

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2004
(Expressed in Hong Kong dollars)

截至二零零四年三月三十一日止年度
(以港幣列示)

1. GENERAL INFORMATION

REXCAPITAL International Holdings Limited (the “Company”) was incorporated in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The principal activity of the Company is investment holding. Its subsidiaries (together with the Company referred to as the “Group”) are mainly engaged in provision of investment advisory services, participation in primary and secondary securities market and money lending.

2. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements on pages 29 to 87 are prepared in accordance with and comply with all applicable Statements of Standard Accounting Practice (“SSAP”) and Interpretations issued by the Hong Kong Society of Accountants, the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The financial statements are prepared under the historical cost convention as modified by the revaluation of trading securities at fair value.

1. 一般資料

御泰國際控股有限公司(「本公司»)於百慕達成立，股份於香港聯合交易所有限公司(「聯交所»)上市。本公司之主要業務為投資控股，其附屬公司(與本公司合稱「本集團»)主要業務包括提供投資顧問服務、參與主要及次要證券市場活動及借貸業務。

2. 主要會計政策

(a) 編製基準

本財務報表第29至87頁，乃按照及符合香港會計師公會頒佈的所有適用之會計實務準則(「會計實務準則»)及詮釋，以及香港《公司條例》及聯交所證券上市規則(「上市規則»)之披露要求而編製。除交易證券按公允價值重估列賬外，本財務報表乃按歷史成本規定編製。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

2. 主要會計政策(續)

(a) Basis of preparation (continued)

(a) 編製基準(續)

Adoption of SSAPs

採納會計實務準則

SSAP 12 (Revised) - Income taxes

會計實務準則第12號(經修訂)－利得稅

In the current year, the Group has adopted SSAP 12 (Revised) "Income taxes". The principal effect of the implementation of SSAP 12 (Revised) is in relation to deferred tax. In previous years, partial provision was made for deferred tax using the income statement liability method, i.e. a liability was recognised in respect of timing differences arising, except where timing differences were not expected to reverse in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. SSAP 12 (Revised) requires the adoption of a balance sheet liability method, whereby deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions.

本集團於本年採納會計實務準則第12號(經修訂)「利得稅」。實施會計實務準則第12號(經修訂)之主要影響乃關於遞延稅項。於過往年度，本集團乃按收益表負債法就遞延稅項作出部份撥備，即就所產生之時差而確認負債，除非該等時差預期不會在可見將來撥回。除非可合理確定將會變現，否則遞延稅項資產將不獲確認。會計實務準則第12號(經修訂)規定須採納資產負債表負債法，據此，除有限之例外情況外，遞延稅項乃就財務報表內資產及負債賬面值與計算應課稅溢利所使用相應稅基之間之所有短暫時差予以確認。

In the absence of any specific transitional requirements in SSAP 12 (Revised), the new accounting policy has been applied retrospectively. As a result, the Group has changed its accounting policies for deferred taxation as detailed in note (m) below. The adoption of SSAP 12 (Revised) has no material effect on the results for the current and prior years. Accordingly, no prior year adjustment is required.

會計實務準則第12號(經修訂)並無訂定任何特別過渡規定，故新會計政策經已追溯應用。因此，本集團就遞延稅項改變其會計政策，詳情請參看附註(m)。採納會計實務準則第12號(經修訂)並無對本年度及以往會計年度之業績有任何重大影響，故毋須作出前期調整。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註 (續)

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

SSAP 33 - Discontinuing operations

In adopting SSAP 33 the Group has disclosed the relevant information of discontinuing operations as stipulated in the SSAP in the current year when an initial disclosure event takes place. Since this SSAP relates effectively to disclosures it has no effect on the results for the current or prior years. This change in accounting policy has been applied retrospectively so that the comparative amounts presented have been restated to conform with the changed policy on disclosures.

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 March each year. All material intercompany transactions and balances within the Group are eliminated on consolidation.

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. The gain or loss on disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill or negative goodwill taken to reserves and which was not previously charged or recognised in the consolidated income statement.

2. 主要會計政策 (續)

(a) 編製基準 (續)

會計實務準則第33號－終止經營業務

採納會計實務準則第33號時，本集團已於本年度，則初次披露事件出現時，按會計實務準則之規定披露終止經營業務之相關資料。由於此會計實務準則實際上只關乎事件之披露，對本期及以往年度之業績並無影響。此項會計政策改變已追溯運用，致使所呈列之比較數字經重列以符合披露事項政策改變。

(b) 綜合基準

綜合財務報表包括本公司及其附屬公司截至每年三月三十一日止年度之財務報表。集團內公司間之重大交易及結餘均已於綜合賬目時對銷。

年內收購或出售之附屬公司之有關業績，分別由收購生效日期起計入綜合收益表或計至出售生效日期(選適用者)。出售附屬公司之盈虧乃指出售所得款項與本集團應佔該附屬公司之資產淨值之相差金額，並包括任何並未於綜合收益表攤銷之商譽或直接計入儲備而並未於綜合收益表確認之負商譽。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註 (續)

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(Expressed in Hong Kong dollars)

截至二零零四年三月三十一日止年度
(以港幣列示)

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2. 主要會計政策 (續)

(c) Subsidiaries

Subsidiaries are those enterprises controlled by the Company.

Control exists when the Company has the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities.

In the Company's balance sheet, investments in subsidiaries are stated at cost less impairment losses.

(d) Goodwill

Goodwill arising on acquisition represents the excess of the cost of acquisition over the Group's share of the fair value of the identifiable assets and liabilities acquired as at the date of acquisition. In respect of subsidiaries, goodwill is amortised to the consolidated income statement on a straight line basis over its estimated useful life. Goodwill is stated in the consolidated balance sheet at original amount less accumulated amortisation and impairment losses.

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which has not been amortised through the consolidated income statement or which has previously been dealt with as a movement in the Group's reserves.

(c) 附屬公司

附屬公司是指由本公司控制之企業。

當本公司有權支配企業之財務及經營政策，並藉此從其活動中取得利益，則該等企業均視為受本公司控制。

本公司之資產負債表所示於附屬公司之投資是按成本減除減值虧損入賬。

(d) 商譽

收購時產生之商譽乃指收購成本超逾本集團於收購之日應佔所收購之可辨識資產與負債公允值之數。在收購附屬公司方面，商譽是按其預計可用年期，以直線法在綜合收益表內攤銷。商譽是按原值減除累計攤銷及減值虧損計入綜合資產負債表。

出售附屬公司時，出售之盈虧乃參照有關公司於出售日期之資產淨值計算，當中包括未有在綜合收益表內攤銷或之前已計入本集團之儲備之應佔商譽。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

2. 主要會計政策(續)

(d) Goodwill (continued)

The carrying amount of goodwill is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

(d) 商譽(續)

商譽之賬面值會每年檢討並於需要時就減值撇賬。除非減值虧損乃由於屬於特別性質之特定外在事件所致，而該事件預期不會再次發生，且其後發生之外在事件致令該事件之影響扭轉，否則先前已確認之商譽減值虧損並不會予以撥回。

(e) Property, plant and equipment

(e) 物業、廠房及設備

(i) Depreciation

Depreciation is provided to write off the cost of property, plant and equipment using the straight line method over the following estimated useful life:

(i) 折舊

物業、廠房及設備之折舊乃以直線法按以下估計可使用年期撇銷其成本計算：

Furniture, fixtures and equipment	4 to 5 years or over the remaining terms of the respective leases, whichever is shorter
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傢具、裝置及設備	4至5年或相關租賃剩餘租期、取兩者中較短者
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(ii) Measurement bases

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use. Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the assets if it can be demonstrated that such expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the assets.

(ii) 計算基準

物業、廠房及設備乃按其成本減累計折舊及減值虧損入賬。資產成本由其購買價及任何直接使資產達致擬定工作狀況及地點作預期用途之應計成本組成。期後有關物業、廠房及設備之開支，倘能證明該項開支能為預期在應用該等資產時所產生之未來經濟效益帶來增長，則該等開支便會加入資產之賬面值。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註 (續)

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

(e) Property, plant and equipment (continued)

(ii) Measurement bases (continued)

When assets are sold or retired, any gain or loss resulting from their disposal, being the difference between the net disposal proceeds and the carrying amount of the assets is included in the income statement.

(f) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating leases. Annual rentals applicable to such operating leases are charged to the consolidated income statement on a straight line basis over the lease terms. Lease incentives received are recognised in the consolidated income statement as an integral part of the aggregate net lease payments made. Contingent rentals are charged to the consolidated income statement in the accounting period in which they are incurred.

(g) Investments in securities

Investments held on a continuing basis for an identified long-term purpose are classified as investment securities. Investment securities are stated in the balance sheet at cost less any provisions for impairment losses. Provisions are made when the fair value of such securities has declined below the carrying amounts, unless there is evidence that the decline is temporary. The amount of the reduction is recognised as an expense in the income statement.

Provisions against the carrying value of investment securities are written back to income when the circumstances and events that led to the write-downs or write-offs cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

2. 主要會計政策 (續)

(e) 物業、廠房及設備 (續)

(ii) 計算基準 (續)

當資產已變賣或已廢置，任何因此而產生之收益或虧損(即出售所得款項淨額與資產賬面值之差額)乃計入綜合收益表。

(f) 經營租賃

若資產之重大風險及回報均為出租人所有，有關租約即作為經營租約記賬。此等租約之年租支出按租約年期以直線法計算，並於綜合收益表內扣除。所收取之租約獎勵金乃在綜合收益表確認為作出之總租約付款淨額之組成部份。或然租金乃在產生之會計期間在綜合收益表扣除。

(g) 證券投資

持續持有作既定長期用途的投資，歸類為投資證券。投資證券是以成本減去任何減值虧損撥備後記入資產負債表。除非有證據證明減值是暫時性質，否則，當該證券之公允價值下跌至低於賬面金額時，便會提撥減值準備，並在收益表內確認為支出。

在引致撇減或沖銷的情況及事項不再存在，並有令人信服的憑證顯示新的情況及事項將會在可見將來持續下去時，便會將就投資證券的賬面值所提撥的減值準備撥回為收益。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

2. 主要會計政策(續)

(g) Investments in securities (continued)

All other securities, whether held for trading or otherwise, are stated in the balance sheet at fair value. Changes in value are recognised in the consolidated income statement as they arise.

Profits or losses on disposal of investments in securities are determined as the difference between the estimated net disposal proceeds and the carrying amount of the investments and are accounted for in the consolidated income statement as they arise.

(h) Foreign currencies

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

(i) Cash and cash equivalents

Cash comprises cash on hand and deposits repayable on demand with any bank or other financial institution.

Cash equivalents represent short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

(g) 證券投資(續)

所有其他證券(不論是為買賣還是其他目的持有)均以公允價值記入資產負債表。價值的變動在產生時在綜合收益表內確認。

出售證券投資之盈虧乃根據預期出售所得款項淨額及投資的賬面值之差別計算,並在其出現時計入綜合收益表內。

(h) 外幣

外幣交易按交易日之匯率換算為港幣。以外幣結算之貨幣資產及負債,按結算日之匯率換算為港幣。匯兌所產生之盈虧會計入綜合收益表內。

(i) 現金及現金等價物

現金包括手持之現金及存放於任何銀行或其他金融機構之活期存款。

現金等價物指極流通之短期投資,可隨時轉換為已知金額之現金及僅須承受輕微之價值變動風險。就綜合現金流量表而言,須按要而償還及組成本集團現金管理之不可分割部份之銀行透支,亦為現金及現金等價物之一部份。

NOTES TO THE FINANCIAL STATEMENTS (continued)

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

2. 主要會計政策(續)

(j) Impairment of assets

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the consolidated income statement unless the relevant asset is carried at revalued amount under another SSAP, in which case the impairment loss is treated as a revaluation reserve under that SSAP.

(i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(j) 資產減值

本集團於各結算日均會檢討資產之賬面值，以決定是否有跡象顯示出現減值。如有任何該等跡象，則會估計資產之可收回金額。減值虧損於資產之賬面值超逾可收回金額時確認。減值虧損會於綜合收益表確認，除非有關資產根據另一項會計實務準則按重估金額列賬者則作別論，其時減值虧損會根據該項會計實務準則視作重估儲備。

(i) 可收回金額之計算

資產之可收回金額乃淨售價與在用價值之較高者。於評估在用價值時，估計之未來現金流量乃以除稅前折讓率折讓至現值。除稅前折讓率乃反映當時對金錢之時間價值評估及資產之特定風險。就並不能產生大量獨立現金流量之資產而言，可收回金額乃以資產所屬之現金產生單位計算。

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

2. 主要會計政策(續)

(j) Impairment of assets (continued)

(j) 資產減值(續)

(ii) Reversals of impairment losses

(ii) 減值虧損撥回

An impairment loss in respect of goodwill is not reversed unless the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

商譽先前確認之減值虧損僅會於預期構成減值虧損之特殊個別外界事件不會重現，而可收回金額之增加明顯與該特定事件之影響逆轉有關時撥回。

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

就其他資產而言，減值虧損會於用作決定可收回金額之估計改變時撥回。

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

減值虧損之撥回不得超出假設有相關資產於過往年度並無確認減值虧損時原應確認之資產賬面值(扣除折舊及攤銷)。

(k) Provisions and contingent liabilities

(k) 撥備及或然負債

Provisions are recognised for liabilities of uncertain timing or amount when the Company or Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

當本公司或本集團因過往之事件負上法律或推定責任，且可能須動用經濟利益以履行責任並得以可靠釐定所承擔之數額，則須就時間及數額不確之負債作出撥備。倘貨幣時間價值重大，則按預期履行有關承擔所須開支之現值撥備。

NOTES TO THE FINANCIAL STATEMENTS (continued)

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

2. 主要會計政策 (續)

(k) Provisions and contingent liabilities (continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(k) 撥備及或然負債 (續)

倘須動用經濟效益的可能性較低，或未能可靠計算所承擔之數額，便會將該承擔列為或然負債。視乎某宗或多宗未來事件會否發生才能確定存在與否的潛在義務，亦會披露為或然負債，除非這類資源外流的可能性甚低，否則亦列為或然負債。

(l) Employee benefits

(i) Employee entitlements

Employee entitlements to annual leave and long service payments are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service payments as a result of services rendered by employees up to the balance sheet date.

Non-accumulating compensated absences are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to a defined contribution retirement scheme which is available to all employees. Contributions to the scheme by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to the consolidated income statement represents contributions payable by the Group to the scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund.

(l) 僱員福利

(i) 僱員應享權利

僱員之年假及長期服務金權益在僱員有權享用時確認。就僱員直至結算日所提供之服務而享有之估計年假及長期服務金均會作出撥備。

不能累積之補假，並不會在休假前作出確認。

(ii) 退休金責任

本集團為全體僱員而設的指定供款退休金計劃供款。本集團及僱員供款予退休計劃之金額以僱員基本薪金之百分比計算。在綜合收益表支銷之退休金成本指本集團對該計劃之供款。退休計劃之資產與本集團之資產分開持有，由獨立行政之基金管理。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

(m) Income tax

Income tax for the year comprises current and deferred taxes.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or 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.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

2. 主要會計政策(續)

(m) 所得稅

本年度所得稅包括當期稅項及遞延稅項。

當期稅項為年內按結算日規定稅率就應課稅收入計算之預期應付稅項，及就以往年度應付稅項所作出之調整。

遞延稅項是指根據財務報表之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所產生之預期應付及可收回稅項，並以資產負債表負債法計算。一般情況之下，所有因應課稅暫時差異而產生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。如暫時性差異是由商譽或就企業合併以外某交易初次確認其他資產或負債而產生，又不影響應課稅溢利及會計溢利，則不予以確認此等資產及負債。

除非本集團可控制有關暫時性差異之回撥或暫時性差異在可見將來都不能回撥的情況下，由投資附屬公司所產生之暫時性差異，其遞延稅項負債均需予以確認。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
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2. PRINCIPAL ACCOUNTING POLICIES (continued)

2. 主要會計政策(續)

(m) Income tax (continued)

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 profits will be available to allow all or part of the asset to be recovered. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are not discounted. 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 to 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.

(n) Recognition of revenue

Provided it is probable that the economic benefits associated with a transaction will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised as follows:

(i) Servicing fees

Servicing fees receivable in respect of telecommunications and technology-related services are recognised upon the rendering of the services.

(ii) Sales of trading securities

Proceeds from disposal of trading securities are accounted for on a trade date basis.

(m) 所得稅(續)

遞延稅項資產之賬面值需於每年之結算日作檢討，預期將來沒有足夠應課稅溢利作抵銷之差異，則其相關遞延稅項資產需作相應之扣減。若將可能具有足夠之應課稅溢利，則所作之任何扣減均須進行回撥。

遞延稅項資產及負債均不作折讓現。遞延稅項是根據預期資產兌現及負債償還時之所得稅稅率計算，並於綜合收益表中列入或回撥。若有關項目直接於股東權益中列入或回撥，其遞延稅項亦計入於股東權益中。

(n) 收入確認

收入是在有關交易經濟效益可能會流入本集團，及收入和成本(如適用)能夠可靠地計算時，按以下方法確認：

(i) 服務費

電訊及科技相關服務之應收服務費於提供服務時確認。

(ii) 出售交易證券

出售交易證券收入是按交易日基準列賬。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
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2. PRINCIPAL ACCOUNTING POLICIES (continued)

2. 主要會計政策(續)

(n) Recognition of revenue (continued)

(n) 收入確認(續)

- (iii) Investment advisory fee, referral fee and placement fee

- (iii) 投資顧問費、轉介費及配售服務費

Investment advisory fee income, referral fee income and placement fee income are recognised when the services are rendered, the income can be reliably estimated and it is probable that the revenue will be received.

投資顧問費收入、轉介費收入及配售服務費收入於服務已提供、收入能可靠估計及可能取得收益之情況下確認。

- (iv) Interest income

- (iv) 利息收入

Interest income is recognised on a time proportion basis on the principal outstanding and at the rates applicable.

利息收入以時間比例為基準，按尚餘本金及適用利率計算。

(o) Borrowing costs

(o) 借貸成本

All borrowing costs are charged to the consolidated income statement in the year in which they are incurred.

所有借貸成本均於發生之年度內在綜合收益表支銷。

(p) Related parties

(p) 有關連人士

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

倘某一方可直接或間接監控另一方或對另一方之財務及經營決策作出重大影響，則被視為有關連人士，或雙方均受制於共同的監控或共同之重大影響下，亦被視為有關連人士。

(q) Discontinuing operations

(q) 終止經營業務

A discontinuing operation is a clearly distinguishable component of the Group's business that is disposed of or abandoned pursuant to a single plan, and which represents a separate major line of business or geographical area of operations.

終止經營業務指本集團業務中一個可清楚劃分並根據單一計劃已出售或放棄經營之部份，其可為業務中一個獨立之主要生產線或經營地區。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註 (續)

For the year ended 31 March 2004
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2. PRINCIPAL ACCOUNTING POLICIES (continued)

2. 主要會計政策 (續)

(r) Segments

A segment is a distinguishable component of the Group that is either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment, inter-segment pricing is based on similar terms as those available to other internal parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, corporate and financing expenses.

(r) 分部

分部為本集團提供產品或服務(業務分部)，或於一個特定經濟環境提供產品或服務(地區分部)並承受或獲得與其他分部不同之風險或回報而可準確劃分之部份。

根據本集團之內部財務報告，本集團決定以業務分部作為主要報告模式，而地區分部則作為次要報告模式。

分部收入、開支、業績、資產及負債包括直接歸屬該分部之項目，以及可合理的撥入該分部之項目。分部收入、開支、資產及負債乃於合併賬目過程中撤銷集團內公司間之結餘及交易前釐定，惟撤銷僅限於屬於單一分部之集團內公司間之結餘及交易。分部間之價格按向外間提供之類似條款計算。

分部資本開支乃於期內購入預計將使用超過一段會計期間之分部資產(包括有形或無形)所產生之總成本。

未分配至分部項目主要包括財務及公司資產、帶息貸款、借貸、公司及融資支出。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
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(以港幣列示)

3. TURNOVER

3. 營業額

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Turnover represents:	營業額包括：		
Financial advisory services	財務顧問服務	5,840	2,480
Telecommunications and technology – related services	電訊及科技 相關服務	2	2,304
Interest income from money lending business	貸款業務之 利息收入	208	–
Proceeds received from sale of trading securities	出售交易證券之 所得款項	55,134	86,852
		61,184	91,636

4. SEGMENT REPORTING

4. 分部呈報

In accordance with the Group's internal financial reporting, the Group has determined that business segments are its primary reporting format, with each segment organised and managed separately.

由於與本集團內部財務申報制度較為符合，故此選擇以業務分部資料為本集團之主要呈報方式。每一分部均分別組織及管理。

(a) Business segments

(a) 業務分部

Continuing operations:

持續經營業務：

Strategic investments and capital market activities

策略性投資及資本市場活動

- Participation in primary and secondary securities market and provision of capital market advisory services

- 參與主要及次要證券市場及提供資本市場顧問服務

Financing

融資

- Provision of commercial and personal loans

- 提供商業及個人貸款

Discontinued operations:

已終止經營業務：

Telecommunications and technology-related services

電訊及科技相關服務

- Provision of telecommunications and technology-related services

- 提供電訊及科技相關服務

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
(Expressed in Hong Kong dollars)

截至二零零四年三月三十一日止年度
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4. SEGMENT REPORTING (continued)

4. 分部呈報(續)

(a) Business segments (continued)

(a) 業務分部(續)

		Continuing 經營中				Discontinued 已終止				Consolidated 綜合	
		Strategic investments and capital market activities 策略性投資及資本市場活動		Financing 融資		Telecommunications and technology- related services 電訊及科技相關服務		Unallocated 未分配數額			
		2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
		千元	千元	千元	千元	千元	千元	千元	千元	千元	
Revenue from external customers	來自外界客戶之收入	60,974	89,332	208	-	2	2,304	-	-	61,184	91,636
Segment result	分部業績	(1,006)	13,171	210	-	(65)	2,779	-	-	(861)	15,950
Unallocated operating income and expenses	未分配經營收益及開支									(4,107)	(4,481)
(Loss)/Profit from operations	經營(虧損)/溢利									(4,968)	11,469
Finance costs	融資成本									(2,225)	(5,796)
Non-operating income	非經營收入	-	-	-	-	-	-	5,058	275	5,058	275
(Loss)/Profit before taxation	除稅前(虧損)/溢利									(2,135)	5,948
Taxation	稅項									-	18
(Loss)/Profit after taxation	除稅後(虧損)/溢利									(2,135)	5,966
Minority interests	少數股東權益									9	-
(Loss)/Profit attributable to shareholders	股東應佔(虧損)/溢利									(2,126)	5,966
Depreciation for the year	年內折舊	-	34	-	-	5	701	2	29	7	764
Amortisation of goodwill for the year	年內商譽攤銷	2,712	904	-	-	-	-	-	-	2,712	904
Segment assets	分部資產	94,038	63,273	37,508	-	-	395,039	351,162	10,942	482,708	469,254
Segment liabilities	分部負債	(14,156)	(3,579)	(15)	-	-	(322)	(48,254)	(92,205)	(62,425)	(96,106)
Capital expenditure incurred during the year	年內產生之資本開支	-	80,000	-	-	-	270	-	8	-	80,278

The Group did not have any inter-segment sales during either years.

本集團於此兩年內並無分部業務間之銷售。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註 (續)

For the year ended 31 March 2004
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4. SEGMENT REPORTING (continued)

(b) Geographical segments

The Group participates in two principal economic environments: Hong Kong and other areas of China.

In presenting information on the basis of geographical segments, segment revenue is based on the country where the contract is signed or the order is placed. Segment assets, liabilities and capital expenditure are based on the geographical location of the assets and liabilities.

4. 分部呈報 (續)

(b) 地區分部

本集團在兩個主要經濟地區經營，即香港及中國其他地區。

在呈列地區分部資料時，分部收入是以簽訂合約或作出指令之國家為計算基準。分部資產、負債及資本開支按資產及負債所在地為計算基準。

		Hong Kong		Other areas of China		Consolidated	
		香港		中國其他地區		綜合	
		2004	2003	2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Revenue from external customers	來自外界客戶之收入	6,134	4,784	55,050	86,852	61,184	91,636
Segment results	分部業績	(2,560)	(5,190)	1,699	21,140	(861)	15,950
Segment assets	分部資產	441,905	68,914	40,803	400,340	482,708	469,254
Segment liabilities	分部負債	(48,349)	(92,910)	(14,076)	(3,196)	(62,425)	(96,106)
Capital expenditure incurred during the year	年內產生之資本開支	-	80,278	-	-	-	80,278

5. OTHER INCOME

5. 其他收入

		2004	2003
		二零零四年	二零零三年
		\$'000	\$'000
		千元	千元
Bank interest income	銀行利息收入	-	2
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	(1,178)
Write back of provision for closure of data centres	關閉數據中心撥備撥回	-	7,471
Others	其他	242	293
		242	6,588

NOTES TO THE FINANCIAL STATEMENTS (continued)

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6. (LOSS)/PROFIT FROM OPERATIONS

6. 經營(虧損)/溢利

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
(Loss)/Profit from operations	經營(虧損)/溢利		
is arrived at after charging:	已扣除:		
Amortisation of goodwill	商譽攤銷	2,712	904
Auditors' remuneration	核數師酬金	850	794
Depreciation	折舊		
– owned assets	– 自置資產	7	756
– assets held under finance lease	– 融資租賃下持有 之資產	–	8
Operating lease charges in respect of properties (2003: in respect of properties and leaselines)	有關物業的經營 租賃費用 (二零零三年: 有關 物業及租賃線)	990	2,812
Provision for bad debts	壞賬撥備	232	377
Staff costs (excluding directors' remuneration and including amount recognised as expenses for defined contribution retirement benefit schemes)	員工成本(不包括 董事酬金, 但包括 確認為開支之 退休福利計劃固 定供款)	7,500	5,769
Amount recognised as expenses for defined contribution retirement benefit schemes	確認為開支之退休 福利計劃固定 供款	134	57
Unrealised loss on trading securities carried at fair value	按公允價值列賬之交易 證券之未變現虧損	4,643	1,680

7. FINANCE COSTS

7. 融資成本

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Interest on bank overdrafts, convertible notes and other loans	銀行透支、可轉換 票據及其他借貸 之利息	2,225	5,450
Loan arrangement fees	貸款安排費用	–	345
Finance charges on obligation under finance lease	融資租賃承擔之 財務費用	–	1
		2,225	5,796

NOTES TO THE FINANCIAL STATEMENTS (continued)

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8. NON-OPERATING INCOME

8. 非經營收入

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Gain on disposals of subsidiaries	出售附屬公司之收益	5,045	275
Others	其他	13	-
		5,058	275

In order to rationalise its business structure and performance, the Group disposed of certain subsidiaries which engaged in provision of telecommunications and technology-related business during the year and recorded an aggregate gain of \$5,045,000 on disposals of these subsidiaries. The net assets of these subsidiaries as at the dates of disposals were approximately \$394,955,000. The carrying value of goodwill relating to disposed subsidiaries as at the dates of disposal was nil.

為令本集團之業務結構及表現更為合理，本集團於年內出售若干提供電訊及科技相關業務之附屬公司，並因出售該等附屬公司而錄得5,045,000元收益。於出售日期，該等附屬公司之資產淨額約為394,955,000元。於出售日期，與該等附屬公司有關之商譽之賬面值為零。

Aggregate turnover and loss from ordinary activities after taxation of the disposed subsidiaries for the period from 1 April 2003 to the dates of disposals amounted to \$2,000 and \$65,000 respectively.

於二零零三年四月一日至出售日期期間，出售之附屬公司之營業額及除稅後日常業務虧損分別為2,000元及65,000元。

9. TAXATION

9. 稅項

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Taxation represents:	稅項包括：		
Overprovision for Hong Kong profits tax in respect of prior years	以往年度香港利得稅超額撥備	-	18
		-	18

No provision for Hong Kong profits tax has been made in the financial statements as the companies comprising the Group either sustained a loss for taxation purposes or did not earn any assessable income during the year.

由於年內本集團各成員公司在計算稅項方面錄得虧損或並無賺取任何應課稅收入，因此並無於財務報表中就香港利得稅作出撥備。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註 (續)

For the year ended 31 March 2004
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9. TAXATION (continued)

For the years ended 31 March 2004 and 2003, no provision for taxation outside Hong Kong has been made as the companies comprising the Group outside Hong Kong either sustained a loss for taxation purpose or had a tax exemption.

Reconciliation between tax expense and accounting (loss)/profit at applicable tax rates is as follows:

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
(Loss)/Profit before taxation	除稅前(虧損)/溢利	(2,135)	5,948
Tax effect on (loss)/profit before taxation calculated at applicable rate	按適用稅率計算的除稅前(虧損)/溢利之稅務影響	(373)	952
Tax effect of non-deductible expenses	不可扣稅支出的稅務影響	1,538	12,635
Tax effect of non-taxable revenue	毋須課稅收益的稅務影響	(1,358)	(14,551)
Tax losses utilised	已動用稅務虧損	(13)	-
Tax effect of current year's tax losses not recognised	本年度未確認稅務虧損之稅務影響	208	1,087
Other temporary differences not recognised	其他未確認之短暫差異	(2)	(87)
Overprovision in prior year	往年超額撥備	-	(18)
Actual tax expense	實際稅項支出	-	18

In March 2003, the Hong Kong government announced an increase in the profits tax rate applicable to the Group's operation in Hong Kong from 16% to 17.5%. This increase has been taken into account in the preparation of the Group's 2004 financial statements.

At 31 March 2004, the Group had deferred tax assets of \$4,191,000 (2003: \$3,996,000) arising from tax losses. The deferred tax assets are not recognised as it is uncertain whether future taxable profit will be available for utilising the tax losses. Under the current tax legislation, the tax losses can be carried forward indefinitely.

9. 稅項(續)

於截至二零零四年及二零零三年三月三十一日止年度，香港境外之本集團各成員公司在計算稅項方面錄得虧損或獲得稅項豁免，故並無為香港以外稅項作出撥備。

按適用稅率計算之稅項支出與會計(虧損)/溢利之對賬表如下：

香港政府於二零零三年三月宣佈，就適用於本集團香港業務之利得稅率由16%增至17.5%。編製本集團二零零四年財務報表時已計入此項增加。

於二零零四年三月三十一日，本集團錄得稅務虧損而產生之遞延稅項資產達4,191,000元(二零零三年：3,996,000元)。由於未來會否獲得應課稅溢利以動用稅務虧損仍為未知之數，故此遞延稅項資產並未確認。根據現行稅務條例，稅務虧損可無限期結轉結餘。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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10. DISCONTINUED OPERATION

On 18 July 2003, the Group entered into an agreement with an independent third party for the disposal of a 12.5% equity interest in REXCAPITAL Infrastructure Limited, an intermediate holding company investing in the fibre-optic network in China, at a cash consideration of \$50,000,000. This transaction was completed on 31 July 2003. The Group has recorded a gain of \$625,000 on this transaction.

On 29 October 2003, the Group entered into another sale and purchase agreement with another independent third party pursuant to which the Group disposed of its entire remaining interest in REXCAPITAL Infrastructure Limited at a cash consideration of \$350,000,000. This transaction was completed on 31 January 2004, which constituted the discontinuance of the Group's telecommunications and technology-related operations. The Group has recorded a gain of \$4,346,000 on this transaction.

10. 終止經營業務

於二零零三年七月十八日，本集團與獨立第三方簽訂協議，出售REXCAPITAL Infrastructure Limited（投資位於中國之光纖網絡之中間控股公司）股權之12.5%，現金代價為50,000,000元。交易於二零零三年七月三十一日完成，本集團於交易中錄得625,000元收益。

於二零零三年十月二十九日，本集團與另一獨立第三方簽訂另一份銷售及購買協議，出售REXCAPITAL Infrastructure Limited餘下全部權益，現金代價為350,000,000元。交易於二零零四年一月三十一日完成，本集團之電訊及科技相關業務因而終止。本集團於交易中錄得4,346,000元收益。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
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截至二零零四年三月三十一日止年度
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10. DISCONTINUED OPERATION (continued)

The telecommunications and technology-related segment is reported in the financial statements for the year ended 31 March 2004 as a discontinued operation. The turnover, results and net assets of that segment as at the dates of disposals were as follows:

10. 終止經營業務(續)

電訊及科技相關服務分部於截至二零零四年三月三十一日止年度之財務報表已被呈報為終止經營業務。於出售當日，該分部之營業額、業績及資產淨值狀況如下：

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Turnover	營業額	2	2,304
Other income	其他收入	-	6,334
Operating expenses	經營開支	(67)	(5,859)
(Loss)/Profit from operations	經營(虧損)/溢利	(65)	2,779
Finance cost	融資成本	-	-
(Loss)/Profit before taxation	除稅前(虧損)/溢利	(65)	2,779
Taxation	稅項	-	-
(Loss)/Profit for the year	本年度之(虧損)/溢利	(65)	2,779
Total assets	資產總值	395,020	395,039
Total liabilities	負債總值	(39)	(322)
Net assets	資產淨值	394,981	394,717

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
(Expressed in Hong Kong dollars)

截至二零零四年三月三十一日止年度
(以港幣列示)

10. DISCONTINUED OPERATION (continued)

The net cash flows attributable to the telecommunications and technology-related segment included in the consolidated cash flow statement are as follows:

10. 終止經營業務(續)

以下為包括於綜合現金流量報表之電訊與科技相關分部之應佔現金流量淨額：

	2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Net cash used in operating activities 經營活動所用現金淨額	(76)	(238)
Net cash generated from investing activities 投資活動所得現金淨額	-	316
Total cash (outflows)/inflows 現金(流出)／流入淨額	(76)	78

11. (LOSS)/PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The amount includes a loss of \$3,218,000 (2003: loss of \$27,177,000) which has been dealt with in the financial statements of the Company.

11. 股東應佔(虧損)／溢利

此金額包括一筆已列入本公司財務報表之虧損3,218,000元(二零零三年：虧損27,177,000元)。

12. DIVIDEND

The directors do not recommend the payment of a dividend for the year ended 31 March 2004 (2003: \$Nil) and the Company did not pay any interim dividend during the year.

12. 股息

董事不建議派發截至二零零四年三月三十一日止年度之股息(二零零三年：零元)。本公司年內亦無支付中期股息。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
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13. (LOSS)/EARNINGS PER SHARE

13. 每股(虧損)/盈利

(a) Basic (loss)/earnings per share

The calculation of the basic (loss)/earnings per share is based on the loss attributable to shareholders of \$2,126,000 (2003: profit of \$5,966,000) and the weighted average number of 1,537,309,000 ordinary shares (2003: 999,328,000) in issue during the year.

(b) Diluted (loss)/earnings per share

Diluted loss per share for the year ended 31 March 2004 is not presented because the effect of all potential ordinary shares is anti-dilutive.

The calculation of diluted earnings per share for 2003 is based on the profit attributable to shareholders of \$6,231,000 and the weighted average number of ordinary shares of 1,082,136,000 shares after adjusting for the effects of all dilutive potential ordinary shares.

(a) 每股基本(虧損)/盈利

每股基本(虧損)/盈利乃按股東應佔虧損2,126,000元(二零零三年: 溢利5,966,000元)及年度內之已發行普通股之加權平均數1,537,309,000股(二零零三年: 999,328,000股)計算。

(b) 每股攤薄(虧損)/盈利

由於所有普通股具有潛在反攤薄影響,因此並無呈列截至二零零四年三月三十一日止年度之每股攤薄虧損。

二零零三年度每股攤薄盈利乃根據股東應佔溢利6,231,000元及就所有具潛在攤薄影響之普通股作出調整後之加權平均數1,082,136,000股計算。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
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13. (LOSS)/EARNINGS PER SHARE (continued)

13. 每股(虧損)/盈利(續)

(c) Reconciliations

(c) 調節表

		2003 二零零三年 \$'000 千元
Profit attributable to shareholders used in calculating basic earnings per share	用作計算每股基本盈利之股東應佔溢利	5,966
Deemed interest expense saved as a result of the conversion of the diluted potential ordinary shares	因兌換具潛在攤薄影響普通股而視為減省之利息開支	265
Profit attributable to shareholders used in calculating diluted earnings per share	用作計算每股攤薄盈利之股東應佔溢利淨額	6,231

		2003 二零零三年 Number of shares (‘000) 股份數目 (千股)
Weighted average number of ordinary shares used in calculating basic earnings per share	用作計算每股基本盈利之普通股加權平均數	999,328
Deemed issue of ordinary shares for no consideration	被視為無償發行之普通股	82,808
Weighted average number of ordinary shares used in calculating diluted earnings per share	用作計算每股攤薄盈利之普通股加權平均數	1,082,136

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
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14. DIRECTORS' EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS

14. 董事酬金及最高酬金人士

Details of the remuneration paid by the Group to the directors and the five highest paid individuals (including directors and employees) for the year are as follows:

本集團於年內支付董事及五位最高酬金人士(包括董事及僱員)之詳情如下:

(a) Directors' emoluments

(a) 董事酬金

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Fees	袍金		
Executive directors	執行董事	-	-
Non-executive directors	非執行董事	233	240
		233	240
Other emoluments	其他酬金		
Salaries, allowances and benefits in kind	薪金、津貼及非現金利益	591	635
Pension scheme contributions	退休計劃供款	12	13
		603	648
		836	888

The remuneration of the directors is within the following bands:

酬金在以下範圍內之董事人數如下:

		Number of directors 董事人數	
		2004 二零零四年	2003 二零零三年
\$Nil - \$1,000,000	零元至1,000,000元	6	8

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註 (續)

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14. DIRECTORS' EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (continued)

14. 董事酬金及最高酬金人士 (續)

(b) Five highest paid individuals

The five highest paid individuals of the Group for the year include one (2003: one) director of the company, details of those emoluments are set out above. The emoluments of the remaining four (2003: four) individuals were as follows:

(b) 五位最高酬金人士

年內本集團五位最高酬金人士之中包括一位(二零零三年:一位)董事,其酬金已載於上文。其餘四位(二零零三年:四位)人士之酬金如下:

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Salaries, allowances and benefits in kind	薪金,津貼及非現金利益	3,981	2,935
Pension scheme contributions	退休計劃供款	24	15
		4,005	2,950

The emoluments of the four (2003: four) individuals with the highest emoluments were within the following bands:

四位(二零零三年:四位)最高酬金人士之酬金範圍如下:

		Number of individuals 人數	
		2004 二零零四年	2003 二零零三年
\$Nil – \$1,000,000	零元至1,000,000元	3	4
\$1,000,001 – \$1,500,000	1,000,001元至1,500,000元	1	-

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財務報表附註(續)

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

The Group
本集團

		Fibre-optic network 光纖網絡 \$'000 千元	Furniture, fixtures and equipment 傢具、裝置 及設備 \$'000 千元	Total 總計 \$'000 千元
Cost	成本			
At 1 April 2003	於二零零三年四月一日	947,723	757	948,480
Disposal of subsidiaries	出售附屬公司	(947,723)	(24)	(947,747)
At 31 March 2004	於二零零四年三月三十一日	-	733	733
Accumulated depreciation	累計折舊			
At 1 April 2003	於二零零三年四月一日	552,723	739	553,462
Charge for the year	本年度之折舊	-	7	7
Disposal of subsidiaries	出售附屬公司	(552,723)	(17)	(552,740)
At 31 March 2004	於二零零四年三月三十一日	-	729	729
Net book value	賬面淨值			
At 31 March 2004	於二零零四年三月三十一日	-	4	4
At 31 March 2003	於二零零三年三月三十一日	395,000	18	395,018

NOTES TO THE FINANCIAL STATEMENTS (continued)

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16. GOODWILL

16. 商譽

		\$'000 千元
Original amount	原值	
At 1 April 2003 and	於二零零三年四月一日及	
at 31 March 2004	於二零零四年三月三十一日	54,218
Accumulated amortisation	累計攤銷	
At 1 April 2003	於二零零三年四月一日	904
Amortisation charge for the year	年內攤銷	2,712
At 31 March 2004	於二零零四年三月三十一日	3,616
Net book value	賬面淨值	
At 31 March 2004	於二零零四年三月三十一日	50,602
At 31 March 2003	於二零零三年三月三十一日	53,314

Positive goodwill is recognised as expenses on a straight-line basis over 20 years. The amortisation of positive goodwill for the year is included in "Other operating expenses" in the consolidated income statement.

正商譽乃以直線法按二十年攤銷。本年度正商譽之攤銷已計入綜合損益表之「其他經營開支」內。

17. INTERESTS IN SUBSIDIARIES

17. 附屬公司權益

		The Company 本公司	
		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Unlisted shares, at cost	非上市股份，按成本入賬	1	1
Amounts due from subsidiaries	應收附屬公司款項	1,039,307	1,162,158
Less: Provision for doubtful debts	減：呆賬撥備	(562,213)	(671,538)
		477,094	490,620
Amounts due to subsidiaries	應付附屬公司款項	(23,215)	(50,544)
		453,880	440,077

The amounts due from/to subsidiaries are unsecured, interest free and have no fixed terms of repayment.

應收／應付附屬公司款項為無抵押、免息及無固定還款期。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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17. INTERESTS IN SUBSIDIARIES (continued)

17. 附屬公司權益(續)

Particulars of the principal subsidiaries as at 31 March 2004 are as follows:

於二零零四年三月三十一日之主要附屬公司詳情如下：

Name 名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Particulars of issued share capital 已發行股本	Percentage of issued capital held by the		Principal activities 主要業務
			The Group 本集團	The Company 本公司	
REXCAPITAL (Hong Kong) Limited 御泰融資(香港)有限公司	Hong Kong 香港	10,000,000 ordinary shares of \$1 each 10,000,000股普通股每股1元	100%	–	Provision of investment advisory services 提供投資顧問服務
REXCAPITAL Enterprises Limited 御泰企業有限公司	Hong Kong 香港	2 ordinary shares of \$1 each 2股普通股每股1元	100%	–	Provision of management services 提供管理服務
D & M Finance Limited (formerly known as REXCAPITAL Property Management Limited) (前稱御泰物業管理有限公司)	Hong Kong 香港	2 ordinary shares of \$1 each 2股普通股每股1元	100%	–	Money lending 貸款
Golden Chino Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	100%	Participation in primary and secondary securities market 參與主要及次要證券市場活動
REXCAPITAL Group Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	100%	Investment holding 投資控股
REXCAPITAL Technology Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	–	Investment holding 投資控股

NOTES TO THE FINANCIAL STATEMENTS (continued)

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17. INTERESTS IN SUBSIDIARIES (continued)

17. 附屬公司權益(續)

Name 名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Particulars of issued share capital 已發行股本	Percentage of issued capital held by the		Principal activities 主要業務
			The Group 本集團	The Company 本公司	
REXCAPITAL Financial Services Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	–	Investment holding 投資控股
REXCAPITAL Strategic Investments Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	–	Investment holding 投資控股
REXCAPITAL Management Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	–	Investment holding 投資控股
Capital View Investments Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	–	Provision of nominee services 提供代理人服務
Twin Star Agents Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	–	Holding nominees shares for the Group in Hong Kong 為本集團於香港 持有代理人股份
Starwell Agents Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	–	Investment holding 投資控股
REXCAPITAL Secretarial Services Limited 御泰秘書服務有限公司	Hong Kong 香港	2 ordinary shares of \$1 each 2股普通股每股1元	100%	–	Provision of secretarial services 提供秘書服務

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18. INVESTMENTS IN SECURITIES

18. 證券投資

(a) Investment securities

(a) 投資證券

		The Group 本集團	
		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Unlisted equity securities, at cost	非上市股本證券， 按成本入賬	109,200	109,200
Less: Provision for diminution in value	減：減值撥備	(109,200)	(109,200)
		-	-

(b) Trading securities

(b) 交易證券

		The Group 本集團	
		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Listed equity securities in Hong Kong, at fair value	於香港上市之股本證券， 按公允值入賬	39,598	5,320

At 31 March 2004, equity securities listed in Hong Kong of \$28,989,000 (2003: \$5,320,000) were pledged as security for other loans of \$10,073,000 (2003: \$1,009,000) (note 23).

於二零零四年三月三十一日，於香港上市之28,989,000元(二零零三年：5,320,000元)股本證券已予抵押，作為10,073,000元(二零零三年：1,009,000元)其他貸款之擔保(附註23)。

NOTES TO THE FINANCIAL STATEMENTS (continued)

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19. TRADE AND OTHER RECEIVABLES

19. 應收賬款及其他應收款

		The Group 本集團	
		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Trade receivables	應收賬款	39,297	4,135
Deposits, prepayments and other receivables	訂金、預付款及 其他應收款	351,316	25
		390,613	4,160

Included in the trade and other receivables are trade receivables amounted to \$39,297,000 (2003: \$4,135,000), net of specific allowance for bad and doubtful debts, with the following ageing:

包括於應收賬款及其他應收款中，為數合共39,297,000元(二零零三年：4,135,000元)之應收賬款(已扣除呆壞賬特別撥備)，其賬齡如下：

		The Group 本集團	
		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Within three months	三個月內	37,829	595
More than three months but less than one year	多於三個月 但於一年內	1,468	233
More than one year	多於一年	-	3,307
		39,297	4,135

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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19. TRADE AND OTHER RECEIVABLES (continued)

Included in trade receivables of age "within three months" above are loan receivables amounted to \$37,300,000 (2003: \$Nil) arising from the money lending business of which the credit terms granted by the Group range from six months to twelve months. The loan receivables are unsecured and bear interest at prime rate plus 5% per annum. No provision has been made in the financial statements in respect of these loan receivables. The credit terms granted to the remaining customers by the Group range from 30 days to 90 days.

Included in deposits, prepayments and other receivables is a receivable of \$350,000,000 representing the unsettled cash consideration from the disposal of the Group's interest comprising 875 fully paid ordinary shares in REXCAPITAL Infrastructure Limited, a then subsidiary of the Group.

Pursuant to the sale and purchase agreement dated 29 October 2003, the consideration for the disposal of the Group's interest in REXCAPITAL Infrastructure Limited, details of which are set out in note 10 to the financial statements, amounting to \$350,000,000 was to be settled as follows:

40% (\$140,000,000)	Upon completion
30% (\$105,000,000)	Four months from the date of completion
30% (\$105,000,000)	Eight months from the date of completion

As at 31 March 2004, none of the cash consideration of \$350,000,000 was settled and there has not been any subsequent settlement up to the date of approval of the financial statements. No provision has been made in the financial statements in respect of the receivable.

19. 應收賬款及其他應收款(續)

包括於以上賬齡屬「三個月內」之應收賬款中，共有37,300,000元(二零零三年：零元)產生自貸款業務。該批貸款獲本集團授予六至十二個月信貸期。此應收貸款為無抵押並以最優惠利率加五厘收取利息。於財務報表中並未就該應收貸款作出撥備。本集團授予其他客戶之信貸期由30日至90日不等。

包括於按金，預付款及其他應收款項為350,000,000元之應收款，代表出售本集團於當時之附屬公司REXCAPITAL Infrastructure Limited的875股已繳足普通股之權益之未收取現金代價。

根據二零零三年十月二十九日之買賣協議，出售本集團於REXCAPITAL Infrastructure Limited之權益(詳情載於財務報表附註10)之代價為350,000,000元，將以如下形式支付：

百份之四十 (140,000,000元)	完成時
百份之三十 (105,000,000元)	完成日期 後四個月
百份之三十 (105,000,000元)	完成日期 後八個月

於二零零四年三月三十一日，350,000,000元之現金代價均未支付，截至財務報表核准日期為止，亦未有任何其後之付款。於財務報表中並未就該應收款作出撥備。

NOTES TO THE FINANCIAL STATEMENTS (continued)

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20. CASH AND CASH EQUIVALENTS

20. 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Cash and cash equivalents in the balance sheet	資產負債表之現金 及現金等價物	1,217	10,937	1,141	10,047
Bank overdrafts (note 22)	銀行透支(附註22)	-	(2,840)		
Cash and cash equivalents in the cash flow statement	於現金流量表之現金 及現金等價物	1,217	8,097		

21. TRADE AND OTHER PAYABLES

21. 應付賬款及其他應付款

		The Group 本集團		The Company 本公司	
		2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Trade payables	應付賬款	-	27	-	-
Other payables and accrued charges	其他應付款 及應計費用	7,352	5,186	3,026	2,128
		7,352	5,213	3,026	2,128

All of the trade and other payables are expected to be settled within one year.

所有應付賬款及其他應付款預期可於一年內償清。

Included in trade payables and other payables are trade payables with the following ageing:

包括於應付賬款及其他應付款中之應付賬款之賬齡如下：

		The Group 本集團	
		2004 二零零四年	2003 二零零三年
		\$'000 千元	\$'000 千元
Due after one month but within three months	於一個月後但三個 月內到期	-	27

NOTES TO THE FINANCIAL STATEMENTS (continued)

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22. BANK OVERDRAFTS

Bank overdrafts are unsecured and repayable within one year or on demand as follows:

22. 銀行透支

銀行透支乃無抵押並須於一年內或接獲通知時償還者如下：

		The Group 本集團	
		2004 二零零四年	2003 二零零三年
		\$'000 千元	\$'000 千元
Bank overdrafts (note 20)	銀行透支(附註20)	-	2,840

23. OTHER LOANS

Other loans are repayable within 1 year or on demand as follows:

23. 其他貸款

須於一年內或接獲通知時償還之其他貸款如下：

		The Group 本集團		The Company 本公司	
		2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Secured (note 18(b))	有抵押(附註18(b))	10,073	1,009	-	-
Unsecured	無抵押	-	17,413	-	17,413
		10,073	18,422	-	17,413

At 31 March 2004, a loan of \$8,010,000 (2003: \$Nil) was interest bearing at prime rate per annum and had no fixed terms of repayment. The remaining balance of other loans of \$2,063,000 (2003: \$1,009,000) were interest bearing at prime rate plus 3% to 8% per annum and had no fixed terms of repayment.

於二零零四年三月三十一日，一筆為數8,010,000元之貸款(二零零三年：零元)，其年利率乃按最優惠利率計算，並無固定還款期。餘下為數2,063,000元(二零零三年：1,009,000元)之其他貸款結餘之年利率乃按最優惠利率加3厘至8厘計算，並無固定還款期。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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24. CONVERTIBLE NOTES

24. 可換股票據

		The Group and the Company 本集團及本公司	
		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Current	短期		
4% convertible notes (note a)	4厘可換股票據(附註a)	-	631
2% convertible notes (note b)	2厘可換股票據(附註b)	45,000	-
		45,000	631
Non-current	長期		
5% convertible notes (note c)	5厘可換股票據(附註c)	-	7,000
2% convertible notes (note b)	2厘可換股票據(附註b)	-	62,000
		-	69,000

(a) 4 % convertible notes

The 4% convertible notes bear interest at a fixed rate of 4% per annum payable semi-annually in arrears and were due on 13 April 2003.

On 13 April 2003, the maturity date, the 4% convertible notes of \$631,000 were repaid in full as none of them were converted into ordinary shares of the Company.

(a) 4厘可換股票據

4厘可換股票據按固定年利率4厘計息，利息每半年繳付一次，於二零零三年四月十三日到期。

於二零零三年四月十三日，即到期日，為數631,000元的4厘可換股票據概無被兌換為本公司之普通股，故該等票據於當日悉數償還。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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24. CONVERTIBLE NOTES (continued)

24. 可換股票據(續)

(b) 2% convertible notes

On 13 December 2002, the Company issued the 2% convertible notes (the "2% Notes") of \$80,000,000 to a related party. The 2% Notes bear interest at a fixed rate of 2% per annum payable semi-annually in arrears on 30 June and 31 December and will be due on 12 December 2004. Each of the 2% Notes carry the right to convert, on any business day prior to 5 business days before 12 December 2004, the whole or part of the principal amounts of the 2% Notes into ordinary shares of the Company at the lower of the fixed conversion price, subject to adjustment in certain events, of \$0.36 per share (the "2% Conversion Price"), and the floating conversion price (being 92% of the arithmetic average of the 4 lowest closing prices per share during the 20 consecutive trading days immediately prior to the relevant exercise date), provided that such price shall exceed the nominal value of the ordinary share, otherwise the conversion price shall be the nominal value of the ordinary shares.

On 10 November 2003, the 2% Notes of \$13,000,000 were converted into 93,525,179 ordinary shares of the Company of \$0.01 each at a conversion price of \$0.139 per share.

On 26 January 2004, the 2% Notes of \$4,000,000 were converted into 28,368,794 ordinary shares of the Company of \$0.01 each at a conversion price of \$0.141 per share.

(b) 2厘可換股票據

於二零零二年十二月十三日，本公司發行80,000,000元之2厘可換股票據(「2厘票據」)予一關連人士。該2厘票據按固定年利率2厘計息，利息每半年(即六月三十日及十二月三十一日)繳付一次，將於二零零四年十二月十二日到期。該等2厘票據具有權利可於二零零四年十二月十二日前五個營業日之前任何營業日，將全部或部分2厘票據本金，按固定換股價每股0.36元(「2厘換股價」，在若干情況下可予調整)及浮動換股價(即緊接有關行使日期之前二十個連續交易日中四個最低每股收市價之算術平均數之92%)兩者之較低者兌換為本公司普通股，惟該價格須高於普通股之面值，否則兌換價須為普通股面值。

於二零零三年十一月十日，13,000,000元之2厘票據按換股價每股0.139元兌換為93,525,179股每股0.01元之本公司普通股。

於二零零四年一月二十六日，4,000,000元之2厘票據按換股價每股0.141元兌換為28,368,794股每股0.01元之本公司普通股。

NOTES TO THE FINANCIAL STATEMENTS (continued)

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24. CONVERTIBLE NOTES (continued)

24. 可換股票據(續)

(b) 2% convertible notes (continued)

Up to 31 March 2004, the conversion rights of the 2% Notes in the aggregate amount of \$35,000,000 were exercised as follows:

(b) 2厘可換股票據(續)

截至二零零四年三月三十一日，2厘票據合共35,000,000元之換股權已被行使如下：

		Value of the 2% Notes converted	Number of ordinary shares	Range of conversion price
		已被兌換之2厘 票據之價值	普通股數目	換股價範圍
		\$'000 千元	('000) (千股)	\$ 元
During the year ended	於截至二零零三年			
31 March 2003	三月三十一日止年度內	18,000	112,500	0.16
During the year ended	於截至二零零四年			0.139 –
31 March 2004	三月三十一日止年度內	17,000	121,894	0.141
		35,000	234,394	

In the event of full conversion of the remaining 2% Notes of \$45,000,000 at the adjusted 2% Conversion Price after taking into account the placing undertaken in May 2003, 136,778,000 new ordinary shares of the Company would be issued at the adjusted 2% Conversion Price of \$0.329 per ordinary share. These 2% Notes, if not converted into ordinary shares on or by 5 business days before 12 December 2004, will be repaid to the noteholder.

倘按經調整之2厘兌換價全面兌換餘下之45,000,000元2厘票據，並計及於二零零三年五月進行之配售，則將按經調整之2厘兌換價每股普通股0.329元發行136,778,000股本公司新普通股。倘該等2厘票據於二零零四年十二月十二日前五個營業日或之前仍未兌換為普通股，則將償還予票據持有人。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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24. CONVERTIBLE NOTES (continued)

24. 可換股票據(續)

(c) 5% convertible notes

On 26 June 2001, the Company issued the 5% convertible notes (the "5% Notes") of \$100,000,000 to an independent third party. The 5% Notes bear interest at a fixed rate of 5% per annum payable semi-annually in arrears on 30 June and 31 December and were due on 25 June 2004.

On 31 October 2003, the 5% Notes of \$4,000,000 were converted into 30,303,030 ordinary shares of the Company of \$0.01 each at a conversion price of \$0.132 per share.

On 26 January 2004, the remaining balance of the 5% Notes of \$3,000,000 were converted into 20,979,020 ordinary shares of the Company of \$0.01 each at a conversion price of \$0.143 per share.

Up to 31 March 2004, the conversion rights of the 5% Notes in the aggregate amount of \$100,000,000 were exercised as follows:

(c) 5%可換股票據

於二零零一年六月二十六日，本公司發行100,000,000元5厘可換股票據(5厘票據)予一獨立第三者。5厘票據按固定年利率5厘計息，利息每半年(即六月三十日及十二月三十一日)繳付一次，並於二零零四年六月二十五日到期。

於二零零三年十月三十一日，4,000,000元之5厘票據按換股價每股0.132元兌換為30,303,030股每股0.01元之本公司普通股。

於二零零四年一月二十六日，3,000,000元之5厘票據按換股價每股0.143元兌換為20,979,020股每股0.01元之本公司普通股。

截至二零零四年三月三十一日，5厘票據合共100,000,000元之換股權已被行使如下：

		Value of the 5% Notes converted	Number of ordinary shares	Range of conversion price
		已被兌換之5厘 票據之價值	普通股數目	換股價範圍
		\$'000	('000)	\$
		千元	(千股)	元
During the two year period ended 31 March 2003	於截至二零零三年 三月三十一日止 兩年期間	93,000	2,425,735	0.015 – 0.16
During the year ended 31 March 2004	於截至二零零四年 三月三十一日止年度內	7,000	51,282	0.132 – 0.143
		100,000	2,477,017	

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25. SHARE CAPITAL

25. 股本

		2004 二零零四年		2003 二零零三年	
		Number of shares 股份數目 ('000) (千股)	\$'000 千元	Number of shares 股份數目 ('000) (千股)	\$'000 千元
Authorised:	法定股本：				
Ordinary shares of \$0.01 each	每股面值0.01元 之普通股	100,000,000	1,000,000	100,000,000	1,000,000
Issued and fully paid:	已發行及繳足股本：				
At 1 April	於四月一日	1,307,873	13,079	12,438,299	124,383
Shares issued on subscription	因認購而發行 股份	-	-	6,219,150	62,192
Shares issued on placement (note a)	因配售而發行 股份(附註a)	180,000	1,800	-	-
Capital reorganisation	股本重組	-	-	(17,724,576)	(177,246)
Issue of shares on conversion of 5% Notes (note 24(c))	因兌換5厘票據 而發行股份 (附註24(c))	51,282	513	262,500	2,625
Issue of shares on conversion of 2% Notes (note 24(b))	因兌換2厘票據 而發行股份 (附註24(b))	121,894	1,219	112,500	1,125
Exercise of share options (note b)	行使購股權 (附註b)	48,351	483	-	-
At 31 March	於三月三十一日	1,709,400	17,094	1,307,873	13,079

(a) Shares issued on placement

Pursuant to a share placement announced on 29 April 2003, the Company issued 180,000,000 ordinary shares with a nominal value of \$0.01 each by way of placing at \$0.1 per share for a total cash consideration of \$18,000,000. Share issue expenses of approximately \$475,000 was debited to the share premium account (see note 26). The net proceeds were used as general working capital of the Group. Such issued shares rank pari passu in all respects with the then existing issued shares of the Company.

(a) 因配售而發行股份

根據二零零三年四月二十九日公佈之股份配售，本公司發行180,000,000股每股面值0.01元之普通股，以每股0.1元配售，總現金代價為18,000,000元。約475,000元之股份發行開支已於股份溢價賬扣除(見附註26)，所得款項淨額已撥作一般營運資金。該等已發行股份與本公司當時之已發行股份在各方面均享有同等權利。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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25. SHARE CAPITAL (continued)

25. 股本(續)

(b) Share options

On 29 July 2002, the Company adopted a share option scheme (the "2002 Scheme"). Under the 2002 Scheme, the directors are authorised, at their discretion, to offer eligible participants, being employees (whether full time or part time), business consultants, agents, financial or legal advisors whom the directors consider, in sole discretion, have contributed to the Group, options to subscribe for new shares. The directors are authorised to determine the subscription price for an ordinary share granted to eligible participants. Such price will not be less than the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations on the date of offer, which must be a business day; (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of offer; and (c) the nominal value of an ordinary share.

There is no general requirement that an option must be held for any minimum period before it can be exercised but the directors are empowered to impose at their discretion any requirements at the time of granting any particular option. Upon acceptance of the option, the grantee is required to pay a consideration of \$1.00 for each lot of share options granted on or before the 30 days after the option is offered.

The period within which the shares must be taken up under an option will be determined by the directors at their discretion but will not be later than 10 years after the date of adoption of the 2002 Scheme.

(b) 購股權

於二零零二年七月二十九日，本公司採納一項購股權計劃（「二零零二年計劃」）。根據二零零二年計劃，董事獲授權可全權向彼等認為對本集團有貢獻之全職或兼職僱員、業務顧問、代理、財務或法律顧問等合資格人士授出購股權以認購新股。董事獲授權可全權釐定合資格人士認購普通股之認購價。惟該價格不得低於(a)股份於授出購股權日期(必須為營業日)在聯交所每日報價表所列之收市價；(b)授出購股權日期之前五個營業日股份在聯交所每日報價表所列之平均收市價；及(c)普通股份面值(以最高者為準)。

並無購股權承授人須持有購股權一段限期方可行使之一般規定，惟董事可酌情於授出任何購股權時施加任何規定。於接納購股權時，承授人須於授出購股權日期起計30日內就每次獲授之購股權支付代價1元。

承授人獲授購股權後須認購股份之期限將由董事酌情釐定，惟不得遲於採納二零零二年計劃當日起計10年。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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截至二零零四年三月三十一日止年度
(以港幣列示)

25. SHARE CAPITAL (continued)

25. 股本(續)

(b) Share options (continued)

(b) 購股權(續)

The limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2002 Scheme, and any other schemes, if any, must not exceed 30% of the number of shares of the Company in issue from time to time.

因行使根據二零零二年計劃或任何其他計劃(如有)授出而尚未行使之購股權而發行之股份數目上限，不得超過本公司不時已發行股份數目之30%。

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the 2002 Scheme and any other share option schemes of the Company (including exercised and outstanding options) to each eligible participants in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant.

截至授出購股權日期止任何12個月期間個別合資格人士因行使可能根據二零零二年計劃及本公司任何其他購股權計劃獲授之購股權(包括已行使及尚未行使之購股權)而已獲發行及可獲發行之股份總數，不得超過授出購股權日期已發行股份之1%。

Share options of 80,585,030 underlying shares were granted by the Company on 22 December 2003 under the 2002 Scheme.

本公司於二零零三年十二月二十二日根據二零零二年計劃授出相關股份合共80,585,030股之購股權。

Certain share options were exercised at \$0.16 per share on 5 January 2004 which resulted in the issue of 48,351,018 ordinary shares of the Company and an increase in the issued share capital of \$483,000 and a share premium account of \$7,253,000, as detailed in note 26 to the financial statements.

本公司因若干購股權於二零零四年一月五日以每股0.16元之行使價獲行使而發行48,351,018股普通股，從而導致增加已發行股本483,000元及股份溢價賬7,253,000元。有關詳情載於本財務報表附註26。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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截至二零零四年三月三十一日止年度
(以港幣列示)

26. RESERVES

26. 儲備

(a) The Group

(a) 本集團

		Share premium 股份溢價 \$'000 千元	Contributed surplus 繳納盈餘 \$'000 千元	Accumulated losses 累計虧損 \$'000 千元	Total 總計 \$'000 千元
	於二零零二年				
At 1 April 2002	四月一日	1,985,330	419,002	(2,330,376)	73,956
Shares issued on subscription	因認購而發行 股份	46,651	–	–	46,651
Issue of shares on conversion of 5% Notes	因兌換5厘票據 而發行股份	39,375	–	–	39,375
Capital reorganisation	股本重組	(1,701,352)	177,246	1,701,352	177,246
Issue of shares on conversion of 2% Notes	因兌換2厘票據 而發行股份	16,875	–	–	16,875
Profit for the year	年度溢利	–	–	5,966	5,966
	於二零零三年				
At 31 March 2003	三月三十一日	386,879	596,248	(623,058)	360,069
Shares issued on placement (note 25(a))	因配售而發行股份 (附註25(a))	16,200	–	–	16,200
Expenses for placement of shares (note 25(a))	配售股份開支 (附註25(a))	(475)	–	–	(475)
Issue of shares on conversion of 5% Notes (note 24(c))	兌換5厘票據 而發行股份 (附註24(c))	6,487	–	–	6,487
Issue of shares on conversion of 2% Notes (note 24(b))	兌換2厘票據 而發行股份 (附註24(b))	15,781	–	–	15,781
Exercise of share options (note 25(b))	行使購股權 (附註25(b))	7,253	–	–	7,253
Loss for the year	年度虧損	–	–	(2,126)	(2,126)
	於二零零四年				
At 31 March 2004	三月三十一日	432,125	596,248	(625,184)	403,189

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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(以港幣列示)

26. RESERVES (continued)

26. 儲備(續)

(b) The Company

(b) 本公司

		Share premium 股份溢價 \$'000 千元	Contributed surplus 繳納盈餘 \$'000 千元	Accumulated losses 累計虧損 \$'000 千元	Total 總計 \$'000 千元
At 1 April 2002	於二零零二年 四月一日	1,985,330	434,540	(2,324,967)	94,903
Shares issued on subscription	因認購而發行 股份	46,651	–	–	46,651
Issue of shares on conversion of 5% Notes	因兌換5厘票據 而發行股份	39,375	–	–	39,375
Capital reorganisation	股本重組	(1,701,352)	177,246	1,701,352	177,246
Issue of shares on conversion of 2% Notes	因兌換2厘票據 而發行股份	16,875	–	–	16,875
Loss for the year	年度虧損	–	–	(27,177)	(27,177)
At 31 March 2003	於二零零三年 三月三十一日	386,879	611,786	(650,792)	347,873
Shares issued on placement (note 25(a))	因配售而發行股份 (附註25(a))	16,200	–	–	16,200
Expenses for placement of shares (note 25(a))	配售股份開支 (附註25(a))	(475)	–	–	(475)
Issue of shares on conversion of 5% Notes (note 24(c))	因兌換5厘票據 而發行股份 (附註24(c))	6,487	–	–	6,487
Issue of shares on conversion of 2% Notes (note 24(b))	因兌換2厘票據 而發行股份 (附註24(b))	15,781	–	–	15,781
Exercise of share options (note 25(b))	行使購股權 (附註25(b))	7,253	–	–	7,253
Loss for the year	年度虧損	–	–	(3,218)	(3,218)
At 31 March 2004	於二零零四年 三月三十一日	432,125	611,786	(654,010)	389,901

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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26. RESERVES (continued)

(c) Under the Companies Act of Bermuda, the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus, if:

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

In the opinion of the directors, as at 31 March 2004, the Company had no reserves available for distribution to its shareholders (2003: \$Nil).

26. 儲備(續)

(c) 根據百慕達公司法，本公司之繳納盈餘賬是屬於可供分派儲備。然而，如在下列情況下本公司則不能自繳納盈餘中宣派或支付股息，或作出分派：

- (i) 本公司當時或於有關派發後無法償還到期之債務；或
- (ii) 本公司資產之可變現價值將因此而低於本公司負債、已發行股本與股份溢價賬之總和。

董事認為，本公司於二零零四年三月三十一日並無可供分派予股東之儲備(二零零三年：零元)。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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27. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

27. 綜合現金流量表附註

Disposals of subsidiaries

出售附屬公司

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Net assets/(liabilities) disposed of:	所出售資產/(負債)淨值:		
Property, plant and equipment	物業、廠房及設備	395,007	-
Trade and other receivables	應收賬款及其他應收款	3	479
Cash and cash equivalents	現金及現金等價物	6	8
Trade and other payables	應付賬款及其他應付賬	(61)	(3,205)
		394,955	(2,718)
Goodwill released on disposal	出售時之商譽	-	2,443
Gain on disposals of subsidiaries	出售附屬公司之收益	5,045	275
		400,000	-
Satisfied by:	支付方法:		
Cash consideration received	已收取之現金代價	50,000	-
Cash consideration receivable included in deposits, prepayments and other receivables (note 19)	包括在訂金、預付款及其他應收款之應收現金代價(附註19)	350,000	-
		400,000	-

The analysis of the net cash inflow/(outflow) in respect of the disposals of subsidiaries is as follows:

有關出售附屬公司之現金流入/(流出)淨額之分析如下:

		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Cash consideration received	已收取之現金代價	50,000	-
Cash and cash equivalents of subsidiaries disposed of	出售附屬公司之現金及現金等價物	(6)	(8)
		49,994	(8)

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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28. OPERATING LEASE COMMITMENTS

At 31 March 2004, the total future minimum lease payments in respect of office premises under non-cancellable operating leases were payable by the Group as follows:

Within one year	一年內
-----------------	-----

The Group leases a number of offices under operating leases. The leases typically run for an initial period of 1 year, with an option to renew the lease when all terms are renegotiated. Lease payments are usually increased annually to reflect the market rentals. None of the lease includes contingent rentals.

29. CAPITAL COMMITMENTS

On 12 January 2004, REXCAPITAL Group Limited, a direct wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement with REXCAPITAL Financial Holdings Limited to purchase the entire issued share capital of REXCAPITAL Financial Group Limited ("RFG") at an aggregate cash consideration of \$229,000,000, subject to adjustment with reference to the unaudited consolidated net asset value of RFG and its subsidiaries as at the determination date in accordance with the terms of the sale and purchase agreement. This transaction has not been completed up to the date of this report.

28. 經營租賃承擔

於二零零四年三月三十一日，根據不可解除之經營租賃，本集團就日後應繳付辦公室物業經營租賃之最低租賃款項總額如下：

The Group	
本集團	
2004	2003
二零零四年	二零零三年
\$'000	\$'000
千元	千元
285	486

本集團按經營租賃租用若干辦公室。租期初步定為一年，並可於重新商討條款時續約。租賃款項一般會逐年遞增以反映市場租金。租賃中並無包括或有租金。

29. 資本承擔

於二零零四年一月十二日，由本公司直接全資擁有之附屬公司REXCAPITAL Group Limited與御泰金融控股有限公司訂立有條件買賣協議，以總代價229,000,000元購買REXCAPITAL Financial Group Limited (「RFG」)全數已發行股本，惟代價須按買賣協議之條款根據RFG及其附屬公司於釐定日期之未經審核綜合資產之淨值而調整。截至本報告日期，是項交易尚未完成。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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30. OUTSTANDING LITIGATION

Significant litigation as at 31 March 2004 and up to the date of these financial statements is summarised as follows:

On 21 September 1999, a former director of the Company, Mr Wong Chong Shan, commenced proceedings in the High Court against the Company claiming a sum of \$5,000,000. Mr Wong Chong Shan alleged that he paid the said sum on the Company's behalf in August 1997 to a third party as deposit and that the Company failed to make repayment to him. The directors have considered the matter and are of the opinion that since no positive steps have been taken by Mr Wong Chong Shan to proceed with the action since June 2000, it is not necessary at this stage to make a provision in the financial statements for these proceedings.

31. MATERIAL RELATED PARTY TRANSACTIONS

Particulars of material related party transactions are as follows:

		Notes 附註	2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Interest expense	利息開支			
– other loan, unsecured	– 其他貸款(無抵押)	31(a)	98	2,334
– other loan, secured	– 其他貸款(有抵押)	31(b)	423	10
– convertible notes	– 可換股票據	31(c)	1,028	389
			1,549	2,733
Arrangement fee	安排費用	31(a)	–	345
Operating lease charges in respect of properties	物業之經營租賃費用	31(d)	979	270
Commission	佣金	31(e)	97	724
Underwriting fee	包銷費用		–	492
Financial advisory services income	財務顧問服務收入	31(f)	980	–

30. 尚未完結之訴訟

於二零零四年三月三十一日及截至本財務報表日期為止之重大訴訟概述如下：

於一九九九年九月二十一日，本公司之前任董事黃創山先生於高等法院提出向本公司索償合共5,000,000元。黃創山先生宣稱於一九九七年八月代表本公司向第三方支付該等款項作為按金，惟本公司並未向其償還該款項。董事在考慮有關事宜後，認為由於黃創山先生自二零零零年六月後並無就有關訴訟採取行動，故認為在現階段毋須就此於財務報表中作出撥備。

31. 重大關連人士交易

重大關連人士交易詳情如下：

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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31. MATERIAL RELATED PARTY TRANSACTIONS (continued)

31. 重大關連人士交易(續)

Particulars of material balances with related parties are as follows:

與關連人士之重大結餘詳情如下：

		Notes 附註	2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
Unsecured and interest bearing loans from related companies	關連公司給予之 無抵押及計息貸款	31(a)	-	17,413
Secured and interest bearing loan from a related company	關連公司給予之 有抵押及計息貸款	31(b)	-	1,009
Convertible notes	可換股票據	31(c)	45,000	62,000
Convertible notes interest payable	應付可換股票據利息	31(c)	1,417	389
Operating lease charges payables	應付經營租賃費用	31(d)	-	270
Trade receivable	應收賬款	31(b)	1,205	-

Notes:

附註：

(a) In 2003, short-term loans of \$17,413,000 were advanced to the Group by certain related companies (the "Lenders"). The loans due to the Lenders were unsecured, interest bearing at prime rate plus 3% per annum and have no fixed terms of repayment. The loans were fully repaid during the year.

(a) 於二零零三年，若干關連公司(「借入人」)向本集團借出短期貸款17,413,000元。應償還借入人之貸款為無抵押、年利率按最優惠利率加3厘計息，且無固定還款期。貸款已於年內悉數償還。

No credit facilities were granted to the Group by the Lenders as at 31 March 2004 (2003: \$70,000,000). No arrangement fee in respect of the credit facilities was paid to the Lenders in the current year (2003: \$345,000).

於二零零四年三月三十一日，概無借入人向本集團授出信貸額(二零零三年：70,000,000元)。於本年度亦無有關信貸額之安排費用支付予借入人(二零零三年：345,000元)。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

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31. MATERIAL RELATED PARTY TRANSACTIONS (continued)

31. 重大關連人士交易(續)

- (b) As at 31 March 2004, no short-term loan was advanced to the Group by a related company (2003: \$1,009,000). The loan due to that related company was interest bearing at prime rate plus 3% per annum.

At balance sheet date, credit facility of \$5,000,000 was granted to the Group by that related company (2003: \$5,000,000).

At balance sheet date, the Group had a trade receivable of \$1,205,000 (2003: \$Nil) with that related company arising from the trading of securities.

- (c) Convertible notes of \$17,000,000 were converted into ordinary shares of the Company during the year and \$45,000,000 remained outstanding at 31 March 2004.

At balance sheet date, convertible notes interest payable to a related company amounted to \$1,417,000 (2003: \$389,000).

Interest expense payable to a related company for the year ended 31 March 2004 amounted to \$1,028,000 (2003: \$389,000), which has been included in "Trade and other payables".

- (d) During the year, operating lease charges of \$979,000 (2003: \$270,000) were paid to a related company for the use of office premises. The operating lease payable for the year amounted to \$Nil (2003: \$270,000).

- (b) 於二零零四年三月三十一日，概無關連公司向本集團借出短期貸款(二零零三年：1,009,000元)。欠負該關連公司之貸款之年利率乃按最優惠利率加3厘計息。

於結算日，該關連公司給予本集團信貸額5,000,000元(二零零三年：5,000,000元)。

於結算日，本集團有一筆為數1,205,000元(二零零三年：零元)因買賣證券而產生之應收該關連公司之賬款。

- (c) 於年內，17,000,000元可換股票據獲兌換為本公司普通股，而其餘45,000,000元於二零零四年三月三十一日尚未獲兌換。

於結算日，應付予一關連公司之可換股票據利息共1,417,000元(二零零三年：389,000元)。

於截至二零零四年三月三十一日止年度應付予一關連公司之利息費用為1,028,000元(二零零三年：389,000元)，並已計入「應付賬款及其他應付款」內。

- (d) 於本年度，就使用辦公室物業而付予關連公司之經營租賃費用為979,000元(二零零三年：270,000元)。本年度並無應付經營租賃費用(二零零三年：270,000元)。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
(Expressed in Hong Kong dollars)

截至二零零四年三月三十一日止年度
(以港幣列示)

31. MATERIAL RELATED PARTY TRANSACTIONS (continued)

- (e) During the year, trading securities were bought and sold through several broker firms (the "Broker Firms"). The sales and purchases of trading securities excluding any commission expenses through the Broker Firms for the year ended 31 March 2004 amounted to \$23,757,000 (2003: \$86,852,000) and \$8,402,000 (2003: \$75,501,000) respectively.

Commission expense incurred in respect of the sales and purchases of trading securities amounted to \$97,000 for the year ended 31 March 2004 (2003: \$724,000).

- (f) During the year, financial advisory services income of \$980,000 (2003: \$Nil) were derived from the provision of investment advisory services to related companies.
- (g) During the year, the Group entered into an agreement with a related company to acquire the entire issued share capital of RFG at an aggregate cash consideration of \$229,000,000 (note 29).

Mr Chan How Chung, Victor, a director and a major shareholder of the Company, is a director and beneficial shareholder of the related companies in notes 31(a) to 31(g). Miss Lee Huei Lin, Elizabeth, a director of the Company, is a director of the related companies in notes 31(a) to 31(g). Miss Lee is also a beneficial shareholder of the related companies in notes 31(c) and 31(g), a beneficial shareholder of one of the related companies in notes 31(e) and 31(f), and is a beneficial shareholder of two of the related companies in note 31(a).

31. 重大關連人士交易(續)

- (e) 於年內，本集團透過若干經紀行(「經紀行」)買賣交易證券。截至二零零四年三月三十一日止年度，不包括佣金開支在內，透過經紀行出售及購買交易證券之數額分別為23,757,000元(二零零三年：86,852,000元)及8,402,000元(二零零三年：75,501,000元)。

截至二零零四年三月三十一日止期間，買賣交易證券所產生之佣金開支為97,000元(二零零三年：724,000元)。

- (f) 年內，因提供投資顧問服務予關連公司所得之財務顧問服務收入為980,000元(二零零三年：零元)。
- (g) 於年內，本集團與一關連公司簽訂協議以總代價229,000,000元購買RFG全數已發行股本(附註29)。

本公司董事兼主要股東陳孝聰先生，亦為附註31(a)至31(g)所述關連公司之董事及實益股東。本公司董事李慧玲小姐亦為附註31(a)至31(g)所述關連公司之董事。李小姐亦為附註31(c)及31(g)所述關連公司之實益股東，附註31(e)及31(f)所述其中一間關連公司之實益股東及附註31(a)所述其中兩間關連公司之實益股東。

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

For the year ended 31 March 2004
(Expressed in Hong Kong dollars)

截至二零零四年三月三十一日止年度
(以港幣列示)

32. RETIREMENT BENEFIT SCHEMES

The Group's Mandatory Provident Fund Schemes (the "MPF Schemes") contributions are at 5% of the employees' relevant income as defined in the Hong Kong Mandatory Provident Fund Schemes Ordinance up to a maximum of \$1,000 per employee per month.

The Group has no obligations for payments of employee retirement benefits beyond the contributions described above.

32. 退休福利計劃

本集團強制性公積金計劃(「強積金計劃」)之供款乃根據香港《強制性公積金計劃條例》所指定以僱員有關收入5%計算，以每人每月1,000元為上限。

除上述供款外，本集團毋須就僱員退休福利承擔任何支出。