

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2003

財務報告附註

截至二零零三年三月三十一日止年度

33. SHARE CAPITAL (cont'd)

- (e) During the year, 37,400,000 share options were exercised and resulting in the issue of 37,400,000 ordinary shares of HK\$0.01 each in the Company.

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

34. SHARE OPTION SCHEMES

The Company has adopted share option schemes on 16th August, 1990 (the "1990 Scheme"), 23rd August, 2000 (the "2000 Scheme") and 15th February, 2002 (the "2002 Scheme") for the primary purpose of providing incentives to directors and eligible employees. Details are as set out below:

(a) 1990 Scheme

Pursuant to the terms of the 1990 Scheme which expired on 15th August, 2000, the directors of the Company may grant options without consideration to directors and full time employees of the Company or its subsidiaries to subscribe for shares in the Company. Options granted are exercisable at any time during the three year period after the date the options are granted and accepted. Options granted should be accepted within 21 days from the date of offer.

The price per share payable on the exercise of an option is equal to the higher of the nominal value of the shares or 80% of the average of the closing price on the five trading days immediately preceding the date of offer of an option as quoted on the Stock Exchange.

No option shall be granted under the 1990 Scheme which would result in the aggregate number of shares issued or issuable under the 1990 Scheme to exceed 10% of the issued share capital of the Company from time to time.

No eligible person shall be granted an option or options for such number of shares which in aggregate would exceed 25% of the total number of shares for which options may be granted under the 1990 Scheme mentioned above.

33. 股本(續)

- (e) 年內，37,400,000 份購股權獲行使，致使發行本公司每股面值 0.01 港元普通股共 37,400,000 股。

年內發行之所有新股在各方面均與當時之現有股份享有同等權益。

34. 購股權計劃

本公司先後於一九九零年八月十六日、二零零零年八月二十三日及二零零二年二月十五日採納購股權計劃(分別簡稱「一九九零年計劃」、「二零零零年計劃」及「二零零二年計劃」)，主要目的是獎勵董事及合資格僱員，詳情載列如下：

(a) 一九九零年計劃

根據已於二零零零年八月十五日期滿之一九九零年計劃之條款，本公司可按免付代價之方式向本公司或其附屬公司之董事及全職僱員授出可認購本公司股份之購股權。已授出之購股權於授出日期起計三年之期間內可隨時行使。所授出之購股權於提呈日期起計 21 天內可供接納。

就行使購股權應付之每股價格為股份面值或緊接購股權提呈日期前五個交易日在聯交所所報之收市價平均值之 80% (以較高者為準)。

如會導致根據一九九零年計劃已發行或可發行之股份總數超過本公司不時之已發行股本之 10%，則不得按一九九零年計劃授出任何購股權。

如會導致合資格人士可獲發行之所有股份超過按上述之一九九零年計劃授出之購股權可認購之股份總數之 25%，則不得向該人士授出任何購股權。

34. SHARE OPTION SCHEMES (cont'd)

(b) 2000 Scheme

Pursuant to the terms of the 2000 Scheme which was terminated on 15th February, 2002, the Company may grant options to directors and full time employees of the Company or its subsidiaries to subscribe for shares in the Company at a consideration of HK\$1. Options granted are exercisable at any time during a maximum period of ten years after the date the options are granted and accepted. Options granted should be accepted within 21 days from the date of offer.

The subscription price of any option shall be not less than the higher of 80% of the average of the closing prices of the shares as quoted on the Stock Exchange on the five trading days immediately preceding the date of offer of an option or the nominal value of the shares.

The maximum number of shares in respect of which options may be granted under the 2000 Scheme may not exceed 10% of the issued share capital of the Company from time to time.

No option may be granted to any one person which, if exercised in full, will result in the total number of shares already issued and which may fall to be issued to him under all the options previously granted to him pursuant to the 2000 Scheme exceeding 25% of the maximum aggregate number of shares for the time being issued and which may fall to be issued under the 2000 Scheme.

(c) 2002 Scheme

On 15th February, 2002, the Company adopted the 2002 Scheme which will expire on 14th February, 2012. Pursuant to the terms of the 2002 Scheme, the Company may grant options to directors and full time employees of the Company or its subsidiaries to subscribe for shares in the Company at a consideration of HK\$10. The subscription price for the shares under the 2002 Scheme shall be a price determined by the directors of the Company being at least the higher of the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, or the average closing price of the shares stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant. Options granted are exercisable at any time during a period to be notified by the board of directors of the Company but limited to a maximum period of ten years after the date the options are granted. Options granted should be accepted within 21 days from the date of offer.

34. 購股權計劃 (續)

(b) 二零零零年計劃

根據已於二零零二年二月十五日終止之二零零零年計劃之條款，本公司可按 1 港元之代價向本公司或其附屬公司之董事及全職僱員授出可認購本公司股份之購股權。已授出之購股權於授出日期起計最長十年之期間內可隨時行使。所授出之購股權於提呈日期起計 21 天內可供接納。

購股權之認購價不得低於股份於緊接購股權提呈日期前五個交易日在聯交所所報之收市價平均值之 80% 或股份面值（以較高者為準）。

按二零零零年計劃可予授出之購股權涉及之股數上限不得超過本公司不時之已發行股本之 10%。

如某人全數行使將予獲授之購股權會導致其因過往按二零零零年計劃獲授之所有購股權而已獲及可獲發行之股份總數超過當時按二零零零年計劃已獲及可獲發行之股份總數上限之 25%，則不得向該人士授出任何購股權。

(c) 二零零二年計劃

本公司於二零零二年二月十五日採納二零零二年計劃，二零零二年計劃將於二零一二年二月十四日期滿。根據二零零二年計劃，本公司可按 10 港元之代價向本公司或其附屬公司之董事及全職僱員授出可認購本公司股份之購股權。二零零二年計劃之股份認購價由本公司董事決定，惟最低為股份於授出日期在聯交所每日報價表所示之收市價或股份於緊接授出日期前五個交易日在聯交所每日報價表所示之收市價平均值（以較高者為準）。已授出之購股權於本公司董事會知會之期間內可隨時行使，惟該期間最多以購股權授出日期起計十年為限。所授出之購股權於提呈日期起計 21 天內可供接納。

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34. SHARE OPTION SCHEMES (cont'd)

(c) 2002 Scheme (cont'd)

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2002 Scheme and the other schemes shall not exceed 10% of the shares in issue at the date on which the 2002 Scheme becomes unconditional (the "Mandate Limit"). Options lapsed will not be counted for the purpose of calculating the Mandate Limit. For the avoidance of doubt, the share underlying the options which have been cancelled and have not lapsed will be counted as part of the Mandate Limit.

The Mandate Limit may be refreshed at any time by the approval of the shareholders in general meeting provided that the total number of shares which may be issued upon exercise of all options to be granted under the 2002 Scheme and the other share option schemes must not exceed 10% of the shares in issue at the date of such shareholders' approval. For the avoidance of doubt, options previously granted under the 2002 Scheme and the other share option schemes (including those outstanding, cancelled, lapsed in accordance with the 2002 Scheme and the other share option schemes of the Company or exercised options) will not be counted for the purpose of calculating the refreshed 10%.

The Company may, by the approval of the shareholders in general meeting, grant options beyond the 10% limit provided that the options in excess of the 10% limit are granted only to employees specifically identified by the Company before shareholders' approval is sought.

Unless approved by the shareholders as set out herein, the total number of shares issued and to be issued upon exercise of the options granted to each employee (including both exercised and outstanding options) in any twelve month period must not exceed 1% of the shares of the Company in issue. Where any further grant of options to an employee would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the twelve month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant must be separately approved by the shareholders in general meeting with such employee and his associates abstaining from voting.

34. 購股權計劃 (續)

(c) 二零零二年計劃 (續)

因行使按二零零二年計劃及其他計劃將予獲授之所有購股權而可予發行之股數上限，不得超過於二零零二年計劃成為無條件當日已發行股份之10%（「授權限額」）。於計算授權限額時，作廢之購股權不會計入。為免混淆，已註銷但未有作廢之購股權涉及之股份，將計入作為授權限額之一部份。

授權限額經股東在股東大會上批准後可隨時更新，惟因行使按二零零二年計劃及其他購股權計劃授出之所有購股權可予發行之股份總數，不得超過取得上述股東批准當日之已發行股份之10%。為免混淆，過往按二零零二年計劃及其他購股權計劃授出之購股權（包括未行使、已註銷、按二零零二年計劃及本公司其他購股權計劃作廢之購股權或已行使之購股權），於計算更新之10%時不會計入。

本公司可在股東於股東大會批准之情況下，授出超過10%限額之購股權，惟超過10%限額之購股權只可授予本公司於尋求股東批准前列明之僱員。

除非按本文所述獲得股東批准，否則，因行使於任何十二個月期間內向各僱員授出之購股權（包括已行使及未行使購股權）而已獲及將獲發行之股份總數，不得超過本公司已發行股份之1%。如向任何僱員進一步授出購股權會導致因其行使於截至進一步授出購股權之日期（該日期包括在內）止之任何十二個月期間內經已及將會獲授之所有購股權（包括已行使、已註銷及未行使之購股權）而已獲及將獲發行之股份，合共超過已發行股份之1%，則進一步授出購股權之事宜須在股東大會上獲股東另行批准，而有關僱員及其聯繫人士均不得投票。

34. SHARE OPTION SCHEMES (cont'd)

(c) 2002 Scheme (cont'd)

However, the overall limit on the number of shares which may be issued upon exercise of all options granted under all share option schemes of the Company must not exceed 30% of the shares in issue from time to time.

The following tables disclose details of the Company's share options held by employees (including directors) and movements in such holdings during the year:

(a) 1990 Scheme

Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Exercisable period 行使期	Number of share options 購股權數目					
			Outstanding at 1.4.2001 於二零零一年 四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed on resignation during the year* 於年內辭職 而作廢*	Lapsed on expiry during the year 於年內期滿 而作廢	Outstanding at 31.3.2002 於二零零二年 三月三十一日 尚未行使
30.10.1999	16.920	30.10.1999 – 30.10.2002	1,013,861	–	–	(429,602)	–	584,259
4.1.2000	29.150	4.1.2000 – 4.1.2003	396,551	–	–	(131,745)	–	264,806
5.1.2000	31.560	5.1.2000 – 5.1.2003	17,184	–	–	(4,353)	–	12,831
6.1.2000	33.100	6.1.2000 – 6.1.2003	97,376	–	–	(32,077)	–	65,299
20.1.2000	37.360	20.1.2000 – 20.1.2003	836,865	–	–	(278,955)	–	557,910
24.3.2000	17.170	24.3.2000 – 24.3.2003	837,438	–	–	(274,945)	–	562,493
			3,199,275	–	–	(1,151,677)	–	2,047,598

Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Exercisable period 行使期	Number of share options 購股權數目					
			Outstanding at 1.4.2002 於二零零二年 四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed on resignation during the year* 於年內辭職 而作廢*	Lapsed on expiry during the year 於年內期滿 而作廢	Outstanding at 31.3.2003 於二零零三年 三月三十一日 尚未行使
30.10.1999	16.920	30.10.1999 – 30.10.2002	584,259	–	–	–	(584,259)	–
4.1.2000	29.150	4.1.2000 – 4.1.2003	264,806	–	–	–	(264,806)	–
5.1.2000	31.560	5.1.2000 – 5.1.2003	12,831	–	–	–	(12,831)	–
6.1.2000	33.100	6.1.2000 – 6.1.2003	65,299	–	–	–	(65,299)	–
20.1.2000	37.360	20.1.2000 – 20.1.2003	557,910	–	–	–	(557,910)	–
24.3.2000	17.170	24.3.2000 – 24.3.2003	562,493	–	–	–	(562,493)	–
			2,047,598	–	–	–	(2,047,598)	–

* The outstanding options are declared lapsed by the board of directors of the Company upon the resignation of the directors or employees holding the share options.

34. 購股權計劃 (續)

(c) 二零零二年計劃 (續)

然而，因行使本公司所有購股權計劃授出之全部購股權而可予發行之股份之整體限制，不得超過不時之已發行股份之30%。

下表披露由僱員（包括董事）持有之本公司購股權及該等購股權於年內之變動詳情：

(a) 一九九零年計劃

* 因持有該等未行使購股權之董事或僱員辭職，本公司董事會宣布該等購股權作廢。

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34. SHARE OPTION SCHEMES (cont'd)

(b) 2000 Scheme

Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Exercisable period 行使期	Number of share options 購股權數目				
			Outstanding at 1.4.2001 於二零零一年 四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed on resignation during the year* 於年內辭職 而作廢*	Outstanding at 31.3.2002 於二零零二年 三月三十一日 尚未行使
26.8.2000	8.790	26.8.2000 – 25.8.2010	3,983,288	–	–	(1,583,242)	2,400,046
28.8.2000	8.790	28.8.2000 – 27.8.2010	697,322	–	–	(325,000)	372,322
29.8.2000	1.740	29.8.2000 – 28.8.2010	80,000	–	–	(80,000)	–
21.2.2001	1.740	21.2.2001 – 20.2.2011	1,002,405	–	–	(126,016)	876,389
24.5.2001	0.474	24.5.2001 – 23.5.2011	–	2,950,000	(2,950,000)	–	–
11.6.2001	0.602	11.6.2001 – 10.6.2011	–	1,540,000	(1,540,000)	–	–
22.8.2001	0.216	22.8.2001 – 21.8.2011	–	4,040,000	(4,040,000)	–	–
			5,763,015	8,530,000	(8,530,000)	(2,114,258)	3,648,757

Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Exercisable period 行使期	Number of share options 購股權數目				
			Outstanding at 1.4.2002 於二零零二年 四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed on resignation during the year* 於年內辭職 而作廢*	Outstanding at 31.3.2003 於二零零三年 三月三十一日 尚未行使
26.8.2000	8.790	26.8.2000 – 25.8.2010	2,400,046	–	–	(1,432,009)	968,037
28.8.2000	8.790	28.8.2000 – 27.8.2010	372,322	–	–	(372,322)	–
21.2.2001	1.740	21.2.2001 – 20.2.2011	876,389	–	–	(114,560)	761,829
			3,648,757	–	–	(1,918,891)	1,729,866

* The outstanding options are declared lapsed by the board of directors of the Company upon the resignation of the directors or employees holding the share options.

34. 購股權計劃 (續)

(b) 二零零零年計劃

* 因持有該等未行使購股權之董事或僱員辭職，本公司董事會宣布該等購股權作廢。

34. SHARE OPTION SCHEMES (cont'd)

34. 購股權計劃 (續)

(c) 2002 Scheme

(c) 二零零二年計劃

Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Exercisable period 行使期	Number of share options 購股權數目					
			Outstanding at 1.4.2001 於二零零一年 四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed on expiry during the year 於年內期滿 而作廢	Lapsed on resignation during the year* 於年內辭職 而作廢*	Outstanding at 31.3.2002 於二零零二年 三月三十一日 尚未行使
21.3.2002	0.086	21.3.2002 – 30.9.2002	–	20,648,000	–	–	–	20,648,000

Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Exercisable period 行使期	Number of share options 購股權數目					
			Outstanding at 1.4.2002 於二零零二年 四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed on expiry during the year 於年內期滿 而作廢	Lapsed on resignation during the year* 於年內辭職 而作廢*	Outstanding at 31.3.2003 於二零零三年 三月三十一日 尚未行使
21.3.2002	0.086	21.3.2002 – 30.9.2002	20,648,000	–	–	(18,448,000)	(2,200,000)	–
22.8.2002	0.027	22.8.2002 – 28.2.2003	–	10,000,000	(10,000,000)	–	–	–
25.10.2002	0.011	25.10.2002 – 30.4.2003	–	6,500,000	(6,500,000)	–	–	–
29.11.2002	0.010	29.11.2002 – 30.6.2003	–	16,900,000	(16,900,000)	–	–	–
2.12.2002	0.010	2.12.2002 – 30.6.2003	–	4,000,000	(4,000,000)	–	–	–
			20,648,000	37,400,000	(37,400,000)	(18,448,000)	(2,200,000)	–

* The outstanding options are declared lapsed by the board of directors of the Company upon resignation of the directors or employees holding the options.

* 因持有該等未行使購股權之董事或僱員辭職，本公司董事會宣布該等購股權作廢。

No charge is recognised in the income statement in respect of the value of options granted in the year.

收入報表並無就年內授出之購股權價值確認任何費用。

The weighted average closing price of the Company's share immediately before the dates on which the options were exercised was HK\$0.016.

本公司股份於緊接購股權獲行使之日期前之加權平均收市價為 0.016 港元。

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35. SHARE PREMIUM AND RESERVES

35. 股份溢價及儲備

THE COMPANY	本公司	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Deficit 虧絀 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st April, 2001	於二零零一年四月一日	502,530	294,701	(909,404)	(112,173)
Effect of capital reduction	削減股本之影響	(444,334)	97,779	491,007	144,452
Premium arising on issue of shares	發行股份之溢價	85,677	-	-	85,677
Expenses in connection with the issue of shares	發行股份 之開支	(1,844)	-	-	(1,844)
Loss for the year	年度虧損	-	-	(287,695)	(287,695)
At 1st April, 2002	二零零二年四月一日	142,029	392,480	(706,092)	(171,583)
Premium arising on issue of shares	發行股份之溢價	21,433	-	-	21,433
Expenses in connection with the issue of shares	發行股份 之開支	(863)	-	-	(863)
Loss for the year	年度虧損	-	-	(236,987)	(236,987)
At 31st March, 2003	二零零三年三月三十一日	162,599	392,480	(943,079)	(388,000)

The contributed surplus of the Company represents the difference between the nominal value of the share capital issued by the Company and the underlying net assets of subsidiaries which were acquired by the Company pursuant to the group reorganisation in 1990; and the credit arising from the reduction of share capital and cancellation of share premium, net of application towards elimination of the deficit of the Company.

本公司繳入盈指本公司已發行股本之面值與本公司於一九九零年根據集團重組購入附屬公司基本資產淨值之差額以及削減股本及註銷股份溢價帶來之進賬，再扣除用以撇銷本公司虧絀之款額。

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

除保留溢利外，根據百慕達一九八一年公司法（經修訂），繳入盈餘亦可供分派予股東。然而，在下列情況下，本公司不得宣派或派付股息或自繳入盈餘作出分派：

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

- (a) 本公司現時或於支付後，當其負債到期時無力償付；或
- (b) 本公司資產之可變現值將較其負債及其已發行股本與股份溢價賬之總額為少。

In the opinion of the directors, the Company had no reserves available for distribution to its shareholders as at 31st March, 2003 and 2002.

董事認為，於二零零三年及二零零二年三月三十一日，本公司並無可供分派予股東之儲備。

36. ADVANCES FROM A MINORITY SHAREHOLDER OF A SUBSIDIARY

The advances from a minority shareholder of a subsidiary of the Group are unsecured and have no fixed terms of repayment. Other than an amount of HK\$37,053,000 (2002: HK\$13,526,000) which carries interest at prime rate, the remaining balances are interest-free. In the opinion of the directors at 31st March, 2002, the amounts would not be repayable within the next twelve months from the balance sheet date and were therefore shown in the balance sheet as non-current. Subsequent to 31st March, 2003, the Group received notice from the minority shareholder for settlement of the outstanding amounts (details as set out in note 50(a)) and the advances at 31st March, 2003 are therefore shown in the balance sheet as current.

37. AMOUNTS DUE TO SUBSIDIARIES

The amounts due to subsidiaries of the Company are unsecured, interest-free and have no fixed terms of repayment. In the opinion of the directors, the amounts will not be repayable within the next twelve months from the balance sheet date and are therefore shown in the balance sheet as non-current.

38. PURCHASE OF SUBSIDIARIES

Net assets acquired:	收購淨資產:		
Investment properties	投資物業	177,551	—
Trade and other receivables	貿易及其他應收款項	1,501	—
Bank balances and cash	銀行結存及現金	532	—
Trade and other payables	貿易及其他應付款項	(4,969)	—
Bank and other borrowings	銀行及其他借款	(24,515)	—
		150,100	—
Satisfied by:	按下列方式支付:		
Convertible bonds	可換股債券	150,100	—
Net inflow of cash and cash equivalents in connection with the acquisition of subsidiaries:	有關收購附屬公司之現金及現金等值項目流入淨額:		
Bank balances and cash acquired	購入銀行結存及現金	532	—

The subsidiaries acquired during the year ended 31st March, 2003 contributed HK\$3,478,000 to the Group's turnover, and HK\$689,000 to the Group's profit from operations.

36. 附屬公司少數股東墊款

本集團附屬公司少數股東墊款並無抵押，亦無固定還款期。除其中 37,053,000 港元（二零零二年：13,526,000 港元）按最優惠利率計息外，其餘均屬免息。於二零零二年三月三十一日，董事認為有關款項毋須於結算日後十二個月內償還，故在資產負債表列作非流動。於二零零三年三月三十一日後，本集團獲有關之少數股東通知償還尚欠款額（詳見附註 50(a)），故於二零零三年三月三十一日有關墊款於資產負債表列作流動。

37. 應付附屬公司款項

應付本公司附屬公司款項並無抵押、免息及無固定還款期。董事認為，有關款項毋須於結算日後十二個月內償還，故在資產負債表列作非流動。

38. 購入附屬公司

	2003 HK\$'000 千港元	2002 HK\$'000 千港元
Net assets acquired:		
Investment properties	177,551	—
Trade and other receivables	1,501	—
Bank balances and cash	532	—
Trade and other payables	(4,969)	—
Bank and other borrowings	(24,515)	—
	150,100	—
Satisfied by:		
Convertible bonds	150,100	—
Net inflow of cash and cash equivalents in connection with the acquisition of subsidiaries:		
Bank balances and cash acquired	532	—

於截至二零零三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經營溢利分別帶來 3,478,000 港元及 689,000 港元之進賬。

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39. DISPOSAL OF SUBSIDIARIES

39. 出售附屬公司

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Net assets disposed of:	出售淨資產:		
Club debentures	會籍債券	2,578	—
Trade and other receivables	貿易及其他應收款項	120	—
Inventories	存貨	180	—
Trade and other payables	貿易及其他應付款項	(1,271)	—
Bank overdraft	銀行透支	(107)	—
Net assets	淨資產	1,500	—
Translation reserve realised on disposal	出售時變現之滙兌儲備	98	—
Capital reserve realised on disposal	出售時變現之資本儲備	127	—
Net loss on disposal of subsidiaries	出售附屬公司虧損淨額	(1,525)	—
		200	—
Satisfied by:	支付方式:		
Cash consideration	現金代價	200	—
Analysis of net inflow of cash and cash equivalents in connection with the disposal of subsidiaries:	有關出售附屬公司之現金及現金等值項目流入淨額分析:		
Cash consideration received	已收現金代價	200	—
Bank overdraft disposed of	已出售之銀行透支	107	—
Net inflow of cash and cash equivalents in connection with the disposal of subsidiaries	有關出售附屬公司之現金及現金等值項目流入淨額	307	—

The subsidiaries disposed of during the year ended 31st March, 2003 did not have any significant impact on the Group's cash flows, turnover and operating results.

於截至二零零三年三月三十一日止年度內出售之附屬公司對本集團之現金流轉、營業額及經營業績並無任何重大影響。

40. MAJOR NON-CASH TRANSACTIONS

- (a) During the year, nominal value in aggregate of convertible bonds of HK\$7 million (2002: HK\$50 million) was converted into ordinary shares of the Company, resulting in the issue of 194,444,443 (2002: 181,089,540) ordinary shares of HK\$0.01 each in the Company.
- (b) During the year, the Company issued HK\$158 million (2002: Nil) non-interest bearing convertible bonds at a discount of 5% to settle the consideration in relation to the acquisition of certain subsidiaries.
- (c) During the year ended 31st March, 2002, the Group entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of HK\$2,723,000.
- (d) During the year ended 31st March, 2002, the Company issued HK\$67 million non-interest bearing convertible bonds at an issue price of HK\$63.6 million to Hutchison International Limited to settle the convertible bonds of HK\$40.6 million, promissory note of HK\$19.4 million and their accrued interest of HK\$3.6 million.

41. UNRECOGNISED DEFERRED TAXATION

At 31st March, 2003, the Group and the Company had unrecognised deferred tax asset of approximately HK\$123 million (2002: HK\$113 million) and HK\$81 million (2002: HK\$78 million), respectively, which mainly represents the tax effect of timing differences arising as a result of tax losses available to set off against future assessable profits. This deferred tax asset has not been recognised in the financial statements as it is not certain that the asset will be realised in the foreseeable future.

42. OPERATING LEASE ARRANGEMENTS*The Group as lessee*

Minimum lease payments paid under operating leases during the year

按經營租約於年內
支付之租金最低款額

40. 主要非現金交易

- (a) 年內，面值共 7,000,000 港元（二零零二年：50,000,000 港元）之可換股債券轉換為本公司普通股，致使發行 194,444,443 股（二零零二年：181,089,540 股）本公司每股面值 0.01 港元普通股。
- (b) 年內，本公司按 5% 之折讓發行 158,000,000 港元（二零零二年：無）之不計息可換股債券，以支付收購若干附屬公司之代價。
- (c) 於截至二零零二年三月三十一日止年度，本集團就若干資產訂立財務租約安排，有關資產於租約訂立日期之總資本值為 2,723,000 港元。
- (d) 於截至二零零二年三月三十一日止年度，本公司按 63,600,000 港元之發行價向和記企業有限公司發行 67,000,000 港元之不計息可換股債券，以償付 40,600,000 港元之可換股債券、19,400,000 港元之承付票據及 3,600,000 港元之有關應計利息。

41. 未確認遞延稅項

於二零零三年三月三十一日，本集團及本公司之未確認遞延稅項資產分別約為 123,000,000 港元（二零零二年：113,000,000 港元）及 81,000,000 港元（二零零二年：78,000,000 港元），主要為可用以抵銷日後應課稅溢利之稅項虧損所產生之時差帶來之稅務影響。由於未能確定有關資產會否於可見將來變現，故並無於財務報告內確認遞延稅項資產。

42. 經營租約安排*本集團（以承租人身份）***THE GROUP**
本集團

2003	2002
HK\$'000	HK\$'000
千港元	千港元

Minimum lease payments paid under operating leases during the year	按經營租約於年內 支付之租金最低款額	2,012	2,912
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42. OPERATING LEASE ARRANGEMENTS (cont'd)

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		THE GROUP 本集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Within one year	一年內	816	1,233
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年在內)	1,020	—
		1,836	1,233

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for an average term ranging from two to three years and rentals are fixed for an average of two years.

The Group as lessor

Energy saving machine rental income earned during the year was HK\$551,000 (2002: HK\$348,000). At the balance sheet date, no future minimum lease payment contracted by the Group with lessees can be quantified as the lease arrangement was made on the basis of energy saving level.

Property rental income earned during the year was HK\$3,478,000 (2002: Nil). The properties are expected to generate rental yields of 2.6% on an ongoing basis. All of the properties held have committed tenants for the next two years.

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments:

		THE GROUP 本集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Within one year	一年內	1,413	—
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年在內)	752	—
		2,165	—

42. 經營租約 (續)

於結算日，本集團按不可撤銷經營租約之日後租金最低款額承擔之到期日如下：

經營租約款項指本集團就辦公室物業應付之租金。租期平均為兩至三年，而租金之有效期平均為兩年。

本集團 (以出租人身份)

年內賺得之能源節省器租金收入為 551,000 港元 (二零零二年: 348,000 港元)。於結算日，由於租賃安排乃按得以節省之能源水平訂立，故無法計量本集團與承租人訂立之日後租金最低款額。

年內賺取之物業租金收入為 3,478,000 港元 (二零零二年: 無)。該等物業預期持續帶來 2.6% 之租金收益率。所有該等物業在未來兩年均有已訂約之租戶。

於結算日，本集團與租戶已訂有租約之日後最低租金款額如下：