



PREMIUM LAND LIMITED
(上海策略置地有限公司)*

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)



* For Identification Purpose Only
僅供識別

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BOARD OF DIRECTORS

Executive Directors:

Ma Kwok Hung, Warren
Ho Chi Ho

Independent Non-executive Directors:

Wong Hoi Kuen, Edmund
Pang Haiou
Zuo Guang
Chan Chi Yuen
Chow Siu Ngor

AUDIT COMMITTEE

Wong Hoi Kuen, Edmund (*Chairman*)
Pang Haiou
Zuo Guang
Chan Chi Yuen
Chow Siu Ngor

REMUNERATION COMMITTEE

Chan Chi Yuen (*Chairman*)
Wong Hoi Kuen, Edmund
Chow Siu Ngor

QUALIFIED ACCOUNTANT

Cheung Yu Shum, Jenkin

COMPANY SECRETARY

Ma Kwok Hung, Warren

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
DBS Bank (Hong Kong) Limited

SOLICITORS

Hong Kong:

Baker & McKenzie
14th Floor, Hutchison House
10 Harcourt Road
Central
Hong Kong

Richards Butler
20th Floor, Alexandra House
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Hong Kong

Bermuda:

Conyers Dill & Pearman
2901 One Exchange Square
8 Connaught Place
Central
Hong Kong

董事會

執行董事:

馬國雄
何志豪

獨立非執行董事:

黃海權
龐海歐
左廣
陳志遠
鄒小岳

審核委員會

黃海權 (主席)
龐海歐
左廣
陳志遠
鄒小岳

薪酬委員會

陳志遠 (主席)
黃海權
鄒小岳

合資格會計師

張如深

公司秘書

馬國雄

主要往來銀行

香港上海滙豐銀行有限公司
星展銀行(香港)有限公司

律師

香港:

貝克•麥堅時律師事務所
香港
中環
夏慤道10號
和記大廈14樓

齊伯禮律師行
香港中環
遮打道16-20號
歷山大廈20樓

百慕達:

Conyers Dill & Pearman
香港
中環
康樂廣場8號
交易廣場1期2901室

AUDITORS

Ting Ho Kwan & Chan
Certified Public Accountants
9th Floor, Tung Ning Building
249-253 Des Voeux Road Central
Hong Kong

REGISTERED OFFICE

Clarendon House
Church Street
Hamilton
HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3411, 34/F., COSCO Tower
Grand Millennium Plaza
183 Queen's Road Central
Hong Kong

PRINCIPAL REGISTRARS

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

BRANCH REGISTRARS IN HONG KONG

Secretaries Limited
26/F, Tesbury Centre
28 Queen's Road East
Hong Kong

核數師

丁何關陳會計師行
執業會計師
香港
德輔道中249-253號
東寧大廈9字樓

註冊辦事處

Clarendon House
Church Street
Hamilton
HM11
Bermuda

香港主要營業地點

香港
中環皇后大道中183號
新紀元廣場
中遠大廈34樓3411室

主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

香港股份過戶登記處分處

秘書商業服務有限公司
香港
皇后大道東28號
金鐘匯中心26樓

The board of directors (the "Board") are pleased to present the annual results of Premium Land Limited (the "Company") and its subsidiaries (together, the "Group") for the financial year ended 31st March, 2007.

FINANCIAL REVIEW

For the year ended 31st March, 2007, the Group recorded a turnover of HK\$361,961,000 (2006: HK\$33,273,000), mainly generated from increase of securities trading and investment. Loss attributable to shareholders amounted to HK\$22,993,000, representing a decrease of approximately 13% as compared with HK\$26,438,000 of previous year. Loss per share was HK5.7 cents. Included in the reported loss was an impairment recognized in relation to loss on receivables of HK\$9,289,000, share option expenses of HK\$7,658,000 as well as loss on deconsolidation of HK\$7,194,000 from toll highway operation.

As at 31st March, 2007, the total assets and net assets of the Group were HK\$368,715,000 (2006: HK\$391,979,000) and HK\$298,781,000 (2006: HK\$220,385,000) respectively.

BUSINESS REVIEW

The Group is principally engaged in securities trading and investments, property development and sales, trading of building materials and provision of renovation services and property rental.

During the year under review, the Group has been actively reviewing a number of potential property investment and development projects in major cities in the PRC. Subsequent to the year end in June 2007, the Group acquired a call option under which it would be entitled to acquire a 6-storey shopping mall in Shanghai for a total consideration of RMB555,000,000 up to mid June 2008 and it still has a flexibility to invest in other projects when any suitable investment opportunities arise.

上海策略置地有限公司(「本公司」)之董事會(「董事會」)欣然公佈本公司及其附屬公司(統稱「本集團」)於截至二零零七年三月三十一日止財政年度之全年業績。

財務回顧

截至二零零七年三月三十一日止年度，本集團錄得營業額為361,961,000港元(二零零六年：33,273,000港元)，主要來自證券買賣及投資之增加。股東應佔虧損為22,993,000港元，相對於去年之26,438,000港元下降約13%。每股虧損5.7港仙。於呈列之虧損中包括應收款項之虧損9,289,000港元、購股權開支7,658,000港元及取消綜合計算收費公路營運虧損7,194,000港元之確認減值。

於二零零七年三月三十一日，本集團資產總值及資產淨值分別為368,715,000港元(二零零六年：391,979,000港元)及298,781,000港元(二零零六年：220,385,000港元)。

業務回顧

本集團主要從事證券買賣及投資、物業發展及銷售、建築材料貿易及提供裝修服務，以及物業租賃。

於回顧年度，本集團一直積極檢討數項位於中國主要城市具潛質之物業投資及發展項目。於年結後至二零零七年六月，本集團購入一項認購期權至二零零八年六月中旬，期間有權利收購一幢位於上海樓高六層之商場，總代價為人民幣555,000,000元。當出現任何合適投資機會時，本集團亦可靈活投資到其他項目上。

SEGMENT RESULTS

For securities trading and investment, segment turnover increased significantly to HK\$351,937,000 (2006: HK\$23,543,000). Satisfactory profit of HK\$11,604,000 (2006: HK\$1,310,000) was realized on this segment. The increment is attributable to well-performed local stock market during the year under review.

For trading of building materials and renovation services, segment turnover increased by 3% to HK\$9,986,000 (2006: HK\$9,667,000), which was benefited from the improved local property market. Segment result recorded profit of HK\$54,000 (2006: loss of HK\$3,373,000).

For property development and sales, segment turnover amounted to HK\$22,000 (2006: HK\$22,000) and segment loss amounted to HK\$10,949,000 (2006: HK\$1,853,000), the loss was mainly due to an impairment recognized in relation to loss on receivables of HK\$9,289,000.

The operation of toll highway was excluded by deconsolidation of a group of subsidiaries holding the relevant assets. Loss on deconsolidation of HK\$7,194,000 has been charged to the income statement.

PROSPECT

The Group is confident in the robust economic development in the PRC. With consistent economic growth, quality commercial as well as residential properties are highly demanded in prime locations in the PRC with high population density. The Group will continue to adopt an active but prudent strategy and create value to the shareholders. Property projects with high potential investment value and high rental yield at reasonable price will be the major area of focus. In the long run, we aim to have a balanced portfolio of commercial and residential properties which may include villas, serviced apartments, offices, shopping malls and hotels.

分類業績

證券買賣及投資之分類營業額顯著上升至351,937,000港元(二零零六年:23,543,000港元),分類業績溢利為11,604,000港元(二零零六年:1,310,000港元);增幅主要由於回顧年度本地股票市場表現良好所致。

建築材料貿易及裝修服務之分類營業額為9,986,000港元(二零零六年:9,667,000港元),較去年上升3%,主要受惠於本地物業市場有所改善。分類業績錄得溢利54,000港元(二零零六年:虧損3,373,000港元)。

物業發展及銷售之分類營業額為22,000港元(二零零六年:22,000港元),而分類虧損為10,949,000港元(二零零六年:1,853,000港元),虧損主要由於應收款項9,289,000港元之確認虧損減值所致。

收費公路營運業務已因取消綜合持有相關資產之一組附屬公司之賬目而豁除,取消綜合虧損7,194,000港元已從收益表中扣除。

前景

本集團對中國之強勁經濟發展充滿信心。隨著經濟持續增長,中國人口密集之樞紐地區對優質商業及住宅物業的需求甚為殷切。本集團將繼續採取積極審慎策略,為股東創造財富增值機會,具有豐厚投資價值及價格合理的高租金收入回報之物業項目將會是本集團的集中投資領域。長遠而言,我們的目標是要維持一個商業物業及住宅物業平衡的投資組合,這包括別墅、服務式公寓、辦公室、商場及酒店等。

DECONSOLIDATION OF A GROUP OF SUBSIDIARIES

As explained in this section under the heading “Litigation” below, the Group has commenced legal proceedings for the recovery and declaration of its beneficial ownership in 51% of the issued share capital of Gold United International Industries Limited (“Gold United”), which has 80% direct interest in 杭州恆運交通開發有限公司 (“HZHY”). The management of HZHY has not provided the Company with any financial information subsequent to the provision of unaudited management accounts for the eleven months ended 28th February, 2005.

Due to the above reasons, the directors of the Company considered that the Group was unable to exercise its rights as major shareholder either to control the assets and operations or to exercise significant influence over the financial and operating policy decisions of the HZHY. As such, the directors considered that they are unable and it is inappropriate to consolidate the financial results of HZHY into the Group. Two of the Group’s subsidiaries, Gold United and HZHY, were deconsolidated as of 1st April, 2006.

CAPITAL INVESTMENT AND COMMITMENTS

The Group did not incur or commit any material investment or capital expenditure during the period under review.

取消綜合入賬一組附屬公司

誠如下文「訴訟」一節所解釋，本集團已展開法律程序收回及表明其於金聯國際實業有限公司（「金聯」）之51%已發行股本中之實益擁有權。該公司於杭州恆運交通開發有限公司（「杭州恆運」）持有80%直接權益。杭州恆運之管理層除提供截至二零零五年二月二十八日止十一個月之未經審核管理賬目外，並未向公司提供任何財務資料。

鑑於上述原因，本公司董事認為本集團目前未能行使其作為主要股東之權力，以控制其資產及營運或行使對杭州恆運之財務及營運政策之重大影響力。因此，本集團認為未能及不宜將杭州恆運之財務業績綜合反映於本集團之賬目上。本集團其中兩家附屬公司金聯及杭州恆運於二零零六年四月一日不再綜合入賬。

資本投資及承擔

於回顧期內，本集團並無產生或作出任何重大投資或資本開支。

LIQUIDITY AND FINANCIAL RESOURCES

At 31st March, 2007, the Group had cash and cash equivalents of approximately HK\$177,312,000 (2006: HK\$8,517,000). The increase in cash and cash equivalents was mainly due to proceeds from issue of shares and disposal of subsidiaries. Bank and other borrowings of HK\$43,815,000 at 31st March, 2007 were substantially improved as compared to last year of HK\$86,231,000. The gearing ratio, being the ratio of total bank loans and other borrowings over shareholders' equity, was 0.15 (2006: 0.41). The liquidity ratio of the Group, being the ratio of current assets over current liabilities, was 506% (2006: 172%).

Taking into account the financial resources available to the Group, the Group has sufficient working capital to meet its present requirements.

CONTINGENT LIABILITIES

As at 31st March, 2007, the Company had no significant contingent liabilities (2006: Nil).

CAPITAL STRUCTURE

Pursuant to a placing agreement dated 21st August, 2006, the Company issued 70,000,000 new shares of HK\$0.01 each to no less than six placees who were independent professional and institutional investors, at the issue price of HK\$0.198 per share. Details of which are set out in the announcement of the Company dated 21st August, 2006.

Pursuant to the subscription agreements dated 29th December, 2006, the Company issued and allotted an aggregate of 90,000,000 placing shares to the placees at a price of HK\$1.00 per share. Details of the placing are set out in the circular of the Company dated 23rd January, 2007.

2,500,000 new shares of HK\$0.01 each were issued and allotted during the year upon exercise of share options granted by the Company.

Save as the above, there was no change in the share capital structure of the Company during the year ended 31st March, 2007.

流動資金及財務資源

於二零零七年三月三十一日，本集團持有現金及現金等額項目合共約177,312,000港元（二零零六年：8,517,000港元）。現金及現金等額項目上升主要由於發行股份所得款項及出售附屬公司所致。於二零零七年三月三十一日，銀行及其他借貸為43,815,000港元，相對二零零六年之86,231,000港元，有明顯改善。資產負債比率（即銀行貸款總額及其他借貸相對股東資金之比率）約為0.15（二零零六年：0.41）。本集團之流動資金比率，以流動資產除以流動負債呈列，為506%（二零零六年：172%）。

經考慮本集團可動用之財務資源後，本集團具有充裕營運資本以應付其現時所需。

或然負債

於二零零七年三月三十一日，本公司並無任何重要或然負債（二零零六年：零）。

資本結構

根據於二零零六年八月二十一日訂立之配售協議，本公司以每股0.198港元之發行價，向不少於六名為獨立專業及機構投資者之承配人發行70,000,000股每股0.01港元之新股。詳情載於本公司日期為二零零六年八月二十一日之公佈。

根據於二零零六年十二月二十九日訂立之認購協議，本公司以每股1.00港元之價格，向承配人發行及配發合共90,000,000股配售股份。有關配售詳情載於本公司日期為二零零七年一月二十三日之通函。

年內，2,500,000股每股0.01港元之新股因行使本公司所授出購股權而發行及配發。

除上文所述者外，本公司於截至二零零七年三月三十一日止年度內之股本架構並無任何變動。

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

On 28th September, 2006, the Company entered into a deed of settlement with Asean Resources Limited (the "Lender") under which, inter alia, the Company and the Lender agreed that the Company shall be entitled to repay the loan together with all interest accrued thereon and all other moneys owing by the Company to the Lender by transferring its legal and beneficial ownership in the entire issued share capital of Huey Tai Holdings Limited ("Huey Tai") and assigning all indebtedness owing by Huey Tai to the Company to the Lender (the "Disposal"). The consideration for the Disposal was approximately HK\$28,600,000 and was satisfied by way of settlement and discharge of the loan due to the Lender, accrued interest thereon and all other sums and liabilities owing or incurred by the Company. The Disposal was completed on 28th September, 2006. Details of the Disposal are set out in the circular of the Company dated 20th October, 2006.

On 18th December, 2006, the Company and Esmian Group Limited ("Esmian"), a wholly owned subsidiary of the Company, entered into a conditional agreement (the "Share Purchase Agreement") with Major Win Ltd ("Major Win") and Mr. Hong Loi Fuk ("Mr. Hong"), pursuant to which the Group agreed to acquire from Major Win the entire issued share capital of Best Win Ltd ("Best Win") and the shareholder's loan (the "Loan") which was to be due and owing by Best Win. The aggregate consideration for the acquisition was RMB555,000,000. Details of the transaction are set out in the Company's announcement dated 21st December, 2006.

On 27th June, 2007, the parties entered into a termination deed to terminate the Share Purchase Agreement. On the same day, Esmian, Major Win and Mr. Hong entered into a deed of call option (the "Call Option Deed"), pursuant to which Esmian was granted an option at a consideration of HK\$1.00 to acquire the entire issued share capital in Best Win and the Loan at a consideration of RMB555,000,000. The option is exercisable by Esmian at its absolute discretion at any time within 1 year from the date of the Call Option Deed. Details of the transaction are set out in the Company's announcement dated 28th June, 2007.

Apart from the above, the Group had no material acquisition and disposal of subsidiaries during the year ended 31st March, 2007.

附屬公司之重大收購及出售

於二零零六年九月二十八日，本公司與亞細安資源有限公司（「貸款人」）訂立還款契據，據此，（其中包括）本公司與貸款人同意本公司將有權透過轉讓其於惠泰控股有限公司（「惠泰」）全部已發行股本中之法定及實益擁有權，以及轉讓惠泰欠付本公司之全部債項之方式，向貸款人償還貸款連同所有有關應計利息，以及所有其他款項（「出售事項」）。出售事項之代價約28,600,000港元，已經以償還及解除欠付貸款人之貸款、有關應計利息，以及本公司結欠或產生之所有其他款項及負債之方式支付。出售事項已於二零零六年九月二十八日完成。出售事項之詳情載於本公司日期為二零零六年十月二十日之通函。

於二零零六年十二月十八日，本公司及本公司之全資附屬公司Esmian Group Limited（「Esmian」）與Major Win Ltd（「Major Win」）及杭來福先生（「杭先生」）訂立有條件協議（「購股協議」），據此，本集團同意向Major Win收購Best Win Ltd（「Best Win」）全部已發行股本及Best Win結欠及欠付之股東貸款（「貸款」）。收購之總代價為人民幣555,000,000元。交易詳情載於本公司日期為二零零六年十二月二十一日之公佈。

於二零零七年六月二十七日，訂約各方訂立終止契據，以終止購股協議。同日，Esmian、Major Win及杭先生訂立認購期權契約（「認購期權契約」），據此，Esmian以代價1.00港元獲授一份購股權，以代價人民幣555,000,000元收購於Best Win之全部已發行股本及貸款。該認購期權可由Esmian全權酌情於認購期權契約日期起計1年內隨時行使。有關詳情載於本公司二零零七年六月二十八日之公佈。

除上文所述者外，本集團於截至二零零七年三月三十一日止年度內並無任何重大收購及出售附屬公司。

LITIGATION

In July 2005, the Company was notified by the Hong Kong Companies Registry that an annual return of Gold United, a non-wholly owned subsidiary of the Company, filed in May 2005 (“May Annual Return”) contained information, including information relating to members and directors of Gold United, which are significantly different from the original annual return that was presented by the Group on 29th April, 2005.

On 13th July, 2005, the Company filed a Writ of Summons against four persons (the “Defendants”) seeking, amongst others, declarations by the court to the effect that Winsky Management Limited, a wholly owned subsidiary of the Company, is the beneficial owner of 51% of the issued share capital of Gold United. The Defendants were those persons who purportedly filed the false information with the Hong Kong Companies Registry and/or were identified as members and directors in the May Annual Return and other documents. Gold United is an investments holding company holding an 80% direct interest in HZHY, which is engaged in the operation of a highway in the PRC.

The Writ of Summons was amended on 1st February, 2006 and re-amended on 10th October, 2006.

As at 31st March, 2007, the legal action is still proceeding and there is no significant development.

As regards deconsolidation of Gold United and HZHY, please refer to the paragraph with heading “Deconsolidation of a Group of Subsidiaries” in this section.

EXCHANGE EXPOSURE

The Group’s transactions are denominated in Hong Kong dollars and Renminbi and the related exchange rates are considered relatively stable, and accordingly, the exposure to fluctuations in exchange rate is minimal, and no foreign exchange and interest rate risk management or related hedges were made.

訴訟

於二零零五年七月，香港公司註冊處通知本公司，本公司非全資附屬公司金聯於二零零五年五月提交周年申報表（「五月周年申報表」）所載資料，包括有關金聯股東及董事之資料，與本集團於二零零五年四月二十九日所提交之原來周年申報表有重大差異。

於二零零五年七月十三日，本公司向四名人士（「被告人」）發出傳訊令狀，尋求（其中包括）法院宣佈本公司全資附屬公司 Winsky Management Limited 為金聯已發行股本51%權益之實益擁有人。被告人為據稱向香港公司註冊處呈交虛假資料及／或於五月周年申報表及其他文件中識別為股東及董事之人士。金聯為投資控股公司，持有杭州恆運之80%直接權益，杭州恆運在中國從事高速公路營運業務。

該傳訊令狀已於二零零六年二月一日修訂，並於二零零六年十月十日重新修訂。

於二零零七年三月三十一日，法律行動仍在進行，且並無重大發展。

有關取消綜合金聯及杭州恆運之詳情，請參閱上文「取消綜合入賬附屬公司」一段。

兌匯風險

由於本集團之交易以港元及人民幣為結算單位，而有關匯率相對穩定，故本集團面對之匯率波動風險甚微，且無作出任何外匯及利率風險管理或相關對沖。

STAFF

As at 31st March, 2007, the Group employed 24 employees (2006: 26). Remuneration packages are generally structured by reference to market terms and individual merits. Salaries are reviewed annually based on performance appraisal and other relevant factors. Staff benefits plans maintained by the Group include medical insurance, hospitalization scheme, mandatory provident fund and share option scheme.

Employees in the PRC are remunerated according to the prevailing market conditions in the locations of their employments.

CHANGE OF AUDITORS

As announced by the Company on 8th June, 2006, the Company appointed Ting Ho Kwan & Chan as its auditors to fill the casual vacancy arising from the resignation of Messrs Deloitte Touche Tohmatsu effective 7th June, 2006. A resolution for the appointment of new auditors was passed at the special general meeting of the Company on 27th June, 2006.

CORPORATE GOVERNANCE

The Corporate Governance Report is included in the Group's annual report for the year ended 31st March, 2007.

Good corporate governance has always been recognized as vital to the Group's success and to sustain development of the Group. We commit ourselves to a high standard of corporate governance and have devoted considerable efforts to identifying and formulating corporate governance practices appropriate to the Company's needs.

The Company has put in place corporate governance practices to meet the code provisions that are considered to be relevant to the Group and has complied with all most of the code provisions save for certain deviations from the code provisions, details of which will be explained in the relevant paragraphs in the Corporate Governance Report. The Company periodically reviews its corporate governance practices to ensure that these continue to meet the requirements of the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules").

員工

於二零零七年三月三十一日，本集團聘用24名（二零零六年：26名）員工。薪酬待遇一般參考市場條款及個人表現釐定。薪金乃根據表現評估及按其他有關因素每年作出檢討。本集團推行之員工福利計劃包括醫療保險、住院計劃、強制性公積金及購股權計劃。

中國員工之薪酬待遇參考聘用地區之現行市況釐定。

更換核數師

據本公司於二零零六年六月八日所公佈，本公司委任丁何關陳會計師行為核數師以填補德勤•關黃陳方會計師行於二零零六年六月七日生效之辭任所產生之臨時空缺。委任新任核數師之決議案已於二零零六年六月二十七日在本公司之股東特別大會中通過。

企業管治

企業管治報告書已列載於本集團截至二零零七年三月三十一日止年度之年報。

本集團一直認為良好之企業管治乃本集團成功及持續發展之關鍵。我們致力維持高水平之企業管治並盡最大努力找出及制定適合本公司業務需要之企業管治常規。

本公司已實施企業管治常規，以符合與本集團相關之守則條文，除若干偏離守則條文，並將於企業管治報告書相關段落解釋之詳情外，本公司已遵守大部份之守則條文。本公司定期檢討其企業管治守則以確保彼等能持續符合香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14之企業管治常規守則之規定。

AUDIT COMMITTEE

The audit committee has reviewed with the management and the Company's external auditors the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting process including the review of the financial statements for the year ended 31st March, 2007.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all directors, all directors confirmed they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

APPRECIATION

On behalf of the Board, I would like to express my heartfelt gratitude to shareholders, customers, suppliers, bankers and professional advisors for their support of the Company over the past year and to sincerely thank the staff for their ongoing dedication and diligence.

On behalf of the Board

Ma Kwok Hung, Warren

Director

Hong Kong, 18th July, 2007

審核委員會

審核委員會已聯同管理層及本公司外部核數師審閱本集團所採納之會計原則和慣例，以及討論核數、內部監控及財務申報程序，包括審閱截至二零零七年三月三十一日止年度之財務報表。

董事進行證券交易之標準守則

本公司已採納有關董事進行證券交易之守則，其條款不寬鬆於上市規則附錄10所載上市發行人董事進行證券交易之標準守則（「標準守則」）。經具體查詢全體董事後，全體董事確認彼等已遵守標準守則所載規定標準及本公司所採納有關董事進行證券交易之操守守則。

購買、出售及贖回本公司之上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

致謝

本人謹代表董事會，就各股東、客戶、供應商、往來銀行及專業顧問去年對本公司之鼎力支持衷心致謝，亦對各員工努力不懈及盡心盡力深表謝意。

代表董事會

董事

馬國雄

香港，二零零七年七月十八日

EXECUTIVE DIRECTORS:

Mr. Ma Kwok Hung, Warren, aged 50, has over 20 years of accounting experience and 7 years as an executive director and company secretary of a Hong Kong listed company. He is an associate member of The Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants. He joined the Company in 24th July, 2006.

Mr. Ho Chi Ho, aged 32, has over 8 years experience in corporate finance with participation in activities including mergers and acquisitions, initial public offerings and equity syndication. He is a responsible officer under the Securities and Futures Ordinance for type 6 regulated activity (advising on corporate finance). He holds a Master degree in Business Administration from The Hong Kong University of Science and Technology and a Bachelor degree in Business Administration (Accounting & Finance) from The University of Hong Kong. He joined the Company in 2nd March, 2007.

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Wong Hoi Kuen, Edmund, aged 46, is a Practising Certified Public Accountants in Hong Kong and a Chartered Accountant in the United Kingdom. Mr. Wong holds senior member of the accountancy professions include: Fellow, The Hong Kong Institute of Certified Public Accountants; Fellow, Association of Certified Public Accountants; and Associate, the Institute of Certified Accountants in England and Wales in the United Kingdom. He was appointed as the independent non-executive directors on 13th February, 2006.

Mr. Pang Haiou, aged 33, graduated from Peking University in 1997 in laws. He joined the Company in 12th March, 2004 as an independent non-executive director.

Mr. Zuo Guang, aged 33, is an independent non-executive director of the Company. He acts as directors of an investment company in China. He joined the Company in 16th January, 2004.

執行董事：

馬國雄先生，50歲，擁有超過20年會計經驗，並於一家香港上市公司擔任執行董事兼公司秘書7年。彼為香港會計師公會會員及英國特許公認會計師公會資深會員。彼於二零零六年七月二十四日加入本公司。

何志豪先生，32歲，於併購、首次公開招股及證券承銷等企業融資交易方面積逾8年經驗。彼為證券及期貨條例項下第6類受規管活動（就機構融資提供意見）之負責人員。彼持有香港科技大學工商管理碩士學位及香港大學工商管理（會計及財務）學士學位。彼於二零零七年三月二日加入本公司。

獨立非執行董事：

黃海權先生，46歲，為香港執業會計師及英國特許會計師。黃先生為資深會計業人士，乃香港會計師公會及英國特許公認會計師公會資深會員以及英格蘭及威爾斯特許公認會計師公會會員。彼於二零零六年二月十三日獲委任為獨立非執行董事。

龐海歐先生，33歲。於一九九七年畢業於北京大學，專修法律。彼於二零零四年三月十二日獲委任為獨立非執行董事。

左廣先生，33歲，為本公司獨立非執行董事。左先生為中國一間投資公司之董事。彼於二零零四年一月十六日加入本公司。

Mr. Chan Chi Yuen, aged 41, holds a Bachelor degree in Business Administration with honors and a Master of Science degree in Corporate Governance and Directorship. He is a fellow member of The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants and an associate member of The Institute of Chartered Accountants in England and Wales. Mr. Chan is certified public accountant. Mr. Chan has extensive experience in accounting, taxation, financial management, corporate finance and corporate governance. Mr. Chan was an independent non-executive director of Golden Resorts Group Limited from 17th September, 2004 to 28th October, 2005 and is currently an executive director of A-Max Holdings Limited and Kong Sun Holdings Limited, a non-executive director of New Times Group Holdings Limited, an independent non-executive director of China Sciences Conservational Power Limited, Hong Kong Health Check and Laboratory Holding Company Limited and Tak Shun Technology Group Limited, companies whose shares are listed on the Stock Exchange. He joined the Company on 30th April, 2006.

Mr. Chow Siu Ngor, aged 52, is a practicing solicitor in Hong Kong. Mr. Chow graduated from the Chinese University of Hong Kong in 1981 with an honors degree in Social Science. He then obtained an honors degree in Laws from the University of Birmingham in 1987. Mr. Chow was admitted as a solicitor of the Supreme Court of Hong Kong in 1990 and has been in private practice since then. Currently, Mr. Chow is a Partner of Arculli Fong & Ng, Solicitors and Notaries of Hong Kong. Mr. Chow also serves as an independent non-executive director of three other listed companies in Hong Kong namely CCT Tech International Limited, China Solar Energy Holdings Limited and REXCAPITAL Financial Holdings Limited respectively. Mr. Chow also served as an independent non-executive director of Kim Eng Holdings (Hong Kong) Limited, a listed company in Hong Kong from 2nd August, 2002 to 28th April, 2004 and also of eForce Holdings Limited, a listed company in Hong Kong from 1st October 1999 to 3rd July 2007. He joined the Company on 30th April, 2006.

SENIOR MANAGEMENT

Mr. Cheung Yu Shum, Jenkin, aged 47, Qualified Accountant, joined the Group in June 2005. Mr. Cheung is a member of the American Institute of Certified Public Accountants and has over 11 years experience in the financial and corporate management.

陳志遠先生，41歲，持有工商管理（榮譽）學士及公司管治與董事學理學碩士學位。彼為香港會計師公會及英國特許公認會計師公會資深會員並為英格蘭及威爾斯特許會計師公會會員。陳先生為執業會計師，於會計、稅務、財務管理、企業融資及企業管治方面擁有豐富經驗。陳先生於二零零四年九月十七日至二零零五年十月二十八日期間為黃金集團有限公司之獨立非執行董事，現為聯交所上市公司奧瑪仕控股有限公司及江山控股有限公司之執行董事、新時代集團控股有限公司之非執行董事、中科環保電力有限公司、香港體檢及醫學診斷控股有限公司及德信科技集團有限公司之獨立非執行董事。彼於二零零六年四月三十日加入本公司。

鄧小岳先生，52歲，為香港執業律師。鄧先生於一九八一年在香港中文大學畢業，獲得社會科學榮譽學位。鄧先生其後於一九八七年取得伯明翰大學法律榮譽學位。彼於一九九零年獲錄取為香港最高法院律師，自此起已私人執業。目前，彼為夏佳理方和吳正和律師事務所之合夥人。鄧先生亦為另外三家香港上市公司中建科技國際有限公司、華基光電能源控股有限公司及御泰金融控股有限公司之獨立非執行董事。鄧先生曾於二零零二年八月二日至二零零四年四月二十八日出任香港上市公司金英控股（香港）有限公司之獨立非執行董事，彼亦曾於一九九九年十月一日至二零零七年七月三日出任香港上市公司意科控股有限公司之獨立非執行董事。彼於二零零六年四月三十日加入本公司。

高級管理人員

張如深先生，47歲，為合資格會計師，於二零零五年六月加入本集團。張先生為美國執業會計師公會會員，在財務及企業管理方面擁有超過11年經驗。

The Board is pleased to present this Corporate Governance Report in the Group's annual report for the year ended 31st March, 2007.

The Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") as promulgated by The Stock Exchange of Hong Kong Limited ("Stock Exchange") came into effect for accounting periods commencing on 1st January, 2005 (save for the provisions on internal controls which came into effect for accounting periods commencing from 1st July, 2005 onwards).

Good corporate governance has always been recognized as vital to the Group's success and to sustain development of the Group. We commit ourselves to a high standard of corporate governance and have devoted considerable efforts to identifying and formulating corporate governance practices appropriate to the Company's needs.

The Company has put in place corporate governance practices to meet the code provisions that are considered to be relevant to the Group and has complied with all most of the code provisions save for certain deviations from the Code Provisions, details of which will be explained in the relevant paragraphs in this report. The Company periodically reviews its corporate governance practices to ensure that these continue to meet the requirements of the CG Code.

董事會欣然呈奉載於本集團截至二零零七年三月三十一日止年度年報之企業管治報告。

由香港聯合交易所有限公司(「聯交所」)頒佈之香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14項下企業管治常規守則(「企管守則」)於二零零五年一月一日始之會計期間生效(不包括於二零零五年七月一日或之後開始之會計期間生效之內部監控條文)。

本集團一直認為良好之企業管治乃本集團成功及持續發展之關鍵。我們致力維持高水平之企業管治並盡最大努力找出及制定適合本公司業務需要之企業管治守則。

本公司已實施企業管治常規，以符合與本集團相關之守則條文，除若干偏離守則條文，並將於此報告相關段落解釋之詳情外，本公司已遵守大部份之守則條文。本公司定期檢討其企業管治守則以確保彼等能持續符合企管守則之規定。

The key corporate governance principles and practices of the Company are summarised as follows:

THE BOARD

Responsibilities

The Board is responsible for the leadership and control of the Company and oversees the Group's businesses, strategic decisions and performances and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. In practice, the Board takes responsibility for decision making in all major matters of the Company including: the approval and monitoring of all policy matters, the setting of objectives and overall strategies, material transactions (in particular those may involve conflict of interests), appointment of directors and other significant financial and operational matters. The day-to-day management, administration and operation of the Company are delegated to the senior executives. Approval has to be obtained from the Board prior to any significant transactions entered into by these senior executives and the Board has the full support of them to discharge its responsibilities.

All directors have full and timely access to all relevant information as well as the advice and services of the professional advisers, as and when required, with a view to ensuring that Board procedures and all applicable rules and regulations are followed.

Each director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

Composition

The composition of the Board reflects the necessary balance of skills and experience desirable for effective leadership of the Company and independence in decision making.

The Company has met the recommended best practice under the CG Code for the Board to have at least one-third of its members comprising independent non-executive directors.

本公司之主要企業管治原則及常規概述如下：

董事會

職責

董事會負責領導及監控本公司以及監管本集團之業務、策略方針及表現，並透過指導及監督本公司事務，共同負責引領本公司邁向成功。實質上，董事會負責本公司所有主要事務之決策，包括：批准及監察所有政策事項、制定目標及整體策略、重大交易（尤其可能牽涉利益衝突之交易）、董事任命及其他重要財務及經營事項。本公司之日常管理、行政及經營事務乃委派予高級行政人員處理。此等高級行政人員於訂立任何重要交易前均須獲得董事會之批准，而董事會於履行其職責時亦獲彼等全力支持。

為確保董事會程序及所有適用規則及規例均獲得遵守，全體董事均有充足及適時之途徑取得一切有關資料及專業顧問之意見及服務。

每名董事一般可在適當情況下在向董事會提出要求尋求獨立專業意見，費用由本公司承擔。

組成

董事會之組成體現有效領導本公司及獨立決策具備各項適當所須技巧及經驗之平衡。

本公司已符合企管守則內有關董事會之建議最佳慣例，至少三分之一之董事會成員須為獨立非執行董事。

THE BOARD *(Continued)***Composition** *(Continued)*

The Board of the Company as at the date of this report comprises the following directors:

Executive directors:

Mr. Ma Kwok Hung, Warren
Mr. Ho Chi Ho

Independent non-executive directors:

Mr. Wong Hoi Kuen, Edmund (*Chairman of Audit Committee & Member of Remuneration Committee*)
Mr. Pang Haiou (*Member of Audit Committee*)
Mr. Zuo Guang (*Member of Audit Committee*)
Mr. Chan Chi Yuen (*Member of Audit Committee & Chairman of Remuneration Committee*)
Mr. Chow Siu Ngor (*Member of Audit Committee & Member of Remuneration Committee*)

During the year ended 31st March, 2007, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The list of directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

None of the members of the Board is related to one another.

The Company has received written annual confirmation from each independent non-executive director of his independence pursuant to the requirements of the Listing Rules. The Company considers all independent non-executive directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

董事會 *(續)***組成** *(續)*

本公司之董事會於本報告日期包括以下董事：

執行董事：

馬國雄先生
何志豪先生

獨立非執行董事：

黃海權先生 (審核委員會主席及薪酬委員會成員)
龐海歐先生 (審核委員會成員)
左廣先生 (審核委員會成員)
陳志遠先生 (審核委員會成員及薪酬委員會主席)
鄧小岳先生 (審核委員會成員及薪酬委員會成員)

截至二零零七年三月三十一日止年度，董事會一直符合上市規則之要求，委任至少三名獨立非執行董事，而其中至少一名獨立非執行董事須具備適當專業資格，或會計或有關財務管理之專業知識。

董事名單 (按類別劃分) 亦會於本公司不時根據上市規則刊發之一切公司通訊中披露。

董事會成員彼此互相概無任何關連。

本公司已收到每名獨立非執行董事根據上市規則發出之年度獨立性確認書。根據上市規則所載之獨立指引，本公司認為所有獨立非執行董事均為獨立。

THE BOARD *(Continued)***Appointment and Succession Planning of Directors**

The procedures and process of appointment, re-election and removal of directors are laid down in the Company's Bye-laws.

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election.

Code Provision A.4.2 stipulates that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment and that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Save for Mr. Wong Hoi Kuen, Edmund, none of the independent non-executive directors is appointed for a specific term. Pursuant to the Company's Bye-laws, all directors of the Company, regardless of his/her term of appointment, if any, are subject to retirement by rotation at least once every three years. Whereas pursuant to the company's Private Act enacted in Bermuda, managing director of the company shall not be subject to retirement by rotation.

Under the existing Bye-laws, new director appointed to fill a casual vacancy shall be subject to re-election by shareholders at the first general meeting after his/her appointment and all directors including Chairman (save for Managing Director) shall be subject to retirement by rotation once every three years .

Though the Company has not set up a nomination committee, the Board reviewed its own structure, size and composition regularly to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company.

Where vacancies on the Board exist, the Board will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations. An external recruitment agency may be engaged to carry out the recruitment and selection process when necessary.

董事會 *(續)***董事之委任及連任計劃**

董事之委任、重選及罷免程序及過程乃列載於本公司之公司細則內。

守則條文第A.4.1條規定非執行董事須按指定任期委任，並須膺選連任。

守則條文第A.4.2條規定所有獲委任填補臨時空缺之董事須於獲委任後首次股東大會由股東選舉，而每名董事（包括按指定任期委任者）須至少每三年輪值退任一次。

除黃海權先生外，概無獨立非執行董事以指定任期委任。根據本公司之公司細則，本公司所有董事（不論彼之委任任期（如有））須至少每三年輪值退任一次。然而根據於百慕達頒佈之公司法例，公司之董事總經理毋須輪值退任。

根據現行公司細則，獲委任填補臨時空缺之新任董事須於委任後首次股東大會供股東重選，而全體董事包括主席（不包括董事總經理）須至少每三年輪值退任一次。

縱使本公司並無成立提名委員會，然而董事會會定期檢討其架構、人數及組成，以確保適合本公司業務所須之專業知識、技能及經驗之間取得平衡。

倘董事會出現空缺，董事會將參照建議候選人之技能、經驗、專業知識、個人操守及時間承諾、本公司之需要及其他相關法定規定及法規執行甄選程序。必要時可委任外部招聘代理機構執行招聘及甄選程序。

THE BOARD *(Continued)***Appointment and Succession Planning of Directors** *(Continued)*

In accordance with the Company's Bye-laws, Mr. Ho Chi Ho, executive director, having been appointed to the respective posts of director of the Company during the year. Mr. Pang Haiou and Mr. Zuo Guang, independent non-executive directors, shall retire by rotation. All the retiring directors are eligible for re-election at the 2007 annual general meeting. The Company's circular dated 27th July, 2007 contains detailed information of the directors standing for re-election.

Training for Directors

Each newly appointed director received comprehensive induction on the first occasion of his appointment, so as to ensure that he has appropriate understanding of the business and operations of the Company and that he is fully aware of his responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

The directors have access to seek professional advice on legal and regulatory developments at the Company's expenses whenever feel necessary.

Remuneration of Directors

The remuneration committee was set up on 20th July, 2006. The committee was responsible for reviewing the remuneration policy and packages of the directors and senior executives and made recommendations about their proposals to the Board which were determined by reference to the performance of the individuals and the Group and market practices and conditions on the basis of retaining and motivating executives to pursue the growth and development of the Group.

董事會 *(續)***董事之委任及連任計劃** *(續)*

根據本公司之公司細則，執行董事何志豪先生於本年度獲委任出任本公司董事。獨立非執行董事龐海歐先生及左廣先生須輪值退任。所有退休董事均符合資格於二零零七年股東週年大會上膺選連任。本公司於二零零七年七月二十七日之通函載有膺選連任之董事之資料。

董事培訓

每名新任董事於其首次獲委任時收到全面之入職介紹，以確保彼能適當掌握本公司之業務及經營，並完全了解其根據上市規則及相關法規之職務與責任。

當董事認為必要，可在向董事會提出要求尋求法律及監管發展之專業意見，費用由本公司承擔。

董事之薪酬

薪酬委員會於二零零六年七月二十日成立，委員會負責檢討董事及高級行政人員之薪酬政策及待遇，並向董事會提交建議，按照個別員工之表現、本集團業績、市場慣例及市況釐定，務求挽留及獎勵行政人員繼續為本集團之增長及發展效力。

THE BOARD (Continued)

Board and Board Committee Meetings

Number of Meetings and Directors' Attendance

Regular Board meetings should be held at least four times a year at approximately quarterly intervals for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company.

During the year ended 31st March, 2007, 18 Board meetings (two of which are regular Board meetings); two Audit Committee meetings and two Remuneration Committee meetings were held.

The individual attendance record of each director at the meetings of the Board; Audit Committee and Remuneration Committee during the year ended 31st March, 2007 is set out below:

董事會 (續)

董事會及董事委員會會議

會議舉行次數及董事出席率

常規董事會會議須最少每年舉行四次，約為每季舉行一次，以檢討及批准財務及業務表現，並考慮及批准本公司整體策略及政策。

截至二零零七年三月三十一日止年度，本公司曾舉行十八次董事會會議（其中兩次為常規董事會會議）及兩次審核委員會會議及兩次薪酬委員會會議。

截至二零零七年三月三十一日止年度，每各董事出席董事委員會及審核委員會及薪酬委員會會議之個別紀錄列載如下：

		Attendance/Number of Meetings held during the tenure of directorship 出席率／於董事任期內 會議舉行次數		
		Board	Audit	Remuneration
Name of Directors	董事姓名	董事會	Committee 審核委員會	Committee 薪酬委員會
Executive Directors				
– Mr. Ma Kwok Hung, Warren (appointed on 24th July, 2006)	– 馬國雄先生（於二零零六年 七月二十四日獲委任）	15/15	N/A不適用	N/A不適用
– Mr. Ho Chi Ho (appointed on 2nd March, 2007)	– 何志豪先生（於二零零七年 三月二日獲委任）	1/1	N/A不適用	N/A不適用
– Mr. Gao Feng (resigned on 29th May, 2007)	– 高峰先生（於二零零七年 五月二十九日辭任）	3/18	N/A不適用	N/A不適用
– Mr. Dong Bo, Frederic (resigned on 7th November, 2006)	– 董波先生（於二零零六年 十一月七日辭任）	10/10	N/A不適用	N/A不適用

THE BOARD (Continued)

董事會 (續)

Board and Board Committee Meetings (Continued)

董事會及董事委員會會議 (續)

Number of Meetings and Directors' Attendance (Continued)

會議舉行次數及董事出席率 (續)

		Attendance/Number of Meetings held during the tenure of directorship 出席率／於董事任期內 會議舉行次數		
Name of Directors	董事姓名	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會
Independent Non-Executive Directors		獨立非執行董事		
– Mr. Wong Hoi Kuen, Edmund (Chairman of Audit Committee and Member of Remuneration Committee)	– 黃海權先生 (審核委員會主席及 薪酬委員會委員)	11/18	2/2	2/2
– Mr. Pang Haiou (member of Audit Committee)	– 龐海歐先生 (審核委員會委員)	2/18	–/2	N/A不適用
– Mr. Zuo Guang (member of Audit Committee)	– 左廣先生 (審核委員會委員)	–/18	–/2	N/A不適用
– Mr. Chan Chi Yuen (appointed on 30th April, 2006, Member of Audit Committee and Chairman of Remuneration Committee)	– 陳志遠先生 (二零零六年四月三十日 獲委任，審核委員會委員及 薪酬委員會主席)	7/16	2/2	2/2
– Mr. Chow Siu Ngor (appointed on 30th April, 2006, Member of Audit Committee and Member of Remuneration Committee)	– 鄒小岳先生 (二零零六年四月三十日 獲委任，審核委員會委員及 薪酬委員會委員)	7/16	2/2	2/2
– Mr. Henry Tooze (resigned on 30th April, 2006, member of Audit Committee)	– Henry Tooze先生 (二零零六年四月三十日 辭任，審核委員會委員)	N/A不適用	N/A不適用	N/A不適用
– Mr. Fung Po Chuen (resigned on 30th April, 2006, member of Audit Committee)	– 馮報全先生 (二零零六年四月三十日 辭任，審核委員會委員)	N/A不適用	N/A不適用	N/A不適用
Non-Executive Director		非執行董事		
– Mr. Ting Leung Huel, Stephen (appointed on 30th April, 2006 & resigned on 29th May, 2006)	– 丁良輝先生 (二零零六年四月三十日 獲委任，並於二零零六年 五月二十九日辭任)	N/A不適用	N/A不適用	N/A不適用

THE BOARD *(Continued)***Practices and Conduct of Meetings**

Annual meeting schedules and draft agenda of each meeting are normally made available to directors in advance.

Notices of regular Board meetings are served to all directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notices are generally given.

Board papers together with all appropriate, complete and reliable information are sent to all directors at least 3 days before each Board meeting or committee meeting to keep the directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. All directors are given an opportunity to include matters in the agenda for regular Board meetings. The Board and each director also have separate and independent access to the senior executives whenever necessary. With the support of the senior executives, the Chairman is responsible for ensuring that the directors receive adequate, complete and reliable information in a timely manner and appropriate briefing on issues arising at Board meetings.

Minutes of all Board meetings recording sufficient details of matters considered and decisions reached are kept by secretary of the meetings and open for inspection by the directors.

The Company's Bye-laws contain provisions requiring directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such directors or any of their associates have a material interest.

董事會 (續)**會議常規及守則**

週年大會之安排及每次會議之草擬議程一般會預先向董事提供。

召開常規董事會會議應在會議前至少十四天向所有董事發出通知。至於其他董事會會議及轄下委員會會議，一般會發出合理通知。

董事會文件及所有適當、完整及可靠之資料應於各董事會會議或委員會會議前至少三天送予全體董事，使董事知悉本公司最近期發展及財務狀況，令其作出知情決定。全體董事均有機會提供常規董事會會議議程上之討論事項。於任何必要之情況下，董事會及每名董事均擁有個別及獨立接觸高級行政人員之途徑。主席在高級行政人員協助下，負責確保董事適時收到足夠、完整及可靠之資料以及就於董事會會議上討論之事項得到適當之簡介。

所有董事會之會議紀錄詳細記錄考慮及所達到之決定並由會議之秘書保管並可供董事查閱。

本公司之公司細則規定，於批准董事或其任何聯繫人士牽涉重大利益之交易之會議上，有關董事須放棄表決，且得計入該會議之法定人數內。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision A.2.1 of the CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

Mr. Dong Bo, Frederic was the Chairman until he resigned from the office of Director on 7th November, 2006. He also undertook the responsibilities and duties of Chief Executive Officer. The Company does not at present have a Chairman nor a Chief Executive Officer. Nevertheless, the main duties and responsibilities of a Chairman and a Chief Executive Officer are currently held by separate individuals with written guidelines for the division of responsibilities with a view to maintain an effective segregation of duties between the management of the Board and the day-to-day management of the Group's business and operations.

The Company will continue to review the effectiveness of the Group's corporate governance structure and consider the appointment of a Chairman of the Board and a Chief Executive Officer if candidates with suitable leadership, knowledge, skills and experience can be identified within or outside the Group.

BOARD COMMITTEES

The Board has established two committees, namely, the Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. Both Board committees are established with defined written terms of reference. The terms of reference of the Board committees are available to shareholders upon request.

All the members of each Board committee are independent non-executive directors and the list of the chairman and members of each Board committee is set out under "Composition" of this report.

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

主席及行政總裁

企管守則內之守則條文第A.2.1條規定，主席及行政總裁之角色應有區分及不應由一人同時兼任。

董波先生為主席，直至彼於二零零六年十一月七日辭任董事職務為止。彼亦擔任行政總裁之職責及職務。本公司目前並無主席及行政總裁。然而，主席及行政總裁之主要職責及職務目前按照職責分配之書面指引由不同個別人士負責，以有效劃分董事會管理及本集團業務及營運之日常管理之職務。

本公司將繼續檢討本集團企業管治架構之有效性，倘能夠於本集團內部或外間物色到具備合適領導才能、知識、技能及經驗之人選，將會考慮委任為董事會主席及行政總裁。

董事委員會

董事會成立了兩個委員會，即薪酬委員會及審核委員會，以監督本公司事務之特定範疇。兩個董事委員會均有界定之書面職權範圍。董事委員會之書面職權範圍乃應股東要求提供。

每個董事委員會之全體成員乃獨立非執行董事，每個董事委員會之主席及成員名單列載於本報告「組成」一節內。

董事委員會具備充足資源履行職務，並可於合理要求在適當情況下尋求獨立專業之意見，費用由本公司承擔。

BOARD COMMITTEES *(Continued)***Remuneration Committee**

The Remuneration Committee was established on 20th July, 2006 and held two meetings during the year ended 31st March, 2007.

The primary objectives of the Remuneration Committee include reviewing, making recommendations on and approving the remuneration policy and structure and remuneration packages of the executive directors and the senior executives. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Group as well as market practice and conditions. The Human Resources Department is responsible for collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. The Remuneration Committee shall consult the Board and the management of the Company about these recommendations on remuneration policy and structure and remuneration packages.

Audit Committee

The Audit Committee comprises five independent non-executive directors (including one independent non-executive director who possesses the appropriate professional qualifications or accounting or related financial management expertise). None of the members of the Audit Committee is a former partner of the Company's existing external auditors.

董事委員會 (續)**薪酬委員會**

薪酬委員會於二零零六年七月二十日成立，截至二零零七年三月三十一日止年度開會兩次。

薪酬委員會之主要目標包括就執行董事及高級行政人員之薪酬政策及待遇作出檢討、提出建議及批准。薪酬委員會亦負責建立發展該等薪酬政策及架構之透明程序以確保無任何董事會參與決定彼之個人薪酬，薪酬乃按照個別員工及本集團之表現，以及市場慣例及市況釐定。人力資源管理部負責收集及管理人力資源資料，並向薪酬委員會提出建議以作考慮。薪酬委員會須就其對此等薪酬政策及架構及薪酬待遇徵詢本公司主席之意見。

審核委員會

審核委員會包括五名獨立非執行董事（包括一名具適當專業資格或會計或相關財務管理專業知識之獨立非執行董事）。審核委員會概無任何成員為本公司現時外聘核數師之前任合夥人。

BOARD COMMITTEES (Continued)**Audit Committee** (Continued)

The main duties of the Audit Committee include the following:

- (a) To review the financial statements and reports and consider any significant or unusual items raised by the qualified accountant, internal auditor or external auditors before submission to the Board.
- (b) To review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditors.
- (c) To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

The Audit Committee held two meetings during the year ended 31st March, 2007 to review the financial results and reports, financial reporting and compliance procedures, report on the Company's internal control and risk management review and processes and the re-appointment of the external auditors.

There is no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

There is no disagreement between the Board and the Audit Committee regarding the selection, appointment, resignation or dismissal of external auditors.

The Company's annual results for the year ended 31st March, 2007 has been reviewed by the Audit Committee.

董事委員會 (續)**審核委員會** (續)

審核委員會之主要職責包括下列各項：

- (a) 審閱財務報表及報告並於提交董事會前考慮任何由合資格會計師、內部核數師或外聘核數師提出之主要或不尋常項目。
- (b) 參考核數師進行之工作、酬金及委聘條款審閱與外聘核數師之關係，並就委任、重新委任及撤換核數師向董事會提出建議。
- (c) 審閱本公司財務報告系統、內部監控系統及風險管理系統及相關程序之準確及有效性。

截至二零零七年三月三十一日止年度，審核委員會共舉行了兩次會議，以審閱財務業績及報告、財務報告及遵例程序、內部核數師於本公司之內部監控及風險管理審閱及過程及重新委任外聘核數師。

並無重大不明朗之事件或狀況，可引起對本公司是否有能力作持續經營實體之重大疑問。

董事會及審核委員會於甄選、委任、辭退或罷免外聘核數師上並無任何異議。

本公司截至二零零七年三月三十一日止年度之年度業績已由審核委員會審閱。

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the directors and the directors have confirmed that they have complied the Model Code throughout the year ended 31st March, 2007.

The Company has not established written guidelines for securities transactions by employees (the “Employees Written Guidelines”) who are likely to be in possession of unpublished price-sensitive information of the Company. Steps are being taken to adopt the Employees Written Guidelines on no less exacting terms than the Model Code.

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other regulatory requirements.

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31st March, 2007.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the “Independent Auditor’s Report” on page 36 of the annual report.

證券交易標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則（「標準守則」）。

本公司已向所有董事作出特別查詢，董事確認彼等於截至二零零七年三月三十一日止年度全年已遵守標準守則。

本公司並未就可能擁有本公司未刊登之價格敏感資料之僱員制定有關僱員進行證券交易之書面指引「僱員書面指引」。本公司現正採取步驟以採納不遜於標準守則之僱員書面指引。

有關財務報表之責任

董事會須負責就年度及中期報告、股價敏感公佈及根據上市規則及其他監管規定而須發表之其他披露呈報作出平衡、清晰及可理解之評估。

董事確認彼等有責任編製本公司截至二零零七年三月三十一日止年度之財務報表。

關於本公司外聘核數師就彼等於財務報表之申報責任聲明列載於年報第36頁之「獨立核數師報告」內。

AUDITORS' REMUNERATION

The remuneration paid to the external auditors of the Company in respect of audit services for the year ended 31st March, 2007 amounted to HK\$700,000.

SHAREHOLDER RIGHTS AND INVESTOR RELATIONS

The rights of shareholders and the procedures for demanding a poll on resolutions at shareholders' meetings are contained in the Company's Bye-laws. Details of such rights to demand a poll were included in the circular to shareholders in relation to the holding of general meetings of the Company and explained during the proceedings of such meetings.

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. The Chairman of the Board attended the 2006 annual general meeting to answer questions at the meeting.

Separate resolutions were proposed at 2006 annual general meeting on each substantial issue, including the election of individual directors.

The Company continues to enhance communications and relationships with its investors. Designated senior executives maintain regular dialogue with institutional investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and timely manner. Investors may write directly to the Company at the principal place of business in Hong Kong for any inquiries.

核數師薪酬

截至二零零七年三月三十一日止年度已付本公司外聘核數師有關核數服務之酬金為700,000港元。

股東權利及投資者關係

於股東大會上股東之權利及要求就決議案進行投票表決之程序載於本公司細則。該等要求進行投票表決之權利詳情載於致股東之通函(內容關於舉行本公司之股東大會),並將於會議程序上解釋。

本公司之股東大會為股東與董事會之間提供溝通機會。董事會主席出席二零零六年股東週年大會並於會上回答提問。

對每項重大事宜,於二零零六年股東週年大會上另行提呈獨立決議案,包括選舉個別董事。

本公司會繼續加強與投資者之溝通及關係。專責之高級行政人員會定期與機構投資者及分析員交流,讓他們掌握本公司之發展情況。此外並會及時提供資訊回應投資者之查詢。投資者可以書面直接向本公司之香港主要營業地點提出任何查詢。

The directors present their annual report and the audited financial statements for the year ended 31st March, 2007.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries are securities trading and investments, property development and sales, trading of building materials and provision of renovation services and property rental.

RESULTS

The results of the Group for the year ended 31st March, 2007 are set out in the consolidated income statement on page 40.

PRINCIPAL SUBSIDIARIES AND ASSOCIATES

Details of the principal subsidiaries and associates of the Company at 31st March, 2007 are set out in notes 18 and 42, respectively, to the financial statements.

INVESTMENT PROPERTIES

The Group has no investment properties at 31st March, 2007. The Group's investment properties at 31st March, 2006 were revalued by independent firms of professional property valuers on an open market value basis. The revaluation increase of approximately HK\$1,666,000 has been credited to the income statement as a revaluation decrease has previously been charged to income statement. Details of the investment properties of the Group during the year are set out in note 16 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 15 to the financial statements.

董事會謹此提呈其截至二零零七年三月三十一日止年度之年報及經審核財務報表。

主要業務

本公司為投資控股公司，其主要附屬公司之業務為證券買賣及投資、物業發展及銷售、建築材料貿易及提供裝修服務，以及物業租賃。

業績

本集團截至二零零七年三月三十一日止年度之業績列載於第40頁之綜合收益表。

主要附屬公司及聯營公司

截至二零零七年三月三十一日本公司各主要附屬公司及聯營公司詳情列載於財務報表附註18及42。

投資物業

本集團於二零零七年三月三十一日並無投資物業。本集團於二零零六年三月三十一日之投資物業已經由獨立專業物業估值師行按公開市值基準重估。由於早前已於收益表扣除重估減值，故重估增值約1,666,000港元已計入收益表。本集團於年內之投資物業詳情，列載於財務報表附註16。

物業、廠房及設備

本集團物業、廠房及設備於本年度內變動詳情，列載於財務報表附註15。

SHARE CAPITAL

Pursuant to a placing agreement dated 21st August, 2006, the Company issued 70,000,000 new shares of HK\$0.01 each to no less than six placees who were independent professional and institutional investors, at the issue price of HK\$0.198 per share. The Placing was completed on 15th September, 2006. The net proceeds of approximately HK\$13,400,000 were used for general working capital of the Group.

On 29th December, 2006, the Company announced that it had entered into the subscription agreements with (1) Faith Times Limited in relation to the subscription of 20,000,000 ordinary shares; (2) Grand Mount Group Limited in relation to the subscription of 20,000,000 ordinary shares; (3) Precious Victory Limited in relation to the subscription of 20,000,000 ordinary shares; and (4) Mega Market Assets Limited in relation to the subscription of 30,000,000 ordinary shares. The Company issued and allotted an aggregate of 90,000,000 placing shares to the placees at a price of HK\$1.00 per share. The placing shares were issued under the relevant resolution passed at the special general meeting of the Company held on 8th February, 2007. The proceeds received by the Company amounted to approximately HK\$89,700,000 and would be used for general working capital and for future investment.

2,500,000 new shares of HK\$0.01 each were issued and allotted during the year upon exercise of share options granted by the Company.

Details of movements in the share capital of the Company during the year are set out in note 28 to the financial statements

股本

根據二零零六年八月二十一日一項配售協議，本公司以發行價每股0.198港元向不少於六名獨立專業機構投資者配售70,000,000股每股0.01港元新股，此項配售於二零零六年九月十五日完成，所得款項淨額約為13,400,000港元，用作本集團一般營運資金。

二零零六年十二月二十九日，本公司宣佈與(1) Faith Times Limited就認購20,000,000股普通股達成認購協議；及與(2) Grand Mount Group Limited就認購20,000,000股普通股達成認購協議；及與(3) Precious Victory Limited就認購20,000,000股普通股達成認購協議；及與(4) Mega Market Assets Limited就認購30,000,000股普通股達成認購協議。本公司以每股1.00港元發行及配售總共90,000,000股配售股份，配售股份乃根據本公司於二零零七年二月八日舉行之股東特別大會通過之有關議決案而發行，本公司所得總收益近89,700,000港元將撥作一般營運資金及未來投資用途。

年內，2,500,000股每股0.01港元之新股因行使本公司所授出購股權而發行及配發。

年內本公司之股本變動詳情列載於財務報表附註28。

DIRECTORS

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

Executive directors:

Mr. Ma Kwok Hung, Warren (appointed on 24th July, 2006)

Mr. Ho Chi Ho (appointed on 2nd March, 2007)

Mr. Gao Feng (resigned on 29th May, 2007)

Mr. Dong Bo, Frederic (resigned on 7th November, 2006)

Non-executive directors:

Mr. Ting Leung Huel, Stephen
(appointed on 30th April, 2006 and resigned on 29th May, 2006)

Independent non-executive directors:

Mr. Zuo Guang

Mr. Pang Haiou

Mr. Wong Hoi Kuen, Edmund

Mr. Chan Chi Yuen (appointed on 30th April, 2006)

Mr. Chow Siu Ngor (appointed on 30th April, 2006)

Mr. Fung Bo Chuen (resigned on 30th April, 2006)

Mr. Henry Tooze (resigned on 30th April, 2006)

In accordance with Clause 86.(2) of the Company's bye-laws, Mr. Ho Chi Ho will retire at the forthcoming annual general meeting and, being eligible, offer himself for re-election.

Notwithstanding several requests being sent to each of Mr. Zuo Guang and Mr. Pang Haiou inquiring about their intention to seek re-election, no reply had been received from either of them. Based on the foregoing, the board of directors resolved that the re-election of the two directors be determined by the shareholders at the forthcoming annual general meeting.

In accordance with the Company's Bye-law 87.(2), Mr. Zuo Guang and Mr. Pang Haiou will retire by rotation at the forthcoming annual general meeting and are eligible for re-election.

董事

於本年度內及直至本報告書日期止，本公司之在任董事如下：

執行董事：

馬國雄先生

(於二零零六年七月二十四日獲委任)

何志豪先生(於二零零七年三月二日獲委任)

高峰先生(於二零零七年五月二十九日辭任)

董波先生(於二零零六年十一月七日辭任)

非執行董事：

丁良輝先生

(於二零零六年四月三十日獲委任

並於二零零六年五月二十九日辭任)

獨立非執行董事：

左廣先生

龐海歐先生

黃海權先生

陳志遠先生(於二零零六年四月三十日獲委任)

鄧小岳先生(於二零零六年四月三十日獲委任)

馮報全先生(於二零零六年四月三十日辭任)

Henry Tooze先生(於二零零六年四月三十日辭任)

根據本公司之公司細則第86.(2)條，何志豪先生將於應屆股東週年大會退任，惟彼合資格並願意膺選連任。

儘管已向左廣先生及龐海歐先生發出多番查詢，要求其表明其膺選連任之意向，然而，並未收到彼等任何回覆。基於以上原因，董事會決定於應屆股東週年大會由股東投票兩位董事之重選。

根據本公司之公司細則第87.(2)條，左廣先生及龐海歐先生將於應屆股東週年大會告退，惟彼等合資格膺選連任。

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31st March, 2007, the interests of the directors and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

Share options

購股權

Name of Director	Type of interest	Percentage of Number of share options held	the issued share capital of the Company
董事姓名	權益類別	所持購股權 數目	佔本公司已發行 股本百分比
Ho Chi Ho 何志豪	Beneficial owner 實益持有人	1,500,000	0.29%

Other than as disclosed above, none of the directors nor their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations as at 31st March, 2007.

董事於股份、相關股份及債權證之權益

於二零零七年三月三十一日，本公司根據證券及期貨條例（「證券及期貨條例」）第352條存置之登記冊所記錄，或根據上市公司董事進行證券交易的標準守則（「標準守則」）已知會本公司及香港聯合交易所有限公司（「聯交所」）者，董事及彼等之聯繫人士於本公司及其相聯法團之股份、相關股份及債權證之權益如下：

除上文披露者外，於二零零七年三月三十一日，董事或彼等之聯繫人士概無於本公司或其任何相聯法團之股份、相關股份及債權證中擁有任何權益或淡倉。

SHARE OPTION

Particulars of the Company's share option scheme are set out in note 29 to the financial statements.

The movements in the share options granted under the share option scheme adopted by the Company on 24th April, 2002 (the "Scheme") during the year ended 31st March, 2007 are shown below:

Category of participant	At 1st April, 2006	Number of options 購股權數目			At 31st March, 2007	Date of grant	Exercise price per share (HK\$)	Exercisable period
		Granted during the period	Exercised during the period	Lapsed during the period				
參與人類別	二零零六年 四月一日	期內授出	期內行使	期內失效	二零零七年 三月三十一日	授出日期	每股行使價 (港元)	可行使期間
Other eligible participants 其他合資格參與人	–	14,040,000	1,500,000	–	12,540,000	5/6/2006	0.27	5/6/2006 – 4/6/2009
	–	33,600,000	1,000,000	–	32,600,000	11/10/2006	0.323	11/10/2006 – 10/10/2009
Director 董事								
– Ho Chi Ho 何志豪		1,500,000	–	–	1,500,000	6/3/2007	1.122	6/3/2007 – 5/3/2010
Total 總數	–	49,140,000	2,500,000	–	46,640,000			

The closing price of the Company's shares immediately before 5th June, 2006, 11th October, 2006 and 6th March, 2007, the dates of grant of the options, were HK\$0.255, HK\$0.32 and HK\$0.98, respectively.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Other than as disclosed above, at no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

購股權

本公司之購股權計劃詳情，載於財務報表附註29。

截至二零零七年三月三十一日年度，本公司於二零零二年四月二十四日根據購股權計劃授出之購股權（「計劃」）變動如下：

本公司之股份於二零零六年六月五日、二零零六年十月十一日及二零零七年三月六日各授出購股權日期前之收市價分別為0.255港元、0.32港元及0.98港元。

董事購買股份或債務證券之權利

除上文披露者外，本公司或其任何附屬公司於本年度內均無參與任何安排，致令本公司董事可藉收購本公司或任何其他法人團體之股份或債權證而獲益。

SUBSTANTIAL SHAREHOLDERS

At 31st March, 2007, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests in the share capital of the Company:

Name of shareholder	Type of interest	Number of issued ordinary shares held	Percentage of the issued share capital of the company
股東名稱／姓名	權益類別	所持已發行 普通股數目	佔本公司 已發行股本百分比
Long position	好倉		
Ordinary shares at HK\$0.01 each	每股面值0.01港元之普通股		
Mega Market Assets Limited	Beneficial Owner 實益擁有人	129,504,517 (Note) (附註)	25.21%
Chan How Chung, Victor 陳孝聰	Held by controlled corporation 由受控法團持有	129,504,517 (Note) (附註)	25.21%

Note:

Mega Market Assets Limited, which directly owned 129,504,517 shares in the Company, is beneficially wholly owned by Mr. Chan How Chung, Victor and, accordingly, Mr. Chan was deemed to be interested in 129,504,517 shares in the Company.

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31st March, 2007.

主要股東

於二零零七年三月三十一日，按本公司根據證券及期貨條例336條存置之主要股東登記冊所示，下列股東已知會本公司彼等於本公司股本中之相關利益：

Name of shareholder	Type of interest	Number of issued ordinary shares held	Percentage of the issued share capital of the company
股東名稱／姓名	權益類別	所持已發行 普通股數目	佔本公司 已發行股本百分比
Long position	好倉		
Ordinary shares at HK\$0.01 each	每股面值0.01港元之普通股		
Mega Market Assets Limited	Beneficial Owner 實益擁有人	129,504,517 (Note) (附註)	25.21%
Chan How Chung, Victor 陳孝聰	Held by controlled corporation 由受控法團持有	129,504,517 (Note) (附註)	25.21%

附註：

Mega Market Assets Limited直接持有本公司股份129,504,517股，為陳孝聰先生全資持有，故此，陳先生被視為持有本公司129,504,517股股份之權益。

除上述所披露者外，於二零零七年三月三十一日，本公司未曾就其已發行股本接獲任何其他相關持股或淡倉之通知。

CONNECTED TRANSACTIONS AND DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

During the year, Prosper City International Limited ("Prosper City"), a non-wholly owned subsidiary of the Company, paid approximately HK\$160,000 to Kohner Limited ("Kohner") in respect of rental for premises. Kohner is the minority shareholder of Prosper City. The transaction constituted a continuing connected transaction pursuant to Chapter 14 of the Listing Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange.

The independent non-executive directors confirm that the transactions have been entered into by the Group in the ordinary course of its business, on terms no less favourable than terms available with independent third parties, and in accordance with the terms of the agreements governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

On 29th December, 2006, the Company entered into a subscription agreement with Mega Market Assets Limited ("Mega Market"), a substantial shareholder of the Company, in relation to the subscription of 30,000,000 ordinary shares at the placing price of HK\$1.00 per share. The issue and allotment of the placing shares to Mega Market was approved by the independent shareholders of the Company at the special general meeting held on 8th February, 2007.

Other than as disclosed above, no other contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

關連交易及董事之重大合約權益

本年度內，本公司非全資附屬公司盛港國際有限公司（「盛港」）就物業租金，向 Kohner Limited（「Kohner」）支付約 160,000 港元。Kohner 為盛港之少數股東。根據聯交所證券上市規則（「上市規則」）第 14 章，是項交易構成持續關連交易。

獨立非執行董事確認，該等交易乃本集團於其日常業務過程中，按不遜於獨立第三方提供之條款，且按照監管該等交易而屬公平合理之協議條款訂立，並符合本公司股東整體利益。

二零零六年十二月二十九日，本公司與公司旗下一主要股東 Mega Market Assets Limited（「Mega Market」）達成一項認購協議，據此以每股配售價 1.00 港元認購普通股 30,000,000 股。向 Mega Market 發行及配售以上股份經本公司獨立股東於在二零零七年二月八日之股東特別大會上通過批准。

除上文披露者外，於本年度結束時或本年度內任何時間，本公司各董事概無於本公司或其任何附屬公司當時生效之其他重要合約中直接或間接擁有重大權益。

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate turnover attributable to the Group's five largest customers were less than 30% of the Group's turnover for the year. The aggregate purchases attributable to the Group's five largest suppliers were less than 30% of the Group's purchases for the year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the board of directors on the basis of their merit, qualifications and competence. The emoluments of the directors of the Company are decided by the board of directors, as authorised by the shareholders at the annual general meeting, having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of which are set out in note 29 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

主要客戶及供應商

於本年度內，本集團首五大客戶所佔營業額合共少於本集團本年度營業額30%。於本年度內，本集團首五大供應商所佔採購額合共少於本集團採購總額30%。

購買、出售或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

薪酬政策

本集團僱員之薪酬政策乃由董事會按彼等之功績、資歷及才能制定。本公司董事之薪酬，乃由董事會按股東於股東週年大會所授權，經計及本集團營運業績、個人表現及可資比較市場數據後決定。

本公司已採納購股權計劃，作為對董事及合資格僱員之獎勵，詳情載於財務報表附註29。

優先購買權

本公司之公司細則或百慕達法例均無優先購買權之條文，規定本公司須向現有股東按比例提呈發售新股份。

CORPORATE GOVERNANCE

The Company is committed to maintain a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 14 to 26.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31st March, 2007.

EVENTS AFTER THE BALANCE SHEET DATE

Details of significant events occurring after the balance sheet date are set out in note 40 to the financial statements.

AUDITORS

Deloitte Touche Tohmatsu resigned as auditors of the Company on 7th June, 2006. Messrs. Ting Ho Kwan & Chan were appointed subsequently on 27th June, 2006. Messrs. Ting Ho Kwan & Chan retire and, being eligible, offer themselves for re-appointment. A resolution will be submitted to the annual general meeting to re-appoint Messrs. Ting Ho Kwan & Chan as auditors of the Company.

On behalf of the Board

Ma Kwok Hung, Warren
Director

Hong Kong, 18th July, 2007

企業管治

本公司致力維持高水平之企業管治常規。關於本公司採納之企業管治常規列載於第14至26頁之企業管治報告書中。

充足公眾持股量

本公司於截至二零零七年三月三十一日止年度一直維持充足公眾持股量。

結算日後事項

於結算日後發生之重大事項詳情，載於財務報表附註40。

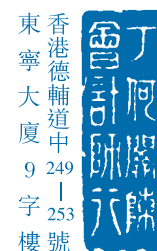
核數師

德勤•關黃陳方會計師行自二零零六年六月七日起辭任本公司之核數師，其後丁何關陳會計師行於二零零六年六月二十七日獲委任為本公司核數師。丁何關陳會計師行將予告退，並合資格且願意膺選連任。股東週年大會上將提呈一項決議案續聘丁何關陳會計師行為本公司核數師。

代表董事會

董事
馬國雄

香港，二零零七年七月十八日

**TO THE MEMBERS OF PREMIUM LAND LIMITED**

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Premium Land Limited (the "Company") set out on pages 40 to 127, which comprise the consolidated and Company balance sheets as at 31st March, 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Except as described in the basis for qualified opinion paragraph, we conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

致上海策略置地有限公司股東

(於百慕達註冊成立之有限公司)

本核數師已完成審核上海策略置地有限公司（貴公司）載於第40頁至第127頁之財務報表，包括於二零零七年三月三十一日之綜合及貴公司資產負債表、截至該日止年度之綜合損益表、綜合權益變動表及綜合現金流量表，以及重大會計政策概要及其它說明附註。

董事就財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製及真實而公平地呈列此財務報表。此責任包括設計、實施及維護與編製及真實而公平地呈列財務報表相關的內部監控，以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇和應用適當之會計政策；及按情況作出合理之會計估算。

核數師之責任

我們之責任為根據我們之審核對該等財務報表作出意見，並按照百慕達公司法第90條之規定，僅向整體股東報告。除此以外，我們之報告不可用作其他用途。我們概不就本報告之內容，對任何其他人士負責或承擔法律責任。除於保留意見之基準一段所述外，我們已按照香港會計師公會頒佈之審計準則進行審核工作。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有重大錯誤陳述。

Auditor's responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for qualified opinion**1. Scope limitation – prior year's audit scope limitation affecting comparative figures**

The comparative figures in the current year's financial statements are derived from the financial statements for the year ended 31st March, 2006 which contained a disclaimer of opinion. We were unable to carry out audit procedures necessary to obtain adequate assurance on the preceding year's figures. Accordingly, we were unable to express an opinion on the comparative figures appearing in the current year's financial statements. We have not been able to ascertain whether the comparative figures will have any effect on the current year's balance sheet and income statement items.

核數師之責任 (續)

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地呈列財務報表相關之內部監控，以設計適當之審核程序，但並非為對公司之內部監控的效能發表意見。審核亦包括評價董事所採用之會計政策的合適性及所作出的會計估算的合理性，以及評價財務報表之整體呈列方式。

我們相信，我們所獲得之審核憑證是充足及適當地為我們之審核意見提供基礎。

保留意見之基準**1. 審核範圍受限制—上年度之審核範圍受限制影響比較數字**

本年度財務報表之比較數字乃衍生自截至二零零六年三月三十一日止載有意見免責聲明之財務報表。我們未能執行所需之審核程序，以取得對上年度數字之足夠保證。因此，我們未能表達於本年度財務報表中出現之比較數字之意見。我們未能確定該等比較數字會否對本年度之資產負債表及收益表項目構成任何影響。

Basis for qualified opinion (Continued)

2. Scope limitation – loss on deconsolidation of subsidiaries

As explained in notes 32 and 41 to the financial statements, the management has been unable to gain access to the books and records of its subsidiary, 杭州恆運交通開發有限公司 ("HZHY") since July 2005 due to the lack of co-operation from management of HZHY and has commenced legal proceedings for the recovery and declaration of its beneficial ownership in 51% of the issued share capital of Gold United International Industries Limited ("Gold United") which has 80% direct interest in HZHY. The directors considered that the Group was unable to exercise its rights as shareholder either to control the assets and operations or to exercise significant influence over the financial and operating policy decisions of both subsidiaries, therefore they were deconsolidated as of 1st April, 2006.

We were unable to obtain sufficient audit evidence or perform alternative audit procedures to satisfy ourselves as to the timing, accuracy and completeness of the deconsolidation and to quantify the effect of the deconsolidation as at 1st April, 2006 and the loss arising from the deconsolidation of approximately HK\$7,194,000. We were also unable to satisfy ourselves that the analysis of net assets of approximately HK\$17,435,000 of the deconsolidated subsidiaries at the date of deconsolidation, as disclosed in note 32 to the financial statements, is free from material misstatement.

There were no other satisfactory audit procedures that we could adopt to satisfy ourselves as to the matters above. Any adjustments to the above figures would have a consequential effect on the Group's loss and cash flows for the year ended 31st March, 2007 and the related disclosures thereof in these financial statements.

保留意見之基準 (續)

2. 審核範圍受限制—取消綜合入賬附屬公司之虧損

誠如財務報表附註32及41所闡釋，由於杭州恆運交通開發有限公司（「杭州恆運」）之管理層未能合作，故此從二零零五年七月起管理層無法取得杭州恆運之賬冊及記錄並已展開法律程序收回及表明其於金聯國際實業有限公司（「金聯」）51%已發行股本之實益擁有權。金聯持有杭州恆運之80%直接權益。董事認為本集團未能行使其作為股東之權利，以控制兩家附屬公司之資產及業務或行使對其財政及營運政策之重大影響力。因此，該兩間附屬公司已於二零零六年四月一日起不再綜合入賬。

我們並無法獲得充足審核憑證，或執行其他審核程序以信納有關取消綜合入賬之時間、準確性及完備性，並於二零零六年四月一日量化該取消綜合入賬之影響，以及有關取消綜合入賬帶來約7,194,000港元之虧損。我們亦無法信納於財務報表附註32所披露之被取消綜合入賬附屬公司於取消綜合入賬日約17,435,000港元的資產淨值分析，並無重大錯誤陳述。

我們並無其他可供採納以使我們信納上述事宜之審核程序。就上述數字作出任何調整，將會對貴集團截至二零零七年三月三十一日止年度之虧損及現金流量，以及財務報表中之相關披露造成重大影響。

Qualified opinion arising from limitation of audit scope

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to comparative figures and loss on deconsolidation of subsidiaries, the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31st March, 2007 and of the loss and cash flows of the Group for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ting Ho Kwan & Chan

Certified Public Accountants (practising)

Hong Kong, 18th July, 2007

因審核範圍受限制產生之保留意見

除以令我們能夠信納對比較數字及取消綜合入賬附屬公司之虧損而作出本可能確定為必要之調整(如有)之影響外,我們認為該等財務報表已根據香港財務報告準則真實及公平反映貴公司及貴集團於二零零七年三月三十一日之財務狀況及貴集團於截至該日止年度之虧損及現金流量狀況,並已遵照香港公司條例之披露規定妥善編製。

執業會計師

丁何關陳會計師行

香港,二零零七年七月十八日

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March, 2007

綜合收益表

截至二零零七年三月三十一日止年度

		Notes 附註	2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Turnover	營業額	8	361,961	33,273
Cost of sales	銷售成本		(351,458)	(34,243)
Gross profit (loss)	毛利(毛損)		10,503	(970)
Other income and gains, net	其他收入及收益淨額	8	4,866	51,269
Administrative expenses	行政費用		(34,815)	(15,063)
Loss on disposal of available-for-sale financial assets	出售可出售金融 資產虧損		–	(70)
Impairment losses on trade and other receivables	應收貿易及其他賬項之 減值虧損		(9,289)	(1,521)
Impairment losses on available-for-sale financial assets	可出售金融資產之 減值虧損		–	(44,205)
Loss from operations	營運虧損		(28,735)	(10,560)
Finance costs	融資成本	9	(5,136)	(9,561)
Gain (loss) on disposal of subsidiaries	出售附屬公司收益(虧損)	31	18,080	(2,913)
Loss on deconsolidation of subsidiaries	取消綜合入賬附屬公司 之虧損	32	(7,194)	–
Impairment losses on amount due from an associate	應收聯營公司款項之 減值虧損		–	(3,671)
Share of profits less losses of associates	應佔聯營公司溢利減虧損		(8)	(447)
Loss for the year	本年度虧損	10	(22,993)	(27,152)
Attributable to:	以下人士應佔:			
Equity holders of the Company	本公司權益持有人	13	(22,993)	(26,438)
Minority interests	少數股東權益		–	(714)
			(22,993)	(27,152)
Basic loss per share attributable to the equity holders of the Company during the year	年內本公司權益 持有人應佔每股 基本虧損	14	(5.7) cents仙	(7.6) cents仙

The notes on pages 47 to 127 are an integral part of these consolidated financial statements.

載於第47至第127頁之附註為此等綜合財務報表之一部份。

CONSOLIDATED BALANCE SHEET

At 31st March, 2007

綜合資產負債表

於二零零七年三月三十一日

		Notes 附註	2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Non-current Assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	1,751	66,472
Investment properties	投資物業	16	–	15,324
Interests in associates	於聯營公司之權益	18	–	2,040
Available-for-sale financial assets	可出售金融資產	19	12,852	12,153
			14,603	95,989
Current Assets	流動資產			
Inventories	存貨	20	6,594	4,761
Trade and other receivables	應收貿易及其他賬項	21	128,632	171,725
Other financial assets at fair value through profit or loss	按公平值計入損益之 其他金融資產	22	41,574	110,987
Cash and cash equivalents	現金及現金等額項目	23	177,312	8,517
			354,112	295,990
Current Liabilities	流動負債			
Trade and other payables	應付貿易及其他賬項	24	20,886	82,921
Amount due to a minority shareholder of a subsidiary	應付附屬公司少數 股東款項		5,233	2,442
Bank and other borrowings	銀行及其他借貸	25	43,815	86,231
			69,934	171,594
Net Current Assets	流動資產淨值		284,178	124,396
Net Assets	資產淨值		298,781	220,385

CONSOLIDATED BALANCE SHEET

At 31st March, 2007

綜合資產負債表

於二零零七年三月三十一日

			2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
	Notes 附註			
Equity		權益		
Capital and reserves attributable to the Company's equity holders:		本公司權益持有人應佔資本及儲備：		
Share capital	28	股本	5,137	3,512
Share premium		股份溢價	584,307	481,286
Other reserves	30	其他儲備	784,004	777,020
Accumulated losses		累計虧損	(1,074,667)	(1,051,674)
			298,781	210,144
Minority interests		少數股東權益	—	10,241
Total Equity		權益總額	298,781	220,385

The financial statements on pages 40 to 127 were approved and authorised for issue by the Board of Directors on 18th July, 2007 and are signed on its behalf by:

董事會已於二零零七年七月十八日批准及授權刊發第40至第127頁之財務報表，並由以下人士代表董事會簽核：

Ma Kwok Hung, Warren

DIRECTOR

董事

馬國雄

Ho Chi Ho

DIRECTOR

董事

何志豪

The notes on pages 47 to 127 are an integral part of these consolidated financial statements.

載於第47至第127頁之附註為此等綜合財務報表之一部份。

BALANCE SHEET

At 31st March, 2007

資產負債表

於二零零七年三月三十一日

		Notes 附註	2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Non-current Assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	28	129
Interests in subsidiaries	於附屬公司之權益	17	31,629	60,729
			31,657	60,858
Current Assets	流動資產			
Other receivables	其他應收賬項		52,117	138,639
Cash and cash equivalents	現金及現金等額項目	23	176,898	334
			229,015	138,973
Current Liabilities	流動負債			
Other payables	其他應付賬項		6,021	9,553
Amount due to an associate	應付聯營公司款項		–	225
Other borrowing	其他借貸	25	–	23,643
			6,021	33,421
Net Current Assets	流動資產淨值		222,994	105,552
Net Assets	資產淨值		254,651	166,410
Capital and Reserves	資本及儲備			
Share capital	股本	28	5,137	3,512
Reserves	儲備	30	249,514	162,898
Total Equity	權益總額		254,651	166,410

Ma Kwok Hung, Warren

DIRECTOR

董事

馬國雄

Ho Chi Ho

DIRECTOR

董事

何志豪

The notes on pages 47 to 127 are an integral part of these financial statements.

載於第47至第127頁之附註為此等財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2007

綜合權益變動表

截至二零零七年三月三十一日止年度

		Share capital HK\$'000 股本 千港元	Share premium account HK\$'000 股份溢價賬 千港元	Other reserves HK\$'000 其他儲備 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Minority interests HK\$'000 少數 股東權益 千港元	Total HK\$'000 總額 千港元
THE GROUP	本集團						
Balance at	於二零零五年						
1st April, 2005	四月一日之結餘	64,937	465,651	777,020	(1,087,520)	10,955	231,043
Initial recognition of convertible notes	初次確認可換股 票據	–	–	594	–	–	594
Redemption of convertible notes	贖回可換股票據	–	–	(594)	594	–	–
Capital reduction	資本削減	(61,690)	–	–	61,690	–	–
Loss for the year	本年度虧損	–	–	–	(26,438)	(714)	(27,152)
Issue of shares	發行股份	265	15,635	–	–	–	15,900
Balance at	於二零零六年						
31st March, 2006	三月三十一日 之結餘	3,512	481,286	777,020	(1,051,674)	10,241	220,385
Issue of shares	發行股份	1,600	102,260	–	–	–	103,860
Share issue expenses	股份發行開支	–	(279)	–	–	–	(279)
Share options granted	授出購股權	–	–	7,658	–	–	7,658
Exercise of share options	行使購股權	25	1,040	(337)	–	–	728
Loss for the year	本年度虧損	–	–	–	(22,993)	–	(22,993)
Deconsolidation of subsidiaries	取消綜合入賬 附屬公司	–	–	–	–	(10,241)	(10,241)
Currency translation differences	貨幣換算差額	–	–	(337)	–	–	(337)
Balance at	於二零零七年						
31st March, 2007	三月三十一日 之結餘	5,137	584,307	784,004	(1,074,667)	–	298,781

The notes on pages 47 to 127 are an integral part of these consolidated financial statements.

載於第47至第127頁之附註為此等財務報表之一部份。

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2007

綜合現金流量表

截至二零零七年三月三十一日止年度

	Notes 附註	2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
OPERATING ACTIVITIES	經營業務		
Loss from operations	營運虧損	(28,735)	(10,560)
Adjustments for:	經下列項目調整：		
Interest income	利息收入	8	(515)
Depreciation and amortisation of property, plant and equipment	物業、廠房及設備折舊及攤銷	15	575
Impairment losses on available-for-sale financial assets	可出售金融資產之減值虧損	—	44,205
Loss on disposal of available-for-sale financial assets	出售可出售金融資產虧損	—	70
Net realised (gains) losses on other financial assets at fair value through profit or loss	按公平值計入損益之其他金融資產已變現(收益)虧損淨額	10	3,181
Net unrealised gains on other financial assets at fair value through profit or loss	按公平值計入損益之其他金融資產之未變現收益淨額	8	(48,613)
Write-back of provision on properties held for sale	持作出售物業之撥備撥回	8	(160)
Impairment losses on trade and other receivables	應收貿易及其他賬項之減值虧損	9,289	1,521
Equity-settled share option expenses	股本結算購股權支出	7,658	—
Fair value gains on investment properties	投資物業之公平值收益	8	(1,666)
Operating cash outflow before movements in working capital	營運資金變動前之經營現金流出	(22,899)	(11,962)
Increase in inventories	存貨增加	(4,675)	(85)
Decrease (Increase) in trade and other receivables	應收貿易及其他賬項減少(增加)	6,155	(38,923)
Decrease in other financial assets at fair value through profit or loss	按公平值計入損益之其他金融資產減少	80,912	10,539
Decrease in trade and other payables	應付貿易及其他賬項減少	(2,243)	(3,630)
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	經營業務所得(所用)現金淨額	57,250	(44,061)
INVESTING ACTIVITIES	融資活動		
Interest received	已收利息	8	515
Purchase of property, plant and equipment	購置物業、廠房及設備	15	(115)
Advances to associates	墊款予聯營公司	—	(7)
Decrease in pledged bank deposits	已抵押銀行存款減少	—	5,041
Disposal of subsidiaries	出售附屬公司	31	4,568
Deconsolidation of subsidiaries	取消綜合入賬附屬公司	32	—
Purchase of available-for-sale financial assets	購買可出售金融資產	(148)	—
Proceeds from disposal of available-for-sale financial assets	出售可出售金融資產所得款項	—	1,432
NET CASH GENERATED FROM INVESTING ACTIVITIES	融資活動所得現金淨額	25,288	11,434

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2007

綜合現金流量表

截至二零零七年三月三十一日止年度

	Note	2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
	附註		
FINANCING ACTIVITIES	融資活動		
Proceeds from issue of convertible notes	發行可換股票據所得款項	—	31,200
Redemption of convertible notes	贖回可換股票據	—	(31,200)
New bank and other borrowings raised	新增銀行及其他借貸	36,490	12,925
Net proceeds from issue of shares	發行股份所得款項淨額	103,581	15,900
Proceeds on exercise of share options	行使股權所得款項	728	—
Advance from minority shareholder	來自少數股東之墊款	2,791	1,837
Repayment of bank and other borrowings	償還銀行及其他借貸	(52,257)	(24,849)
Interest paid	已付利息	(5,136)	(7,124)
NET CASH GENERATED FROM (USED IN) FINANCING ACTIVITIES	融資活動所得（所用） 現金淨額	86,197	(1,311)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 增加（減少）淨額	168,735	(33,938)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及現金 等額項目	1,579	35,517
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	26	—
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終之現金及現金 等額項目	170,340	1,579
	23		

The notes on pages 47 to 127 are an integral part of these consolidated financial statements.

載於第47至第127頁之附註為此等財務報表之一部份。

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The registered office of the Company is located at Clarendon House, Church Street, Hamilton HM11, Bermuda. The principal place of business of the Group is located at Unit 3411, 34/F, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong. The principal activities of its principal subsidiaries and associates are set out in notes 42 and 18 respectively.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group have been prepared, except for the deconsolidation of subsidiaries as explained in note 32 to the financial statements, in accordance with Hong Kong Financial Reporting Standards ("HKFRS"), which also include Hong Kong Accounting Standards ("HKAS") and Interpretations ("Int") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. The consolidated financial statements have been prepared under the historical cost convention, except for certain financial assets and financial liabilities which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 6 to the financial statements.

1. 一般資料

本公司乃於百慕達註冊成立之獲豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。

本公司為投資控股公司，註冊辦事處及主要營業地點分別位於Clarendon House, Church Street, Hamilton HM11, Bermuda及香港皇后大道中183號新紀元廣場中遠大廈34樓3411室。其主要附屬公司及聯營公司之主要業務分別列載於附註42及18。

2. 財務報表編製基準

除誠如財務報表附註32所解釋取消綜合計算附屬公司外，本集團之綜合財務報表乃按照香港財務報告準則（「香港財務報告準則」），包括由香港會計師公會頒佈之香港會計準則（「香港會計準則」）及詮釋（「詮釋」）。此為符合香港普遍公認之會計原則及香港公司條例要求之披露規定。此等財務報表亦符合香港聯合交易所有限公司證券上市規則之適用披露規定。除若干金融資產及負債乃按公平值計入外，此等財務報表均已按歷史成本法予以編製。

於編製符合香港財務報告準則之財務報表時需要使用若干關鍵會計估計，同時管理層亦需要於應用本集團會計政策之過程中運用其判斷力。香港財務報告準則包括香港會計師公會所頒佈之香港會計準則及詮釋。涉及判斷成份高或極為複雜之範疇，或涉及對綜合財務報表屬重大假設及估計之範疇披露於財務報表附註6。

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

The HKICPA has issued certain new and revised HKFRS that are first effective for the accounting period beginning on or after 1st January, 2006 as follows:

HKAS 19 Amendment	Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures
HKAS 21 Amendment	The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation
HKAS 27 Amendment	Consolidated and Separate Financial Statements Amendments as a consequence of the Companies (Amendments) Ordinance 2005
HKAS 39 Amendment	Cash Flow Hedge Accounting of Forecast Intra-group Transactions
HKAS 39 Amendment	The Fair Value Option
HKAS 39 & HKFRS 4 Amendments	Financial Guarantee Contracts
HKFRS 6	Exploration for and Evaluation of Mineral Resources
HK(IFRIC)-Int 4	Determining whether an Arrangement contains a Lease
HK(IFRIC)-Int 5	Rights to Interests Arising from Decommissioning, Restoration and Environment Rehabilitation Funds
HK(IFRIC)-Int 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies

2. 財務報表編製基準 (續)

香港會計師公會已頒佈若干於二零零六年一月一日或以後開始之會計期間首次生效之新頒佈及經修訂香港財務報告準則：

香港會計準則第19號 (修訂)	僱員福利－精算損益、集團計劃及披露
香港會計準則第21號 (修訂)	匯率變動之影響－海外業務之投資淨額
香港會計準則第27號 (修訂)	綜合及獨立財務報表：因應二零零五年公司(修訂)條例而修訂
香港會計準則第39號 (修訂)	預測集團內公司間交易之現金流量對沖會計法
香港會計準則第39號 (修訂)	公平價值選擇權
香港會計準則第39號及香港財務報告準則第4號(修訂)	財務擔保合約
香港財務報告準則第6號	礦產資源之勘探及評估
香港(國際財務報告詮釋委員會)－詮釋第4號	釐定一項安排是否包含租賃
香港(國際財務報告詮釋委員會)－詮釋第5號	對解除運作、復原及環境修復基金所產生權益之權利
香港(國際財務報告詮釋委員會)－詮釋第6號	參與特定市場所產生之負債－廢電器及電子設備
香港(國際財務報告詮釋委員會)－詮釋第7號	根據香港會計準則第29號就惡性通貨膨脹經濟中之財務報告採用重列法

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS *(Continued)*

The adoption of the above new/revised HKFRS, amendments and interpretations did not result in substantial changes to the Group's accounting policies. The impact of adopting the HKFRS is summarised as follows:

(a) HKAS 21 The Effects of Changes in Foreign Exchange Rates

Upon the adoption of the HKAS 21 Amendment regarding a net investment in a foreign operation, all exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised in a separate component of equity in the consolidated financial statements irrespective of the currency in which the monetary item is denominated. This is consistent with the current accounting treatment of the Group, thus the management considered that there is no significant impact.

(b) HKAS 39 Financial Instruments: Recognition and Measurement***(i) Amendment for financial guarantee contracts***

This amendment has revised the scope of HKAS 39 to require financial guarantee contracts issued that are not considered insurance contracts, to be recognised initially at fair value and to be remeasured at the higher of the amount determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue. The adoption of this amendment has had no material impact on these financial statements.

2. 財務報表編製基準 (續)

採納上述新頒佈／經修訂香港財務報告準則、修訂及詮釋不會導致本集團之會計政策出現重大變動。有關採納香港財務報告準則之影響概述如下：

(a) 香港會計準則第21號 匯率變動之影響

本集團經採納香港會計準則第21號（修訂）有關海外業務之投資淨額規定，據此，所有由貨幣項目產生之外匯差額而又構成本集團之海外業務投資淨額，於綜合財務報表被確認為權益之獨立部份，而不論該貨幣項目為何種貨幣。此與本集團現行會計準則相同，故對財務報表並不構成重大影響。

(b) 香港會計準則第39號金融工具：確認及計量***(i) 財務擔保合約之修訂***

此修訂乃修訂香港會計準則第39號之範圍，規定所發出不被認為是保險合約之財務擔保合約，初步按公平值確認，並其後按根據香港會計準則第37號「撥備、或有負債及或有資產」釐定之金額，與初步確認之金額減（如適用）根據香港會計準則第18號「收益」所確認之累計攤銷之金額，以兩者中較高者重新計量。採納該修訂對此等財務報表並無重大影響。

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS *(Continued)***(b) HKAS 39 Financial Instruments: Recognition and Measurement** *(Continued)***(ii) Amendment for the fair value option**

This amendment has changed the definition of a financial instrument classified as at fair value through profit or loss and has restricted the use of the option to designate any financial asset or any financial liability to be measured at fair value through the income statement. The Group had not previously used this option, and hence the amendment has had no effect on these financial statements.

(iii) Amendment for cash flow hedge accounting of forecast intragroup transactions

This amendment has revised HKAS 39 to permit the foreign currency risk of a highly probable intragroup forecast transaction to qualify as a hedged item in a cash flow hedge, provided that the transaction is denominated in a currency other than the functional currency of the entity entering into that transaction and that the foreign currency risk will affect the consolidated income statement. As the Group currently has no such transactions, the amendment has had no effect on these financial statements.

2. 財務報表編製基準 (續)**(b) 香港會計準則第39號金融工具：確認及計量 (續)****(ii) 公平值選擇權之修訂**

該修訂改變了按公平值計入損益之金融工具之定義，並限制了使用選擇權指定任何金融資產或金融負債須透過損益賬以公平值計量。本集團以往並無使用此選擇權，因此該修訂對此等財務報表並無影響。

(iii) 預測集團內部交易之現金流量對沖會計處理法之修訂

該修訂乃修訂香港會計準則第39號，如一項可能性很高之預期集團內部交易為以訂立該交易之實體之功能貨幣以外之貨幣結算，而且該等外匯風險將影響綜合損益賬，則容許該項交易之外匯風險合資格作為一項現金流量對沖之對沖項目。由於本集團現時並無該等交易，此項修訂對此等財務報表並無影響。

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS *(Continued)***(c) HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease**

The Group has adopted this interpretation as of 1st January, 2006, which provides guidance in determining whether arrangements contain a lease to which lease accounting must be applied. This interpretation has had no material impact on these financial statements.

(d) Other Standards

The adoption of HKAS 19 Amendment, HKAS 27 Amendment, HKFRS 6, HK(IFRIC)-Int 5, HK(IFRIC)-Int 6 and HK(IFRIC)-Int 7 had no material impact on the Group's accounting policies and did not result in any changes to the amounts or disclosures in these financial statements.

3. HONG KONG FINANCIAL REPORTING STANDARDS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR

The Group has not early applied the following amendments, new standards and interpretations that have been issued but are not yet effective. The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. Other than certain new or amended disclosures in the financial statements may be required, it was concluded that the adoption of them is unlikely to have a significant impact on the Company's results of operations and financial position.

2. 財務報表編製基準 (續)**(c) 香港 (國際財務報告詮釋委員會) – 詮釋第4號「釐定安排是否包含租賃」**

本集團已於二零零六年一月一日採納該詮釋，該詮釋提供在釐定一項安排是否包含必須應用租賃會計法之租賃之指引。該詮釋對此等財務報表而言並無重大影響。

(d) 其他準則

採納香港會計準則第19號 (經修訂)、香港會計準則第27號 (經修訂)、香港財務報告準則第6號、香港 (國際財務報告準則詮釋委員會) – 詮釋第5號、香港 (國際財務報告準則詮釋委員會) – 詮釋第6號及香港 (國際財務報告準則詮釋委員會) – 詮釋第7號對本集團之會計政策並無重大影響，故此對此等財務報表並未構成任何改變或須予披露者。

3. 年內已頒佈但未生效之香港財務報告準則

本集團並無於較早前應用下列已頒佈但未生效之經修訂及新頒佈準則及詮釋。本集團正評估採納此等經修訂及新訂準則及詮釋於初步應用期間之預期影響。除若干需於財務報表作出之新訂或經修訂披露外，有關採納將不會對本公司之營運及財政狀況有重大影響。

3. HONG KONG FINANCIAL REPORTING STANDARDS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR *(Continued)*

3. 年內已頒佈但未生效之香港財務報告準則 (續)

		Effective for accounting period beginning on or after 於下列日期或之後之會計 期間開始生效
HKAS 1 (Amendment)	Capital Disclosures	1st January, 2007
香港會計準則第1號(修訂)	資本披露	二零零七年一月一日
HKFRS 7	Financial Instruments: Disclosures	1st January, 2007
香港財務報告準則第7號	金融工具:披露	二零零七年一月一日
HKFRS 8	Operating Segments	1st January, 2009
香港財務報告準則第8號	經營分類	二零零九年一月一日
HK(IFRIC) – INT 8	Scope of HKFRS 2	1st May, 2006
香港(國際財務報告詮釋 委員會) – 詮釋第8號	香港財務報告準則第2號之範圍	二零零六年五月一日
HK(IFRIC) – INT 9	Reassessment of Embedded Derivatives	1st June, 2006
香港(國際財務報告詮釋 委員會) – 詮釋第9號	重估嵌入式衍生工具	二零零六年六月一日
HK(IFRIC) – INT 10	Interim Financial Reporting and Impairment	1st November, 2006
香港(國際財務報告詮釋 委員會) – 詮釋第10號	中期財務報告及減值	二零零六年十一月一日
HK(IFRIC) – INT 11	HKFRS 2 – Group and Treasury Share Transactions	1st March, 2007
香港(國際財務報告詮釋 委員會) – 詮釋第11號	香港財務報告準則第2號 – 集團與庫存股份交易	二零零七年三月一日
HK(IFRIC) – INT 12	Service Concession Arrangements	1st January, 2008
香港(國際財務報告詮釋 委員會) – 詮釋第12號	服務特許權安排	二零零八年一月一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4. 主要會計政策概要

The principal accounting policies adopted are set out below:

所採用之主要會計政策列載於下文:

(a) Basis of consolidation

(a) 綜合基準

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31st March each year.

綜合財務報表包括本公司及其附屬公司每年截至三月三十一日止之財務報表。

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.

於本年度內所收購或出售附屬公司之業績,在列入綜合收益表時乃分別由收購之生效日期起計或計算至出售之生效日期(視乎適用情況而定)。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Subsidiaries

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interests. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. 主要會計政策概要 (續)

(b) 附屬公司

附屬公司為本公司有權影響其財政及營運政策之公司，一般包括擁有其一半以上投票權之持股量。於評估本集團是否擁有另一實體之控制權時，需考慮目前可行使或可轉換投票權之是否存在及其影響。

自控制權轉移予本集團當日起，附屬公司即完全綜合賬目於本集團內。而由控制權終止當日起即不再確認。

本公司收購附屬公司時採用購買會計法。收購成本乃按交換日期所給予資產、所發行股本工具及所引致或承擔負債的公平值，加收購事項直接引致之成本計算。業務合併時所收購之可識別資產及所承擔之負債及或然負債初步以於收購日之公平值計算，而不考慮任何程度之少數股東權益。收購成本超出本集團應佔所收購可識別資產淨值之公平值部份乃記錄為商譽。倘收購成本低於所收購附屬公司資產淨值之公平值部份，該差異則直接於收益表中確認。

集團公司之間的交易、結餘及交易之未變現盈餘乃予對銷。除非該交易提供證據證明所轉移資產出現減值，否則未變現虧損亦予對銷。附屬公司之會計政策已在適當情況下作修訂，以確保與本集團所採納之政策一致。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(b) Subsidiaries *(Continued)*

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

In the Company's balance sheet the investments in subsidiaries are stated at cost less any accumulated impairment losses. The results of subsidiaries are accounted by the Company on the basis of dividends received and receivable.

(c) Associates

Associates are all entities, not being a subsidiary or a jointly controlled entity, over which the Group has significant influence but not control or joint control, over its management, including participation in the financial and operating policy decisions, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. The Group's investments in associates include goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition results is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

4. 主要會計政策概要 (續)

(b) 附屬公司 (續)

少數股東權益指外部股東擁有的應佔附屬公司的業績及資產淨值。

在本公司資產負債表內，對附屬公司的投資以成本值扣除任何累計減值虧損撥備入賬。本公司的附屬公司業績，按已收及應收股息入賬。

(c) 聯營公司

聯營公司指本集團對其有重大影響而非對其管理，（包括參與有關財務及營運決策）擁有或共同擁有控制權但不包括附屬公司或共同控制實體，且一般附帶20%至50%投票權之持股量之所有實體。於聯營公司之投資乃以權益會計法入賬並初步按成本值確認。本集團於聯營公司之投資包括收購時確認之商譽（扣除任何累計減值虧損）。

本集團分佔其聯營公司收購後業績乃於收益表中確認，而其分佔聯營公司收購後之儲備變動乃於儲備中確認。收購後之累積變動就投資之賬面值作調整。當本集團分佔聯營公司虧損等於或超過其佔聯營公司之權益（包括任何其他無抵押應收款項）時，本集團不再確認進一步之虧損，除非本集團代聯營公司承擔負債或支付款項。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***(d) Segment reporting**

A segment is a distinguishable component of the Group that is engaged 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 system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

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. For example, segment assets may include inventories, trade receivables and property, plant and equipment. 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 entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

4. 主要會計政策概要 (續)**(d) 分部報告**

分部是指本集團內可明顯區分的組成部分，其從事提供產品或服務（業務分部），或在一個特定的經濟環境中提供產品或服務（地區分部），並須承擔不同於其他分部的風險和回報。

按照本集團的內部財務報告系統，本集團已就本財務報表選擇以業務分部為報告分部信息的主要形式，而地區分部則是次要的分部報告形式。

分部收入、支出、業績、資產及負債包括直接歸屬某一分部，以及可按合理的基準分配至該分部的項目。例如，分部資產可包括存貨、應收貿易帳項及物業、廠房及設備。分部收入、支出、資產及負債包括須在編製綜合財務報表時抵銷的集團內部往來的餘額和集團內部交易；但同屬一個分部的集團實體之間的集團內部往來的餘額和交易則除外，分部之間的定價按與其他外界人士相若的條款計算。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***(d) Segment reporting** *(Continued)*

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, tax balances, corporate and financing expenses. A discontinued segment is separately presented from continuing segments.

(e) Revenue recognition

Sales of other financial assets at fair value through profit or loss are recognised on a trade-date basis.

Rental income is recognised on a straight line basis over the term of the relevant lease.

When the renovation services are provided and the outcome of the renovation project can be estimated reliably, renovation service income is recognised on the percentage of completion method measured by reference to the value of work carried out during the year. When the outcome of a renovation project cannot be measured reliably, revenue is recognised only to the extent of the project costs incurred that it is probable will be recoverable.

Sales of building materials are recognised when they are delivered and title has passed.

4. 主要會計政策概要 (續)**(d) 分部報告 (續)**

分部資本開支是指在年內購入預計可於超過一個會計期間使用的分部資產（包括有形和無形資產）所產生的成本總額。

未能分配至分部的項目主要包括財政及企業資產、有息貸款、借貸、稅項、企業和融資支出。已終止業務部份與持續業務部份已分別呈列。

(e) 收入之確認

出售按公平值計入損益之其他金融資產乃按交易日期基準確認。

租金收入乃於有關租約期內以直線法確認。

倘裝修服務已提供，且裝修項目之結果能夠可靠估計，則按完成百分比法，參考年內所進行工程價值，確認裝修服務之收入。倘裝修項目之結果不能可靠地量度，則僅按可能收回之項目成本確認。

出售建築材料所得收入乃於其付運及所有權轉移時確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***(e) Revenue recognition** *(Continued)*

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised either as cash is collected or on a cost-recovery basis as conditions warrant.

Dividend income from investments is recognised when the Group's rights to receive payment have been established prior to the balance sheet date.

(f) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property.

Investment property comprises land held under operating leases and buildings held under finance leases.

Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

4. 主要會計政策概要 (續)**(e) 收入之確認 (續)**

利息收入採用實際利息法按時間比例基準確認。倘一項應收款項出現減值，本集團會將賬面值減至其按工具之原定實際利率之估計未來折現現金流量而設定之可收回金額，並繼續解除貼現作為利息收入。減值貸款之利息收入於收取現金或收回成本基準情況時予以確認。

投資之股息收入乃於本集團收取款項之權利已於結算日前確立時確認。

(f) 投資物業

持有長期租賃或資本增值或上述兩種目的及並非由綜合本集團旗下公司佔用的物業，則入賬列作投資物業。

投資物業包括根據經營租賃的土地及根據融資租賃持有的樓宇。

倘根據經營租賃持有的土地符合投資物業的其他定義，則分類及入賬列作投資物業。有關經營租賃亦作為融資租賃處理。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Investment properties (Continued)

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are performed in accordance with the guidance issued by the international Valuation Standards Committee. These valuations are reviewed annually by external valuers. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of land classified as investment property, others, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

4. 主要會計政策概要 (續)

(f) 投資物業 (續)

投資物業最初按成本入賬，包括相關交易成本。經初步確認後，投資物業按公平值入賬。公平值乃以活躍市價為基礎，於必要時就特定資產之性質、地點或狀況之任何差異作出調整。若未能獲得此等資料，本集團便採用如較不活躍市場之近期價格或折現現金流量預測等其他估值方法。該等估值乃根據國際估值準則委員會頒佈之指引而進行。該等估值每年由外部估值師進行審核。正重新發展並擬繼續作為投資物業持有或其所處市場不再活躍之投資物業，仍按公平值計量。

投資物業之公平值反映（其中包括）現時租賃之租金收入及鑑於現時市況假設可自日後租賃取得之租金收入。

按類似基準，公平值同時反映有關物業之任何預期現金流出。此等現金流出部份確認為一項負債，包括列為投資物業之土地相關之融資租賃負債；其餘現金流出（包括或有租賃付款）則不在財務報表內確認。

後續支出僅於該項目之未來經濟利益可能流入本集團且該項目之成本能可靠地計量時，才可於該項資產之賬面價值中扣除。所有其他維修及保養成本於其產生之財政期間之收益表內支銷。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***(f) Investment properties** *(Continued)*

Changes in fair values are recognised in the income statement.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes. Property that is being constructed or developed for future use as investment property is classified as property, plant and equipment and stated at cost until construction or development is complete, at which time it is reclassified and subsequently accounted for as investment property.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under HKAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the income statement.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss arising from the retirement or disposal of investment property, calculated as the difference between the net disposal proceeds and the carrying amount of the investment property, is recognised in the income statement in the period of the retirement or disposal.

4. 主要會計政策概要 (續)**(f) 投資物業 (續)**

公平值之變動於收益表內確認。

倘投資物業轉作自用，該物業將重新分類為物業、機器及設備，以重新分類日之公平值為成本列賬。建設中或發展中以供未來用作投資物業之物業，列作物業、廠房及設備，並以成本列賬，直至建設或發展工作完成，將重新分類為投資物業，其後按此入賬。

若物業、廠房及設備下之某個項目因用途有所更改而變為投資物業，於轉撥日期此項目之賬面值與公平值兩者之任何差額將根據香港會計準則第16號在權益內確認為物業、廠房及設備重估。然而，若公平值收益轉回過往之減值虧損，有關收益將在收益表內確認。

投資物業於出售，或當投資物業永久地撤銷用途以及預期有關出售將不會產生經濟利益時，方會不予以確認。投資物業之報廢或出售產生之盈虧，以出售所得款項淨額與投資物業兩者的差額計算，於報廢或出售之期間於收益表中確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and amortisation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.

Depreciation and amortisation are provided to write off the cost of other property, plant and equipment to their residual values (if there are any) over their estimated useful lives, using the straight-line method, at the following rates per annum:

Leasehold land	Over the term of the lease
Leasehold buildings	2% to 4% or over the term of the lease, if shorter
Leasehold improvements	10% to 15% or over the term of the lease, if shorter
Others	10% to 30%

The assets' residual values (if any) and useful lives are reviewed, and adjusted if appropriate at each balance sheet date. An item of fixed asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the item, is included in the income statement in the period the item is derecognised.

4. 主要會計政策概要 (續)

(g) 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及攤銷及任何累計減值虧損列賬。歷史成本包括收購該等項目直接應佔的開支。成本可包括自股本權益中轉撥有關以外幣購買物業、機器及設備的合資格現金流量對沖所產生的任何收益／虧損。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，才包括在資產的賬面值或確認為獨立資產（按適用）。所有其他維修及保養在產生的財政期間內於收益表支銷。

其他物業、廠房及設備之折舊及攤銷乃按其估計可用年期計算，以直線法撇銷其成本至其殘值（如有），所採用之年率如下：

租賃土地	按租約期
租賃樓宇	2%至4%或按租約年期（倘為較短）
租賃物業裝修	10%至15%或按租約年期（倘為較短）
其他	10%至30%

資產的剩餘價值（如有）及可使用年期在每個結算日進行檢討，及在適當時調整。物業、廠房及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時不再確認。於不再確認該資產時產生之任何收益或虧損（以出售所得款項淨額與該項目之賬面值之差額計算）乃計入於該項目不再確認年度之收益表內。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Property, plant and equipment (Continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(h) Investments

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

4. 主要會計政策概要 (續)

(g) 物業、廠房及設備 (續)

若資產的賬面值高於其估計可收回價值，其賬面值即時撇減至可收回金額。

(h) 投資

本集團將其投資分為以下類別：按公平值計入損益之金融資產、貸款及應收賬項及可出售金融資產。分類視乎購入投資之目的而定。管理層於初步確認時決定其投資分類，並於每個報告日期重新評估該分類。

(i) 按公平值計入損益之金融資產

此類別可細分為兩個類別：分別是持作買賣及最初已指定按公平值計入損益之金融資產。如所收購的金融資產主要是為了在短期內出售，或須按管理層指定，則劃分為此類別。衍生工具亦會被劃分為持作買賣，被指定為對沖項目者則屬例外。若此類別的資產為持作買賣用途，或預期於結算日起計的十二個月內變現，則劃分為流動資產。

(ii) 貸款及應收賬項

貸款及應收賬項設有固定或可確定付款金額，以及不會在活躍市場上市的非衍生金融資產。此等資產在本集團直接向欠債人提供金錢、貨品或服務，而無計劃買賣該等應收款的情況下產生。此等項目已計入流動資產之內，但由資產負債表結算日起計十二個月後方到期的項目則劃分為非流動資產。貸款及應收賬項計入資產負債表之應收貿易及其他賬項。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Investments (Continued)

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains or losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

4. 主要會計政策概要 (續)

(h) 投資 (續)

(iii) 可出售金融資產

可出售金融資產為非衍生項目，被指定為此類別或並無分類為任何其他類別。除非管理層計劃於結算日起計十二個月內出售有關投資，否則可出售金融資產將計入非流動資產內。

投資項目的收購及出售，均於交易日（即本集團承諾收購或出售該資產當日）確認。投資項目初步按公平值確認，並列出所有非按公平值計入損益之金融資產之交易成本。當本集團從該等投資項目收取現金流量的權利已到期或已被轉讓，或本集團已大致上將擁有權的所有風險和回報轉移，則會註銷該等投資項目。可出售金融資產和按公平值計入損益之金融資產其後按公平值列賬。貸款及應收款項和持有至期末的投資均以實際利率法按經攤銷成本列賬。「按公平值計入損益之金融資產」之公平值變動所產生的已變現及未變現收益及虧損均於產生期內列入收益表。歸類為可出售之非貨幣性證券之公平值有變而產生之未變現盈虧在權益中確認。倘歸類為可出售之證券遭售出或減值，累計公平值調整則於收益表中作為投資證券盈虧入賬。

報價投資項目的公平值乃根據當期的買賣計算。當個別金融資產的交易市場並不活躍（以及非上市證券），本集團採用評估技巧建立公平值，包括參考最新的市場交易，其他實質上相同之工具，現金流現值分析，以及按發行者個別情況而調整之期權定價模型。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Investments (Continued)

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(i) Impairment of assets

(i) Impairment of investments in debt and equity securities and other receivables

Investment in debt and equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exists, any impairment loss is determined and recognised as follows:

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities are not reversed.

4. 主要會計政策概要 (續)

(h) 投資 (續)

本集團將於每年結算日評估金融資產或一組金融資產有無出現減值的客觀證據。就分類為可出售金融資產的股本證券而言，在決定有關證券有否減值時，會考慮該證券之公平值有否大幅或長期下跌至低於其成本；倘有任何此等證據，累計之虧損（按收購成本與當前公平值之間之差異，減過往曾於收入報表中確認的任何減值虧損計量）會從權益中的投資重估儲備扣除並計入收益表。收益表中有關權益性工具之減值虧損不可在收益表中撥回。

(i) 資產減值

(i) 債務及股本證券投資及其他應收款項減值

本集團在每個結算日審閱按成本或攤銷成本或歸類為可供出售證券入賬的債務及股本證券投資和其他流動與非流動應收款項，以確定是否有客觀減值證據。如有任何此類證據存在，則會釐定任何減值虧損並按以下方式確認：

- 就以成本列賬的非掛牌股本證券而言，減值虧損是以財務資產的賬面值與以同類財務資產的當時市場回報率折現（倘折現會造成重大影響）的預計未來現金流量之間的差額計量。倘流動應收款項的減值虧損在其後期間減少，則會予以轉回。股本證券的減值虧損不予轉回。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(i) Impairment of assets *(Continued)*

(i) Impairment of investments in debt and equity securities and other receivables *(Continued)*

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest are computed at initial recognition of these assets), where the effect of discounting is material.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

4. 主要會計政策概要 (續)

(i) 資產減值 (續)

(i) 債務及股本證券投資及其他應收款項減值 (續)

- 就以攤銷成本列賬的貿易及其他流動應收款項及其他財務資產而言，減值虧損是以資產的賬面值與其初始實際利率（即在初步確認有關資產時計算的實際利率）折現的預計未來現金流量現值之間的差額計量。

倘減值虧損在其後期間減少，且客觀上與減值虧損確認後發生的事件有關，則減值虧損會透過損益表轉回。減值虧損的轉回不應使資產的賬面值超過其在以往年度沒有確認任何減值虧損而應已釐定的數額。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(i) Impairment of investments in debt and equity securities and other receivables (Continued)

- For available-for-sale securities, the cumulative loss that has been recognised directly in equity is removed from equity and is recognised in profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised directly in equity.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

4. 主要會計政策概要 (續)

(i) 資產減值 (續)

(i) 債務及股本證券投資及其他應收款項減值 (續)

- 就可供出售證券而言，已直接在權益中確認的累計虧損會從權益中轉出，並在損益賬中確認。在損益賬中確認的累計虧損是以收購成本（扣除任何本金償還和攤銷額）與當時公平價值之間的差額，並減去以往就該資產在損益賬中確認的任何減值虧損後計算。

可供出售權益證券已在損益賬中確認的減值虧損不會通過損益賬轉回。這些資產公平價值其後的任何增額會直接在權益中投資重估儲備內確認。

若其後公平價值增加可被客觀地認為與確認該減值虧損後所發生的事件有關，則會撥回可供出售債務證券之減值虧損。該等情況下撥回之減值虧損會於收支表內確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indicators that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- pre-paid interests in leasehold land classified as being held under an operating lease;
- intangible assets;
- investments in subsidiaries, associates and joint ventures (except for those classified as held for sale or included in a disposal group that is classified as held for sale); and
- goodwill.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

4. 主要會計政策概要 (續)

(i) 資產減值 (續)

(ii) 其它資產減值

於每個結算日均會審核內部及外部資料，以識別下列資產是否可能出現減值跡象或（商譽除外）之前已確認的減值虧損是否不再存在或已減少：

- 物業、廠房及設備（按重估價值列賬的物業除外）；
- 歸類為按經營租賃持有的租賃土地的預付權益；
- 無形資產；
- 於附屬公司、聯營公司及合資公司的投資（除歸類為持有作出售用途或包括在歸類為持有作出售用途之出售項目）；及
- 商譽。

如果發現有減值跡象，則會估計該資產的可收回數額。此外，就商譽、尚未可供使用之無形資產及具有無限可使用年期之無形資產而言，須每年估計可收回金額，以確定是否存在任何減值跡象。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

– 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 time value of money and the risks specific to the asset. Where an asset does not generate cash flows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. cash-generated unit).

– Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generated units (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

4. 主要會計政策概要 (續)

(i) 資產減值 (續)

(ii) 其它資產減值 (續)

– 計算可收回數額

資產的可收回數額以其銷售淨價和使用價值兩者中的較高數額為準。在評估使用價值時，會使用除稅前折讓率將估計未來現金流量折讓至現值。該折讓率應是反映市場當時所評估的貨幣時間價值和該資產的獨有風險。如果資產並不獨立於其他資產產生大量現金流入，則以資產所屬的可獨立產生現金流入的最小組別資產（即現金產生單位）來釐定可收回數額。

– 確認減值虧損

倘資產或其所屬現金產生單位的賬面值超過其可收回數額，則減值虧損於損益表確認。就現金產生單位確認的減值虧損首先劃分至減少該單位（或一組單位）資產的賬面值，惟資產的賬面值不會減少至低於其個別公平價值減出售成本或使用價值（倘能釐定）。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(i) Impairment of assets *(Continued)*

(ii) Impairment of other assets *(Continued)*

– *Reversals of impairment losses*

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(j) Inventories

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost includes the acquisition cost, architect's fees and other direct costs attributable to such properties.

Other inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

4. 主要會計政策概要 (續)

(i) 資產減值 (續)

(ii) 其它資產減值 (續)

– *減值虧損轉回*

就商譽以外之資產而言，倘用以釐定可收回數額的估計出現有利轉變，則轉回減值虧損。商譽減值虧損概不轉回。

減值虧損的轉回僅限於資產的賬面值（在以往年度內並無確認任何減值虧損的情況下原應釐定者）。減值虧損的轉回在確認轉回的年度內撥入損益表內處理。

(j) 存貨

持作出售物業

持作出售物業乃按成本及可變現淨值之較低者列賬。成本包括收購成本、建築設計費及其他涉及有關物業之直接成本。

其他存貨

存貨乃以成本及可變現淨值兩者中較低者列賬。成本以先入先出法計算。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Trade and other receivables

Trade and other receivables are initially measured at fair value and, after initial recognition, at amortised cost less any impairment losses for bad and doubtful debts, except for the following receivables:

- Interest-free loans made to related parties without any fixed repayment terms or the effect of discounting being immaterial, that are measured at cost less any impairment losses for bad and doubtful debts, and
- Short term receivables with no stated interest rate and the effect of discounting being immaterial, that are measured at their original invoiced amount less any impairment losses for bad and doubtful debts.

(l) Convertible notes

The fair value of the liability portion of a convertible note is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the notes. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity.

Convertible notes are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Convertible notes which are due before balance sheet date are reclassified as current liabilities included in other payables.

4. 主要會計政策概要 (續)

(k) 應收貿易及其他賬項

應收貿易及其他賬項初步按公平值確認入賬，於初步確認後，則按攤銷成本減去任何呆壞賬減值虧損列賬，惟倘應收款項為：

- 向關連人士提供並無任何固定還款期的免息貸款或其貼現影響並不重大，則應收款項須按成本減呆壞賬減值虧損列賬。
- 短期應收賬款而免息貸款或其貼現影響並不重大，則應收款項須按其原來發票值減去任何呆壞賬減值虧損列賬。

(l) 可換股票據

可換股票據負債部分之公平值是利用不可換股票據等值項目之市場利率釐定。該金額按已攤銷成本基準入賬列為負債，直至在兌換票據或票據到期時註銷為止。所得款項餘額會分配至購股權，於股東權益內確認入賬。

除非本集團可無條件將償還負債日期延遲至結算日後最少十二個月，否則可換股票據歸類為流動負債。

於結算日前到期之可換股票據重新分類為流動負債，計入其他應付賬項。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Leases

Operating lease (both as the lessee or the lessor)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Where the Group is the lessee, payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the period of the lease. Where the Group is the lessor, assets leased by the Group under operating leases are included in non current assets and rentals receivable under the operating leases are credited to the income statement in a straight line basis over the lease period.

(n) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in HK dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

4. 主要會計政策概要 (續)

(m) 租約

經營租約 (本集團為承租人及出租人)

經營租賃是指擁有資產之風險及回報實質上由出租公司保留之租賃。本集團為承租人，(扣除自出租人收取之任何獎勵金後)，於租賃期內以直線法在收入報表中支銷。本集團為出租人，當本集團按經營租賃資產時，該等資產會列入非流動資產及應收租金內，並按經營租賃出租資產產生的收入於租賃期內以直線法予以確認。

(n) 外幣

(i) 功能及呈列貨幣

本集團各實體之財務報表所包含之項目均以該實體營運所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以港幣呈列，為本公司之功能及呈列貨幣。

(ii) 交易及結餘

外幣交易均按交易當日之匯率換算為功能貨幣。於該等交易結算時及按年終匯率換算外幣定值之貨幣資產和負債結算時產生之外匯收益及虧損均於收益表中確認，惟於權益中遞延作為合資格現金流量對沖及合資格淨投資對沖者除外。

非貨幣性項目如於收益表按公平價值持有之權益工具之匯兌差額，則列報為公平價值收益或虧損之一部分。歸類為可供出售金融資產之股本證券等非貨幣性項目之匯兌差額，則計入權益之公平價值儲備。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Foreign currencies (Continued)

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

4. 主要會計政策概要 (續)

(n) 外幣 (續)

(iii) 集團公司

其功能貨幣與本公司之呈列貨幣有所不同之所有集團實體(各實體均無惡性通脹經濟地區之貨幣)之業績及財務狀況均換算為本公司之呈列貨幣如下:

- (i) 每份呈列之資產負債表之資產與負債均以該資產負債表之結算日之收市匯率換算;
- (ii) 每份收益表之收入及開支按平均匯率換算(除非該平均值並非於交易日通行之匯率累計影響之合理近似值,在此情況下收入及開支乃於交易日換算);及
- (iii) 所有產生之兌換差異均確認為權益之一個分項。

於綜合賬目時,換算境外實體投資淨值,以及借款及指定作為該等投資之對沖之其他貨幣工具時產生之匯兌差額乃列入股東權益內。當出售境外業務時,該等匯兌差額於收益表中確認為出售收益或虧損之一部分。

購入外國企業所產生的商譽及公平值調整,乃作為該外國公司的資產及負債處理,並按收市匯率折算。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(o) Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

4. 主要會計政策概要 (續)

(o) 所得稅

所得稅包括現時應付稅項及遞延稅項。所得稅計入在收入報表或股本權益內，惟於遞延稅項在相同或不同期間內直接在股本權益中計入。

遞延稅項乃採用負債法，就資產及負債的評稅基準與其在賬目中的賬面值引起的暫時差異作出全數準備。然而，倘遞延所得稅乃因初始確認一項非業務合併的交易中的資產或負債而產生，而在進行交易時並無影響會計或應課稅溢利或虧損，則不予計算。遞延稅項應用的稅率釐定乃採用在資產負債表結算日前已頒佈或實質頒佈，且預期於相關遞延所得稅資產變現或遞延所得稅負債清還。

遞延稅項資產乃於可能出現暫時性差額以抵銷未來應課稅溢利時確認。

遞延稅項負債乃按於附屬公司、聯營公司共同控制實體之投資所產生暫時差額計提撥備，惟若本集團可控制撥回暫時差額之時間及暫時差額有可能於可見將來不會撥回之情況除外。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee benefits

(i) Retirement benefit costs

Payments to defined contribution plans under the mandatory provident fund scheme, the ORSO scheme and state-managed retirement benefits scheme are charged as expenses as they fall due.

(ii) Share-based compensation

The Group operates share options scheme where employees (and including directors) are granted options to acquire shares of the Company at specified exercise prices. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

4. 主要會計政策概要 (續)

(p) 員工福利

(i) 退休福利計劃

向強制性公積金計劃、職業退休計劃及中國國家管理之退休福利計劃之定額供款於到期支付時列為開支。

(ii) 以股份為基礎之獎勵計劃

本集團設有購股權計劃。於計劃下，員工（包括董事）獲贈購股權於指定行使價購買公司股份。僱員所提供服務換取獲授認股權之公平值，列為開支。於歸屬期間支銷之總額參照所授出購股權之公平值釐定，並無計及任何非市場歸屬狀況（例如，盈利能力及銷售增長目標）之影響。非市場歸屬條件包括假設於預期可歸屬之購股權數目。於各結算日，各實體均會修改其估計預期可歸屬之購股權之數目。修改原來估計數字如有影響，則於損益賬內確認，以及對股本作相應調整。

當購股權獲行使時，已收取所得款項（扣除任何直接應佔交易成本）均列入股本（面值）及股份溢價中。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***(q) Construction contracts**

When the outcome of a construction contract can be estimated reliably, contract costs are charged to the income statement by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the proportion that costs incurred to date bear to estimated total costs for the contract.

When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as an amount due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as an amount due to customers for contract work. Amounts received before the related work is performed are included in the balance sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the balance sheet under trade and other receivables.

4. 主要會計政策概要 (續)**(q) 工程合約**

當工程合約之結果可以可靠估計時，合約成本乃參考於結算日之合約活動完成階段在收益表扣除，而有關成本乃按至今所產生成本佔該合約之估計總成本之比例計算。

倘工程合約之結果不能可靠估計時，合約成本乃於產生期間確認為支出。

倘合約總成本可能會超過合約總收益，則預期虧損會即時確認為支出。

倘至今產生之合約成本加已確認溢利減已確認虧損乃超過按進度付款，則超額部分會列為應收合約工程客戶款項。就按進度付款超出至今所產生合約成本加已確認溢利減已確認虧損之合約而言，超出部分乃列作應付合約工程客戶款項。於有關工程進行前已收款項會計入資產負債表以已收墊款呈列為負債。已進行工程之已發票但未由客戶支付款項，乃計入資產負債表列為應收貿易及其他賬項。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(r) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

(s) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

4. 主要會計政策概要 (續)

(r) 借貸成本

因收購、建造或生產須長時間方可作擬定用途或銷售之未完成資產而直接產生之借貸均撥充資本，作為該等資產之部份成本，惟該等借貸成本於資產可大致作擬定用途或銷售時不再撥充資本。擬用作支付未完成資產開支之特定借貸之臨時投資收入則自撥充資本之借貸成本扣除。

(s) 已發出財務擔保合約、撥備及或然負債

(i) 已發出財務擔保合約

財務擔保合約指發出人（即擔保人）須由於個別債務人未有根據債務文據條款於到期時支付款項，而作出指定付款以償付擔保受益人（「持有人」）所產生虧損之合約。

於集團發出財務擔保之情況下，擔保之公平值（即交易價，除非公平值可以其他方法可靠計量）初步確認為應付賬款及其他應付款項之遞延收入。倘就發出擔保而收取應收代價，則該代價乃根據集團適用於該類資產之政策予以確認。倘並無收取或應收代價，則於初步確認任何遞延收入時確認為即時支出。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Financial guarantees issued, provisions and contingent liabilities (Continued)

(i) Financial guarantees issued (Continued)

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 4(s)(iii) if and when (1) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (2) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Contingent liabilities acquired in business combinations

Contingent liabilities acquired as part of a business combination are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 4(s)(iii). Contingent liabilities acquired in a business combination that cannot be reliably fair valued are disclosed in accordance with note 4(s)(iii).

4. 主要會計政策概要 (續)

(s) 已發出財務擔保合約、撥備及或然負債 (續)

(i) 已發出財務擔保合約 (續)

最初確認為遞延收入的擔保會於擔保期內在損益表攤銷，作為提供財務擔保的收入。此外，倘(1)擔保持有人有可能省視擔保下的集團；及(2)該集團的申索款額預期超過現時列於該擔保的應付貿易賬款及其他應付賬款（即最初確認的金額），減累計攤銷，則撥備根據附註4(s)(iii)確認。

(ii) 於業務合併中獲得之或然負債

在業務合併中獲得之或然負債，只要能可靠計量公平值，最初即以公平值確認。按公平值初步確認後，該等或然負債按最初確認數額扣除累計攤銷（如適用）後的數額，與根據下文附註4(s)(iii)所釐定的數額兩者的較高者確認。在業務合併中獲得但不能可靠計算公平值之或然負債，按下文附註4(s)(iii)披露。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Financial guarantees issued, provisions and contingent liabilities (Continued)

(iii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company 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 expenditure expected to settle the obligation.

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.

(t) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within bank and other borrowings in current liabilities on the balance sheet.

4. 主要會計政策概要 (續)

(s) 已發出財務擔保合約、撥備及或然負債 (續)

(iii) 其他撥備及或然負債

倘若本集團或本公司須就已發生之事件承擔法律或義務，而履行該義務預期會導致含有經濟效益之資源外流，並可作出可靠估計，便會就該時間或數額不定之負債計提準備。如果貨幣時間價值重大，則按預計履行義務所需開支之現值計列準備。

倘若含有經濟效益之資源外流之可能性較低，或是無法對有關款額作出可靠估計，便會將該義務披露為或有負債；但假如這類資源外流之可能性極低則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否的潛在義務，亦會披露為或有負債；但假如這類資源外流之可能性極低則除外。

(t) 現金及現金等額項目

現金及現金等額項目包括手頭現金、銀行通知存款、原訂期限三個月或以下的易於變現的短期投資，及銀行透支。銀行透支於資產負債表的流動負債下列作銀行及其他借款。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Trade and other payables

Trade and other payables are initially measured at fair value and, after initial recognition, at amortised cost, except for the following payables:

- short-term payables with no stated interest rate and the effect of discounting being immaterial, that are measured at their original invoiced amount.
- interest free loans from related parties without any fixed repayment terms or the effect of discounting being immaterial, that are measured at cost.

(v) Bank and other borrowings

Bank and other borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Bank and other borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Bank and other borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

4. 主要會計政策概要 (續)

(u) 應付貿易及其他賬項

應付貿易及其他款項初步以公平值計算，其後按攤銷成本計算，惟以下應付賬款除外：

- 短期應付賬款而免息貸款或其貼現影響並不重大，則應付款項須按其原來發票值列賬。
- 由關連人士提供並無任何固定還款期的免息貸款或其貼現影響並不重大，則應付款項須按成本列賬。

(v) 銀行借貸及其他借貸

銀行及其他借貸初步以公平值確認（扣除所產生的交易成本）。交易成本為財務資產或財務負債直接應佔的增加成本，包括向代理商、顧問、經紀及交易商支付的費用及佣金、監管代理機構及證券交易所徵收的款項，以及過戶登記稅項及稅款。銀行及其他借貸其後以攤銷成本列賬；所得款項（扣除交易成本）及贖回價值之任何差額，以實際利率法於借貸期間在收益表予以確認。

除非本集團有無條件權利將償還負債的期限延至結算日起計最少12個月後，否則借貸均列作流動負債。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***(w) Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity share capital (Treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes,) is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(x) Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. It also occurs when the operation is abandoned.

4. 主要會計政策概要 (續)**(w) 股本**

普通股被列為權益。

直接歸屬於發行新股或購股權之新增成本(除稅後)在權益中列為所得款之扣減。

倘任何集團公司購買本公司之權益股本(庫存股份),所支付之代價(包括任何增加之直接應佔成本(扣除所得稅))從本公司權益持有人應佔之權益中扣除,直至股份被註銷、重新發行或出售為止。倘有關股份其後被出售或重新發行,則任何所收取之代價(扣除任何增加之直接應佔交易成本及有關所得稅影響)計入本公司權益持有人應佔之權益。

(x) 已終止業務

已終止業務為本集團業務之一部份,其經營及現金流量可與本集團其他業務清楚區分,而其為一獨立主要業務或地區業務,或作為個別統籌計劃之一部份出售一項獨立主要業務或地區業務,或收購一家專門用作轉售的附屬公司。

當業務被出售或持有待售時,以較早出現者為準,即被歸類為已終止業務。當業務被放棄時亦歸類為已終止業務。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Discontinued operation (Continued)

Where an operation is classified as discontinued, a single amount is presented on the face of the income statement, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

(y) Related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group.

4. 主要會計政策概要 (續)

(x) 已終止業務 (續)

倘業務被歸類為已終止經營，一項單一數額會在綜合收益表面頁呈列，該金額包括：

- 已終止業務之除稅後損益；及
- 被確認之除稅後損益按公平值減銷售成本，或按出售已終止業務的資產或出售組別的出售成本計量。

(y) 關連人士

如果本集團能夠直接或間接控制另一方或可以對另一方的財務和經營決策有重大影響，或另一方能夠直接或間接控制本集團或對本集團的財務和經營決策有重大影響，或本集團與另一方同時受到第三方的控制或有重大影響，有關的另一方即視為本集團的關連人士。關連人士可以是個人（即關鍵管理人員、重要股東及／或與他們關係密切的家族成員）或其他實體，並且包括受到本集團屬於個人身份的關連人士重大影響的實體，以及為本集團或作為本集團關連人士的任何實體的僱員福利而設的離職後福利計劃。

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and price risk), credit risk, liquidity risk and cash flow interest-rate risk. The Group's risk management objectives and policies mainly focus on minimizing the potential adverse effects of these risks on the Group by closely monitoring the individual exposure as follows:

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk is the risk of loss due to adverse movements in foreign exchange rates relating to investments denominated in foreign currencies. The Group's assets and liabilities are primarily denominated in Hong Kong dollars. When seeking to optimise the returns on its funds available for investment, the Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

(ii) Price risk

The Group is exposed to equity securities price risk because investments held by the Group are classified on the consolidated balance sheet either as available-for-sale financial assets or as financial assets at fair value through profit or loss. As the Group's policy is only to invest on such investments by its surplus funds, the exposure may not have significant impact on the Group's financial position. The Group is not exposed to commodity price risk.

5. 財務風險管理目標及政策

財務風險因素

本集團之業務面對多種財務風險：市場風險（包括貨幣風險及價格風險）、信貸風險、流動資金風險及現金流量利率風險。本集團風險管理目標及政策集中於透過密切監控以下之個別風險，以減低此等風險對本集團之潛在不利影響：

(a) 市場風險

(i) 外匯風險

外匯風險指因以外幣為貨幣單位之投資之相關匯率出現不利變動而須承受之虧損風險。本集團之資產與負債主要以港元為貨幣單位。倘若欲使其可投資資金之回報達致最高，本集團會於外國業務作出若干投資，外國業務之資產淨值須承受外幣換算風險。

(ii) 價格風險

由於本集團持有之投資於綜合資產負債表內被分類為可出售金融資產或按公平值計入損益之金融資產，故本集團須面對股本證券價格風險。由於集團政策只會以盈餘資金作投資，其價格風險對集團之財務情況並未構成重大影響。本集團無涉及商品價格風險。

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Financial risk factors (Continued)

(b) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that sales of products are made and services are provided to customers with an appropriate credit history. The customer with sound payment history would accumulate a higher credit limit.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding by keeping committed credit lines available and sufficient bank deposits to meet short term cash requirements.

(d) Cash flow interest rate risk

The Group's interest-rate risk arises from bank and other borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest-rate risk. The Group's borrowings are based on Prime interest rates. Details of the Group's borrowings are set out in note 25 to the financial statements. Bank deposits are primarily short term in nature. In order to manage the cash flow interest rate risk, the Group will repay the corresponding borrowing when it has surplus funds.

5. 財務風險管理目標及政策 (續)

財務風險因素 (續)

(b) 信貸風險

本集團並無高度集中之信貸風險。本集團制訂本身之政策，以確保向擁有恰當信貸記錄之客戶銷售產品及提供服務。擁有良好還款記錄之客戶可累積更高之信貸額度。

(c) 流動性風險

審慎之流動資金風險管理意味著維持充裕現金及有價證券，透過充足之已承諾信貸融資金額提供資金及有能力平市場倉盤。本集團旨在透過維持可供動用之已承諾信貸額，以保持資金之靈活性，並具備充裕之銀行存款，以應付短期現金需要。

(d) 現金流量利率風險

本集團之利率風險由銀行及其他借款及可換股票據產生。按可變利率獲得之借款使本集團須面對現金量利率風險。本集團借款以優惠利率計息。本集團之借款詳情載於附註25。銀行存款主要屬短期性質。為控制現金流量利率風險，本集團將在有盈餘資金的情況下償還相應借款。

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) *Estimate of fair value of unlisted securities*

Certain unlisted securities included in available-for-sale financial assets are stated at cost at the balance sheet date as the Group determines the fair value of such assets closely approximates to the cost. For the unlisted securities valued at fair value, the Group uses the discounted cashflows valuation method and makes assumptions that are based on market conditions existing at each balance sheet date for the determination of the fair value.

(ii) *Impairment losses on trade and other receivables*

The Group assesses impairment losses on trade and other receivables based upon evaluation of the recoverability of the trade and other receivables at each balance sheet date. The estimates are based on the ageing of the trade and other receivables and the historical write-off experience, net of recoveries. If the financial condition of the debtors were to deteriorate, additional impairment may be required.

6. 關鍵會計估計及判斷

本集團經常評估所作之估計及判斷，並以過往經驗及其他因素（包括相信日後在若干情況下發生事件之合理預期）為依據。

(a) 關鍵會計估計及假設

本集團就未來發展作出估計及假設。該等會計估計，很少與有關實際結果相同。有關附帶風險足以導致須於下一財政年度就資產及負債賬面值作出重大調整之估計及假設在下文論述。

(i) *非上市證券公平值之估計*

因本集團釐定該等資產之公平值接近成本，因此若干非上市證券計入可出售金融資產及按公平值列賬項目下，並於結算日按成本列賬。就以公平值計算之未上市證券而言，本集團採用折現現金流量估值法及基於各結算日市場狀況之假設而釐定公平價值。

(ii) *應收貿易及其他賬項之減值虧損*

本集團於各結算日根據應收貿易及其他賬項之可收回金額評估應收貿易及其他賬項之減值虧損。該等估計乃根據應收貿易及其他賬項之賬齡及過往撇銷之經驗經扣除可收回金額後所得。倘債務人之財務狀況惡化，則可能需要額外計提減值。

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

(a) Critical accounting estimates and assumptions
(Continued)

(iii) Impairment of property, plant and equipment

Property, plant and equipment are tested for impairment if there is any indication that the carrying value of these assets may not be recoverable and the assets are subject to an impairment loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the relevant cash-generating unit and a suitable discount rate is used in order to calculate the present value.

(iv) Estimate of fair value of investment properties

The best evidence of fair value is current prices in an active market for similar lease and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the Group considers information from a variety of sources including:

- (i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences.
- (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

6. 關鍵會計估計及判斷 (續)

(a) 關鍵會計估計及假設 (續)

(iii) 物業、廠房及設備之減值

倘有任何跡象顯示該等資產之賬面價值可能無法收回及該等資產出現減值虧損，則須對物業、廠房及設備進行減值測試。可收回金額為資產之公平值減銷售成本與使用價值兩者之較高者。計算使用價值要求本集團估計有關現金產生單位預期產生之日後現金流量及用於計算現值之適當折現率。

(iv) 投資物業公平值之估算

公平值之最佳憑證為同類租約及其他合約於活躍市場之最新價格。倘缺乏此方面資料，本集團按合理公平值估計範圍釐定有關金額。在作出判斷時，本集團考慮多方面資料，其中包括：

- (i) 不同性質、狀況或地點（或受不同租約或其他合約規限）物業當時在活躍市場之最新價格（須就各項差異作出調整）。
- (ii) 活躍程度稍遜之市場所提供同類物業最近期價格（須按自有關價格成交當日以來經濟狀況出現之任何變化作出調整）。

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Critical judgements in applying the entity's accounting policies

Distinction between investment properties and owner-occupied properties

The Group determines whether a property qualifies as investment property. In making its judgement, the Group considers whether the property generates cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process.

7. SEGMENTAL INFORMATION

Business segments

For management purpose, the Group is currently organised into four major operating divisions – securities trading and investment, trading of building materials and renovation services, property development and sales and property rental. In 2007, the operation of toll highway was excluded by deconsolidation of a group of subsidiaries holding the relevant assets.

These divisions are the basis on which the Group reports its primary segment information.

6. 關鍵會計估計及判斷 (續)

(b) 應用實體政策之關鍵判斷

投資物業與自用物業之區別

本集團自行釐定物業是否符合列作投資物業的資格。在作出有關判斷時，本集團須考慮該物業是否在不受企業所持其他資產影響下提供現金流量。業主自用物業所提供之現金流量不僅來自物業本身，亦同時來自生產或供應過程所使用之其他資產。

7. 分類資料

業務分類

就管理而言，本集團現時分為四個主要營運部門－證券買賣及投資、建築材料貿易及裝修服務、物業發展及銷售及物業租賃。於二零零七年，一組持有收費公路營運資產之附屬公司，不再綜合入賬。

本集團按該等部門申報主要分類資料。

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For the year ended 31st March, 2007

財務報表附註

截至二零零七年三月三十一日止年度

7. SEGMENTAL INFORMATION (Continued)

Business segments (Continued)

An analysis of the Group's turnover, contribution to operating results and segment assets and liabilities by business segments is presented as follows:

2007

7. 分類資料 (續)

業務分類 (續)

以下呈列按業務分類分析之本集團營業額、經營業績貢獻、分類資產及負債：

二零零七年

		Continuing operations 持續業務					Discontinued operation 已終止業務	Consolidated HK\$'000 綜合 千港元
		Securities trading and investment HK\$'000 證券買賣及投資 千港元	Trading of building materials and renovation services HK\$'000 建築材料貿易及裝修服務 千港元	Property development and sales HK\$'000 物業發展及銷售 千港元	Property rental HK\$'000 物業租賃 千港元	Unallocated HK\$'000 未分配 千港元	Operation of toll highway HK\$'000 收費公路營運 千港元	
INCOME STATEMENT	收益表							
FOR THE YEAR ENDED	截至二零零七年							
31ST MARCH, 2007	三月三十一日止年度							
REVENUE	收益							
External sales	對外銷售	351,937	9,986	22	16	—	—	361,961
Segment results	分類業績	11,604	54	(10,949)	11	—	—	720
Unallocated other operating income	未分配其他營運收入							66
Unallocated corporate expenses	未分配公司開支							(29,521)
Loss from operations	營運虧損							(28,735)
Finance costs	融資成本							(5,136)
Gain on disposal of subsidiaries	出售附屬公司收益							18,080
Loss on deconsolidation of subsidiaries	取消綜合入賬附屬公司之虧損							(7,194)
Share of profits less losses of associates	應佔聯營公司溢利減虧損							(8)
Loss for the year from continuing operations	持續業務之本年度虧損							(22,993)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2007

財務報表附註

截至二零零七年三月三十一日止年度

7. SEGMENTAL INFORMATION (Continued)

Business segments (Continued)

2007

7. 分類資料 (續)

業務分類 (續)

二零零七年

		Continuing operations 持續業務					Discontinued operation 已終止業務	Consolidated HK\$'000 綜合 千港元
		Securities trading and investment HK\$'000 證券買賣 及投資 千港元	Trading of building materials and renovation services HK\$'000 建築材料貿易 及裝修服務 千港元	Property development and sales HK\$'000 物業發展 及銷售 千港元	Property rental HK\$'000 物業租賃 千港元	Unallocated HK\$'000 未分配 千港元	Operation of toll highway HK\$'000 收費公路 營運 千港元	
BALANCE SHEET	資產負債表							
AT 31ST MARCH, 2007	於二零零七年三月三十一日							
ASSETS	資產							
Segment assets	分類資產	107,266	5,440	26,960	—	—	—	139,666
Unallocated corporate assets	未分配公司資產							229,049
Consolidated total assets	綜合資產總值							368,715
LIABILITIES	負債							
Segment liabilities	分類負債	—	2,207	12,655	—	—	—	14,862
Unallocated corporate liabilities	未分配公司負債							55,072
Consolidated total liabilities	綜合負債總額							69,934
OTHER INFORMATION	其他資料							
FOR THE YEAR ENDED	截至二零零七年							
31ST MARCH, 2007	三月三十一日止年度							
Capital additions	資本增加	—	255	—	—	—	—	255
Depreciation and amortisation	折舊及攤銷	—	94	354	—	146	—	594
Net unrealised gain on other financial assets at fair value	按公平值計入損益 之其他金融資產之							
through profit or loss	未變現收益淨額	4,119	—	—	—	—	—	4,119

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2007

財務報表附註

截至二零零七年三月三十一日止年度

7. SEGMENTAL INFORMATION (Continued)

7. 分類資料 (續)

Business segments (Continued)

業務分類 (續)

2006

二零零六年

		Continuing operations 持續業務					Discontinued operation 已終止業務	Consolidated HK\$'000
		Securities trading and investment HK\$'000 證券買賣及投資 千港元	Trading of building materials and renovation services HK\$'000 建築材料貿易及裝修服務 千港元	Property development and sales HK\$'000 物業發展及銷售 千港元	Property rental HK\$'000 物業租賃 千港元	Unallocated HK\$'000 未分配 千港元	Operation of toll highway HK\$'000 收費公路營運 千港元	
INCOME STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2006	收益表 截至二零零六年 三月三十一日止年度							
REVENUE	收益							
External sales	對外銷售	23,543	9,667	22	41	—	—	33,273
Segment results	分類業績	1,310	(3,373)	(1,853)	(43)	—	—	(3,959)
Unallocated other operating income	未分配其他營運收入							2,023
Unallocated corporate expenses	未分配公司開支							(8,624)
Loss from operations	營運虧損							(10,560)
Finance costs	融資成本							(9,561)
Loss on disposal of subsidiaries	出售附屬公司虧損							(2,913)
Impairment losses on amounts due from an associate	應收聯營公司款項之減值虧損							(3,671)
Share of profits less losses of associates	應佔聯營公司溢利減虧損							(447)
Loss before minority interests	未計少數股東權益前虧損							(27,152)
Minority interests	少數股東權益							714
Loss for the year from continuing operations	持續業務之本年度虧損							(26,438)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2007

財務報表附註

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7. SEGMENTAL INFORMATION (Continued)

7. 分類資料 (續)

Business segments (Continued)

業務分類 (續)

2006

二零零六年

		Continuing operations 持續業務					Discontinued operation 已終止業務	Consolidated HK\$'000 綜合 千港元
		Securities trading and investment HK\$'000 證券買賣 及投資 千港元	Trading of building materials and renovation services HK\$'000 建築材料貿易 及裝修服務 千港元	Property development and sales HK\$'000 物業發展 及銷售 千港元	Property rental HK\$'000 物業租賃 千港元	Unallocated HK\$'000 未分配 千港元	Operation of toll highway HK\$'000 收費公路 營運 千港元	
BALANCE SHEET	資產負債表							
AT 31ST MARCH, 2006	於二零零六年三月三十一日							
ASSETS	資產							
Segment assets	分類資產	115,228	4,872	39,118	15,488	–	75,979	250,685
Interests in associates	於聯營公司之權益	–	–	–	2,040	–	–	2,040
Unallocated corporate assets	未分配公司資產							139,254
Consolidated total assets	綜合資產總值							<u>391,979</u>
LIABILITIES	負債							
Segment liabilities	分類負債	15	2,696	11,986	6	–	58,545	73,248
Unallocated corporate liabilities	未分配公司負債							98,346
Consolidated total liabilities	綜合負債總額							<u>171,594</u>
OTHER INFORMATION	其他資料							
FOR THE YEAR ENDED	截至二零零六年							
31ST MARCH, 2006	三月三十一日止年度							
Capital additions	資本增加	–	53	–	–	62	–	115
Depreciation and amortisation	折舊及攤銷	–	53	352	13	157	–	575
Impairment losses on available-for-sale financial assets	可出售金融資產之 減值虧損	44,205	–	–	–	–	–	44,205
Net unrealised gain on other financial assets at fair value through profit or loss	按公平值計入損益之 其他金融資產之 未變現收益淨額	48,613	–	–	–	–	–	48,613
Write-back of provision on properties held for sale	持作出售物業之 撥備撥回	–	–	160	–	–	–	160
Fair value gains on investment properties	投資物業之公平值收益	–	–	–	1,666	–	–	1,666

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財務報表附註

截至二零零七年三月三十一日止年度

7. SEGMENTAL INFORMATION (Continued)

Geographical segments

All of the Group's operations are principally located in Hong Kong and the People's Republic of China (the "PRC"). The Group's administration is carried out in Hong Kong.

An analysis of the Group's turnover by geographical market, irrespective of the origin of the goods and services, is presented below:

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Hong Kong	香港	361,939	33,250
The PRC	中國	22	23
		361,961	33,273

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

		Carrying amount of assets 資產賬面值		Capital additions to property, plant and equipment 物業、廠房及 設備之資本增加	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元	2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Hong Kong	香港	341,164	270,216	255	115
The PRC	中國	27,551	121,763	—	—
		368,715	391,979	255	115

7. 分類資料 (續)

地區分類

本集團所有業務主要位於香港及中華人民共和國(「中國」)。本集團之行政工作於香港進行。

以下呈列本集團按地區市場劃分之營業額(不論產品及服務來源地)分析:

以下為按資產所在地劃分之資產賬面值以及投資物業及物業、廠房及設備資本增加之分析:

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財務報表附註

截至二零零七年三月三十一日止年度

8. TURNOVER, OTHER INCOME AND GAINS, NET

Turnover represents the aggregate of the net amounts received and receivable from third parties, during the year. An analysis of the Group's turnover, other income and gains, net is as follows:

8. 營業額、其他收入及收益淨額

營業額指年內從第三方已收及應收款項淨額總數。本集團營業額、其他收入及收益淨額分析如下：

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Turnover	營業額		
Securities trading and investment	證券買賣及投資	351,937	23,543
Renovation services	裝修服務	4,042	5,993
Trading of building materials	建築材料貿易	5,944	3,674
Property rental	物業租金	38	63
		361,961	33,273
Other income	其他收入		
Interest income	利息收入	206	515
Sundry income	雜項收入	541	315
		747	830
Gains, net	收益淨額		
Net unrealised gain on other financial assets at fair value through profit or loss	按公平值計入損益之其他金融資產之未變現收益淨額	4,119	48,613
Fair value gains on investment properties	投資物業之公平值收益	–	1,666
Write-back of provision on properties held for sale	持作出售物業之撥備撥回	–	160
		4,119	50,439
		366,827	84,542

9. FINANCE COSTS

9. 融資成本

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Interest on:	利息：		
Borrowings wholly repayable within five years	須於五年內全數償還之借貸		
– bank borrowings	– 銀行借貸	3,581	6,144
– other borrowings	– 其他借貸	1,555	1,843
Convertible notes	可換股票據	–	1,574
		5,136	9,561

10. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging and crediting the following:

10. 本年度虧損

本年度虧損乃於扣除及計入下列項目後得出：

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Charging:	已扣除下列項目：		
Staff costs	員工成本		
– directors' remuneration	– 董事酬金	2,132	725
– basic salaries and other benefits	– 基本薪金及其他福利	2,700	4,041
– retirement benefits scheme contributions	– 退休福利計劃供款	101	281
– share-based payments	– 以股份支付款項	6,796	–
		11,729	5,047
Auditors' remuneration	核數師酬金		
– Current year	– 本年度	700	775
– Overprovision in prior years	– 過去年度過度撥備	(19)	–
Depreciation and amortisation of property, plant and equipment	物業、廠房及設備折舊及攤銷	594	575
Net realised losses on other financial assets at fair value through profit or loss	按公平值計入損益之其他金融資產已變現虧損淨額	–	3,181
Operating lease payments	經營租約付款	1,642	1,818
Cost of inventories sold	已售存貨成本	6,900	7,517
and crediting:	並已計入下列項目：		
Net rental income from investment properties under operating leases, after deduction of outgoings of approximately HK\$1,000 (2006: HK\$2,000)	經營租約項下投資物業之租金收入淨額，經扣除約1,000港元支出（二零零六年：2,000港元）	37	61
Share of associate's taxation	應佔聯營公司稅項	–	7
Net realised gains on other financial assets at fair value through profit or loss	按公平值計入損益之其他金融資產已變現收益淨額	7,380	–

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11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

Directors' remuneration for the year, disclosed pursuant to The Rules Governing the Listing of Securities on the Stock Exchange and Section 161 of the Hong Kong Companies Ordinance, is as follows:

Name of directors		Directors' fees	Salaries and allowances	Retirement benefits scheme contributions	Share-based payments	2007 Total	2006 Total
董事名稱		董事袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	以股份支付款項 HK\$'000 千港元	二零零七年 總計 HK\$'000 千港元	二零零六年 總計 HK\$'000 千港元
<i>Executive directors</i>							
執行董事							
Mr. Ma Kwok Hung, Warren (note a)	馬國雄先生 (附註a)	—	480	8	—	488	—
Mr. Ho Chi Ho (note b)	何志豪先生 (附註b)	—	113	—	862	975	—
Mr. Dong Bo, Frederic (note c)	董波先生 (附註c)	—	217	7	—	224	332
Mr. Gao Feng (note d)	高峰先生 (附註d)	85	—	—	—	85	38
Mr. Lau Man Tak (note e)	劉文德先生 (附註e)	—	—	—	—	—	21
<i>Independent non-executive directors</i>							
獨立非執行董事							
Mr. Wong Hoi Kuen	黃海權先生	120	—	—	—	120	15
Mr. Pang Haiou	龐海歐先生	—	—	—	—	—	—
Mr. Zuo Guang	左廣先生	—	—	—	—	—	—
Mr. Chan Chi Yuen (note f)	陳志遠先生 (附註f)	110	—	—	—	110	—
Mr. Chow Siu Ngor (note f)	鄒小岳先生 (附註f)	110	—	—	—	110	—
Mr. Ting Leung Huel (note g)	丁良輝先生 (附註g)	—	—	—	—	—	—
Mr. Fung Po Chuen (note h)	馮報全先生 (附註h)	10	—	—	—	10	5
Mr. Tooze Henry (note h)	Henry Tooze先生 (附註h)	10	—	—	—	10	5
Mr. Shum Ka Hei (note i)	沈家禧先生 (附註i)	—	—	—	—	—	209
Mr. Kan Kwok Shu (note j)	簡國樞先生 (附註j)	—	—	—	—	—	100
Total 2007	二零零七年總額	445	810	15	862	2,132	725
Total 2006	二零零六年總額	372	340	13	—	—	—

Notes:

- (a) Appointed on 24th July, 2006
- (b) Appointed on 2nd March, 2007
- (c) Resigned on 7th November, 2006
- (d) Resigned on 29th May, 2007

附註：

- (a) 於二零零六年七月二十四日獲委任
- (b) 於二零零七年三月二日獲委任
- (c) 於二零零六年十一月七日辭任
- (d) 於二零零七年五月二十九日辭任

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(Continued)

(a) Directors' emoluments (Continued)

- (e) Resigned on 5th August, 2005
- (f) Appointed on 30th April, 2006
- (g) Appointed on 30th April, 2006 and resigned on 29th May, 2006
- (h) Resigned on 30th April, 2006
- (i) Resigned on 13th February, 2006
- (j) Resigned on 1st September, 2005

(b) Highest paid individuals

Of the five individuals with the highest emoluments in the Group, two (2006: one) were directors of the Company whose emoluments are set out above. The emoluments of the remaining individuals were as follows:

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Salaries and other benefits	薪金及其他福利	701	1,085
Retirement benefits scheme contributions	退休福利計劃供款	22	57
		723	1,142

The emoluments of the remaining highest paid individuals were within the following bands:

		2007 Number of employees 二零零七年 僱員人數	2006 Number of employees 二零零六年 僱員人數
Up to HK\$1,000,000	1,000,000港元以內	3	4

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

11. 董事及最高薪酬人士之酬金 (續)

(a) 董事酬金 (續)

- (e) 於二零零五年八月五日辭任
- (f) 於二零零六年四月三十日獲委任
- (g) 於二零零六年四月三十日獲委任並於二零零六年五月二十九日辭任
- (h) 於二零零六年四月三十日辭任
- (i) 於二零零六年二月十三日辭任
- (j) 於二零零五年九月一日辭任

(b) 最高薪酬人士

本集團五名最高薪酬人士包括兩名 (二零零六年: 一名) 本公司董事, 其酬金詳情載於上文。其餘人士之酬金如下:

其餘最高薪酬人士酬金介乎以下範圍:

年內, 本集團並無向五名最高薪酬人士 (包括董事及僱員) 支付酬金, 以作為加入本集團或於加入本集團時之獎勵或離職之補償。年內並無董事放棄任何酬金。

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12. TAXATION

No provision for Hong Kong Profits Tax has been made in the financial statements as either the Company and its subsidiaries have no assessable profits for both years or have their profits wholly absorbed by tax losses brought forward.

The taxation on the Group's loss before taxation differs from the theoretical amount that would arise using the domestic taxation rates applicable to losses of the consolidated companies as follows:

12. 稅項

由於本公司及其附屬公司於兩個年度均無應課稅溢利，或其溢利已由結轉之稅務虧損悉數吸納，故並無於財務報表作出香港利得稅撥備。

本集團除稅前虧損之稅項與以適用於綜合公司虧損之本地稅率所產生之理論性金額差異如下：

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Loss before taxation	除稅前虧損	(22,993)	(27,152)
Tax at the domestic income tax rate of 17.5% (2006: 17.5%)	按本地所得稅稅率17.5%計算之稅項(二零零六年：17.5%)	(4,024)	(4,752)
Tax effect of expenses that are not deductible for tax purpose	不可扣稅開支之稅務影響	5,282	10,312
Tax effect of income that are not taxable for tax purpose	毋須課稅收入之稅務影響	(3,103)	(737)
Tax effect of temporary differences not recognised for the year	本年度未確認暫時差異之稅務影響	19	(312)
Tax effect of utilisation of tax losses not previously recognised	動用先前未確認稅務虧損之稅務影響	(535)	(5,587)
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區營業之附屬公司不同稅率之影響	2,361	1,076
Taxation charge	稅項支出	-	-

13. LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of loss of HK\$23,726,000. (2006: Loss of HK\$65,392,000)

13. 本公司股權持有人應佔虧損

本公司股權持有人應佔虧損乃於在虧損23,726,000港元(二零零六年：虧損65,392,000港元)之情況下計入本公司財務報表。

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14. BASIC LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the year of HK\$22,993,000 (2006: HK\$26,438,000) and on the weighted average number of 401,304,107 (2006: 347,773,969) ordinary shares in issue during the year.

Diluted loss per share is not presented as the potential shares arising from share options granted during the year ended 31st March, 2007 would have anti-dilutive effect on the basic loss per share.

14. 每股基本虧損

每股基本虧損乃根據本年度虧損 22,993,000 港元 (二零零六年: 26,438,000 港元) 及年內已發行普通股加權平均數 401,304,107 股 (二零零六年: 347,773,969 股) 計算。

由於截至二零零七年三月三十一日止年度因授出購股權而產生之潛在股份會對每股基本虧損造成反攤薄影響, 故並未呈列每股攤薄虧損。

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Toll highway HK\$'000 收費公路 千港元	Leasehold land and buildings HK\$'000 租賃土地 及樓宇 千港元	Leasehold improvements HK\$'000 租賃物業 裝修 千港元	Plant and machinery HK\$'000 廠房 及機器 千港元	Motor vehicles HK\$'000 汽車 千港元	Furniture and fixtures HK\$'000 傢俬 及裝置 千港元	Total HK\$'000 總計 千港元
THE GROUP	本集團							
Cost	成本							
At 1st April, 2005	於二零零五年四月一日	288,266	3,245	2,067	731	2,141	763	297,213
Additions	添置	-	-	62	-	-	53	115
Disposals	出售	-	-	(1,302)	-	-	-	(1,302)
Disposal of subsidiaries	出售附屬公司	-	-	(665)	-	-	(18)	(683)
At 31st March, 2006	於二零零六年三月三十一日	288,266	3,245	162	731	2,141	798	295,343
At 1st April, 2006	於二零零六年四月一日	288,266	3,245	162	731	2,141	798	295,343
Additions	添置	-	-	-	-	-	255	255
Deconsolidation of subsidiaries	取消綜合入賬附屬公司	(288,266)	-	-	(723)	-	-	(288,989)
Exchange realignment	匯兌調整	-	147	-	1	87	-	235
At 31st March, 2007	於二零零七年三月三十一日	-	3,392	162	9	2,228	1,053	6,844
Depreciation, amortisation and impairment	折舊、攤銷及減值							
At 1st April, 2005	於二零零五年四月一日	224,367	3,016	1,534	167	207	463	229,754
Depreciation provided for the year	本年度折舊撥備	-	13	31	1	382	148	575
Disposals	出售	-	-	(1,302)	-	-	-	(1,302)
Disposal of subsidiaries	出售附屬公司	-	-	(145)	-	-	(11)	(156)
At 31st March, 2006	於二零零六年三月三十一日	224,367	3,029	118	168	589	600	228,871
At 1st April, 2006	於二零零六年四月一日	224,367	3,029	118	168	589	600	228,871
Depreciation provided for the year	本年度折舊撥備	-	14	31	1	384	164	594
Deconsolidation of subsidiaries	取消綜合入賬附屬公司	(224,367)	-	-	(162)	-	-	(224,529)
Exchange realignment	匯兌調整	-	137	-	1	19	-	157
At 31st March, 2007	於二零零七年三月三十一日	-	3,180	149	8	992	764	5,093
Net book values	賬面淨值							
At 31st March, 2007	於二零零七年三月三十一日	-	212	13	1	1,236	289	1,751
At 31st March, 2006	於二零零六年三月三十一日	63,899	216	44	563	1,552	198	66,472

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15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The Group's leasehold land and buildings are situated in the PRC held under long term land use rights. As the prepaid land lease payment cannot be allocated reliably between the land and building elements, the entire lease payment is included in the cost of land and buildings as a finance lease in property, plant and equipment in accordance with HKAS 17.

15. 物業、廠房及設備 (續)

本集團之租賃土地及樓宇位於中國及據長期土地使用權持有。由於預付租賃土地款項不能於土地及樓宇間可靠地分配，因此全部租賃款項乃根據香港會計準則第17條按物業、廠房及設備之金融租賃包括於土地及樓宇成本之內。

		Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Furniture and fixtures 傢俬 及裝置 HK\$'000 千港元	Total 總計 HK\$'000 千港元
THE COMPANY	本公司			
Cost	成本			
At 1st April, 2005	於二零零五年四月一日	1,402	467	1,869
Additions	添置	62	—	62
Disposals	出售	(1,302)	—	(1,302)
At 31st March, 2006 and 31st March, 2007	於二零零六年三月三十一日及 二零零七年三月三十一日	162	467	629
Depreciation and amortisation	折舊及攤銷			
At 1st April, 2005	於二零零五年四月一日	1,402	288	1,690
Depreciation provided for the year	本年度折舊撥備	18	94	112
Disposals	出售	(1,302)	—	(1,302)
At 31st March, 2006	於二零零六年三月三十一日	118	382	500
At 1st April, 2006	於二零零六年四月一日	118	382	500
Depreciation provided for the year	本年度折舊撥備	31	70	101
At 31st March, 2007	於二零零七年三月三十一日	149	452	601
Net book values	賬面淨值			
At 31st March, 2007	於二零零七年三月三十一日	13	15	28
At 31st March, 2006	於二零零六年三月三十一日	44	85	129

16. INVESTMENT PROPERTIES

16. 投資物業

		THE GROUP 本集團	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
At beginning of the year	年初	15,324	23,118
Fair value gains	公平值收益	—	1,666
Disposal of subsidiaries	出售附屬公司	(5,520)	(9,460)
Reclassified to other receivables (Note 21(b))	重新分類為其他應收賬款 (附註21(b))	(10,249)	—
Exchange realignment	匯兌調整	445	—
At end of the year	年終	—	15,324

The investment properties were revalued at 31st March, 2006 on market value basis by RHL Appraisal Ltd. as to approximately HK\$5,520,000 and LCH (Asia-Pacific) Surveyor's Limited as to approximately HK\$9,804,000, both of which were independent firms of professional property valuers. The fair value gains of approximately HK\$1,666,000 had been credited to the income statement for the year ended 31st March, 2006.

The Group's investment properties comprised:

投資物業分別經由獨立專業物業估值師永利行評估顧問有限公司及利駿行測量師有限公司，按市值基準重估有關物業於二零零六年三月三十一日之價值約為5,520,000港元及約9,804,000港元。約1,666,000港元之平值收益已計入截至二零零六年三月三十一日止年度之收益表。

本集團之投資物業包括：

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Properties situated in Hong Kong held under:	在香港根據下列租約持有之物業：		
— long leases	— 長期租約	—	5,420
— medium-term leases	— 中期租約	—	100
Properties situated in the PRC held under:	在中國根據下列租約持有之物業：		
— medium-term land use rights	— 中期土地使用權	—	9,804
		—	15,324

During the year ended 31st March, 2003, a receivable of approximately HK\$10,166,000 was settled by a transfer of a block of industrial building to the Group at a fair value of HK\$10,166,000. In prior years, the Group held this property as security for the receivable and regarded it as an investment property. However, the transfer of the legal ownership of the property has not been completed since then. During the year ended 31st March, 2007, the directors are of the opinion that the carrying value of this investment property (approximately HK\$10,249,000) should be reclassified to other receivables. (Note 21(b))

於二零零三年三月三十一日止年度，一項約10,166,000港元之應收賬項由向本集團轉讓一幢公平值為10,166,000港元之工業大廈所償付。於過去年度，本集團持有該物業作為該應收賬項之抵押，並列作投資物業。然而，物業法律擁有權之轉讓至今尚未完成。於截至二零零七年三月三十一日止年度，董事認為此投資物業之賬面價值（約為10,249,000港元）應重新分類為其他應收賬項。（附註21(b)）

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17. INTERESTS IN SUBSIDIARIES

17. 於附屬公司之權益

		THE COMPANY 本公司	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Unlisted shares, at cost	非上市股份·按成本值	—	—
Amounts due from subsidiaries	應收附屬公司款項減		
less impairment losses	減值虧損	44,372	67,004
Amounts due to subsidiaries	應付附屬公司款項	(12,743)	(6,275)
		31,629	60,729

The Company's cost of investments in the unlisted shares of its directly held subsidiaries is in aggregate less than HK\$1,000.

本公司投資於其直接持有附屬公司之非上市股份成本總額少於1,000港元。

Amounts due from (to) subsidiaries are unsecured, interest free and have no fixed terms of repayment. In the opinion of the directors, the amounts will not be repayable within twelve months of the balance sheet date and are accordingly classified as non-current.

應收(付)附屬公司之款項為無抵押、不計利息及無固定還款期。董事認為，有關款項不會於結算日起計十二個月內償還。因此，該等款項已分類為非流動資產。

Details of the Company's principal subsidiaries at 31st March, 2007 are set out in note 42.

本公司各主要附屬公司於二零零七年三月三十一日之詳情列載於附註42。

18. INTERESTS IN ASSOCIATES

18. 於聯營公司之權益

		THE GROUP 本集團	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Share of net assets	應佔資產淨值	1,871	1,879
Amounts due from associates less	應收聯營公司款項減		
impairment losses	減值虧損	161	161
Eliminated on disposal of subsidiaries	出售附屬公司時撇消	(2,032)	—
		—	2,040

The amounts due from associates are unsecured and non-interest bearing. In the opinion of the directors, the amounts due from associates will not be repayable within one year of the balance sheet date and are accordingly classified as non-current.

應收聯營公司款項為無抵押及不計利息。董事認為，應收聯營公司款項將不會於結算日起計一年內償還。因此，該等款項已分類為非流動資產。

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18. INTERESTS IN ASSOCIATES (Continued)

As at 31st March, 2006, the Group had interests in the following significant associates:

Name of associate	Form of business structure	Place of incorporation/ establishment	Paid up share capital/ registered capital	Proportion of nominal value of issued share capital/ registered capital held by subsidiaries 附屬公司所持已發行股本／註冊資本面值比例 %	Principal activity/ place of operation
聯營公司名稱	業務架構形式	註冊成立／成立地點	已繳股本／註冊資本		主要業務／經營地點
Asia Standard Development Company Limited	Incorporated	Hong Kong	HK\$2	50	Investment holding/ Hong Kong
	註冊成立	香港	2港元	50	投資控股／香港
Era Winner Limited	Incorporated	Hong Kong	HK\$2	50	Property holding/ Hong Kong
勝建有限公司	註冊成立	香港	2港元	50	物業持有／香港

The above table lists the associates of the Group which, in the opinion of the directors, principally affect the results of the Group for the year or form a substantial portion of the net assets of the Group at the end of the year.

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

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Total assets	資產總值	—	32,658
Total liabilities	負債總額	—	(85,112)
Net liabilities	負債淨額	—	(52,454)
Revenue	收益	—	186
Loss for the year	本年度虧損	—	(893)

The Group had no unrecognised losses in respect of the associates during the year ended 31st March, 2006 and cumulatively.

18. 於聯營公司之權益 (續)

於二零零六年三月三十一日，本集團於下列主要聯營公司之權益如下：

董事會認為上表所載之本集團聯營公司主要影響本集團之本年度業績或組成本集團於本年度年結日資產淨值之主要部份。

本集團聯營公司之財務資料概要列載如下：

本集團於截至二零零六年三月三十一日止年度及累計均並無有關聯營公司之未確認虧損。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2007

財務報表附註

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19. AVAILABLE-FOR-SALE FINANCIAL ASSETS

19. 可出售金融資產

		THE GROUP 本集團	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Unlisted equity securities in overseas, at cost less impairment losses	按成本減減值虧損列賬之 海外非上市股本證券	12,852	12,153

During the year ended 31st March, 2006, impairment losses of approximately HK\$44,205,000 in respect of investments in unlisted equity securities had been identified and charged to the income statement, which were determined with reference to the investees' financial results and operations.

於截至二零零六年三月三十一日止年度經參考接受投資公司之財務業績及運作後，本集團就證券投資確認減值虧損約44,205,000港元，並自收益表扣除。此乃經參考受投資公司之財務業績及業務而釐定。

Details of the Group's investments in unlisted equity securities included above disclosed pursuant to section 129(1) of the Hong Kong Companies Ordinance are as follows:

上表包括根據香港公司條例第129(1)條披露之本集團之非上市證券投資詳情如下：

Name of investee	Place of incorporation/ operations	Proportion of nominal value of issued share capital/ registered capital held by the subsidiaries 附屬公司所持 已發行股本／ 註冊資本 面值比例	Effective proportion of issued share capital/registered capital held by the Group 本集團所持 已發行股本／ 註冊資本 實際比例
受投資公司名稱	註冊成立／ 經營地點		
上海南曉消防工程 設備有限公司	PRC/PRC 中國／中國	45%	22.95%

The above company is not regarded as an associate of the Group because the Group has no significant influence over its affairs.

上述公司並不視為本集團之聯營公司，因為本集團對其業務並無重大影響。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2007

財務報表附註

截至二零零七年三月三十一日止年度

20. INVENTORIES

20. 存貨

		THE GROUP 本集團	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Building materials	建築材料	1,501	1,509
Properties held for sale	持作出售物業	5,093	3,252
		6,594	4,761

Included in properties held for sale amounting to HK\$5,093,000 (2006: HK\$3,252,000) were properties carried at net realisable value. The remaining inventories were carried at cost.

持作出售物業包括5,093,000港元(二零零六年: 3,252,000港元)按可變現淨值列賬之物業, 而其餘存貨則按成本值列賬。

21. TRADE AND OTHER RECEIVABLES

21. 應收貿易及其他賬項

		THE GROUP 本集團	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Trade receivables	應收貿易賬項	3,373	2,965
Retentions receivable	應收保留賬項	—	122
Other receivables and prepayments (Note a)	其他應收賬項及預付款項 (附註a)	125,259	168,638
		128,632	171,725

The directors consider that the carrying amounts of trade and other receivables approximate to their fair values.

董事認為應收貿易及其他賬項之賬面值與其公平值相若。

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財務報表附註

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21. TRADE AND OTHER RECEIVABLES (Continued)

The Group allows an average credit period of 60 days to 90 days to its trade customers. As at 31st March, 2007 and 31st March, 2006, the ageing analysis of the Group's trade receivables is as follows:

Up to 30 days	零至30日
31 to 90 days	31至90日
91 to 365 days	91至365日
Over 365 days	超過365日

Included in trade and other receivables is the following amount denominated in a currency other than the functional currency of the Company to which they relate:

Renminbi	人民幣
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Notes:

- (a) Included in other receivables and prepayments is an amount of approximately HK\$36,081,000 (2006: HK\$123,437,000) placed with a company which is an independent third party, for securities trading and other investment purposes.

The amount is unsecured, interest free and repayable on demand.

- (b) As mentioned in note 16 to the financial statements, an amount approximately of HK\$10,249,000 has been reclassified from investment properties to other receivables during the year ended 31st March, 2007. In the opinion of the directors, due to the failure to transfer the legal title of the property to the Group after several years, full impairment loss of this receivable has been charged to the income statement in the current year.

21. 應收貿易及其他賬項 (續)

本集團給予其貿易客戶平均介乎60日至90日之信貸期。於二零零七年三月三十一日及二零零六年三月三十一日，本集團應收貿易賬項之賬齡分析如下：

THE GROUP 本集團	
2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
610	821
679	459
1,071	1,635
1,013	50
3,373	2,965

貿易及其他應收賬項中包括下述與本公司之功能貨幣以外為單位之數額：

THE GROUP 本集團	
2007 '000 二零零七年 千元	2006 '000 二零零六年 千元
7,874	26,958

附註：

- (a) 其他應收賬項及預付款項包括存放於一間獨立第三方公司、用作證券買賣及其他投資用途之款項約36,081,000港元（二零零六年：123,437,000港元）。

該筆款項屬無抵押、免息及須應要求償還。

- (b) 如財務報表附註16所述，於截至二零零七年三月三十一日止年度，一項約10,249,000港元之款額已由投資物業重新分類為其他應收賬款。董事認為，由於數年後未能轉讓該物業之法定擁有權予本集團，此項應收賬款之全數減值虧損已列入本年度之收益報表中。

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財務報表附註

截至二零零七年三月三十一日止年度

22. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

22. 按公平值計入損益之其他金融資產

		THE GROUP 本集團	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Listed securities held for trading:	持作買賣之上市證券：		
– Equity securities – Hong Kong	– 股本證券 – 香港	40,501	103,237
– Equity securities – Overseas	– 股本證券 – 海外	1,073	7,750
Market value of listed securities	上市證券市值	41,574	110,987

At 31st March, 2007, none of the carrying amount of interest in listed securities exceeded 10% of total assets of the Group.

於二零零七年三月三十一日，於上市證券之權益之賬面值並不超過本集團資產總額之10%。

At 31st March, 2006, the carrying amount of interest in the following company exceeded 10% of total assets of the Group.

於二零零六年三月三十一日，於以下公司之權益賬面值超過本集團資產總額之10%。

Name 名稱	Place of incorporation 註冊成立地點	Principal activities 主要業務	Particulars of issued shares held 已發行股份詳情	Interest held 所持權益
China Solar Energy Holdings Limited	Bermuda	Provision of investment advisory services, participation in securities market and money lending	Ordinary share	2.78%
華基光電能源控股有限公司	百慕達	提供投資顧問服務、參與證券市場及借貸業務	普通股	2.78%

23. CASH AND CASH EQUIVALENTS

23. 現金及現金等額項目

		THE GROUP 本集團		THE COMPANY 本公司	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元	2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Bank balances and cash	銀行結餘及現金	177,312	8,517	176,898	334

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財務報表附註

截至二零零七年三月三十一日止年度

23. CASH AND CASH EQUIVALENTS (Continued)

Cash and cash equivalents include the following for the purposes of the consolidated cash flow statement.

Bank balances and cash as per above 銀行結餘及現金，如上述
Bank overdrafts (Note 25) 銀行透支（附註25）

THE GROUP
本集團
2007
HK\$'000
二零零七年
千港元

2006
HK\$'000
二零零六年
千港元

177,312
(6,972)
170,340

8,517
(6,938)
1,579

Included in cash and cash equivalents in the balance sheet are the following amounts denominated in currencies other than the functional currency of the Company to which they relate:

United States Dollar 美元
Renminbi 人民幣

THE GROUP 本集團		THE COMPANY 本公司	
2007 '000 二零零七年 千元	2006 '000 二零零六年 千元	2007 '000 二零零七年 千元	2006 '000 二零零六年 千元
38	2	—	—
358	8,252	—	—

24. TRADE AND OTHER PAYABLES

Trade payables 應付貿易賬項
Retention payables 應付保留賬項
Other payables and accruals 其他應付賬項及應計款項

THE GROUP
本集團
2007
HK\$'000
二零零七年
千港元

2006
HK\$'000
二零零六年
千港元

1,620
28
19,238
20,886

1,834
179
80,908
82,921

The directors consider that the carrying amount of trade payables approximates to their fair value.

就綜合現金流量報表而言，現金及現金等額項目包括以下各項：

資產負債表上之現金及現金等額項目包括下述與本公司相關之實體之功能貨幣以外為單位之數額：

24. 應付貿易及其他賬項

董事認為應付貿易賬項之賬面值與其公平值相若。

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24. TRADE AND OTHER PAYABLES (Continued)

As at 31st March, 2007 and 31st March, 2006, the ageing analysis of the Group's trade payables is as follows:

		THE GROUP 本集團	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Up to 30 days	零至30日	213	420
31 to 90 days	31至90日	582	239
Over 90 days	超過90日	825	1,175
		1,620	1,834

Included in trade and other payables is the following amount denominated in a currency other than the functional currency of the Company to which they relate:

		THE GROUP 本集團	
		2007 '000 二零零七年 千元	2006 '000 二零零六年 千元
Renminbi	人民幣	12,832	74,762

25. BANK AND OTHER BORROWINGS

25. 銀行及其他借貸

		THE GROUP 本集團		THE COMPANY 本公司	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元	2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Current	流動				
Bank borrowings	銀行借貸				
– secured	– 有抵押	354	1,354	–	–
– unsecured	– 無抵押	36,489	41,226	–	–
Bank overdrafts	銀行透支				
– secured (Note 23)	– 有抵押 (附註23)	6,972	6,938	–	–
		43,815	49,518	–	–
Other borrowings	其他借貸				
– secured	– 有抵押	–	36,713	–	23,643
Total borrowings	借貸總額	43,815	86,231	–	23,643

As at 31st March, 2007 the average effective interest rate of the bank borrowings is approximately 7.37% p.a. (2006: 6.70% p.a.).

於二零零七年三月三十一日，銀行借貸之平均實際利率約為年利率7.37厘（二零零六：年利率6.70厘）。

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25. BANK AND OTHER BORROWINGS (Continued)

Other borrowings are interest bearing at the rate of approximately 9.02% p.a.

The carrying amounts of borrowings are denominated in the following currencies:

25. 銀行及其他借貸 (續)

其他借貸以大約年利率9.02厘計算利息。

借貸之賬面值乃以下述貨幣為計算單位：

		THE GROUP 本集團		THE COMPANY 本公司	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元	2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Hong Kong Dollar	港元	7,133	44,869	—	23,643
Renminbi	人民幣	36,489	41,226	—	—
Euro	歐元	65	—	—	—
Japanese Yen	日元	128	—	—	—
United States Dollar	美元	—	136	—	—
		43,815	86,231	—	23,643

Included in the other borrowings as at 31st March, 2006 was an amount of HK\$23,643,000 advanced by Asean Resources Limited ("Asean"). It bore interest at Hong Kong prime rate plus 1% p.a. and was originally unsecured and due for repayment in full in November 2002. In May 2002, Asean agreed to reschedule the repayment date until May 2004 and the amount was secured by the entire issued share capital of a wholly-owned subsidiary, Huey Tai Holdings Limited ("Huey Tai"), of the Company.

On 28th September, 2006, the Company entered into a deed of settlement with Asean under which, inter alia, the Company and Asean agreed that the Company shall be required to repay the loan together with all interest accrued thereon and all other moneys owing by the Company to Asean by transferring its legal and beneficial ownership in the entire issued share capital of Huey Tai and assigning all indebtedness owing by Huey Tai to the Company to Asean (the "Disposal"). The consideration for the Disposal was approximately HK\$28,553,000 and was satisfied by way of settlement and discharge of the loan due to Asean, accrued interest thereon and all other sums and liabilities owing or incurred by the Company. The Disposal was completed on 28th September, 2006. Details of the Disposal are set out in the circular of the Company dated 20th October, 2006.

於二零零六年三月三十一日之其他借貸計入亞細安資源有限公司(「亞細安」)墊支之23,643,000港元。該筆款項按香港最優惠利率加1厘計息，原屬無抵押及於二零零二年十一月到期悉數償還。於二零零二年五月，亞細安同意重訂還款期至二零零四年五月，並就該筆款項以本公司一間全資附屬公司惠泰控股有限公司(「惠泰」)全部已發行股本作抵押。

於二零零六年九月二十八日，本公司與亞細安資源有限公司(「貸款人」)訂立還款契據，據此，(其中包括)本公司與貸款人同意本公司將有權透過轉讓其於惠泰控股有限公司(「惠泰」)全部已發行股本中之法定及實益擁有權，以及轉讓惠泰欠付本公司之全部債項之方式，向貸款人償還貸款連同所有有關應計利息，以及所有其他款項(「出售事項」)。出售事項之代價約28,553,000港元，已經以償還及解除欠付貸款人之貸款，有關應計利息，以及本公司結欠或產生之所有其他款項及負債之方式支付。出售事項已於二零零六年九月二十八日完成。出售事項之詳情載於本公司日期為二零零六年十月二十日之通函。

26. CONVERTIBLE NOTES

The movement of the liability component of the convertible notes for both years is set out below:

		THE GROUP AND THE COMPANY 本集團及本公司	
		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Nominal value of convertible notes issued	已發行可換股票據之面值	—	31,200
Equity component (Note 30)	權益部分 (附註30)	—	(594)
Liability component on initial recognition	首次確認之負債部分	—	30,606
Interest charged	已計利息	—	1,574
Interest paid	已付利息	—	(980)
Redemption of convertible notes	贖回可換股票據	—	(31,200)
		—	—

On 6th January, 2005, the Company entered into placing and subscription agreements with independent third parties for the placing and subscription of convertible notes with an aggregate principal amount of HK\$31,200,000 ("CB Placing Agreement") and HK\$78,000,000 ("CB Subscription Agreements"), respectively, convertible into shares of the Company at an initial conversion price of HK\$0.03 each. These convertible notes carried interest at 3% per annum and are redeemable six months from the date of issue. The CB Placing Agreement was completed on 18th May, 2005. The HK\$31,200,000 convertible notes were fully redeemed during the year ended 31st March, 2006.

On 14th July, 2005, the Company entered into cancellation agreements with the subscribers of the CB Subscription Agreements. Details of the CB Subscription Agreements were set out in the circular and announcements to the shareholders of the Company dated 21st February, 2005 and 14th July, 2005, respectively.

Interest expense on the convertible notes is calculated using the effective interest method by applying the effective interest rate of 5% p.a. to the liability component.

26. 可換股票據

過往兩年之可換股票據負債部份之變動列載如下：

於二零零五年一月六日，本公司與獨立第三方訂立配售及認購協議，分別配售及認購可按初步兌換價每股0.03港元兌換本公司股份而本金額合共31,200,000港元可換股票據（「票據配售協議」）及78,000,000港元可換股票據（「票據認購協議」）。該等可換股票據按每年3厘計息，並可於發行日期起計六個月贖回。票據配售協議已於二零零五年五月十八日完成。31,200,000港元之可換股票據已於截至二零零六年三月三十一日年度贖回。

於二零零五年七月十四日，本公司與票據認購協議之認購人訂立註銷協議。票據認購協議之詳情載於本公司日期分別為二零零五年二月二十一日及二零零五年七月十四日致股東之通函及公告中。

可換股票據之利息開支以實際利率法計算，負債部分所採用之實際年利率為5%。

27. DEFERRED TAXATION

At 31st March, 2007, the Group has unutilised tax losses of approximately HK\$214,907,000 (2006: HK\$426,559,000), part of which has not yet been agreed with the Hong Kong Inland Revenue Department, available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams. The balance of unutilised tax losses as at 31st March, 2007 does not expire under the current tax legislation. Included in unutilised tax losses as at 31st March, 2006 were losses of approximately HK\$27,757,000 that would be expired in five years and the remaining balance would not expire under the current tax legislation.

At 31st March, 2007, the Group has other deductible temporary differences of approximately HK\$624,000 (2006: HK\$113,393,000) in respect of allowance and impairment losses recognised. No deferred tax assets has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised. These deductible temporary differences do not expire under the current tax legislation.

27. 遞延稅項

於二零零七年三月三十一日，本集團可供抵扣未來溢利之未動用稅務虧損約為214,907,000港元（二零零六年：426,559,000港元），部分金額仍未能與香港稅務局達成協議。由於不能預計未來溢利來源，故並無就稅務虧損確認遞延稅項資產。於二零零七年三月三十一日未動用稅務虧損結餘根據現行稅務法例尚未到期。於二零零六年三月三十一日之未動用稅務虧損包括於五年內到期約為27,757,000港元之虧損，餘額則根據現行稅務法例尚未到期。

於二零零七年三月三十一日，本集團就已確認撥備及減值虧損之其他可扣減暫時差額約為624,000港元（二零零六年：113,393,000港元），由於可能不會產生應課稅溢利抵銷可扣減暫時差異，故並無就該等可扣減暫時差異確認遞延稅項資產。根據現行稅務法例，該等可扣減暫時差異尚未到期。

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28. SHARE CAPITAL

28. 股本

	Notes 附註	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.01 each:	每股面值0.01港元之普通股:		
Authorised:	法定:		
At 1st April, 2005,	於二零零五年四月一日、		
31st March, 2006 and	二零零六年三月三十一日及		
31st March, 2007	二零零七年三月三十一日	15,000,000,000	150,000
Issued and fully paid:	已發行及繳足:		
Ordinary shares of HK\$0.01	於二零零五年三月三十一日		
each at 31st March, 2005	每股面值0.01港元之普通股	6,493,725,970	64,937
Share consolidation	股份合併	(6,169,039,672)	—
Ordinary shares of HK\$0.20 each	每股面值0.20港元之普通股	324,686,298	64,937
Capital reduction	股本削減	—	(61,690)
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股	324,686,298	3,247
Issue of shares on private placement	以私人配售方式發行股份	26,500,000	265
Ordinary shares of HK\$0.01	於二零零六年三月三十一日		
each at 31st March, 2006	每股面值0.01港元之普通股	351,186,298	3,512
Issue of shares on private placement	以私人配售方式發行股份 (a)	70,000,000	700
Issue of shares on share subscription	以認購股份方式發行股份 (b)	90,000,000	900
Exercise of share options	行使購股權 (c)	2,500,000	25
Ordinary shares of HK\$0.01	於二零零七年三月三十一日		
each at 31st March, 2007	每股面值0.01港元之普通股	513,686,298	5,137

Notes:

附註:

(a) On 21st August, 2006, a placing agreement was entered into between the Company and certain independent professional investors to subscribe for 70,000,000 new shares of HK\$0.01 each in the Company at a price of HK\$0.198 per share, representing a discount of approximately 10% to the closing price of the Company's shares as quoted on the Stock Exchange on 21st August, 2006. The net proceeds of approximately HK\$13,400,000 were used for general working capital of the Group.

(a) 於二零零六年八月二十一日，本公司與數名獨立專業投資者訂立配售協議，以每股0.198港元之價格，認購本公司70,000,000股每股面值0.01港元之新股。較本公司於二零零六年八月二十一日聯交所所報收市價折讓約10%。所得款項淨額約為13,400,000港元，已用作本集團之一般營運資金。

28. SHARE CAPITAL (Continued)

- (b) On 29th December, 2006, a subscription agreement was entered into between the Company and the substantial shareholder of the Company, Mega Market Assets Limited, to subscribe for 30,000,000 new shares of HK\$0.01 each in the Company at a price of HK\$1.00 per share, representing a premium of 12.36% to the closing price of the Company's shares as quoted on the Stock Exchange on 28th December, 2006. On the same date, three subscription agreements were entered into between the Company and certain independent professional institutional investors to subscribe for a total of 60,000,000 shares of HK\$0.01 each in the Company at a price of HK\$1.00 per share, representing a premium of 12.36% to the closing price of the Company's shares as quoted on the Stock Exchange on 28th December, 2006. The net proceeds of approximately HK\$89,700,000 were used as the general working capital of the Group and for future investment.
- (c) On 1st December, 2006 and 5th December, 2006, the subscription rights attaching to 1,500,000 and 1,000,000 share options were exercised at the exercise prices of HK\$0.270 and HK\$0.323 per share respectively, resulting in the issue of a total 2,500,000 shares of HK\$0.01 each and new share capital of HK\$25,000 and share premium of HK\$703,000, together with a release of the share options reserve amounting to HK\$337,000 which is credited to the share premium account (Note 30). Details of options outstanding and movements during the year are set out in note 29.

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

29. SHARE OPTION SCHEME

On 24th April, 2002, the Company adopted a share option scheme (the "2002 Scheme") which will expire on 23rd April, 2012 for the primary purpose of providing incentives to directors, eligible employees and consultants. Under the 2002 Scheme, the board of directors of the Company may at its discretion offer to any employee, including executive directors, or consultants of the Company and/or its subsidiaries options to subscribe for shares in the Company at a consideration of HK\$1 for each lot of share options granted. Options granted should be accepted within 30 days from the date of grant.

28. 股本 (續)

- (b) 於二零零六年十二月二十九日，本公司與本公司主要股東Mega Market Assets Limited訂立認購協議，以認購本公司30,000,000股每股面值0.01港元之新股，價格為每股1.00港元，較本公司股份於二零零六年十二月二十八日在聯交所所報收市價溢價12.36%。同日，本公司與若干獨立專業機構投資者訂立三份認購協議，以認購本公司合共60,000,000股每股面值0.01港元之股份，價格每股1.00港元，較本公司股份於二零零六年十二月二十八日在聯交所所報收市價溢價12.36%。所得款項淨額約89,700,000港元已用作本集團之一般營運金及用作未來投資。
- (c) 於二零零六年十二月一日及二零零六年十二月五日，1,500,000股及1,000,000股之購股權證獲得行使，行使價分別為每股0.270港元及0.323港元，致使發行總數為2,500,000股股份，每股面值0.01港元，新股股本為25,000港元，而股份溢價帳為703,000港元，連同購股權儲備，合共為337,000港元，將進賬列入股份溢價帳（附註30）。於年度內餘下之購股權及其動向之詳情，見附註29。

年內發行之所有普通股於各方面與當時既有普通股享有同等權益。

29. 購股權計劃

本公司於二零零二年四月二十四日採納將於二零一二年四月二十三日屆滿之購股權計劃（「二零零二年計劃」），主要目的在於提供獎勵予各董事、合資格僱員及顧問。根據二零零二年計劃，本公司董事會可酌情向任何僱員（包括本公司及／或其附屬公司之執行董事或顧問）授出可認購本公司股份之購股權。授出購股權之每批代價為1港元。授出之購股權須於授出日期起計三十日內接納。

29. SHARE OPTION SCHEME *(Continued)*

The exercise price is determined by the directors of the Company and will not be less than the highest of (i) the closing price of the shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant, or (iii) the nominal value of the Company's shares.

The total number of shares in respect of which options may be granted under the 2002 Scheme is not permitted to exceed 10% of the shares of the Company in issue as at the date of shareholders' approval of the 2002 Scheme, without a prior approval from the Company's shareholders.

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

An option may be exercised in accordance with the terms of the 2002 Scheme at any time after the date upon which the option is granted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by the board of directors in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the 2002 Scheme. Subject to earlier termination by the Company in general meeting or by the board of directors' resolution at a general meeting, the 2002 Scheme shall be valid and effective for a period of 10 years after the date of adoption of the 2002 Scheme.

The maximum number of shares (issued and to be issued) in respect of which options may be granted to any eligible person in any 12-month period shall not exceed 1% of the total number of shares of the Company in issue, unless a shareholders' approval has been obtained.

29. 購股權計劃 (續)

行使價由本公司董事釐定，將不低於以下各項之最高者：(i)授出日期股份收市價；(ii)緊接授出日期前五個營業日股份平均收市價；或(iii)本公司股份面值。

除非獲得本公司股東事先批准，根據二零零二年計劃可予授出之購股權涉及之股份總數，不得超過本公司於股東批准二零零二年計劃當日之已發行股份10%。

根據二零零二年計劃及任何其他計劃已授出而尚未行使之發行在外購股權獲悉數行使時可予發行之股份總數，最多不得超過本公司不時已發行股份總數30%。

根據二零零二年計劃之條款，購股權可於購股權授出當日起至由該日起十年屆滿前隨時行使。購股權之可予行使期將由董事會全權酌情釐定，惟購股權不得於其授出十年後行使。於二零零二年計劃批准日期起計十年後，概不得授出購股權。除非本公司於股東大會或按董事會於股東大會之決議案提早終止計劃，否則，二零零二年計劃將於採納二零零二年計劃當日起十年期內有效及生效。

除已獲得股東批准外，於任何十二個月期間內向任何合資格人士可予授出之購股權所涉及之已經及將予發行股份數目，最多不得超過本公司已發行股份總數1%。

29. SHARE OPTION SCHEME (Continued)

The following table discloses details of the Company's share options held by director, employees and consultants and movements in the 2002 Scheme during the two years ended 31st March, 2007.

29. 購股權計劃 (續)

下表披露，截至二零零七年三月三十一日止兩個年度於二零零二年計劃中董事、僱員及顧問所持有之購股權及其變動詳情。

Grantee	Date of grant	Exercise price per share	Exercisable period	Number of share options 購股權數目				Outstanding at 31.03.2007	Closing share price immediately before exercise date
				Outstanding at 31.03.2005 and 31.03.2006 於二零零五年三月三十一日及二零零六年三月三十一日尚未行使	Granted during the year	Exercised during the year	Lapsed during the year		
授受人	授出日期	每股行使價 HK\$ 港元	行使期間		年內授出	年內行使	年內失效	於二零零七年三月三十一日尚未行使	緊接行使日期前股份收市價 HK\$ 港元
Director									
董事									
Ho Chi Ho 何志豪	02.03.2007	1.122	06.03.2007 – 05.03.2010	–	1,500,000	–	–	1,500,000	N/A 不適用
Consultants									
顧問									
	05.06.2006	0.270	05.06.2006 – 04.06.2009	–	14,040,000	(1,500,000)	–	12,540,000	0.650
	11.10.2006	0.323	11.10.2006 – 10.10.2009	–	33,600,000	(1,000,000)	–	32,600,000	0.780
				–	49,140,000	(2,500,000)	–	46,640,000	

The fair value of the share options granted during the year was HK\$7,658,000 of which the Company recognised a share options expense of HK\$7,658,000 during the year ended 31st March, 2007.

於年內授出購股權之公平值為7,658,000港元，其中本公司確認於截至二零零七年三月三十一日止年度之購股權開支為7,658,000港元。

29. SHARE OPTION SCHEME (Continued)

The fair value of equity-settled share options granted is estimated at the date of grant using the Black-Scholes option pricing model ("Model"), taking into account the terms and conditions upon which the options were granted. Details of the fair values of share options determined at the date of grant using the Model with significant variables and assumptions are as follows:

		Date of share options grant 購股權授出日期		
		05.06.2006 二零零六年 六月五日	11.10.2006 二零零六年 十月十一日	02.03.2007 二零零七年 三月二日
Exercise price	行使價	HK\$0.270	HK\$0.323	HK\$1.122
Dividend yield	股息利率	0%	0%	0%
Expected volatility	預期波幅	91.17%	92.67%	80.01%
Risk-free interest rate	無風險利率	4.273%	3.804%	3.973%
Expected life of option	預期流通年限	2 years	2 years	3 years
Closing share price at grant date	授出日股份收市價	HK\$0.255	HK\$0.305	HK\$1.080
Estimated fair values of options granted	估計授出購股權之 公平值	HK\$1,749,000	HK\$5,047,000	HK\$862,000

The expected volatility, which is based on the approximate historical volatility of closing prices of the share of the Company in the past one year immediately before the date of grant, reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The risk free rate represents the yields to maturity of respective Hong Kong Exchange Fund Note as at the share options grant date. The expected life of the options is based on the historical data and is not necessarily indicative of exercise patterns that may occur.

No other features of options grant were incorporated into the measurement of fair value.

At the balance sheet date, the Company had 46,640,000 share options outstanding under the 2002 Scheme which represented approximately 9.08% of the Company's share in issue at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 46,640,000 additional shares and additional share capital of HK\$466,400 and share premium of HK\$15,132,200 (before issue expenses).

29. 購股權計劃 (續)

所授出以股本結算之購股權之公平值乃於授出日期以柏力克－舒爾斯估值模式（「模式」）估計，並已考慮授出購股權之條款及條件。有關購股權於授出日期以該模式釐定之公布值，以及其重要變動及假設之詳情如下：

預期波幅按本公司股份於緊接授出日期前過去一年之收市價之以往波幅計算，反映歷史波動可標示未來趨勢的假設，未必為實際結果。無風險利率指於授出日香港外匯基金票據之到期收益率。購股權之預期流通年限乃基於歷史資料而釐定，未必反映其可能出現之行使規律。

計算公平值時並無計及已授出購股權的其他特性。

於結算日，根據二零零二年計劃，本公司尚有46,640,000股未行使購股權，佔該日期本公司已發行股本之約9.08%。倘該等餘下購股權獲悉數行使，按本公司現有資本架構，將導致本公司46,640,000股額外之普通股發行，包括額外股本466,400港元及額外股份溢價15,132,200港元（未扣除發行開支）。

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30. OTHER RESERVES

THE GROUP

		Capital redemption reserve	Convertible notes reserve	Share options reserve	Exchange reserve	Special reserve	Contributed surplus	Total
		資本贖回儲備 HK\$'000 千港元	可換股票據 儲備 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	特別儲備 HK\$'000 千港元	繳入盈餘 HK\$'000 千港元	總計 HK\$'000 千港元
Balance at 1st April, 2005	於二零零五年 四月一日之結餘	13,878	-	-	-	78,176	684,966	777,020
Initial recognition of convertible notes - equity component and interest expenses (Note 26)	初步確認 可換股票據 －股本部分及 利息開支 (附註26)	-	594	-	-	-	-	594
Redemption of convertible notes	贖回可換股票據	-	(594)	-	-	-	-	(594)
Balance at 31st March, 2006	於二零零六年 三月三十一日之結餘	13,878	-	-	-	78,176	684,966	777,020
Share options granted	授出購股權	-	-	7,658	-	-	-	7,658
Transfer on exercise of share options	於行使購股權時 轉讓	-	-	(337)	-	-	-	(337)
Currency translation differences	匯兌差額	-	-	-	(337)	-	-	(337)
Balance at 31st March, 2007	於二零零七年 三月三十一日之結餘	13,878	-	7,321	(337)	78,176	684,966	784,004

The contributed surplus of the Group represents the cancellation of an amount of approximately HK\$48,000,000 from the share premium account of the Company and the credit of an amount of approximately HK\$610,247,000 of the Company's share capital cancelled in 2002 and the contribution of approximately HK\$26,719,000 from the placing of warrants in 2002 that were expired in 2003.

The special reserve of the Group represents the difference between the nominal amount of the share capital issued by the Company in exchange for the nominal amount of share capital of its subsidiaries acquired at the date of a previous group reorganisation.

30. 其他儲備

本集團

本公司之繳入盈餘指註銷本公司股份溢價賬當中約48,000,000港元，以及於二零零二年註銷本公司股本之約610,247,000港元進賬及於二零零二年配售於二零零三年屆滿之認股權證之所得款項約26,719,000港元。

本集團特殊儲備指本公司於早前之集團重組日期就交換所收購附屬公司股本所發行股本面值與該等附屬公司股本面值之差額。

30. OTHER RESERVES (Continued)

THE COMPANY

		Share premium account	Capital redemption reserve	Contributed surplus	Convertible notes reserve	Share options reserve	Accumulated losses	Total
		股份溢價賬 HK\$'000 千港元	資本贖回 儲備 HK\$'000 千港元	繳入盈餘 HK\$'000 千港元	可換股票據 儲備 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
Balance at 31st March, 2005	於二零零五年三月三十一日之結餘	465,651	13,878	907,760	-	-	(1,236,918)	150,371
Initial recognition of convertible notes	初步確認可換股票據	-	-	-	594	-	-	594
Redemption of convertible notes	贖回可換股票據	-	-	-	(594)	-	594	-
Capital reduction	股本削減	-	-	-	-	-	61,690	61,690
Issue of shares	發行股份	15,635	-	-	-	-	-	15,635
Loss for the year	年內虧損	-	-	-	-	-	(65,392)	(65,392)
Balance at 1st April, 2006	二零零六年四月一日之結餘	481,286	13,878	907,760	-	-	(1,240,026)	162,898
Issue of shares	發行股份	102,260	-	-	-	-	-	102,260
Shares issue expenses	股份發行開支	(279)	-	-	-	-	-	(279)
Grant of share options	授出購股權	-	-	-	-	7,658	-	7,658
Exercise of share options	行使購股權	703	-	-	-	-	-	703
Transfer on exercise of share options	於行使購股權時轉讓	337	-	-	-	(337)	-	-
Loss for the year	年內虧損	-	-	-	-	-	(23,726)	(23,726)
Balance at 31st March, 2006	二零零六年三月三十一日之結餘	584,307	13,878	907,760	-	7,321	(1,263,752)	249,514

The share options reserve represents the fair value of share options granted which are yet to be exercised. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to retained profits should the related option expire or be forfeited.

The contributed surplus of the Company represents:

- (i) the difference between the consolidated shareholders' funds of the subsidiaries at the date on which they were acquired by the Company, and the nominal value of the Company's shares issued for the acquisition at the time of a previous group reorganisation; and
- (ii) the cancellation of an amount of approximately HK\$48,000,000 from the share premium account of the Company and the credit of an amount of approximately HK\$610,247,000 of the Company's share capital cancelled in 2002.
- (iii) the contribution of approximately HK\$26,719,000 from the placing of warrants in 2002 that were expired in 2003.

30. 其他儲備 (續)

本公司

購股權儲備為授出而尚未行使購股權之公平值。當有關購股權獲行使時，其價值將列入股份溢價賬，或當有關購股權過期或被取消，則列作保留溢利。

本公司之繳入盈餘指：

- (i) 本公司所收購附屬公司於收購日期之綜合股東資金與早前集團重組時就收購而發行之本公司股份面值之差額；
- (ii) 註銷本公司股份溢價賬當中約48,000,000港元，以及於二零零二年註銷本公司股本之約610,247,000港元進賬；及
- (iii) 於二零零二年配售於二零零三年屆滿之認股權證之所得款項約26,719,000港元。

30. OTHER RESERVES *(Continued)*

Under the Companies Act 1981 of Bermuda (as amended), 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 contributed surplus if:

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

In the opinion of the directors, the Company had no reserves available for distribution to shareholders at 31st March, 2006 and 31st March, 2007.

31. DISPOSAL OF SUBSIDIARIES

During the year ended 31st March, 2007, the Group disposed of its subsidiaries, Huey Tai, Bestcreate Investments Limited and Gold Method Consultants Limited. During the year ended 31st March, 2006, the Group disposed of its subsidiaries, Kingdom Wealthy Limited, New Plaza International Limited and Sharpower Limited.

30. 其他儲備 (續)

根據百慕達一九八一年公司法(經修訂)，本公司之繳入盈餘賬可供分派。然而，倘出現下列情況，本公司不得自繳入盈餘宣派或派付股息或作出分派：

- (a) 本公司無法或將於派發股息後無法償還到期負債；或
- (b) 本公司資產之可變現價值將因而少於其負債、其已發行股本及股份溢價賬三者之總和。

董事會認為，於二零零六年三月三十一日及二零零七年三月三十一日，本公司並無可供分派予股東之儲備。

31. 出售附屬公司

截至二零零七年三月三十一日止年度，本公司出售其附屬公司惠泰、Bestcreate Investments Limited及Gold Method Consultants Limited。截至二零零六年三月三十一日止年度，本集團出售其附屬公司Kingdom Wealthy Limited, New Plaza International Limited及Sharpower Limited。

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截至二零零七年三月三十一日止年度

31. DISPOSAL OF SUBSIDIARIES (Continued)

The net assets at the date of disposals were as follows:

31. 出售附屬公司 (續)

於出售日期之資產淨值載列如下：

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Net assets disposed of:	售出淨資產：		
Property, plant and equipment	物業、廠房及設備	—	527
Investment properties	投資物業	5,520	9,460
Interests in associates	於聯營公司之權益	2,032	—
Properties held for sale	持作出售物業	2,860	—
Other receivables	應收其他賬項	34,554	5
Bank balances and cash	銀行結餘及現金	98	46
Bank borrowings	銀行借貸	(1,791)	(2,511)
		43,273	7,527
Gain (Loss) on disposal of subsidiaries	出售附屬公司收益(虧損)	18,080	(2,913)
Consideration	代價	61,353	4,614
Satisfied by:	支付方式：		
Other borrowings and interest payable discharged	解除其他借貸及 應付利息	28,553	—
Cash	現金	32,800	4,614
		61,353	4,614
Net cash inflow arising on disposal:	出售產生現金流入淨額：		
Cash consideration	現金代價	32,800	4,614
Bank balances and cash disposed of	售出銀行結餘及現金	(98)	(46)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	出售附屬公司產生現金及 現金等額項目流入淨額	32,702	4,568

The subsidiaries disposed of during the year ended 31st March, 2007 contributed approximately HK\$56,000 (2006: nil) to the Group's turnover and loss of approximately HK\$411,000 (2006: HK\$81,000) to the Group's loss from operations for the year.

於二零零七年三月三十一日止年度出售附屬公司為本集團營業額貢獻約56,000港元(二零零六年：零)，及為本年度之本集團經營虧損帶來虧損約411,000港元(二零零六年：81,000港元)。

32. DECONSOLIDATION OF SUBSIDIARIES

As explained in note 41 to the financial statements, the Group has commenced legal proceedings for the recovery and declaration of its beneficial ownership in 51% of the issued share capital of Gold United International Industries Limited ("Gold United"), which has 80% direct interest in 杭州恆運交通開發有限公司 ("HZHY"). The management of HZHY has not provided the Company with any financial information subsequent to the provision of unaudited management accounts for the eleven months ended 28 February, 2005.

Due to the above reasons, the directors considered that the Group was unable to exercise its rights as major shareholder either to control the assets and operations or to exercise significant influence over the financial and operating policy decisions of the HZHY. As such, the directors considered that they are unable and it is inappropriate to consolidate the financial results of HZHY into the Group. Two of the Group's subsidiaries, Gold United and HZHY, were deconsolidated as of 1st April, 2006.

32. 取消綜合入賬附屬公司

誠如財務報表附註41所解釋，本集團已展開法律程序收回及表明其於金聯國際實業有限公司（「金聯」）51%已發行股本之實益擁有權。金聯持有杭州恆運交通開發有限公司（「杭州恆運」）之80%直接權益。杭州恆運管理層在提供截至二零零五年二月二十八日止十一個月未經審核管理賬目後並未向本公司提供任何財務資料。

鑑於上述原因，董事認為本集團未能行使其作為股東之權利，以控制杭州恆運之資產及業務或行使對其財政及營運政策之重大影響力。因此，董事認為其未能亦不宜將杭州恆運之財務業績綜合計算於本集團之賬目中。本集團之兩間附屬公司金聯及杭州恆運已於二零零六年四月一日起不再綜合入賬。

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Net assets deconsolidated:	取消綜合入賬之資產淨值		
Property, plant and equipment	物業、廠房及設備	64,460	—
Other receivables	其他應收賬款	4,303	—
Bank balances and cash	銀行結存及現金	7,217	—
Bank borrowings	銀行貸款	(58,545)	—
Net assets	資產淨值	17,435	—
Minority interests	少數股東權益	(10,241)	—
		7,194	—
Loss on deconsolidation of subsidiaries	取消綜合入賬 附屬公司虧損	(7,194)	—
Consideration	代價	—	—
Net cash outflow arising on deconsolidation:	取消綜合入賬產生之 現金流出淨額：		
Bank balances and cash deconsolidated	取消綜合入賬銀行 結餘及現金	(7,217)	—
Net outflow of cash and cash equivalents in respect of the deconsolidation of subsidiaries	取消綜合入賬附屬公司 涉及現金及現金等 額項目流出淨額	(7,217)	—

33. MAJOR NON-CASH TRANSACTIONS

The major non-cash transactions entered into by the Group during the year ended 31st March, 2007 is as follows:

Other borrowings and interest payable of approximately HK\$28,553,000 were settled by a transfer of legal and beneficial ownership on the entire issued share capital of Huey Tai.

For the year ended 31st March, 2006, the Group had no major non-cash transactions.

34. CONTINGENT LIABILITIES

The Company has contingent liabilities in respect of financial support given to certain subsidiaries which have capital deficiency to allow them to continue as a going concern and to meet their liabilities as and when they fall due.

35. CAPITAL COMMITMENTS

The Group and the Company had no significant capital commitment at the balance sheet dates.

36. OPERATING LEASE ARRANGEMENTS**The Group as lessee**

The Group made minimum lease payments of approximately HK\$1,642,000 (2006: HK\$1,818,000) under operating leases in respect of office premises during the year.

33. 主要非現金交易

截至二零零七年三月三十一日止年度，本集團並無訂立任何主要非現金交易。

其他借貸及應付利息約為28,553,000港元，經以轉讓惠泰全部已發行股本之法定及實益擁有權而償付。

截至二零零六年三月三十一日止年度，本集團並無任何重大非現金交易。

34. 或然負債

本公司因給予若干出現資金短缺之附屬公司財政支持而有或然負債，以使彼等能繼續持續經營，並於負債到期時償還該等負債。

35. 資本承擔

本集團及本公司於結算日均無重大資本承擔。

36. 經營租約安排**本集團作為承租人**

本集團年內根據就寫字樓物業訂立之經營租約作出最低租約付款約為1,642,000港元（二零零六年：1,818,000港元）。

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36. OPERATING LEASE ARRANGEMENTS (Continued)

The Group as lessee (Continued)

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

Within one year	一年內
In the second to fifth year inclusive	兩年至五年（包括首尾兩年）

THE GROUP 本集團	
2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元

507 752

504 1,407

1,011 2,159

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

The Company had no outstanding commitments under non-cancellable operating leases at the balance sheet date.

本集團作為承租人（續）

於結算日，本集團須按不可撤銷經營租約承擔未來最低租約付款，租約屆滿年期如下：

經營租約付款指本集團就其若干寫字樓物業及倉庫之應付租金。租約平均協定為兩至三年。

於結算日，本公司並無未履行之不可撤銷經營租約承擔。

37. BANK AND OTHER FACILITIES

THE GROUP

At the balance sheet date, the Group's bank and other facilities were secured by:

- At 31st March, 2007, the Group has not pledged any asset to secure bank and other facilities. At 31st March, 2006, the other financial assets at fair value through profit or loss at the carrying value of HK\$82,576,000 were pledged to secure credit and margin facilities granted by securities brokers.
- At 31st March, 2006, the entire issued share capital of a wholly-owned subsidiary was pledged to Asean to secure the Company's borrowings of HK\$23,643,000. On 28th September, 2006, the security for the borrowings was disposed of and the borrowings were settled. (Note 25)

37. 銀行及其他融資

本集團

於結算日，本集團之銀行及其他融資以下列各項作抵押：

- 二零零七年三月三十一日，本集團並未有抵押任何資產以取得銀行貸款及其他信貸融資。於二零零六年三月三十一日，賬面價值為82,576,000港元之按公平值計入損益之其他金融資產抵押予證券經紀以取得信貸及孖展融資。
- 二零零六年三月三十一日，一間全資附屬公司全部已發行股本已就取得本公司借貸23,643,000港元抵押予亞細安。二零零六年九月二十八日，此項借貸之證券經已出售而借貸遂得以清償。（附註25）

37. BANK AND OTHER FACILITIES (Continued)

- (c) The minority shareholder of Shanghai Hualong Construction Co., Ltd, a non-wholly owned subsidiary of the Company, and its affiliates had given corporate guarantee to certain banks in respect of credit facilities granted to Shanghai Hualong Construction Co., Ltd..
- (d) The minority shareholder (also a director) and his spouse of Prosper City International Limited ("Prosper City"), a non-wholly owned subsidiary of the Company, pledged certain bank deposits of approximately of HK\$7,000,000 (2006: HK\$7,000,000) and issued personal guarantee to an extent of HK\$8,000,000 (2006: HK\$8,000,000) in respect of other facilities granted to Prosper City.

38. RETIREMENT BENEFITS SCHEME

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Scheme Ordinance. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of an independent trustee.

Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions at 5% of relevant payroll costs to the scheme, which contribution is matched by employees. The only obligation of the Group with respect to MPF Scheme is to make the required contributions under the scheme. The contributions arising from the MPF Scheme charged to the income statement represent contributions payable to the fund by the Group at rates specified in the rules of the scheme. No forfeited contribution is available to reduce the contribution payable in the future years.

The employees in the subsidiaries in the PRC are members of state-managed retirement benefits schemes operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

37. 銀行及其他融資 (續)

- (c) 本公司非全資附屬公司上海華龍建設有限公司及其聯屬公司之少數股東已就上海華龍建設有限公司獲授信貸融資向若干銀行作出公司擔保。
- (d) 盛港國際有限公司(「盛港」)少數股東(亦為董事)及其配偶就盛港獲授若干信貸融資抵押若干銀行存款約為7,000,000港元(二零零六年: 7,000,000港元), 並作出8,000,000港元(二零零六年: 8,000,000港元)之個人擔保。

38. 退休福利計劃

本集團為其全部香港僱員推行強制性公積金計劃(「強積金計劃」)。強積金計劃已按強制性公積金計劃條例, 於強制性公積金計劃管理局登記。強積金計劃之資產由獨立受託人控制之基金與本集團之資產分開持有。

根據強積金計劃規則, 僱主及其僱員均須按有關薪金之5%向計劃供款。本集團就強積金計劃唯一責任為根據計劃作出指定供款。於收益表扣除之強積金計劃供款, 指本集團根據計劃規則指定比率向基金應付之供款。並無可用以削減未來數年應付供款之沒收供款。

中國附屬公司之僱員為中國政府推行之國家管理退休福利計劃成員。該等附屬公司必須按僱員工資之若干百分比, 向退休福利計劃作出供款, 以就福利提供資金。本集團就該退休福利計劃唯一責任為根據計劃作出指定供款。

39. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

During the year, the Group had significant transactions with the following related parties, together with balances with them as at the balance sheet date, details of which are as follows:

		2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元
Associates:	聯營公司：		
Balances due to the Group as at the balance sheet date	於結算日應付本集團之結算	—	161
Key management compensation of the Group:	本集團主要管理人員補償：		
Salaries and other short-term employee benefits	薪酬及其他短期僱員福利	1,270	725
Share-based payments	以股份支付之款項	862	—
Substantial shareholder:	主要股東：		
Share-based payments	以股份支付之款項	437	—

The balances were unsecured, interest free and had no fixed repayment terms.

As stated in the announcement on 29th December, 2006 and the circular dated 23rd January, 2007, the Company entered into four subscription agreements with four subscribers. The four subscribers agreed to subscribe for 90,000,000 new shares of HK\$0.01 each at the price of HK\$1.00 per placing share. Each of the subscription agreements was not interconditional on each other. Mega Market Assets Limited, one of the subscribers, had subscribed for 30,000,000 of the new shares. Mega Market Assets Limited was a substantial shareholder of the Company.

Save as disclosed above, there were no other significant transactions with related parties during the year or significant balances with them at the end of the year.

年內，本集團與以下有關連人士進行重大交易，以及於結算日與彼等產生了結餘，詳情如下：

該等結餘為無抵押、不計利息及無固定還款期。

誠如二零零六年十二月二十九日之公佈及二零零七年一月二十三日之通函所述，本公司與四位認購人訂立四份認購協議。該四位認購人同意認購每股面值0.01港元合共90,000,000股新股，價格為每股配售股份1.00港元。每份認購協議並不互為條件。其中一位認購人Mega Market Assets Limited認購30,000,000股新股。Mega Market Assets Limited為本公司之主要股東。

除上述披露者外，年內並無其他與有關連人士之重大交易或於本年度年結日並無與彼等產生重大結餘。

40. EVENTS AFTER THE BALANCE SHEET DATE

On 18th December, 2006, the Company and a wholly owned subsidiary of the Company, Esmian Group Limited ("Purchaser"), and Mr. Hong Loi Fuk ("Warrantor") entered into an agreement ("Agreement") to acquire from Major Win Ltd ("Vendor") the 1 share of HK\$1.00 in the share capital of Best Win Properties Ltd ("Best Win") representing 100% of the entire issued share capital of Best Win ("Option Share"); and the assignment of a shareholder's loan owing by Best Win to the Vendor ("Option Loan") for a total consideration of RMB555,000,000. Best Win is wholly owned by the Vendor. Best Win owns the entire share interest in Union Access Limited which will in turn own the entire share interest in a wholly foreign owned enterprise ("WFOE") upon its establishment. WFOE will be committed to real estate business, and will be the legal and beneficial owner of a six-storey shopping mall in Shanghai.

On 27th June, 2007, the Company understood from the Vendor that the completion of the establishment and registration of the WFOE by the Vendor has been further delayed due to some unforeseen complications, the Vendor, the Purchaser, the Company and the Warrantor entered into a Termination Deed to terminate the Agreement. On the same date, the Vendor, the Purchaser, and the Warrantor entered into a Call Option Deed pursuant to which the Purchaser was granted an option ("Option") at a consideration of HK\$1 to acquire the Option Share and the Option Loan from the Vendor at the price of RMB555,000,000. The Option is exercisable by the Purchaser at its absolute discretion at any time during the period commencing on the date of the Call Option Deed being 27th June, 2007 and ending on the first anniversary of such date (or such later date as the parties may agree in writing) (the "Option Period"). If the Option is not exercised during the Option Period, the Option shall lapse.

41. LITIGATION

On 4th July, 2005, the Company was notified by the Hong Kong Companies Registry that the annual return of Gold United International Industries Limited ("Gold United"), a non-wholly owned subsidiary of the Company, filed in May 2005 ("May Annual Return") contained information, including information relating to members and directors of Gold United, which are significantly different from the original annual return that was presented by the Group on 29th April, 2005.

40. 結算日後事項

於二零零六年十二月十八日，本公司與本公司全資附屬公司Esmian Group Limited（「買方」）及杭來福先生（「保證人」）訂立協議（「協議」），以向Major Win Ltd（「賣方」）收購Best Win Properties Ltd（「Best Win」）股本中1股面值1.00港元之股份，佔Best Win全部已發行股本100%（「認購股份」）；以及轉讓Best Win欠付賣方之股東貸款（「認購期權」），總代價為人民幣555,000,000元。Best Win由賣方全資擁有。Best Win擁有Union Access Limited全部股份權益，並將因而於一間全外資擁有企業（「全外資企業」）成立時擁有其全部股份權益。該全外資企業將致力於房地產業務，並將成為上海一幢六層高商場之法定及實益擁有人。

於二零零七年六月二十七日，本公司由賣方得悉由於某等未可預知複雜情形，全外資企業之成立及由賣方予以註冊登記事宜一再押後，賣方、買方、本公司及保證人訂立一項終止契約以終止該協議。於同一天，賣方、買方及保證人訂立一項認購期權契約，據此以代價1港元授予買方一項期權（「期權」）以價格555,000,000人民幣向賣方收購以上認購股份及貸款。賣方可於認購期權契約生效日期起即二零零七年六月二十七日至此日期首週年期滿有關日期（或訂約各方可能以書面同意之較後日期）期間（「認購期間」）隨時全權酌情行使其期權。倘該期權於認購期間內未獲行使，即告失效。

41. 訴訟

於二零零五年七月四日，香港公司註冊處通知本公司，本公司非全資附屬公司金聯國際實業有限公司（「金聯」）於二零零五年五月呈交存案之週年申報表（「五月週年申報表」）載有若干資料，其中包括有關金聯股東及董事之資料，該等資料與本集團於二零零五年四月二十九日所呈交原先週年申報表有重大差異。

41. LITIGATION *(Continued)*

On 13th July, 2005, the Company filed a Writ of Summons against four persons (the "Defendants") seeking, amongst others, declarations by the court to effect what Winsky Management Limited, a wholly owned subsidiary of the Company, is the beneficial owner of 51% of the issued share capital of Gold United. The Defendants were those persons who purportedly filed the false information with the Hong Kong Companies Registry and/or were identified as members and directors in the May Annual Return and other documents. Gold United is an investments holding company holding 80% direct interest in 杭州恆運交通開發有限公司 ("HZHY"), which is engaged in the operation of a highway in the PRC.

The Writ of summons was amended on 1st February, 2006 and re-amended on 10th October, 2006.

As at 31st March, 2007, the legal action is still proceeding and there is no significant development.

As regards deconsolidation of Gold United and HZHY, please refer to note 32 to the financial statements.

41. 訴訟 (續)

於二零零五年七月十三日，本公司向四名人士（「被告人」）發出傳訊令狀，（其中包括）要求法院宣佈本公司全資附屬公司 Winsky Management Limited 為金聯已發行股本 51% 權益之實益擁有人。被告人為據稱向香港公司註冊處呈交錯誤資料以及其他文件及／或於五月週年申報表聲稱為股東及董事之人士。金聯為投資控股公司，直接擁有杭州恆運交通開發有限公司（「杭州恆運」）80% 權益，該公司在中國從事經營高速公路業務。

上述傳訊令狀於二零零六年二月一日修改及於二零零六年十月十日再經修改。

於二零零七年三月三十一日，有關法律程序仍在進行中，並無重大進展。

有關金聯及杭州恆運交通取消綜合入賬事宜，請參閱財務報表附註 32。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2007

財務報表附註

截至二零零七年三月三十一日止年度

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31st March, 2007 are as follows:

42. 主要附屬公司詳情

於二零零七年三月三十一日，本公司之主要附屬公司詳情如下：

Name of subsidiary	Place of incorporation/ registration	Paid up share capital/ registered capital	Proportion of nominal value of issued share capital/registered capital held by the Company#/ subsidiaries 本公司#/ 附屬公司 所持已發行 股本／註冊／ 資本面值比例 %	Effective proportion of issued capital held by the Group	Principal activities
附屬公司名稱	註冊成立／ 註冊地點	繳足股本／ 註冊資本		本集團 所持已 發行股本 實際比例 %	主要業務
Captain Shore Limited	B.V.I. 英屬處女群島	US\$1 1美元	100 [#]	100	Investment holding 投資控股
Esmian Group Limited	B.V.I. 英屬處女群島	US\$1 1美元	100 [#]	100	Investment holding 投資控股
Full Champion Financial Limited	B.V.I. 英屬處女群島	US\$3 3美元	100 [#]	100	Investment holding 投資控股
Gold United International Industries Limited 金聯國際實業有限公司	Hong Kong 香港	HK\$10,000 10,000港元	51	51	Investment holding 投資控股
New Team Limited	B.V.I. 英屬處女群島	US\$1 1美元	100 [#]	100	Investment holding 投資控股
Power Rise International Limited	B.V.I. 英屬處女群島	US\$1 1美元	100 [#]	100	Investment holding 投資控股
Prosper City International Limited 盛港國際有限公司	Hong Kong 香港	HK\$100 100港元	51	51	Trading of building materials and provision of renovation service 建築材料貿易及 提供裝修服務

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2007

財務報表附註

截至二零零七年三月三十一日止年度

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES

(Continued)

42. 主要附屬公司詳情 (續)

Name of subsidiary	Place of incorporation/ registration	Paid up share capital/ registered capital	Proportion of nominal value of issued share capital/registered capital held by the Company#/ subsidiaries 本公司#/ 附屬公司 所持已發行 股本/註冊/ 資本面值比例 %	Effective proportion of issued capital held by the Group 本集團 所持已 發行股本 實際比例 %	Principal activities
附屬公司名稱	註冊成立/ 註冊地點	繳足股本/ 註冊資本			主要業務
Shanghai Hualong Construction Co. Ltd. 上海華龍建設有限公司	PRC 中國	US\$11,080,000 11,080,000美元	51	51	Property development and sales 物業發展及銷售
Super Target Limited	B.V.I. 英屬處女群島	US\$1 1美元	100#	100	Investment holding 投資控股
Victory Way International Limited	B.V.I. 英屬處女群島	US\$1 1美元	100#	100	Investment holding 投資控股
Winsky Management Limited	B.V.I. 英屬處女群島	US\$1 1美元	100#	100	Investment holding 投資控股
杭州恆運交通開發 有限公司	PRC 中國	RMB3,745,000 3,745,000人民幣	80	40.8	Operation of highway 經營公路

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

於本年度年結日或年內任何時間，附屬公司概無任何債務證券。

The above table includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上表包括董事認為對本集團本年度業績構成重大影響或於本集團之資產淨值中佔有重要比重之本公司附屬公司。董事認為詳列其他附屬公司之資料會令篇幅過長。

RESULTS

業績

		For the year ended 31st March, 截至三月三十一日止年度				
		2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2005 HK\$'000 二零零五年 千港元	2006 HK\$'000 二零零六年 千港元	2007 HK\$'000 二零零七年 千港元
Turnover	營業額	261,304	183,650	95,364	33,273	361,961
Loss attributable to equity holders of the Company	本公司股權持有人應佔虧損	(220,464)	(67,205)	(121,158)	(26,438)	(22,993)

ASSETS AND LIABILITIES

資產及負債

		As at 31st March, 於三月三十一日				
		2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2005 HK\$'000 二零零五年 千港元	2006 HK\$'000 二零零六年 千港元	2007 HK\$'000 二零零七年 千港元
Total assets	資產總額	845,226	691,171	423,184	391,979	368,715
Total liabilities	負債總額	401,518	296,616	192,141	171,594	69,934
Net assets	資產淨值	443,708	394,555	231,043	220,385	298,781
Minority interests	少數股東權益	122,511	103,779	10,955	10,241	—