

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

### 1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting", issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

### 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared under the historical cost convention as modified for the revaluation of certain properties and financial instruments, which are measured at revalued amounts or fair value, as appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended March 31, 2005 except as described below.

In the current period, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the HKICPA that are effective for accounting periods beginning on or after January 1, 2005. The application of the new HKFRSs has resulted in a change in the presentation of the income statement, balance sheet and the statement of changes in equity. In particular, the presentation of minority interests and share of tax of associates have been changed under HKAS 1 "Presentation of Financial Statements" and HKAS 27 "Consolidated and Separate Financial Statements", respectively. The changes in presentation have been applied retrospectively.

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

### 1. 編製基準

簡明綜合財務報表乃根據香港聯合交易所有限公司(「聯交所」)證券上市規則附錄十六之適用披露規定編製,並已遵守香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號「中期財務報告」。

### 2. 主要會計政策

簡明綜合財務報表乃按歷史成本準則擬備,並已按若干物業及財務工具之重估作修訂。該等物業及財務工具按重估價值或公平價值(如適用)計算。

簡明綜合財務報表所採納之會計政策與編製本集團於截至二零零五年三月三十一日止年度之年度財務報表所採納者一致,惟下文所述者除外。

於本期間,本集團首次採納多項由香港會計師公會頒佈並對二零零五年一月一日或其後開始之會計期間生效之新香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)及詮釋(下文統稱為「新香港財務報告準則」)。採用新香港財務報告準則導致收益表、資產負債表及股東權益變動表之呈列方式變更,特別是少數股東權益與應佔聯營公司稅項之呈列方式已分別根據香港會計準則第1號「財務報表之呈列方式」及香港會計準則第27號「綜合及獨立財務報表」而更改。有關呈列方式之變動已被追溯採納。

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

The adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have an effect on how the results for the current or prior accounting periods are prepared and presented:

#### (a) Business Combinations

HKFRS 3 "Business Combinations" is effective for business combinations for which the agreement date is on or after January 1, 2005. In the current period, the Group has applied the transitional provision of HKFRS 3 and the principal effects as summarized below:

##### Goodwill

In previous periods, goodwill arising on acquisitions prior to April 1, 2001 was held in reserves, and goodwill arising on acquisitions after April 1, 2001 was capitalized and amortized over its estimated useful life. The Group has applied the relevant transitional provisions in HKFRS 3 (the "Transitional Provision"). Goodwill previously recognized in reserves has been transferred to the Group's retained profits on April 1, 2005. With respect to goodwill arising on acquisitions after April 1, 2001 which previously capitalized on the balance sheet and included in intangible assets or included in interests in associates, the Group has discontinued amortizing such goodwill from April 1, 2005 onwards and goodwill will be tested for impairment at least annually. Goodwill arising on acquisitions after January 1, 2005 is measured at cost less accumulated impairment losses after initial recognition (if any). As a result of this change in accounting policy, no amortization of goodwill has been charged in the current period. In accordance with the Transitional Provision, the Group has transferred goodwill previously held in capital reserves and other reserves of approximately HK\$13,060,000 and HK\$22,566,000 respectively to retained profits as at April 1, 2005 (see Note 3 for the financial impact).

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

### 2. 主要會計政策 (續)

採納新香港財務報告準則亦導致本集團於以下範圍之會計政策有變，而本會計期間或前期會計期間之業績編製及呈列方式亦因而受到影響：

#### (a) 業務合併

香港財務報告準則第3號「業務合併」適用於協議日期為二零零五年一月一日或以後之業務合併。於本期間，本集團採納香港財務報告準則第3號之過渡性條款，其主要影響概述如下：

##### 商譽

於過往期間，於二零零一年四月一日前因收購而產生之商譽保留在儲備，而於二零零一年四月一日後因收購而產生之商譽則資本化，並按其估計可使用年期攤銷。本集團已採納香港財務報告準則第3號之相關過渡性條款（「過渡性條款」）。先前於儲備中確認之商譽已於二零零五年四月一日轉撥至保留溢利。就先前於二零零一年四月一日後收購而產生之商譽於資產負債表資本化並已計入在無形資產或應佔聯營公司內而言，本集團由二零零五年四月一日起已不再將有關商譽攤銷，而商譽將最少每年進行一次減值測試。二零零五年一月一日後因收購而產生之商譽於首次確認後（如有）按成本值減累計減值虧損後入賬。此項會計政策之變動，致使本期間不再計算任何商譽攤銷。根據過渡性條款，本集團已於二零零五年四月一日將先前分別於資本儲備及其他儲備保留之約13,060,000港元及22,566,000港元商譽轉撥至保留溢利（財務影響見附註3）。

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

## (a) Business Combinations (Continued)

*Excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost (previously known as "negative goodwill")*

In accordance with HKFRS 3, any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognized immediately in profit or loss in the period in which the acquisition takes place. In previous periods, negative goodwill arising on acquisitions prior to April 1, 2001 of approximately HK\$429,000 was held in capital reserve and negative goodwill arising on acquisitions after April 1, 2001 of approximately HK\$225,000 was presented as a deduction from interests in associates and released to income based on an analysis of the circumstances from which the balance resulted. In accordance with the Transitional Provisions, the Group has derecognized all negative goodwill as at April 1, 2005 of which negative goodwill of approximately HK\$429,000 previously recorded in capital reserve, and approximately HK\$225,000 previously presented as a deduction from interests in associates (see Note 3 for the financial impact).

## (b) Owner-occupied Leasehold Interest in Land

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

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

## 2. 主要會計政策 (續)

## (a) 業務合併 (續)

*本集團於被收購公司之可識別資產、負債及或然負債公平淨值中之權益超出成本之差額 (前稱為「負商譽」)*

根據香港財務報告準則第3號，本集團於被收購公司之可識別資產、負債及或然負債公平淨值中之權益超出收購成本之任何差額乃於收購發生期間即時確認損益。於過往期間，於二零零一年四月一日前因收購而產生之負商譽約429,000港元保留在資本儲備，而二零零一年四月一日後因收購而產生之負商譽約225,000港元已列作從聯營公司權益中扣減，並將根據產生有關結餘之情況之分析回撥為收益。根據過渡性條款，本集團不再確認於二零零五年四月一日之所有負商譽，其中約429,000港元原先記入資本儲備，而約225,000港元原先列作從聯營公司權益中扣減（財務影響見附註3）。

## (b) 業主自用租賃土地權益

於過往期間，業主自用租賃土地及樓宇乃計入物業、機器及設備，並以重估模式計算。於本期間，本集團採納香港會計準則第17號「租約」。根據香港會計準則第17號，就租賃分類目的而言，土地及樓宇租賃中之土地及樓宇部份均被視作獨立部份，除非不能可靠地分配土地及樓宇部份之租金付款，在此情況下，整項租約一般被視為融資租約。若能可靠地分配土地及樓宇部份之租金付款，則於土地之租賃權益乃重新歸類為經營租約之預付租金付款，以成本值入賬，並於租賃期內按直線基準攤銷。此項會計政策變動已被追溯採納，由於土地及樓宇沒有可靠地分配，故對本集團於二零零五年四月一日之保留溢利並無構成重大影響。於土地之租賃權益繼續計作物業、機器及設備入賬。

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (c) Financial Instruments

In the current period, the Group has applied HKAS 32 "Financial Instruments: Disclosure and Presentation" and HKAS 39 "Financial Instruments: Recognition and Measurement". HKAS 32 requires retrospective application. The adoption of HKAS 32 has had no material effect on the presentation of financial instruments in the financial statements of the Group. HKAS 39, which is effective for accounting periods beginning on or after January 1, 2005, generally does not permit to recognize, derecognize or measure financial assets and liabilities on a retrospective basis. The principal effects on the Group as a result of implementation of HKAS 39 are summarized below:

#### *Classification and measurement of financial assets and financial liabilities*

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

By March 31, 2005, the Group classified and measured its debt and equity securities in accordance with the benchmark treatment of Statement of Standard Accounting Practice ("SSAP") 24. Under SSAP 24, investments in debt or equity securities are classified as "investment securities", "other investments" or "held-to-maturity investments" as appropriate. "Investment securities" are carried at cost less any identified impairment losses while "other investments" are measured at fair value, with unrealized gains or losses included in the profit or loss. Held-to-maturity investments are carried at amortized cost less any identified impairment losses. From April 1, 2005 onwards, the Group classifies and measures its debt and equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as "financial assets at fair value through profit and loss", "available-for-sale investments", "loans and receivables", or "held-to-maturity financial assets". The classification depends on the purpose for which the assets are acquired. "Financial assets at fair value through profit and loss" and "available-for-sale investments" are carried at fair value, with changes in fair values recognized in profit and loss and equity, respectively. "Loans and receivables" and "held-to-maturity financial assets" are measured at amortized cost using the effective interest method (see Note 3 for the financial impact).

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

### 2. 主要會計政策 (續)

#### (c) 財務工具

於本期間，本集團採納香港會計準則第32號「財務工具：披露及呈列」及香港會計準則第39號「財務工具：確認及計量」。香港會計準則第32號規定須作追溯採納。採納香港會計準則第32號對財務工具在本集團財務報表之呈列方式並無重大影響。於二零零五年一月一日或以後開始之會計期間生效之香港會計準則第39號，一般不允許追溯確認、不予確認或計量財務資產及負債。落實香港會計準則第39號對本集團之主要影響概列如下：

#### *財務資產及財務負債之分類及計量*

本集團已採納香港會計準則第39號之相關過渡性條款，內容是有關屬於香港會計準則第39號範疇內之財務資產及財務負債之分類及計量。

於二零零五年三月三十一日前，本集團乃按照會計實務準則（「會計實務準則」）第24號之基準處理方法來分類及計量其債務及股本證券。根據會計實務準則第24號，本集團之債務或股本證券投資乃分類列作「投資證券」、「其他投資」或「持至期滿日投資」（如適用）。「投資證券」按成本值減已確認減值虧損列賬，而「其他投資」則按公平價值估量，並將未變現收益或虧損計入損益。持至期滿日投資以攤銷成本減已確認減值虧損列賬。自二零零五年四月一日起，本集團根據香港會計準則第39號分類及計量其債務及股本證券。根據香港會計準則第39號，財務資產乃分類列作「按公平價值列賬並在損益表內處理之財務資產」、「可供出售投資」、「貸款及應收款項」或「持至期滿日財務資產」。上述分類視乎購入資產之目的而定。「按公平價值列賬並在損益表內處理之財務資產」及「可供出售投資」按公平價值列賬，而有關公平價值之變動則分別於損益及股東權益中確認。「貸款及應收款項」及「持至期滿日財務資產」利用實際利息法計算之已攤銷成本計量（財務影響見附註3）。

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

## (d) Financial assets and financial liabilities other than debt and equity securities

From April 1, 2005 onwards, the Group has classified and measured its financial assets and financial liabilities other than debt and equity securities (which were previously outside the scope of SSAP 24) in accordance with the requirements of HKAS 39. As mentioned above, financial assets under HKAS 39 are classified as "financial assets at fair value through profit or loss", "available-for-sale financial assets", "loans and receivables" or "held-to-maturity financial assets". Financial liabilities are generally classified as "financial liabilities at fair value through profit or loss" or "other financial liabilities". Other financial liabilities are carried at amortized cost using the effective interest method. The adoption of HKAS 39 has had no material effect to the financial assets and financial liabilities other than debt and equity securities of the Group.

## (e) Investment in convertible notes

In the current period, the Group has applied HKAS 39 to the convertible notes it acquired during the period. In accordance with HKAS 39, the conversion option element of the convertible note represents an embedded derivative instrument which is accounted for separately from the convertible note and, as such, to be measured at fair value when initially recorded and at subsequent reporting dates. The fair value of this conversion option is estimated using a relevant option pricing model at the date of subscription of the convertible note, and as at subsequent reporting dates. Changes in fair value of the conversion option of the unlisted convertible note are recognized directly in net profit and loss. (see Note 3 for the financial impact).

## 2. 主要會計政策 (續)

## (d) 除債務及股本證券以外之財務資產及財務負債

由二零零五年四月一日起，本集團根據香港會計準則第39號之規定，對除債務及股本證券以外之財務資產及財務負債（以往不在會計實務準則第24號之範疇內）進行分類及計量。如上文所述，根據香港會計準則第39號，財務資產乃分類為「按公平價值列賬並在損益表內處理之財務資產」、 「可供出售之財務資產」、 「貸款及應收款項」或「持至期滿日財務資產」。財務負債一般分類為「按公平價值列賬並在損益表內處理之財務負債」或「其他財務負債」。其他財務負債按使用實際利息法計算之已攤銷成本列賬。除債務及股本證券外，採納香港會計準則第39號對本集團財務資產及財務負債並無重大影響。

## (e) 於可換股票據之投資

於本期間，本集團對於期內收購之可換股票據已採納香港會計準則第39號。根據香港會計準則第39號，若可換股票據之換股權部份屬於內在衍生工具，則須與可換股票據分開列賬，並於首次確認時以及於其後之報告日期按公平價值計量。有關換股權之公平價值乃使用有關期權定價模式於認購可換股票據當日以及其後之報告日期作出估計。非上市可換股票據換股權之公平價值變動乃於溢利及虧損淨額直接確認。（財務影響見附註3）。



## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (f) Share-based payment

In the current period, the Group has applied HKFRS 2 "Share-based payment" which requires an expense to be recognized where the Group buys goods or obtains services in exchange for shares or rights over shares ("equity-settled transactions"), or in exchange for other assets equivalent in value to a given number of shares or rights over shares ("cash-settled transactions"). The principal impact of HKFRS 2 on the Group is in relation to the expensing of the fair value of directors' and employees' share options of the Company and its subsidiaries determined at the date of grant of the share options over the vesting period. Prior to the application of HKFRS 2, the Group did not recognize the financial effect of these share options until they were exercised. The Group has applied HKFRS 2 to shares granted on or after April 1, 2005. In relation to shares granted before April 1, 2005, the Group has not applied HKFRS 2 to shares granted on or before November 7, 2002 and shares granted after November 7, 2002 and had vested before April 1, 2005 in accordance with the relevant transitional provisions. The Group had no share granted after November 7, 2002 and had not yet vested on April 1, 2005, and accordingly, no retrospective restatement is required.

#### (g) Hotel properties

HK Interpretation 2 ("HK-Int 2") "The Appropriate Accounting Policies for Hotel Properties" clarifies the accounting policy for owner-operated hotel properties. In previous periods, the self-operated hotel properties of the Group's associate were carried at cost less impairment amounts and were not subject to depreciation. HK-Int 2 requires owner-operated properties to be classified as property, plant and equipment in accordance with HKAS 16, "Property, Plant and Equipment" and therefore be accounted for either using the cost model or the revaluation model. The Group's associate has resolved to account for these hotel properties using the cost model. In the absence of any specific transitional provisions in HK-Int 2, the new accounting policy has been applied retrospectively. Comparative figures have been restated. An adjustment of HK\$937,000 has been made to decrease the share of net assets of associates and to decrease the retained profits at March 31, 2005 (see Note 3 for financial impact).

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

### 2. 主要會計政策 (續)

#### (f) 以股份償款

於本期間，本集團已採納香港財務報告準則第2號「以股份償付」，「以股份償付」規定，當本集團以股份或股份權利作為購買貨品或取得服務之代價（「股本結算交易」），或以其他相等值資產換取特定數目股份或股份權利之代價（「現金結算交易」），則須確認開支。香港財務報告準則第2號對本集團之主要影響為本公司及其附屬公司董事及僱員購股權之公平值開支乃按於歸屬期間授出購股權當日釐定者列賬。在應用香港財務報告準則第2號以前，本集團在購股權獲行使前概無確認此等購股權之財務影響。本集團對二零零五年四月一日或之後授予之股份採納香港財務報告準則第2號。至於在二零零五年四月一日前授予之股份，根據相關之過渡性條款，本集團不會對於二零零二年十一月七日或之前授予之股份，以及於二零零二年十一月七日後授出並於二零零五年四月一日前歸屬之股份採納香港財務報告準則第2號。由於本集團並無於二零零二年十一月七日後授予而於二零零五年四月一日尚未歸屬之股份，因此毋須追溯重列。

#### (g) 酒店物業

香港詮釋第2號（「香港詮釋第2號」）「酒店物業之適用會計政策」澄清業主持作營運酒店物業之會計政策。於過往期間，本集團聯營公司自行營運之酒店物業按成本值減減值金額入賬，並不作出折舊。香港詮釋第2號將業主持作營運之物業根據香港會計準則第16號「物業、機器及設備」分類為物業、機器及設備，並用成本值模式或重估值模式作出入賬。在香港詮釋第2號未附任何具體過渡性條款之情況，此項新會計政策已追溯應用。比較數字已予重列。於二零零五年三月三十一日已作出937,000港元之調整以減少應佔聯營公司資產淨值及減少保留溢利（財務影響見附註3）。

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

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

The effects of the changes in the accounting policies described in Note 2 on the results for the current and prior periods are as follows:

(i) On results

		HKAS 1 HK\$'000 (Note 2) 香港 會計準則 第1號 千港元 (附註2)	HKAS 39 HK\$'000 (Note 2) 香港 會計準則 第39號 千港元 (附註2)	HKFRS 3 HK\$'000 (Note 2) 香港財務 報告準則 第3號 千港元 (附註2)	Total effects HK\$'000 (Note 2)  總影響 千港元 (附註2)
For the six months ended September 30, 2005 (unaudited)	截至二零零五年九月三十日止六個月(未經審核)				
Decrease in realization of negative goodwill arising on acquisition of an additional interest in an associate	變現收購一間聯營公司額外權益產生之負商譽減少	-	-	(12)	(12)
Decrease in amortization of goodwill	商譽攤銷減少	-	-	12,594	12,594
Decrease in amortization of trademark licenses	商標許可證攤銷減少	-	-	11,811	11,811
Decrease in amortization of goodwill arising on acquisition of associates	收購聯營公司產生之商譽攤銷減少	-	-	3,662	3,662
Increase in share of results of associates	應佔聯營公司業績增加	1,029	-	-	1,029
Decrease in income tax expense	所得稅支出減少	(1,029)	-	-	(1,029)
Increase in fair value of conversion option of unlisted convertible notes	非上市可換股票據之換股選擇權公平價值減少	-	15,568	-	15,568
Increase in profit for the period	期內溢利增加	-	15,568	28,055	43,623

### 3. 會計政策變動影響摘要

附註2所述之會計政策變動對本期間及過往期間業績之影響如下：

(i) 對業績

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

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

(ii) On income statement line items

## 3. 會計政策變動影響摘要 (續)

(ii) 對收益表項目

		HKAS 1 HK\$'000 (Note 2) 香港 會計準則 第1號 千港元 (附註2)	HKAS 39 HK\$'000 (Note 2) 香港 會計準則 第39號 千港元 (附註2)	HKFRS 3 HK\$'000 (Note 2) 香港財務 報告準則 第3號 千港元 (附註2)	Total effects HK\$'000 (Note 2) 總影響 千港元 (附註2)
For the six months ended September 30, 2005 (unaudited)	截至二零零五年九月三十日止六個月(未經審核)				
Decrease in administrative expense	行政開支減少	-	-	24,405	24,405
Decrease in realization of negative goodwill arising on acquisition of an additional interest in an associate	變現收購一間聯營公司額外權益產生之負商譽減少	-	-	(12)	(12)
Decrease in amortization of goodwill arising on acquisition of associates	收購聯營公司產生之商譽攤銷減少	-	-	3,662	3,662
Increase in share of results of associates	應佔聯營公司業績增加	1,029	-	-	1,029
Decrease in income tax expense	所得稅支出減少	(1,029)	-	-	(1,029)
Increase in fair value of conversion option of unlisted convertible notes	非上市可換股票據之換股選擇權公平價值增加	-	15,568	-	15,568
		-	15,568	28,055	43,623
					HKAS 1 HK\$'000 (Note 2) 香港會計 準則第1號 千港元 (附註2)
For the six months ended September 30, 2004 (unaudited)	截至二零零四年九月三十日止六個月(未經審核)				
Increase in share of results of associates	應佔聯營公司業績增加				1,320
Decrease in income tax expense	所得稅支出減少				(1,320)
Increase in loss for the period	期內虧損增加				-



Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

簡明財務報表附註

截至二零零五年九月三十日止六個月

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

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

3. 會計政策變動影響摘要 (續)

採用新香港財務報告準則對於二零零五年三月三十一日及二零零五年四月一日之累積影響概述如下:

	As at March 31, 2005 (originally stated) HK\$'000	Retrospective adjustments		As at March 31, 2005 (restated) HK\$'000	Adjustments on April 1, 2005 Others (Note) HK\$'000	As at April 1, 2005 (restated) HK\$'000
	於 二零零五年 三月三十一日 (如原先呈報) 千港元	追溯調整 香港會計 準則第27號 千港元	香港 詮釋第2號 千港元	於 二零零五年 三月三十一日 (經重列) 千港元	於 二零零五年 四月一日 調整其他 (附註) 千港元	於 二零零五年 四月一日 (經重列) 千港元
<b>Balance sheet items</b>						
Property, plant and equipment	70,557	-	-	70,557	-	70,557
Intangible assets	401,383	-	-	401,383	-	401,383
Interests in associates	636,666	-	(937)	635,729	27,590	663,319
Investments in securities	123,534	-	-	123,534	(123,534)	-
Available-for-sale investments	-	-	-	-	123,534	123,534
Payment for acquisition of a long-term investment	35,000	-	-	35,000	-	35,000
Deferred tax assets	18,418	-	-	18,418	-	18,418
Other asset	108,000	-	-	108,000	-	108,000
Inventories	587,078	-	-	587,078	-	587,078
Trade and other receivables	766,277	-	-	766,277	-	766,277
Investments in securities	144,435	-	-	144,435	(144,435)	-
Investments held for trading	-	-	-	-	144,435	144,435
Short-term loan receivables	111,851	-	-	111,851	-	111,851
Short-term loan receivables from related companies	224,233	-	-	224,233	-	224,233
Margin loan receivables	30,586	-	-	30,586	-	30,586
Tax recoverable	19,855	-	-	19,855	-	19,855
Pledged bank deposit	20,014	-	-	20,014	-	20,014
Bank balances and cash	359,603	-	-	359,603	-	359,603
Trade and other payables	(1,011,814)	-	-	(1,011,814)	-	(1,011,814)
Margin loan payables	(253)	-	-	(253)	-	(253)
Bills payable	(3,644)	-	-	(3,644)	-	(3,644)
Tax Payable	(91,420)	-	-	(91,420)	-	(91,420)
Borrowings	(243,351)	-	-	(243,351)	-	(243,351)
Obligations under finance leases	(462)	-	-	(462)	-	(462)
Bank overdrafts	(46,978)	-	-	(46,978)	-	(46,978)
Amount due to a minority shareholder	(2,526)	-	-	(2,526)	-	(2,526)
Deferred tax liabilities	(114)	-	-	(114)	-	(114)
Total effects on assets and liabilities	2,256,928	-	(937)	2,255,991	27,590	2,283,581
Minority interests	(449,617)	449,617	-	-	-	-
	1,807,311	449,617	(937)	2,255,991	27,590	2,283,581

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

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

## 3. 會計政策變動影響摘要 (續)

		As at March 31, 2005 (originally stated) HK\$'000		Retrospective adjustments		As at March 31, 2005 (restated) HK\$'000		Adjustments on April 1, 2005 Others (Note) HK\$'000		As at April 1, 2005 (restated) HK\$'000
		於二零零五年三月三十一日 (如原先呈報) 千港元	於二零零五年三月三十一日 (如原先呈報) 千港元	追溯調整 香港會計準則第27號 千港元	追溯調整 HK-INT 2 香港三月三十一日 (經重列) 千港元	於二零零五年三月三十一日 (經重列) 千港元	於二零零五年三月三十一日 (經重列) 千港元	於二零零五年四月一日 調整其他 (附註) 千港元	於二零零五年四月一日 (經重列) 千港元	
Share capital	股本	2,236	-	-	-	2,236	-	-	2,236	
Capital reserve	資本儲備	(22,137)	-	-	-	(22,137)	22,137	-	-	
Other reserves	其他儲備	1,685,323	-	-	-	1,685,323	11,947	1,697,270		
Retained profits	保留溢利	141,889	-	(937)	-	140,952	(6,494)	134,458		
Equity holders of the parent	母公司股本持有人	1,807,311	-	(937)	-	1,806,374	27,590	1,833,964		
Minority interests	少數股東權益	-	449,617	-	-	449,617	-	449,617		
Total effects on total equity	對總股東權益之總影響	1,807,311	449,617	(937)	-	2,255,991	27,590	2,283,581		

Note: The adjustment of approximately HK\$27,365,000 included in interests in associates represents the adoption of new HKFRSs by an associate of the Group. The other adjustments represent the adoption of HKAS 39 and HKFRS 3 by the Group. For details, please refer to Note 2.

附註：計入於聯營公司之權益之約27,365,000港元之調整代表本集團之一間聯營公司採納新香港財務報告準則。其他調整代表採納香港會計準則第39號及香港財務報告準則第3號。詳情請參閱附註2。

The financial effects of the application of the new HKFRSs to the Group's equity as at April 1, 2004 are summarized below:

採納新香港財務報告準則對本集團於二零零四年四月一日之股東權益之財務影響概述如下：

		As originally stated HK\$'000	As restated HK\$'000
		如原先呈報 千港元	經重列 千港元
Share capital	股本	1,866	1,866
Capital reserve	資本儲備	(21,581)	(21,581)
Other reserves	其他儲備	1,734,016	1,734,016
Retained profits	保留溢利	158,880	158,880
Equity holders of the parent	母公司股本持有人	1,873,181	1,873,181
Minority interests	少數股東權益	-	405,157
Total effects on total equity	總股東權益之總影響	1,873,181	2,278,338

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

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

#### Change of Accounting Estimates – Intangible Assets with Indefinite Useful Lives

In previous periods, intangible assets were amortized over their estimated useful lives of ten to twenty years. HKAS 38 requires intangible assets to be assessed at the individual asset level as having either finite or indefinite life. A finite-life intangible asset is amortized over its estimated useful life whereas an intangible asset with an indefinite useful life is carried at cost less accumulated impairment losses (if any). Intangible assets with indefinite lives are not subject to amortization but are tested for impairment annually or more frequently when there are indications of impairment. In accordance with the transitional provisions in HKAS 38, the Group reassessed the useful lives of its intangible assets on April 1, 2005 and concluded that certain trademark licenses with a total carrying amount of HK\$226,687,000 recognized under the predecessor accounting standard have indefinite useful lives. The Group has applied the revised useful lives prospectively and discontinued amortizing intangible assets with indefinite useful lives from April 1, 2005. No amortization has been charged in relation to intangible assets with indefinite useful lives for the six months ended September 30, 2005. Comparative figures have not been restated.

The Group has not early applied the new accounting standards or interpretations that have been issued but are not yet effective. The directors of the Company are in the progress to assess the impact on the application of these standards or interpretations to the financial statements of the Group.

### 4. SEGMENT INFORMATION

#### Business Segments

The Group is organized into four (Six months ended September 30, 2004: four) business segments, namely trading of computer related products, consumer electronic products and securities and property development and trading. These divisions are the bases on which the Group reports its primary segment information.

Principal activities are as follows:

*Trading of computer related products*

*Trading of consumer electronic products*

*Trading of securities*

*Property development and trading*

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

### 3. 會計政策變動影響摘要 (續)

#### 會計估計之變動－無限使用年期之無形資產

於以往期間，無形資產乃於其估計可用年期十年至二十年內攤銷。根據香港會計準則38號規定，無形資產須按個別資產之有限或無限年期予以評估。有限年期之無形資產乃按其估計可用年期內攤銷，而無限年期之無形資產則按成本減累計減值虧損（如有）列賬。無限年期之無形資產毋須攤銷，惟須每年進行減值測試，或於情況顯示有減值時更頻密地進行減值測試。根據香港會計準則38號之過渡性條款，本集團已於二零零五年四月一日重新評估其無形資產可用年期，其結論為根據以往之會計準則確認之總賬面值為226,687,000港元之若干商標許可證有無限使用年期。本集團已採納經修訂可使用年期，並從二零零五年四月一日起停止對無限使用年期之無形資產作攤銷。截至二零零五年九月三十日止六個月，並無就無限使用年期之無形資產作攤銷。比較數字並無重列。

本集團並無提早採納已頒佈但未生效之新會計準則及詮釋。本公司董事現正評估採納此等會計準則或詮釋對本集團財務報表之影響。

### 4. 分類資料

#### 業務分類

本集團由四種（截至二零零四年九月三十日止六個月：四種）分類業務組成，即電腦相關產品貿易、消費電子產品貿易、證券買賣以及物業發展及買賣。這些分部乃本集團呈報其主要分類資料之基礎。

主要業務如下：

電腦相關產品貿易

消費電子產品貿易

證券買賣

物業發展及買賣

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

## 4. SEGMENT INFORMATION (Continued)

## Business Segments (Continued)

Six months ended September 30, 2005

		Trading of computer related products HK\$'000 電腦相關 產品貿易 千港元	Trading of consumer electronic products HK\$'000 消費電子 產品貿易 千港元	Trading of securities HK\$'000 證券買賣 千港元	Property development and trading HK\$'000 物業發展 及買賣 千港元	Consolidated HK\$'000 綜合 千港元
Turnover	營業額	1,898,845	670,944	113,935	118,800	2,802,524
Segment result	分類業績	89,572	13,124	18,694	10,795	132,185
Interest income	利息收入					20,736
Unallocated corporate income, net	未分配企業收入淨額					1,921
Finance costs	財務費用					(24,140)
Share of results of associates	應佔聯營公司業績					(24,126)
Impairment loss on goodwill arising on acquisition of an associate	收購一間聯營公司產生 之商譽減值虧損					(14,391)
Gain on disposal of subsidiaries	出售附屬公司之收益					4,276
Profit before income tax	除所得稅前溢利					96,461
Income tax expense	所得稅支出					(48,428)
Profit for the period	期內溢利					48,033

Six months ended September 30, 2004

截至二零零四年九月三十日止六個月

		Trading of computer related products HK\$'000 電腦相關 產品貿易 千港元	Trading of consumer electronic products HK\$'000 消費電子 產品貿易 千港元	Trading of securities HK\$'000 證券買賣 千港元	Property development and trading HK\$'000 物業發展 及買賣 千港元	Consolidated HK\$'000 (Restated) 綜合 千港元 (經重列)
Turnover	營業額	1,807,432	913,616	1,307	-	2,722,355
Segment result	分類業績	96,648	14,824	10,409	(56)	121,825
Interest income	利息收入					9,405
Allowances for short-term loans receivable	短期應收貸款準備					(3,469)
Unallocated corporate expenses, net	未分配企業開支淨額					(10,028)
Finance costs	財務費用					(9,340)
Share of results of associates	應佔聯營公司業績					(30,448)
Amortization of goodwill arising on acquisition of associates	收購聯營公司產生 之商譽攤銷					(14,045)
Net loss on deemed disposals of shareholdings in associates	被視為出售聯營公司股權之 虧損淨額					(11,400)
Profit before income tax	除所得稅前溢利					52,500
Income tax expense	所得稅支出					(67,670)
Loss for the period	期內虧損					(15,170)

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

## 5. PROFIT BEFORE INCOME TAX

## 5. 除所得稅前溢利

		Six months ended September 30, 截至九月三十日止六個月	
		2005 HK\$'000 二零零五年 千港元	2004 HK\$'000 二零零四年 千港元
Profit before income tax has been arrived at after charging (crediting):	除所得稅前溢利已扣除(計入)以下各項:		
Allowance for bad and doubtful debts	呆壞賬準備	1,668	7,198
Amortization of goodwill (included in administrative expenses)	商譽攤銷(包括在行政開支內)	-	13,347
Amortization of trademark licenses and patent (included in administrative expenses)	商標許可證及專利權攤銷(包括在行政開支內)	403	12,186
Depreciation and amortization on property, plant and equipment	物業、機器及設備之折舊及攤銷	6,466	9,032
Share the tax of associates (included in share of result of associates)	應佔聯營公司稅項(包括在應佔聯營公司業績內)	1,029	1,320
Exchange losses	匯兌虧損	11,711	838
Loss on fair value changes on investments held for trading	持作買賣證券投資公平價值變更之虧損	18,461	-
Interest income	利息收入	(20,736)	(9,405)
Net gain on trading of derivatives financial instruments	買賣衍生財務工具之收益淨額	-	(15,100)
Net realized gain on disposal of listed securities investments	出售上市證券投資變現之收益淨額	(21,008)	(257)
Net unrealized holding loss on other investments	持有其他投資之未變現虧損淨額	-	4,948



## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

### 6. IMPAIRMENT LOSS ON GOODWILL ARISING ON ACQUISITION OF AN ASSOCIATE

During the period, the directors of the Company reviewed the carrying value of goodwill arising on acquisition of an associate in previous year. The carrying amount of the goodwill has been allocated to the Cash Generating Unit (the "CGU") for the segments of consumer business and healthcare business of the associate.

The recoverable amounts of the CGU have been determined on the basis of value in use calculations. Their recoverable amounts are based on certain similar key assumptions. The value in use calculations of the two segments used cash flow forecasts derived from the most recent financial budgets for next three years using a discount rate of approximately 10%. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts.

After considering the current market condition and cash flow forecasts using a discount rate of approximately 10%, an impairment loss of HK\$14,391,000 has been identified and recognized in the consolidated income statement.

In the opinion of the directors, no other impairment loss in respect of the carrying value of the goodwill is considered necessary.

### 7. INCOME TAX EXPENSE

Income tax arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

No provision for Hong Kong Profits Tax was made for the period as the assessable profit of subsidiaries operated in Hong Kong was wholly absorbed by tax losses brought forward.

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

### 6. 因收購一間聯營公司而產生之商譽之減值虧損

於本期間，本公司董事審閱於去年收購一間聯營公司所產生之商譽賬面值。就該聯營公司之消費業務及保健業務分類而言，商譽之賬面值已分配至現金產生單位（「現金產生單位」）。

現金產生單位之可收回金額乃按照使用中之價值作基準釐定。彼等之可收回金額乃根據若干相似之主要假設。計算使用中之價值乃使用來自未來三年之最近期財務預算所產生之現金流量預測，以貼現率約10%計算。管理層利用徵稅前稅率估計貼現率，該稅率反映現時市場對金錢時值之評估，以及該現金產生單位之特有風險。有關增長率乃根據業內增長預測所計算。

經考慮現行市況及利用貼現率約10%計算之現金流量預測，已辨悉之減值虧損為14,391,000港元，並已於綜合收益表中確認。

董事認為，並無必要就商譽之賬面值計算任何其他減值虧損。

### 7. 所得稅支出

		Six months ended September 30, 截至九月三十日止六個月	
		2005	2004
		HK\$'000	HK\$'000
		二零零五年	二零零四年
		千港元	千港元
Current tax:	現時稅項：		
Other jurisdictions	其他司法管轄區	51,926	44,812
Deferred tax:	遞延稅項：		
Current period (credit) charge	本期間（抵免）支出	(3,498)	22,858
		<b>48,428</b>	<b>67,670</b>

在其他司法管轄區所產生之所得稅按有關司法管轄區之現行稅率計算。

由於在香港經營之附屬公司之應課稅溢利全由結轉之稅項虧損所抵銷，故本期間並無作出香港利得稅準備。

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

## 8. DIVIDEND

On July 22, 2005, a dividend of HK6 cents per share was declared to shareholders as a final dividend for the year ended March 31, 2005, amounting to HK\$13,418,000.

The directors have resolved to declare an interim dividend of HK4 cents per share in cash with scrip option (Six months ended September 30, 2004: Nil) should be paid to the shareholders of the Company whose names appear on the Register of Members on January 4, 2006.

## 9. EARNINGS (LOSS) PER SHARE

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

## 8. 股息

於二零零五年七月二十二日，本公司向股東宣派股息每股6港仙，作為截至二零零五年三月三十一日止年度之末期股息，金額合共13,418,000港元。

董事議決宣派中期股息每股現金4港仙（可選擇以股代息）（截至二零零四年九月三十日止六個月：無）予於二零零六年一月四日名列於股東名冊上之本公司股東。

## 9. 每股盈利（虧損）

每股基本及攤薄盈利（虧損）乃根據下列數據計算：

		Six months ended September 30, 截至九月三十日止六個月	
		2005 HK\$'000 二零零五年 千港元	2004 HK\$'000 二零零四年 千港元
Earnings (loss):	盈利（虧損）：		
Earnings (loss) for the purposes of basic and diluted earnings (loss) per share attributable to equity holders of the parent	用以計算母公司股本持有人應佔每股基本及攤薄盈利（虧損）之盈利（虧損）	<u>16,388</u>	<u>(25,032)</u>
		'000 千股	'000 千股
Number of shares:	股份數目：		
Number (Weighted average number) of ordinary shares for the purpose of basic earnings (loss) per share	用以計算每股基本盈利（虧損）之普通股數目（加權平均數）	<u>223,628</u>	<u>186,553</u>
Effect of dilutive potential ordinary shares on share options	潛在普通股之攤薄影響－購股權	<u>20,311</u>	
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	用以計算每股攤薄盈利（虧損）之普通股加權平均數	<u>243,939</u>	

The computation of diluted loss per share for the six months ended September 30, 2004 did not assume the exercise of the Company's outstanding share options because the exercise would result in a decrease in loss per share.

在計算截至二零零四年九月三十日止六個月之每股攤薄虧損時，並無假設本公司之尚未行使購股權獲行使，原因為行使該等購股權會導致每股虧損減少。

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

### 10. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$9.6 million on purchase of furniture, fixtures and equipment and motor vehicles.

### 11. INTERESTS IN ASSOCIATES

On March 10, 2005, the Group and PYI Corporation Limited (formerly known as Paul Y. ITC Construction Holdings Limited) ("PYI"), another substantial shareholder of China Strategic Holdings Limited ("CSHL"), entered into a share sale agreement with an independent third party for the disposal of an aggregate 270,000,000 shares of CSHL (representing a 15.3% interest in CSHL or 135,000,000 shares each held by the Group and PYI) for a total consideration of approximately HK\$52.1 million (the "Proposed Disposal"). The completion of the Proposed Disposal is subject to the completion of a proposed group reorganization by CSHL ("CSHL Reorganization").

On April 19, 2005, a joint announcement of CSHL and the Group announced that the details of the CSHL Reorganization which, if approved and implemented, will result in, (i) CSHL continuing to be a public listed company with its subsidiaries concentrating on its business of manufacturing and trading of battery products, investments in securities and property and investment in unlisted investment; (ii) all other subsidiaries of CSHL carrying on property development and investment holding business, and all other associates of CSHL carrying on manufacturing and marketing of tires and business of providing package tour, travel and other related services being grouped under Group Dragon Investment Limited ("GDI") (a wholly-owned subsidiary of CSHL) and its subsidiaries upon completion of the CSHL Reorganization; and (iii) the distribution in specie of shares in GDI to the then shareholders of CSHL on a record date to be fixed, on the basis of one GDI share for every share in CSHL after consolidation under the capital reorganization.

On the same date, the Group proposed to acquire an additional interest in GDI (the "Proposed Acquisition") subject to approval of the shareholders of the Company and the completion of the CSHL Reorganization. The Proposed Acquisition was approved by the shareholders of the Company on October 7, 2005.

Details of the Proposed Disposal and Proposed Acquisition are set out in a circular of the Company dated September 14, 2005. The transaction has not yet been completed at the date of this report.

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

### 10. 物業、機器及設備

期內，本集團於購置傢俱、裝置及設備以及汽車方面支出約為9,600,000港元。

### 11. 聯營公司權益

於二零零五年三月十日，本集團及中策集團有限公司（「中策」）另一主要股東保華集團有限公司（前稱保華德祥建築集團有限公司）（「保華」）與一獨立第三方訂立一份股份銷售協議，內容有關以總代價約52,100,000港元出售中策合共270,000,000股股份（佔本集團及保華各自持有之中策15.3%權益或135,000,000股股份）（「建議出售」）。待中策完成建議之集團重組（「中策重組」）後，建議出售方告完成。

於二零零五年四月十九日，中策與本集團之聯合公佈宣佈，中策重組之資料，倘獲批准及付諸實行，將導致(i)中策繼續保持公眾上市公司之地位，其附屬公司專注於電池產品製造及貿易、證券及物業投資，以及非上市投資項目；(ii)於中策重組完成後，中策旗下經營物業發展及投資控股業務之所有其他附屬公司，以及中策旗下經營輪胎製造及銷售、提供旅行團、旅遊及其他相關服務之業務將收歸群龍投資有限公司（「群龍」）（中策之一間全資附屬公司）及其附屬公司旗下；及(iii)股本重組合併後以實物方式向於待定記錄日期當時之中策股東分派群龍股份，基準為每持有一股中策股份將收取一股群龍股份。

同日，本集團擬收購群龍之額外權益（「建議收購」），惟須經本公司股東批准及中策重組完成後，方可作實。建議收購已於二零零五年十月七日經本公司股東批准。

建議出售及建議收購之詳情載於本公司於二零零五年九月十四日刊發之通函。是次交易於本報告日期尚未完成。

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

### 12. AVAILABLE-FOR-SALE INVESTMENTS

During the period, the Group entered has subscribed three convertible notes with an aggregate amount of HK\$650 million from Cheung Tai Hong Holdings Limited, See Corporation Limited (previously known as Ruili Holdings Limited) and Wo Kee Hong (Holdings) Limited, all these companies are public limited companies with their shares listed on the Stock Exchange for a total consideration of HK\$650 million. The Group had classified all the debt element of the convertible notes as an available-for-sale investments and the conversion option element of the convertible notes as investments held for trading.

As at September 30, 2005, the fair value of the debt element and conversion option element were approximately HK\$535,482,000 and HK\$133,029,000 respectively. Accordingly, a change in fair value of approximately HK\$2,943,000 for the debt element and approximately HK\$15,568,000 for conversion option element were recognized in equity and profit and loss, respectively.

### 13. PAYMENTS FOR ACQUISITION OF LONG TERM INVESTMENTS

During the period, the Group paid an aggregate of approximately HK\$115,175,000 as a tender deposit to three independent third parties for expressing the Group's interest in water supply business, sand mining business and the exploitation right for river sand business in the People's Republic of China (the "Potential Investments"). These payments would be refundable from the counter parties if the terms and conditions had not been concluded within one year after the payments made by the Group. Up to the report date, the terms and conditions of the Potential Investments have not yet been concluded with the counter parties.

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

### 12. 可供出售之投資

於本期間，本集團向祥泰行集團有限公司、漢傳媒集團有限公司（前稱瑞力控股有限公司）及和記行（集團）有限公司以總代價為650,000,000港元認購三份合共650,000,000港元之可兌換票據，此等公司乃公眾有限公司，其股份於聯交所上市。本集團將可兌換票據之所有債項成份分類為可供出售投資，而將可兌換票據之轉換期權成份分類為持作買賣之證券投資。

於二零零五年九月三十日，債項成份及轉換期權成份之公平價值分別約為535,482,000港元及133,029,000港元。因此，債項成份約2,943,000港元及轉換期權成份約15,568,000港元之公平價值變動已分別於股本及損益中確認。

### 13. 收購長期投資之付款

於本期間，本集團合共向三位獨立第三方繳付約115,175,000港元作為投標保證金，以表示本集團對於中華人民共和國之供水業務、採沙業務及河沙業務之採礦權（「具潛力之投資」）有興趣。倘於本集團付款後一年內尚未落實有關條款及條件，則該等付款將會自其他訂約方收回。截至本報告日期，具潛力之投資之條款及條件尚未與其他訂約方落實。

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 14. TRADE AND OTHER RECEIVABLES

Included within trade and other receivables is a trade debtor balance of HK\$624.9 million (March 31, 2005: HK\$591.8 million). The Group allows an average credit period of one to two months to its trade customers.

The following is an aged analysis of trade debtors at the reporting date:

		September 30, 2005 HK\$'000 二零零五年 九月三十日 千港元	March 31, 2005 HK\$'000 二零零五年 三月三十一日 千港元
Not yet due	未到期	506,123	548,407
Overdue within one month	逾期少於一個月	108,611	25,996
Overdue between one to two months	逾期一至兩個月	1,569	4,561
Overdue more than two months	逾期超過兩個月	8,637	12,819
		<u>624,940</u>	<u>591,783</u>

## 15. TRADE AND OTHER PAYABLES

Included within trade and other payables is a trade creditor balance of HK\$624.4 million (March 31, 2005: HK\$564.1 million).

The following is an aged analysis of trade creditors at the reporting date:

		September 30, 2005 HK\$'000 二零零五年 九月三十日 千港元	March 31, 2005 HK\$'000 二零零五年 三月三十一日 千港元
Not yet due	未到期	413,801	417,919
Overdue within one month	逾期少於一個月	147,261	74,518
Overdue between one to two months	逾期一至兩個月	22,061	27,951
Overdue more than two months	逾期超過兩個月	41,326	43,766
		<u>624,449</u>	<u>564,154</u>

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

## 14. 貿易及其他應收款項

貿易及其他應收款項包括為數 624,900,000 港元之應收貿易款項結餘（二零零五年三月三十一日：591,800,000 港元）。本集團向其貿易客戶提供平均一至兩個月不等之信貸期。

於報告日期之應收貿易款項賬齡分析如下：

		September 30, 2005 HK\$'000 二零零五年 九月三十日 千港元	March 31, 2005 HK\$'000 二零零五年 三月三十一日 千港元
Not yet due	未到期	506,123	548,407
Overdue within one month	逾期少於一個月	108,611	25,996
Overdue between one to two months	逾期一至兩個月	1,569	4,561
Overdue more than two months	逾期超過兩個月	8,637	12,819
		<u>624,940</u>	<u>591,783</u>

## 15. 貿易及其他應付款項

貿易及其他應付款項包括為數 624,400,000 港元之應付貿易款項結餘（二零零五年三月三十一日：564,100,000 港元）。

於報告日期之應付貿易款項賬齡分析如下：

		September 30, 2005 HK\$'000 二零零五年 九月三十日 千港元	March 31, 2005 HK\$'000 二零零五年 三月三十一日 千港元
Not yet due	未到期	413,801	417,919
Overdue within one month	逾期少於一個月	147,261	74,518
Overdue between one to two months	逾期一至兩個月	22,061	27,951
Overdue more than two months	逾期超過兩個月	41,326	43,766
		<u>624,449</u>	<u>564,154</u>



## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 16. BORROWINGS

During the period, the Group obtained additional bank and other loans of approximately HK\$1,163.5 million which bear interest at prevailing market rates and are repayable within two years. The borrowings were used for general working capital purposes. The Group also repaid bank and other loans of approximately HK\$398.8 million.

Borrowings included loan payables with principal balance of HK\$374.5 million (March 31, 2005: HK\$149.3 million) due to substantial shareholders and its associates of the Company, which are unsecured, bear interest at prevailing market rates and repayable in accordance with the respective loan agreements, if any.

## 17. PLEDGE OF ASSETS

At the balance sheet date, the following assets were pledged by the Group to secure banking and other financing facilities:

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

## 16. 借款

於本期間，本集團取得為數約1,163,500,000港元之額外銀行及其他貸款，有關貸款均按當時市場利率計息及須於兩年內償還。有關貸款乃用作一般營運資金。本集團亦已償還約398,800,000港元之銀行及其他貸款。

借款包括應付本公司主要股東及其聯繫人士之貸款本金餘額374,500,000港元（二零零五年三月三十一日：149,300,000港元），該等款項為無抵押，按現行市場利率計息及根據各自相關貸款協議（如有）償還。

## 17. 資產抵押

於結算日，以下資產由本集團抵押以取得銀行貸款及其他融資安排：

		September 30, 2005 HK\$'000 二零零五年 九月三十日 千港元	March 31, 2005 HK\$'000 二零零五年 三月三十一日 千港元
Available-for-sale investments	可供出售之投資	538,128	-
Trade and other receivables	貿易及其他應收款項	235,579	105,494
Listed securities of associates	聯營公司之上市證券	267,699	88,467
Inventories	存貨	182,947	-
Investments held for trading	持作買賣證券投資	129,283	-
Land and buildings	土地及樓宇	13,012	13,378
Investments in securities	證券投資	-	12,816
Bank deposit	銀行存款	20,244	20,014
		<b>1,386,892</b>	<b>240,169</b>

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

## 18. DISPOSAL OF SUBSIDIARIES

In May 2005, the Group entered into a sale and purchase agreement with an independent third party to dispose of certain subsidiaries which carried out the business of trading of computer-related products and web-site maintenance for a total consideration of SGD 1 (equivalent to approximately HK\$5). The disposal was completed on May 31, 2005, on which date control of the disposed subsidiaries passed to the acquirer.

## 18. 出售附屬公司

於二零零五年五月，本集團與獨立第三方訂立一項買賣協議，以總代價1星加坡元（相等於約5港元）出售進行電腦相關產品貿易及網站維持業務之若干附屬公司。此項出售於二零零五年五月三十一日（即已出售附屬公司之控制權交予收購者當日）完成。

		September 30, 2005 HK\$'000 二零零五年 九月三十日 千港元
Net liabilities disposed of	出售之負債淨值	(4,726)
Currency translation reserve realized	已變現貨幣兌換儲備	450
		(4,276)
Gain on disposal	出售之收益	4,276
Total consideration	總代價	-
Net cash outflow arising on disposal:	因出售產生之現金流出淨額	
Bank balances and cash disposed of	出售之銀行結存及現金	(73)

The subsidiaries disposed of did not make any significant contribution to the results and cash flows of the Group during the interim period.

出售之附屬公司對本集團於中期期間之業績及現金流量並無作出重大貢獻。

## Notes to the Condensed Financial Statements

For the six months ended September 30, 2005

## 簡明財務報表附註

截至二零零五年九月三十日止六個月

## 19. TRANSACTIONS WITH RELATED PARTIES

During the period, the Group had the following significant related party transactions:

Substantial shareholder and its associates: 主要股東及其聯繫人士：

Interest paid and payable by the Group (note a) 本集團已付及應付之利息 (附註a)  
Interest received and receivable by the Group (note a) 本集團已收及應收之利息 (附註a)

Associates: 聯營公司：

Management fee income (note b) 管理費收入 (附註b)  
Rental expenses (note c) 租金開支 (附註c)

Details of balances with related parties at the balance sheet date are set out in the condensed consolidated balance sheet and in Note 16.

Notes:

- The loans advanced to/by and the balances due by/to the Group are unsecured, bear interest at prevailing market rates and repayable in accordance with the respective loan agreements, if any.
- The transactions were determined based on terms mutually agreed by the parties concerned.
- The transactions were carried out at terms in accordance with the agreement entered into between the relevant parties.

## 19. 與關連人士之交易

本集團於本期間之重大關連人士交易如下：

Six months ended September 30, 截至九月三十日止六個月	
2005 HK\$'000 二零零五年 千港元	2004 HK\$'000 二零零四年 千港元

11,306 5,245

8,915 5,640

1,428 1,489

436 712

於結算日，與關連人士之結餘款項詳情載於簡明綜合資產負債表及附註16中。

附註：

- 向／由本集團墊支之貸款及本集團應付／應收之款項均為無抵押，按當時市場利率計息及根據其各自貸款協議（如有）所述年期償還。
- 該等交易乃按有關雙方共同同意之條款釐定。
- 該等交易乃按相關各方訂立之協議進行。