i>
Equity interests:		
Third parties	<b>105,635,284</b>	108,287,470
Related party	<b>(1,579,033)</b>	—
	<u><b>104,056,251</b></u>	<u>108,287,470</u>
Due to minority shareholders:		
Third parties	<b>36,575,541</b>	28,795,142
Related party	<b>1,800,000</b>	—
	<u><b>38,375,541</b></u>	<u>28,795,142</u>
	<u><b>142,431,792</b></u>	<u>137,082,612</u>

The related party is a company owned and controlled by the two of the shareholders of the ultimate holding company of the Company.

The amounts due to minority shareholders at the balance sheet date are unsecured, interest-free and have no fixed repayment terms except for an amount of HK\$30,500,413 (2000: HK\$Nil) which carries interest at 1% per month and is repayable after 3 years from date of advance or 31st December, 2002, whichever is later.

**25. ISSUED CAPITAL**

	2001		2000	
	<i>No. of shares</i>	<i>HK\$</i>	<i>No. of shares</i>	<i>HK\$</i>
<b>Authorised:</b>				
At beginning of year, at HK\$0.05				
(2000: HK\$0.01) each	<b>18,000,000,000</b>	<b>900,000,000</b>	90,000,000,000	900,000,000
Share consolidation	—	—	(72,000,000,000)	—
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At balance sheet date, at HK\$0.05				
(2000: HK\$0.05) each	<b>18,000,000,000</b>	<b>900,000,000</b>	18,000,000,000	900,000,000
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<b>Issued and fully paid:</b>				
At beginning of year	<b>848,254,690</b>	<b>42,412,735</b>	2,410,673,446	24,106,734
Share consolidation	—	—	(1,928,538,760)	—
Issue of shares	—	—	291,000,000	14,550,000
Exercise of warrants	<b>6,185,000</b>	<b>309,250</b>	54,120,004	2,706,001
Exercise of shares options	—	—	21,000,000	1,050,000
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At balance sheet date	<b>854,439,690</b>	<b>42,721,985</b>	848,254,690	42,412,735
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26. WARRANTS AND SHARE OPTIONS

The Company had in issue the following warrants and share options as at the balance sheet date.

	1999 Warrants		2001 Warrants		Share options
	Share subscription amount	Share issuable	Share subscription amount	Share issuable	Share issuable
	HK\$		HK\$		
At 1st April, 1999	95,120,000	328,000,000	—	—	100,500,000
Share consolidation	—	(262,400,000)	—	—	(80,400,000)
Issued during the year	—	—	57,600,000	144,000,000	60,000,000
Exercise of subscription rights	(1)	(4)	(21,648,000)	(54,120,000)	(21,000,000)
Lapsed	(95,119,999)	(65,599,996)	—	—	(20,100,000)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31st March, 2000	—	—	35,952,000	89,880,000	39,000,000
Exercise of subscription rights	—	—	(2,474,000)	(6,185,000)	—
Lapsed	—	—	(33,478,000)	(83,695,000)	—
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>At 31st March, 2001</b>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>39,000,000</u>

Pursuant to a board resolution passed on 22nd July, 1999, the Company issued 144,000,000 warrants (“2001 Warrants”) at HK\$0.2 per unit. The 2001 Warrants entitled the holders to subscribe for new shares in the Company at a subscription price of HK\$0.4 per share, subject to adjustment, on or before 31st March, 2001. During the year, 6,185,000 2001 Warrants were exercised and the remaining 83,695,000 2001 Warrants were expired on 31st March, 2001.

A share option scheme was approved and adopted at the annual general meeting held on 14th September, 1999 with effect from 29th November, 1999. The Company granted options on 9th December, 1999 to certain directors and consultants of the Company to subscribe for 60,000,000 shares in the Company at an exercise price of HK\$0.5872 per share, subject to adjustment. The share options are exercisable within a period effective from their first exercisable date of 1st January 2000 to 31st December, 2002. No share options were exercised during the year.

27. RESERVES

The Group

	Assets revaluation reserve									Total HK\$
	Capital reserve HK\$	Share premium HK\$	Contributed surplus HK\$	Investment properties HK\$	Other properties HK\$	Capital				
						reserve on consolidation HK\$	Exchange reserve HK\$	Retained profits HK\$	Statutory reserve HK\$	
At 1st April, 1999	491,666,676	846,365,812	35,861,125	1,754,232	4,726,096	122,303,336	(1,761,074)	17,567,270	2,361,083	1,520,844,556
Expiry of warrants	(33,836,256)	—	—	—	—	—	—	—	—	(33,836,256)
Issue of shares	—	180,950,000	—	—	—	—	—	—	—	180,950,000
Issue of warrants	27,268,168	—	—	—	—	—	—	—	—	27,268,168
Shares restructure expenses	(37,862)	(2,309,195)	—	—	—	—	—	—	—	(2,347,057)
Surplus on revaluation	—	—	—	5,500,000	2,344,271	—	—	—	—	7,844,271
Acquisition of subsidiaries	—	—	—	—	—	9,000,000	—	—	—	9,000,000
Acquisition of associates	—	—	—	—	—	(82,114,955)	—	—	—	(82,114,955)
Exercise of warrants	(10,248,286)	29,190,288	—	—	—	—	—	—	—	18,942,002
Exercise of share options	—	11,281,200	—	—	—	—	—	—	—	11,281,200
Share of exchange reserve of foreign subsidiaries/ associate	—	—	—	—	—	—	(921,698)	—	—	(921,698)
Exchange differences on translation of the financial statements of foreign subsidiaries	—	—	—	—	—	—	237,951	—	—	237,951
Dividends	—	—	(16,000,004)	—	—	—	—	—	—	(16,000,004)
Profit for the year	—	—	—	—	—	—	—	141,625,862	—	141,625,862
<b>At 31st March, 2000</b>	<b>474,812,440</b>	<b>1,065,478,105</b>	<b>19,861,121</b>	<b>7,254,232</b>	<b>7,070,367</b>	<b>49,188,381</b>	<b>(2,444,821)</b>	<b>159,193,132</b>	<b>2,361,083</b>	<b>1,782,774,040</b>
Company and subsidiaries	474,812,440	1,065,478,105	19,861,121	7,254,232	7,070,367	49,188,381	(1,564,524)	157,816,381	2,361,083	1,782,277,586
Associates	—	—	—	—	—	—	(880,297)	1,376,751	—	496,454
	474,812,440	1,065,478,105	19,861,121	7,254,232	7,070,367	49,188,381	(2,444,821)	159,193,132	2,361,083	1,782,774,040

27. RESERVES (Cont'd)

The Group

	Assets revaluation reserve									
						Capital				
	Capital reserve	Share premium	Contributed surplus	Investment properties	Other properties	reserve on consolidation	Exchange reserve	Retained profits	Statutory reserve	Total
HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
At 1st April, 2000	474,812,440	1,065,478,105	19,861,121	7,254,232	7,070,367	49,188,381	(2,444,821)	159,193,132	2,361,083	1,782,774,040
Expiry of warrants	(15,848,676)	—	—	—	—	—	—	—	—	(15,848,676)
Exercise of warrants	(1,171,206)	3,335,956	—	—	—	—	—	—	—	2,164,750
Dividends underprovided										
in 2000	—	—	(40,000)	—	—	—	—	—	—	(40,000)
Appropriation to reserve	—	—	—	—	—	—	—	(878,808)	878,808	—
Surplus on revaluation	—	—	—	—	269,446	—	—	—	—	269,446
Share of exchange reserve										
of foreign subsidiaries	—	—	—	—	—	—	(2,381,283)	—	—	(2,381,283)
Acquisition of subsidiaries	—	—	—	—	—	(347)	—	—	—	(347)
Goodwill on deemed disposal										
of shares in a subsidiary	—	—	—	—	—	(88,800)	—	—	—	(88,800)
Goodwill released on deemed										
disposal of shares in an										
associate	—	—	—	—	—	3,608,166	—	—	—	3,608,166
Share of reserves of associates	—	—	—	—	—	541,370	—	—	—	541,370
Dividends	—	—	(10,244,397)	—	—	—	—	—	—	(10,244,397)
Loss for the year	—	—	—	—	—	—	—	(44,029,797)	—	(44,029,797)
<b>At 31st March, 2001</b>	<b>457,792,558</b>	<b>1,068,814,061</b>	<b>9,576,724</b>	<b>7,254,232</b>	<b>7,339,813</b>	<b>53,248,770</b>	<b>(4,826,104)</b>	<b>114,284,527</b>	<b>3,239,891</b>	<b>1,716,724,472</b>
Company and subsidiaries	457,792,558	1,068,814,061	9,576,724	7,254,232	7,339,813	52,707,400	(3,945,807)	110,698,648	3,239,891	1,713,477,520
Associates	—	—	—	—	—	541,370	(880,297)	3,585,879	—	3,246,952
	457,792,558	1,068,814,061	9,576,724	7,254,232	7,339,813	53,248,770	(4,826,104)	114,284,527	3,239,891	1,716,724,472

**27. RESERVES** (Cont'd)**The Company**

	<b>Capital reserve</b>	<b>Share premium</b>	<b>Contributed surplus</b>	<b>Retained profits</b>	<b>Total</b>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
At 1st April, 1999	491,666,676	846,365,812	68,238,510	46,295,183	1,452,566,181
Expiry of warrants	(33,836,256)	—	—	—	(33,836,256)
Exercise of warrants	(10,248,286)	29,190,288	—	—	18,942,002
Exercise of share options	—	11,281,200	—	—	11,281,200
Issue of shares	—	180,950,000	—	—	180,950,000
Issue of warrants	27,268,168	—	—	—	27,268,168
Share restructure expenses	(37,862)	(2,309,195)	—	—	(2,347,057)
Dividends	—	—	(16,000,004)	—	(16,000,004)
Profit for the year	—	—	—	60,717,373	60,717,373
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At 31st March, 2000	474,812,440	1,065,478,105	52,238,506	107,012,556	1,699,541,607
Expiry of warrants	(15,848,676)	—	—	—	(15,848,676)
Exercise of warrants	(1,171,206)	3,335,956	—	—	2,164,750
Dividends					
underprovided in 2000	—	—	(40,000)	—	(40,000)
Dividends	—	—	(10,244,397)	—	(10,244,397)
Loss for the year	—	—	—	(44,825,116)	(44,825,116)
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<b>At 31st March, 2001</b>	<b>457,792,558</b>	<b>1,068,814,061</b>	<b>41,954,109</b>	<b>62,187,440</b>	<b>1,630,748,168</b>