

HyComm

HyComm Wireless Limited

華脈無線通信有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號：499)

ANNUAL REPORT 2007
年報



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Corporate Information

公司資料

DIRECTORS

LAI Yiu Keung (Chairman and Managing Director)
CHUNG Lai Ha
KWOK Chong, Anthony
LAI Man Kon
LI Mow Ming, Sonny #
CHAN Kwok Kay #
NG Wai Hung #

Independent non-executive directors

COMPANY SECRETARY

CHOY Mun Kei

QUALIFIED ACCOUNTANT

LAM Koon Fai

AUDITORS

Kennic L. H. Lui & Co. Ltd.
Certified Public Accountants (Practising)

PRINCIPAL BANKERS

The Bank of East Asia, Limited
China Construction Bank (Asia) Limited
Wing Lung Bank Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Bank of Bermuda Limited
Bank of Bermuda Building
6 Front Street
Hamilton HM11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

2nd Floor, Hillier Building
273-277 Queen's Road Central and 33 Hillier Street
Hong Kong

WEBSITE

www.hycomm-wireless.com

董事

黎耀強 (主席兼董事總經理)
鍾麗霞
郭 昶
黎文幹
李茂銘 #
陳國基 #
吳偉鴻 #

獨立非執行董事

公司秘書

蔡滿基

合資格會計師

林冠輝

核數師

呂禮恒會計師事務所有限公司
執業會計師

主要往來銀行

東亞銀行
中國建設銀行(亞洲)
永隆銀行

主要股份登記及過戶總處

Bank of Bermuda Limited
Bank of Bermuda Building
6 Front Street
Hamilton HM11
Bermuda

香港股份登記及過戶分處

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

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處兼主要營業地點

香港
皇后大道中273-277號及禧利街33號
禧利大廈2樓

網站

www.hycomm-wireless.com

Chairman's Statement

主席報告書

Dear Shareholders,

I hereby present the annual report of HyComm Wireless Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2007 and summarise below the recent development of the Group.

RESULTS OF THE GROUP

During the year ended 31 March 2007, the Group recorded turnover for the year of approximately HK\$13.2 million and loss for the year of approximately HK\$7.2 million. Loss for the year is mainly attributable to less surplus arising on revaluation of investment properties and impairment loss recognised in respect of interest in leasehold land held for own use under operating lease during the year.

DIVIDEND

The Board of Directors (the "Board") does not recommend the payment of final dividend for the year ended 31 March 2007.

MANAGEMENT DISCUSSION AND ANALYSIS

During the year under review, the Group was principally engaged in the business of property investment and development, short message services and trading of communication products.

Business review

During the period under review, the increase in turnover by approximately HK\$0.5 million is mainly attributable to the increase in income from short message services by approximately HK\$2.1 million and decrease of rental income by approximately HK\$1.8 million. The record of loss for the year of approximately HK\$7.2 million was mainly due to less surplus arising from revaluation of investment properties and impairment loss recognised in respect of interests in leasehold land held for own use under operating leases during the year. The investment properties have, to certain extent, continued to contribute to the Group. The properties held by the Group are still in the preliminary planning stage and any construction work will commence only at a later stage.

敬啟者：

本人謹提呈華脈無線通信有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至二零零七年三月三十一日止年度之年報及在下文概述本集團近期之發展。

集團業績

截至二零零七年三月三十一日止年度，本集團錄得營業額約13,200,000港元及本年度虧損約7,200,000港元，本年度虧損主要源於本年度投資物業重估增值較少及經營租賃下自用租賃土地權益之已確認減值虧損。

股息

董事會（「董事會」）建議不派發截至二零零七年三月三十一日止年度之末期股息。

管理層討論及分析

於回顧年度，本集團主要從事物業投資及發展、短訊服務及通訊產品貿易業務。

業務回顧

於回顧期間，營業額增加約500,000港元，主要由於短訊服務收入增加約2,100,000港元及物業租賃收入減少約1,800,000港元所致。本年度錄得虧損約7,200,000港元，主要由於本年度投資物業重估增值較少及經營租賃下自用租賃土地權益之已確認減值虧損。投資物業在某程度上繼續為本集團作出貢獻，本集團現有物業仍然處於初步計劃階段及任何建築工程只會較後才展開。

Liquidity, financial resources, pledge of assets and contingent liabilities

The Group has bank and cash balances of approximately HK\$642,000 as at 31 March 2007. The Group's major liabilities are bank borrowings and its bank borrowings outstanding at 31 March 2007 amounted to approximately HK\$92 million, representing a decrease of approximately HK\$12 million as compared with the amounts outstanding at 31 March 2006. During the year, there is no material change in the level of bank borrowings of the Group and its gearing level (total liabilities over equity attributable to the shareholders of the Company) changed from 1.20 at 31 March 2006 to 1.23 at 31 March 2007. The borrowings outstanding at 31 March 2007 are secured by certain properties held by the Group and denominated in Hong Kong dollar only. As at 31 March 2007, the Group has no material contingent liability. With bank and cash and other current assets as well as the Group's available banking facilities, the Group has sufficient financial resources to satisfy its financial commitments and working capital requirements.

Employee

As at 31 March 2007, the Group had 13 staff. In addition to the basic salary, employees are rewarded with performance-related bonuses, other staff welfare and also a share options scheme will be made available to certain staff of the Group at the discretion of the Board.

Prospects

While increase of the properties value still benefits the results of the Group due to Hong Kong property market was continually prospered, gradual shift of its business strategy from property investment and development to technology-related and communication businesses is still a long-term goal of the Group to attempt to broaden its earning base and catch new opportunities in the long run. The Group will focus on such direction to bring to the shareholders greater value.

資產流動性、財務狀況、資產抵押及或然債務

本集團於二零零七年三月三十一日之銀行及現金結存為約642,000港元。本集團之主要負債為銀行貸款及其銀行貸款餘額於二零零七年三月三十一日為約92,000,000港元，較二零零六年三月三十一日之餘額減少約12,000,000港元。年內，本集團銀行借貸水平並無重大變化，而其借貸比率（總負債除以本公司權益股東應佔資金）由於二零零六年三月三十一日之1.20改變至於二零零七年三月三十一日之1.23。於二零零七年三月三十一日之借貸乃以本集團若干物業作為抵押及以港元結算。於二零零七年三月三十一日，本集團並無重大或然債務，連同銀行及現金結存及其他流動資產，以及本集團備用銀行信貸，本集團有充足財務資源以應付其財務承諾及營運資金需求。

僱員

於二零零七年三月三十一日，本集團有13名僱員。除底薪外，僱員會獲發按工作表現計算之獎金及享有其他員工福利。此外，根據購股權計劃，董事會可酌情向本集團若干員工授出購股權。

前景

由於香港物業市場的繼續蓬勃，本集團業績仍受惠於物業價值增加。同時，將業務策略由物業投資及發展逐步轉移為科技有關及通訊業務仍然是本集團一項長遠目標，以期長遠可擴大盈利基礎及捕捉新機。本集團將會重點投放於該方向以期為股東帶來更高之價值。

Chairman's Statement *(Continued)* 主席報告書 (續)

AUDIT COMMITTEE

The audit committee of the Company comprises of three independent non-executive directors. The primary duties of the audit committee are review and advise on the accounting principles and practices adopted by the Group, auditing, financial reporting process and internal control system of the Group, including review of the results for the year ended 31 March 2007.

On behalf of all members of the Board, I would like to express our gratitude to the shareholders for their continuing support and all staff of the Group for their hard work and contribution.

LAI Yiu Keung
Chairman

Hong Kong, 19 July 2007

審核委員會

本公司之審核委員會由三位獨立非執行董事組成，審核委員會主要進行審閱及建議本集團所採納之會計原則及實務、本集團之審核、財務申報程序及內部監督系統，包括審閱截至二零零七年三月三十一日止年度之業績。

本人僅代表董事會同寅，對一直支持本集團之股東及辛勤工作為本集團帶來貢獻之全體員工致謝。

此致
列位股東 台照

主席
黎耀強

香港，二零零七年七月十九日

Biographical Details of Directors

董事之詳細履歷

EXECUTIVE DIRECTORS

LAI Yiu Keung

aged 57, is the chairman and managing director of the Company. He is the founder of the Group and has over 25 years of experience in the property business and construction industry. Prior to establishing the Group in 1980, Mr Lai had eight years of experience as a planning designer of buildings in two architectural firms. He has been in charge of the acquisition and overall development of the technology-related & communication businesses of the Group over the past few years. He is currently responsible for the overall management, corporate strategy and daily operations of the Group. Mr Lai is the spouse of Ms Chung Lai Ha and is the father of Mr Lai Man Kon.

CHUNG Lai Ha

aged 54, is the executive director of the Company. She joined the Group in 1986 and has over 20 years' experience in property investment, specialising in property acquisition in urban areas. She is currently responsible for the Group's property investment. Ms Chung is the spouse of Mr Lai Yiu Keung and is the mother of Mr Lai Man Kon.

KWOK Chong, Anthony

aged 49, is the executive director of the Company in charge of the marketing department. He has a bachelor's degree in geography from the University of Hong Kong and a professional diploma in real estate administration from the School of Professional and Continuing Education (SPACE) of the University of Hong Kong. He had 10 years of experience in the leasing and sale of properties in Hong Kong before joining the Group in 1993.

LAI Man Kon

aged 32, is the executive director of the Company since 24 May 2005 and is in charge of administration of the Group. He graduated from Monash University in Australia with a Bachelor of Business Management and a Master of Business Systems. He currently is also a senior property manager of a property management company. Mr Lai is the son of Mr Lai Yiu Keung and Ms Chung Lai Ha.

執行董事

黎耀強

現年57歲，為本公司之主席兼董事總經理。彼為本集團之創辦人，具有逾二十五年物業業務及建築行業經驗。在一九八零年成立本集團以前，黎先生曾在兩間建築公司出任樓宇規劃設計師逾八年。黎先生負責本集團過去數年科技有關及通訊業務之收購及整體發展事宜。黎先生現時負責本集團之整體管理、公司策略及日常營運。黎先生為鍾麗霞女士之配偶及黎文幹先生之父親。

鍾麗霞

現年54歲，為本公司之執行董事，於一九八六年加入本集團，累積逾二十年物業投資（尤其市區物業之收購方面）經驗，現時負責本集團之物業投資。鍾女士為黎耀強先生之配偶及黎文幹先生之母親。

郭昶

現年49歲，為主管市場推廣部門之執行董事。郭先生持有香港大學地理學士學位及香港大學專業進修學院地產行政專業文憑，於一九九三年加入本集團前，具有逾十年香港物業之租賃及銷售經驗。

黎文幹

現年32歲，自二零零五年五月二十四日起擔任本公司之執行董事及主管本集團之行政。彼持有澳洲 Monash University 商業管理學士學位及商業系統碩士學位。彼現亦為一物業管理公司之高級物業經理。黎先生為黎耀強先生及鍾麗霞女士之兒子。

Biographical Details of Directors *(Continued)* 董事之詳細履歷 (續)

INDEPENDENT NON-EXECUTIVE DIRECTORS

LI Mow Ming, Sonny

aged 49, is the independent non-executive director of the Company since 31 May 2005. He is the Company Secretary and Financial Controller of Huafeng Textile International Group Limited, which is a listed company in Hong Kong, and mainly engages in manufacturing of fabrics and yarns with dyeing & weaving operations in Fujian Province, China. Mr Li was the Group Financial Controller and Personnel & Administration Manager of a construction material manufacturing and trading company, namely Man Fai Tai Holdings Limited until 14 May 2005. Mr Li received a Bachelor of Arts in Business Administration from Seattle University, U.S.A. and is fellow member of Hong Kong Institute of Certified Public Accountants and Certified Practising Accountant of CPA Australia.

CHAN Kwok Kay

aged 37, is the independent non-executive director of the Company since 31 May 2005. He is currently Senior Project Engineer of a specialist contractor for public works, namely Tai Ah Engineering Company Limited. Mr Chan received a Bachelor of Engineering in Mechanical Engineering from Hong Kong Polytechnic University and is member of Society of Engineer (UK) and The Institute of Plant Engineer (UK).

NG Wai Hung

aged 36, is the independent non-executive director of the Company since 31 May 2005. He currently holds certain directorships in private businesses including trading, retail solution and production of works for point of purchase and consultancy services. Mr Ng received a Bachelor of Mathematics, Information System from University of Waterloo, Canada.

獨立非執行董事

李茂銘

現年49歲，自二零零五年五月三十一日起為本公司獨立非執行董事。彼為華豐紡織國際集團有限公司（為一間於香港上市公司及主要從事織布及紗布生產及於中國福建省從事漂染及編織運作）公司秘書及財務總監。直至二零零五年五月十四日，李先生曾為一建築材料生產及貿易公司（文輝泰集團有限公司）之集團財務總監兼人事及行政部經理。李先生取得美國西雅圖大學之工商管理學士學位及為香港會計師公會資深會員和澳洲會計師公會執業會計師。

陳國基

現年37歲，自二零零五年五月三十一日起為本公司獨立非執行董事，現為一公共工程專門承造商（大亞工程有限公司）之高級項目工程師。陳先生取得香港理工大學之機械工程學士學位及為Society of Engineer(UK)和The Institute of Plant Engineer (UK)之會員。

吳偉鴻

現年36歲，自二零零五年五月三十一日起為本公司獨立非執行董事，現擁有若干私人業務（包括貿易、零售方案與銷售點製品及顧問服務）之董事職務。吳先生取得加拿大滑鐵盧大學數學學士學位－資訊系統。

Report of the Directors

董事會報告

The directors herein present their annual report together with the audited financial statements for the year ended 31 March 2007.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities and other particulars of its principal subsidiaries are set out in note 35 to the financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2007 are set out in the consolidated income statement on page 26.

The directors do not recommend the payment of any dividends for the year.

RESERVES

Details of the movements in reserves of the Group and the Company during the year ended 31 March 2007 are set out in note 25 to the financial statements.

INVESTMENT PROPERTIES

The investment properties of the Group were revalued as at 31 March 2007 and the resulting surplus arising from revaluation amounted to approximately HK\$18,250,000 (2006: HK\$45,250,000).

Details of these and other movements in the investment properties of the Group are set out in note 12 to the financial statements.

PROPERTIES, PLANT AND EQUIPMENT

The buildings of the Group were revalued as at 31 March 2007 and the resulting surplus arising from revaluation amounted to approximately HK\$285,000 (2006: HK\$21,000).

Details of these and other movements in the properties, plant and equipment of the Group are set out in note 13 to the financial statements.

BANK AND OTHER BORROWINGS

Particulars of bank and other borrowings of the Group as at 31 March 2007 are set out in notes 20 and 22 to the financial statements.

董事會謹提呈彼等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，其主要附屬公司之主要業務及其他詳情載於財務報表附註35。

業績及股息

本集團截至二零零七年三月三十一日止年度之業績載於第26頁之綜合收益表。

董事不建議派發本年度之股息。

儲備

本集團及本公司截至二零零七年三月三十一日止年度之儲備變動詳情，載於財務報表附註25。

投資物業

本集團之投資物業於二零零七年三月三十一日重估，得出之重估增值約港幣18,250,000元（二零零六年：港幣45,250,000元）。

本集團投資物業之此等變動及其他變動詳情，載於財務報表附註12。

物業、廠房及設備

本集團之樓宇於二零零七年三月三十一日重估，得出之重估增值約港幣285,000元（二零零六年：港幣21,000元）。

本集團物業、廠房及設備之此等變動以及其他變動詳情，載於財務報表附註13。

銀行及其他借貸

本集團於二零零七年三月三十一日之銀行及其他借貸詳情，載於財務報表附註20及22。

Report of the Directors (Continued) 董事會報告 (續)

MAJOR PROPERTIES

Particulars of the major properties of the Group are set out on pages 85 and 86.

DIRECTORS AND SERVICE CONTRACTS

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

Executive directors:

Mr Lai Yiu Keung, *Chairman*
Madam Chung Lai Ha
Mr Kwok Chong, Anthony
Mr Lai Man Kon

Independent non-executive directors:

Mr Li Mow Ming, Sonny
Mr Chan Kwok Kay
Mr Ng Wai Hung

In accordance with Bye-law 87(2), Madam Chung Lai Ha and Mr Li Mow Ming, Sonny will retire from office at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The Company has entered into service contracts with the executive directors of the Company pursuant to which Mr Lai Yiu Keung agreed to act as an executive director for a renewed term of three years commencing on 1 October 2006. Madam Chung Lai Ha and Mr Kwok Chong, Anthony agreed to act as executive directors for renewed terms of one year commencing on 1 October 2006 and Mr Lai Man Kon agreed to act as executive director for a renewed term of one year commencing on 1 June 2007.

None of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The Company has also entered into services contracts with all existing independent non-executive directors for terms of three years commencing on 31 May 2005.

主要物業

本集團之主要物業詳情載於第85及86頁。

董事及服務合約

於年度內及截至本報告刊發日期止，本公司之董事如下：

執行董事：

黎耀強先生，主席
鍾麗霞女士
郭昶先生
黎文幹先生

獨立非執行董事：

李茂銘先生
陳國基先生
吳偉鴻先生

根據公司細則第87(2)條，鍾麗霞女士及李茂銘先生將於應屆股東週年大會退任，惟彼等合資格並願意膺選連任。

本公司與本公司執行董事訂有服務合約，據此，黎耀強先生同意出任執行董事，經續聘任期由二零零六年十月一日起為期三年。鍾麗霞女士及郭昶先生同意出任執行董事，經續聘任期由二零零六年十月一日起為期一年，而黎文幹先生同意出任執行董事，經續聘任期由二零零七年六月一日起為期一年。

獲提名在應屆股東週年大會膺選連任之董事，概無與本公司或其任何附屬公司訂立任何本集團不作補償（法定賠償除外）則不可於一年內終止之服務合約。

本公司亦已與全體現任獨立非執行董事訂立服務合約，由二零零五年五月三十一日起為期三年。

RELATED PARTY TRANSACTIONS AND DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 32 to the financial statements:

- (i) there were no other transactions which are required to be disclosed as related party transactions pursuant to the requirements of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"); and
- (ii) there were 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, subsisting at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN SHARES

As at 31 March 2007, the interests and short positions of the directors, the chief executive and their associates in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") of the Listing Rules on the Stock Exchange were as follows:

Name of director 董事姓名	Type of interest 權益類別	Number of shares 股份數目
Mr Lai Yiu Keung 黎耀強先生	Corporate (Note 1) 公司 (附註1)	240,700,000
	Personal 個人	151,000,000
Madam Chung Lai Ha 鍾麗霞女士	Family (Notes 1 & 2) 家屬 (附註1及2)	391,700,000

Notes:

1. 210,700,000 shares are registered in the name of United Man's Limited, a company incorporated in the British Virgin Islands and the remaining 30,000,000 shares are registered in the name of Justgood Limited, a company also incorporated in the British Virgin Islands. The entire issued share capital of these two companies is beneficially owned by Mr Lai Yiu Keung.
2. Madam Chung Lai Ha is the spouse of Mr Lai Yiu Keung and is deemed to be interested in those shares of the Company in which Mr Lai Yiu Keung has an interest.

關連人士交易及董事於合約之權益

除財務報表附註32披露者外:

- (i) 並無其他交易根據香港聯合交易所有限公司證券上市規則(「上市規則」)之規定須披露為關連人士交易;及
- (ii) 概無任何本公司或其任何附屬公司參與訂立,於年底或年內任何時間仍屬有效,且本公司董事於當中直接或間接擁有重大權益之其他重大合約。

董事於股份之權益

於二零零七年三月三十一日,董事、主要行政人員及彼等之聯繫人於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份中,擁有已根據證券及期貨條例第XV部第7及第8分部知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉,或已根據證券及期貨條例第352條規定記錄於該條例規定存置之登記冊內之權益及淡倉,或已根據聯交所上市規則項下上市公司董事進行證券交易的標準守則(「標準守則」)規定知會本公司及聯交所之權益及淡倉如下:

附註:

1. 210,700,000 股股份以在英屬處女群島註冊成立之公司 United Man's Limited 之名義登記,而餘下30,000,000 股股份以在英屬處女群島註冊成立之公司 Justgood Limited 之名義登記,該兩間公司全部已發行股本均由黎耀強先生實益擁有。
2. 鍾麗霞女士為黎耀強先生之配偶,故被視作於黎耀強先生擁有權益之本公司股份中擁有權益。

Report of the Directors (Continued) 董事會報告 (續)

DIRECTORS' INTERESTS IN SHARES (Continued)

In addition to the above, the following directors beneficially owned non-voting 5% deferred shares in the following subsidiaries of the Group as at 31 March 2007:

Name of director 董事姓名	Name of subsidiary 附屬公司名稱	Number of non-voting 5% deferred shares 無投票權5%遞延股數目
Mr Lai Yiu Keung 黎耀強先生	Billtech Limited 必利達有限公司	2,000
	Oriental Gain Properties Limited 東盈置業有限公司	3,710

The non-voting 5% deferred shares carry no rights to dividends, from a practical view point, or to receive notice of or attend or vote at any general meetings of or to participate in the surplus assets of the above-mentioned companies by virtue of or in respect of their holdings of such deferred shares.

Save as disclosed above, as at 31 March 2007, none of the directors or the chief executive or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

董事於股份之權益 (續)

除上述者外，以下董事於二零零七年三月三十一日實益擁有本集團下列附屬公司之無投票權5%遞延股：

無投票權5%遞延股實際上不會因或就持有該等遞延股而附有權利收取股息或接收上述公司任何股東大會之通告，亦不可出席該等公司之大會或於會上投票或享有該等公司之剩餘資產。

除上文披露者外，於二零零七年三月三十一日，各董事或主要行政人員或彼等之聯繫人概無於本公司或其任何相聯法團之任何股份、相關股份或債券中，擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所之權益或淡倉，或須根據證券及期貨條例第352條規定記錄於該條例所述登記冊內之權益或淡倉，或須根據標準守則知會本公司及聯交所之權益或淡倉。

SHARE OPTIONS

Pursuant to a resolution passed at a special general meeting of the shareholders held on 15 July 2002, the Company terminated the old share option scheme and adopted the new share option scheme ("New Scheme") on 9 September 2002.

The primary purpose of the New Scheme is to provide incentives to directors and eligible employees and it remains in force for a period of 10 years commencing on 9 September 2002. Under the New Scheme, the directors may, at their absolute discretion, invite any person belonging to any of the following classes of participants to take up options to subscribe for shares in the Company:

- (a) any employees, executives (including any executive directors but excluding any independent non-executive directors and non-executive directors), managers and consultants of the Company, any of its subsidiaries ("Subsidiaries") or any entity ("Invested Entity") in which any members of the Group holds an equity interest;
- (b) any non-executive directors (including independent non-executive directors) of the Company, any Subsidiaries or any Invested Entity;
- (c) any suppliers of goods or services to any members of the Group or any Invested Entity;
- (d) any customers of the Group or any Invested Entity;
- (e) any persons or entities that provide research, development or other technological support to the Group or any Invested Entity;
- (f) any shareholders or any members of the Group or any Invested Entity or any holders of any securities issued by any members of the Group or any Invested Entity;
- (g) any advisors (professional) or consultants to any area of business or business development of any members of the Group or any Invested Entity; and
- (h) any joint venture partners or business alliances that co-operate with any members of the Group or any Invested Entity in any area of business operations or development.

購股權

根據股東於二零零二年七月十五日舉行之股東特別大會上通過之決議案，本公司於二零零二年九月九日終止舊購股權計劃，並採納新購股權計劃（「新計劃」）。

新計劃之主要目的為向董事及合資格僱員提供獎勵，自二零零二年九月九日起計有效十年。根據新計劃，董事可全權酌情邀請任何屬於下列類別之參與者接納可認購本公司股份之購股權：

- (a) 本公司、其任何附屬公司（「附屬公司」）或本集團任何成員公司持有股本權益之公司（「所投資公司」）之僱員、行政人員（包括任何執行董事，但不包括任何獨立非執行董事及非執行董事）、經理及顧問；
- (b) 本公司、任何附屬公司或任何所投資公司之非執行董事（包括獨立非執行董事）；
- (c) 向本集團任何成員公司或任何所投資公司提供貨物或服務之供應商；
- (d) 本集團或任何所投資公司之客戶；
- (e) 向本集團或任何所投資公司提供研究、開發或其他技術支援之人士或機構；
- (f) 本集團任何成員公司或任何所投資公司之股東或本集團任何成員公司或任何所投資公司所發行證券之持有人；
- (g) 本集團任何成員公司或任何所投資公司任何方面業務或業務發展之專業諮詢人或顧問；及
- (h) 與本集團任何成員公司或任何所投資公司就任何方面業務營運或發展合作之合營夥伴或業務聯盟。

SHARE OPTIONS (Continued)

The total number of shares in respect of which options may be granted under the New Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time without prior approval from the Company's shareholders. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5,000,000 must be approved in advance by the Company's shareholders.

Options granted must be taken up within 21 days of the date of grant, upon payment of HK\$1 per option. Options may be exercised at any time from the date of offer of the share option to a date to be determined and notified by the directors or, in the absence of such determination, the earlier of the date on which the options lapse or the 10th anniversary of the date of grant. The exercise price is determined by the directors of the Company, and will not be less than the higher of the closing price of the Company's shares on the date of grant, the average closing price of the shares for the five business days immediately preceding the date of grant, and the nominal value of the Company shares.

There were no outstanding options granted under the New Scheme since its adoption and at the end of the year. In addition, there were no options granted to or outstanding in respect of the old share option scheme at the balance sheet date.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

As at 31 March 2007, none of the directors of the Company had any personal interests in share options to subscribe for shares in the Company granted under the share option schemes of the Company.

No share options were granted to, or exercised by, any directors during the year.

Save 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. In addition, none of the directors, or their spouses or children under the age of 18 had any rights to subscribe for securities of the Company or had exercised any such rights during the year.

購股權 (續)

未經本公司股東事先批准，根據新計劃可能授出之購股權所涉及股份總數不得超過本公司不時已發行股份之10%。未經本公司股東事先批准，任何個別人士於一年內可能獲授購股權所涉及之股份數目，不得超過本公司不時已發行股份之1%。向主要股東或獨立非執行董事授出涉及超過本公司股本0.1%或總值超過港幣5,000,000元之股份之購股權，須事先獲本公司股東批准。

購股權須於授出日起計21日內接納，並須就每份購股權支付港幣1元之代價。購股權可於提呈購股權日期起至由董事會釐定及通知，或倘董事會並無作任何決定，則可於購股權失效之日或授出日期起計十週年之日（以較早者為準）內隨時行使。行使價由本公司董事釐定，惟不會低於本公司股份於授出日期之收市價、緊接授出日期前五個營業日之股份平均收市價及本公司股份面值（以較高者為準）。

自新計劃採納以來及於本年度年結日概無根據新計劃授出而未行使之購股權。此外，於結算日，舊購股權計劃項下並無購股權獲授出或尚未行使。

董事購入股份或債券之權利

於二零零七年三月三十一日，概無本公司董事於根據本公司之購股權計劃獲授可認購本公司股份之購股權中擁有任何個人權益。

年內，並無董事獲授或行使任何購股權。

除上文披露者外，本公司或其任何附屬公司於年內任何時間概無訂立任何致使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲益之安排。此外，年內各董事、彼等之配偶或18歲以下子女概無擁有任何可認購本公司證券之權利，亦無行使任何該等權利。

SUBSTANTIAL SHAREHOLDERS

In addition to the interests of directors under the heading "Directors' Interests in Shares" above, the substantial shareholders register maintained by the Company pursuant to section 336 of Part XV of the SFO discloses that the following shareholders had an interest representing 5% or more of the issued share capital of the Company as at 31 March 2007:

Name 名稱	Number of shares 股數	Approximate percentage of issued shares held 所持已發行股份概約百分比
Lintech Telecom Limited	374,519,995 (Note) (附註)	12.57%
Lintech Limited	374,519,995 (Note) (附註)	12.57%
Guangdong Telecom Industry Group Corporation	374,519,995 (Note) (附註)	12.57%

Note: These shares are beneficially held by Guangdong Telecom Industry Group Corporation through its 95% owned subsidiary, Lintech Limited, and the wholly-owned subsidiary of Lintech Limited, Lintech Telecom Limited. The entire issued share capital of Lintech Telecom Limited is held by Lintech Limited and 95% of the issued share capital of Lintech Limited is held by Guangdong Telecom Industry Group Corporation.

Save as disclosed above, the Company has not been notified of any other interests representing 5% or more of the issued share capital of the Company as at 31 March 2007.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2007, the aggregate amount of turnover attributable to the Group's five largest customers accounted for approximately 24% of the Group's total turnover and the amount of turnover attributable to the largest customer was approximately 10% of total turnover.

The Group's five largest suppliers accounted for approximately 42% of the total purchases of the Group.

None of the directors, their associates or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's issued share capital) has any interest in any of the Group's five largest customers.

主要股東

除上文「董事於股份之權益」一節載列之董事權益外，就本公司根據證券及期貨條例XV部第336條存置之主要股東名冊披露，於二零零七年三月三十一日，以下股東擁有相當於本公司已發行股本5%或以上之權益：

Name 名稱	Number of shares 股數	Approximate percentage of issued shares held 所持已發行股份概約百分比
Lintech Telecom Limited	374,519,995 (Note) (附註)	12.57%
Lintech Limited	374,519,995 (Note) (附註)	12.57%
Guangdong Telecom Industry Group Corporation	374,519,995 (Note) (附註)	12.57%

附註：此等股份乃Guangdong Telecom Industry Group Corporation 透過其擁有95%之附屬公司Lintech Limited 及Lintech Limited 之全資附屬公司Lintech Telecom Limited 實益持有。Lintech Telecom Limited 之全部已發行股本由Lintech Limited 持有，而Lintech Limited 之已發行股本95%則由Guangdong Telecom Industry Group Corporation 持有。

除上文披露者外，於二零零七年三月三十一日，本公司並不知悉有任何其他人士擁有相當於本公司已發行股本5%或以上之權益。

主要客戶及供應商

截至二零零七年三月三十一日止年度，本集團五大客戶應佔之營業額合共佔本集團總營業額約24%，而本集團最大客戶應佔之營業額則佔本集團總營業額約10%。

本集團五大供應商佔本集團總採購額約42%。

董事、彼等之聯繫人或據董事所知擁有本公司已發行股本5%以上之任何股東概無擁有本集團五大客戶之任何權益。

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, options, warrants or other similar rights as at 31 March 2007.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the year.

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.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, the Company has maintained a public float of its shares throughout the year ended 31 March 2007 which exceeded the minimum requirements of the Stock Exchange.

RETIREMENT SCHEME

The Group operates a mandatory provident fund scheme for its employees. Particulars of the provident fund scheme are set out in note 29 to the financial statements.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the independent non-executive directors to be independent.

可換股證券、購股權、認股權證或類似權利

於二零零七年三月三十一日，本公司概無任何尚未行使之可換股證券、購股權、認購權證或其他類似權利。

購買、出售或贖回本公司之上市股份

年內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之上市股份。

先買權

本公司之公司細則或百慕達法例並無有關先買權之條文，即並無規定本公司須按持股比例向現有股東發售新股份。

充足公眾持股量

根據本公司所獲公開資料及據本公司董事所知，本公司於截至二零零七年三月三十一日止年度內一直維持超出聯交所最低規定之公眾持股量。

退休計劃

本集團為其僱員設立強制性公積金計劃。有關公積金計劃詳情載於財務報表附註29。

獨立身分確認

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立身分確認，並認為全體獨立非執行董事均為獨立人士。

Report of the Directors *(Continued)* 董事會報告 (續)

AUDITORS

Kennic L. H. Lui & Co. Ltd., Certified Public Accountants (Practising) were first appointed as auditors of the Company in 2003.

Kennic L. H. Lui & Co. Ltd. retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Kennic L. H. Lui & Co. Ltd. as auditors of the Company is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Lai Yiu Keung
Chairman

Hong Kong, 19 July 2007

核數師

執業會計師呂禮恒會計師事務所有限公司於二零零三年首次獲委任為本公司核數師。

呂禮恒會計師事務所有限公司將會依章告退，且合資格並願意應聘連任。應屆股東週年大會將提呈續聘呂禮恒會計師事務所有限公司為本公司核數師之決議案。

代表董事會

主席
黎耀強

香港，二零零七年七月十九日

Corporate Governance Report

企業管治報告

The board of directors (the "Board") recognises their mission to create value and maximise returns on behalf of the shareholders of the Company while at the same time fulfilling their corporate responsibilities. Accordingly, the Company strives to promote and uphold a balanced and high standard of corporate governance.

The Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited came into effect on 1 January 2005. The Company has put in place corporate governance practices to comply with all the provisions of the CG Code, except for certain areas of non-compliance discussed later in this report, during the year ended 31 March 2007.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") as set out in Appendix 10 of the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. The Company has made specific and reasonable enquiries of all directors and is satisfied that they have complied with the Model Code throughout the year ended 31 March 2007.

BOARD OF DIRECTORS

The Board is responsible to the shareholders and all directors are collectively responsible for formulating the strategic business direction of the Company and its subsidiaries (the "Group") and setting objectives for management, overseeing performance and assessing the effectiveness of management strategies.

The Directors

Currently, the Board comprises seven directors, including four executive directors and three independent non-executive directors. The biographical details of the directors and the relationship (if any) of the directors with other directors, senior management and substantial shareholders of the Company are set out on pages 6 and 7 of this annual report. The composition of the Board is well balanced with each director having sound knowledge, experience and/or expertise relevant to the business operations and development of the Group. All directors are aware of their collective and individual responsibilities to shareholders and have exercised their duties with care, skill and diligence and, thereby, have contributed to the performance of the Group.

Each of the independent non-executive directors has entered into a service contract with the Company for a term of three years commencing on 31 May 2005 which, thereafter, shall continue from year to year until terminated by either party giving the other party two months' notice in writing. They are also subject to retirement by rotation and re-election according to the bye-laws of the Company.

董事會(「董事會」)確認其為本公司股東創造價值及帶來最大回報,同時履行其企業責任之使命。因此,本公司矢志提升及保持平衡兼高水準之企業管治。

香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「企管守則」)已於二零零五年一月一日起生效。本公司於截至二零零七年三月三十一日止年度,已實施企業管治常規,以遵守企管守則條文之所有規定,惟於本報告稍後詳述之若干偏離情況除外。

進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市公司董事進行證券交易的標準守則(「標準守則」),作為董事買賣本公司證券之行為守則。本公司已向全體董事作出具體及合理查詢,並信納彼等於截至二零零七年三月三十一日止年度內一直遵守標準守則。

董事會

董事會須向股東負責,而全體董事則共同負責制訂本公司及其附屬公司(「本集團」)之業務策略方針、設定管理層目標、監察其表現及評估管理策略之效益。

董事

目前,董事會由七名董事組成,包括四名執行董事及三名獨立非執行董事。各董事的履歷詳情以及彼等與本公司其他董事、高級管理人員及主要股東之關係(如有)載於本年報第6及7頁。董事會的組合十分均衡,每名董事在本集團業務營運及發展方面均具備豐富的相關知識、經驗及/或專長。全體董事均知悉彼等對股東須共同及個別承擔的責任,且一直審慎、有技巧及勤勉盡責地履行彼等的職責,因而對本集團的業績作出寶貴貢獻。

各獨立非執行董事已與本公司訂立服務合約,自二零零五年五月三十一日起為期三年,其後每年續期,直至訂約方向對方發出兩個月書面通知終止服務合約為止。根據本公司之公司細則,各獨立非執行董事亦須輪值退任及膺選連任。

Responsibilities of the Board

The Board reviews the performance of the operating divisions against their agreed targets and budgets on a regular basis and also exercises a number of reserved powers, including but not limited to:

- formulating long-term strategies;
- setting objectives for management;
- approving public announcements including the interim and annual financial statements;
- setting dividend and other important policies;
- approving material borrowings and treasury policies; and
- assessing and committing to major acquisitions, disposals, formation of joint ventures and capital transactions.

The directors are responsible for the preparation of the financial statements of the Company for each financial year and ensuring that these give a true and fair view of the state of affairs of the Group, its results and cash flows for that period. The directors are also responsible for ensuring that proper accounting records which will accurately reflect the financial position of the Group are maintained at all times.

董事會的職責

董事會定期按照各營運部門議定的目標及財務預算，檢討各營運部門的表現，並且行使多項保留權力，包括但不限於：

- 制定長期策略；
- 設定管理層目標；
- 批准公佈，包括中期及年度財務報表；
- 制定股息及其他重要政策；
- 批准重大借貸及庫務政策；及
- 評估及進行主要收購、出售事項、組成合資企業及訂立資本交易。

董事負責編製本公司各財政年度的財務報表，並確保該等財務報表真實及公平反映本集團的財務狀況，其於該期間的業績及現金流量。董事亦負責確保時刻妥善備存能準確反映本集團財務狀況的會計紀錄。

Board Meetings

Board meetings are scheduled in advance to facilitate maximum attendance by directors. The meeting agenda is set after consulting with members of the Board. The Company held six meetings during the year ended 31 March 2007 and the individual attendance of each director is set out below.

Members of the Board

董事會成員

Executive directors:

執行董事:

Lai Yiu Keung (Chairman and Managing Director)

黎耀強 (主席兼董事總經理)

Chung Lai Ha

鍾麗霞

Kwok Chong, Anthony

郭昶

Lai Man Kon

黎文幹

Independent non-executive directors:

獨立非執行董事:

Li Mow Ming, Sonny

李茂銘

Chan Kwok Kay

陳國基

Ng Wai Hung

吳偉鴻

Nomination, Appointment and Re-election of Directors

The Company has fixed the terms of appointment for non-executive directors. Moreover, they are also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the bye-laws.

During the year, Mr Kwok Chong, Anthony and Mr Lai Man Kon retired and were re-elected by the shareholders at the annual general meeting of the Company held on 15 September 2006. All the independent non-executive directors were appointed and have service contracts with the Company for terms of three years and are also subject to retirement by rotation and re-election.

董事會

董事會會議舉行時間須提早訂定，以便獲得最多董事出席。會議議程經諮詢董事會成員後編製。截至二零零七年三月三十一日止年度，本公司曾召開六次會議，各董事個別出席會議的情況載列如下。

Number of Board meetings attended 出席董事會會議次數

6/6

4/6

6/6

6/6

6/6

6/6

4/6

提名、委任及重選董事

本公司以固定任期委任非執行董事。此外，非執行董事亦須根據公司細則在本公司股東週年大會上輪值退任及膺選連任。

於本年內，郭昶先生及黎文幹先生在本公司於二零零六年九月十五日舉行的股東週年大會上退任並獲股東重選連任。全體獨立非執行董事均按三年期獲委任，並已與本公司訂立服務合約，亦須輪值退任及膺選連任。

AUDIT COMMITTEE

Currently, the Audit Committee comprises three independent non-executive directors, namely, Mr Li Mow Ming, Sonny (Chairman), Mr Chan Kwok Kay and Mr Ng Wai Hung. The written terms of reference for the Audit Committee, which are available on the Company's website www.hycomm-wireless.com, were first adopted in 1999 and subsequently revised in 2005 to comply with the provisions of the CG Code.

The Audit Committee is responsible for reviewing the Group's financial information, overseeing the Group's financial reporting systems and internal control procedures and making recommendations to the Board on the appointment, re-appointment and/or removal of the external auditors, including approving their remuneration and terms of engagement.

The primary duties of the Audit Committee include reviewing and advising on the accounting principles and practices adopted by the Group together with overseeing the auditing, financial reporting processes and internal control systems of the Group, including reviews of the Group's interim and annual reports.

The Audit Committee held two meetings during the year ended 31 March 2007 to review the final results for the year ended 31 March 2006 with the external auditors and the interim results for the six months ended 30 September 2006 before recommending them to the Board for approval. Individual meeting attendance records of each member of the Audit Committee are set out below.

Members of the Audit Committee

審核委員會成員

Li Mow Ming, Sonny
李茂銘
Chan Kwok Kay
陳國基
Ng Wai Hung
吳偉鴻

審核委員會

目前，審核委員會由三名獨立非執行董事組成，包括李茂銘先生（主席）、陳國基先生及吳偉鴻先生。審核委員會之書面職權範圍（詳情可瀏覽本公司網站 www.hycomm-wireless.com）於一九九九年獲首度採納，其後於二零零五年修訂，以符合企管守則的規定。

審核委員會負責審閱本集團的財務資料、監管本集團的財務報告制度及內部監控程序、就委任、重新委任及／或罷免外聘核數師向董事會提供建議，其中包括批准外聘核數師的酬金及聘用條款。

審核委員會的主要職責包括審閱本集團採納的會計原則及實務準則並就此提供意見，以及監管本集團的審核、財務報告程序及內部監控制度，包括審閱本集團的中期報告及年度報告。

審核委員會於截至二零零七年三月三十一日止年度曾舉行兩次會議，以與外聘核數師審閱截至二零零六年三月三十一日止年度之全年業績及截至二零零六年九月三十日止六個月之中期業績，其後方推薦董事會批准該等業績。審核委員會各成員個別出席會議的情況詳述如下。

Number of Committee meetings attended 出席委員會會議次數

2/2
2/2
1/2

DEVIATIONS FROM THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the CG Code except for the deviations as set out below.

CG code provision A.2.1 states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Given its relative size, the Company does not separate the roles of chairman and managing director and Mr Lai Yiu Keung currently holds both positions. The Board is in the opinion that the combination of the roles of chairman and managing director also ensures the efficient formulation and implementation of the Company's strategies to identify and follow-up on business opportunities. Such arrangement is also deemed to facilitate the Company in meeting the rapidly changing business environment demands which necessitates prompt and efficient decision-making.

CG code provision A.4.2 states that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. According to the Company's bye-laws, at every annual general meeting, one-third of the directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation provided that no director holding the office as chairman and/or managing director shall be subject to retirement by rotation or be taken into account in determining the number of directors to retire. The Board is in the opinion that the continuity of office of the chairman or managing director provides the Group with strong and consistent leadership and smoothes operations.

CG code provision B.1.1 states that companies should establish a remuneration committee with specific terms of reference which deal clearly with its authority and duties and a majority of the members of the remuneration committee should be independent non-executive directors. The Board is in the opinion that establishment of a remuneration committee as required by this provision does not really provide benefit after due consideration of the size of the Group and the associated costs involved.

The Board will continue to review the corporate governance status of the Company from time to time and make any necessary changes to comply with the CG Code as and when considered appropriate.

偏離企業管治常規守則

本公司一直遵守企管守則，惟下述之偏離情況則除外。

企管守則之守則條文A.2.1條訂明，主席與行政總裁的角色應予分開，並不應由一人同時兼任。鑑於相對規模，本公司並無區分主席與董事總經理角色，且現時由黎耀強先生同時兼任。董事會認為，將主席與董事總經理的角色合而為一，確保能有效制訂及推行本公司策略，以便覓得及跟進商業機遇。此安排被視為便利本公司應付必需作出即時有效決策的瞬息萬變營商環境。

企管守則之守則條文A.4.2條訂明，每名董事（包括以指定任期獲委任的董事）應最少每三年輪值退任一次。根據本公司之公司細則，在每屆股東週年大會上，當時三分之一之董事（或倘數目並非三之倍數，則為最接近但不超過三分之一之數目）須輪值退任，惟兼任主席及／或董事總經理之董事則毋須輪值告退或計入退任董事人數內。董事會認為，主席或董事總經理任期之連續性可給予本集團強而穩定的領導及暢順營運。

企管守則之守則條文B.1.1條訂明，本公司應設立具有清晰列明權責範圍之特定權責範圍的薪酬委員會，薪酬委員會之大部分成員應為獨立非執行董事。經仔細考慮本集團之規模及所牽涉之成本後，董事會認為，根據此條文成立薪酬委員會對本集團並無實質得益。

董事會將繼續不時檢討本公司的企業管治情況，並將於適當時間作出任何必需變動以符合企管守則。

EXTERNAL AUDITORS

For the year ended 31 March 2007, the total remuneration for audit services provided by the external auditors, namely Kennic L. H. Lui & Co. Ltd., amounted to approximately HK\$495,000. The audit fee was approved by the Board and the Audit Committee.

There were no outlays for permissible non-audit services paid to the external auditors during the year ended 31 March 2007 (including any entity under common control, ownership or management of the auditors).

The re-appointment of Kennic L. H. Lui & Co. Ltd. as auditors of the Company has been recommended by the Audit Committee and endorsed by the Board and is subject to approval by the shareholders at the forthcoming annual general meeting.

FINANCIAL REPORTING

The directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group. The responsibilities of the directors are to oversee the preparation of the consolidated financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of its results and cash flows for that period. The directors have to ensure that the consolidated financial statements of the Group are in accordance with statutory requirements and applicable accounting standards, adjustments and estimates made are prudent, fair and reasonable and the consolidated financial statements are prepared on a going concern basis. The directors also acknowledge that the publication of the financial statements of the Group should be made in a timely manner.

The statement of the Auditors regarding their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 24 and 25.

外聘核數師

截至二零零七年三月三十一日止年度，就外聘核數師呂禮恒會計師事務所有限公司所提供的審核服務之酬金總額約為港幣495,000元，而審核費用已獲董事會及審核委員會批准。

截至二零零七年三月三十一日止年度，並無向外聘核數師（包括受核數師共同控制、擁有或管理之任何實體）支付許可非審核服務費用。

審核委員會已建議並獲董事會同意續聘呂禮恒會計師事務所有限公司為本公司核數師，惟有關委任須待股東在即將舉行的股東週年大會上批准，方可作實。

財務報告

董事瞭解其須負責編製本集團綜合財務報表。董事之職責為監督各財政期間綜合財務報表之編製情況，以真實公平反映本集團財務狀況以及該期間之業績及現金流量。董事須確保本集團之綜合財務報表遵循法律規定及適用會計準則，有關調整及估算均審慎、公平及合理地作出，且綜合財務報表乃按持續經營基準編製。董事亦明瞭須及時刊發本集團財務報表。

核數師有關其對本集團財務報表申報責任之聲明載於第24及25頁獨立核數師報告內。

INTERNAL CONTROLS

The Board acknowledges its responsibility for ensuring sound and effective internal control systems for the Group are in place to safeguard the assets of the Company at all times. The systems of internal control also aim to help achieve the Group's business objectives by maintaining proper accounting records for the provision of reliable financial information. It is recognised that the systems provide reasonable, but not absolute, assurance against material misstatement in the financial statements or loss of assets and help to manage rather than eliminate risks of failure when business objectives are being pursued.

Management have conducted regular reviews during the year on the effectiveness of the internal control systems covering all material controls in the financial, operational and compliance areas including coverage of the risk management functions as well as physical assets and information systems security. Management also reported to the Audit Committee two times during the year in respect of key findings identified and the Audit Committee, in turn, reported all material issues and recommendations, if any and as appropriate, to the Board.

The external auditors, in 2004, reviewed and documented the internal control systems of the Group. Certain relevant recommendations made by the external auditors have been implemented by the Group in stages together with subsequent improvements, if any, made by the Board to further enhance internal control policies, procedures and practices.

內部監控

董事會知悉其有責任確保本集團具有良好奏效的內部監控制度，以時刻保障本公司的資產。內部監控制度旨在透過備存妥善會計紀錄以提供可靠的財務資料，協助本集團達致業務目標，同時亦肯定該制度，乃合理（但非絕對）保證財務報表並無重大不實陳述或資產損失，並協助管理（而非杜絕）未能實現業務目標之風險。

管理層已於本年內定期檢討覆蓋財務、營運及合規所有重大方面之內部監控制度之有效性，包括涵蓋風險管理功能以及實物資產及資訊系統保安的範疇。管理層亦於本年內兩度向審核委員會報告有關其所識別的主要發現。審核委員會繼而於適當時候向董事會報告所有重要事宜及提出推薦意見（如有）。

外聘核數師於二零零四年獲委任，以審核本集團的內部監控制度及就此提供文件證明。外聘核數師作出的若干相關推薦意見已由本集團分階段實行，其後由董事會作出改善措施（如有），以進一步提高內部監控制政策、程序及實務。

Independent Auditor's Report 獨立核數師報告



呂禮恒會計師事務所有限公司

Kennic L. H. Lui & Co. Ltd.

Certified Public Accountants (Practising)

To the shareholders of HyComm Wireless Limited

致華脈無線通信有限公司全體股東

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

We have audited the consolidated financial statements of HyComm Wireless Limited (the "Company") set out on pages 26 to 82, which comprise the consolidated and company balance sheets as at 31 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 Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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.

吾等已審核列載於第26至82頁華脈無線通信有限公司（「貴公司」）之綜合財務報表，當中包括於二零零七年三月三十一日之綜合及公司資產負債表與截至該日止年度之綜合收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他解釋附註。

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公平地列報該等財務報表。此責任包括設計、實施及維護與編製及真實公平地列報財務報表相關之內部監控，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；選擇和應用適當會計政策；及按情況作出合理之會計估計。

核數師之責任

吾等之責任是根據吾等之審核對財務報表發表意見，並按照百慕達一九八一年《公司法》第90條僅向整體股東報告，除此之外本報告別無其他目的。吾等不會就本報告內容向任何其他人士負上或承擔任何責任。

吾等已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求吾等遵守道德規範，並規劃及執行審核，以合理確定財務報表是否不存有任何重大錯誤陳述。

Independent Auditor's Report (Continued) 獨立核數師報告 (續)

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.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2007 and of the Group's results and cash flows 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.

Material uncertainty concerning going concern basis of accounting

Without qualifying our opinion, we draw attention to Note 2 to the consolidated financial statements concerning the adoption of the going concern basis on which the consolidated financial statements have been prepared. As explained in Note 2, the consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the ongoing support from the Group's bankers and the Group's ability to generate sufficient cash flows from future operations and asset disposals to cover the Group's operating costs and to meet its financing commitments. The consolidated financial statements do not include any adjustments that would result from the failure of such measures. Details of the circumstances relating to this material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern are described in Note 2 to the consolidated financial statements.

Kennic L. H. Lui & Co. Ltd.

Certified Public Accountants [Practising]

Lau Wu Kwai King, Lauren

Practising Certificate No.: P02651

Hong Kong, 19 July 2007

審核涉及執行程序，以獲取有關財務報表所載金額及披露資料之審核憑證。所選定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公平地列報財務報表相關之內部監控，以設計適當的審核程序，而並非為對公司內部監控之成效發表意見。審核亦包括評價董事所採用會計政策是否合適及所作出會計估計是否合理，以及評價財務報表之整體列報方式。

吾等相信，吾等所獲得之審核憑證能充足和適當地為吾等的審核意見提供基礎。

意見

吾等認為，綜合財務報表已根據香港財務報告準則真實公平地反映 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 貴集團截至該日止年度之業績及現金流量，並已按照香港《公司條例》之披露規定妥為編製。

關於會計賬目持續經營基準的重大不明朗因素

在不保留吾等意見下，吾等特此指出綜合財務報表附註2關於採用持續經營基準編製綜合財務報表一事。誠如附註2所說明，綜合財務報表已按持續經營基準編製，其有效性是基於 貴集團往來銀行的繼續支持及 貴集團自未來營運及出售資產產生充足現金流量以足夠支付 貴集團的營運成本及應付其財務承擔之能力而定。綜合財務報表並不包括如該等措施無效而須作出之任何調整。有關此重大不明朗因素可能令 貴集團按持續經營基準繼續經營之能力存在重大疑慮之詳細情況於綜合財務報表附註2說明。

呂禮恒會計師事務所有限公司

執業會計師

劉胡桂琼

執業證書號碼：P02651

香港，二零零七年七月十九日

Consolidated Income Statement

綜合收益表

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

		Notes 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Turnover	營業額	5	13,206	12,673
Other operating income	其他經營收入	6	439	2,282
			13,645	14,955
Operating costs	經營成本		(11,682)	(14,442)
Staff costs	員工成本	7(a)	(6,242)	(6,647)
Amortisation of prepaid lease payments	預付租賃支出攤銷	14	(71)	(71)
Surplus arising from revaluation of investment properties	投資物業 重估增值	12	18,250	45,250
Surplus arising from revaluation of properties, plant and equipment	物業·廠房及設備 重估增值	13	285	21
Impairment loss recognised in respect of interests in leasehold land held for own use under operating leases	經營租賃下自用租賃 土地權益之已確認 減值虧損	14	(13,936)	-
Impairment loss recognised in respect of other assets	其他資產之已確認 減值虧損		(336)	(505)
Impairment loss recognised in respect of goodwill	商譽之已確認 減值虧損		-	(2,212)
			(13,732)	21,394
Profit/(loss) from operating activities	經營業務溢利/(虧損)	7	(87)	36,349
Profit on disposal of investment properties	出售投資物業溢利		-	5,793
Loss on disposal of a subsidiary	出售一附屬公司虧損	27	(480)	-
Finance costs	財務成本	8	(6,815)	(6,321)
			(7,382)	35,821
Share of results of associates	應佔聯營公司業績	16	(2)	(13)
Profit/(loss) before taxation	除稅前溢利/(虧損)		(7,384)	35,808
Taxation	稅項	10	219	245
Profit/(loss) for the year	本年度溢利/(虧損)		(7,165)	36,053
Attributable to:	下列所佔數額:			
Equity shareholders of the Company	本公司權益股東	25	(8,509)	35,377
Minority interests	少數股東權益	25	1,344	676
Profit/(loss) for the year	本年度溢利/(虧損)		(7,165)	36,053
			Cents	Cents
			港仙	港仙
Earnings/(loss) per share	每股盈利/(虧損)	11		
— Basic	— 基本		(0.29)	1.19

The notes on pages 33 to 82 form part of these financial statements.

第33至82頁之附註為此等財務報表一部分。

Consolidated Balance Sheet

綜合資產負債表

(At 31 March 2007) (於二零零七年三月三十一日)

		Notes 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Non-current assets	非流動資產			
Investment properties	投資物業	12	216,000	206,750
Properties, plant and equipment	物業、廠房及設備	13	7,600	4,944
Interests in leasehold land held for own use under operating leases	經營租賃下自用 租賃土地權益	14	13,215	27,222
Interests in associates	聯營公司權益	16	2,812	1,769
Available-for-sale financial assets	可供銷售財務資產	17	13,537	2,650
			253,164	243,335
Current assets	流動資產			
Receivables, deposits and prepayments	應收款項、按金及 預付款項	18	1,143	1,161
Bank and cash balances	銀行及現金結存		642	282
			1,785	1,443
Current liabilities	流動負債			
Payables and accrued charges	應付款項及應計費用	19	18,609	16,480
Deposits received	已收按金		1,115	783
Amounts due to former shareholders	欠前股東款項		4,295	4,295
Amount due to a director	應付一董事款項	32(a)	17,244	416
Bank borrowings – due within one year	銀行借貸 – 一年內到期	20	20,040	21,710
Other borrowings – due within one year	其他借貸 – 一年內到期	22	556	632
Taxes payable	應繳稅項		1,148	1,167
			63,007	45,483
Net current liabilities	流動負債淨額		(61,222)	(44,040)
			191,942	199,295

Consolidated Balance Sheet (Continued)

綜合資產負債表 (續)

(At 31 March 2007) (於二零零七年三月三十一日)

		Notes 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Non-current liabilities	非流動負債			
Bank borrowings – due after one year	銀行借貸 – 一年後到期	20	72,255	82,555
Other borrowings – due after one year	其他借貸 – 一年後到期	22	-	556
Deferred tax liabilities	遞延稅項負債	26	4,185	4,404
			76,440	87,515
Net assets	資產淨值		115,502	111,780
Capital and reserves	資本及儲備			
Share capital	股本	23	298,064	298,064
Share premium and reserves	股份溢價及儲備	25	(184,845)	(187,223)
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額		113,219	110,841
Minority interests	少數股東權益	25	2,283	939
Total equity	權益總額		115,502	111,780

Approved and authorised for issue by the Board of Directors on 19 July 2007.

董事會已於二零零七年七月十九日批准及授權刊發。

Lai Yiu Keung

黎耀強

Director

董事

Kwok Chong, Anthony

郭昶

Director

董事

The notes on pages 33 to 82 form part of these financial statements.

第33至82頁之附註為此等財務報表一部分。

Balance Sheet

資產負債表

(At 31 March 2007) (於二零零七年三月三十一日)

		Notes 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Non-current assets	非流動資產			
Interests in subsidiaries	附屬公司權益	15	117,266	114,179
Current assets	流動資產			
Bank and cash balances	銀行及現金結存		15	2
Current liabilities	流動負債			
Payables and accrued charges	應付款項及應計費用		4,062	3,340
Net current liabilities	流動負債淨額		(4,047)	(3,338)
Net assets	資產淨值		113,219	110,841
Capital and reserves	資本及儲備			
Share capital	股本	23	298,064	298,064
Share premium and reserves	股份溢價及儲備	25	(184,845)	(187,223)
Total equity	權益總額		113,219	110,841

Approved and authorised for issue by the Board of Directors on 19 July 2007.

董事會已於二零零七年七月十九日批准及授權刊發。

Lai Yiu Keung

黎耀強

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Kwok Chong, Anthony

郭昶

Director

董事

The notes on pages 33 to 82 form part of these financial statements.

第33至82頁之附註為此等財務報表一部分。

Consolidated Statement of Changes in Equity 綜合權益變動表

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

		Notes 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Total equity at beginning of the year	年初之權益總額		111,780	75,842
Fair value reserve movements	公平值儲備變動	25	10,887	(115)
Profit/(loss) for the year	本年度溢利/(虧損)	25	(7,165)	36,053
Total equity at end of the year	年終之權益總額		115,502	111,780
Attributable to:	下列所佔數額:			
Equity shareholders of the Company	本公司權益股東		113,219	110,841
Minority interests	少數股東權益	25	2,283	939
			115,502	111,780

The notes on pages 33 to 82 form part of these financial statements.

第33至82頁之附註為此等財務報表一部分。

Consolidated Cash Flow Statement

綜合現金流量表

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

	Notes 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Cash flows from operating activities	經營業務所得現金流量		
Profit/(loss) before taxation	除稅前溢利/(虧損)	(7,384)	35,808
Adjustments for:	就以下各項調整:		
Amortisation of prepaid lease payments	預付租賃支出攤銷	71	71
Surplus arising from revaluation of investment properties	投資物業 重估增值	(18,250)	(45,250)
Surplus arising from revaluation of properties, plant and equipment	物業、廠房及設備 重估增值	(285)	(21)
Impairment loss recognised in respect of interests in leasehold land held for own use under operating leases	經營租賃下自用租賃 土地權益之已確認 減值虧損	13,936	-
Impairment loss recognised in respect of other assets	其他資產之已確認 減值虧損	336	505
Impairment loss recognised in respect of goodwill	商譽之已確認 減值虧損	-	2,212
Profit on disposal of investments in securities	出售證券投資溢利	-	(225)
Profit on disposal of investment properties	出售投資物業溢利	-	(5,793)
Loss on disposal of a subsidiary	出售一附屬公司虧損	480	-
Share of results of associates	應佔聯營公司業績	2	13
Interest expenses	利息開支	6,815	6,321
Depreciation	折舊	2,514	4,014
Write-off of assets	撇銷資產	-	11
Operating loss before working capital changes	未計營運資金變動前 經營虧損	(1,765)	(2,334)
Increase in receivables, deposits and prepayments	應收款項、按金及預付 款項增加	(1,363)	(696)
Increase/(decrease) in payables and accrued charges	應付款項及應計費用 增加/(減少)	2,732	(4,037)
Increase in deposits received	已收按金增加	332	101
Increase in amount due to a director	應付一董事款項增加	16,828	416
Cash generated from/(used in) operations	營運所得/(所耗) 現金	16,764	(6,550)
Interest paid	已付利息	(7,395)	(5,303)
Hong Kong profits tax paid	已繳納香港利得稅	(19)	(74)
Net cash from/(used in) operating activities	經營業務所用/(所耗) 現金淨額	9,350	(11,927)

Consolidated Cash Flow Statement (Continued)

綜合現金流量表 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

		Notes 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Cash flows from investing activities	投資業務所得現金流量			
Purchases of properties, plant and equipment	購入物業、廠房及設備		(4,885)	(164)
Disposal of a subsidiary, net of cash and cash equivalents disposed of	出售一附屬公司(已扣除已出售現金及等同現金項目)	27	8,497	-
Sale proceeds from disposal of investments in securities	出售證券投資所得銷售收益		-	225
Net sale proceeds from disposal of investment properties	出售投資物業所得銷售收益淨額		-	17,793
Net cash from investing activities	投資業務所得現金淨額		3,612	17,854
Cash flows from financing activities	融資業務所得現金流量			
Repayment of bank borrowings	償還銀行借貸	28	(12,974)	(8,102)
Repayment of other borrowings	償還其他借貸	28	(632)	(1,450)
Net cash used in financing activities	融資業務所耗現金淨額		(13,606)	(9,552)
Net decrease in cash and cash equivalents	現金及等同現金項目減少淨額		(644)	(3,625)
Cash and cash equivalents at beginning of the year	年初之現金及等同現金項目		(10,671)	(7,046)
Cash and cash equivalents at end of the year	年終之現金及等同現金項目		(11,315)	(10,671)
Analysis of the balances of cash and cash equivalents	現金及等同現金項目結餘分析			
Bank and cash balances	銀行及現金結存		642	282
Bank overdrafts	銀行透支	20	(11,957)	(10,953)
			(11,315)	(10,671)

The notes on pages 33 to 82 form part of these financial statements.

第33至82頁之附註為此等財務報表一部分。

Notes to the Financial Statements

財務報表附註

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

1. GENERAL

HyComm Wireless Limited (the "Company") was incorporated in Bermuda on 30 July 1997 as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended). The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company and the activities of its principal subsidiaries are set out in note 35.

2. GOING CONCERN

For the year ended 31 March 2007, the Group incurred an operating loss of approximately HK\$11 million, before taking into consideration the net effect of revaluation/impairment changes. As at 31 March 2007, the Group had net current liabilities of approximately HK\$61 million (2006: HK\$44 million) and outstanding bank borrowings of approximately HK\$92 million (2006: HK\$104 million), of which approximately HK\$20 million (2006: HK\$22 million) was due for repayment within the next twelve months from the balance sheet date. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

The directors consider that the Group will be able to meet its liabilities and financial obligations in full as they fall due for the foreseeable future because it is currently in the process of disposing of certain properties in order to provide adequate working capital. Accordingly, the financial statements have been prepared on a going concern basis. The financial statements do not include any adjustments relating to the carrying amounts and reclassifications of assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

1. 概覽

華脈無線通信有限公司(「本公司」)於一九九七年七月三十日根據百慕達一九八一年公司法(經修訂)在百慕達註冊成立為獲豁免有限公司。本公司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，其主要附屬公司之業務載於附註35。

2. 持續經營基準

截至二零零七年三月三十一日止年度，在計及重估／減值變動之淨影響後，本集團錄得經營虧損約港幣11,000,000元。於二零零七年三月三十一日，本集團的流動負債淨額約為港幣61,000,000元(二零零六年：港幣44,000,000元)，而未償還銀行借款約港幣92,000,000元(二零零六年：港幣104,000,000元)，其中約港幣20,000,000元(二零零六年：港幣22,000,000元)須於結算日起計十二個月內償還。此等情況顯示存有重大不明朗因素，或會引致本集團持續經營之能力產生重大疑慮。

董事認為本集團可悉數履行將於可見未來到期之全部債務及財務承擔，原因是本集團現正出售若干物業，以為本集團提供充裕營運資金。因此，財務報表乃按持續經營基準編製。財務報表並不包括倘本集團無法持續經營而可能須作出有關資產與負債之賬面值及重新分類之任何調整。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

3. CHANGES IN ACCOUNTING POLICIES

(a) Adoption of new and revised Hong Kong Financial Reporting Standards

The Hong Kong Institute of Certified Public Accountants ("HKICPA") has issued a number of new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), which is a collective term that includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations that are effective or available for early adoption for accounting periods beginning on or after 1 January 2006.

Except as set out below, the adoption of the relevant HKFRSs did not result in significant changes to the Group's accounting policies applied in these financial statements for the years presented.

Financial guarantees issued (Amendments to HKAS 39, Financial Instruments: Recognition and Measurement; HKFRS 4, Insurance Contracts: Financial Guarantee Contracts)

In prior years, financial guarantees issued by the Group were disclosed as contingent liabilities in accordance with HKFRS 4, Insurance Contracts and HKAS 37, Provisions, Contingent Liabilities and Contingent Assets. No provisions were made in respect of these guarantees unless it was more likely than not that the guarantees would be called upon.

With effect from 1 April 2006, in order to comply with the amendments to HKAS 39 in respect of financial guarantee contracts, the Group has changed its accounting policy for financial guarantees issued. Under the new policy, financial guarantees issued are accounted for as financial liabilities under HKAS 39 and measured initially at fair value, where the fair value can be reliably measured. Subsequently, they are measured at the higher of the amount initially recognised, less accumulated amortisation, and the amount of the provision, if any, that should be recognised in accordance with HKAS 37. Further details of the new policy are set out in note 4(o).

The adoption of HKAS 39 as outlined above does not have any impact on the results reported in the current and prior years.

3. 會計政策變動

(a) 採納新訂及經修訂香港財務報告準則

香港會計師公會(「香港會計師公會」)已頒佈多項新訂及經修訂香港財務報告準則(「香港財務報告準則」,此統稱包括於二零零六年一月一日或之後開始之會計期間生效或可提早採納之所有適用個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)。

除下列所載外,採納有關香港財務報告準則並無導致本集團就呈報年度之財務報表所應用會計政策出現任何重大變動。

已發出財務擔保(「香港會計準則第39號修訂本「金融工具: 確認及計量」及香港財務報告準則第4號「保險合約: 財務擔保合約」)

於過往年度,本集團作出的財務擔保按香港財務報告準則第4號「保險合約」及香港會計準則第37號「撥備、或然負債及或然資產」披露作或然負債。除非很可能被要求履行該等擔保,否則毋須就該等擔保作出撥備。

由二零零六年四月一日起,為符合香港會計準則第39號有關財務擔保合約之修訂,本集團更改其有關已發出財務擔保之會計政策。根據新政策,已發出財務擔保乃按香港會計準則第39號列賬為財務負債,如公平值能可靠計算,財務擔保則初步按公平值計算。其後按初步確認之款額減去累計攤銷,或應根據香港會計準則第37號確認之撥備款額(如有)之較高者計算。有關新政策之進一步詳情載於附註4(o)。

上文所概述採納香港會計準則第39號對現行及過往年度所呈報業績並無任何影響。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

3. CHANGES IN ACCOUNTING POLICIES (Continued)

(b) Impact of Hong Kong Financial Reporting Standards issued but not yet effective

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and new interpretations which are not yet effective for the year ended 31 March 2007 and which have not been adopted in these financial statements.

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. So far, it has concluded that their adoption is unlikely to have a significant impact on the Group's result of operations and financial position.

In addition, the following developments may result in new or amended disclosures in the financial statements:

	Effective for accounting periods beginning on or after
HK(IFRIC) – Int 10, Interim financial reporting and impairment	1 November 2006
HKFRS 7, Financial instruments: disclosures	1 January 2007
Amendment to HKAS 1, Presentation of financial statements: capital disclosures	1 January 2007
HKFRS 8, Operating segments	1 January 2009
HKAS 23 (Revised), Borrowing costs	1 January 2009

3. 會計政策變動 (續)

(b) 已頒佈但尚未生效之香港財務報告準則之影響

截至此等財務報表刊發日期，香港會計師公會已頒佈多項於截至二零零七年三月三十一日止年度尚未生效且尚未在此等財務報表採納之修訂、新準則及新詮釋。

本集團正評估此等修訂、新準則及新詮釋預期會對首次適用期間之影響。迄今為止結論為採納該等修訂、新準則及新詮釋不大可能導致本集團經營業績及財務狀況產生重大影響。

此外，下列發展可能導致財務報表須作出新訂或經修訂披露：

	於下列日期或 其後開始之 會計期間生效
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
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
香港會計準則第1號之修訂「財務報表之呈報：資本披露」	二零零七年一月一日
香港財務報告準則第8號「經營分類」	二零零九年一月一日
香港會計準則第23號（經修訂）「借貸成本」	二零零九年一月一日

Notes to the Financial Statements *(Continued)*

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with HKFRSs issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the 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. A summary of the significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair values as explained in the accounting policies set out below:

- Investment properties *(note 4(j))*;
- Buildings *(note 4(k))*; and
- Financial instruments classified as available-for-sale *(note 4(n))*

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. 主要會計政策

(a) 遵規聲明

財務報表已根據香港會計師公會所頒佈香港財務報告準則、香港公認會計原則及香港公司條例之披露規定編製。

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條文。本集團所採納主要會計政策概要如下。

(b) 財務報表之編製基準

財務報表採用歷史成本價例為其編製計量基準，惟下列資產與負債按其公平值列賬（於下文會計政策解釋）：

- 投資物業（附註4(j)）；
- 樓宇（附註4(k)）；及
- 分類為可供出售金融工具（附註4(n)）

按照香港財務報告準則編製財務報表需要管理層作出影響政策之應用及所呈報資產及負債、收入及開支數額之判斷、估計及假設。該等估計及相關假設乃根據過往經驗及於有關情況下屬合理之多項其他因素而作出，所得結果構成目前未能從其他來源得出有關資產及負債賬面值所作出判斷之基準。實際結果或會有別於此等估計。

有關估計及相關假設按持續基準作出檢討。倘會計估計之修訂僅會影響修訂估計之期間，則有關會計估計之修訂於該期間內確認，或倘該項會計估計之修訂影響現時及未來期間，則有關會計估計之修訂於修訂期間及未來期間確認。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of preparation of the financial statements (Continued)

Judgments made by management in the application of HKFRSs that could have significant effects on the financial statements and estimates with a possible significant risk of material adjustment in the next year are set out in note 34.

(c) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates made up to 31 March each year.

(d) Subsidiaries and minority interests

A subsidiary is a company in which the Group, directly or indirectly, holds more than half of the issued share capital or controls more than half of the voting power or controls the composition of the board of directors. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, to govern the financial and operating policies so as to obtain benefits from their activities.

An investment in a controlled subsidiary is included in the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions together with any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised profits but only to the extent that there is no evidence of impairment.

Minority interests represent the portion of the net assets of subsidiaries attributable to interests that are owned by the Company, whether directly or indirectly through subsidiaries, and are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

4. 主要會計政策 (續)

(b) 財務報表之編製基準 (續)

管理層在應用香港財務報告準則時所作出並可能對財務報表有重大影響之判斷，以及極可能令下年度須作出重大調整之估計，於附註34中論述。

(c) 綜合基準

綜合財務報表已計入本公司及其附屬公司(統稱為「本集團」)截至每年三月三十一日之財務報表及本集團於聯營公司之權益。

(d) 附屬公司及少數股東權益

附屬公司乃本集團直接或間接持有其過半數已發行股本，或控制其過半數投票權，或控制其董事會組成之公司。倘本公司有權直接或間接監管其財務及營運政策以從其經營活動中獲取利益，則該等附屬公司被視為受控制。

於受控制附屬公司之投資自控制開始日期起直至控制終止日期計入綜合財務報表。

集團內公司間之結餘及交易以及集團內公司間交易所產生之任何未變現溢利，均於編製綜合財務報表時全部抵銷。集團內公司間交易所產生之未變現虧損亦按照未變現收益之處理方法予以抵銷，惟僅限於沒有減值跡象之情況下。

少數股東權益指本公司直接或透過附屬公司擁有之權益應佔之附屬公司資產淨值部分，於綜合資產負債表之權益項目中與本公司權益股東應佔權益分開呈列。少數股東應佔本集團業績之權益則於綜合收益表列為年內溢利或虧損總額，在少數股東權益與本公司權益股東間之分配。

Notes to the Financial Statements (Continued) 財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Subsidiaries and minority interests (Continued)

Where losses applicable to minority shareholders exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority shareholder's share of losses previously absorbed by the Group has been recovered.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses.

(e) Associates

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition changes in the Group's share of the associate's net assets. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of associates for the year, including any impairment losses on goodwill relating to the investments in associates recognised for the year.

When the Group's share of losses exceeds its interest in an associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. For this purpose, the Group's interest in the associate is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interests in associates, except where unrealised losses provide evidence of an impairment of the assets transferred, in which case they are recognised immediately in the income statement.

4. 主要會計政策 (續)

(d) 附屬公司及少數權益 (續)

倘少數股東應佔虧損超過其於附屬公司之權益，超出部分及任何少數股東應佔之進一步虧損於本集團權益扣除，惟少數股東須承擔具有約束力之義務並有能力作出額外投資補足虧損則除外。倘附屬公司其後錄得溢利，所有有關溢利均會分配予本集團權益，直至本集團收回以往所承擔少數股東應佔虧損為止。

於本公司資產負債表內，於附屬公司之投資按成本扣減減值虧損列賬。

(e) 聯營公司

聯營公司指本集團或本公司對其有重大影響力，但並無控制或共同控制其管理決定（包括參與財務及經營政策決定）之公司。

於聯營公司之投資乃根據權益法在綜合財務報表列賬，初步按成本入賬及隨後按收購後本集團攤佔有關聯營公司資產淨值之變動而作出調整。綜合收益表包括本集團於該年度攤佔該聯營公司之收購後及除稅後業績，包括年內確認與於聯營公司之投資有關之商譽之任何減值虧損。

倘本集團攤佔之虧損超過其於聯營公司之權益，本集團之權益會撇減至零及不再確認進一步虧損，除非本集團已代表該聯營公司產生法律或推定之責任或作出付款。就此而言，本集團於聯營公司之權益為根據權益法計算投資之賬面值連同實際上構成本集團於該聯營公司之淨投資之長期權益部分。

本集團與其聯營公司進行交易產生之未變現溢利及虧損，均以本集團於有關聯營公司之權益為限進行抵銷，惟倘未變現虧損顯示所轉讓資產出現減值之證據，在該情況下，有關虧損則即時在收益表確認。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

(g) Interest-bearing borrowings

Interest-bearing borrowings are initially recognised at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the income statement over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(h) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 4(o), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(i) Goodwill

Goodwill represents the excess of the cost of a business combination or an investment in an associate over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the interest in the associate.

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate is recognised immediately in the income statement.

On disposal of a cash generating unit or an associate during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

4. 主要會計政策 (續)

(f) 貿易及其他應收款項

貿易及其他應收款項初步按公平值確認，其後按攤銷成本減呆壞賬減值虧損列賬，惟應收款項為向關連人士作出無固定還款期之免息貸款或折現之影響並不重大除外。在該等情況下，應收款項按成本減呆壞賬減值虧損列賬。

(g) 計息借貸

計息借貸初步按公平值減應計之交易成本確認。初步確認後，計息借貸按攤銷成本列賬，而初步確認金額與贖回價值間之任何差額，連同任何應付利息及費用，使用實際利率法於借貸期間之收益表內確認。

(h) 貿易及其他應付款項

貿易及其他應付款項初步按公平值確認。除根據附註4(o)計量之財務擔保責任外，貿易及其他應付款項其後按攤銷成本列賬，除非折現之影響不重大，在此情況下則按成本列賬。

(i) 商譽

商譽是指企業在業務合併或於聯營公司之投資之成本超過本集團在被收購方之可辨別資產、負債及或然負債之公平淨值中所佔權益之差額。

商譽按成本減累計減值虧損列賬。商譽會分配至現金產生單位，並且每年進行減值測試。就聯營公司而言，商譽之賬面值會計入所佔聯營公司權益之賬面值中。

本集團在被收購方之可辨別資產、負債及或然負債之公平淨值中所佔權益，超過業務合併或於聯營公司之投資成本之部分，會即時在收益表中確認。

於年內出售現金產生單位或聯營公司時，任何應佔購入商譽會計入出售之損益內。

Notes to the Financial Statements (Continued) 財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use.

Investment properties are stated in the balance sheet at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in the income statement. Rental income from investment properties is accounted for as described in note 4(w).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property. Any such property interest which has been classified as investment property is accounted for as if it were held under a finance lease, and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases.

Property that is being constructed or developed for future use as investment property is classified as properties, plant and equipment and stated at cost until construction or development is complete, at which time it is reclassified as investment property at fair value. Any difference between the fair value of the property at that date and its previous carrying amount is recognised in the income statement.

(k) Properties, plant and equipment

Properties, plant and equipment other than buildings are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after properties, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement for the period in which it is incurred.

4. 主要會計政策 (續)

(j) 投資物業

投資物業指為賺取租金收入及／或為資本增值而以租賃權益擁有或持有的土地及／或樓宇，當中包括就目前尚未確定未來用途的持有土地。

投資物業按公平值記入資產負債表中。由於投資物業公平值之變動，或報廢或出售投資物業所產生之任何收益或虧損均在收益表中確認。投資物業之租金收入按附註4(w)所述方式入賬。

倘若本集團以經營租賃持有物業權益以賺取租金收入及／或為資本增值，有關之權益會作為投資物業分類及入賬。分類為投資物業之任何物業權益的入賬方式與以融資租賃持有之權益相同，而其適用之會計政策亦與以融資租賃出租之其他投資物業相同。

正在建造或開發以供日後用作投資物業之物業分類為物業、廠房及設備，並按成本列賬，直至建造或開發完成，屆時按公平值重新分類為投資物業。有關此等物業於當日之公平值與其以往賬面值之間之任何差異均在收益表中確認。

(k) 物業、廠房及設備

除樓宇外，物業、廠房及設備乃按成本減累計折舊及減值虧損列賬。資產之成本包括其購買價以及將資產達至運作狀況及地點以供擬定用途之任何直接應佔成本。物業、廠房及設備投產後之開支，例如維修及保養，一般在產生期間在收益表中列支。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Properties, plant and equipment (Continued)

Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at their revalued amounts, being the fair values at the date of revaluation, less any subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity that the carrying amounts do not differ materially from those which would be determined using fair values at the balance sheet date.

Any revaluation increase arising from the revaluation of such buildings is credited to the properties revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the income statement, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in carrying amount arising from the revaluation of such buildings is charged to the income statement to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to the income statement. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings/deficit.

The gain or loss arising from the disposal or retirement of an item of properties, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Depreciation is calculated to write off the cost or valuation of properties, plant and equipment, less their estimated residual value, if any, using the straight-line method, at the following rates per annum:

Buildings	2%
Furniture, fixtures and equipment	20-30%
Motor vehicles	20-30%

Both the useful life of an asset and its residual value, if any, are reviewed annually.

4. 主要會計政策 (續)

(k) 物業、廠房及設備 (續)

用作生產或提供產品或服務，或用作行政用途之樓宇，乃按其重估值（即於重估日期之公平值減其後出現之任何累計折舊及任何累計減值虧損）列於資產負債表。重估工作應充份定期進行，以令賬面值與其在結算日以公平值釐定的價值不會有重大的偏離。

任何因樓宇之重估所產生之重估增值均撥入物業重估儲備內，惟倘增值可撥回同一資產以往於收益表確認之重估減值，則有關增值會計入收益表中，惟以之前扣除之減值為限。因重估樓宇產生之賬面值減少，以按其超出之前就重估該項資產有關之物業重估儲備內結餘（如有）為限，於收益表扣除。

經重估樓宇之折舊於收益表扣除。在日後出售或報廢經重估樓宇時，物業重估儲備內剩餘之應計重估增值直接轉撥至保留盈利／虧絀。

出售或報廢物業、廠房及設備項目之盈虧，根據出售所得款項以及資產之賬面值之差額釐定，並在收益表中確認。

折舊採用直線法按物業、廠房及設備之估計可用年期，按下列年率攤銷其成本或估值減殘值（如有）計算：

樓宇	2%
傢俬、裝置及設備	20-30%
汽車	20-30%

資產之使用期限及殘值（如有）均每年作檢討。

Notes to the Financial Statements (Continued) 財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

(m) Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but only to the extent the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(n) Other investments in debt and equity securities

The Group's and the Company's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and jointly controlled entities, are set out below.

Investments in securities held for trading are classified as current assets and are initially stated at fair value. At each balance sheet date the fair value is remeasured, with any resultant gains or losses being recognised in the income statement.

4. 主要會計政策 (續)

(l) 現金及等同現金項目

現金及等同現金項目包括銀行及手頭現金、存放於銀行及其他金融機構之活期存款及可隨時兌換為已知數額現金且價值變動風險不大之短期高流通量投資(購入至到期不足三個月)。就現金流量表而言，須於要求時償還並構成本集團現金管理整體組成部分之銀行透支亦計作現金及等同現金項目一部分。

(m) 減值

本集團會於每年結算日檢討有形及無形資產之賬面值，以確定該等資產有否出現減值虧損。倘估計資產之可收回數額降至低於其賬面值，則將該資產之賬面值調減至可收回數額，並會即時將減值虧損確認作開支，惟倘有關資產按重估價值入賬，則有關減值虧損將列作重估減值。

倘減值虧損其後撥回，則有關資產之賬面值將調升至可收回數額之經修訂估計，惟已增加之賬面值不得超過假設該資產於過往年度並無確認減值虧損而應有之賬面值。減值虧損之撥回將即時確認作收入，惟倘有關資產按重估價值入賬，則有關減值虧損之撥回則列作重估增值。

(n) 於債務及股本證券之其他投資

除於附屬公司、聯營公司及共同控制實體所作的投資外，本集團及本公司有關債務及股本證券之投資政策如下：

持作買賣之證券投資分類為流動資產，並按公平值初始列賬。本集團會在每個結算日重新計量公平值，由此產生之任何收益或虧損均在收益表中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Other investments in debt and equity securities (Continued)

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the balance sheet at cost less impairment losses.

Other investments in securities are classified as available-for-sale financial assets and are initially recognised at fair value plus transaction costs. At each balance sheet date the fair values are remeasured, with any resultant gains or losses being recognised directly in equity, except for impairment losses and, in the case of monetary items such as debt securities, foreign exchange gains and losses which are recognised directly in the income statement. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in the income statement. When these investments are derecognised or impaired, the cumulative gains or losses previously recognised directly in equity are recognised in the income statement.

Investments are recognised/derecognised on the date the Group and/or the Company commits to purchase/ sell the investments or they expire.

(o) 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 the income statement on initial recognition of any deferred income.

4. 主要會計政策 (續)

(n) 於債務及股本證券之其他投資 (續)

當股本證券投資並無在活躍市場報價，且不能可靠計量其公平值時，此等投資會以成本減去減值虧損後在資產負債表確認。

其他證券投資分類為可供銷售財務資產，並初始以公平值加上交易成本後確認。集團會在每個結算日重新計量公平值，由此產生之任何收益或虧損均直接在權益中確認；但減值虧損及就債務證券等貨幣項目而言，匯兌收益與虧損直接在收益表中確認。如為計息投資，以實際利率法計算之利息會在收益表中確認。當此等投資終止確認或已減值時，以往直接在權益中確認之累計收益或虧損會在收益表中確認。

本集團及／或本公司在承諾購入／出售投資或投資到期當日確認／終止確認有關投資。

(o) 已發出財務擔保、撥備及或然負債

(i) 已發出財務擔保

財務擔保指要求發出擔保之人士（即擔保人）支付指定款項以向擔保受益人（「持有人」）償付因指定債務人未能根據債務工具之條款支付到期款項所蒙受損失之合約。

當本集團提供財務擔保時，該擔保之公平值（即交易價格，惟公平值能可靠估計除外）初步確認為貿易及其他應付賬款內之遞延收入。倘就發出有關擔保已收或應收代價，有關代價根據適用於該類別資產之本集團政策確認。倘並無已收或應收有關代價，則於初步確認任何遞延收入時即時於收益表確認開支。

Notes to the Financial Statements (Continued) 財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) 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 the income statement over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 4(o)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) 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) Other provisions and contingent liabilities

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

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.

4. 主要會計政策 (續)

(o) 已發出財務擔保、撥備及或然負債 (續)

(i) 已發出財務擔保 (續)

最初確認為遞延收入之擔保數額，於擔保期內之收益表攤銷，作為所發出財務擔保之收入。此外，當(i)擔保持有人有可能要求本集團履行有關擔保；及(ii)該對本集團提出之申索款額預期超過現時就該擔保於貿易及其他應付賬款所列金額（即最初確認之金額），減累計攤銷，則根據附註4(o)(ii)確認撥備。

(ii) 其他撥備及或然負債

在本集團須就已發生之事件承擔法律或推定責任，而且履行責任可能涉及經濟利益之流出，並可作出可靠之估計，便會就尚未肯定時間或數額之負債確認準備。如果貨幣時間值重大，則按預計履行該責任所需支出之現值計提準備。

倘若不大可能涉及經濟利益之流出，或無法對有關數額作出可靠估計，則該責任披露為或然負債；但如流出經濟利益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之可能責任，亦披露為或然負債；但如流出經濟利益之可能性極低則除外。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Taxation

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Tax rates enacted or substantively enacted at the balance sheet date are used to determine deferred tax.

Deferred tax liabilities are provided in full on all taxable temporary differences while deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which the temporary differences can be utilised.

A deferred tax asset is also recognised for the carry forward of unused tax losses to the extent that it is probable that taxable profits will be available against which the carryforward of the unused tax losses can be utilised.

(q) Borrowing costs

Borrowing costs are expensed in the income statement in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

The capitalisation of borrowings costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

4. 主要會計政策 (續)

(p) 稅項

本年度之所得稅包括當期稅項及遞延稅項資產及負債之變動。所得稅於收益表中確認，惟倘其涉及直接在權益中確認之項目，則在權益中確認。

當期稅項為就年內應課稅收入預期應繳之稅項，按於結算日已生效或大致生效之稅率計算，加上就以往年度應繳稅項作出之任何調整。

遞延稅項按負債法就結算日資產及負債之稅基與其就財務呈報目的之賬面值所有臨時差額作撥備。於結算日已生效或大致生效之稅率，將用於釐訂遞延稅項。

遞延稅項負債乃就所有應課稅臨時差額作悉數撥備，而遞延稅項資產則按可動用臨時差額以抵銷未來應課稅溢利之基準而確認。

就承前未動用之稅項虧損而言，遞延稅項資產亦作確認，惟限於該承前未動用之稅項虧損有可能用以抵銷應課稅溢利。

(q) 借貸成本

除收購、興建或生產一項需要長時間準備方可作既定用途或銷售之資產直接產生之借貸成本而撥充資本外，借貸成本乃於其產生期內在收益表列支。

屬於合資格資產成本一部分之借貸成本在資產產生開支、借貸成本產生和使資產投入擬定用途或銷售必需之準備工作進行期間開始資本化。在使合資格資產投入擬定用途或銷售必需之絕大部分準備工作中止或完成時，借貸成本便會暫停或停止資本化。

Notes to the Financial Statements (Continued) 財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in the income statement.

(s) Employee benefits

Salaries, annual bonuses, paid annual leave, leave passage, contributions to defined contribution retirement plans and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The Group operates a defined contribution mandatory provident fund retirement benefits scheme (the "MPF scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the scheme. Contributions are made based on a percentage of employee basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF scheme. The assets of the MPF scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF scheme.

(t) 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.

4. 主要會計政策 (續)

(r) 外幣

年內之外幣交易按交易日之匯率換算。以外幣列值之貨幣資產及負債按結算日之匯率換算。匯兌收益及虧損於收益表確認。

(s) 僱員福利

薪酬、年度花紅、有薪年假、休假、定額供款退休計劃供款及本集團非貨幣福利之成本，在本集團僱員提供相關服務之年度累計。倘遞延支付或清償，而有關影響屬重大，則有關金額按其現值列賬。

本集團根據強制性公積金計劃條例為合資格參與計劃之僱員設立一項定額供款強制性公積金退休福利計劃（「強積金計劃」）。供款根據僱員之基本薪酬百分比作出，並於根據強積金計劃之規例到期供款時在收益表中支銷。強積金計劃之資產與本集團資產分開，由獨立管理之基金持有。本集團之僱主供款於向強積金計劃供款後悉數歸屬僱員。

(t) 分類報告

分類乃指本集團屬下可明顯分類，並且負責提供產品或服務（業務分部），或在特定之經濟環境中提供產品或服務（地區分部）之組成部分。每個分類所承受之風險和所獲享之回報，均與其他分類有別。

就本集團之財務報表而言，按照本集團之內部財務匯報系統，本集團選擇按業務分類作為主要呈報方式，並按地區分類為次要呈報方式。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Segment reporting (Continued)

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 properties, 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.

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.

(u) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of the key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or

4. 主要會計政策 (續)

(t) 分類報告 (續)

分類收益、開支、業績、資產及負債包括直接來自該分類之項目，以及可合理分配至該分類之項目。例如分類資產可包括存貨、應收賬款及物業、廠房及設備。分類收益、開支、資產及負債均未扣除在綜合計算過程中抵銷之本集團公司間之結存及交易；但同屬一個分類的集團內公司間之結存及交易則除外。分類之間之定價基準與提供予其他外界人士之條款相若。

分類資本開支指在期內就購入預計可於超過一個會計期間使用之分類資產（包括有形和無形資產）產生之成本總額。

未分類項目主要包括財務及企業資產、計息貸款、借貸、稅項結餘、企業及融資支出。

(u) 關連人士

就財務報表而言，以下各方被視為與本集團有關連：

- (i) 該方能夠透過一名或以上中介人直接或間接控制本集團或對本集團財務及經營政策行使重大影響或共同控制本集團；
- (ii) 本集團及該方受共同控制；
- (iii) 該方為本集團之聯繫人士或本集團為合資方之合營企業；
- (iv) 該方為本集團或本集團母公司主要管理人員或該個別人士之直系親屬，或受該個別人士控制、共同控制或重大影響之實體；
- (v) 該方為(i)所述人士之直系親屬或受該個別人士控制、共同控制或重大影響之實體；或

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Related parties (Continued)

- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

(v) Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases.

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 on the straight-line basis over the lease terms.

Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

(w) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue can be measured reliably, revenue is recognised in the income statement as follows:

- (i) Sales of goods are recognised when goods are delivered and title has passed.
- (ii) Rental income, including rentals invoiced in advance from properties let under operating leases, is recognised on the straight-line basis over the terms of the relevant leases.
- (iii) Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.
- (iv) Service fee income is recognised as revenue when the inter-operator short message services are rendered.

4. 主要會計政策 (續)

(u) 關連人士 (續)

- (vi) 該方為就本集團員工或屬本集團關連人士之實體而設之退休後福利計劃。

個別人士之直系親屬成員指就其與實體之交易可預期影響該個別人士或受其影響之成員。

(v) 經營租賃

凡資產擁有權之絕大部分收益及風險由租賃公司保留之租約，均列賬為經營租賃。

倘本集團為出租人，本集團按經營租賃租賃之資產列為非流動資產，而按經營租賃應收之租金會按租期以直線法撥入收益表。

倘本集團為承租人，按經營租賃應付之租金按租期以直線法在收益表扣除。

(w) 收益確認

倘經濟利益可能流入本集團而有關收益能可靠計量，則按以下方式於收益表內確認收益：

- (i) 貨品之銷售會於貨品交收及物權轉移時確認。
- (ii) 根據經營租賃出租之物業所得租金收入(包括預先發出發票之租金)，以直線法按有關租約年期予以確認。
- (iii) 利息收入乃根據本金結餘，按時間比例以適用利率確認。
- (iv) 服務費收入於提供營運商之間之短訊服務時予以確認。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

5. TURNOVER AND SEGMENT INFORMATION

Turnover represents the amount received and receivable for rentals, goods sold to outside customers and Short Message Services ("SMS") provided for the year, and is analysed as follows:

Property rental income	物業租金收入
SMS	短訊服務
Sales of goods	貨物銷售

Business segments

For management purposes, the Group is organised into four operating divisions, namely, sale of properties, leasing of properties, SMS and sale of goods. These divisions are the basis on which the Group reports its primary segment information as set out below.

5. 營業額及分類資料

營業額指本年度租賃及對外客戶銷售貨物以及提供短訊服務(「短訊服務」)所收到及應收之款項,分析如下:

2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
5,556	7,359
7,323	5,256
327	58
13,206	12,673

業務分類

就管理而言,本集團之業務分為四大經營部門—銷售物業、租賃物業、短訊服務及貨物銷售。如下文所述,本集團按上述分類呈報主要分類資料。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

5. TURNOVER AND SEGMENT INFORMATION

(Continued)

Business segments (Continued)

Consolidated income statement for the year ended 31 March 2007

5. 營業額及分類資料 (續)

業務分類 (續)

截至二零零七年三月三十一日止年度之綜合收益表

		Sale of properties 銷售物業 HK\$'000 港幣千元	SMS 短訊服務 HK\$'000 港幣千元	Leasing of properties 租賃物業 HK\$'000 港幣千元	Sale of goods 貨物銷售 HK\$'000 港幣千元	Unallocated items 未分類項目 HK\$'000 港幣千元	Consolidated 綜合 HK\$'000 港幣千元
TURNOVER	營業額						
External sales	外界銷售	-	7,323	5,556	327	-	13,206
Inter-segment sales	分類間銷售	-	-	-	-	-	-
Total turnover	總營業額	-	7,323	5,556	327	-	13,206
RESULTS	業績						
Segment results	分類業績	-	3,361	1,217	(1,670)		2,908
Unallocated other income	未分類其他收入					23	23
Amortisation of prepaid lease payment	預付租賃支出攤銷					(71)	(71)
Surplus arising from revaluation of investment properties	投資物業 重估增值			18,250			18,250
Surplus arising from revaluation of properties, plant and equipment	物業、廠房及設備 重估增值			129		156	285
Impairment loss recognised in respect of interests in leasehold land held for own use under operating leases	經營租賃下自用 租賃土地權益之 已確認減值虧損					(13,936)	(13,936)
Impairment loss recognised in respect of other assets	其他資產之 已確認減值虧損				(336)		(336)
Unallocated corporate expenses	未分類公司開支					(7,210)	(7,210)
Loss from operating activities	經營業務虧損						(87)
Loss on disposal of a subsidiary	出售一附屬公司虧損			(480)			(480)
Finance costs	財務成本			(6,815)			(6,815)
Share of results of associates	應佔聯營公司之業績		(2)				(2)
Loss before taxation	除稅前虧損						(7,384)
Taxation	稅項			219			219
Loss for the year	本年度虧損						(7,165)
Attributable to:	下列所佔數額:						
Equity shareholders of the Company	本公司股東權益						(8,509)
Minority interests	少數股東權益						1,344
							(7,165)

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

5. TURNOVER AND SEGMENT INFORMATION

(Continued)

Business segments (Continued)

		Sale of properties 銷售物業 HK\$'000 港幣千元	SMS 短訊服務 HK\$'000 港幣千元	Leasing of properties 租賃物業 HK\$'000 港幣千元	Sale of goods 貨物銷售 HK\$'000 港幣千元	Unallocated items 未分類項目 HK\$'000 港幣千元	Consolidated 綜合 HK\$'000 港幣千元
OTHER INFORMATION	其他資料						
Depreciation	折舊		1,611	874	21	8	2,514
ASSETS	資產						
Segment assets	分類資產		3,114	224,924	406		228,444
Unallocated corporate assets	未分類公司資產					26,505	26,505
Consolidated total assets	綜合資產總值						254,949
LIABILITIES	負債						
Segment liabilities	分類負債		258	99,517	1,029		100,804
Unallocated corporate liabilities	未分類公司負債					38,643	38,643
Consolidated total liabilities	綜合負債總額						139,447

5. 營業額及分類資料 (續)

業務分類 (續)

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

5. TURNOVER AND SEGMENT INFORMATION

(Continued)

Business segments (Continued)

Consolidated income statement for the year ended 31 March 2006

5. 營業額及分類資料 (續)

業務分類 (續)

截至二零零六年三月三十一日止年度之綜合收益表

		Sale of properties 銷售物業 HK\$'000 港幣千元	SMS 短訊服務 HK\$'000 港幣千元	Leasing of properties 租賃物業 HK\$'000 港幣千元	Sale of goods 貨物銷售 HK\$'000 港幣千元	Unallocated items 未分類項目 HK\$'000 港幣千元	Consolidated 綜合 HK\$'000 港幣千元
TURNOVER	營業額						
External sales	外界銷售	-	5,256	7,359	58	-	12,673
Inter-segment sales	分類間銷售	-	-	-	-	-	-
Total turnover	總營業額	-	5,256	7,359	58	-	12,673
RESULTS	業績						
Segment results	分類業績	-	1,702	2,203	(2,210)		1,695
Unallocated other income	未分類其他收入					113	113
Amortisation of prepaid lease payment	預付租賃支出攤銷					(71)	(71)
Surplus arising from revaluation of investment properties	投資物業 重估增值			45,250			45,250
Surplus arising from revaluation of properties, plant and equipment	物業、廠房及設備 重估增值					21	21
Impairment loss recognised in respect of other assets	其他資產之 已確認減值虧損					(505)	(505)
Impairment loss recognised in respect of goodwill	商譽之 已確認減值虧損		(2,212)				(2,212)
Unallocated corporate expenses	未分類公司開支					(7,942)	(7,942)
Profit from operating activities	經營業務溢利						36,349
Profit on disposal of investment properties	出售投資物業溢利					5,793	5,793
Finance costs	財務成本			(6,321)			(6,321)
Share of results of associates	應佔聯營公司之業績		(13)				(13)
Profit before taxation	除稅前溢利						35,808
Taxation	稅項			245			245
Profit for the year	本年度溢利						36,053
Attributable to:	下列所佔數額:						
Equity shareholders of the Company	本公司股東權益						35,377
Minority interests	少數股東權益						676
							36,053

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

5. TURNOVER AND SEGMENT INFORMATION

(Continued)

Business segments (Continued)

		Sale of properties 銷售物業 HK\$'000 港幣千元	SMS 短訊服務 HK\$'000 港幣千元	Leasing of properties 租賃物業 HK\$'000 港幣千元	Sale of goods 貨物銷售 HK\$'000 港幣千元	Unallocated items 未分類項目 HK\$'000 港幣千元	Consolidated 綜合 HK\$'000 港幣千元
OTHER INFORMATION	其他資料						
Depreciation	折舊		3,151	837	18	8	4,014
ASSETS	資產						
Segment assets	分類資產		3,438	202,529	603		206,570
Unallocated corporate assets	未分類公司資產					38,208	38,208
Consolidated total assets	綜合資產總值						244,778
LIABILITIES	負債						
Segment liabilities	分類負債		1,091	109,985	820		111,896
Unallocated corporate liabilities	未分類公司負債					21,102	21,102
Consolidated total liabilities	綜合負債總額						132,998

Geographical segments

Most of the property activities of the Group are based in Hong Kong and most of the Group's turnover and the profit/(loss) before taxation are mainly derived from Hong Kong.

地區分類

本集團大部分物業業務均以香港為基地，而本集團大部分營業額及除稅前溢利／(虧損)亦主要源自香港。

6. OTHER OPERATING INCOME

Included in other operating income are:
Profit on disposal of investments in securities
Sundry income

其他經營收入包括以下項目：
出售證券投資之溢利
雜項收入

6. 其他經營收入

2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
-	225
439	2,057
439	2,282

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

7. PROFIT/(LOSS) FROM OPERATING ACTIVITIES 7. 經營業務溢利／(虧損)

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Profit/(loss) from operating activities is arrived at after charging:	計算經營業務溢利／(虧損)時已扣除:		
(a) Staff costs	(a) 員工成本		
Salaries, bonuses and awards (including directors' emoluments)	薪金、花紅及獎金 (包括董事酬金)	6,146	6,545
Contributions to defined contribution plan	定額供款計劃之供款	87	97
Staff welfare	員工福利	9	5
		6,242	6,647
(b) Other items	(b) 其他項目		
Auditor's remuneration	核數師酬金	495	443
Depreciation	折舊	2,514	4,014
Operating lease charges in respect of rented premises	有關租賃房產支付之經營租賃開支	1,154	1,130
and after crediting:	並已計入:		
Rental income, net of outgoings	租金收入(已扣除開支)	2,946	4,724

8. FINANCE COSTS 8. 財務成本

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Finance costs comprise interest on:	財務成本包括下列各項之利息:		
Bank borrowings wholly repayable within five years	須於五年內全數償還之銀行借貸	4,406	646
Bank borrowings not wholly repayable within five years	毋須於五年內全數償還之銀行借貸	2,353	5,583
Other borrowings	其他借貸	56	92
		6,815	6,321

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

9. DIRECTORS' EMOLUMENTS AND HIGHEST PAID INDIVIDUALS

Directors' emoluments

Directors' emoluments disclosed pursuant to Section 161 of the Hong Kong Companies Ordinance are as follows:

9. 董事酬金及最高薪酬人士

董事酬金

根據香港公司條例第161條披露之董事酬金如下：

	Directors fees 董事袍金		Salaries, allowances and benefits in kind 薪金、津貼及實物福利		MPF 強積金		Total 總計	
	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Executive directors 執行董事								
Lai Yiu Keung 黎耀強	-	-	2,400	2,400	12	12	2,412	2,412
Chung Lai Ha 鍾麗霞	-	-	720	720	12	12	732	732
Kwok Chong, Anthony 郭昶	-	-	600	600	12	12	612	612
Lai Chi Kin 賴志堅	-	-	-	50	-	1	-	51
Lai Man Kon 黎文幹	-	-	240	200	-	-	240	200
Independent non-executive directors 獨立非執行 董事								
Li Mow Ming, Sonny 李茂銘	240	200	-	-	-	-	240	200
Ng Wai Hung 吳偉鴻	120	100	-	-	-	-	120	100
Chan Kwok Kay 陳國基	120	100	-	-	-	-	120	100
Ho John 何約翰	-	30	-	-	-	-	-	30
Lo Chi Hang, Lonnie 盧志恒	-	10	-	-	-	-	-	10
Ling Kam Tong, Victor 凌錦棠	-	30	-	-	-	-	-	30
	480	470	3,960	3,970	36	37	4,476	4,477

The remuneration of the directors is within the following band:

董事酬金介乎下列範圍：

	2007 二零零七年 Number of directors 董事人數	2006 二零零六年 Number of directors 董事人數
Up to HK\$1,000,000 港幣1,000,000元或以下	6	10
HK\$1,000,001 to HK\$2,500,000 港幣1,000,001元至港幣2,500,000元	1	1

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

9. DIRECTORS' EMOLUMENTS AND HIGHEST PAID INDIVIDUALS (Continued)

Highest paid individuals

The five highest paid individuals of the Group included four (2006: three) executive directors, details of whose emoluments are set out above. The emoluments of the remaining one (2006: two) highest paid individuals, other than directors of the Company, are as follows:

Salaries and allowances	薪金及補貼
Retirement benefit scheme contributions	退休福利計劃供款

Salaries and other benefits	薪金及其他福利
-----------------------------	---------

The emoluments of each of the highest paid individuals who are not directors of the Company were within the band of HK\$ nil to HK\$1,000,000 in both years.

10. TAXATION

(a) Taxation in the consolidated income statement represents:

The charge comprises:	稅項支出包括:
Hong Kong profits tax over-provision in prior years	香港利得稅過往年度超額撥備
Deferred tax origination and reversal of temporary differences	遞延稅項暫時差異之產生及撥回

The provision for Hong Kong profits tax is calculated at 17.5% of the estimated assessable profits for the year.

9. 董事酬金及最高薪酬人士 (續)

最高薪酬人士

本集團之五位最高薪酬人士包括四名(二零零六年:三名)執行董事,其酬金詳情已載於上文。其餘一名(二零零六年:兩名)非本公司董事之最高薪酬人士之酬金如下:

2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
650	1,191
12	24
662	1,215

每名非本公司董事之最高薪酬人士於兩個年度之酬金均介乎港幣零元至港幣1,000,000元之間。

10. 稅項

(a) 於綜合收益表所列之稅項包括:

2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
-	(407)
(219)	162
(219)	(245)

香港利得稅乃按本年度估計應課稅溢利以稅率百分之17.5計算。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

10. TAXATION (Continued)

(b) Reconciliation between taxation and profit/(loss) before taxation at applicable tax rates:

Profit/(loss) before taxation	除稅前溢利/(虧損)	
Notional tax on profit/(loss) before taxation, calculated at the statutory rates of 17.5%	根據法定稅率17.5%計算之除稅前溢利/(虧損)之名義稅項	
Tax effect of non-deductible expenses	不可扣稅支出之稅項影響	
Tax effect of non-taxable revenue	毋須課稅收入之稅項影響	
Tax effect of unused tax losses not recognised	未確認之未動用稅項虧損之稅項影響	
Tax effect of prior years tax losses utilised this year	本年度動用過往年度稅項虧損之稅項影響	
Tax effect of temporary differences not recognised	未確認暫時差異之稅項影響	
Over-provision of profits tax in prior years	過往年度利得稅之超額撥備	
Taxation for the year	本年度稅項	

10. 稅項 (續)

(b) 按適用稅率計算之稅項與除稅前溢利/(虧損)之對賬如下:

2007 二零零七年		2006 二零零六年	
HK\$'000 港幣千元	% 百分比	HK\$'000 港幣千元	% 百分比
(7,384)		35,808	
(1,292)	17.5	6,266	17.5
113	(1.5)	441	1.2
(3,232)	43.8	(8,011)	(22.4)
2,235	(30.3)	2,786	7.8
(855)	11.6	(842)	(2.4)
2,812	(38.1)	(478)	(1.3)
-	-	(407)	(1.1)
(219)	3.0	(245)	(0.7)

11. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share is based on the loss for the year attributable to equity shareholders of the Company of approximately HK\$8,509,000 (2006: Profit of HK\$35,377,000) and on the weighted average number of 2,980,639,015 shares (2006: 2,980,639,015 shares) in issue during the year.

Diluted earnings/(loss) per share has not been presented as there was no potentially dilutive ordinary shares in existence during both years.

11. 每股盈利/(虧損)

每股基本盈利/(虧損)乃按本公司權益股東應佔本年度虧損約港幣8,509,000元(二零零六年: 溢利港幣35,377,000元)及於本年度內已發行股份之加權平均數2,980,639,015股(二零零六年: 2,980,639,015股)計算。

由於兩個年度並無潛在攤薄普通股存在,故並無呈列每股攤薄盈利/(虧損)。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

12. INVESTMENT PROPERTIES

The Group, at valuation

	本集團·估值
At beginning of the year	年初
Disposal (note 27)	出售 (附註27)
Surplus arising from revaluation	重估增值
At end of the year	年終

The investment properties are situated in Hong Kong and are held under long-term leases. They were revalued at 31 March 2007 by CB Richard Ellis Limited, an independent firm of professional valuers, on the open market basis subject to existing tenancies with reference to net rent derived from the existing tenancies as at 31 March 2007. These valuations gave rise to a revaluation surplus of HK\$18,250,000 which has been credited to the income statement. The investment properties are leased out for rental purposes under operating leases.

12. 投資物業

2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
206,750	173,500
(9,000)	(12,000)
18,250	45,250
216,000	206,750

投資物業位於香港，並以長期租約持有。投資物業於二零零七年三月三十一日經獨立專業估值師世邦魏理仕有限公司，按公開市值以於二零零七年三月三十一日現有租約所產生租金淨額作基準重估。是項估值產生重估增值港幣18,250,000元，並已計入收益表中。投資物業已根據經營租賃出租以賺取租金。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

13. PROPERTIES, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Furniture, fixtures and equipment		Motor vehicles	Total
		Buildings	傢俬、裝置及設備	汽車	總計
		樓宇	及設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
The Group	本集團				
Cost or Valuation	成本或估值				
At 1 April 2005	於二零零五年四月一日	737	19,816	1,866	22,419
Additions	添置	-	164	-	164
Surplus arising from revaluation	重估增值	21	-	-	21
Less: Elimination of accumulated depreciation	減: 抵銷累計折舊	(19)	-	-	(19)
At 31 March 2006	於二零零六年三月三十一日	739	19,980	1,866	22,585
Comprising:	包括:				
At cost	成本	-	19,980	1,866	21,846
At valuation - 2006	估值 - 二零零六年	739	-	-	739
		739	19,980	1,866	22,585
Depreciation	折舊				
At 1 April 2005	於二零零五年四月一日	-	11,780	1,866	13,646
Charge for the year	本年度支出	19	3,995	-	4,014
Eliminated on revaluation	重估時抵銷	(19)	-	-	(19)
At 31 March 2006	於二零零六年三月三十一日	-	15,775	1,866	17,641
Net Book Values	賬面淨值				
At 31 March 2006	於二零零六年三月三十一日	739	4,205	-	4,944
Cost or Valuation	成本或估值				
At 1 April 2006	於二零零六年四月一日	739	19,980	1,866	22,585
Additions	添置	-	4,885	-	4,885
Surplus arising from revaluation	重估增值	285	-	-	285
Less: Elimination of accumulated depreciation	減: 抵銷累計折舊	(19)	-	-	(19)
At 31 March 2007	於二零零七年三月三十一日	1,005	24,865	1,866	27,736
Comprising:	包括:				
At cost	成本	-	24,865	1,866	26,731
At valuation - 2007	估值 - 二零零七年	1,005	-	-	1,005
		1,005	24,865	1,866	27,736
Depreciation	折舊				
At 1 April 2006	於二零零六年四月一日	-	15,775	1,866	17,641
Charge for the year	本年度支出	19	2,495	-	2,514
Eliminated on revaluation	重估時抵銷	(19)	-	-	(19)
At 31 March 2007	於二零零七年三月三十一日	-	18,270	1,866	20,136
Net Book Values	賬面淨值				
At 31 March 2007	於二零零七年三月三十一日	1,005	6,595	-	7,600

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

13. PROPERTIES, PLANT AND EQUIPMENT

(Continued)

The buildings were revalued as at 31 March 2007 by CB Richard Ellis Limited, an independent firm of professional valuers, on the open market basis subject to existing tenancies with reference to net rent derived from the existing tenancies as at 31 March 2007.

At 31 March 2007, had the buildings of the Group not been revalued and been carried at historical cost less accumulated depreciation and amortisation, their carrying value would have been approximately HK\$1,070,000 (2006: HK\$1,100,000).

14. INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE UNDER OPERATING LEASES

13. 物業、廠房及設備 (續)

樓宇於二零零七年三月三十一日經獨立專業估價師世邦魏理仕有限公司，按公開市值以於二零零七年三月三十一日現有租約所產生租金淨額作基準估值。

於二零零七年三月三十一日，倘本集團之樓宇未有進行重估而按歷史成本減累計折舊及攤銷列賬，其賬面值應約為港幣1,070,000元（二零零六年：港幣1,100,000元）。

14. 經營租賃下自用租賃土地權益

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Cost or Valuation	成本或估值		
Prepaid lease payments	預付租賃支出	28,032	28,032
Impairment loss recognised	已確認減值虧損	(13,936)	-
Less: Elimination of amortisation	減：攤銷之對銷	(625)	-
		13,471	28,032
Amortisation	攤銷		
At beginning of the year	年初	810	739
Amortisation for the year	本年度攤銷	71	71
Less: Eliminated upon recognition of impairment loss	減：確認減值虧損時對銷	(625)	-
		256	810
At end of the year	年終		
Carrying value	賬面值	13,215	27,222

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

14. INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE UNDER OPERATING LEASES

(Continued)

The interests in leasehold land held for own use under operating leases as at 31 March 2007 and 2006 are analysed as follows:

Land situated in Hong Kong held under long-term leases	根據長期租賃持有之香港土地
Land situated in Hong Kong held under medium-term leases	根據中期租賃持有之香港土地

14. 經營租賃下自用租賃土地權益 (續)

截至二零零七及二零零六年三月三十一日，經營租賃下自用租賃土地權益分析如下：

2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
12,215	25,521
1,000	1,701
13,215	27,222

15. INTERESTS IN SUBSIDIARIES

Unlisted shares	非上市股份
Amounts due from subsidiaries	應收附屬公司款項
Impairment losses recognised	已確認減值虧損

The amount of the unlisted shares is based on the underlying net tangible assets of the subsidiaries at the time when they became members of the Group pursuant to the Group reorganisation in 1997.

The impairment losses recognised at 31 March 2007 are determined by the directors with reference to the carrying amounts of the properties held by subsidiaries.

Particulars of the subsidiaries as at 31 March 2007 are set out in note 35.

15. 附屬公司權益

The Company 本公司	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
610,354	610,354
522,151	528,381
1,132,505 (1,015,239)	1,138,735 (1,024,556)
117,266	114,179

非上市股份之價值乃按附屬公司根據一九九七年之集團重組成為本集團成員公司時之相關有形資產淨值為計算基準。

二零零七年三月三十一日之已確認減值虧損由董事參考附屬公司所持物業之賬面值而釐定。

於二零零七年三月三十一日之附屬公司詳情載於附註35。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

16. INTERESTS IN ASSOCIATES

Investment, at cost	投資·按成本
Share of results of associates	應佔聯營公司業績
Share of net assets	應佔資產淨值
Amount due from an associate	應收一聯營公司款項
Amount due to an associate	應付一聯營公司款項

Particulars of the associates as at 31 March 2007 are set out in note 36.

Summary of financial information on associates

		Assets 資產 HK\$'000 港幣千元	Liabilities 負債 HK\$'000 港幣千元	Equity 權益 HK\$'000 港幣千元	Revenues 收益 HK\$'000 港幣千元	Profit/(loss) 盈利/(虧損) HK\$'000 港幣千元
2007	二零零七年					
100 per cent	百分之一百	2,836	2,825	11	7,513	(3)
Group's effective interest	集團之實際權益	1,390	1,384	6	3,681	(2)
2006	二零零六年					
100 per cent	百分之一百	1,791	1,775	16	5,455	(26)
Group's effective interest	集團之實際權益	878	870	8	2,673	(13)

16. 聯營公司權益

	The Group 本集團
	2007 二零零七年 HK\$'000 港幣千元
	2006 二零零六年 HK\$'000 港幣千元
Investment, at cost	1
Share of results of associates	7
Share of net assets	8
Amount due from an associate	1,762
Amount due to an associate	(1)
	2,812
	1,769

於二零零七年三月三十一日之聯營公司詳情載於附註36。

聯營公司財務資料概要

Notes to the Financial Statements (Continued) 財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

17. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	香港上市股份
Listed shares in Hong Kong	香港上市股份
Fair value adjustment (note 25)	公平值調整 (附註25)
Market value of listed shares	上市股份市值

Particulars of the principal available-for-sale financial assets of the Group as at 31 March 2007 are as follows:

Name of companies	Place of incorporation	Type of securities	Proportion of nominal value of issued share capital held
公司名稱	註冊成立地點	證券類別	所持已發行股本面值比例
Codebank Limited* 數碼庫有限公司*	Hong Kong 香港	Ordinary shares 普通股	10%
Inno-Tech Holdings Limited 匯創控股有限公司	Bermuda 百慕達	Ordinary shares 普通股	7%

* directly held by the Company

The trading of the shares in Codebank Limited ("Codebank"), a company with its shares listed on the Growth Enterprise Market ("GEM") of the Stock Exchange on 21 December 2001, have been suspended since 14 May 2002. On 28 May 2002, the previous directors of Codebank informed its shareholders that certain events which had taken place in Codebank were being investigated by them and since then trading of the shares has remained suspended. Accordingly, the directors of the Company determined that the investments in Codebank were fully impaired as at 31 March 2002. The listing of Codebank was cancelled by the Stock Exchange in January 2005.

The amount stated in the available-for-sale financial assets represents the carrying value of the Group's investment in Inno-Tech Holdings Limited ("Inno-Tech"). The shares of Inno-Tech were listed on GEM on 12 August 2002 and it is the Group's plan to hold this investment on a long-term basis upon acquisition.

17. 可供銷售財務資產

The Group 本集團		The Company 本公司	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
2,765	2,765	-	161,010
10,772	(115)	-	(161,010)
13,537	2,650	-	-

本集團於二零零七年三月三十一日之主要可供銷售財務資產之詳情如下:

Type of securities	Proportion of nominal value of issued share capital held
證券類別	所持已發行股本面值比例
Ordinary shares 普通股	10%
Ordinary shares 普通股	7%

* 由本公司直接持有

數碼庫有限公司(「數碼庫」)之股份於二零零一年十二月二十一日在聯交所創業板(「創業板」)上市,後於二零零二年五月十四日暫停買賣。於二零零二年五月二十八日,數碼庫前任董事知會其股東,表示彼等正調查近期發生之若干事項,自此以後,股份一直暫停買賣。故此,本公司董事認為,數碼庫之投資於二零零二年三月三十一日全數減值。聯交所已於二零零五年一月撤銷數碼庫之上市地位。

可供銷售財務資產所示金額指本集團於匯創控股有限公司(「匯創」)之投資之賬面值。匯創之股份於二零零二年八月十二日在創業板上市,本集團於購入時之計劃為長期持有此項投資。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

18. RECEIVABLES, DEPOSITS AND PREPAYMENTS 18. 應收款項、按金及預付款項

		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Trade receivables	應收賬款	(a) 204	128
Deposits and prepayments	按金及預付款項	(b) 763	984
Amounts due from related companies	應收關連公司款項	(c) 176	49
		1,143	1,161

(a) The Group maintains defined credit policies. For the sale of goods, the Group allows an average credit period of 30 days to its trade customers. Rentals receivable from tenants and service income receivable from customers are payable on presentation of invoices. The aging analysis of trade receivables is as follows:

		The Group 本集團
		2007 二零零七年 HK\$'000 港幣千元
Current	即期	98
One to three months overdue	逾期一至三個月	104
Over three months overdue	逾期超過三個月	2
		204

(b) Included in deposits and prepayments are deposits paid to Plotio Property and Management Company Limited amounting to HK\$184,530 (2006: HK\$184,530) and Plotio Investment (HK) Limited amounting to HK\$124,000 (2006: HK\$124,000). Both companies are related companies in which Mr Lai Yiu Keung has beneficial interests.

(a) 本集團訂有賒賬政策。對於貨物銷售而言，本集團向其貿易客戶提供平均30天之賒賬期。向租客應收之租金及向客戶應收之服務收入，於發出發票時應即繳付。應收賬款之賬齡分析如下：

		2006 二零零六年 HK\$'000 港幣千元
		87
		40
		1
		128

(b) 按金及預付款項中包括已付百利好地產管業有限公司之按金港幣184,530元(二零零六年:港幣184,530元)及已付百利好投資(香港)有限公司之按金港幣124,000元(二零零六年:港幣124,000元)。兩家公司均為黎耀強先生於當中擁有實益權益之關連公司。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

18. RECEIVABLES, DEPOSITS AND PREPAYMENTS

(Continued)

(c) Particulars of the amounts due from related companies, disclosed pursuant to Section 161B of the Hong Kong Companies Ordinance, are as follows:

Name of related company	關連公司名稱
Plotio Investment (HK) Limited	百利好投資(香港)有限公司
Plotio Property Consultants Limited	百利好地產顧問有限公司
Plotio Property and Management Company Limited	百利好地產管業有限公司

The amounts due are unsecured, interest-free and repayable on demand.

18. 應收款項、按金及預付款項 (續)

(c) 根據香港公司條例第161B條披露之應收一關連公司款項詳情如下:

Balance at 31 March 2007 於二零零七年 三月三十一日 結餘 HK\$'000 港幣千元	Balance at 31 March 2006 於二零零六年 三月三十一日 結餘 HK\$'000 港幣千元	Maximum amount outstanding during the year 年內未償還 款項上限 HK\$'000 港幣千元
13	-	13
52	-	52
111	49	111
176	49	

該等款項為無抵押、免息及須於要求時償還。

19. PAYABLES AND ACCRUED CHARGES

19. 應付款項及應計費用

		The Group 本集團	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Trade payables	應付賬款	(a) 4,770	4,978
Accrued charges	應計費用	12,005	11,502
Amounts due to related companies	應付關連公司款項	(b) 1,834	-
		18,609	16,480

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

19. PAYABLES AND ACCRUED CHARGES (Continued)

(a) The aging analysis of trade payables is as follows:

Within one month	一個月內
Over one month but less than three months	超過一個月但少於三個月
Over three months	超過三個月

(b) The amounts due are unsecured, interest-free and have no fixed terms of repayment. The amounts are due to related companies in which Mr Lai Yiu Keung has beneficial interests.

19. 應付款項及應計費用 (續)

(a) 應付賬款之賬齡分析如下:

The Group 本集團	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
108	-
113	-
4,549	4,978
4,770	4,978

(b) 該等款項為無抵押、免息及並無固定還款期。該等款項應付予黎耀強先生於當中擁有實益權益之關連公司。

20. BANK BORROWINGS

Borrowings comprise:	借貸包括:
Bank loans	銀行貸款
Bank overdrafts	銀行透支

The borrowings are repayable as follows:	該等借貸之還款期如下:
Within one year or on demand	一年內或要求時償還
More than one year, but not exceeding two years	一年後, 但不超過兩年
More than two years, but not exceeding five years	兩年後, 但不超過五年
More than five years	五年後

Less: Amount due within one year or on demand included in current liabilities	減: 列於流動負債內於一年內到期或要求時償還之款項
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Amount due after one year 一年後到期款項

All borrowings are fully secured. Details of the assets pledged are set out in note 21.

20. 銀行借貸

The Group 本集團	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
80,338	93,312
11,957	10,953
92,295	104,265
20,040	21,710
12,621	11,741
52,621	42,276
7,013	28,538
92,295	104,265
(20,040)	(21,710)
72,255	82,555

所有借貸均為有抵押借貸。已抵押資產詳情載於附註21。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

21. PLEDGE OF ASSETS

The Group

- (a) At 31 March 2007, the Group's borrowings were secured by the following:
- (i) first legal charges over the investment properties of HK\$198,000,000 (2006: HK\$182,750,000);
 - (ii) the interest in share capital of a subsidiary;
 - (iii) assignment of rental income generated from certain investment properties;
 - (iv) floating charges on all the existing and future asset undertakings of a subsidiary;
 - (v) assignments of the rights, titles, interests and benefits in and under all the existing and future building contracts in respect of certain of its interests in leasehold land held for own use under operating leases;
 - (vi) the benefits under all insurance policies of certain of its interests in leasehold land held for own use under operating leases;
 - (vii) assignment of sale proceeds from sales of investment properties; and
 - (viii) subordination of shareholders' loans of a subsidiary.
- (b) At 31 March 2007, the Group had pledged certain of its interests in leasehold land held for own use under operating leases amounting to approximately HK\$12,000,000 (2006: HK\$25,306,000) to banks to secure general banking facilities and credit facilities granted to certain former subsidiaries in which Mr Lai Yiu Keung has beneficial interests. The total amount of facilities utilised by these former subsidiaries amounted to approximately HK\$5,029,000 (2006: HK\$5,030,000).

21. 資產抵押

本集團

- (a) 於二零零七年三月三十一日，本集團之借貸以下列各項作為抵押：
- (i) 港幣198,000,000元(二零零六年：港幣182,750,000元)之投資物業之第一法定抵押；
 - (ii) 一間附屬公司之股本權益；
 - (iii) 若干投資物業所得租金收入之轉讓；
 - (iv) 一間附屬公司之一切現有及日後資產權益之浮動抵押；
 - (v) 其若干根據經營租賃持作自用租賃土地權益所涉及之一切現有及日後樓宇合約之權利、業權、權益及利益之轉讓；
 - (vi) 若干根據經營租賃持作自用租賃土地權益的所有保單訂明之利益；
 - (vii) 出售投資物業之出售所得款項之轉讓；及
 - (viii) 本公司一間附屬公司股東貸款之附屬貸款。
- (b) 於二零零七年三月三十一日，本集團向銀行抵押若干約值港幣12,000,000元(二零零六年：港幣25,306,000元)之根據經營租賃持作自用租賃土地權益，作為若干黎耀強先生實益擁有之前附屬公司所獲一般銀行貸款及銀行信貸之抵押。該等前附屬公司已動用之信貸總額約港幣5,029,000元(二零零六年：港幣5,030,000元)。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

22. OTHER BORROWINGS

The borrowings are repayable as follows:	該等借貸之還款期如下:
Within one year or on demand	一年內或要求時償還
More than one year, but not exceeding two years	一年後,但不超過兩年
Less: Amount due within one year or on demand included in current liabilities	減:列於流動負債內 於一年內到期或要求時償還之款項
Amount due after one year	一年後到期款項

22. 其他借貸

The Group 本集團	
2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
556	632
-	556
556	1,188
(556)	(632)
-	556

23. SHARE CAPITAL

Shares of HK\$0.10 each	每股面值港幣0.10元股份
Authorised:	法定:
At beginning and end of the year	年初及年終
Issued and fully paid:	已發行及繳足:
At beginning and end of the year	年初及年終

23. 股本

Number of shares 股數		Amount 金額	
2007 二零零七年	2006 二零零六年	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
6,000,000,000	6,000,000,000	600,000	600,000
2,980,639,015	2,980,639,015	298,064	298,064

24. SHARE OPTIONS

The Company's original share option scheme was adopted on 15 September 1997 for the primary purpose of providing incentives to employees of the Group. Pursuant to a resolution passed at a special general meeting of the shareholders held on 15 July 2002, the Company terminated the old scheme and adopted a new share option scheme.

There were no outstanding options granted under the old or the new schemes at the beginning and end of the year. In addition, there were no options granted to, or exercised by, any eligible employees during the year.

24. 購股權

本公司於一九九七年九月十五日採納原有購股權計劃,主要目的在於獎勵本集團僱員。根據股東於二零零二年七月十五日舉行之股東特別大會所通過之決議案,本公司已終止舊計劃,並採納新購股權計劃。

於年初及年終並無任何根據舊或新計劃授出而尚未行使之購股權。此外,年內亦無合資格僱員獲授或行使任何購股權。

Notes to the Financial Statements (Continued) 財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

25. SHARE PREMIUM AND RESERVES (Continued)

The surplus account represents the difference between the nominal amount of the share capital issued by the Company and the aggregate of the nominal amount of the issued share capital and other reserve accounts of Plotio Limited, the subsidiary which was acquired by the Company pursuant to the Group reorganisation in 1997.

The contributed surplus of the Company represents the difference between the consolidated shareholders' funds of Plotio Limited at the date on which the Group reorganization became effective and the nominal amount of the share capital of the Company issued under the Group reorganisation in 1997.

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

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

In the opinion of the directors, as at 31 March 2006 and 31 March 2007, the Company did not have any reserves available for distribution to shareholders.

26. DEFERRED TAX LIABILITIES

The components of deferred tax liabilities provided in the balance sheet and the movements during the year are as follows:

		Accelerated tax depreciation	Tax losses	PRC land appreciation	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2005	於二零零五年四月一日	2,406	[1,164]	3,000	4,242
Deferred tax charged to income statement (note 10(a))	自收益表扣除之遞延稅項(附註10(a))	347	[185]	-	162
At 31 March 2006	於二零零六年三月三十一日	2,753	[1,349]	3,000	4,404
At 1 April 2006	於二零零六年四月一日	2,753	[1,349]	3,000	4,404
Deferred tax credited to income statement (note 10(a))	計入收益表之遞延稅項(附註10(a))	393	[612]	-	[219]
At 31 March 2007	於二零零七年三月三十一日	3,146	[1,961]	3,000	4,185

25. 股份溢價及儲備 (續)

增值賬即本公司發行之股本面額與Plotio Limited已發行股本面額及其他儲備賬總和之差額。Plotio Limited為本公司根據一九九七年集團重組收購之附屬公司。

本公司之繳入增值即Plotio Limited於集團重組生效當日之綜合股東資金與根據一九九七年集團重組發行之本公司股本面額之差額。

根據百慕達一九八一年公司法(修訂本),繳入增值亦可供分派予股東。然而,在下列情況下,公司不得自繳入增值宣派或派付股息或作出分派:

- (a) 公司當時或於作出派付後將無法償還到期之負債;或
- (b) 公司資產之可變現值會因作出派付而低於其負債、已發行股本及股份溢價賬之總額。

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

26. 遞延稅項負債

已於資產負債表內撥備之遞延稅項負債之組成部分及於年內之變動如下:

	Accelerated tax depreciation	Tax losses	PRC land appreciation	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2005	2,406	[1,164]	3,000	4,242
Deferred tax charged to income statement (note 10(a))	347	[185]	-	162
At 31 March 2006	2,753	[1,349]	3,000	4,404
At 1 April 2006	2,753	[1,349]	3,000	4,404
Deferred tax credited to income statement (note 10(a))	393	[612]	-	[219]
At 31 March 2007	3,146	[1,961]	3,000	4,185

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

27. DISPOSAL OF A SUBSIDIARY

27. 出售一附屬公司

		2007 二零零七年 HK\$'000 港幣千元
Net assets disposed of:	所出售資產淨值:	
Investment properties	投資物業	9,000
Bank and cash balances	銀行及現金結餘	3
Payables and accrued charges	應付款項及應計費用	(23)
		<hr/>
Net assets disposed of	所出售資產淨值	8,980
Loss on disposal	出售虧損	(480)
		<hr/>
		8,500
		<hr/>
Consideration satisfied by:	代價支付方式:	
Cash consideration	現金代價	8,500
		<hr/>
Net cash inflow arising on disposal:	出售帶來現金流入淨額:	
Sales proceeds from disposal	出售之銷售所得款項	8,500
Bank balances and cash disposed of	所出售銀行結餘及現金	(3)
		<hr/>
		8,497
		<hr/>

The subsidiary that was disposed of during the year contributed HK\$10,930 to the Group's loss from operations.

年內出售附屬公司為本集團產生港幣10,930元經營虧損。

28. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

28. 年內融資變動之分析

		Bank borrowings 銀行借貸 HK\$'000 港幣千元	Other borrowings 其他借貸 HK\$'000 港幣千元
Balance at 1 April 2005	於二零零五年四月一日之結餘	101,414	2,638
Repayments during the year	年內還款	(8,102)	(1,450)
		<hr/>	<hr/>
Balance at 31 March 2006	於二零零六年三月三十一日之結餘	93,312	1,188
		<hr/>	<hr/>
Balance at 1 April 2006	於二零零六年四月一日之結餘	93,312	1,188
Repayments during the year	年內還款	(12,974)	(632)
		<hr/>	<hr/>
Balance at 31 March 2007	於二零零七年三月三十一日之結餘	80,338	556
		<hr/>	<hr/>

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

29. RETIREMENT SCHEME

With effect from 1 December 2000, the Group joined a mandatory provident fund scheme (the "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 Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of independent trustees.

Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group in respect of the MPF Scheme is to make the required contributions specified therein. No forfeited contribution is available to reduce the contribution payable in the future years.

The retirement benefit scheme contributions charged to the consolidated income statement represent contributions payable by the Group at rates specified in the rules of the MPF Scheme. During the year, the retirement benefit scheme contributions, net of forfeited contributions utilised, if any, amounted to approximately HK\$1,091,000 (2006: HK\$773,000).

At the balance sheet date, the Group had no significant forfeited contributions available to reduce the contributions payable by the Group in future years.

30. OPERATING LEASE COMMITMENTS The Group as lessee

Operating lease payments represent rentals payable by the Group for office premises of subsidiaries. Leases are negotiated for average terms of two years and rentals are fixed for such two year terms.

At 31 March 2007, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases amounting to HK\$840,000 (2006: HK\$ 1,044,000) in respect of rented premises which fall due within one year.

29. 退休計劃

由二零零零年十二月一日起，本集團為香港全體僱員參與一項強制性公積金計劃（「強積金計劃」）。強積金計劃根據強制性公積金計劃條例於強制性公積金計劃管理局登記。強積金計劃之資產獨立於本集團之資產，由獨立受託人控制之基金持有。

根據強積金計劃之規則，僱主及其僱員須各自按規則訂明之比率向該計劃作出供款。本集團就強積金計劃之唯一責任為根據該計劃作出規定之供款。並無已沒收之供款可供減少日後應付之供款。

自綜合收益表扣除之退休福利計劃供款為本集團按強積金計劃規則訂明之比率所作供款。年內，退休福利計劃供款（已扣除已動用之沒收供款（如有））約為港幣1,091,000元（二零零六年：港幣773,000元）。

於結算日，本集團並無重大已沒收供款可供減少未來年度本集團應付之供款。

30. 經營租賃承擔 本集團作為承租人

經營租賃之付款指本集團就附屬公司之辦公室應付之租金。租約經磋商訂立，平均為期兩年，而租金亦平均以兩年為期釐定。

於二零零七年三月三十一日，本集團根據不可撤銷經營租賃就租用物業未來最低租金之未償還承擔為港幣840,000元（二零零六年：港幣1,044,000元），於一年內到期支付。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

30. OPERATING LEASE COMMITMENTS (Continued)

The Group as lessor

Property rental income earned during the year was approximately HK\$5,556,000 (2006: HK\$7,359,000). Certain properties held have committed tenants for the next two years. At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due:

Within one year	一年內
After one year but within five years	一年後但於五年內

31. CONTINGENT LIABILITIES

At 31 March 2007, the Company had outstanding unlimited guarantees and a corporate guarantee given in favour of banks amounting to approximately HK\$120,000,000 (2006: HK\$120,000,000) to secure general banking facilities granted to subsidiaries. The total amount of facilities utilised by the subsidiaries as at 31 March 2007 amounted to approximately HK\$92,295,000 (2006: HK\$104,265,000).

30. 經營租賃承擔 (續)

本集團作為出租人

年內賺取物業租金收入約港幣5,556,000元(二零零六年:港幣7,359,000元),而持有之若干物業於未來兩年已有租戶承租。於結算日,本集團與租戶根據下列不可撤銷經營租賃就租用物業商定未來最低租金,須於以下期間到期支付:

The Group	
本集團	
2007	2006
二零零七年	二零零六年
HK\$'000	HK\$'000
港幣千元	港幣千元
1,432	1,598
242	208
1,674	1,806

31. 或然負債

於二零零七年三月三十一日,本公司有未償還無限額擔保及一項就作為附屬公司所獲一般銀行信貸之抵押向銀行作出之公司擔保約港幣120,000,000元(二零零六年:港幣120,000,000元)。於二零零七年三月三十一日,附屬公司已動用信貸總額約港幣92,295,000元(二零零六年:港幣104,265,000元)。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

32. RELATED PARTY TRANSACTIONS

(a) The Group entered into the following significant transactions with related parties during the year and has the following significant balances with related parties as at 31 March 2007:

(I) Transactions

	Note 附註	Service income received		Rental paid		Service fees paid		Architectural, structural, material and electrical service fees paid		Insurance premiums paid	
		已收服務收入		已付租金		已付服務費		已付建築、結構、 物料及電工服務費		已付保險供款	
		2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Plotio Property and Management Company Limited	(i)	113	-	-	-	(2,253)	(2,253)	-	-	-	-
Plotio Investment (HK) Limited	(i)	54	-	(984)	(960)	-	-	-	-	-	-
Plotio Property Consultants Limited	(i)	113	-	-	-	(467)	(593)	-	-	-	-
Lee Wai Engineering Company Limited	(i)	-	-	-	-	-	-	(192)	(4)	-	-
Keung Kee Cleaning Services Company Limited	(i)	3	-	-	-	(27)	(27)	-	-	-	-
Monchase Underwriters Limited	(i)	-	-	-	-	-	-	-	-	(49)	(62)
Plotio Development Consultants Limited	(i)	-	-	-	-	-	-	-	(265)	-	-

32. 關連人士交易

(a) 本集團於年內與關連人士進行以下重大交易，而於二零零七年三月三十一日與關連人士間之重大往來結餘如下：

(I) 交易

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

32. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

(II) Balances

Plotio Property and Management Company Limited	百利好地產管業有限公司		
Plotio Investment (HK) Limited	百利好投資(香港)有限公司		
Plotio Property Consultants Limited	百利好地產顧問有限公司		
Keung Kee Cleaning Services Company Limited	強記清潔服務有限公司		
Lee Wai Engineering Company Limited	利維工程有限公司		
Monchase Underwriters Limited	滿航保險代理有限公司		
Plotio Development Consultants Limited	百利好發展顧問有限公司		
Plotio Property and Management Company Limited	百利好地產管業有限公司		
Plotio Investment (HK) Limited	百利好投資(香港)有限公司		
Plotio Property Consultants Limited	百利好地產顧問有限公司		

32. 關連人士交易 (續)

(a) (續)

(III) 結餘

Notes 附註	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
	Amounts due from related parties 應收關連公司款項	
	296	234
	137	124
	52	–
	Amounts due to related parties 應付關連公司款項	
	2	–
	102	–
	14	–
	40	–
	1,357	–
	82	–
	237	–
	Amount due to a director 應付一董事款項	
	17,244	416

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

32. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

(II) Balances (Continued)

Notes:

- (i) Plotio Property and Management Company Limited, Plotio Investments (HK) Limited, Plotio Property Consultants Limited, Lee Wai Engineering Company Limited, Keung Kee Cleaning Services Company Limited, Monchase Underwriters Limited and Plotio Development Consultants Limited are former subsidiaries of the Group in which Mr Lai Yiu Keung ("Mr Lai") has beneficial interests. The amount of service fees paid to Plotio Property and Management Company Limited for the year ended 31 March 2007 represented gross building management fees of which approximately HK\$228,000 (2006: HK\$340,000) was paid in respect of the building manager's remuneration.
- The above transactions were carried out at prevailing market prices or, where no market prices were available, at terms agreed by the parties involved.
- (ii) The amount due from a related party is unsecured, interest-free and repayable on demand. The amount due is included in the balance of "Receivables, deposits and prepayments" in the consolidated balance sheet.
- (iii) The amount due is unsecured, interest-free and has no fixed terms of repayment.
- (b) At 31 March 2007, the Group had specific assets pledged, in favour of certain banks to secure general banking facilities granted to certain former subsidiaries which were disposed of to Mr Lai in previous years. Details of the assets pledged are set out in note 21.
- (c) At 31 March 2007, Mr Lai had an outstanding personal guarantee given in favour of a bank to secure general banking facilities granted to the Group amounting to approximately HK\$56,000,000. The facilities utilised at 31 March 2007 amounted to approximately HK\$46,000,000.

32. 關連人士交易 (續)

(a) (續)

(III) 結餘 (續)

附註:

- (i) 百利好地產管業有限公司、百利好投資(香港)有限公司、百利好地產顧問有限公司、利維工程有限公司、強記清潔服務有限公司、滿航保險代理有限公司及百利好發展顧問有限公司均為本集團前附屬公司，由黎耀強先生(「黎先生」)實益擁有。截至二零零七年三月三十一日止年度，已付百利好地產管業有限公司之服務費為樓宇管理費總額，當中約港幣228,000元(二零零六年：港幣340,000元)乃屬樓宇管理人公司酬金。
- 上述交易乃按當時通用之市價進行，或倘無市價可供參考，則按有關人士協定之條款進行。
- (ii) 應收一關連人士款項並無抵押、免息且須於要求時償還。應收之款項在綜合資產負債表列入「應收款項、按金及預付款項」之結餘。
- (iii) 應付金額為無抵押、免息及無固定還款期。
- (b) 於二零零七年三月三十一日，本集團抵押若干資產予若干銀行作為過往年度向黎先生出售之若干前附屬公司所獲一般銀行信貸之擔保。該等已抵押資產詳情載於附註21。
- (c) 於二零零七年三月三十一日，黎先生就本集團所獲約港幣56,000,000元一般銀行信貸之擔保對一家銀行有未履行之個人擔保。於二零零七年三月三十一日之已動用信貸約為港幣46,000,000元。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

33. FINANCIAL RISKS MANAGEMENT

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Group's business. These risks are limited by the Group's financial management policies and practices described below.

(a) Credit risk

The carrying amount of receivables included in the balance sheet represents the Group's exposure to credit risk in relation to its financial assets. The Group's receivables are unsecured to the extent they are not covered by rental deposits. The Group believes that adequate provision for uncollectible receivables has been made.

(b) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and demand deposits and adequate committed lines of funding from financial institutions to meet its liquidity requirements in the short and longer term.

(c) Interest rate risk

Interest rate risk is the risk that future value and/or cash flow of financial instruments will fluctuate because of changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent from changes in market interest rates.

For interest-bearing liabilities, the Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposures and will consider hedging significant interest rate exposures should the need arise.

33. 財務風險管理

信貸、流動資金及利率風險在本集團一般業務過程中產生。此等風險由下文所述本集團之財務管理政策及常規限制。

(a) 信貸風險

已計入資產負債表之應收款項賬面值為本集團有關其財務資產所面對之信貸風險。本集團之應收款項乃無抵押，並無受租金按金保障。本集團相信已就不可收回之應收款項作出足夠撥備。

(b) 流動資金風險

本集團之政策旨在定期監察目前及預期之流動資金需要及其遵守借款契約之情況，以確保其維持足夠現金儲備及活期存款以及來自金融機構之承諾資金，以應付本集團之短期及長期流動資金需要。

(c) 利率風險

利率風險為金融工具之未來價值及／或現金流量將會因為市場利率變動而波動之風險。由於本集團並無任何重大之計息資產，故本集團之收入及經營現金流量大體上獨立於市場利率之變動。

就計息負債而言，本集團目前並無利率對沖政策。然而，管理層會監察利率風險，並於有需要時考慮對沖重大利率風險。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

34. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Key areas of estimation uncertainty

In the process of applying the Group's accounting policies, which are described in note 4, management made the following estimations that have the most significant effect on amounts recognised in the financial statements.

- (a) *Estimate of fair value of investment properties*
Investment properties are carried in the consolidated balance sheet at 31 March 2007 at their fair value of approximately HK\$216,000,000. The fair values of investment properties have been determined with reference to independent valuations. The best evidence of fair value is the current price in an active market for similar leases and other contracts. The Group employed an independent firm of professional valuers to determine the open market values for the investment properties of the Group. These valuations require the use of judgment and estimates whereby the use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts which would, in turn, affect the financial results of the Group.
- (b) *Interests in leasehold land held for own use under operating leases*
The interests in leasehold land held for own use under operating leases at the consolidated balance sheet at 31 March 2007 of approximately HK\$13,214,629 is stated at cost less accumulated amortisation and any identified impairment losses. They are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount has been determined based on the higher of their fair value less costs and their value in use. These calculations and valuations require the use of judgments and estimations. Should the future economic benefits expected to be obtained from the further operation of properties for development is less than the carrying cost, an impairment loss is recognised in the income statement.

34. 主要會計估計及判斷

估計不確定因素之主要事項

在應用本集團於附註4所述之會計政策時，管理層作出以下對於財務報表確認之數額具最重大影響之估計。

- (a) *投資物業之公平值估計*
投資物業乃按其公平值約港幣216,000,000元於二零零七年三月三十一日之綜合資產負債表中列示。投資物業之公平值乃經參考獨立估值後釐定。公平值之最佳憑證乃是類似租賃及其他合約在活躍市場上之現價。本集團已聘請獨立專業估值師行釐定本集團投資物業之公開市值。此等估值要求運用判斷及估計，而使用不同之市場假設及／或估計方法或會對估計公平值金額及繼而對本集團財務業績構成重大影響。
- (b) *根據經營租賃持作自用之租賃土地權益*
於二零零七年三月三十一日綜合資產負債表中列示的經營租賃下自用租賃土地權益約為港幣13,214,629元，按成本減累計折舊攤銷及任何已辨別減值虧損後列示。倘有事件或情況變化顯示可能無法收回賬面值，則會就減值進行檢討。可收回金額乃根據其公平值減成本及其使用價值（以較高者為準）而釐定。有關計算及估值須運用判斷及估計。倘預期來自待發展物業之未來經濟利益將少於賬面成本，則會於收益表確認減值虧損。

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

34. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

Key areas of estimation uncertainty (Continued)

(c) Recognition of deferred tax assets

At 31 March 2007, no deferred tax asset in relation to tax losses has been recognised in the Group's consolidated balance sheet. Deferred tax assets in respect of tax losses carried forward are recognised and measured based on the expected manner of realisation or settlement of the carrying amounts of the assets, using tax rates enacted or substantively enacted at the balance sheet date. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves a number of assumptions relating to the operating environment of the Group and, therefore, requires significant levels of judgment to be exercised by the directors. Any change in such assumptions and judgments would affect the carrying amounts of deferred tax assets to be recognised and, hence, the net profit in future years.

35. SUBSIDIARIES

Particulars of the subsidiaries at 31 March 2007 are as follows:

Wholly-owned subsidiaries

Name of subsidiary

附屬公司名稱

Wholly-owned subsidiaries incorporated and operating in Hong Kong:

Billtech Limited
必利達有限公司

HK\$100
港幣100元

HK\$10,000
港幣10,000元

Property investment
物業投資

Campoent Development Limited
金寶麟發展有限公司

HK\$10,000
港幣10,000元

–

Property investment
物業投資

Cheerwise Development Limited
金城發展有限公司

HK\$2
港幣2元

–

Inactive
暫無業務

City Friend Development Limited
智友發展有限公司

HK\$2
港幣2元

–

Property investment
物業投資

Jet Nice Investments Limited
凱進投資有限公司

HK\$10,000
港幣10,000元

–

Property holding
物業持有

34. 主要會計估計及判斷 (續)

估計不確定因素之主要事項 (續)

(c) 確認遞延稅項資產

於二零零七年三月三十一日，本集團之綜合資產負債表中並無確認關於稅項虧損之遞延稅項資產。關於結轉稅項虧損之遞延稅項資產乃根據預測可變現或結算的資產賬面值，並利用於結算日已頒佈或大致上頒佈之稅率確認及計量。釐定遞延稅項資產之賬面值時，須估計預期應課稅溢利，當中涉及多項有關本集團經營環境之假設，因而要求董事行使重大判斷。有關假設及判斷如有任何變動，則會影響將予確認之遞延稅項資產賬面值，因而影響未來年度之溢利淨額。

35. 附屬公司

於二零零七年三月三十一日之附屬公司詳情如下：

全資附屬公司

Issued and paid up share capital

已發行及繳足股本

Ordinary shares
普通股

Deferred shares*
遞延股*

Principal activities
主要業務

在香港註冊成立及經營之全資附屬公司：

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

35. SUBSIDIARIES (Continued) Wholly-owned subsidiaries (Continued)

35. 附屬公司 (續) 全資附屬公司 (續)

Name of subsidiary 附屬公司名稱	Issued and paid up share capital 已發行及繳足股本		Principal activities 主要業務
	Ordinary shares 普通股	Deferred shares* 遞延股*	
Joyful Interest Limited 裕錦有限公司	HK\$10,000 港幣10,000元	-	Property investment 物業投資
m499.com Limited	HK\$2 港幣2元	-	Trading of communication products 通訊產品貿易
Ocean Tower Development Limited 海德發展有限公司	HK\$10,000 港幣10,000元	-	Inactive 暫無業務
Oriental Gain Properties Limited 東盈置業有限公司	HK\$100 港幣100元	HK\$5,300 港幣5,300元	Property investment 物業投資
Plotio Holdings (HK) Limited 百利好集團(香港)有限公司	HK\$10,000 港幣10,000元	-	Provision of treasury services 提供財務服務
Turbo Speed Investment Limited 高迅投資有限公司	HK\$10,000 港幣10,000元	-	Inactive 暫無業務
Win's Properties Limited 永誠置業有限公司	HK\$100,000 港幣100,000元	-	Inactive 暫無業務
Cyberware Communications Limited 世華資訊科技有限公司	HK\$15,035,713 港幣15,035,713元	-	Inactive 暫無業務

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

35. SUBSIDIARIES (Continued)

Wholly-owned subsidiaries (Continued)

Wholly-owned subsidiaries incorporated in the British Virgin Islands and operating in Hong Kong:

35. 附屬公司 (續)

全資附屬公司 (續)

在英屬處女群島註冊成立而在香港經營之全資附屬公司:

Name of subsidiary 附屬公司名稱	Issued and paid up share capital 已發行及繳足股本		Principal activities 主要業務
	Ordinary shares 普通股	Deferred shares* 遞延股*	
** Election International Limited	US\$1 1美元	–	Investment holding 投資控股
** Immediate Effect Limited	US\$1 1美元	–	Investment holding 投資控股
** MobiData Incorporated	US\$1 1美元	–	Investment holding 投資控股
** Plotio Limited	US\$1,000,000 1,000,000美元	–	Investment holding 投資控股
** Rexy Investment Limited	US\$1 1美元	–	Investment holding 投資控股
** Uni-tech Properties Limited	US\$1 1美元	–	Investment holding 投資控股
* The deferred shares carry no rights to dividends, from a practical viewpoint, or to receive notices of or to attend or vote at any general meetings of the respective companies or to participate in any distributions on winding up.		* 遞延股實際上並無附有權利收取股息或各有關公司之任何股東大會通告，亦無權出席該等公司之大會或在會上投票，於公司清盤時亦不會獲得任何分派。	

Notes to the Financial Statements (Continued)

財務報表附註 (續)

(Year ended 31 March 2007) (截至二零零七年三月三十一日止年度)

35. SUBSIDIARIES (Continued) Non-wholly owned subsidiaries

Name of subsidiary	Place of incorporation	Issued and paid up ordinary share capital 已發行及繳足普通股股本	Proportion of nominal value of issued capital held by the Company 本公司持有已發行股本面值比例	Principal activities
附屬公司名稱	註冊成立地點			主要業務
** Mobidog Inc.	Cayman Islands 開曼群島	US\$1,010,000 1,010,000美元	57%	Investment holding 投資控股
Global Edge Technology Limited	British Virgin Islands 英屬處女群島	US\$833,334 833,334美元	60%	SMS provider 短訊服務供應商
** Redstone Resources Limited	British Virgin Islands 英屬處女群島	US\$2 2美元	60%	Investment holding 投資控股

Other than Plotio Limited, which is held directly by the Company, all subsidiaries are held by the Company indirectly.

None of the subsidiaries had any debt securities subsisting at 31 March 2007 or at any time during the year.

** Companies not audited by Kennic L. H. Lui & Co. Ltd.

35. 附屬公司 (續) 非全資附屬公司

Name of subsidiary	Place of incorporation	Issued and paid up ordinary share capital 已發行及繳足普通股股本	Proportion of nominal value of issued capital held by the Company 本公司持有已發行股本面值比例	Principal activities
附屬公司名稱	註冊成立地點			主要業務
** Mobidog Inc.	Cayman Islands 開曼群島	US\$1,010,000 1,010,000美元	57%	Investment holding 投資控股
Global Edge Technology Limited	British Virgin Islands 英屬處女群島	US\$833,334 833,334美元	60%	SMS provider 短訊服務供應商
** Redstone Resources Limited	British Virgin Islands 英屬處女群島	US\$2 2美元	60%	Investment holding 投資控股

除Plotio Limited 由本公司直接持有外，所有附屬公司均由本公司間接持有。

各附屬公司於二零零七年三月三十一日或年內任何時間概無任何債務證券。

** 並非由呂禮恒會計師事務所有限公司審核之公司

36. ASSOCIATES

Particulars of the associates as at 31 March 2007 are as follows:

Name of company	Place of incorporation	Proportion of nominal value of issued capital held by the Group 本集團所持已發行股本面值比例	Principal activity
公司名稱	註冊成立地點		主要業務
HyComm Technology Incorporated	British Virgin Islands 英屬處女群島	26%	Investment holding 投資控股
Megacom Holdings Limited 美格集團有限公司	Hong Kong 香港	20%	Investment holding 投資控股
Tekson International Telecom Limited 香港泰信國際網絡有限公司	Hong Kong 香港	37%	Investment holding 投資控股
GIN International Limited	Hong Kong 香港	49%	SMS provider 短訊服務供應商

36. 聯營公司

於二零零七年三月三十一日之聯營公司詳情如下：

Financial Summary

財務概要

RESULTS

業績

		2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Turnover	營業額	9,578	10,554	9,674	12,673	13,206
Other operating income	其他經營收入	1,368	405	2,088	2,282	439
Operating costs	經營成本	(11,271)	(15,182)	(16,056)	(14,442)	(11,682)
Staff costs	員工成本	(8,127)	(7,683)	(6,941)	(6,647)	(6,242)
Other operating income (expenses)	其他經營收入 (開支)	(26,982)	15,472	12,147	45,200	18,464
Amortisation of goodwill	商譽攤銷	-	(2,212)	(2,212)	-	-
Impairment loss recognised in respect of interests in leasehold land held for own use under operating leases	經營租賃下自用租賃土地權益確認減值虧損	-	-	-	-	(13,936)
Impairment loss recognised in respect of properties under development	發展中物業之已確認減值虧損	(11,000)	(3,795)	-	-	-
Impairment loss recognised in respect of investments in securities	證券投資之已確認減值虧損	-	(10,560)	(2,880)	-	-
Impairment loss recognised in respect of goodwill	商譽之已確認減值虧損	-	(55,421)	-	(2,212)	-
Impairment loss recognised in respect of other assets	其他資產之已確認減值虧損	-	-	(3,614)	(505)	(336)
Profit/(loss) from operating activities	經營業務溢利/(虧損)	(46,434)	(68,422)	(7,794)	36,349	(87)
Loss on disposal of a subsidiary	出售一附屬公司虧損	-	-	-	-	(480)
Profit/(loss) on disposal of investment properties	出售投資物業溢利/(虧損)	-	(8,546)	-	5,793	-
Impairment loss recognised in respect of investments in associates	聯營公司投資之已確認減值虧損	(64,200)	-	-	-	-
Finance costs	財務成本	(4,505)	(4,149)	(4,172)	(6,321)	(6,815)
Share of results of associates	應佔聯營公司之業績	-	(10)	(3)	(13)	(2)
Profit/(loss) before taxation	除稅前溢利/(虧損)	(115,139)	(81,127)	(11,969)	35,808	(7,384)
Taxation	稅項	(1,087)	(650)	(99)	245	219
Profit/(loss) for the year	本年度溢利/(虧損)	<u>(116,226)</u>	<u>(81,777)</u>	<u>(12,068)</u>	<u>36,053</u>	<u>(7,165)</u>

Financial Summary (Continued)

財務概要 (續)

ASSETS AND LIABILITIES

At 31 March

資產及負債

於三月三十一日

		2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Total assets	總資產	222,207	188,133	218,873	244,778	254,949
Total liabilities	總負債	(132,749)	(138,795)	(143,031)	(132,998)	(139,447)
Shareholders' funds	股東資金	<u>89,458</u>	<u>49,338</u>	<u>75,842</u>	<u>111,780</u>	<u>115,502</u>

Note: The figures for the year ended 31 March 2005 had been restated pursuant to the adoption of HKFRSs. Figures for the year 2004 and prior years have not been restated as it is not practicable to do so.

附註: 截至二零零五年三月三十一日止年度之數據已按香港財務報告準則重列。二零零四年及以前年度之數據並無重列，此乃由於重列該等數據並不可行。

Summary of Major Properties

主要物業概要

Particulars of the Group's investment properties and other properties as at 31 March 2007 are as follows:

本集團投資物業及其他物業於二零零七年三月三十一日之詳情如下：

INVESTMENT PROPERTIES

投資物業

Location	Floor Area/ Site Area (sq.ft.) 樓面面積/ 地盤面積 (平方呎)	Purpose	Group's Attributable Interest 本集團之 應佔權益
位置		用途	
1. Shop No. 1 on the Ground Floor and Basement both of Tak Lee Building, 993 King's Road (Manly Plaza Phase II), and Unit Nos. 52, 53A, 53B, 56, 57, 58 and 60 on the Lower Ground Floor (otherwise known as the Basement) of Manly Plaza of Wai Lee Building and Po Lee Building, 995 and 997 King's Road (Manly Plaza Phase I), Quarry Bay, Hong Kong 香港鰂魚涌 英皇道993號 (萬利廣場第二期) 得利大廈地下1號鋪位及地庫 以及英皇道995及997號 (萬利廣場第一期) 惠利大廈及寶利大廈 地下下層 (亦稱為地庫) 52、53A、53B、56、57、58及60號單位	24,875 (G)	Retail 零售	100
2. Unit Nos. 7, 8, 86, 201, 203 and 215 on the Lower Ground Floor (otherwise known as the Basement) of Manly Plaza of Wai Lee Building and Po Lee Building, 995 and 997 King's Road (Manly Plaza Phase I), Quarry Bay, Hong Kong 香港鰂魚涌 英皇道995及997號 (萬利廣場第一期) 惠利大廈及寶利大廈 地下下層 (亦稱為地庫) 7、8、86、201、203及215號單位	644 (G)	Retail 零售	100

Summary of Major Properties (Continued) 主要物業概要 (續)

INVESTMENT PROPERTIES (Continued)

投資物業 (續)

Location 位置	Floor Area/ Site Area (sq.ft.) 樓面面積/ 地盤面積 (平方呎)	Purpose 用途	Group's Attributable Interest 本集團之 應佔權益
3. 132-134 Bonham Strand, Sheung Wan, Hong Kong 香港上環 文咸東街132-134號	2,856 (Site) (地盤)	Residential/ Commercial 住宅/商業	100
4. Nos. 6, 7, 8 and 10 and one equal undivided moiety or half part or share of Nos. 1 and 2, Yu Lok Lane, Sai Ying Pun, Hong Kong 香港 西營盤 餘樂里1及2號 均等相連半部份、 6、7、8及10號	5,958 (Site) * (地盤) *	Residential/ Retail 住宅/零售	100
* Including remaining share of Nos. 1 and 2 and adjoining properties at Nos. 3, 4, 5 and 9 Yu Lok Lane, Sai Ying Pun, Hong Kong.	* 包括香港西營盤餘樂里1及2號之其餘部份與毗鄰之3、 4、5及9號物業。		

INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE UNDER OPERATING LEASES

經營租賃下自用租賃土地權益

Location 位置	Floor Area/ Site Area (sq.ft.) 樓面面積/ 地盤面積 (平方呎)	Stage of Completion 完成階段	Expected Completion Date 預計 完成日期	Purpose 用途	Group's Attributable Interest 本集團之 應佔權益
1. 26, 28 and 30 Third Street, Sai Ying Pun, Hong Kong 香港 西營盤 第三街 26、28及30號	1,652 (Site) (地盤)	Planning in progress 進行規劃	No definite plan 無確實計劃	Residential/ Retail 住宅/零售	100

Remarks: (G) — Gross floor area
(Site) — Site area

備註: (G) — 建築面積
(地盤) — 地盤面積

HyComm

HyComm Wireless Limited
華脈無線通信有限公司