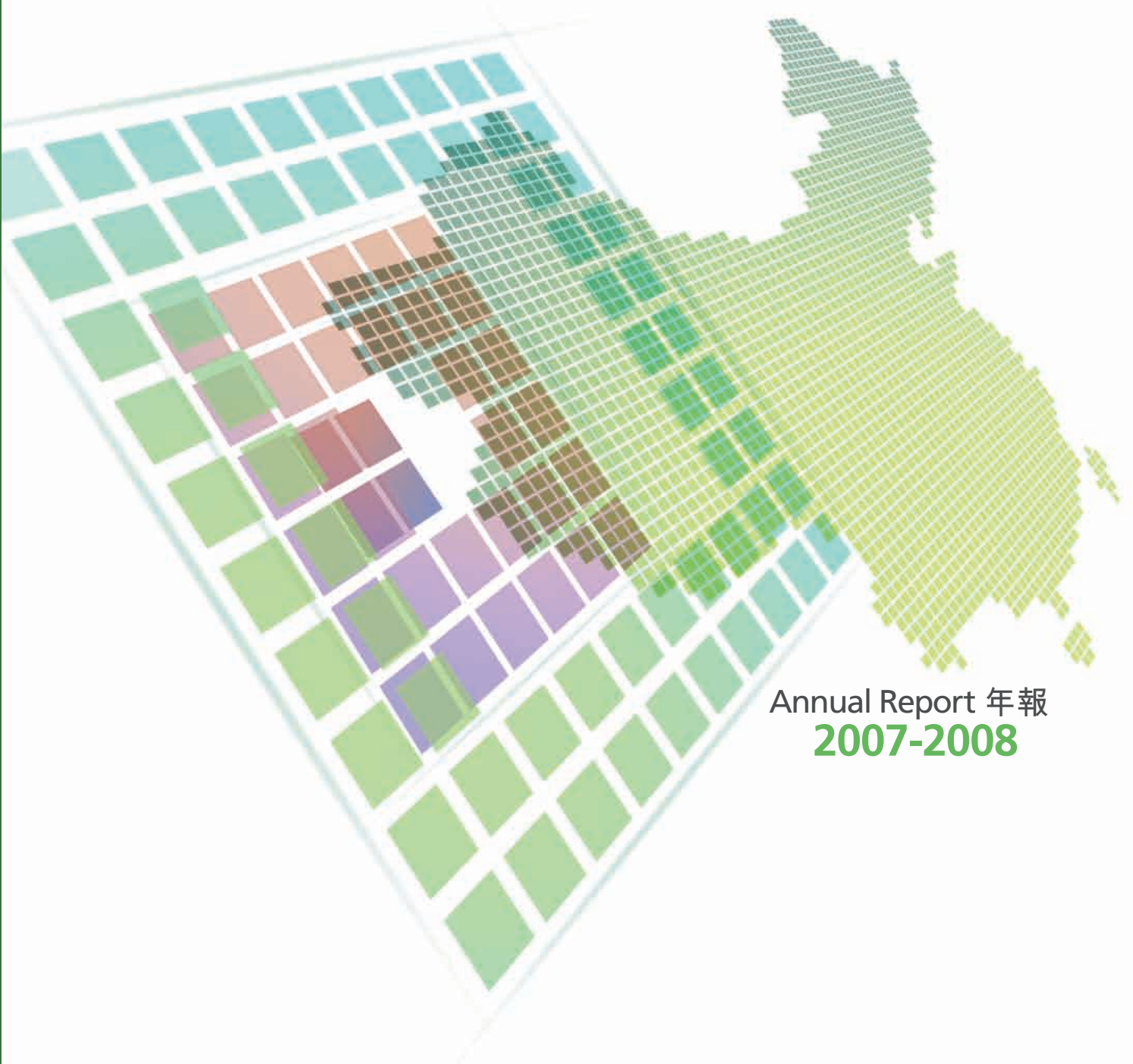




VISIONS AHEAD

Hanny Holdings Limited 錦興集團有限公司

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



Annual Report 年報  
**2007-2008**

(Stock Code 股份代號: 275)

# Corporate Information 公司資料

## Board of Directors

### Executive Directors

Dr. Chan Kwok Keung, Charles (Chairman)  
Dr. Yap, Allan (Managing Director)  
Mr. Lui Siu Tsuen, Richard (Deputy Managing Director)

### Independent Non-Executive Directors

Mr. Kwok Ka Lap, Alva  
Mr. Poon Kwok Hing, Albert  
Mr. Sin Chi Fai

### Audit Committee

Mr. Poon Kwok Hing, Albert (Chairman)  
Mr. Kwok Ka Lap, Alva  
Mr. Sin Chi Fai

### Remuneration Committee

Mr. Kwok Ka Lap, Alva (Chairman)  
Mr. Lui Siu Tsuen, Richard  
Mr. Poon Kwok Hing, Albert

### Qualified Accountant

Mr. Lui Siu Tsuen, Richard

### Company Secretary

Mr. Lui Siu Tsuen, Richard

### Auditor

Deloitte Touche Tohmatsu

### Principal Bankers

Bank of China (Hong Kong) Limited  
Hang Seng Bank Limited  
Wing Hang Bank, Limited

### Principal Registrar

The Bank of Bermuda Limited  
6 Front Street  
Hamilton HM 11  
Bermuda

### Branch Registrar

Tricor Secretaries Limited  
26th Floor, Tesbury Centre  
28 Queen's Road East, Wanchai  
Hong Kong

### Registered Office

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### Principal Office

Unit 3101, 31st Floor  
Bank of America Tower  
12 Harcourt Road  
Central, Hong Kong

### ADR Depositary

Deutsche Bank Trust Company Americas  
60 Wall St., 27th Floor / MS NYC 60-2727  
New York NY 10005

### Stock Code

275

## 董事會

### 執行董事

陳國強博士 (主席)  
Yap, Allan 博士 (董事總經理)  
呂兆泉先生 (副董事總經理)

### 獨立非執行董事

郭嘉立先生  
潘國興先生  
冼志輝先生

### 審核委員會

潘國興先生 (主席)  
郭嘉立先生  
冼志輝先生

### 薪酬委員會

郭嘉立先生 (主席)  
呂兆泉先生  
潘國興先生

### 合資格會計師

呂兆泉先生

### 公司秘書

呂兆泉先生

### 核數師

德勤•關黃陳方會計師行

### 主要往來銀行

中國銀行(香港)有限公司  
恒生銀行有限公司  
永亨銀行有限公司

### 主要過戶登記處

The Bank of Bermuda Limited  
6 Front Street  
Hamilton HM 11  
Bermuda

### 過戶登記分處

卓佳秘書商務有限公司  
香港  
灣仔皇后大道東28號  
金鐘匯中心26樓

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 主要辦事處

香港中環  
夏慤道12號  
美國銀行中心  
31樓3101室

### 美國預託證券存管處

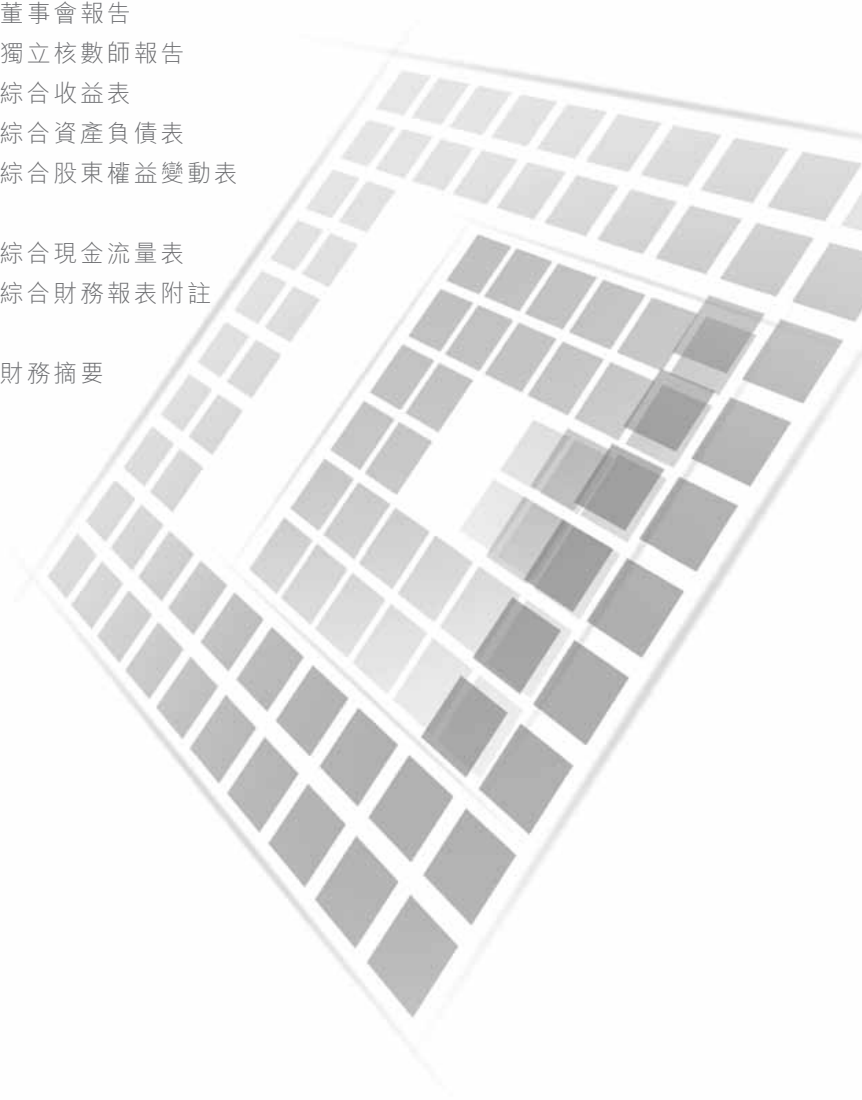
Deutsche Bank Trust Company Americas  
60 Wall St., 27th Floor / MS NYC 60-2727  
New York NY 10005

### 股份代號

275

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## Chairman's Statement

### 主席報告書

I have pleasure to present the 2007/2008 annual report of Hanny Holdings Limited (the "Company") and its subsidiaries (the "Group").

## Business and Operations Review

### Trading of securities

During the year under review, global stock markets have been very volatile and spiralled down to seek their respective support points. The Hong Kong market was not immune to this trend as many marketable securities suffered unavoidable losses. However, investors were savvy enough to realize that stocks perform differently depending on the sectors they are in and different fundamental perception of their future earnings. Fortunately, the Group holds certain amount of marketable securities, which stayed resilient to stock market turmoil and stood at attractive prices. At the early stage of the bearish stock markets, the Group seized golden opportunities to realise these securities with a gain.

### Property development and trading

The Group has conducted a significant amount of research on investment opportunities over various cities in the PRC to select the most favourable cities for the Group to investment in for properties development. Efforts have been made over the year to pave a smooth track for the Group to enlarge its presence in the property development business in the PRC. The Group has formed crucial networks to strengthen its property development position in the PRC by, for example, securing good relationships with the local construction developers, architectural designers, building management companies and the local sales agencies, etc. However, on fiscal front, the Group has encountered difficulties in getting bank loans approved, the rising of labour and material costs, and various unforeseen administration costs. Bearing in mind the ever-changing policies in the PRC, the Group always weighs risks and benefits when making decisions as to property development in the PRC.

本人欣然提呈錦興集團有限公司(「本公司」)及其附屬公司(「本集團」)之二零零七／二零零八年年報。

## 業務及經營回顧

### 證券買賣

於本年度回顧期內，環球股票市場非常波動，連番下試支持位。在此趨勢下，香港市場亦不能倖免，眾多有價證券均遭受無可避免的虧損。然而，投資者知悉，股票基於所屬行業及市場對其日後盈利之基本看法不同而有不同表現。慶幸本集團只持有若干數額的有價證券，該等證券面對動盪的股市仍能急速反彈，維持具吸引力的價格。本集團早於熊市初期，已把握黃金機會變現該等證券，並從中獲利。

### 物業發展及買賣

本集團已就中國若干城市的投資機會進行大量研究，以就本集團的物業發展投資選擇最有利的城市。年內，本集團已致力鋪路，以加大其中國物業發展業務的佔有率。本集團已建立極其重要的網絡，以加強其於中國物業發展市場的地位，例如與本地建築發展商、建築設計師、樓宇管理公司及本地銷售代理維持良好關係等等。然而，在財政上，本集團曾面對獲取銀行貸款批准、勞動及材料成本增加，以及若干預料之外的行政成本等困難。面對中國政策的持續轉變，本集團於作出有關中國物業發展的決定時經常權衡風險及利益。

### Sand mining

The PRC government has been closely monitoring the environmental effects and threat to river traffic safety caused by the river sand dredging activities. As a result, the government conducts frequent reviews on business operators to ensure that they adhere strictly to the rules and regulations imposed against them. River sand is scarce and its consumption for construction and reclamation use has been huge and increasing. In the year under review, both its demand and selling price has surged and therefore, the Group captured the revenue growth of more than ten times as compared to that of last year. Despite that gross profit margins of this business are extremely attractive, the associated risks should not be overlooked.

### Water supply

During the year, the Group made an investment into a water supply corporation which possesses a license to provide river water for industrial use within the piping network. The existing customers include an electricity company and a steel production plant. Although the scale is not large at present, we expect that along with the increase in demand for industrial water, will bring with it a resulting increase to the contributions to the Group's results.

### Significant Investments

#### *China Enterprises Limited ("CEL", carrying on business in Hong Kong as China Tire Holdings Limited)*

During the year under review, CEL continues to be an investment holding company. CEL is engaged in the business of property investment and development in the PRC and has a 26% interest in Hangzhou Zhongce Rubber Company Limited and 12.82% interest in Wing On Travel (Holdings) Limited ("Wing On"), respectively. Hangzhou Zhongce Rubber Company Limited is principally engaged in manufacturing and marketing of tires in the PRC and other countries abroad. Wing On is in the business of providing package tour, travel, and other related services and hotel operations. Subsequent to year end, 29.16% interest was disposed and the remaining interest was classified as interest in an associate.

### 採砂

中國政府密切監察河道採砂活動的環境影響及對河道交通安全的威脅。因此，政府對業務經營者進行經常性審閱，以確保業務經營者嚴格遵守對其所施加的條例及規則。河砂十分珍貴，而建築及填海的耗用量極大並持續增加。於本年度回顧期內，河砂的需求及售價大幅上升，因此，本集團的收入較去年錄得超過十倍增長。雖然採砂業務的毛利率極之可觀，然而，其附帶風險亦不能忽視。

### 供水

年內，本集團對一家持有於管網內提供工業用河水牌照的供水企業作出投資。現有客戶包括一家電力公司及一家鋼鐵製造廠。雖然目前規模不大，然而，我們預期隨著工業用水的需求增加，對本集團的業績貢獻將會有所增加。

### 重大投資

#### *China Enterprises Limited (「CEL」，以China Tire Holdings Limited之名義在香港經營業務)*

於本年度回顧期內，CEL一直為一間投資控股公司。CEL於中國從事物業投資及發展業務，並分別於杭州中策橡膠有限公司擁有26%及於永安旅遊(控股)有限公司(「永安旅遊」)擁有12.82%權益。杭州中策橡膠有限公司主要於中國及其他海外國家主要從事輪胎製造及銷售業務。永安旅遊主要從事提供旅行團、旅遊及其他相關服務及酒店營運業務。於年結日後，29.16%權益已出售，而餘下權益已劃分為一間聯營公司權益。



## Chairman's Statement

### 主席報告書

#### *MRI Holdings Limited ("MRI")*

During the year under review, MRI kept putting management resources to Zest Health Clubs ("ZHC"), Australia's second largest health and fitness chain, and number 1 in market share in 3 of Australia's 5 largest fitness markets. MRI has been actively participating in the operations of ZHC and continued to help ZHC penetrate its markets and grow in market shares.

#### Major Strategic Investments

#### *PSC Corporation Ltd. ("PSC")*

At 31 March 2008, the Group is holding an effective interest of 24.2% in PSC. PSC is positioned as a pan-Asian Consumer Essentials Group, PSC's strategic direction and focus is reflected by its two business cluster. The Consumer Essentials cluster comprises of fast moving consumer goods manufacturing, marketing and brand management, franchise management, health solutions and services, and media education and entertainment. The Strategic Investment cluster generates value and financial asset capabilities by investing in promising enterprises in high growth sectors, including packaging and integrated solutions trading.

#### *Intraco Limited ("Intraco")*

At 31 March 2008, the Group is holding an effective interest of 7.2% in Intraco, which focuses on five core businesses, which include agri-business and foods, energy and environment, industrial materials, building materials and security solutions, and semiconductors.

#### *MRI Holdings Limited (「MRI」)*

於本年度回顧期內，MRI持續向Zest Health Clubs(「ZHC」)投放管理資源，ZHC為澳洲第二大健身連鎖店，並在澳洲五大健身市場當中三個的市場佔有率排名第一。MRI一直積極參與ZHC之營運，並持續協助ZHC滲透市場及增加市場佔有率。

#### 主要策略性投資

#### *普威集團有限公司(「普威集團」)*

於二零零八年三月三十一日，本集團持有普威集團之24.2%實際權益。普威通過其兩大業務群，「民生必需品」及「策略性投資」，實現普威「優質生活集團」的品牌定位。普威的民生必需品業務包含了消耗品的生產、品牌管理和營銷、特許經營權管理、保健諮詢及醫院管理服務，以及媒體教育與娛樂。策略性投資業務通過投資於有持續發展前景的企業，如包裝、貿易等，為集團提供價值和財務資產能力。

#### *新加坡國際貿易有限公司(「新加坡國際貿易」)*

於二零零八年三月三十一日，本集團持有新加坡國際貿易之7.2%實際權益，其集中五大核心業務，包括農產業務及食品、能源及環境、工業材料、建築材料及保安配套，以及半導體。

### *Tat Seng Packaging Group Limited (“Tat Seng”)*

At 31 March 2008, the Group is holding an effective interest of 15.4% in Tat Seng, which is one of Singapore’s leading manufacturers of corrugated paper packaging products with operations in Singapore, Suzhou and Hefei in the PRC. The Tat Seng Packaging group designs, manufactures and sells corrugated paper packaging products for the packing of a diverse range of products according to customers’ specifications. Its key products include corrugated paper boards, corrugated paper cartons, die-cut boxes, assembly cartons, heavy duty corrugated paper products and other packaging related products.

### *Wing On Travel (Holdings) Limited (“Wing On Travel”)*

At 31 March 2008, the Group is holding an effective interest of 12.3% in Wing On Travel, which is principally engaged in the business of providing packaged tours, travel and other related services, and hotel operation including a hotel chain branded under the name of “Rosedale” in Hong Kong and the Mainland.

## Outlook

The general economy of China is booming. With the Summer Olympics taking place in Beijing this year, it will be a year of growth for China and Hong Kong. Given that the Chinese are clearly benefiting from a low exchange rate in order to attract more investments into China. The long term goal for China is to be in a stronger economic position alongside other countries and hence the changes in the Renminbi will be vital to other currencies.

The Group’s philosophy is to focus its investments in countries where we believe the economy is strong and growth is the most resilient to change. China offers attractive investment potential. China has huge domestic consumption and investment demand, which continue to drive growth in the country. The Group believes China offers excellent long-term potential, despite the possibility for inflation to surge. It will be a challenging year ahead.

### *達成包裝集團有限公司(「達成」)*

於二零零八年三月三十一日，本集團持有達成之15.4%實際權益，其為新加坡其中之一家最主要的瓦楞紙包裝產品製造商，在新加坡、中國蘇州及合肥均設有工場。達成包裝集團負責設計、製造及銷售瓦楞紙包裝產品，並按客戶的特定規格生產，務求為各類不同產品提供包裝。達成之主要產品包括瓦楞紙皮、瓦楞紙箱、模切紙箱、普通開槽箱、重型瓦楞紙製品及其他包裝相關產品。

### *永安旅遊(控股)有限公司(「永安旅遊」)*

於二零零八年三月三十一日，本集團持有永安旅遊之12.3%實際權益，其主要從事提供旅行團、旅遊及其他相關服務，以及酒店營運業務，包括在香港及中國內地以「珀麗」為品牌經營之連鎖式酒店。

## 展望

中國的整體經濟正急速增長。隨著夏季奧運會今年在北京舉行，中國和香港於本年勢必錄得增長。為吸引更多人在中國投資，中國人定必受惠於較低匯率。中國的長遠目標為於其他國家當中處於較強的經濟位置，因此，人民幣變更將對其他貨幣極為重要。

本集團旨在集中投資在經濟強勁及增長能迅速回應變動的國家。中國提供具吸引力的投資潛力。中國擁有龐大的本地消費及投資需求，兩者繼續帶動國家增長。雖然通脹有機會大幅上升，本集團依然相信中國能提供優越的長線潛力。未來一年將會是具挑戰性的一年。

## Chairman's Statement

### 主席報告書

In its search for good investment opportunities in China, the Group will target those investments that can transform our available resources into investments which eventually cultivate profits for the Group. Although good investment opportunities also come with business risks, the Group will strive to diversify its investments into new business segments in order to minimise risks. Our objective remains clear — the Group will hold the goal of maximizing benefits to all the shareholders as its highest priority.

### Appreciation

I would like to take this opportunity to express my gratitude to my fellow board members, the management and employees for their hard work and contribution to the Group in the past year.

**Dr. Chan Kwok Keung, Charles**

*Chairman*

Hong Kong, 28 July 2008

為在中國尋找良好的投資機會，本集團將集中投資於能將現有資源轉化為最終為本集團帶來溢利的投資。雖然良好的投資機會往往附帶業務風險，本集團將致力分散投資於新的業務分部，以將風險減至最低。我們的目標依然清晰，本集團將繼續以全體股東利益最大化為最優先考慮。

### 鳴謝

本人謹借此機會，向董事會成員、管理層和僱員在過去一年為本集團付出之努力和貢獻，致以衷心謝意。

主席

**陳國強博士**

香港，二零零八年七月二十八日



# Management Discussion and Analysis

## 管理層討論及分析

### Results and Financial Review

For the year ended 31 March 2008, the Group's audited consolidated profit before minority interests was HK\$48.0 million (2007: HK\$1,461.5 million), which mainly comprised of revenue from sales of other assets of HK\$130.0 million (2007: Nil), revenue from water supply business of HK\$5.9 million (2007: Nil), revenue from sand mining business of HK\$18.1 million (2007: HK\$1.2 million), cost of sales of HK\$279.4 million (2007: HK\$14.4 million), other income of HK\$171.5 million (2007: HK\$161.6 million), administrative expenses of HK\$94.8 million (2007: HK\$92.8 million), finance costs of HK\$155.9 million (2007: HK\$83.4 million), decrease in fair value of conversion option embedded in convertible notes of HK\$38.3 million (2007: HK\$187.1 million), increase in fair value of conversion option embedded in convertible note receivable from an associate of HK\$11.4 million (2007: decrease of HK\$18.4 million), increase in fair value of convertible notes designated at fair value through profit or loss of HK\$16.3 million (2007: HK\$16.8 million), increase in fair value of investment properties of HK\$103.3 million (2007: HK\$2.6 million), gain on convertible notes converted into investment held for trading of HK\$434.2 million (2007: Nil), net gain on investments held for trading of HK\$39.4 million (2007: HK\$60.3 million, as restated), discount on acquisition of additional interest in subsidiaries of HK\$5.5 million (2007: Nil), discount on acquisition of additional interest in an associate of HK\$148.3 million (2007: Nil), impairment loss on available-for-sale investments of HK\$72.4 million (2007: HK\$45.7 million), loss on remeasurement to fair value less cost to sell in respect of disposal group held for sale of HK\$90.2 million (2007: Nil), gain on disposal of subsidiaries of HK\$12.5 million (2007: HK\$1.3 million), loss on disposal and dilution/disposal of interest in an

### 業績及財務回顧

截至二零零八年三月三十一日止年度，本集團之經審核未計少數股東權益前綜合溢利為48,000,000港元（二零零七年：1,416,500,000港元），主要包括銷售其他資產收入130,000,000港元（二零零七年：零）、供水業務收入5,900,000港元（二零零七年：零）、採砂業務收入18,100,000港元（二零零七年：1,200,000港元）、銷售成本279,400,000港元（二零零七年：14,400,000港元）、其他收入171,500,000港元（二零零七年：161,600,000港元）、行政開支94,800,000港元（二零零七年：92,800,000港元）、財務費用為155,900,000港元（二零零七年：83,400,000港元）、可兌換票據之兌換權公平值減少38,300,000港元（二零零七年：187,100,000港元）、應收一間聯營公司可兌換票據兌換權公平值之增加11,400,000港元（二零零七年：減少18,400,000港元）、指定按公平值列賬並計入損益之可兌換票據公平值增加16,300,000港元（二零零七年：16,800,000港元）、投資物業公平值增加103,300,000港元（二零零七年：2,600,000港元）、可兌換票據兌換為持作買賣投資收益為434,200,000港元（二零零七年：無）、持作買賣投資收益淨額39,400,000港元（二零零七年：60,300,000港元，經重列）、增購附屬公司權益折讓5,500,000港元（二零零七年：無）、增購一間聯營公司權益之折讓為148,300,000港元（二零零七年：無）、持作銷售投資減值虧損72,400,000港元（二零零七年：45,700,000港元）、就持作銷售出售組別重新計量為公平值減銷售成本虧損90,200,000港元（二零零七年：無）、出售附屬公司收益12,500,000港元（二零零七年：1,300,000港元）、出售及攤薄／出售一

## Management Discussion and Analysis

### 管理層討論及分析

associate of HK\$268.5 million (2007: profit of HK\$5.1 million), share of results of associates of HK\$96.0 million (2007: HK\$35.4 million), income tax expense of HK\$144.8 million (2007: HK\$32.4 million). While there were revenue from sale of computer related products of HK\$7.8 million, discount on acquisition of subsidiaries of HK\$132.5 million, impairment loss on goodwill of HK\$6.6 million and profit from discontinued operations of HK\$1,517.9 million for the year ended 31 March 2007, there were no such items for the year ended 31 March 2008.

After taken into account share of results by minority interest, the audited profit for the year attributable to the equity holders was HK\$129 million (2007: HK\$1,527 million) and the basic earnings per share was HK2.94 cents (2007: HK16.1 cents).

#### Segment Results

For trading of securities, segment revenue amounted to HK\$473.6 million, increasing by HK\$413.3 million (685%) from 2007 and segment result recorded HK\$477.1 million, increasing by HK\$460.7 million (2,810%) from 2007.

For sand mining segment, segment revenue amounted to HK\$18.1 million, increasing by HK\$16.9 million (1,408%) from 2007 and segment result recorded HK\$5.1 million, increasing by HK\$16.3 million from the segment loss of HK\$11.2 million in 2007.

During the year, property development and trading segment was reactivated. For property development and trading segment, segment revenue amounted to HK\$130.0 million, and segment loss recorded HK\$102.2 million.

間聯營公司權益虧損268,500,000港元(二零零七年:溢利5,100,000港元)、應佔聯營公司業績96,000,000港元(二零零七年:35,400,000港元)、所得稅開支144,800,000港元(二零零七年:32,400,000港元)。儘管截至二零零七年三月三十一日止年度,有銷售電腦相關產品收入7,800,000港元、收購附屬公司折讓132,500,000港元、商譽減值虧損6,600,000港元及非持續業務溢利1,517,900,000港元,截至二零零八年三月三十一日止年度卻無該等項目。

經計及少數股東應佔業績後,股權持有人應佔之本年度經審核溢利為129,000,000港元(二零零七年:1,527,000,000港元),每股基本盈利為2.94港仙(二零零七年:16.1港仙)。

#### 分類業績

證券買賣業務分類收入為473,600,000港元,較二零零七年增加413,300,000港元(685%),而分類業績則錄得477,100,000港元,較二零零七年增加460,700,000港元(2,810%)。

就採砂而言,分類收入為18,100,000港元,較二零零七年增加16,900,000港元(1,408%),分類業績為5,100,000港元,較二零零七年分類虧損11,200,000港元增加盈利16,300,000港元。

年內重新開展了物業發展及買賣分類業務,物業發展及買賣分類業務之分類收入為130,000,000港元,分類虧損為102,200,000港元。

During the year, water factory segment was included as a result of the acquisition of a subsidiary, with segment revenue of HK\$5.9 million and segment loss of HK\$3.5 million.

The results of the Group decreased significantly from a profit of HK\$1,461.5 million for the year ended 31 March 2007 to HK\$48.0 million for the year ended 31 March 2008. This was mainly attributable to the disposal of assets of Memorex International Inc. during the year ended 31 March 2007 which contributed HK\$1,517.9 million to the results of the Group for the year ended 31 March 2007. The Group also disposed of certain interest of an associate during the year with a net loss of HK\$268.5 million while a net gain of HK5.1 million was resulted from disposals of associates during the year ended 31 March 2007. From acquisition of subsidiaries, no discount on acquisition of subsidiaries was resulted while HK\$132.5 million was resulted for the year ended 31 March 2007. The cost of sales increased by HK\$265.1 million mainly due to the increase of revenue from trading of securities and properties development and trading. The other income increased by HK\$10.2 million. Finance costs incurred increased by HK\$72.6 million owing to the coupon interest in relation to the issue of convertible notes by the Company and increase of loan to finance the investments. Impairment loss on available-for-sale investment of HK\$72.4 million was recorded and it was HK\$26.6 million more than that for the year ended 31 March 2007. Loss on remeasurement to fair value less cost to sell in respect of disposal group held for sale of HK\$90.2 million was resulted for the year ended 31 March 2008 while there was nil for the year ended 31 March 2007.

年內，由於收購一間附屬公司而因此計入水廠分類業績，其分類收入為5,900,000港元，分類虧損為3,500,000港元。

本集團業績由截至二零零七年三月三十一日止年度溢利1,461,500,000港元，大幅減少至截至二零零八年三月三十一日止年度48,000,000港元。此乃主要由於截至二零零七年三月三十一日止年度內出售Memorex International Inc.資產，對本集團截至二零零七年三月三十一日止年度之業績貢獻1,517,900,000港元。本集團亦於年內出售一間聯營公司若干權益，錄得淨虧損268,500,000港元，而截至二零零七年三月三十一日止年度內出售聯營公司錄得淨收益5,100,000港元。收購附屬公司方面，則無導致收購附屬公司折讓，截至二零零七年三月三十一日止年度則導致132,500,000港元折讓。銷售成本增加265,100,000港元，主要由於證券買賣以及物業發展及買賣之收入增加。其他收入增加10,200,000港元。本公司發行可兌換票據相關之票息，以及用以撥支投資項目之貸款增加導致財務費用增加72,600,000港元。持作銷售投資減值虧損為72,400,000港元，較截至二零零七年三月三十一日止年度高出26,600,000港元。截至二零零八年三月三十一日止年度錄得就持作銷售出售組別重新計量為公平值減銷售成本之虧損90,200,000港元，而截至二零零七年三月三十一日止年度則無此項目。

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However, such decrease was offset by the decrease in fair value of conversion options in aggregate of HK\$38.3 million as compared to the decrease of HK\$187.1 million for the year ended 31 March 2007. Gain on convertible notes converted into investments held for trading of HK\$434.2 million for the year ended 31 March 2008 while there was nil for the year ended 31 March 2007. Discount on acquisition of additional interest in an associate of HK\$148.3 million while there was nil for the year ended 31 March 2007. Change in fair value of convertible option embedded in convertible notes from an associate turned around from a decrease of HK\$18.4 million for the year ended 31 March 2007 to an increase of HK\$11.4 million for the current year. Net gain on disposal of subsidiaries of HK\$12.5 million was recorded for the year ended 31 March 2008 and there was only HK\$1.3 million for the year ended 31 March 2007. Furthermore, there was an increase in fair value of investment property of HK\$103.3 million for the year ended 31 March 2008 compared to the increase of HK\$2.6 million for the year ended 31 March 2007. The revenue from sales of other assets of and revenue from water supply business were recorded HK\$130.0 million and HK\$5.9 million respectively compared to 2007 were nil. The revenue from sand mining business was increased from HK\$1.2 million for the year ended 31 March 2007 to HK\$18.1 million for the year ended 31 March 2008. Income tax expense increased by HK\$112.3 million from HK\$32.5 million for the year ended 31 March 2007 to HK\$144.8 million for current year. In addition, there was an impairment loss on goodwill of HK\$6.6 million for the year ended 31 March 2007 but nil for the year ended 31 March 2008.

然而，以上減幅因兌換權公平值減少合共38,300,000港元(截至二零零七年三月三十一日止年度減少187,100,000港元)而被抵銷。截至二零零八年三月三十一日止年度可兌換票據兌換為持作買賣投資之收益為434,200,000港元，而截至二零零七年三月三十一日止年度則為零。增購一間聯營公司權益之折讓為148,300,000港元，而截至二零零七年三月三十一日止年度則為零。來自一間聯營公司之可兌換票據之兌換權公平值變動，由截至二零零七年三月三十一日止年度減少18,400,000港元，扭轉為本年度增加11,400,000港元。截至二零零八年三月三十一日止年度出售附屬公司淨收益為12,500,000港元，截至二零零七年三月三十一日止年度則僅為1,300,000港元。此外，截至二零零八年三月三十一日止年度投資物業公平值增加103,300,000港元，截至二零零七年三月三十一日止年度則增加2,600,000港元。銷售其他資產收入及供水業務收入分別為130,000,000港元及5,900,000港元(二零零七年為零)。採砂業務收入由二零零七年三月三十一日止年度1,200,000港元增至二零零八年三月三十一日止年度18,100,000港元。所得稅開支由截至二零零七年三月三十一日止年度32,500,000港元增至本年度之144,800,000港元，增幅112,300,000港元。此外，截至二零零七年三月三十一日止年度商譽減值虧損為6,600,000港元，截至二零零八年三月三十一日止年度則為零。

### Investment in Convertible Notes

During the year, the Group acquired 3 unlisted convertible notes issued by companies listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for an aggregate consideration of HK\$258.2 million in addition to the existing seven convertible notes acquired in prior years. An aggregate of HK\$636.4 million was converted into investments held for trading during the year. One of the convertible notes stated at fair value of HK\$18.9 million was redeemed. The aggregate fair value decrease of HK\$38.3 million in respect of the conversion option element and decrease of HK\$34.2 million in respect of the debt element were recognized in profit and loss and reserves, respectively. In addition, the aggregate fair value increase in respect of the convertible notes designated at fair value through profit or loss, gain on convertible notes converted into investments held for trading and conversion options embedded in convertible note receivable from an associate of HK\$16.3 million, HK\$434.2 million and HK\$11.4 million were recognized in profit and loss.

### Liquidity

Bank and cash balances at 31 March 2008 increased significantly to HK\$490.5 million (2007: HK\$161.6 million), accounting for 16.6% (2007: 6.5%) of the net tangible asset value of the Group. Such dramatic increase was mainly attributable to disposal of investment held for trading and fund raising during the year. The cash was mainly used for daily operations and investments in financial instruments and available-for-sale investment during the year. The current ratio of the Group at 31 March 2008 was 4.77 (2007: 2.2).

### 對可兌換票據之投資

除已在過往年度收購的七份現行可兌換票據，於本年度，本集團以總代價為258,200,000港元收購三份由香港聯合交易所有限公司（「聯交所」）上市公司所發行之非上市可兌換票據。年內，合共636,400,000港元之可兌換票據兌換為持作買賣投資。其中一份按公平值18,900,000港元列值之可兌換票據已被贖回。有關兌換權部份之公平值合共38,300,000港元減幅，及就有關債務部份之34,200,000港元減幅，分別在收益表及儲備中確認。此外，有關指定按公平值列賬並計入損益之可兌換票據之公平值增加總額、可兌換票據兌換為持作買賣投資之收益，以及應收一間聯營公司可兌換票據之兌換權，分別為數16,300,000港元、434,200,000港元及11,400,000港元，已於收益表中確認。

### 流動資金

於二零零八年三月三十一日之銀行及現金結存大幅增加至490,500,000港元（二零零七年：161,600,000港元），佔本集團有形資產淨值16.6%（二零零七年：6.5%）。大幅度增加主要是由於年內出售持作買賣投資及籌集資金所致。年內該等現金主要用作日常營運及投資於金融工具及可供銷售投資。本集團於二零零八年三月三十一日之流動比率為4.77（二零零七年：2.2）。

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### Financial Review

The current assets of the Group at 31 March 2008 increased by HK\$520.1 million (25.1%) to HK\$2,779.7 million (2007: HK\$2,259.6 million).

Such increase was mainly attributable to the increase of assets classified as held for sale of HK\$857.5 million, increase in properties held for sale of HK\$211.4 million, loans to and amounts due from associates of HK\$8.9 million, available-for-sale investments of HK\$29.8 million, conversion options embedded in convertible note receivable of HK\$4.1 million and bank and cash balance of HK\$328.9 million. Such increase outweighed the decrease in other assets of HK\$229.3 million, trade and other receivable of HK\$321.9 million, investments held for trading of HK\$67.1 million, deposit paid for acquisition of investments held for trading of HK\$73.3 million, convertible notes designated at fair value through profit or loss of HK\$23.8 million, short-term loan receivables of HK\$203.9 million and margin loan receivables of HK\$2.8 million at year end as compared to 31 March 2007.

Trade and other receivables decreased from HK\$389.1 million as at 31 March 2007 to HK\$67.2 million as at 31 March 2008. Such dramatic decrease was mainly attributable to the settlement of escrow money of disposal of Memorex<sup>®</sup> business. The number of days for debtors turnover decreased from 104 days last year to 23 days in current year and such decrease was mainly attributable to settlement of escrow money of disposal of Memorex<sup>®</sup> business.

### 財務回顧

本集團於二零零八年三月三十一日之流動資產增加520,100,000港元(25.1%)至2,779,700,000港元(二零零七年: 2,259,600,000港元)。

流動資產增加主要是由於分類為持作銷售之資產增加857,500,000港元、持作銷售物業增加211,400,000港元、給予聯營公司貸款及應收聯營公司款項增加8,900,000港元、可供銷售投資增加29,800,000港元、應收可兌換票據之兌換權增加4,100,000港元及銀行及現金結存增加328,900,000港元。與二零零七年三月三十一日相比，於年終時，此增幅超逾其他資產減少229,300,000港元、貿易及其他應收款項減少321,900,000港元、持作買賣投資減少67,100,000港元、收購持作買賣投資所付按金減少73,300,000港元、指定按公平值列賬並計入損益之可兌換票據減少23,800,000港元、應收短期貸款減少203,900,000港元及應收孖展貸款減少2,800,000港元。

貿易及其他應收款項由二零零七年三月三十一日之389,100,000港元減少至二零零八年三月三十一日之67,200,000港元，大幅度減少主要由於結付出售Memorex<sup>®</sup>業務之託管金。應收賬款流轉期由去年之104日減少至本年度之23日，減少主要是由於結付出售Memorex<sup>®</sup>業務之託管金所致。



Short-term loan receivables decreased by HK\$203.9 million from HK\$308.5 million as at 31 March 2007 to HK\$104.6 million as at 31 March 2008. Such decrease was mainly attributable to a number of loan agreements entered into with third parties for an aggregate principal amount of HK\$410.9 million during the year. During the year, an aggregate amount of HK\$619.3 million was repaid, satisfied by cash and other payables. Reversal of provision for loan receivable of HK\$4.5 million was made during the year.

Loans to and amounts due from associates increased by HK\$8.9 million from HK\$372.1 million as at 31 March 2007 to HK\$380.9 million as at 31 March 2008. Such increase was mainly attributable to an aggregate principal amount of HK\$396.6 million was advanced during the year. During the year, an aggregate amount of HK\$387.7 million was repaid, satisfied by cash and other payable.

Deposits paid for acquisition of investments held for trading of HK\$73.3 million was reclassified to investments held for trading during the year ended 31 March 2008.

Trade and other payables increased from HK\$90.7 million as at 31 March 2007 to HK\$109.3 million as at 31 March 2008. Such dramatic increase was mainly attributable to the increase in the amount due to securities companies. The number of days for creditors turnover decreased from 72 days last year to 41 days in current year and such decrease was mainly attributable to the trading of securities.

應收短期貸款由二零零七年三月三十一日308,500,000港元減少203,900,000港元至二零零八年三月三十一日之104,600,000港元。減少主要是由於年內與第三方訂立多項本金總額為410,900,000港元之貸款協議。於年內，已透過現金及其他應付款項償還總額619,300,000港元。年內作出應收貸款撥備撥回4,500,000港元。

給予聯營公司之貸款及應收聯營公司之款項由二零零七年三月三十一日之372,100,000港元增加8,900,000港元至二零零八年三月三十一日之380,900,000港元。增加主要由於年內本金總額396,600,000港元墊款所致。於年內，已透過現金及其他應付款項償還總額387,700,000港元。

在截至二零零八年三月三十一日止年度，收購持作買賣投資所付之按金73,300,000港元已重新分類為持作買賣投資。

貿易及其他應付款項由二零零七年三月三十一日之90,700,000港元增加至二零零八年三月三十一日之109,300,000港元。大幅度增加主要由於應付證券公司款項增加。應付賬款流轉期由去年之72日減少至本年度之41日，減少主要是由於買賣證券所致。

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At 31 March 2008, total borrowings of the Group amounted to HK\$876.7 million (2007: HK\$1,278.6 million), of which HK\$758.1 million (2007: HK\$743.0 million) were not repayable within one year. The borrowings included bank and other borrowings of HK\$216.1 million (2007: HK\$598.3 million), overdrafts of HK\$32.8 million (2007: HK\$21.0 million). In addition, there were convertible notes payable of HK\$627.8 million as at 31 March 2008 (2007: HK\$659.3 million). The decrease in borrowings was mainly due to the new loan of HK\$428.0 million granted to the Group for the purposes of investment and daily operation. Repayment of HK\$810.2 million was made during the year. Overdrafts increased by HK\$11.8 million as compared to 31 March 2007. Convertible loan notes of HK\$54.0 million were converted during the year, with coupon interest paid of HK\$17.2 million and effective interest accrued of HK\$39.6 million.

#### Pledge of assets

At 31 March 2008, certain assets of the Group amounting to HK\$858.1 million (2007: HK\$300.0 million) were pledged to banks and financial institutions for loan facilities granted to the Group.

#### Gearing ratio

The gearing ratio (borrowings/shareholders' funds) at 31 March 2008 significantly decreased to 28.4% (2007: 51.3%) owing to the repayment of other borrowings during the year and increase of shareholders' fund.

於二零零八年三月三十一日，本集團借款總額為876,700,000港元(二零零七年：1,278,600,000港元)，其中758,100,000港元(二零零七年：743,000,000港元)毋須於一年內償還。有關借款包括銀行及其他借款216,100,000港元(二零零七年：598,300,000港元)，透支32,800,000港元(二零零七年：21,000,000港元)。此外，於二零零八年三月三十一日，應付可兌換票據為627,800,000港元(二零零七年：659,300,000港元)。借款減少主要是由於本集團獲授用於投資及日常營運之新貸款428,000,000港元。年內償還款項810,200,000港元。與二零零七年三月三十一日相比，透支增加11,800,000港元。年內兌換可兌換貸款票據54,000,000港元，連同已付票息17,200,000港元，以及應計實際利息39,600,000港元。

#### 資產抵押

於二零零八年三月三十一日，本集團將858,100,000港元(二零零七年：300,000,000港元)之若干資產抵押予銀行及金融機構作為本集團貸款融資的擔保。

#### 負債資本比率

由於年內償還其他借款，加上股東資金增加，使二零零八年三月三十一日之負債資本比率(借款／股東資金)大幅減少至28.4%(二零零七年：51.3%)。

### Exchange rate and interest rate risks exposure

Most of the Group's business transactions, assets and liabilities are denominated in Hong Kong Dollars. The risk of foreign exchange fluctuation has not been significant to the Group. Interest rates of bank and other loans are at Prime plus. At the balance sheet date, the Group did not enter into any interest rate speculative and hedging contracts.

### Contingent liabilities

At 31 March 2008, the Group had guarantee given to a bank in respect of banking facilities utilized by a third party of HK\$2.6 million (2007: HK\$23.3 million).

### Material disposal of a subsidiary

On 25 March 2008, the Company disposed of its entire interest in Kamthorn Limited to an independent third party for a consideration of HK\$150 million (the "Disposal"). The principal asset of Kamthorn Limited was the holding of approximately 18.1% equity interest in the issued share capital of China Enterprises Limited. The equity interest of the Group in China Enterprises Limited reduced from approximately 55.2% to approximately 37.1% upon completion of the Disposal on 7 April 2008. Accordingly, China Enterprises Limited ceased to be a subsidiary and became an associated company of the Company.

### Employees and remuneration policies

As at 31 March 2008, there were approximately 100 staff members (2007: 45) employed by the Group. The remuneration policies are formulated on the basis of performance of individual employees and the prevailing salaries' trends in the various regions. They are subject to be reviewed every year. The Group also provided employee training programs, a mandatory provident fund scheme, medical insurance and discretionary bonuses. Share options are awarded to employees on a merit basis. However, no share options were granted during the year.

### 匯率及利率風險

本集團大部份業務交易、資產及負債均以港元計值。因此，本集團的匯兌波動風險並非重大。銀行及其他貸款利率均高於最優惠利率。於結算日，本集團並無訂立任何利率投機及對沖合約。

### 或然負債

於二零零八年三月三十一日，本集團就第三方所動用銀行信貸而向銀行作出擔保2,600,000港元（二零零七年：23,300,000港元）。

### 重大出售附屬公司事項

於二零零八年三月二十五日，本公司按代價150,000,000港元，向獨立第三方出售其於Kamthorn Limited之全部權益（「出售事項」）。Kamthorn Limited之主要資產為持有China Enterprises Limited已發行股本約18.1%股本權益。於二零零八年四月七日出售事項完成時，本集團於China Enterprises Limited之股本權益由約55.2%減至約37.1%。因此，China Enterprises Limited不再是本公司之附屬公司，改而成為本公司之聯營公司。

### 僱員及薪酬政策

於二零零八年三月三十一日，本集團僱用約100名僱員（二零零七年：45名）。本集團之薪酬政策乃根據個別僱員之表現及不同地區當時之薪酬趨勢而制定，並會每年檢討。本集團亦提供培訓計劃、強制性公積金計劃、醫療保險及酌情花紅予僱員，表現優異之僱員會獲得購股權獎勵。然而，年內並無授出購股權。

## Directors and Senior Management Profile

### 董事及高層管理人員簡歷

#### Directors

##### Executive Directors

**Dr. CHAN Kwok Keung, Charles**, aged 53, was appointed as Managing Director of the Company in November 1995. He was appointed as Chairman of the Company in November 2000 and is responsible for the overall management of the Company. He retired by rotation at the annual general meeting held in 2004 and was re-appointed as Chairman and Executive Director of the Company in September 2004. He holds an Honorary degree of Doctor of Laws and a Bachelor's degree in Civil Engineering and has over 28 years' international corporate management experience in construction and property sectors as well as strategic investments. Dr. Chan is the chairman of ITC Corporation Limited and a non-executive director of PYI Corporation Limited, both of which are companies whose shares are listed on the main board of The Stock Exchange of Hong Kong Limited.

**Dr. YAP, Allan**, aged 52, joined the Company in 1995 and was appointed as Deputy Managing Director in December 1997. In November 2000, he was appointed as Managing Director of the Company. He obtained the Honorary degree of Doctor of Laws and has over 26 years' experience in finance, investment and banking. Dr. Yap is an executive director of Big Media Group Limited and Wing On Travel (Holdings) Limited, companies whose shares are listed on the Growth Enterprise Market and on the main board of The Stock Exchange of Hong Kong Limited respectively. He is the chairman and chief executive officer of China Enterprises Limited, a company whose shares are traded on the OTC Bulletin Board in the United States of America as well as Burcon NutraScience Corporation, a company whose shares are listed on the TSX Venture Exchange in Canada and the Frankfurt Stock Exchange in Germany. Dr. Yap is an executive chairman of PSC Corporation Ltd., Intraco Limited and Tat Seng Packaging Group Ltd., all of which are companies whose shares are listed on the Singapore Exchange Limited. He is also the chairman of MRI Holdings Limited, a company whose shares are listed on the Australian Securities Exchange.

#### 董事

##### 執行董事

**陳國強博士**，53歲，於一九九五年十一月獲委任為本公司董事總經理。彼於二零零零年十一月獲委任為本公司主席，負責本公司之整體管理事宜。彼於二零零四年舉行之股東週年大會上輪值退任，並於二零零四年九月重新獲委任為本公司主席兼執行董事。彼持有法律榮譽博士學位及土木工程學士學位，在建築業、地產業及策略投資方面積逾二十八年國際企業管理經驗。陳博士為德祥企業集團有限公司之主席及保華集團有限公司之非執行董事，兩間公司之股份均於香港聯合交易所有限公司主板上市。

**YAP, Allan博士**，52歲，於一九九五年加入本公司，並於一九九七年十二月獲委任為副董事總經理。彼於二零零零年十一月獲委任為本公司董事總經理。彼持有法律榮譽博士學位，並於金融、投資及銀行業務方面積逾二十六年經驗。Yap, Allan 博士為天下媒體集團有限公司及永安旅遊(控股)有限公司之執行董事，該等公司之股份分別於香港聯合交易所有限公司之創業板及主板上市。彼為China Enterprises Limited(其股份於美國場外交易議價板買賣)及Burcon NutraScience Corporation(其股份於加拿大TSX Venture Exchange及德國法蘭克福證券交易所上市)之主席兼行政總裁。Yap, Allan 博士為普威集團有限公司、新加坡國際貿易有限公司及達成包裝集團有限公司之執行主席，該等公司之股份均於新加坡證券交易所有限公司上市。彼亦為MRI Holdings Limited之主席，其股份於澳洲證券交易所上市。

**Mr. LUI Siu Tsuen, Richard**, aged 52, joined the Company in November 1995. He is the Deputy Managing Director, Qualified Accountant and Company Secretary of the Company. Mr. Lui is a member of the Institute of Chartered Accountants in England and Wales, the CPA Australia, the Hong Kong Institute of Certified Public Accountants and the Chartered Institute of Management Accountants in U.K. He has over 28 years of experience in accounting, financial and corporate management. He has held senior financial positions in an international accounting firm and various private and public listed companies. Mr. Lui is currently an executive director of Wing On Travel (Holdings) Limited, a company whose shares are listed on the main board of The Stock Exchange of Hong Kong Limited and PSC Corporation Ltd, a company whose shares are listed on the Singapore Exchange Limited. He is also a director of MRI Holdings Limited, a company whose shares are listed on the Australian Securities Exchange. Mr. Lui holds a Master of Business Administration degree from the University of Adelaide in Australia.

#### Independent Non-Executive Directors

**Mr. KWOK Ka Lap, Alva**, aged 60, has been an Independent Non-Executive Director of the Company since July 2003. He was a marketing manager in an international company engaging in the design of business administration system. Mr. Kwok has been in the insurance and investments business for over 26 years, principally in the senior managerial position leading a sizable sales team. Mr. Kwok is an independent non-executive director of ITC Properties Group Limited (formerly known as Macau Prime Properties Holdings Group Limited) and Wing On Travel (Holdings) Limited, both of which are companies whose shares are listed on the main board of The Stock Exchange of Hong Kong Limited.

呂兆泉先生，52歲，於一九九五年十一月加入本公司。彼為本公司副董事總經理、合資格會計師及公司秘書。呂先生為特許會計師協會－英格蘭及威爾斯、澳洲會計師公會、香港會計師公會及英國特許管理會計師公會之會員。彼於會計、財務及企業管理方面積逾二十八年經驗。彼曾於一家國際會計師行、多間私人機構及上市公司擔任財務高職。呂先生現為永安旅遊(控股)有限公司(其股份於香港聯合交易所有限公司主板上市)及普威集團有限公司(其股份於新加坡證券交易所有限公司上市)之執行董事。彼亦為MRI Holdings Limited之董事，其股份於澳洲證券交易所上市。呂先生持有澳洲阿德雷德大學工商管理碩士學位。

#### 獨立非執行董事

郭嘉立先生，60歲，自二零零三年七月出任本公司之獨立非執行董事。彼曾為一所從事工商行政系統設計的國際公司之市場經理。郭先生在保險及投資業務方面積逾二十六年經驗，並擔任高級管理人員，管轄具規模之營業隊伍。郭先生為德祥地產集團有限公司(前稱澳門祥泰地產集團有限公司)及永安旅遊(控股)有限公司之獨立非執行董事，該等公司之股份均於香港聯合交易所有限公司主板上市。

## Directors and Senior Management Profile

### 董事及高層管理人員簡歷

Mr. POON Kwok Hing, Albert, aged 47, has been an Independent Non-Executive Director of the Company since February 2007. Mr. Poon graduated from the University of Bath, United Kingdom with a Master of Science degree in Business Administration. He is also a member of the Hong Kong Institute of Certified Public Accountants and a member of the CPA Australia. Mr. Poon is currently an independent non-executive director of Wing On Travel (Holdings) Limited.

Mr. SIN Chi Fai, aged 49, has been an Independent Non-Executive Director of the Company since January 2008. Mr. Sin is a director and a shareholder of two Singapore companies engaged in the distribution of data storage media and computer related products and distribution of educational toys in Asian countries. He obtained a diploma in Banking from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University). He has over 12 years of experience in banking field and has 12 years' sales and marketing experience in information technology industries. He is currently an independent non-executive director of Wing On Travel (Holdings) Limited.

### Senior Management

Ms. KEE Shui Wah, aged 43, joined the Company in April 1994 and was appointed as Chief Financial Officer of the Company in May 2002. Ms. Kee is a member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. She has over 17 years' experience in international accounting and finance in multinational corporations.

潘國興先生，47歲，於二零零七年二月出任本公司之獨立非執行董事。潘先生畢業於英國University of Bath，並取得工商管理碩士學位。彼亦為香港會計師公會及澳洲會計師公會之會員。潘先生現為永安旅遊(控股)有限公司之獨立非執行董事。

冼志輝先生，49歲，於二零零八年一月出任本公司之獨立非執行董事。冼先生為兩家新加坡公司之董事及股東，從事分銷數據儲存媒體和電腦相關產品，及分銷益智玩具至亞洲國家。彼於香港理工學院(現稱為香港理工大學)獲取銀行系之文憑。彼於銀行業積逾十二年經驗及於資訊科技業擁有十二年銷售及推廣之經驗。彼目前為永安旅遊(控股)有限公司之獨立非執行董事。

### 高層管理人員

祁瑞華女士，43歲，於一九九四年四月加入本公司，並於二零零二年五月獲委任為本公司之財務總監。祁女士為英國特許公認會計師公會及香港會計師公會之會員，彼擁有逾十七年國際會計及跨國企業財務之經驗。



## Corporate Governance Report

### 企業管治報告

Hanny Holdings Limited (the “Company”) is committed to ensuring good standards of corporate governance in order to protect and enhance the interests of shareholders. This report discloses how the Company has applied the principles of the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

### Corporate Governance Practices

The Company has complied with the code provisions of the CG Code throughout the year ended 31 March 2008, except for the following deviations.

Code provision A.2.1 of the CG Code requires the division of responsibilities between the chairman and chief executive officer. The Company does not have any officer with the title of “chief executive officer”. Instead, the duties of day-to-day management of the business are performed by the Managing Director of the Company. The posts of Chairman and Managing Director are distinct and separate as set out in this report.

Under code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. The independent non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation at the Company’s annual general meetings in accordance with the Bye-Laws of the Company. As at each annual general meeting one-third of the directors of the Company (the “Directors”) (or such number as nearest to one-third) must retire by rotation, each of the Directors is effectively appointed for a term of approximately three years.

錦興集團有限公司(「本公司」)致力確保良好水平之企業管治，以保障及提升股東之利益。本報告披露本公司如何應用香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載企業管治常規守則(「企業管治守則」)之有關原則。

### 企業管治常規

本公司於截至二零零八年三月三十一日止年度內已遵守企業管治守則之所有守則條文，惟下列偏離事項除外。

企業管治守則之守則條文第A.2.1條要求主席與行政總裁的責任劃分。本公司並無設立行政總裁之職位。取而代之，業務之日常管理職責由本公司董事總經理履行。主席及董事總經理之職位如本報告所載為不同及有所區分。

根據企業管治守則之守則條文第A.4.1條，非執行董事應有指定任期，惟須予重選。本公司獨立非執行董事並無指定任期，惟須根據本公司之公司細則於本公司股東週年大會上輪值告退。於各股東週年大會上，本公司三分之一之董事(「董事」)(或最接近三分之一之人數)須輪值告退，因此各董事之實際任期約為三年。

# Corporate Governance Report

## 企業管治報告

### The Board

#### Composition of the Board

The board of Directors (the “Board”) represents shareholders of the Company in managing the Company’s affairs. As at the date of this report, the Board comprises six members, including three executive directors, namely Dr. Chan Kwok Keung, Charles (Chairman), Dr. Yap, Allan (Managing Director) and Mr. Lui Siu Tsuen, Richard (Deputy Managing Director), and three independent non-executive directors, namely Mr. Kwok Ka Lap, Alva, Mr. Poon Kwok Hing, Albert and Mr. Sin Chi Fai. Biographical details of the Directors and the relevant relationships among them, if any, are set out in the “Directors and Senior Management Profile” on pages 15 to 17 of the annual report.

On 31 October 2007, Mr. Wong King Lam, Joseph resigned as an independent non-executive director of the Company due to personal reasons, and ceased to be a member of the audit committee and a member of the remuneration committee on the same date. Mr. Sin Chi Fai was appointed as an independent non-executive director and a member of the audit committee of the Company with effect from 28 January 2008. Save for the period between Mr. Wong’s resignation and Mr. Sin’s appointment, the Company has at least three independent non-executive directors throughout the year ended 31 March 2008 as required under the Listing Rules.

The Board includes a balanced composition of executive directors and independent non-executive directors and possesses a wide spectrum of relevant skills and experience. One of the independent non-executive directors has the professional accounting qualifications as required under the Listing Rules. The Company has received confirmation from each independent non-executive director about his independence pursuant to Rule 3.13 of the Listing Rules. The Company continues to consider all independent non-executive directors to be independent.

### 董事會

#### 董事會之組成

董事會（「董事會」）代表本公司股東管理本公司事務。於本報告日期，董事會由六名成員組成，包括三名執行董事陳國強博士（主席）、Yap, Allan博士（董事總經理）及呂兆泉先生（副董事總經理），以及三名獨立非執行董事郭嘉立先生、潘國興先生及冼志輝先生。所有董事之履歷詳情及彼等間之相關關係（如有）載於本年報第15至17頁之「董事及高層管理人員簡歷」內。

於二零零七年十月三十一日，黃景霖先生因私人理由辭任本公司獨立非執行董事，並於同日終止擔任審核委員會成員及薪酬委員會成員。冼志輝先生自二零零八年一月二十八日起獲委任為本公司獨立非執行董事及審核委員會成員。除於黃先生辭任及冼先生獲委任期間，本公司於截至二零零八年三月三十一日止整個年度內按上市規則規定擁有最少三名獨立非執行董事。

董事會包括執行董事及獨立非執行董事之平衡組合並擁有廣泛之相關技能及經驗。其中一名獨立非執行董事具有上市規則規定之專業會計資格。本公司已接獲各獨立非執行董事根據上市規則第3.13條所作出有關其獨立性之確認。本公司繼續認為所有獨立非執行董事均為獨立。

The Board meets regularly throughout the year and on other occasions as and when required. Members of the Board are advised to inform the Company Secretary if they wish to include matters in the agenda before the relevant regular Board meeting. All Board members are kept informed of material changes about the businesses of the Company and its subsidiaries (the "Group") and have full access to the Company Secretary with a view to ensuring the Board procedures are followed.

During the year ended 31 March 2008, twelve meetings were held by the Board. Individual attendance of each Board member at these meetings is shown below:

董事會於整個年度內，以及在其他情況下倘及有需要時定期會晤。董事會成員如欲將任何事宜載入會議議程中，應於有關常規董事會會議前通知公司秘書。所有董事會成員均獲知會本公司及其附屬公司（「本集團」）業務之重大變動，並可充分接觸公司秘書，藉以確保遵循董事會程序。

於截至二零零八年三月三十一日止年度內，董事會已舉行十二次會議。各董事會成員之個別出席該等會議之情況載列如下：

Directors	董事	Board Meetings attended/held 已出席／已舉行之董事會會議次數
<i>Executive Directors</i>		
Dr. Chan Kwok Keung, Charles	陳國強博士	12/12
Dr. Yap, Allan	Yap, Allan博士	11/12
Mr. Lui Siu Tsuen, Richard	呂兆泉先生	12/12
<i>Independent Non-Executive Directors</i>		
Mr. Kwok Ka Lap, Alva	郭嘉立先生	12/12
Mr. Wong King Lam, Joseph (Note 1)	黃景霖先生 (附註1)	10/10
Mr. Poon Kwok Hing, Albert	潘國興先生	12/12
Mr. Sin Chi Fai (Note 2)	冼志輝先生 (附註2)	0/0

*Notes:*

- Mr. Wong King Lam, Joseph resigned as an independent non-executive director with effect from 31 October 2007.
- Mr. Sin Chi Fai was appointed as an independent non-executive director with effect from 28 January 2008.

*附註：*

- 黃景霖先生自二零零七年十月三十一日起已辭任獨立非執行董事。
- 冼志輝先生自二零零八年一月二十八日起獲委任為獨立非執行董事。

## Corporate Governance Report

### 企業管治報告

The principal functions of the Board are to formulate corporate strategy and direction with the objective of enhancing shareholders value, to consider the Company's major corporate matters, to monitor and control the operating and financial performance of the Group. Day-to-day management of the Group's business is delegated to the management of the Company under the supervision of the Managing Director. The delegation of responsibilities and authority is reviewed regularly to ensure that the appropriate reporting systems are in place. The Board has established three committees with specific responsibilities to manage and oversee particular aspects of the Company's affairs. Each committee is appointed with written terms of reference and is accountable to the full Board. The Board has reserved for its decision and consideration matters covering corporate strategy, dividend policy, major acquisitions, disposals and capital transactions, annual and interim results, changes of members of the Board and its committees, and other significant operational and financial matters. A written procedure has been agreed for Directors to seek independent professional advice at the Company's expense upon their request.

The Company has arranged for Directors' and Officers' Liability Insurance to indemnify its Directors and management staff against potential liabilities incurred by them in discharging their duties. The insurance coverage for the Directors and management staff is reviewed on an annual basis.

#### Chairman and Managing Director

The Company fully recognizes that the respective role of Chairman and Managing Director should be distinct and separated. The posts of Chairman and Managing Director are held by Dr. Chan Kwok Keung, Charles and Dr. Yap, Allan respectively. The Chairman is responsible for leadership of the Board while the Managing Director is responsible for the day-to-day management of the business of the Group. A clear division of responsibilities at the Board level has been maintained to entail a balance of power and authority.

董事會之主要職能為制定企業策略及方向以提升股東價值、審議本公司主要企業事宜以及監控本集團營運及財務表現。本集團業務之日常管理在董事總經理監督下由本公司管理層負責。委派之職責及授予之職權將定期進行檢討，以確保適當之報告體系就位。董事會已設立三個委員會並具有特定職責，以管理及監督本公司事務之特定範疇。各委員會均書面定明職權範圍並向全體董事負責。董事會有權決定及考慮涉及企業策略、股息政策、重大收購、出售及資本交易、年度及中期業績、董事會及其委員會成員之變更以及其他重大營運及財務事宜。一項書面程序已協定，以便在董事提出尋求獨立專業意見之要求時，由本公司承擔有關費用。

本公司已為其董事及管理層人員安排董事及管理層人員責任保險，以賠償彼等因履行各自之職責而引起之潛在責任。董事及管理層人員之承保範圍會於每年進行檢討。

#### 主席及董事總經理

本公司深知主席及董事總經理各自之角色應為不同及分開。主席及董事總經理之職位分別由陳國強博士及Yap, Allan博士擔任。主席負責領導董事會，而董事總經理則負責本集團之日常管理。董事級別責任將維持明確劃分，以達致權力及職權之平衡。

### Appointment, Re-election and Removal of Directors

The Company has not established a nomination committee. The Board as a whole is responsible for considering and approving the appointment of its members and nominating them for election and re-election by the shareholders of the Company. Pursuant to the Bye-Laws of the Company, the Board shall have the power from time to time and at any time to appoint any person as director either to fill a casual vacancy on the Board or as an addition to the existing Board. In accordance with the Bye-Laws of the Company, new appointments to the Board are subject to re-election by shareholders at the Annual General Meeting ("AGM") in their first year of appointment. In addition, one-third of the Directors will retire from office by rotation for re-election by shareholders at each AGM. Accordingly, every Director is subject to retirement at least once every three years.

An Induction program is arranged for the newly appointed Director on the latest information of the Group. A comprehensive orientation package detailing the responsibilities and duties of being a director and the requirements under the applicable rules and regulations of the Company is also provided.

## Board Committees

The Board has established committees to assist in carrying out its responsibilities. Three committees have been appointed, including an Executive Committee, a Remuneration Committee and an Audit Committee. The committees oversee particular aspects of the Company's affairs and report regularly to the Board.

### Executive Committee

The Executive Committee comprises all executive directors, namely Dr. Chan Kwok Keung, Charles, Dr. Yap, Allan and Mr. Lui Siu Tsuen, Richard. The Executive Committee meets as and when required to oversee the day-to-day management and operation of the Group's business and has all the general powers of the Board except those matters specifically reserved for the Board.

### 委任、重選及罷免董事

本公司並無設立提名委員會。董事會整體負責考慮及批准委任其成員及提名彼等以供本公司股東進行遴選及重選連任。根據本公司之公司細則，董事會不時及隨時有權委任任何人士出任董事，以填補董事會之臨時空缺或作為現有董事會之新增成員。根據本公司之公司細則，新委任之董事須於首年獲委任之股東週年大會（「股東週年大會」）上膺選連任。此外，三分之一之現任董事須於各股東週年大會上輪值告退並由股東進行重選。據此，每名董事均須至少每三年輪值退任一次。

就本集團最新資料之就任計劃已安排予新委任董事，全面之迎新資料，詳述董事之責任與職責以及本公司適用之規則及規例亦已提供予董事。

## 董事委員會

董事會已設立委員會，以協助履行其職責。三個委員會已獲委派，包括執行委員會、薪酬委員會及審核委員會。該等委員會監督本公司事務之特定範疇及定期向董事會報告。

### 執行委員會

執行委員會由全體執行董事組成，分別為陳國強博士、Yap, Allan博士及呂兆泉先生。執行委員會倘及當有需要時將會面以監督本集團業務之日常管理及營運，以及擁有董事會之所有一般權力（惟特別為董事會保留之事宜則除外）。

# Corporate Governance Report

## 企業管治報告

### Remuneration Committee

The Remuneration Committee comprises of two independent non-executive directors and one executive director. Members of the Remuneration Committee as at the date of this report are Mr. Kwok Ka Lap, Alva (who acts as Chairman of the committee), Mr. Poon Kwok Hing, Albert and Mr. Lui Siu Tsuen, Richard. The Remuneration Committee is responsible for making recommendations to the Board on management succession planning for senior management of the Group; formulate and review remuneration policy and packages of all directors and senior management; and review and approve compensation packages, roles and responsibilities of employees of the Group. The terms of reference of the Remuneration Committee are posted on the Company's website.

The remuneration package of Directors is based on their individual performance, salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group. The Remuneration Committee will consult the Chairman and the Managing Director about their proposals relating to the remuneration of other executive directors and have access to professional advice if considered necessary.

### 薪酬委員會

薪酬委員會由兩名獨立非執行董事及一名執行董事組成。於本報告日期，薪酬委員會成員包括郭嘉立先生（擔任委員會主席）、潘國興先生及呂兆泉先生。薪酬委員會負責就本集團高級管理人員之繼任計劃向董事會作出推薦意見；制定及檢討所有董事及高層管理人員之薪酬政策及配套；以及檢討及批准本集團僱員之薪酬待遇、職責及責任。薪酬委員會之職權範圍已載於本公司網站內。

董事之酬金待遇乃取決於個人表現、可比較公司支付之薪金、付出之時間及職責以及本集團其他部門之聘用情況。薪酬委員會將諮詢主席及董事總經理就其對其他執行董事酬金之意見，並可在有需要時徵詢專業意見。



The Remuneration Committee met once during the year ended 31 March 2008 to discuss remuneration related matters and review the remuneration policy of the Group. Individual attendance of each Remuneration Committee member at the meeting is shown below:

薪酬委員會於截至二零零八年三月三十一日止年度內會晤一次，以討論有關薪酬之事宜及檢討本集團之薪酬政策。各薪酬委員會成員個別出席該會議之情況如下：

Remuneration Committee Member	薪酬委員會成員	Remuneration Committee Meeting attended/held 已出席／已舉行之 薪酬委員會會議次數
Mr. Kwok Ka Lap, Alva	郭嘉立先生	1/1
Mr. Wong King Lam, Joseph (Note 1)	黃景霖先生 (附註1)	0/0
Mr. Lui Siu Tsuen, Richard	呂兆泉先生	1/1
Mr. Poon Kwok Hing, Albert (Note 2)	潘國興先生 (附註2)	1/1

*Notes:*

1. Mr. Wong King Lam, Joseph ceased to be a member of the Remuneration Committee with effect from 31 October 2007.
2. Mr. Poon Kwok Hing, Albert was appointed as a member of the Remuneration Committee with effect from 31 October 2007.

*附註：*

1. 黃景霖先生自二零零七年十月三十一日起終止擔任薪酬委員會成員。
2. 潘國興先生自二零零七年十月三十一日起獲委任為薪酬委員會成員。

### Audit Committee

### 審核委員會

Major roles and functions of the Audit Committee are as follows:

審核委員會之主要角色及職能如下：

- |   |  |
|---|--|
| (a) To consider the appointment, re-appointment and removal of the auditors, and to approve the remuneration and the terms of engagement of the auditors, and any questions of resignation or dismissal of the auditors of the Company; | (a) 考慮委任、重新委任及罷免核數師、批准核數師之薪酬及聘用條款以及本公司核數師辭任或離任之任何問題； |
| (b) To assess the independence of the auditors and discuss with the auditors the nature and scope of the audit;   | (b) 評估核數師之獨立性，並與核數師討論審核之性質及範圍；                       |
| (c) To review interim and annual accounts before submission to the Board;   | (c) 於呈交中期及年度賬目予董事會之前審閱該等賬目；                          |

## Corporate Governance Report

### 企業管治報告

- (d) To review the financial controls, internal controls and risk management system of the Group and make recommendations to the Board; and
  - (e) To review the auditors' management letter and material queries raised by the auditors to management in respect of accounting records, financial accounts or systems of control and management's response.
- (d) 檢討本集團之財務監控、內部監控及風險管理系統，並向董事會作出推薦意見；及
  - (e) 審閱核數師之管理函件及核數師就有關會計紀錄、財務賬目或監控系統及管理層回應事宜提出之重大問題。

The Audit Committee comprises of three independent non-executive directors. Members of the Audit Committee as at the date of this report are Mr. Poon Kwok Hing, Albert (who acts as Chairman of the committee), Mr. Kwok Ka Lap, Alva and Mr. Sin Chi Fai. All Audit Committee members have appropriate qualifications and experience to properly discharge its roles and responsibilities.

During the year ended 31 March 2008, the Audit Committee held two meetings to review with the management and the auditors the audited financial statements for the year ended 31 March 2007 and the unaudited interim financial statements for the six months ended 30 September 2007, with recommendations to the Board for approval; to review the effectiveness of internal control system; and to approve the audit and non-audit services provided by the auditors for the year

審核委員會由三名獨立非執行董事組成。於本報告日期，審核委員會成員包括潘國興先生（擔任委員會主席）、郭嘉立先生及冼志輝先生。所有審核委員會成員均擁有可適當地履行其角色及職能之適當資格及經驗。

於截至二零零八年三月三十一日止年度內，審核委員會舉行兩次會議，與管理層及核數師審閱截至二零零七年三月三十一日止年度之經審核財務報表及截至二零零七年九月三十日止六個月之未經審核中期財務報表，並提供建議予董事會審批；檢討內部監控系統之有效性；以及批准截至二零零八年三月三十一日止年度核數師提供之審核及非

ended 31 March 2008. Individual attendance of each Audit Committee member at these meetings is shown below:

審核服務。各審核委員會成員個別出席該等會議之情況如下：

Audit Committee Member	審核委員會成員	Audit Committee Meetings attended/held 已出席／已舉行之 審核委員會會議次數
Mr. Poon Kwok Hing, Albert	潘國興先生	2/2
Mr. Kwok Ka Lap, Alva	郭嘉立先生	2/2
Mr. Wong King Lam, Joseph (Note 1)	黃景霖先生(附註1)	1/1
Mr. Sin Chi Fai (Note 2)	冼志輝先生(附註2)	0/0

*Notes:*

- Mr. Wong King Lam, Joseph ceased to be a member of the Audit Committee with effect from 31 October 2007.
- Mr. Sin Chi Fai was appointed as a member of the Audit Committee with effect from 28 January 2008.

*附註：*

- 黃景霖先生自二零零七年十月三十一日起終止擔任審核委員會成員。
- 冼志輝先生自二零零八年一月二十八日起獲委任為審核委員會成員。

The Board and the Audit Committee did not have any differences of opinion during the year ended 31 March 2008.

截至二零零八年三月三十一日止年度，董事會與審核委員會並無任何意見分歧。

## Auditor's Remuneration

For the year ended 31 March 2008, the amount paid to Deloitte Touche Tohmatsu, the auditor of the Company in respect of the audit and non-audit services provided are as follows:

## 核數師酬金

截至二零零八年三月三十一日止年度，就本公司核數師德勤•關黃陳方會計師行已提供之審核及非審核服務而支付之金額如下：

Type of services	服務類型	Amount 金額 (HK\$'000) (千港元)
Audit	審核	7,000
Non-audit services	非審核服務	
Taxation	稅項	55
Other services	其他服務	4,260
Total:	合計：	11,315

## Corporate Governance Report

### 企業管治報告

#### Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions (the "Model Code"). Having made specific enquiry by the Company, all Directors have confirmed the compliance with the required standard set out in the Model Code throughout the year ended 31 March 2008. The Company has also adopted a code of conduct governing securities transactions by employees who may possess or have access to price-sensitive information.

#### Directors' and Auditor's Responsibilities for the Financial Statements

The Directors are responsible for the preparation of the financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the audited financial statements for the year ended 31 March 2008, the Directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are prudent, fair and reasonable and prepared the audited financial statements on a going concern basis. The Directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group, for safeguarding the assets of the Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The responsibilities of the auditor to the shareholders are to form an independent opinion, based on the audit, on those financial statements and their opinion on the consolidated financial statements of the Group for the year ended 31 March 2008 is set out in the "Independent Auditor's Report" on pages 41 and 42 of the annual report.

#### 遵守董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則作為董事進行證券交易之操守準則(「標準守則」)。本公司在作出具體查詢後，所有董事均確認於截至二零零八年三月三十一日止整個年度內一直遵守標準守則所載之規定標準。本公司亦已採納操守準則，以監管可能擁有或取得股價敏感資料之僱員進行證券交易。

#### 董事及核數師就財務報表所承擔之責任

董事負責編製各財政期間真實及公平反映本集團財務狀況及該期間業績及現金流量之財務報表。在編製截至二零零八年三月三十一日止年度之經審核財務報表時，董事已選擇適當會計政策並持續應用該等會計政策，作出審慎、公平及合理之判斷及估計，並按持續基準編製經審核財務報表。董事亦負責存置隨時均可合理準確披露本集團財務狀況之適當會計紀錄，以保障本集團資產及採取合理措施防止及查明欺詐及其他違規行為。

核數師對股東所負之責任為根據有關財務報表作出之審核提出獨立意見，彼等對本集團截至二零零八年三月三十一日止年度之綜合財務報表之意見載於本年報第41及42頁之「獨立核數師報告」內。

## Internal Controls

The Board has overall responsibility for maintaining a sound and effective system of internal control and for reviewing its effectiveness, particularly in respect of the controls on financial, operational, compliance and risk management, to achieve the Company's business strategies and the Group's business operations. The Board has adopted an internal control policy, which has been developed with a primary objective of providing general guidance and recommendations on a basic framework of internal control and risk management. The aim of the Group's internal control policy is to provide reasonable, but not absolute, assurance against material misstatement or loss rather than to eliminate risks of failure in operational systems and achievement of the objectives of the Group.

Management has conducted regular reviews during the year on the effectiveness of the internal control system covering all material controls in financial and compliance areas, various functions for risks management as well as physical and information systems security. The Audit Committee has been reported twice during the year, in conjunction with key findings identified by the external auditors.

The Company has engaged an independent consultant to perform internal controls design assessment of certain systems and to prepare a report (the "Internal Controls Review Report") to enable the management of the Company to evaluate and, where appropriate, carry out the recommended controls procedures of the Internal Controls Review Report. The Audit Committee has reviewed the Internal Controls Review Report.

## 內部監控

董事會整體負責維持穩健及有效之內部監控制度並檢討其效能，特別是有關財務、營運、合規及風險管理之監控，致令本公司之業務策略及本集團之業務營運均取得成功。董事會已採納內部監控政策，旨在就內部監控及風險管理基本架構提供一般指引及推薦意見。本集團之內部監控政策旨在提供合理的惟並非絕對的有關並無重大錯誤陳述或損失的保證，而非消除營運系統及達致本集團目標過程中之疏忽風險。

於本年度，管理層定期檢討內部監控制度之有效性，包括重大的財務及合規監控、風險管理多項工作以及實際及資訊系統保安。於本年度內審核委員會曾獲兩度匯報外聘核數師提出之主要發現。

本公司已委聘一獨立顧問對若干系統執行內部監控設計檢討，以及編製檢討報告（「內部監控檢討報告」），以便於本公司管理層評估及在適當情況下執行內部監控檢討報告之建議監控程序。審核委員會已審閱內部監控檢討報告。

## Corporate Governance Report 企業管治報告

### Communication with Shareholders

The Company is committed to ensure on-going dialogue with shareholders and provide shareholders with information necessary to evaluate the performance of the Company. The primary communication channel includes the publication of interim and annual reports, annual general meeting and other general meetings, and the Company's website.

The Company has maintained a website at <http://www.hanny.com> which enables shareholders, investors and the general public to have an open access to the information of the Company. Financial information and all corporate communications of the Company are made available on the Company's website which is updated regularly.

### 與股東溝通

本公司致力確保與股東維持持續對話，以向股東提供必需資料以評估本公司之表現。主要交流渠道包括刊發中期及年度報告、舉行股東週年大會及其他股東大會，以及瀏覽本公司網站。

本公司亦設有網站，網址為 <http://www.hanny.com>，提供公開渠道以供股東、投資者及公眾人士取得本公司資料。本公司財務資料及所有公司通訊已上載於本公司網站，並會定期更新。



## Report of the Directors

### 董事會報告

The directors of the Company (the "Directors") are pleased to present to the shareholders their report and the audited financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 March 2008.

### Principal Activities

The Company is an investment holding company and the Group is principally engaged in trading of securities, holding of vessels for sand mining, industrial water supply business and other strategic investments including (i) a subsidiary whose shares are listed on the Australian Securities Exchange; (ii) an associated company whose shares are traded on the OTC Bulletin board in the United States of America; (iii) associated companies whose shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or the Singapore Exchange Limited and (iv) long term convertible notes issued by companies whose shares are listed on the Stock Exchange.

The activities of the principal subsidiaries and associates of the Company are set out in notes 59 and 23 respectively to the consolidated financial statements.

### Results

Details of the results of the Group for the year are set out in the consolidated income statement on page 43 to 44 of the Annual Report.

The Directors do not recommend the payment of final dividend for the year ended 31 March 2008 (2007: HK1 cent per share in cash with scrip option), after taking into account the payment of an interim dividend of HK0.5 cent per share in cash with scrip option by the Company on 20 March 2008, and the need to retain resources for further expansions and acquisitions when opportunities arise.

### Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group during the year are set out in note 18 to the consolidated financial statements.

本公司董事(「董事」)謹向各股東提呈董事會報告及本公司及其附屬公司(「本集團」)截至二零零八年三月三十一日止年度之經審核財務報表。

### 主要業務

本公司為一家投資控股公司，而本集團主要從事證券買賣、擁有採砂船隻，工業供水業務以及其他策略性投資，包括(i)一間股份在澳洲證券交易所上市的附屬公司；(ii)一間股份於美國場外交易議價板買賣的聯營公司；(iii)數間股份於香港聯合交易所有限公司(「聯交所」)或於新加坡證券交易所有限公司上市之聯營公司；及(iv)股份於聯交所上市之公司所發行之長期可兌換票據。

本公司主要附屬公司及聯營公司業務分別載於綜合財務報表附註第59及23項。

### 業績

本集團年內業績詳情載於本年報第43及44頁的綜合收益表內。

經計及本公司於二零零八年三月二十日派發中期股息每股現金0.5港仙(可選擇以股代息)，以及保留資源於有機會時作進一步擴展及收購之需要，董事不建議派發截至二零零八年三月三十一日止年度之末期股息(二零零七年：每股現金1港仙，可選擇以股代息)。

### 物業、機器及設備

有關本集團於年內物業、機器及設備之變動詳情載於綜合財務報表附註第18項。

## Report of the Directors

### 董事會報告

#### Investment Properties

Details of revaluation of the investment properties of the Group during the year are set out in note 19 to the consolidated financial statements.

#### Share Capital

Details of movements in the share capital of the Company during the year are set out in note 44 to the consolidated financial statements.

#### Directors

The Directors during the year and up to the date of this report are:

##### Executive Directors:

Dr. Chan Kwok Keung, Charles (*Chairman*)  
Dr. Yap, Allan (*Managing Director*)  
Mr. Lui Siu Tsuen, Richard (*Deputy Managing Director*)

##### Independent Non-Executive Directors:

Mr. Kwok Ka Lap, Alva  
Mr. Poon Kwok Hing, Albert  
Mr. Sin Chi Fai  
(appointed on 28 January 2008)  
Mr. Wong King Lam, Joseph  
(resigned on 31 October 2007)

In accordance with bye-laws 87(2) and 87(3) of the Company's Bye-laws, Dr. Chan Kwok Keung, Charles and Dr. Yap, Allan will retire from office by rotation at the forthcoming annual general meeting ("AGM") and will be eligible for re-election at the AGM.

In accordance with bye-law 86(2) of the Company's Bye-laws, Mr. Sin Chi Fai who was appointed during the period from the last annual general meeting to the date of this report, will retire and will be eligible for re-election at the AGM.

#### 投資物業

本集團於年內投資物業之重估詳情載於綜合財務報表附註第19項。

#### 股本

本公司本年度股本變動詳情載於綜合財務報表附註第44項。

#### 董事

於本年度及截至本報告日期，本公司之各董事為：

##### 執行董事：

陳國強博士(主席)  
Yap, Allan博士(董事總經理)  
呂兆泉先生(副董事總經理)

##### 獨立非執行董事：

郭嘉立先生  
潘國興先生  
冼志輝先生  
(於二零零八年一月二十八日獲委任)  
黃景霖先生  
(於二零零七年十月三十一日辭任)

按本公司之公司細則第87(2)及87(3)條規定，陳國強博士及Yap, Allan博士將於應屆股東週年大會(「股東週年大會」)上輪值退任，並符合資格於股東週年大會上膺選連任。

按本公司之公司細則第86(2)條規定，於上屆股東週年大會至本報告日期期間獲委任之冼志輝先生，將於股東週年大會上退任，並符合資格膺選連任。

None of the Directors eligible for re-election at the AGM has a service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

## Interests of Directors

As at 31 March 2008, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which (a) were recorded in the register required to be kept under Section 352 of the SFO, or (b) were notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

- (a) Interests in the shares of HK\$0.01 each in the Company (the "Shares")

符合資格於股東週年大會上膺選連任之董事，概無與本集團訂有不可於年內毋須支付補償（法定賠償除外）而終止之服務合約。

## 董事權益

於二零零八年三月三十一日，董事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、相關股份及債券中擁有如下的權益及淡倉，而該等權益及淡倉(a)已記錄於根據證券及期貨條例第352條規定存置之登記冊內；或(b)根據上市公司董事進行證券交易之標準守則（「標準守則」）已知會本公司及聯交所：

- (a) 於本公司每股面值0.01港元股份（「股份」）之權益

Name	Long Position/ Short Position	Nature of Interest	Number of Shares held	Approximate % of the issued share capital of the Company 佔本公司 已發行股本 概約百分比
名稱	好倉／淡倉	權益性質	持有股份數目	
Dr. Chan Kwok Keung, Charles ("Dr. Chan") 陳國強博士 （「陳博士」）	Long Position 好倉	Beneficial owner 實益擁有人	23,941,600	0.48%
	Long Position 好倉	Interest of controlled corporations (Note) 受控公司之權益 （附註）	2,501,529,452	49.90%
Dr. Yap, Allan Yap, Allan博士	Long Position 好倉	Beneficial owner 實益擁有人	39,726,384	0.79%

## Report of the Directors

### 董事會報告

- (b) Interests in equity derivatives (as defined in the SFO) of the Company
- (b) 於本公司股本衍生工具(定義見證券及期貨條例)之權益

Name	Long Position/ Short Position	Nature of Interest	Number of underlying shares	Approximate % of the issued share capital of the Company 佔本公司 已發行股本 概約百分比
名稱	好倉／淡倉	權益性質	相關股份數目	
Dr. Chan 陳博士	Long position 好倉	Beneficial owner 實益擁有人	4,241,507	0.08%
	Long position 好倉	Interest of controlled corporations (Note) 受控公司之權益 (附註)	283,521,894	5.66%

Note: Dr. Chan is deemed to be interested in 2,501,529,452 Shares and 283,521,894 underlying shares through corporations controlled by him. Out of these deemed interests, 2,501,529,452 Shares and 140,288,641 underlying shares are held by Famex Investment Limited which is a wholly owned subsidiary of Mankar Assets Limited, 143,233,253 underlying shares are held by Hollyfield Group Limited. Both Mankar Assets Limited and Hollyfield Group Limited are wholly owned subsidiaries of ITC Investment Holdings Limited, which in turn is a wholly owned subsidiary of ITC Corporation Limited. ITC Corporation Limited is deemed to be a controlled corporation of Dr. Chan.

附註：陳博士被視為透過其控制之公司於2,501,529,452股股份及283,521,894股相關股份中擁有權益。於該等被視為擁有之權益中，2,501,529,452股股份及140,288,641股相關股份由Mankar Assets Limited之全資附屬公司其威投資有限公司持有，143,233,253股相關股份由Hollyfield Group Limited持有。Mankar Assets Limited及Hollyfield Group Limited均為ITC Investment Holdings Limited之全資附屬公司，而ITC Investment Holdings Limited為德祥企業集團有限公司之全資附屬公司。德祥企業集團有限公司被視為陳博士之受控公司。

Save as disclosed above, as at 31 March 2008, none of the Directors had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) (a) as recorded in the register required to be kept under Section 352 of the SFO; or (b) as notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零零八年三月三十一日，概無董事於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有權益及淡倉，而(a)須記錄於根據證券及期貨條例第352條規定存置之登記冊內；或(b)根據標準守則須知會本公司及聯交所。

## Share Option Schemes

Details of the share option schemes of the Company are set out in note 53 to the consolidated financial statements.

## Arrangements to Purchase Shares or Debentures

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 to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## Directors' Interests in Competing Business

As at 31 March 2008, none of the Directors nor their respective associates were interested in any business apart from the Group's businesses, which competes or is likely to compete, either directly or indirectly, with the Group's businesses in accordance with Rule 8.10 of the Listing Rules.

## Directors' Interests in Contracts of Significance

Other than as disclosed under the heading "Connected Transaction" as set out below, there are no contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## 購股權計劃

本公司購股權計劃之詳情載於綜合財務報表附註第53項。

## 購買股份或債券之安排

除上文所披露者外，本公司或其任何附屬公司於年內任何時間概無訂立任何安排，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。

## 董事於競爭業務之權益

於二零零八年三月三十一日，概無董事或彼等各自之聯繫人士根據上市規則第8.10條於本集團業務以外擁有與本集團業務直接或間接競爭或可能競爭之任何業務之權益。

## 董事之重大合約權益

除下文「關連交易」一節披露外，於本年終或本年內任何時間，本公司或其任何附屬公司並無訂立任何重大合約，及本公司董事均無直接或間接持有該等重大合約之重大權益。

# Report of the Directors

## 董事會報告

### Interests of Substantial Shareholders

As at 31 March 2008, the following persons had interests or short positions in the shares or underlying shares of the Company which were recorded in the register required to be kept under Section 336 of the SFO:

### 主要股東權益

於二零零八年三月三十一日，下列人士於本公司股份或相關股份中擁有權益或淡倉，而該等權益或淡倉已記錄於根據證券及期貨條例第336條規定存置之登記冊內：

Name	Long Position/ Short Position	Nature of Interest	Number of Shares held	Number of underlying shares	Approximate % of the issued share capital of the Company 佔本公司 已發行股本 概約百分比
名稱	好倉／淡倉	權益性質	持有股份數目	相關股份數目	
Dr. Chan (Note 1) 陳博士(附註1)	Long Position 好倉	Beneficial owner 實益擁有人	23,941,600	—	0.48%
	Long Position 好倉	Beneficial owner 實益擁有人	—	4,241,507	0.08%
	Long Position 好倉	Interest of controlled corporations 受控公司之權益	2,501,529,452	—	49.90%
	Long Position 好倉	Interest of controlled corporations 受控公司之權益	—	283,521,894	5.66%
	Long Position 好倉	受控公司之權益			
Ms. Ng Yuen Lan, Macy (Note 2) 伍婉蘭女士 (附註2)	Long Position 好倉	Interest of spouse 配偶權益	23,941,600	—	0.48%
	Long Position 好倉	Interest of spouse 配偶權益	—	4,241,507	0.08%
	Long Position 好倉	Interest of spouse 配偶權益	2,501,529,452	—	49.90%
	Long Position 好倉	Interest of spouse 配偶權益	—	283,521,894	5.66%
	Long Position 好倉	配偶權益			



Name	Long Position/ Short Position	Nature of Interest	Number of Shares held	Number of underlying shares	Approximate % of the issued share capital of the Company 佔本公司 已發行股本 概約百分比
名稱	好倉／淡倉	權益性質	持有股份數目	相關股份數目	
ITC Corporation Limited (Note 3) 德祥企業集團 有限公司(附註3)	Long Position 好倉	Interest of controlled corporations 受控公司之權益	2,501,529,452	—	49.90%
	Long Position 好倉	Interest of controlled corporations 受控公司之權益	—	283,521,894	5.66%
ITC Investment Holdings Limited (Note 附註 4)	Long Position 好倉	Interest of controlled corporations 受控公司之權益	2,501,529,452	—	49.90%
	Long Position 好倉	Interest of controlled corporations 受控公司之權益	—	283,521,894	5.66%
Mankar Assets Limited (Note 附註 5)	Long Position 好倉	Interest of controlled corporation 受控公司之權益	2,501,529,452	—	49.90%
	Long Position 好倉	Interest of controlled corporation 受控公司之權益	—	140,288,641	2.80%
Famex Investment Limited 其威投資有限公司	Long position 好倉	Beneficial owner 實益擁有人	2,501,529,452	—	49.90%
	Long Position 好倉	Beneficial owner 實益擁有人	—	140,288,641	2.80%

## Report of the Directors

### 董事會報告

#### Notes:

1. Dr. Chan is deemed to be interested in 2,501,529,452 Shares and 283,521,894 underlying shares through corporations controlled by him. Out of these deemed interests, 2,501,529,452 Shares and 140,288,641 underlying shares are held by Famex Investment Limited which is a wholly owned subsidiary of Mankar Assets Limited, 143,233,253 underlying shares are held by Hollyfield Group Limited. Both Mankar Assets Limited and Hollyfield Group Limited are wholly owned subsidiaries of ITC Investment Holdings Limited, which in turn is a wholly owned subsidiary of ITC Corporation Limited. ITC Corporation Limited is deemed to be a controlled corporation of Dr. Chan.
2. Ms. Ng Yuen Lan, Macy, spouse of Dr. Chan, is deemed to be interested in Dr. Chan's shares.
3. These interests are included in the interests held by Dr. Chan.
4. These interests are included in the interests held by ITC Corporation Limited.
5. These interests are included in the interests held by ITC Investment Holdings Limited.

Save as disclosed above, as at 31 March 2008, the Company had not been notified of any other interests or short positions in the shares or underlying shares of the Company which were required to be recorded in the register kept under Section 336 of the SFO.

## Connected Transaction

The details of the connected transaction of the Company during the year and up to the date of this report are as follows:

The Company entered into a placing agreement and a supplemental agreement with the Placing Agent, Kingston Securities Limited, on 24 August 2007 and 10 September 2007 respectively pursuant to which the Placing Agent agreed to place, on a best effort basis, up to an aggregate of 501,000,000 new shares (the "Placing Shares") of the Company at the price of HK\$0.29 per Placing Share.

#### 附註：

1. 陳博士被視為透過其控制之公司於2,501,529,452股股份及283,521,894股相關股份中擁有權益。於該等被視為擁有之權益中，2,501,529,452股股份及140,288,641股相關股份由Mankar Assets Limited之全資附屬公司其威投資有限公司持有，143,233,253股相關股份由Hollyfield Group Limited持有。Mankar Assets Limited及Hollyfield Group Limited均為ITC Investment Holdings Limited之全資附屬公司，而ITC Investment Holdings Limited為德祥企業集團有限公司之全資附屬公司。德祥企業集團有限公司被視為陳博士之受控公司。
2. 伍婉蘭女士為陳博士之配偶，被視為於陳博士持有之股份中擁有權益。
3. 該等權益已包括於陳博士擁有之權益。
4. 該等權益已包括於德祥企業集團有限公司擁有之權益。
5. 該等權益已包括於ITC Investment Holdings Limited擁有之權益。

除上文所披露者外，於二零零八年三月三十一日，本公司概無獲任何人士知會於本公司股份或相關股份中擁有權益或淡倉而須記錄於根據證券及期貨條例第336條規定存置之登記冊內。

## 關連交易

本年度內及截至本報告刊發日期，本公司之關連交易詳情如下：

本公司分別於二零零七年八月二十四日及二零零七年九月十日，與配售代理金利豐證券有限公司訂立配售協議及補充協議，據此，配售代理同意按竭誠盡力基準按每股配售股份0.29港元之價格配售合共最多501,000,000股新股份（「配售股份」）。

The Company also entered into a subscription agreement and a supplemental agreement with ITC Corporation Limited (“ITC”) on 24 August 2007 and 10 September 2007 respectively pursuant to which ITC agreed to subscribe or procure its nominees to subscribe for such number of shares which shall be the same as the number of Placing Shares to be placed under the placing agreement but not more than 499,000,000 shares (the “Subscription Shares”) at the price of HK\$0.29 per Subscription Share.

ITC is the controlling shareholder of the Company and therefore a connected person of the Company under the Listing Rules. Accordingly, the issue of Subscription Shares to ITC under the subscription agreement constituted a connected transaction for the Company.

The connected transaction was approved by the independent shareholders of the Company by way of poll at the special general meeting held on 5 October 2007.

## Major Customers and Suppliers

The aggregate turnover attributable to the Group’s five largest customers during the year were less than 30% of the Group’s total turnover.

The aggregate purchases attributes to the Group’s five largest suppliers during the year were less than 30% of the Group’s total purchases.

本公司亦分別於二零零七年八月二十四日及二零零七年九月十日，與德祥企業集團有限公司（「德祥企業」）訂立認購協議及補充協議，據此，德祥企業同意按每股認購股份0.29港元認購或促使其代理人認購數目相當於根據配售協議將予配售之配售股份數目，惟不超過499,000,000股股份（「認購股份」）。

德祥企業是本公司的控股股東，因此，根據上市規則是本公司的關連人士。故此，根據認購協議發行認購股份予德祥企業構成本公司的關連交易。

本公司獨立股東於二零零七年十月五日舉行的股東特別大會上以數票方式通過關連交易。

## 主要客戶及供應商

年內，本集團五大客戶之總營業額共佔不超逾本集團總營業額30%。

年內，本集團五大供應商之總採購額共佔不超逾本集團總採購額30%。

## Report of the Directors

### 董事會報告

#### Purchase, Sale or Redemption of the Company's Listed Shares

During the year ended 31 March 2008, there were no purchases, sales or redemptions by the Company, or any of its subsidiaries, of the Company's listed shares.

#### 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 the existing shareholders.

#### Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, the Company has maintained sufficient public float as required under the Listing Rules.

#### Post Balance Sheet Events

Details of the significant post balance sheet events are set out in note 58 to the consolidated financial statements.

#### Group Financial Summary

A summary of the consolidated results and of the assets and liabilities of the Group for the last five financial years is set out on pages 202 and 203.

#### Corporate Governance

Information on Corporate Governance Practices adopted by the Company is set out in the Corporate Governance Report on pages 18 to 29.

#### 購買、出售或贖回本公司之上市股份

於截至二零零八年三月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市股份。

#### 優先購買權

本公司之公司細則或百慕達法例並無任何有關優先購買權之條款，規定本公司須按比例向現有股東提呈發售新股份。

#### 公眾持股量之充足性

根據可公開查閱之本公司資料，就董事所知，於本報告刊發日期，本公司按上市規則所規定維持充足公眾持股量。

#### 結算日後事項

有關重大結算日後事項之詳情載於綜合財務報表附註第58項。

#### 集團財務概要

本集團過去五個財政年度的綜合業績及資產及負債之概要載於第202頁及203頁。

#### 企業管治

本公司採納之企業管治常規之資料載於第18至第29頁之企業管治報告內。

## Auditor

A resolution will be proposed at the AGM to re-appoint Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Dr. Chan Kwok Keung, Charles  
*Chairman*

Hong Kong, 28 July 2008

## 核數師

董事會將於股東週年大會上提呈重聘德勤•關黃陳方會計師行為本公司核數師之決議案。

代表董事會

主席  
陳國強博士

香港，二零零八年七月二十八日

## Independent Auditor's Report

### 獨立核數師報告

# Deloitte.

# 德勤

#### TO THE MEMBERS OF HANNY HOLDINGS LIMITED

*(incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Hanny Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 43 to 201, which comprise the consolidated balance sheet as at 31 March 2008, 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 consolidated financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated 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 the consolidated 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.

#### 致錦興集團有限公司股東

*(於百慕達註冊成立之有限公司)*

吾等已審核錦興集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載於第43頁至201頁的綜合財務報表，此綜合財務報表包括於二零零八年三月三十一日之綜合資產負債表及截至該日止年度的綜合收益表、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附註解釋。

### 董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製及真實與公平地呈列該等綜合財務報表。該責任包括設計、實施及維護與編製及真實與公平地呈列綜合財務報表相關的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大失實陳述；選擇和應用適當的會計政策；及按情況作出合理會計估計。



## Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 Group as at 31 March 2008 and of the Group's profit 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.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
28 July 2008

## 核數師的責任

吾等之責任乃根據審核就該等綜合財務報表發表意見，並按照百慕達公司法例第90條規定，僅向整體股東報告。除此以外，別無其他目的。吾等概不就本報告內容，對任何其他人士負上或承擔責任。吾等已根據香港會計師公會頒佈的香港審計準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審核，以合理確定該等綜合財務報表是否無任何重大失實陳述。

審核工作包括執程序以獲取有關綜合財務報表所載數額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實與公平地呈列綜合財務報表相關的內部監控，以設計適當的審核程序，但並非為對公司的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策是否適當及所作出的會計估計的合理性，以及評價綜合財務報表的整體呈列方式。

吾等相信所獲得的審核憑證可充分及適當地為吾等之審核意見提供基礎。

## 意見

吾等認為，該等綜合財務報表已根據香港財務報告準則真實與公平地反映貴集團於二零零八年三月三十一日的財務狀況及截至該日止年度的溢利及現金流量，並已按照香港公司條例的披露規定妥善編製。

**德勤•關黃陳方會計師行**  
執業會計師  
香港  
二零零八年七月二十八日

## Consolidated Income Statement

## 綜合收益表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

			2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
Revenue	收入	7	627,588	358,573
<b>Continuing operations</b>	<b>持續經營業務</b>			
Revenue from sale of other asset	銷售其他資產收入		130,000	—
Revenue from sale of computer related products	銷售電腦相關產品收入		—	7,839
Revenue from water supply business	供水業務收入		5,862	—
Revenue from sand mining business	採砂業務收入		18,107	1,158
Cost of sales	銷售成本		(279,418)	(14,353)
Other income	其他收入	9	171,511	161,567
Distribution and selling expenses	分銷及銷售開支		(4)	(22)
Administrative expenses	行政開支		(94,821)	(92,818)
Finance costs	財務費用	10	(155,939)	(83,384)
Change in fair value of conversion options embedded in convertible notes	可兌換票據之兌換權之公平值變動	27	(38,327)	(187,131)
Change in fair value of conversion options embedded in convertible note receivable from an associate	應收一間聯營公司之可兌換票據之兌換權之公平值變動	28	11,359	(18,396)
Change in fair value of convertible notes designated at fair value through profit or loss	指定按公平值列賬並計入損益之可兌換票據之公平值變動	34	16,301	16,816
Gain on convertible notes converted into investments held for trading	可兌換票據兌換為持作買賣投資之收益	34	434,221	—
Net gain on investments held for trading	持作買賣投資之收益淨額		39,398	60,323
Change in fair value of investment properties	投資物業之公平值變動		103,253	2,642
Discount on acquisition of subsidiaries	收購附屬公司折讓	47	—	132,462
Discount on acquisition of additional interest in subsidiaries	增購附屬公司權益折讓		5,491	—
Impairment loss on goodwill	商譽之減值虧損		—	(6,621)
Reversal of impairment loss (impairment loss) on club debentures	會所債券之減值虧損撥回(減值虧損)		225	(95)
Loss on remeasurement to fair value less cost to sell in respect of disposal group held for sale	持作銷售之出售組別重新計量為公平值減銷售成本之虧損	11	(90,171)	—
Impairment loss on available-for-sale investments	可供銷售投資減值虧損	24	(72,383)	(45,751)
Loss on disposal of available-for-sale investments	出售可供銷售投資虧損		(166)	—
Gain on disposal of subsidiaries	出售附屬公司之收益	49	12,507	1,344
(Loss) gain on disposal and dilution/ disposal of interest in an associate	出售及攤薄/出售一間聯營公司權益(虧損)收益	23	(268,525)	5,097
Share of results of associates	應佔聯營公司業績		95,959	35,356
Discount on acquisition of additional interest in an associate	增購一間聯營公司權益折讓	23	148,309	—

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
Profit (loss) before income tax	除所得稅前溢利(虧損)		192,749	(23,967)
Income tax expense	所得稅開支	12	(144,763)	(32,457)
Profit (loss) for the year from continuing operations	本年度來自持續經營業務之溢利(虧損)		47,986	(56,424)
<b>Discontinued operations</b>	<b>非持續業務</b>			
Profit for the year from discontinued operations	本年度來自非持續業務之溢利	13	—	1,517,926
Profit for the year	本年度溢利	14	47,986	1,461,502
Attributable to:	應佔：			
Equity holders of the parent	母公司股權持有人		129,110	527,080
Minority interests	少數股東權益		(81,124)	934,422
			47,986	1,461,502
Distributions	分派	16	58,430	27,655
Earnings (loss) per share	每股盈利(虧損)			
From continuing and discontinued operations	來自持續經營及非持續業務	17		
— Basic	— 基本		HK2.94 cents 港仙	HK16.10 cents 港仙
— Diluted	— 攤薄		HK2.94 cents 港仙	HK12.63 cents 港仙
From continuing operations	來自持續經營業務			
— Basic	— 基本		HK2.94 cents 港仙	HK(3.39) cents 港仙
— Diluted	— 攤薄		HK2.94 cents 港仙	HK(3.39) cents 港仙

## Consolidated Balance Sheet

## 綜合資產負債表

At 31 March 2008 於二零零八年三月三十一日

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備	18	224,264	133,789
Investment properties	投資物業	19	250,000	146,000
Prepaid lease payments	預付租賃付款	20	8,120	—
Goodwill	商譽	21	26,524	—
Intangible assets	無形資產	22	102,530	—
Interests in associates	聯營公司權益	23	386,335	875,614
Available-for-sale investments	可供銷售投資	24	1,404,127	995,696
Payments for acquisition of long-term investments	收購長期投資之付款	25	—	145,000
Deposit paid for acquisition of subsidiaries	收購附屬公司所付之按金	26	—	50,000
Conversion options embedded in convertible notes	可兌換票據之兌換權	27	7,223	52,070
Convertible note receivable from an associate	應收一間聯營公司之可兌換票據	28	—	241,450
Conversion options embedded in convertible note receivable from an associate	應收一間聯營公司之可兌換票據之兌換權	28	—	44,642
Deposit for acquisition of interests in properties	收購物業權益所付之按金	29	—	58,830
Club debentures	會所債券		3,725	3,500
Deferred tax assets	遞延稅項資產	46	1,478	1,464
			<b>2,414,326</b>	<b>2,748,055</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Prepaid lease payments	預付租賃付款	20	550	—
Inventories, at cost	存貨(按成本)		623	107
Properties held for sales	持作銷售物業		211,435	—
Other asset	其他資產	30	—	229,288
Trade and other receivables and prepayments	貿易及其他應收款項及預付款項	31	67,235	389,173
Investments held for trading	持作買賣投資	32	531,668	598,748
Deposits paid for acquisition of investments held for trading	收購持作買賣投資所付之按金	33	—	73,289
Available-for-sale investments	可供銷售投資	24	29,832	—
Conversion options embedded in convertible notes	可兌換票據之兌換權	27	4,127	—
Convertible notes designated at fair value through profit or loss	指定按公平值列賬並計入損益之可兌換票據	34	98,753	122,549
Short-term loans receivable	應收短期貸款	35	104,612	308,549
Amounts due from related companies	應收關連公司款項	36	94	—
Margin loans receivable	應收孖展貸款	37	—	2,813
Loans to associates	給予聯營公司貸款	38	380,931	372,072
Tax recoverable	可退回稅項		1,836	1,438
Bank balances and cash	銀行結存及現金	39	490,489	161,626
			<b>1,922,185</b>	<b>2,259,652</b>
Assets of disposal group classified as held for sale	分類為持作銷售出售組別資產	11	857,474	—
			<b>2,779,659</b>	<b>2,259,652</b>

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables and accrual	貿易及其他應付款項及 應計費用	40	109,323	90,723
Margin loans payable	應付孖展貸款	37	—	6,377
Amounts due to related companies	應付關連公司之款項	36	167,714	162,817
Amount due to ultimate holding company	應付最終控股公司之款項	41	—	169,757
Tax payable	應付稅項		70,830	63,977
Borrowings — due within one year	借款 — 一年內到期	42	85,813	514,650
Bank overdrafts	銀行透支	43	32,754	21,006
			<b>466,434</b>	1,029,307
Liabilities of disposal group classified as held for sale	分類為持作銷售 出售組別負債	11	116,862	—
			<b>583,296</b>	1,029,307
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>2,196,363</b>	1,230,345
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>		<b>4,610,689</b>	3,978,400
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	44	50,128	2,528
Share premium and reserves	股份溢價及儲備		3,038,882	2,489,962
Equity attributable to equity holders of the Company	本公司股權持有人應佔 股本權益		3,089,010	2,492,490
Minority interests	少數股東權益		678,591	706,622
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>3,767,601</b>	3,199,112
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Borrowings — due after one year	借款 — 一年後到期	42	130,312	83,700
Convertible loan notes	可兌換貸款票據	45	627,776	659,341
Deferred tax liabilities	遞延稅項負債	46	85,000	36,247
			<b>843,088</b>	779,288
			<b>4,610,689</b>	3,978,400

The consolidated financial statements on pages 43 to 201 were approved and authorized for issue by the Board of Directors on 28 July 2008 and are signed on its behalf by:

**Dr. Chan Kwok Keung, Charles**  
陳國強博士  
CHAIRMAN  
主席

董事會已於二零零八年七月二十八日批准及授權刊發第43頁至第201頁之綜合財務報表，並由以下人士代表簽署：

**Dr. Yap, Allan**  
Yap, Allan 博士  
MANAGING DIRECTOR  
董事總經理

# Consolidated Statement of Changes in Equity

## 綜合股東權益變動表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### Attributable to equity holders of the Company

本公司股東持有人應佔

		Share capital	Share premium	Convertible loan notes reserve	Contributed surplus	Currency translation reserve	Capital redemption reserve	Investment revaluation reserves	Other reserves	Revaluation reserve	Retained profits	Total	Minority interest	Total equity
		股本	股份溢價	可兌換貸款票據儲備	實繳盈餘	兌換儲備	贖回儲備	重估儲備	其他儲備	重估儲備	保留溢利	合計	少數股東權益	股本總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2006	於二零零六年四月一日	2,372	264,185	—	1,448,202	26,600	592	(32,498)	9,932	—	149,504	1,868,889	350,434	2,219,323
Currency realignments	外幣調整	—	—	—	—	14,795	—	—	—	—	—	14,795	(1,924)	12,871
Share of reserves of associates	應佔聯營公司儲備	—	—	—	—	4,408	—	—	2,740	—	—	7,148	—	7,148
Revaluation increase on acquisition of additional interest in an associate	增購一間聯營公司權益時重估增加	—	—	—	—	—	—	—	—	27,828	—	27,828	—	27,828
Fair value change in available-for-sale investments	可供銷售投資之公平值變動	—	—	—	—	—	—	(47,231)	—	—	—	(47,231)	—	(47,231)
Net income (expense) recognized directly in equity	直接於股本權益確認之收入(支出)淨額	—	—	—	—	19,203	—	(47,231)	2,740	27,828	—	2,540	(1,924)	616
Impairment loss on available-for-sale investments	可供銷售投資之減值虧損	—	—	—	—	—	—	13,120	—	—	—	13,120	—	13,120
Realized on disposal of subsidiaries	出售附屬公司時變現	—	—	—	—	(5,443)	—	—	—	—	—	(5,443)	(19,795)	(25,238)
Realized on disposal of associates	出售聯營公司時變現	—	—	—	—	(450)	—	—	(2,069)	—	—	(2,519)	—	(2,519)
Profit for the year	本年度溢利	—	—	—	—	—	—	—	—	—	527,080	527,080	934,422	1,461,502
Total recognized income and expense for the year	本年度已確認收入及開支總額	—	—	—	—	13,310	—	(34,111)	671	27,828	527,080	534,778	912,703	1,447,481
Issue of shares for acquisition of subsidiaries (note 47(i))	收購附屬公司發行股份(附註47(i))	99	38,634	—	—	—	—	—	—	—	—	38,733	—	38,733
Issue of shares upon scrip dividend	以股代息發行股份	24	8,253	—	—	—	—	—	—	—	—	8,277	—	8,277
Issue of shares upon exercise of share options	行使購股權時發行股份	33	9,681	—	—	—	—	—	—	—	—	9,714	—	9,714
Recognition of equity components of convertible loan notes	確認可兌換貸款票據之股本權益部分	—	—	59,552	—	—	—	—	—	—	—	59,552	—	59,552
Distributions	分派	—	—	—	—	—	—	—	—	—	(27,655)	(27,655)	—	(27,655)
Arising on acquisition of subsidiaries	收購附屬公司時產生	—	—	—	—	—	—	—	—	—	—	—	331,416	331,416
Dividend paid to minority shareholders of subsidiaries	向附屬公司少數股東支付股息	—	—	—	—	—	—	—	—	—	—	—	(887,931)	(887,931)
Issue of shares upon conversion of convertible loan notes	兌換可兌換貸款票據發行股份	—	224	(22)	—	—	—	—	—	—	—	202	—	202
At 31 March 2007	於二零零七年三月三十一日	2,528	320,977	59,530	1,448,202	39,910	592	(66,609)	10,603	27,828	648,929	2,492,490	706,622	3,199,112
Currency realignment	外幣調整	—	—	—	—	41,097	—	—	—	—	—	41,097	15,389	56,486
Share of reserves of associates	應佔聯營公司儲備	—	—	—	—	11,312	—	—	—	—	—	11,312	—	11,312
Fair value change in available-for-sale investments	可供銷售投資之公平值變動	—	—	—	—	—	—	(9,688)	—	—	—	(9,688)	—	(9,688)
Net income (expense) recognized directly in equity	直接於股本權益確認之收入(支出)淨額	—	—	—	—	52,409	—	(9,688)	—	—	—	42,721	15,389	58,110
Realized on disposal of available-for-sale investment	出售可供銷售投資時變現	—	—	—	—	—	—	(166)	—	—	—	(166)	—	(166)
Profit (loss) for the year	本年度溢利(虧損)	—	—	—	—	—	—	—	—	—	129,110	129,110	(81,124)	47,986
Total recognized income and expense for the year	本年度已確認收入及開支總額	—	—	—	—	52,409	—	(9,854)	—	—	129,110	171,665	(65,735)	105,930
Issue of bonus shares by capitalization of share premium account	股份溢價賬資本化發行紅股	36,749	(36,749)	—	—	—	—	—	—	—	—	—	—	—
Issue of shares upon scrip dividend	以股代息發行股份	71	1,892	—	—	—	—	—	—	—	—	1,963	—	1,963
Placement of shares	配售股份	5,445	287,745	—	—	—	—	—	—	—	—	293,190	—	293,190
Issue of shares	發行股份	4,990	139,720	—	—	—	—	—	—	—	—	144,710	—	144,710
Transaction cost related to issue and placement of shares	與發行及配售股份相關之交易成本	—	(10,566)	—	—	—	—	—	—	—	—	(10,566)	—	(10,566)
Distributions	分派	—	—	—	—	—	—	—	—	—	(58,430)	(58,430)	—	(58,430)
Acquisition of additional interests in subsidiaries from minority interests	從少數股東權益增購附屬公司權益	—	—	—	—	—	—	—	—	—	—	—	(11,560)	(11,560)
Arising on acquisition of subsidiaries	收購附屬公司時產生	—	—	—	—	—	—	—	—	—	—	—	49,264	49,264
Issue of share upon conversion of convertible loan notes	兌換可兌換貸款票據發行股份	345	58,588	(4,945)	—	—	—	—	—	—	—	53,988	—	53,988
At 31 March 2008	於二零零八年三月三十一日	50,128	761,607	54,585	1,448,202	92,319	592	(76,463)	10,603	27,828	719,609	3,089,010	678,591	3,767,601



*Notes:*

- (a) The contributed surplus of the Company at the respective balance sheet date represented:
- (i) the credit arising from the transfer of the share premium account of the Company as at 20 February 1998 and 19 February 2003 to the contributed surplus account of the Company;
  - (ii) the credit arising from the reduction of the nominal value of the shares of the Company in 1999 and 2003; and
  - (iii) a balance as reduced by amounts transferred to the deficit account to eliminate the deficit of the Group as at 31 January 2000, 31 January 2001, 20 March 2003 and 31 March 2005.

*附註：*

- (a) 本公司於各結算日之實繳盈餘指：
- (i) 本公司於一九九八年二月二十日及二零零三年二月十九日將股份溢價賬轉撥往本公司之實繳盈餘賬所產生之進賬；
  - (ii) 於一九九九年及二零零三年削減本公司股份面值所產生之進賬；及
  - (iii) 扣除轉撥往虧絀賬以抵銷本集團分別於二零零零年一月三十一日、二零零一年一月三十一日、二零零三年三月二十日及二零零五年三月三十一日之虧絀後結餘。

## Consolidated Cash Flow Statement

## 綜合現金流量表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務			
Profit for the year	年度溢利		47,986	1,461,502
Income tax expense from continuing operations	持續經營業務 所得稅開支	12	144,763	32,457
Income tax credit from discontinued operations	非持續業務所得稅 抵免	12	—	(26,235)
			192,749	1,467,724
Adjustments for:	調整：			
Gain on disposal of subsidiaries included in profit for the year from discontinued operations	計入非持續業務之 年度溢利內之出售 附屬公司收益	13	—	(1,526,346)
Interest income	利息收入		(153,720)	(116,202)
Finance costs	財務費用		155,939	84,051
Change in fair value of conversion options embedded in convertible notes	可兌換票據之 兌換權之公平值 變動		38,327	187,131
Change in fair value of conversion options embedded in convertible note receivable from an associate	應收一間聯營公司之 可兌換票據 之兌換權之公平值 變動		(11,359)	18,396
Change in fair value of convertible notes designated at fair value through profit or loss	指定按公平值列賬並計入 損益之可兌換票據 之公平值變動		(16,301)	(16,816)
Gain on convertible notes converted into investment held for trading	可兌換票據兌換為持作 買賣投資之收益		(434,221)	—
Net gain on investments held for trading	持作買賣投資收益淨額		(39,398)	(60,323)
Change in fair value of investment properties	投資物業之公平值 變動		(103,253)	(2,642)
Discount on acquisition of subsidiaries	收購附屬公司之折讓		—	(132,462)
Discount on acquisition of additional interests in subsidiaries	增購附屬公司權益折讓		(5,491)	—
Discount on acquisition of additional interests in associates	增購一間聯營公司 權益折讓		(148,309)	—
Loss on remeasurement to fair value less cost to sell in respect of disposal group held for sale	持作銷售之出售組別 重新計量為公平值減 銷售成本之虧損		90,171	—
Impairment loss on goodwill	商譽之減值虧損		—	6,621
(Reversal of impairment loss) impairment loss on club debentures	會所債券(減值虧損 撥回)/減值虧損		(225)	95
Impairment loss on available-for-sale investments	可供銷售投資 減值虧損		72,383	45,751

	NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Loss on disposal of available-for-sale investments	出售可供銷售投資虧損	166	—
Gain on disposal of subsidiaries	出售附屬公司之收益	(12,507)	(1,344)
Loss (gain) on disposal and dilution/ disposal of interest in an associate	出售及攤薄／出售一間聯營 公司權益(虧損)／收益	268,525	(5,097)
Share of results of associates	應佔聯營公司業績	(95,959)	(35,356)
Write-off of loans to associates	撇銷給予聯營公司之貸款	—	1,331
Allowance for other receivables	其他應收款項準備	7,009	11,877
Allowance for margin loans receivable	應收孖展貸款準備	1,435	—
Amortization of intangible assets	無形資產攤銷	2,600	—
Depreciation of property, plant and equipment	物業、機器及 設備折舊	35,467	13,644
Release of prepaid lease payment	預付租賃付款撥回	392	—
Reversal of allowance for trade receivables	貿易應收款項回撥準備	(88)	—
Reversal of allowance for loans receivables	應收貸款回撥準備	(4,472)	(5,725)
Gain on disposal of property, plant and equipment	出售物業、機器及 設備之收益	(27)	(13,472)
Operating cash flows before movements in working capital	未計營運資金變動之 經營現金流量	(160,167)	(79,164)
(Increase) decrease in inventories	存貨(增加)減少	(358)	24,576
(Increase) decrease in trade and other receivables and prepayments	貿易及其他應收款項及 預付款項(增加)減少	(115,382)	62,333
Decrease (increase) in investments held for trading	持作買賣投資減少 (增加)	733,774	(116,428)
Increase in deposits paid for acquisition of investments held for trading	收購持作買賣投資 支付按金增加	—	(73,289)
Decrease in other assets	其他資產減少	229,288	—
Increase in properties held for sale	持作銷售物業增加	(142,000)	—
Increase in convertible notes designated at fair value through profit or loss	指定按公平值列賬 並計入損益之 可兌換票據增加	—	(100,000)
Decrease in margin loan receivables	應收孖展貸款減少	1,378	15,867
Increase (decrease) in trade and other payables and accruals	貿易及其他應付款項及 應計費用增加(減少)	405,628	(283,214)
(Decrease) increase in margin loan payables	應付孖展貸款(減少) 增加	(6,377)	6,224
Decrease in bills payable	應付票據減少	—	(422)
Cash from (used in) operations	經營業務產生／ (動用)之現金	945,784	(543,517)
Hong Kong Profits Tax paid	支付香港利得稅	(1,038)	(852)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營業務產生／ (動用)之現金淨額	944,746	(544,369)

## Consolidated Cash Flow Statement

## 綜合現金流量表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
INVESTING ACTIVITIES	投資業務			
Repayment of short-term loan receivables	償還短期應收貸款		603,581	499,512
Decrease in pledged bank deposits	已抵押銀行存款減少		—	19,966
Interest received	收訖利息		76,944	55,680
Disposal of subsidiaries (net of cash and cash equivalent disposed of)	出售附屬公司(扣除出售之現金及現金等額)	49	16,283	1,993,810
Repayment of consideration receivable for disposal of subsidiaries in previous years	償還過往年度出售附屬公司之應收代價		295,618	—
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項		457	36,224
Advance of short-term loan receivables	應收短期貸款墊款		(432,580)	(443,487)
Acquisition of additional interests in associates	增購聯營公司權益		(210,720)	—
Purchase of property, plant and equipment	購買物業、機器及設備		(590)	(3,435)
Additions to investment properties	添置投資物業		(747)	(10,358)
Acquisition of available-for-sale investments	收購可供銷售投資		(630,901)	(88,361)
Proceeds from disposal of available for sale investments	出售可供銷售投資所得款項		22,530	—
Proceeds from disposal and dilution/disposal of interests in an associate	出售及攤薄/出售一間聯營公司權益所得款項		287,529	26,194
Refunds for deposits paid for acquisition of long-term investments	退還收購長期投資已付按金		85,000	155,175
Refund of deposit paid for acquisition of subsidiaries	退還收購附屬公司已付按金		50,000	—
Deposits paid for acquisition of long-term investments	收購長期投資繳訖按金		—	(110,000)
Deposits paid for acquisitions of subsidiaries	收購附屬公司繳訖按金		—	(50,000)
Advance to associates	向聯營公司墊款		(433,319)	(485,031)
Repayment from associates	聯營公司償還		373,708	279,651
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	收購附屬公司(扣除收購之現金及現金等額)	47	(102,743)	68,224
Acquisition of assets through acquisition of a subsidiary (net of cash and cash equivalents acquired)	透過收購一間附屬公司收購資產(扣除收購之現金及現金等額)	48	420	—
Purchase of convertible notes	購入可兌換票據		(258,275)	(289,000)
Advance to related companies	向關連公司墊款		(94)	—
Acquisition of additional interests in subsidiaries	增購附屬公司權益		(6,069)	—
NET CASH (USED IN) FROM INVESTING ACTIVITIES	投資業務(動用)產生之現金淨額		(263,968)	1,654,764

	NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>FINANCING ACTIVITIES</b>			
Borrowings raised	融資業務 新增借款	388,000	865,065
Proceeds from issue and placement of shares	發行及配售股份所得款項	437,900	9,714
Expenses incurred on issue and placement of shares	發行及配售股份產生之開支	(10,566)	—
Repayments to related companies	償還關連公司款項	(164,860)	(228,555)
Advance from ultimate holding company	最終控股公司墊款	—	757
Dividends paid to minority shareholders	已付少數股東股息	—	(887,931)
Repayments of borrowings	償還借款	(810,225)	(656,221)
Repayments of obligations under finance leases	償還融資租約承擔	—	(130)
Dividends paid	已付股息	(56,467)	(19,378)
Interest paid	已付利息	(158,607)	(52,105)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>融資業務動用之現金淨額</b>	<b>(374,825)</b>	<b>(968,784)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等額增加淨額</b>	<b>305,953</b>	<b>141,611</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>年初之現金及現金等額</b>	<b>140,620</b>	<b>(657)</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>匯率變動之影響</b>	<b>11,477</b>	<b>(334)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>年終之現金及現金等額</b>	<b>458,050</b>	<b>140,620</b>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Bank balances and cash	現金及現金等額結存分析 銀行結存及現金	490,489	161,626
Bank overdrafts	銀行透支	(32,754)	(21,006)
Bank balances and cash classified as assets held for sale	分類為持作銷售資產之銀行結存及現金	315	—
		<b>458,050</b>	<b>140,620</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 1. General

The Company was incorporated in Bermuda on 3 September 1991 as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended) and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the address of the principal place of business of the Company is Unit 3101, 31st Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

The consolidated financial statements for the year ended 31 March 2007 were restated as a result of change in presentation of sale proceeds and related cost of sales for sales of investments held for trading to reflect the nature of sales of financial assets in a more appropriate manner, details for these are set out in note 60.

### 1. 一般事項

本公司於一九九一年九月三日在百慕達根據百慕達一九八一年公司法（經修訂）以豁免有限公司形式註冊成立，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處之地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda，而本公司主要營業地點之地址為香港中環夏慤道12號美國銀行中心31樓3101室。

綜合財務報表以港元呈列，而港元亦為本公司之功能貨幣。

由於出售持作買賣投資之出售所得款項及相關出售成本之呈列變動，故此截至二零零七年三月三十一日止年度綜合財務報表已重列，已以較適當方式反映財務資產之出售性質，有關詳情載於附註60。

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current year, the Group has applied, for the first time, the following new standard, amendment and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), which are effective for the Group’s financial year beginning on 1 April 2007.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) – Int 8	Scope of HKFRS 2
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment
HK(IFRIC) – Int 11	HKFRS 2 — Group and Treasury Share Transactions

Except for the changes in disclosures as set out below, the adoption of the new HKFRSs had no material effect on how the Group’s results and financial position for the current or prior years have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirement of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

## 2. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）

於本年度，本集團首次應用下列由香港會計師公會頒佈並於二零零七年四月一日開始之本集團財政年度生效之新準則、修訂及詮釋（「新香港財務報告準則」）。

香港會計準則第1號	資本披露
(修訂本)	
香港財務報告準則第7號	財務工具：披露
香港（國際財務報告詮釋委員會）— 詮釋第8號	香港財務報告準則第2號之範疇
香港（國際財務報告詮釋委員會）— 詮釋第9號	重新評估附帶衍生工具
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
香港（國際財務報告詮釋委員會）— 詮釋第11號	香港財務報告準則第2號—集團及庫存股份交易

除下文所載披露變動外，採納新香港財務報告準則對於本集團本年度或過往年度之業績及財政狀況之編製及呈列方式並無重大影響，故毋須作出前期調整。

本集團已追溯應用香港會計準則第1號（修訂本）及香港財務報告準則第7號之披露規定。過往年度根據香港會計準則第32號之規定呈列之若干資料已經刪除，本年度首次根據香港會計準則第1號（修訂本）及香港財務報告準則第7號之規定，呈列相關之比較資料。



## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statement <sup>1</sup>
HKAS 23 (Revised)	Borrowing Costs <sup>1</sup>
HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>2</sup>
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation <sup>1</sup>
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations <sup>1</sup>
HKFRS 3 (Revised)	Business Combinations <sup>2</sup>
HKFRS 8	Operating Segments <sup>1</sup>
HK(IFRIC) – Int 12	Service Concession Arrangements <sup>3</sup>
HK(IFRIC) – Int 13	Customer Loyalty Programmes <sup>4</sup>
HK(IFRIC) – Int 14	HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2009

<sup>2</sup> Effective for annual periods beginning on or after 1 July 2009

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2008

<sup>4</sup> Effective for annual periods beginning on or after 1 July 2008

## 2. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）（續）

本集團並無提前應用下列已頒佈但尚未生效之新訂及經修訂準則、修訂或詮釋。

香港會計準則第1號 (修訂本)	財務報表之呈列 <sup>1</sup>
香港會計準則第23號 (修訂本)	借貸成本 <sup>1</sup>
香港會計準則第27號 (修訂本)	綜合及個別 財務報表 <sup>2</sup>
香港會計準則第32號 及1號(修訂本)	可沽售財務工具及 清盤產生之 責任 <sup>1</sup>
香港財務報告準則 第2號(修訂本)	歸屬條件及註銷 <sup>1</sup>
香港財務報告準則 第3號(修訂本)	業務合併 <sup>2</sup>
香港財務報告準則 第8號	經營分部 <sup>1</sup>
香港(國際財務報告 詮釋委員會) — 詮釋第12號	服務經營權安排 <sup>3</sup>
香港(國際財務報告 詮釋委員會) — 詮釋第13號	客戶忠誠計劃 <sup>4</sup>
香港(國際財務報告 詮釋委員會) — 詮釋第14號	香港會計準則 第19號— 界定 利益資產之 限額、最低資金 規定及相互間之 關係 <sup>3</sup>

<sup>1</sup> 由二零零九年一月一日或以後開始之年度期間生效

<sup>2</sup> 由二零零九年七月一日或以後開始之年度期間生效

<sup>3</sup> 由二零零八年一月一日或以後開始之年度期間生效

<sup>4</sup> 由二零零八年七月一日或以後開始之年度期間生效

## 2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs") (Continued)

The adoption of HKFRS 3 (Revised) "Business Combinations" may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) "Consolidated and Separate Financial Statements" will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

The directors of the Company anticipate that the application of the other standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

## 3. Significant Accounting Policies

The consolidated financial statements have been prepared under the historical cost basis except for the investment properties and certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

## 2. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）（續）

採納香港財務報告準則第3號（修訂本）「業務合併」可能影響收購日期在二零零九年七月一日或以後開始之首個年度申報期間開始之時或之後之業務合併之會計處理。香港會計準則第27號（修訂本）「綜合及個別財務報表」將會影響母公司於一間附屬公司之擁有權權益之變動（惟不導致失去控制權）之會計處理，有關交易會作為股權交易進行會計處理。

本公司董事預期應用該等其他準則、修訂或詮釋將對本集團之業績及財政狀況並無重大影響。

## 3. 重大會計政策

綜合財務報表乃按歷史成本法編製，惟投資物業及若干財務工具則以下文所載會計政策所闡述按公平值計量。

綜合財務報表遵從香港會計師公會頒佈之香港財務報告準則編製。此外，為符合香港聯合交易所有限公司證券上市規則及香港公司條例之規定，綜合財務報表包括了適用之披露事項。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

### 3. 重大會計政策 (續)

#### 綜合基準

綜合財務報表包括本公司及受其控制公司(即附屬公司)之財務報表。當本公司有權管治一間公司的財務及經營策略以自其業務獲利時，本公司即取得控制權。

於本年度所收購或出售附屬公司之業績乃自收購生效日期起或截至出售生效日期止(視情況而定)於綜合收益表入賬。

如有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策符合本集團其他成員公司的政策。

集團間所有交易、結存、收入及開支均於綜合賬目時對銷。

綜合附屬公司資產淨值內之少數股東權益與本集團所持的股本權益分開呈列。資產淨值內之少數股東權益包括在原業務合併日期之有關權益數額，以及自合併日期起計少數股東應佔之股權變動。少數股東應佔虧損超出少數股東所持附屬公司權益之差額將由本集團承擔，惟少數股東具約束力責任及可以額外投資補足虧損者除外。

### 3. Significant Accounting Policies (Continued)

#### Business combination

The acquisition of businesses is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 *Business Combinations* are recognized at their fair values at the acquisition date.

When a business combination involves more than one exchange transaction, each exchange transaction shall be treated separately by the acquirer, using the cost of the transaction and fair value information at the date of each exchange transaction to determine the amount of any goodwill associated with that transaction. Any adjustment to those fair values relating to previously held interests of the Group is credited to the revaluation reserve.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognized immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

### 3. 重大會計政策 (續)

#### 業務合併

收購業務以收購法入賬。收購成本根據本集團就換取被收購方控制權所給予資產、所產生或承擔負債及發行之股本工具的公平值總額，加上業務合併任何直接應佔成本計算。符合香港財務報告準則第3號業務合併確認條件的被收購方可識別資產、負債及或然負債按收購日期的公平值確認。

當業務合併涉及超過一項匯兌交易，收購方須個別處理各匯兌交易，使用交易成本及於匯兌交易日的公平值資料釐定有關交易任何商譽數額。任何有關本集團之前持有權益之公平值的調整計入重估儲備。

收購所產生商譽確認為資產，首先按成本計算，即業務合併成本超過本集團所佔已確認可識別資產、負債及或然負債公平淨值之權益的差額。倘於重新評估後，本集團所佔被收購方可識別資產、負債及或然負債公平淨值的權益超出業務合併成本，則有關差額即時在收益表中確認。

少數股東所佔被收購方的權益首先按彼等所佔已確認資產、負債及或然負債公平淨值的比例計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Goodwill

##### *Goodwill arising on acquisition prior to 1 January 2005*

Goodwill arising on an acquisition of net assets and operations of another entity for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant acquiree at the date of acquisition.

For previously capitalized goodwill arising on acquisitions of net assets and operations of another entity after 1 April 2001 but before 1 January 2005, the Group has discontinued amortization from 1 April 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is indication that the cash-generating unit to which the goodwill relates may be impaired (see the accounting policy below).

##### *Goodwill arising on acquisition on or after 1 January 2005*

Goodwill arising on an acquisition of a business for which the agreement date is on or after 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant business at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalized goodwill arising on an acquisition of a business is presented separately in the consolidated balance sheet.

### 3. 重大會計政策 (續)

#### 商譽

##### *於二零零五年一月一日前收購時產生之商譽*

協議日期在二零零五年一月一日前之收購另一公司之淨資產及業務產生之商譽指收購成本超逾本集團於收購有關被收購方當日應佔可識別資產及負債公平值之權益之差額。

至於二零零一年四月一日後但於二零零五年一月一日前於收購另一公司之淨資產及業務時所產生已撥充資本的商譽，本集團自二零零五年四月一日起終止攤銷，而有關商譽會每年及於有跡象顯示與商譽有關之現金產生單位可能減值時進行減值測試(見下文會計政策)。

##### *於二零零五年一月一日或之後收購時產生之商譽*

於二零零五年一月一日或之後收購業務時產生之商譽指收購成本超逾本集團於收購當日應佔可識別資產、負債及或然負債公平值之權益之差額。有關商譽按成本減任何累計減值虧損列賬。

已撥充資本之收購業務產生之商譽在綜合資產負債表內分開呈列。

### 3. Significant Accounting Policies (Continued)

#### Goodwill (Continued)

#### Goodwill arising on acquisition on or after 1 January 2005 (Continued)

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalized is included in the determination of the amount of profit or loss on disposal.

### 3. 重大會計政策 (續)

#### 商譽 (續)

#### 於二零零五年一月一日或之後收購時產生之商譽 (續)

為進行減值測試，本集團將商譽分配至預期可從收購產生之協同效益中獲益之各相關現金產生單位或單位組別。獲分配商譽之現金產生單位每年或當有跡象顯示有關單位可能減值時均會作減值測試。倘於某一財政年度進行收購而產生商譽，則會於該財政年度結束前對獲分攤商譽之現金產生單位進行減值測試。倘現金產生單位之可收回金額低於該單位之賬面值，則首先會分攤減值虧損以減低該單位所獲分攤之商譽之賬面值，其後再根據該單位內每項資產之賬面值按比例分攤至該單位內其他資產。任何商譽減值虧損直接在綜合收益表確認。商譽減值虧損不會於往後期間撥回。

其後出售相關現金產生單位時，計算出售損益金額時會計入已撥充資本的應佔商譽金額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Acquisition of additional interests in subsidiaries

Any excess of the consideration paid over the carrying amount of net assets attributable to the interests in subsidiaries acquired are accounted for as goodwill. Any excess of the carrying amount of net assets attributable to the additional interests in subsidiaries acquired over the consideration, after reassessment, is recognized immediately in profit or loss.

#### Investments in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale (in which case it is accounted for under HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*). Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. An additional share of losses is provided for and a liability is recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

### 3. 重大會計政策 (續)

#### 增購附屬公司權益

已支付代價超逾已收購附屬公司權益應佔資產淨值賬面值之差額列為商譽。已收購附屬公司額外權益應佔資產淨值賬面值超逾有關代價之差額，在重新評估後即時於損益確認。

#### 於聯營公司之投資

聯營公司為投資者對其有重大影響力之公司，但並非附屬公司或合營企業。

聯營公司之業績與資產及負債按會計權益法計入綜合財務報表，惟當投資分類為持作銷售時則除外（此情況則根據香港財務報告準則第5號持作銷售之非流動資產及非持續業務入賬）。根據權益法，於聯營公司之投資按成本（會按收購後本集團應佔聯營公司資產淨值變動調整）減任何已識別減值虧損於綜合資產負債表列賬。當本集團應佔聯營公司虧損等於或超過所持該聯營公司權益（包括任何實質上屬於本集團於聯營公司投資淨額一部分的長期權益），則本集團會終止確認額外應佔虧損。僅倘本集團已承擔法定或推定責任或代表該聯營公司作出付款，則會就額外應佔虧損作出撥備，並確認負債。



### 3. Significant Accounting Policies (Continued)

#### Investments in associates (Continued)

##### *Goodwill arising on acquisition prior to 1 January 2005*

Any excess of the cost of acquisition over the Group's share of the carrying amount of the identifiable assets and liabilities of the associate recognized at the date of acquisition is recognized as goodwill. From 1 January 2005 onwards, the Group has discontinued amortization of goodwill and such goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

##### *Goodwill arising on acquisitions on or after 1 January 2005*

Any excess of the cost of acquisition over the Group's share of the carrying amount of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

Any excess of the Group's share of the carrying amount of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

### 3. 重大會計政策 (續)

#### 於聯營公司之投資 (續)

##### *於二零零五年一月一日前進行收購產生之商譽*

收購成本超逾本集團應佔聯營公司於收購當日之已確認可識別資產及負債之賬面值之差額，會確認為商譽。自二零零五年一月一日起，本集團已終止攤銷商譽。有關商譽計入投資的賬面值，並作為投資的一部分進行減值評估。

##### *於二零零五年一月一日或之後進行收購產生之商譽*

收購成本超逾本集團應佔聯營公司於收購當日已確認之可識別資產、負債及或然負債賬面值之差額，會確認為商譽。該等商譽計入投資的賬面值，並作為投資的一部分進行減值評估。

本集團應佔可識別資產、負債及或然負債賬面值超逾收購成本之差額，在重新評估後即時於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Investments in associates (Continued)

#### Goodwill arising on acquisitions on or after 1 January 2005 (Continued)

A discount on acquisition arising on an acquisition of additional interest in an associate represents the excess of the Group's share of the carrying amount of the net assets attributable to the additional interest in the associate over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

#### Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of the assets' (disposal groups') previous carrying amount and fair value less costs to sell.

The Group discontinues the use of equity method of accounting from the date that its interests in associates is classified as held for sale in accordance with HKFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations*, which are measured at the lower of the interest in associates' previous carrying amount and the fair value less costs to sell.

### 3. 重大會計政策 (續)

#### 於聯營公司之投資 (續)

#### 於二零零五年一月一日或之後進行收購產生之商譽 (續)

增購一間聯營公司權益產生之收購折讓，指本集團應佔增購聯營公司權益應佔之淨資產之賬面值超逾收購成本之差額，在重新評估後即時於損益確認。

倘集團公司與本集團聯營公司進行交易，則有關損益會按本集團所持相關聯營公司權益抵銷。

#### 持作出售之非流動資產

倘非流動資產及出售組別之賬面值可通過銷售交易（而非通過持續使用）收回，則其將劃分為持作銷售項目。僅於出售機會相當高及資產（或出售組別）可於現況下即時出售時，本條件方視為達成。

劃分為持作銷售項目之非流動資產（及出售組別）按資產（出售組別）過往賬面值與公平值減銷售成本兩者間之較低者計量。

本集團由其於聯營公司之權益根據香港財務報告準則第5號持作銷售非流動資產及非持續業務分類為持作銷售之日起，已不再持續使用權益會計法，有關方法乃以於聯營公司之權益之過往賬面值與公平值減銷售成本兩者間之較低者計量。

### 3. Significant Accounting Policies (Continued)

#### Revenue recognition (Continued)

Revenue is measured at the fair value of the consideration received and receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue from sales of goods is recognized when goods are delivered and title has passed.

Management service income is recognized when services are provided.

Revenue from sales of other assets are recognized upon the execution of a binding sale agreement.

Rental income, including rentals invoiced in advance from properties let under operating leases, is recognized on a straight-line basis over the term of the relevant leases.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

### 3. 重大會計政策 (續)

#### 收入確認

收入按已收及應收代價之公平值計量，即於日常業務過程中所出售商品及提供服務之應收金額，並扣除折扣及銷售相關稅項。

出售貨品之收入於貨品付運及所有權轉移後確認。

管理服務之收入於提供服務時確認。

出售其他資產之收入於簽訂具約束力的銷售協議時確認。

租金收入(包括根據經營租約出租物業而須先發出發票之租金)於相關租約的租期內以直線法確認。

財務資產之利息收入按時間基準以尚未償還之本金額及適用之實際利率計算，有關利率為於財務資產之可用年期內用以準確地貼現估計未來現金收款至該資產之賬面淨值之利率。

來自投資之股息收入於股東有權收取款項時確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Property, plant and equipment

Property, plant and equipment including leasehold buildings held for use in the production or supply of goods or services, or for administrative purposes are stated at cost or fair value less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognized.

#### Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

### 3. 重大會計政策 (續)

#### 物業、機器及設備

物業、機器及設備，包括持作供生產或供應貨品或服務使用或作行政用途之租賃樓宇，按成本或公平值減其後累計折舊及累計減值虧損入賬。

物業、機器及設備項目之折舊撥備乃根據其估計可用年期，按直線法撇銷其成本並經計及估計剩餘價值計算。

物業、機器及設備項目於出售或預期繼續使用該等資產不會產生未來經濟利益時終止確認。終止確認資產時所產生之任何收益或虧損（按出售所得款項淨額與項目賬面值之差額計算）於項目終止確認之年度計入綜合收益表。

#### 投資物業

投資物業乃持作賺取租金及／或資本增值之物業。

於首次確認時，投資物業按成本計算，當中包括任何直接應佔開支。於首次確認後，投資物業使用公平值模式按公平值計算。投資物業公平值之變動所產生的收益或虧損將計入產生期間之損益內。

### 3. Significant Accounting Policies (Continued)

#### Investment properties (Continued)

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement in the year in which the item is derecognized.

#### Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### The Group as lessor

Rental income from operating leases is recognized in the consolidated income statement on a straight-line basis over the term of the relevant lease.

#### The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognized as a reduction of rental expense over the lease term on a straight-line basis.

### 3. 重大會計政策 (續)

#### 投資物業 (續)

投資物業於出售、永久停用或預期出售不會帶來未來經濟利益時終止確認。終止確認資產所產生任何收益或虧損乃按出售所得款項淨額與資產賬面值之間的差額計算，於該項目終止確認的年內計入綜合收益表。

#### 租賃

凡根據租約條款，擁有權之絕大部分風險與回報轉歸承租人所有之租約，均列作融資租約。所有其他租約皆列作經營租約。

#### 本集團為出租人

經營租約的租金收入於有關租期內按直線法在綜合收益表確認。

#### 本集團為承租人

經營租約之應付租金以直線法按有關租期計入損益。作為訂立經營租約之已收及應收利益以直線法按有關租期確認為租金費用之減少。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Leasing (Continued)

##### Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases except for those that are classified and accounted for as investment properties under the fair value model.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

### 3. 重大會計政策 (續)

#### 租賃 (續)

##### 租賃土地及樓宇

就租賃分類而言，土地及樓宇租約之土地及樓宇部分乃分開考慮，除非租賃付款不能可靠地在土地及樓宇部分之間分配，在該情況下，整項租約一般被視作融資租約，並作為物業、機器及設備處理。倘若租賃付款能可靠地分配，土地租賃權益乃作為經營租約處理，惟根據公平值模式作為投資物業分類及處理者除外。

#### 外幣

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外之貨幣（外幣）進行之交易乃按於交易日期之匯率換算為其功能貨幣（即該實體經營所在之主要經濟環境之貨幣）。於各結算日，以外幣定值之貨幣項目乃按結算日之匯率重新換算。按公平值入賬及以外幣定值之非貨幣項目乃按公平值釐定當日之匯率重新換算。按外幣過往成本計量之非貨幣項目毋須重新換算。

### 3. Significant Accounting Policies (Continued)

#### Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognized in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognized directly in equity, in which cases, the exchange differences are also recognized directly in equity.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognized as a separate component of equity (the currency translation reserve). Such exchange differences are recognized in profit or loss in the period in which the foreign operation is disposed of.

#### Borrowing costs

All borrowing costs are recognized as and included in finance costs in the consolidated income statement in the period in which they are incurred.

#### Retirement benefit costs

Payments to state-managed retirement benefit schemes and Mandatory Provident Fund Scheme are charged as expense when employees have rendered service entitling them to the contributions.

### 3. 重大會計政策 (續)

#### 外幣 (續)

於結算及換算貨幣項目時產生之匯兌差額於其產生之期間於損益確認。重新換算非貨幣項目所產生之匯兌差額按公平值計入期間之損益，惟重新換算有關盈虧直接在股本權益確認之非貨幣項目所產生之匯兌差額除外，在該情況下匯兌差額直接在股本權益確認。

就綜合財務報表之呈列而言，本集團國外業務之資產與負債乃按結算日之匯率換算為本公司之列賬貨幣（即港元），而其收入及支出乃按該年度之平均匯率換算，惟倘匯率於該年度內大幅波動則除外，在該情況下採用交易日之匯率換算。所產生之匯兌差額（如有）乃確認為股本權益之獨立部分（匯兌儲備）。該等匯兌差額乃於國外業務售出之期內於損益確認。

#### 借貸成本

所有借貸成本於所產生期間確認並計入綜合收益表之財務費用。

#### 退休福利成本

國家管理之退休福利計劃及強積金計劃之付款於僱員提供服務而合資格享有供款時列作開支扣除。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

### 3. 重大會計政策 (續)

#### 稅項

所得稅支出指即期應付稅項及遞延稅項之總和。

即期應付稅項按年內應課稅溢利計算。應課稅溢利與綜合收益表中所報之純利不同是由於前者不包括在其他年度應課稅或可扣減之收入或開支，並且不包括毋須課稅或不可扣稅之項目。本集團即期稅項負債乃按照結算日已頒佈或實質上已頒佈之稅率計算。

遞延稅項為就綜合財務報表中資產及負債賬面值與計算應課稅溢利相應稅基之差額以資產負債表負債法入賬。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時確認。若於一項交易中，因商譽或首次確認其他資產及負債（業務合併除外）而引致之臨時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃按因於附屬公司及聯營公司投資而引致之應課稅臨時差額而確認，惟本集團可控制臨時差額撥回及臨時差額有可能未必於可見將來撥回之情況除外。

遞延稅項資產之賬面值於每個結算日檢討，並在不再可能有足夠應課稅溢利恢復全部或部分資產價值時調減。

### 3. Significant Accounting Policies (Continued)

#### Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. Deferred tax is charged or credited in the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

#### Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is calculated using the weighted average method.

#### Other asset

Other asset represents cost of acquisition of the exclusive development right to a land development project in The People's Republic of China (the "PRC") and also the right to obtain the land for the development. The amount are stated at the lower of cost and net realizable value.

#### Intangible assets

##### *Intangible assets acquired in a business combination/acquired separately*

Intangible assets acquired in a business combination are identified and recognized separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

### 3. 重大會計政策 (續)

#### 稅項 (續)

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於綜合收益表中扣除或入賬，惟遞延稅項直接在股本權益中扣除或入賬之情況（在此情況下遞延稅項亦會於股本權益中處理）除外。

#### 存貨

存貨按成本及可變現淨值兩者之較低者入賬。成本按加權平均成本法計算。

#### 其他資產

其他資產指獲得在中華人民共和國（「中國」）土地開發項目之獨家開發權及獲得土地開發權所涉成本。該金額按成本及可變現淨值兩者之較低者入賬。

#### 無形資產

##### *於業務合併所收購／個別收購之無形資產*

倘於業務合併所收購之無形資產符合無形資產之定義，且其公平值能可靠計量，則有關資產會與商譽分開識別及確認。該等無形資產之成本為於收購當日之公平值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Intangible assets (Continued)

#### Intangible assets acquired in a business combination/acquired separately (Continued)

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortization and any accumulated impairment losses. Amortization for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated income statement when the asset is derecognized.

#### Properties held for sale

Properties held for sale are stated at the lower of cost or net realizable value. Cost comprises all costs of purchase and other direct cost to acquire the properties. Net realizable value is calculated at the actual or estimated selling price less related costs of marketing and selling.

### 3. 重大會計政策 (續)

#### 無形資產 (續)

#### 於業務合併所收購／個別收購之無形資產 (續)

於首次確認後，具有有限使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。具有有限使用年期之無形資產以直線法按其估計可使用年期計提攤銷。或者，擁有無限使用年期之無形資產可按成本減任何其後累計減值虧損列賬（請參閱下文有關有形及無形資產之減值虧損之會計政策）。

因終止確認無形資產而產生之收益或虧損乃按出售所得款項淨額與有關資產賬面值間之差額計量，並在該資產終止確認時於綜合收益表中確認。

#### 持作銷售物業

持作銷售物業按成本及可變現淨值兩者之較低者入賬。成本包括收購物業之所有購買成本及其他直接成本。可變現淨值按實際或估計售價減營銷和銷售之相關成本計算。

### 3. Significant Accounting Policies (Continued)

#### Financial instruments

Financial assets and financial liabilities are recognized on the balance sheet when a group entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

#### Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

### 3. 重大會計政策 (續)

#### 財務工具

倘集團實體成為工具合約條文之訂約方，則於資產負債表確認財務資產及財務負債。財務資產及財務負債首次按公平值計算。收購或發行財務資產及財務負債直接應佔之交易成本（按公平值列賬並計入損益之財務資產及財務負債除外）於首次確認時計入或從財務資產或財務負債之公平值扣除（視情況而定）。收購按公平值列賬並計入損益之財務資產或財務負債之直接應佔交易成本即時於損益確認。

#### 財務資產

本集團之財務資產分為三個類別；包括按公平值列賬並計入損益之財務資產、貸款及應收款項及可供銷售之財務資產。所有定期之財務資產買賣於交易日確認或終止確認。定期之財務資產買賣指購買或出售根據有關規例或慣例設定之時限內交付之財務資產。

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## 綜合財務報表附註

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### 3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognized on an effective interest basis for debt instruments.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss has two subcategories, including financial assets held for trading and those designated at fair value through profit or loss on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

### 3. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

實際利率法

實際利率法是用以計算財務資產之攤銷成本和有關期間分配利息收入之方法。實際利率為於財務資產之預期年期或(如適用)較短年期內，用以準確地貼現估計未來現金收款(包括所有構成實際利率重要部分之已付或已收費用及點數、交易成本及其他溢價或折讓)之利率。

就債務工具而言，收入按實際利率基準確認。

按公平值列賬並計入損益之財務資產

按公平值列賬並計入損益之財務資產包括持作買賣財務資產及於首次確認時指定按公平值列賬並計入損益之財務資產。

倘若出現下列情況，則某項財務資產分類為持作買賣：

- 購入之主要目的為於不久將來出售；或
- 其為本集團聯合管理之財務工具之已識別組合之一部分，並擁有短期獲利之最近實際樣式；或
- 其為不指定及實際作為對沖工具之衍生工具。

### 3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

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

A financial asset other than a financial asset held for trading may be designated at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms parts of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated at fair value through profit or loss.

At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognized directly in profit or loss in the period in which they arise. The net gain or loss recognized in profit or loss excludes any dividend or interest earned on the financial assets.

### 3. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

按公平值列賬並計入損益之財務資產 (續)

在下述情況下，持作買賣之財務資產以外之財務資產可在首次確認時指定按公平值列賬並計入損益：

- 該等指定消除或大幅減少可能以其他方式計量或確認之不一致情況；或
- 財務資產屬於一組財務資產或財務負債或兩者之部分，按照本集團既定風險管理或投資策略管理，並按公平值衡量表現，而有關分組資料亦按該基準作內部規定；或
- 屬於包含一個或多個附帶衍生工具之合約，而香港會計準則第39號容許整份合併合約（資產或負債）指定按公平值列賬並計入損益。

於首次確認後各結算日，按公平值列賬並計入損益之財務資產按公平值計算，而公平值之變動則於產生之期間內直接於損益確認。於損益確認之收益或虧損淨額不包括財務資產賺取之任何股息或利息。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, convertible note receivable from an associate, short-term loans receivable, loans to associates, amounts due from related companies, margin loans receivables and bank balances) are carried at amortized cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

#### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognized in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognized in equity is removed from equity and recognized in profit or loss (see accounting policy on impairment loss on financial assets below).

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition (see accounting policy on impairment loss on financial assets below).

### 3. 重大會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 貸款及應收款項

貸款及應收款項為有固定或可確定付款而並無活躍市場報價之非衍生財務資產。於首次確認後各結算日，貸款及應收款項(包括貿易及其他應收款項、應收一間聯營公司之可兌換票據、應收短期貸款、給予聯營公司貸款、應收關連公司款項、應收孖展貸款及銀行結存)按攤銷成本以實際利率法減去任何已識別減值虧損入賬(請參閱下文有關財務資產減值虧損之會計政策)。

#### 可供銷售之財務資產

可供銷售之財務資產為指定或不獲劃分為按公平價列賬並計入損益之財務資產、貸款及應收款項或持至到期投資之非衍生工具。

於首次確認後各結算日，可供銷售之財務資產按公平值計量。公平值之變動於股本權益中確認，直至財務資產出售或確定出現減值為止，在該情況下，先前在股本權益確認之累計收益或虧損自股本權益撤銷，並在損益確認(請參閱下文有關財務資產減值虧損之會計政策)。

至於在活躍市場並無市場報價及其公平值無法可靠地計量之可供銷售股本投資，則於首次確認後於各結算日按成本扣除已確定減值虧損計算(請參閱下文有關財務資產減值虧損之會計政策)。



### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For an available-for sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of one to two months, observable changes in national or local economic conditions that correlate with default on receivables.

### 3. 重大會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產減值

除按公平值列賬並計入損益者外，財務資產於每個結算日評估是否有減值跡象。倘有客觀證據證明首次確認財務資產後發生之一項或多項事件令財務資產之估計未來現金流量受到影響，則財務資產屬已減值。

就可供銷售股本投資而言，倘該項投資之公平值大幅或長期下跌至低於其成本，則被視為減值之客觀證據。

就所有其他財務資產而言，減值之客觀證據可包括：

- 發行人或對手方遇到嚴重財政困難；或
- 逾期或拖欠利息或本金還款；或
- 借款人有可能破產或進行財務重組。

就若干財務資產類別，例如貿易應收款項而言，被評估為非個別減值之資產，乃於其後按整體基準進行減值評估。應收款項組合之客觀減值證據可包括本集團之過往收款經驗、組合內延遲還款至超逾一至兩個月之平均信貸期之次數增加，以及與應收款項逾期有關之全國或地方經濟狀況明顯改變。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

For financial assets carried at amortized cost, an impairment loss is recognized in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

### 3. 重大會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產減值 (續)

就按攤銷成本列賬之財務資產而言，減值虧損乃於有客觀證據證明資產出現減值時於損益確認，並按該資產之賬面值與按原先實際利率折現之估計未來現金流量之現值間之差額計量。

就按成本列賬之財務資產而言，減值虧損金額按資產賬面值與同類財務資產按現行市場回報率折現之估計未來現金流量現值間之差額計量。該項減值虧損不會於往後期間撥回。

就所有財務資產而言，財務資產之賬面值直接按減值虧損減少，惟貿易及其他應收款項除外，其賬面值乃透過使用撥備賬目而減少。撥備賬目之賬面值變動於損益確認。倘貿易應收款項被視為無法收回，則與撥備賬目撇銷。其後收回過往撇銷之款項計入損益。

就按攤銷成本計量之財務資產而言，倘於往後期間，減值虧損金額減少，而該減少可客觀地與確認減值虧損後發生之事件有關，則先前確認之減值虧損透過損益撥回，惟該資產於撥回減值日期之賬面值不得超過在並無確認減值之情況下應有之攤銷成本。

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognized directly in equity. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

#### Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

#### Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognized on an effective interest basis.

### 3. 重大會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產減值 (續)

可供銷售股本投資之減值虧損不會在往後期間在損益回撥。計提減值虧損後之任何公平值增加乃在股本權益內直接確認。就可供銷售債務投資而言，倘投資公平值之增加能客觀地與在確認減值虧損後發生之事件相關，則在其後回撥減值虧損。

#### 財務負債及股本

集團實體發行之財務負債及股本工具根據所訂立合約安排之性質以及財務負債及股本工具之定義分類。

股本工具乃證明集團資產經扣除一切負債後之剩餘權益之任何合約。

#### 實際利率法

實際利率法是用以計算財務負債之攤銷成本和和在有關期間分配利息收入之方法。實際利率是在財務負債之預期年期或(如適用)較短年期内，準確地貼現估計未來現金付款計算之利率。

利息開支按實際利率基準確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Convertible loan notes

Convertible loan notes issued by the Company that contain both the liability and conversion option components are classified separately into respective items on initial recognition. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible loan notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the loan notes into equity, is included in equity (convertible loan notes reserve).

In subsequent periods, the liability component of the convertible loan notes is carried at amortized cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible loan notes reserve until the embedded option is exercised (in which case the balance stated in convertible loan notes reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible loan notes reserve will be released to the retained profits. No gain or loss is recognized in profit or loss upon conversion or expiration of the option.

### 3. 重大會計政策 (續)

財務工具 (續)

財務負債及股本 (續)

可兌換貸款票據

本公司發行之可兌換貸款票據包含負債及兌換權部分，並於首次確認時分開歸類於各自之項目。兌換權由固定金額之現金或其他財務資產兌換為本公司本身固定數目之股本工具交付，分類為股本工具。

於首次確認時，負債部分之公平值乃按類似非可兌換債券之現行市場息率釐定。發行可兌換貸款票據所得款項與歸入負債部分之公平值之差額（即持有人將貸款票據兌換為股本權益之兌換權）計入股本權益（可兌換貸款票據儲備）。

於其後期間，可兌換貸款票據之負債部分採用實際利率法以攤銷成本入賬。股本權益部分（即將負債部分兌換為本公司普通股之期權）將保留於可兌換貸款票據儲備內，直至附帶期權行使為止（屆時於可兌換貸款票據儲備呈列之結存將轉撥至股份溢價）。倘該期權於到期日仍未獲行使，則於可兌換貸款票據儲備呈列之結存將撥入保留溢利。期權於兌換或失效時之收益或虧損不會於損益賬內確認。

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

#### Financial liabilities and equity (Continued)

#### Convertible loan notes (Continued)

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortized over the period of the convertible loan notes using the effective interest method.

#### Other financial liabilities

Other financial liabilities including trade and other payables, margin loans payable, amounts due to related companies, amount due to ultimate holding company, borrowings and bank overdrafts are subsequently measured at amortized cost, using the effective interest method.

#### Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### Derivative financial instruments

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss from fair value changes is recognized in profit or loss.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their economic risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognized in profit or loss.

### 3. 重大會計政策 (續)

#### 財務工具 (續)

#### 財務負債及股本 (續)

#### 可兌換貸款票據 (續)

有關發行可兌換貸款票據之交易成本乃按所得款項總額之分配比例，分配至負債及股權部分。有關股權部分之交易成本直接於股權支銷。有關負債部分之交易成本則列入負債部分之賬面值內，並於可兌換貸款票據有效期內按實際利率法攤銷。

#### 其他財務負債

其他財務負債包括貿易及其他應付款項、應付孖展貸款、應付關連公司款項、應付最終控股公司款項、借款及銀行透支，其後利用實際利率法按攤銷成本計算。

#### 股本工具

本公司發行之股本工具按已收所得款項減直接發行成本入賬。

#### 衍生財務工具

衍生工具於訂立衍生工具合約之日首次按公平值確認，其後於各結算日按公平值重新計量。公平值變動產生之收益或虧損於損益確認。

倘非衍生工具主合約附帶的衍生工具之經濟風險及特徵與其主合約無緊密關連，該等衍生工具將作為個別之衍生工具處理，而主合約不會按公平值計量，其公平值變動亦不會於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognized initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognized less, when appropriate, cumulative amortization recognized in accordance with HKAS 18 *Revenue*.

##### Derecognition

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

Financial liabilities are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

### 3. 重大會計政策 (續)

#### 財務工具 (續)

##### 財務擔保合約

財務擔保合約乃合約發行者根據某項債務工具原有或經修改之條款，因某特定債務人於到期日未能償還款項而須支付特定款項以補償合約持有者招致之損失的一項合約。由本集團發行而非指定按公平值列賬並計入損益之財務擔保合約，於首次確認時以其公平值減發行財務擔保合約直接應佔之交易成本列賬。於首次確認後，本集團以下列較高者計量財務擔保合約：(i)根據香港會計準則第37號撥備、或然負債及或然資產釐定之金額；及(ii)首次確認之金額減去(如適用)根據香港會計準則第18號收入而確認之累計攤銷。

##### 終止確認

當收取資產現金流量之權利屆滿，或轉讓財務資產而本集團已轉讓該項財務資產擁有權之絕大部分風險及回報時，將會終止確認有關財務資產。於終止確認財務資產時，該項資產賬面值與已收及應收代價及於股東權益中直接確認之累計收益或虧損之總和之差額會於損益確認。

當有關合約所訂明責任獲解除、註銷或屆滿時，會終止確認財務負債。終止確認之財務負債賬面值與已付及應付代價之差額會於損益確認。



### 3. Significant Accounting Policies (Continued)

#### Equity-settled share-based payment transactions

In relation to share options granted before 1 April 2005, the Group chooses not to apply HKFRS 2 with respect to share options granted on or before 7 November 2002 and vested before 1 April 2005.

#### *Share options granted on or before 7 November 2002 and vested prior to 1 April 2005*

Prior to the application of HKFRS 2, the Group did not recognize the financial effect of these share options until they were exercised.

Upon the exercise of the share options, the resulting shares issued will be recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares will be recorded by the Company in the share premium account. Options which lapsed or are cancelled prior to their exercise date are deleted from the register of outstanding options.

#### Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

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 those assets have suffered an impairment loss. In addition, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that they may be impaired. 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. An impairment loss is recognized as an expense immediately.

### 3. 重大會計政策 (續)

#### 按股權結算以股份付款之交易

就二零零五年四月一日前授出的購股權而言，本集團選擇不應用與二零零二年十一月七日或之前授出並於二零零五年四月一日前已歸屬的購股權有關的香港財務報告準則第2號規定。

#### *二零零二年十一月七日或之前授出並於二零零五年四月一日前已歸屬之購股權*

應用香港財務報告準則第2號規定前，本集團於該等購股權獲行使前並無確認其財務影響。

於行使購股權時，本公司會按股份面值將因行使購股權而發行之股份入賬列為額外股本，而本公司會將每股行使價超過股份面值的部分列入股份溢價賬。於行使日前已失效或註銷之購股權將於未行使購股權登記冊中刪除。

#### 有形及無形資產減值虧損(商譽除外)(請參閱上文之有關商譽之會計政策)

於各結算日，本集團檢討其有形及無形資產之賬面值，以確定有否跡象顯示該等資產出現減值虧損。此外，擁有無限可使用年期之無形資產及未可供使用之無形資產每年一次及當有跡象顯示可能減值時，進行減值測試。倘某項資產之可收回金額估計低於其賬面值，該資產之賬面值將減至其可收回金額。減值虧損即時確認為開支。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)  
(Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

### 4. Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment loss on short-term loans receivable and loans to associates

Management regularly reviews the recoverability of short-term loans receivable and loans to associates. Appropriate impairment for estimated irrecoverable amounts are recognized in profit and loss when there is objective evidence that the amounts are not recoverable.

In determining whether allowances for bad and doubtful debts is required, the Group takes into consideration the aged status and likelihood of collection. Specific allowance is only made for receivables that are unlikely to be collected and is recognized based on the estimation of the future cash flow expected to receive and a suitable discounted rate in order to calculate the present value. As at 31 March 2008, short-term loans receivable and loans to associates are amounted to HK\$126,239,000 (2007: HK\$308,549,000) and HK\$417,541,000 (2007: HK\$372,072,000) respectively.

### 3. 重大會計政策 (續)

有形及無形資產減值虧損(商譽除外)(請參閱上文之有關商譽之會計政策)(續)

倘減值虧損其後撥回，則資產賬面值將增至其經修訂之估計可收回金額，惟該增加之賬面值不得超出過往年度假設並無就資產確認任何減值虧損而釐定之賬面值。減值虧損撥回會即時確認為收入。

### 4. 主要不確定估計來源

下列為有關日後主要假設及結算日其他主要不確定估計來源，而該等假設及不確定估計存在使下一個財政年度的資產及負債賬面值作出重大調整之重大風險。

應收短期貸款及給予聯營公司貸款的減值

管理層會定期檢討能否收回應收短期貸款及給予聯營公司貸款。當有客觀證明顯示金額不可收回時，估計不可收回金額之適當減值會於損益確認。

釐定是否需要作出呆壞賬撥備時，本集團考慮賬齡情況及可收回的可能性。本集團僅就不大可能收回之應收款項作出特定撥備，並按預期收回之估計未來現金流量以及計算現值之適當利率確認。於二零零八年三月三十一日，應收短期貸款及給予聯營公司貸款分別為126,239,000港元(二零零七年：308,549,000港元)及417,541,000港元(二零零七年：372,072,000港元)。

## 4. Key Sources of Estimation Uncertainty (Continued)

### Estimated impairment loss on available-for-sale investments

In determining whether there is objective evidence of impairment in relation to the Group's available-for-sale investments in equity securities, the Group takes into consideration of significant or prolonged decline in the market prices below the respective costs. As at 31 March 2008, the carrying amount of available-for-sale investments is HK\$1,443,521,000 (2007: HK\$995,696,000). The directors performed impairment assessment of the Group's available-for-sale investments and an impairment loss of HK\$72,383,000 were recognized in consolidated income statements.

## 5. Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes the borrowings and convertible loan notes which were disclosed in notes 42 and 45 respectively, and equity attributable to equity holders of the Company, comprising issued share capital and various reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividend, new share issues, new borrowings raised and repayment of borrowings.

## 4. 主要不確定估計來源 (續)

### 可供銷售投資估計減值虧損

釐定是否有客觀證據顯示本集團股本證券的可供銷售投資出現減值虧損時，本集團會考慮可供銷售投資的市價重大或長期下跌至低於各自成本的情況。於二零零八年三月三十一日，可供銷售投資賬面值為1,443,521,000港元(二零零七年：995,696,000港元)。董事評估本集團可供銷售投資的減值情況，並於綜合收益表中確認減值虧損72,383,000港元。

## 5. 資本風險管理

本集團的資本管理為確保本集團內各實體可以持續方式經營，同時透過適當平衡負債與股本結構為股東帶來最大回報。本集團的整體策略與去年維持不變。

本集團資本架構包括債務(包括分別於附註42及45披露的借款及可兌換貸款票據)及本公司股權持有人應佔股本權益(包括已發行股本及各項儲備)。

本公司董事定期檢討資本架構。作為該檢討一部分，董事考慮資本成本與各類資本相關的風險。根據董事建議，本集團將透過派發股息、發行新股、新增借款及償還借款，以平衡其整體資本架構。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 6. Financial Instruments

## 6. 財務工具

## 6a. Categories of financial instruments

## 6a. 財務工具類別

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>Financial assets</b>	<b>財務資產</b>		
<i>Fair value through profit or loss</i>	<i>按公平值列賬並計入損益</i>		
Investments held for trading	持作買賣投資	617,586	598,748
Convertible notes designated as at fair value through profit or loss	指定按公平值列賬並計入損益之可兌換票據	98,753	122,549
Conversion options embedded in convertible notes	可兌換票據兌換權	11,350	52,070
Conversion options embedded in convertible note receivable from an associate	應收一間聯營公司可兌換票據兌換權	1,119	44,642
		<b>728,808</b>	818,009
<i>Available-for-sale financial assets</i>	<i>可供銷售財務資產</i>	<b>1,443,521</b>	995,696
<i>Loan and receivables</i>	<i>貸款及應收款項</i>		
Convertible note receivable from an associate	應收一間聯營公司的可兌換票據	55,521	241,450
Trade and other receivables	貿易及其他應收款項	82,980	381,401
Short-term loans receivable	應收短期貸款	126,239	308,549
Amounts due from related companies	應收關連公司款項	94	—
Margin loans receivable	應收孖展貸款	—	2,813
Loans to associates	給予聯營公司貸款	417,541	372,072
Bank balances and cash	銀行結存及現金	490,804	161,626
		<b>1,173,179</b>	1,467,911
<b>Financial liabilities at amortized cost</b>	<b>按攤銷成本列賬的財務負債</b>		
Trade and other payables	貿易及其他應付款項	186,200	75,499
Margin loans payable	應付孖展貸款	—	6,377
Amounts due to related companies	應付關連公司款項	167,714	162,817
Amount due to ultimate holding company	應付最終控股公司款項	—	169,757
Borrowings	借款	216,125	598,350
Bank overdrafts	銀行透支	32,754	21,006
Convertible loan notes	可兌換貸款票據	627,776	659,341
		<b>1,230,569</b>	1,693,147

## 6. Financial Instruments (Continued)

### 6b. Financial risk management objectives and policies

The Group's major financial instruments were set out in note 6(a) above and details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### *Credit risk management*

As at 31 March 2008, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and the financial guarantees issued by the Group arising from:

- the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheet; and
- the amount of contingent liabilities in relation to financial guarantee issued by the Group as disclosed in note 51.

In order to minimize the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

## 6. 財務工具 (續)

### 6b. 財務風險管理目標及政策

本集團的主要財務工具載列於上述附註6(a)，該等財務工具詳情亦於各附註披露。下文載列與該等財務工具有關之風險及減低該等風險之政策。管理層管理並監控該等風險，以確保及時和有效地採取適當之措施。

#### *信貸風險管理*

於二零零八年三月三十一日，本集團因對手方未能履行責任及本集團提供財務擔保而引致財務虧損的最大信貸風險來自：

- 綜合資產負債表所載各項已確認財務資產的賬面值；及
- 附註51所披露有關由本集團提供財務擔保的或然負債金額。

為降低信貸風險，本集團管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控措施，以確保採取跟進措施收回逾期未付之債項。此外，本集團於各結算日評估每項個別債項的可收回金額，以確保已就不可收回金額作出足夠的減值虧損。就此，本公司董事認為本集團之信貸風險已大幅降低。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

#### 6. Financial Instruments (Continued)

##### 6b. Financial risk management objectives and policies (Continued)

###### *Credit risk management (Continued)*

The credit risk on liquid funds is limited because the counterparties are banks and other financial institutions with high-credit-ratings assigned by international credit-rating agencies.

In addition, the credit risk on corporate guarantee given to third party is limited because the management will regularly review the financial performance of the third party and reconsider the continuance of the given guarantee regularly.

The Group has loans to associates amounting to HK\$417,541,000 as at 31 March 2008, which expose the Group to the concentration of credit risk on two counterparties. Other than that, the Group have no other significant concentration of credit risk.

#### 6. 財務工具(續)

##### 6b. 財務風險管理目標及政策(續)

###### *信貸風險管理(續)*

由於對手方均為國際信貸評級機構給予信貸評級較高的銀行及其他金融機構，故此流動資金的信貸風險有限。

此外，由於管理層定期檢討第三方的財務表現並重新考慮是否繼續提供擔保，故此有關本集團向第三方提供公司擔保的信貸風險有限。

於二零零八年三月三十一日，本集團給予聯營公司貸款的總額為417,541,000港元，故本集團面臨兩個對手方的集中信貸風險。除此之外，本集團並無任何其他重大集中信貸風險。

## 6. Financial Instruments (Continued)

### 6b. Financial risk management objectives and policies (Continued)

#### Market risk

##### (i) Interest rate risk

The Group's fair value interest rate risk primarily relate to debt element of convertible notes (included in available-for-sale investment), convertible loan notes liabilities issued by the Company, convertible notes designated at fair value through profit or loss, conversion note receivable from an associate and fixed-rate borrowing as set out in note 24, 45, 34, 28 and 42 respectively.

The Group's cash flow interest rate risk primarily relate to variable-rate short-term loans receivable, margin loans receivable and payables, loans to associates, bank balances, amount due to ultimate holding company, borrowings, bank overdrafts and amounts due to related companies as set out in note 35, 37, 38, 39, 41, 42, 43 and 36 respectively.

The Group maintains a mixture of variable rate and fixed rate borrowings. The Group currently does not have an interest rate hedging policy. However, management monitor interest rate change exposure and will consider hedging significant interest rate change exposure should the need arise.

## 6. 財務工具 (續)

### 6b. 財務風險管理目標及政策 (續)

#### 市場風險

##### (i) 利率風險

本集團的公平值利率風險主要關於分別載列於附註24、45、34、28及42的可兌換票據的債務(包括可供銷售投資)、本公司發行的可兌換貸款票據、指定按公平值列賬並計入損益之可兌換票據、應收一間聯營公司的可兌換票據以及定息借款。

本集團的現金流量利率風險主要關於分別載列於附註35、37、38、39、41、42、43及36的應收浮息短期貸款、應收及應付孖展貸款、給予聯營公司貸款、銀行結存、應付最終控股公司款項、借款、銀行透支及應付關連公司款項。

本集團維持浮息及定息借款的組合。本集團目前並無利率對沖政策。然而，管理層監控利率變動風險，並會考慮於必要時對沖重大利率變動風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 6. Financial Instruments (Continued)

#### 6b. Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### (i) Interest rate risk (Continued)

##### Sensitivity analysis

- (l) Regarding the cash flow interest rate risk, the sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the balance sheet date. For variable-rate short-term loans receivable, loans to associates, bank balances, borrowings, bank overdrafts and amounts due to related companies, the analysis is prepared assuming the amount of the relevant asset and liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 March 2008 would increase/decrease by HK\$3,348,000 (2007: increase/decrease by HK\$1,965,000). The Group's sensitivity to interest rates increased during the year mainly due to increase in bank balances and borrowings as well as decrease in amount due to ultimate holding company and short-term loans receivable.

### 6. 財務工具(續)

#### 6b. 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (i) 利率風險(續)

##### 敏感度分析

- (l) 就現金流量利率風險而言，下文敏感度分析乃根據於結算日所承受的非衍生工具利率而釐定。就應收浮息短期借款、給予聯營公司貸款、銀行結存、借款、銀行透支及應付關連公司款項而言，分析乃假設於結算日的相關資產及未償還負債金額為於整個年度內未償還而作出。增加或減少50個基點代表管理層對利率的合理潛在變動而作出的評估。

倘利率增加／減少50個基點，而所有其他變數維持不變，本集團截至二零零八年三月三十一日止年度的溢利將增加／減少3,348,000港元(二零零七年：增加／減少1,965,000元)。本集團的利率敏感度於年內增加，主要由於銀行結存及借款增加，以及應付最終控股公司款項減少及應收短期貸款減少所致。



## 6. Financial Instruments (Continued)

### 6b. Financial risk management objectives and policies (Continued)

#### Market risk (Continued)

##### (i) Interest rate risk (Continued)

#### Sensitivity analysis (Continued)

- (ii) Regarding the fair value interest rate risk, the sensitivity analyses below have been determined based on the exposure to interest rates for (i) debt element of convertible notes (included in available-for-sale investments) and (ii) convertible notes designated at fair value through profit or loss at the balance sheet date. The analysis is prepared assuming the amount of the outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

## 6. 財務工具 (續)

### 6b. 財務風險管理目標及政策 (續)

#### 市場風險 (續)

##### (i) 利率風險 (續)

#### 敏感度分析 (續)

- (ii) 就公平值利率風險而言，下文敏感度分析乃根據(i)可兌換票據的債務部分(計入可供銷售投資)及(ii)於結算日指定按公平值列賬並計入損益之可兌換票據而釐定。分析乃假設於結算日未償還的結餘金額為於整個年度內未償還而作出。增加或減少50個基點代表管理層對利率的合理潛在變動而作出的評估。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 6. Financial Instruments (Continued)

#### 6b. Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### (i) Interest rate risk (Continued)

##### Sensitivity analysis (Continued)

(III) If interest rates had been 50 basis points higher/lower and all other variable were held constant, the Group's:

- investment revaluation reserve would decrease/increase by approximately HK\$8,735,000 (2007: HK\$10,791,000), as a result of the change in fair value of the debt element of convertible notes (included in available for sale investments); and
- profit for the year would decrease/increase by HK\$285,000 (2007: HK\$814,000), as a result of the change in fair value of convertible notes designated at fair value through profit or loss.

### 6. 財務工具(續)

#### 6b. 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (i) 利率風險(續)

##### 敏感度分析(續)

(III) 倘利率增加／減少50個基點，而所有其他變數維持不變，本集團的：

- 投資重估儲備將減少／增加約8,735,000港元(二零零七年：10,791,000港元)，由於可兌換票據的債務部分(計入可供銷售投資)公平值變動所致；及
- 本年度溢利將減少／增加285,000港元(二零零七年：814,000港元)，由於指定按公平值列賬並計入損益之可兌換票據之公平值變動所致。

## 6. Financial Instruments (Continued)

### 6b. Financial risk management objectives and policies (Continued)

#### Market risk (Continued)

#### (ii) Price risk on listed securities under available for sale investments and investments held for trading

The Group is exposed to price risk through its investments in listed equity securities included in available-for-sale investments and investments held for trading. Management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on equity instruments quoted in the Stock Exchange.

#### Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks of listed securities included in available-for-sale investments and investments held for trading at the reporting date.

If the share prices of the respective equity investments had been 5% higher/lower and all other variable were held constant, the Group's:

- profit for the year would increase/decrease by HK\$30,879,000 (2007: HK\$29,937,000) as a result of the changes in fair value of investments held for trading; and
- investment revaluation reserves would increase/decrease by HK\$16,304,000 (2007: HK\$12,398,000) as a result of the changes in fair value of available-for-sale investments.

## 6. 財務工具 (續)

### 6b. 財務風險管理目標及政策 (續)

#### 市場風險 (續)

#### (ii) 可供銷售投資及持作買賣投資下的上市證券價格風險

本集團於計入可供銷售投資及持作買賣投資的上市股本證券的投資面對價格風險。管理層透過維持不同風險投資的組合管理該風險。本集團的股本價格風險主要集中在聯交所報價的股本工具。

#### 敏感度分析

下文敏感度分析乃根據於報告日期計入可供銷售投資及持作買賣投資的上市證券面對的股本價格風險而釐定。

倘有關股本投資的價格上升/下跌5%，而所有其他變數維持不變，本集團的：

- 本年度溢利將增加/減少30,879,000港元(二零零七年：29,937,000港元)，由於持作買賣投資公平值變動所致；及
- 投資重估儲備將增加/減少16,304,000港元(二零零七年：12,398,000港元)，由於可供銷售投資公平值變動所致。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 6. Financial Instruments (Continued)

#### 6b. Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

- (iii) Price risk on conversion option embedded in convertible notes/convertible notes designated at fair value through profit or loss/conversion options embedded in convertible note receivable from an associate

The Group is required to estimate the fair value of the conversion option embedded in the convertible notes, convertible notes designated at fair value through profit or loss and conversion options embedded in convertible note receivable from an associate at each balance sheet date with changes in fair value to be recognized in the consolidated income statement as long as the convertible notes are outstanding. The fair value adjustment will be affected either positively or negatively, amongst others, by the changes in share price and its volatility of the convertible notes issuers.

### 6. 財務工具(續)

#### 6b. 財務風險管理目標及政策(續)

##### 市場風險(續)

- (iii) 可兌換票據的兌換權／指定按公平值列賬並計入損益之可兌換票據／應收一間聯營公司可兌換票據之兌換權之價格風險

只要可兌換票據尚未兌換，本集團須於各結算日估計可兌換票據的兌換權、指定按公平值列賬並計入損益之可兌換票據及應收一間聯營公司可兌換票據的兌換權的公平值，並於綜合收益表確認公平值變動。公平值調整將受(其中包括)股價變動及可兌換票據發行人的波幅的正面或負面影響。

## 6. Financial Instruments (Continued)

### 6b. Financial risk management objectives and policies (Continued)

#### Market risk (Continued)

- (iii) Price risk on conversion option embedded in convertible notes/convertible notes designated at fair value through profit or loss/conversion options embedded in convertible note receivable from an associate (Continued)

#### Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to the change of share price and its volatility of the convertible notes issuers at the reporting date only.

If the share prices of those convertible notes issuers had been 5% higher/lower and all other variables were held constant, the Group's profit for the year would be increase/decrease by HK\$1,883,000 (2007: HK\$9,343,000), as a result of changes in fair value of conversion option embedded in the convertible notes, convertible notes designated at fair value through profit or loss and conversion options embedded in convertible note receivable from an associate.

If the volatility of share prices of those convertible notes issuers had been 5% higher/lower and all other variables were held constant, the Group's profit for the year would increase/decrease by HK\$4,235,000 (2007: HK\$4,208,000), as a result of changes in fair value of conversion option embedded in the convertible notes, convertible notes designated at fair value through profit or loss and conversion options embedded in convertible note receivable from an associate.

## 6. 財務工具 (續)

### 6b. 財務風險管理目標及政策 (續)

#### 市場風險 (續)

- (iii) 可兌換票據的兌換權／指定按公平值列賬並計入損益之可兌換票據／應收一間聯營公司可兌換票據之兌換權之價格風險 (續)

#### 敏感度分析

下文敏感度分析乃根據可兌換票據發行人於報告日期面對的股價變動及其波幅而釐定。

倘該等可兌換票據發行人的股價上升／下跌5%，而所有其他變數維持不變，本集團的本年度溢利將增加／減少1,883,000港元（二零零七年：9,343,000港元），由於可兌換票據的兌換權、指定按公平值列賬並計入損益之可兌換票據及應收一間聯營公司可兌換票據之兌換權的公平值變動所致。

倘該等可兌換票據發行人的股價波幅上升／下跌5%，而所有其他變數維持不變，本集團的本年度溢利將增加／減少4,235,000港元（二零零七年：4,208,000港元），由於可兌換票據兌換權、指定按公平值列賬並計入損益之可兌換票據及應收一間聯營公司可兌換票據兌換權之公平值變動所致。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 6. Financial Instruments (Continued)

#### 6b. Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

- (iii) Price risk on conversion option embedded in convertible notes/convertible notes designated at fair value through profit or loss/conversion options embedded in convertible note receivable from an associate (Continued)

##### Sensitivity Analysis (Continued)

In management's opinion, the sensitivity analyses are unrepresentative of the inherent market risk as the pricing model used in the fair value valuation of the conversion option embedded in the convertible notes, convertible notes designated at fair value through profit or loss and conversion options embedded in convertible note receivable from an associate involves multiple variables and certain variables are interdependent.

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilization of the borrowings and ensures compliance with loan covenants.

The Group relies on borrowings as a source of liquidity. As at balance sheet date, the Group has no available unutilized bank loan facilities. Details of the borrowings are set out in note 42.

The following table details the Group's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

### 6. 財務工具 (續)

#### 6b. 財務風險管理目標及政策 (續)

##### 市場風險 (續)

- (iii) 可兌換票據之兌換權／指定按公平值列賬並計入損益之可兌換票據／應收一間聯營公司可兌換票據之兌換權之價格風險 (續)

##### 敏感度分析 (續)

管理層認為，由於可兌換票據之兌換權、指定按公平值列賬並計入損益之可兌換票據之公平值及應收一間聯營公司可兌換票據兌換權採用之定價模式涉及多項變數，而若干變數為相互依賴，故敏感度分析不能反應固有之市場風險。

##### 流動資金風險

在管理流動資金風險時，本集團監控及保持被管理層認為屬於足夠的現金及現金等額，以就本集團的業務營運提供資金並減輕現金流量波動的影響。管理層監控借貸的使用狀況及確保遵守貸款契約。

本集團依賴借款作為流動資金的來源。於結算日，本集團並無未使用的銀行貸款信貸。借款詳情載列於附註42。

下表載列本集團財務負債的餘下合約到期日。就非衍生財務負債而言，下表乃基於本集團於須償還財務負債的最早日期的未折現現金流量編製而成。下表包括利息及本金的現金流量。

## 6. Financial Instruments (Continued)

## 6b. Financial risk management objectives and policies (Continued)

## Liquidity risk

## Liquidity tables

		Weighted average interest rate	Less than 3 months or on demand	3 months to 1 year	1-5 years	5+ years	Total undiscounted cash flows	Carrying amount at 31.3.2008
		加權平均利率 %	少於三個月或於要求時 HK\$'000 千港元	三個月至一年 HK\$'000 千港元	一至五年 HK\$'000 千港元	五年以上 HK\$'000 千港元	未折現現金流量總額 HK\$'000 千港元	於二零零八年三月三十一日的賬面值 HK\$'000 千港元
<b>2008</b>	<b>二零零八年</b>							
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>							
Trade and other payables	貿易及其他應付款項	—	186,200	—	—	—	186,200	186,200
Amounts due to related companies	應付關連公司款項	—	167,714	—	—	—	167,714	167,714
Bank overdrafts	銀行透支	5.70	32,754	—	—	—	32,754	32,754
Borrowings	借款	4.89	30,000	64,915	84,425	60,639	239,979	216,125
Convertible loan notes	可兌換貸款票據	2	—	14,134	734,967	—	749,101	627,776
			416,668	79,049	819,392	60,639	1,375,748	1,230,569

		Weighted average interest rate	Less than 3 months or on demand	3 months to 1 year	1-5 years	5+ years	Total undiscounted cash flows	Carrying amount at 31.3.2007
		加權平均利率 %	少於三個月或於要求時 HK\$'000 千港元	三個月至一年 HK\$'000 千港元	一至五年 HK\$'000 千港元	五年以上 HK\$'000 千港元	未折現現金流量總額 HK\$'000 千港元	於二零零七年三月三十一日的賬面值 HK\$'000 千港元
<b>2007</b>	<b>二零零七年</b>							
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>							
Trade and other payables	貿易及其他應付款項		75,499	—	—	—	75,499	75,499
Margin loans payable	應付孖展借貸		6,377	—	—	—	6,377	6,377
Amounts due to related companies	應付關連公司款項		162,817	—	—	—	162,817	162,817
Amount due to ultimate holding company	應付最終控股公司款項		169,757	—	—	—	169,757	169,757
Bank overdrafts	銀行透支	6.50	21,006	—	—	—	21,006	21,006
Borrowings	借款	6.03	510,000	9,978	48,602	57,193	625,773	598,350
Convertible loan notes	可兌換貸款票據	2	—	15,415	816,969	—	832,384	659,341
			945,456	25,393	865,571	57,193	1,893,613	1,693,147

## 6. 財務工具 (續)

## 6b. 財務風險管理目標及政策 (續)

## 流動資金風險

## 流動資金表



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 6. Financial Instruments (Continued)

#### 6b. Financial risk management objectives and policies (Continued)

##### Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases during the year ended 31 March 2007, which expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. No sensitivity analysis was prepared since the directors of the Company considers the amount involved is not significant.

#### 6c. Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices; and
- the fair value of other financial assets and financial liabilities (including derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices and rates from observable current market transactions as input. For an option-based derivative, the fair value is estimated using option pricing model.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the consolidated financial statements approximate their fair values.

### 6. 財務工具(續)

#### 6b. 財務風險管理目標及政策(續)

##### 貨幣風險

本公司若干附屬公司於截至二零零七年三月三十一日止年度進行外匯買賣，為本集團帶來外匯風險。本集團目前並無外幣對沖政策。然而，管理層監控外匯風險，並會考慮於必要時對沖重大外幣風險。由於本公司董事認為涉及金額不大，故並無作出敏感度分析。

#### 6c. 公平值

財務資產與負債的公平值按以下方式釐定：

- 訂有標準條款及條件並在活躍流通市場買賣的財務資產的公平值乃參考所報市場競價而釐定；及
- 其他財務資產與財務負債(包括衍生工具)的公平值根據一般公認定價模式以折現現金流量分析按可取得現有市場交易所得的價格及匯率釐定。以期權為基礎的衍生工具的公平值則按使用期權定價模式估計。

董事認為綜合財務報表內按攤銷成本列賬的財務資產及財務負債賬面值與公平值相若。

## 7. Revenue

Revenue represents the net amounts received and receivable for goods sold, sales of other asset and services provided to outside customers for the year, the net gain on investments held for trading and gain on convertible notes converted into investments held for trading. An analysis of the Group's revenue for the year, for both continuing and discontinued operations, is as follows:

## 7. 收入

收入指年內售予外界客戶的貨品、售予外界客戶的其他資產及向外界客戶提供的服務的已收及應收款項淨額、持作買賣投資收益淨額及可兌換票據兌換為持作買賣投資之收益。本集團的本年度收入(包括持續經營及非持續業務)分析如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>		
Gain on convertible notes converted into investments held for trading	可兌換票據兌換為持作買賣投資之收益	434,221	—
Net gain on investments held for trading	持作買賣投資之收益淨額	39,398	60,323
Sales of computer related products	銷售電腦相關產品	—	7,839
Sales of other asset	銷售其他資產	130,000	—
Water supply business	供水業務	5,862	—
Sand mining business	採砂業務	18,107	1,158
		<b>627,588</b>	69,320
<b>Discontinued operations</b>	<b>非持續業務</b>		
Sales of computer related products under "Memorex®"	以「Memorex®」品牌銷售電腦相關產品	—	229,442
Sales of consumer electronic products	銷售消費電子產品	—	59,811
		—	289,253
		<b>627,588</b>	358,573

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## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 8. Segment Information

During the year ended 31 March 2008, the Group acquired subsidiaries which are engaged in the business of water supply in The People's Republic of China (the "PRC") and resulted in a new business segment of water supply during the year.

During the year ended 31 March 2007, the Group disposed of its subsidiaries and assets relating to the trading of computer related product business under the trade name "Memorex®" and trading of consumer electronic products, which resulted in discontinuance of business segments of (i) trading of computer related products under "Memorex®" and (ii) trading of consumer electronic products.

#### Business segments

The Group is currently organized into five business segments, namely (i) trading of non-"Memorex®" computer related products; (ii) trading of securities; (iii) property development and trading; (iv) sand mining and (v) water supply.

### 8. 分類資料

截至二零零八年三月三十一日止年度，本集團收購於中華人民共和國（「中國」）從事供水業務之附屬公司，令本年度增添一項新供水業務分類。

截至二零零七年三月三十一日止年度，本集團出售其有關商標名稱為「Memorex®」之電腦相關產品貿易業務及消費電子產品貿易業務之附屬公司及資產，令(i)「Memorex®」電腦相關產品貿易及(ii)消費電子產品貿易業務分類終止。

#### 業務分類

本集團現時由五種業務分類組成，即(i)非「Memorex®」電腦相關產品貿易；(ii)證券買賣；(iii)物業發展及買賣；(iv)採砂業務及(v)供水業務。

## 8. Segment Information (Continued)

### Business segments (Continued)

Segment information about these businesses is presented as below:

## 8. 分類資料 (續)

### 業務分類 (續)

有關該等業務之分類資料呈列如下：

		Continuing operations 持續經營業務					
		Trading of non-“Memorex” <sup>®</sup> computer related products 非「Memorex」 電腦相關產品貿易	Trading of securities 證券買賣	Property development and trading 物業發展及買賣	Sand mining 採砂	Water supply 供水	Consolidated 綜合
		HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元
<i>For the year ended 31 March 2008</i>		截至二零零八年 三月三十一日止年度					
GROSS PROCEEDS	所得款項總額	—	903,439	130,000	18,107	5,862	1,057,408
REVENUE	收入						
Gain on convertible notes converted into investment held for trading	可兌換票據兌換為作買賣投資之收益	—	434,221	—	—	—	434,221
Net gain on investments held for trading	持作買賣投資收益淨額	—	39,398	—	—	—	39,398
External sales	外部銷售	—	—	130,000	18,107	5,862	153,969
		—	473,619	130,000	18,107	5,862	627,588
SEGMENT RESULT	分類業績	—	477,123	(102,172)	5,070	(3,469)	376,552
Interest income	利息收入						153,720
Unallocated corporate income	未分配企業收入						735
Unallocated corporate expenses	未分配企業支出						(106,151)
Finance costs	財務費用						(155,939)
Change in fair value of conversion options embedded in convertible notes	可兌換票據兌換權之公平值變動						(38,327)
Change in fair value of conversion options embedded in convertible note receivable from an associate	應收一間聯營公司之可兌換票據兌換權之公平值變動						11,359
Change in fair value of convertible notes designated at fair value through profit or loss	指定按公平值列賬並計入損益之可兌換票據之公平值變動						16,301
Change in fair value of investment properties	投資物業之公平值變動						103,253
Discount on acquisition of additional interests in subsidiaries	增購附屬公司權益折讓						5,491
Reversal of impairment loss on club debentures	會所債券減值虧損撥回						225
Impairment loss on available-for-sale investments	可供銷售投資之減值虧損						(72,383)
Loss on disposal of available-for-sale investments	出售可供銷售投資之虧損						(166)
Gain on disposals of subsidiaries	出售附屬公司之收益						12,507
Loss on disposal and dilution of interest in an associate	出售及攤薄一間聯營公司權益之虧損						(268,525)
Loss on remeasurement to fair value less cost to sell in respect of disposal group held for sale	持作銷售之出售組別重新計量為公平值減銷售成本之虧損						(90,171)
Share of results of associates	應佔聯營公司業績						95,959
Discount on acquisition of additional interests in an associate	增購一間聯營公司權益折讓						148,309
Profit before income tax	除所得稅前溢利						192,749
Income tax expense	所得稅開支						(144,763)
Profit for the year	本年度溢利						47,986

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For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 8. Segment Information (Continued)

Business segments (Continued)

### 8. 分類資料 (續)

業務分類 (續)

		Trading of non-“Memorex <sup>®</sup> ” computer related products 非「Memorex <sup>®</sup> 」 電腦相關產品貿易	Trading of securities 證券買賣	Property development and trading 物業發展及買賣	Sand mining 採砂	Water supply 供水	Consolidated 綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Assets and liabilities</i> <i>At 31 March 2008</i>		<i>資產及負債</i> <i>於二零零八年三月三十一日</i>					
<b>ASSETS</b>		<b>資產</b>					
Segment assets	分類資產	—	742,270	213,664	234,927	144,986	1,335,847
Interests in associates	聯營公司權益						1,037,364
Unallocated corporate assets	未分配企業資產						2,820,774
Consolidated total assets		綜合總資產					
		5,193,985					
<b>LIABILITIES</b>		<b>負債</b>					
Segment liabilities	分類負債	—	134,704	—	1,819	885	137,408
Borrowings and bank overdrafts	借貸及銀行透支						248,879
Unallocated corporate liabilities	未分配企業負債						1,040,097
Consolidated total liabilities		綜合總負債					
		1,426,384					

		Trading of non-“Memorex <sup>®</sup> ” computer related products 非「Memorex <sup>®</sup> 」 電腦相關產品貿易	Trading of securities 證券買賣	Sand mining 採砂	Water supply 供水	Corporate 供水	Consolidated 綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Other information</i> <i>For the year ended 31 March 2008</i>		<i>其他資料</i> <i>截至二零零八年三月三十一日</i> <i>止年度</i>					
Capital expenditure in respect of property, plant and equipment	物業、機器及設備之 資本開支	—	—	26,500	81,869	590	108,959
Capital expenditure in respect of intangible assets	無形資產之資本開支	—	—	60,263	44,867	—	105,130
Release of prepaid lease payments	預付租賃付款撥回	—	—	—	392	—	392
Amortization of intangible assets	無形資產攤銷	—	—	1,700	900	—	2,600
Depreciation	折舊	—	—	27,383	6,899	1,185	35,467
Allowance for other receivables	其他應收款項撥備	—	—	—	—	7,009	7,009
Allowance for margin loans receivables	應收孖展貸款撥備	—	1,435	—	—	—	1,435

## 8. Segment Information (Continued)

## 8. 分類資料 (續)

## Business segments (Continued)

## 業務分類 (續)

		Continuing operations 持續經營業務				Discontinued operations 非持續業務				Consolidated 綜合
		Trading of non- "Memorex" computer related products 非 「Memorex」 電腦相關 產品貿易 HK\$'000 千港元	Trading of securities 證券買賣 HK\$'000 千港元	Property development and trading 物業發展 及買賣 HK\$'000 千港元	Sand mining 採砂 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Trading of computer related products under "Memorex" 「Memorex」 電腦相關 產品貿易 HK\$'000 千港元	Trading of consumer electronic products 消費電子 產品貿易 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	
<i>For the year ended 31 March 2007</i>	<i>截至二零零七年 三月三十一日止年度</i>									
GROSS PROCEEDS	所得款項總額	7,839	169,005	—	1,158	178,002	229,442	59,811	289,253	467,255
REVENUE	收入									
Net gain on investments held for trading	持作買賣投資收益淨額	—	60,323	—	—	60,323	—	—	—	60,323
External sales	外部銷售	7,839	—	—	1,158	8,997	229,442	59,811	289,253	298,250
		7,839	60,323	—	1,158	69,320	229,442	59,811	289,253	358,573
SEGMENT RESULT	分類業績	(2,494)	16,389	—	(11,224)	2,671	(35,225)	1,170	(34,055)	(31,384)
Interest income	利息收入					116,135			67	116,202
Unallocated corporate income	未分配企業收入					16,482			—	16,482
Unallocated corporate expenses	未分配企業支出					(11,689)			—	(11,689)
Finance costs	財務費用					(83,384)			(667)	(84,051)
Change in fair value of conversion options embedded in convertible notes	可兌換票據兌換權之 公平值變動					(187,131)			—	(187,131)
Change in fair value of conversion options embedded in convertible note receivable from an associate	應收一間聯營公司之 可兌換票據兌換權之 公平值變動					(18,396)			—	(18,396)
Change in fair value of convertible notes designated at fair value through profit or loss	指定按公平值列賬並計入損益之 可兌換票據之 公平值變動					16,816			—	16,816
Change in fair value of investment properties	投資物業之公平值變動					2,642			—	2,642
Discount on acquisition of subsidiaries	收購附屬公司折讓					132,462			—	132,462
Impairment loss on goodwill	商譽之減值虧損					(6,621)			—	(6,621)
Impairment loss on available-for-sale investments	可供銷售投資之 減值虧損					(45,751)			—	(45,751)
Gain on disposals of subsidiaries	出售附屬公司之收益					1,344			—	1,344
Gain on disposal of associates	出售聯營公司之收益					5,097			—	5,097
Share of results of associates	應佔聯營公司業績					35,356			—	35,356
Loss before income tax	除所得稅前虧損					(23,967)			(34,655)	(58,622)
Income tax (expense) credit	所得稅(開支)抵免					(32,457)			26,235	(6,222)
Gain on disposal of Disposed Business	出售被出售業務之收益					—			1,526,346	1,526,346
(Loss) profit for the year	本年度(虧損)溢利					(56,424)			1,517,926	1,461,502

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For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 8. Segment Information (Continued)

### 8. 分類資料 (續)

Business segments (Continued)

業務分類 (續)

	Continuing operations 持續經營業務				Discontinued operations 非持續業務			Consolidated 綜合
	Trading of non- "Memorex" computer related products 非 「Memorex」 電腦相關 產品貿易 HK\$'000 千港元	Trading of securities 證券買賣 HK\$'000 千港元	Property development and trading 物業發展 及買賣 HK\$'000 千港元	Sand mining 採砂 HK\$'000 千港元	Trading of computer related products under "Memorex" 「Memorex」 電腦相關 產品貿易 HK\$'000 千港元	Trading of consumer electronic products 消費電子 產品貿易 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元	
<i>Assets and liabilities</i> <i>At 31 March 2007</i>	<i>資產及負債</i> <i>於二零零七年三月三十一日</i>							
<b>ASSETS</b>	<b>資產</b>							
Segment assets	1,101	724,110	229,288	128,730	—	—	1,083,229	
Interests in associates							875,614	
Unallocated corporate assets							3,048,864	
Consolidated total assets							5,007,707	
<b>LIABILITIES</b>	<b>負債</b>							
Segment liabilities	9,220	6,377	—	1,543	—	—	17,140	
Borrowings and bank overdrafts							619,356	
Unallocated corporate liabilities							1,172,099	
Consolidated total liabilities							1,808,595	

	Continuing operations 持續經營業務					Discontinued operations 非持續業務			Consolidated 綜合	
	Trading of non- "Memorex" computer related products 非 「Memorex」 電腦相關 產品貿易 HK\$'000 千港元	Trading of securities 證券買賣 HK\$'000 千港元	Property development and trading 物業發展 及買賣 HK\$'000 千港元	Sand mining 採砂 HK\$'000 千港元	Corporate 企業 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Trading of computer related products under "Memorex" 「Memorex」 電腦相關 產品貿易 HK\$'000 千港元	Trading of consumer electronic products 消費電子 產品貿易 HK\$'000 千港元		Sub-total 小計 HK\$'000 千港元
<i>Other information</i> <i>For the year ended 31 March 2007</i>	<i>其他資料</i> <i>截至二零零七年</i> <i>三月三十一日止年度</i>									
Capital expenditure in respect of property, plant and equipment	—	—	—	134,684	4,004	138,688	—	—	—	138,688
Depreciation	—	—	—	10,215	2,149	12,364	1,280	—	1,280	13,644
Allowance for other receivables	—	—	—	—	—	—	11,877	—	11,877	11,877
Write-off of loans to associates	—	—	—	—	1,331	1,331	—	—	—	1,331



## 8. Segment Information (Continued)

### Geographical segments

The following table provides an analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Continuing operations:	持續經營業務：		
PRC (including Hong Kong)	中國(包括香港)	627,588	61,481
North America	北美	—	7,301
Others	其他	—	538
		<b>627,588</b>	69,320
Discontinued operations:	非持續業務：		
North America	北美	—	258,170
Europe	歐洲	—	28,882
Others	其他	—	2,201
		—	289,253
		<b>627,588</b>	358,573

## 8. 分類資料(續)

### 地域分類

下表載列按地域市場(不論貨品／服務之源產地)分類的本集團收入分析：

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## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 8. Segment Information (Continued)

## Geographical segments (Continued)

The following is an analysis of the carrying amount of segment assets (excluding the amount of goodwill), and additions to property, plant and equipment and intangible assets, analyzed by the geographical area in which the assets are located:

## 8. 分類資料(續)

## 地域分類(續)

分類資產之賬面值(不包括商譽金額)與物業、機器及設備以及無形資產添置按該等資產所處地理區域分類之分析如下:

		Carrying amount of segment assets		Additions to property, plant and equipment and intangible assets	
		分類資產之賬面值		物業、機器及設備以及 無形資產添置	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	884,270	725,211	590	4,004
PRC	中國	451,577	358,018	213,499	134,684
		1,335,847	1,083,229	214,089	138,688

## 9. Other Income

## 9. 其他收入

		Continuing operations 持續經營業務		Discontinued operations 非持續業務		Consolidated 綜合	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest income on loans and receivables	貸款及應收款項之利息收入						
- Interest on bank deposits	- 銀行存款利息	3,682	13,300	—	67	3,682	13,367
- Interest on convertible note receivable from an associate	- 應收一間聯營公司可兌換票據利息	10,693	3,334	—	—	10,693	3,334
- Interest on loans receivable	- 應收貸款利息	35,546	28,857	—	—	35,546	28,857
- Interest on loans to associates	- 應收聯營公司貸款利息	26,479	13,456	—	—	26,479	13,456
- Interest on other receivables	- 其他應收款項利息	3,627	—	—	—	3,627	—
		80,027	58,947	—	67	80,027	59,014
Interest income on available-for-sale investment	可供銷售投資之利息收入	65,882	51,455	—	—	65,882	51,455
Interest income on convertible notes designated at fair value through profit or loss	指定按公平值列賬並計入損益之可兌換票據之利息收入	7,811	5,733	—	—	7,811	5,733
Exchange gain	匯兌收益	—	17,895	—	5,147	—	23,042
Dividend income	股息收入	11,226	11,618	—	—	11,226	11,618
Gain on disposal of property, plant and equipment	出售物業、機器及設備收益	27	13,472	—	—	27	13,472
Rental income	租金收入	529	1,328	—	—	529	1,328
Management fee income	管理費收入	3,702	1,119	—	—	3,702	1,119
Others	其他	2,307	—	—	2,611	2,307	2,611
		171,511	161,567	—	7,825	171,511	169,392

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## 10. Finance Costs

## 10. 財務費用

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		非持續業務		綜合	
	2008	2007	2008	2007	2008	2007
	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Interest on borrowings wholly repayable within five years:						
須於五年內悉數償還之借貨利息：						
– Bank borrowings and overdrafts	2,082	1,584	—	667	2,082	2,251
– Other borrowings	110,657	45,238	—	—	110,657	45,238
– Finance leases	—	5	—	—	—	5
Interest on bank borrowings not wholly repayable within five years	5,422	4,626	—	—	5,422	4,626
毋須於五年內悉數償還之銀行借貨利息						
Interest on convertible loan notes	37,778	31,931	—	—	37,778	31,931
可兌換貸款票據之利息						
	155,939	83,384	—	667	155,939	84,051

## 11. Loss on Remeasurement to Fair Value Less Cost to Sell in Respect of Disposal Group Held for Sale/Disposal Group Held for Sale

## 11. 持作銷售之出售組別重新計量為公平值減銷售成本之虧損／持作銷售之出售組別

- (i) On 25 March 2008, the Company entered into a conditional sale and purchase agreement with Hugo Field Limited, an independent third party, to dispose of 29.2% interest in China Enterprises Limited (“CEL”, a 55.2% owned subsidiary of the Company), at a cash consideration of HK\$152,418,000.

The group of assets and liabilities of CEL constitute a disposal group which is classified as held for sale as at 31 March 2008. CEL will cease to be a subsidiary and will be accounted for as an associate of the Group under equity method of accounting upon completion of the disposal. The disposal of 29.2% interest in CEL was completed on 8 May 2008.

- (i) 於二零零八年三月二十五日，本公司與獨立第三方Hugo Field Limited訂立有條件買賣協議，以按現金代價152,418,000港元出售China Enterprises Limited(「CEL」，本公司擁有55.2%之附屬公司)29.2%權益。

CEL之資產及負債組合構成出售組別，於二零零八年三月三十一日歸類為持作銷售。於出售完成後，CEL將不再是附屬公司，並會根據權益會計法入賬列為本集團之聯營公司。出售CEL之29.2%權益已於二零零八年五月八日完成。

## 11. Loss on Remeasurement to Fair Value Less Cost to Sell in Respect of Disposal Group Held for Sale/Disposal Group Held for Sale (Continued)

- (ii) The directors of the Company committed a plan to dispose of its 12.82% interest in Wing On Travel (Holdings) Limited ("Wing On") (of which 1.22% interest and 11.6% interest in Wing On were held by CEL and certain wholly-owned subsidiaries of the Company respectively) during the year ended 31 March 2008. Accordingly, the entire interests in Wing On were classified as assets held for sale at 31 March 2008. On 7 April 2008, the Group disposed of the following assets to CEL (i) certain wholly-owned subsidiaries which holds investments held for trading and (ii) the 11.6% interest in Wing On, at an aggregate consideration of HK\$30,000,000. The 11.6% interest in Wing On together with the 1.22% interest in Wing On held by CEL formed part of the net assets of CEL to be disposed of on 8 May 2008.

## 11. 持作銷售之出售組別重新計量為公平值減銷售成本之虧損／持作銷售之出售組別(續)

- (ii) 本公司董事於截至二零零八年三月三十一日止年度落實出售其於永安旅遊(控股)有限公司(「永安」)(永安之1.22%及11.6%權益分別由CEL及本公司若干全資附屬公司持有)之12.82%權益之計劃。因此，永安之全部權益於二零零八年三月三十一日歸類為持作銷售資產。於二零零八年四月七日，本集團向CEL出售下列資產：(i)持有持作買賣投資之若干全資附屬公司及(ii)永安之11.6%權益，總代價為30,000,000港元。永安之11.6%權益連同CEL持有永安之1.22%權益構成CEL部分淨資產，於二零零八年五月八日出售。

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### 11. Loss on Remeasurement to Fair Value Less Cost to Sell in Respect of Disposal Group Held for Sale/Disposal Group Held for Sale (Continued)

The following amounts represents the assets and liabilities of CEL and the 12.82% interest in Wing On held by the Group as at 31 March 2008, which are presented separately as disposal group held for sale in the consolidated balance sheet.

### 11. 持作銷售之出售組別重新計量為公平值減銷售成本之虧損／持作銷售之出售組別(續)

下列金額指本集團於二零零八年三月三十一日所持有CEL之資產及負債及永安之12.82%權益，於綜合資產負債表獨立呈列為持作銷售之出售組別。

		2008 二零零八年 HK\$'000 千港元
Interests in associates (note 23)	聯營公司權益(附註23)	651,029
Convertible note receivable from an associate	應收一間聯營公司之可兌換票據	55,521
Convertible options embedded in convertible note receivable from an associate	應收一間聯營公司之可兌換票據之兌換權	1,119
Deposits for acquisition of interests in properties	收購物業權益之按金	60,013
Available-for-sale investments	可供銷售投資	9,562
Trade and other receivables	貿易及其他應收款項	25,931
Investments held for trading	持作買賣投資	85,918
Short-term loans receivable	應收短期貸款	21,627
Loans to associates	給予聯營公司貸款	36,610
Bank balances and cash	銀行結存及現金	315
		947,645
Less: Loss on remeasurement to fair value less cost to sell in respect of disposal group held for sale (Note)	減：持作銷售之出售組別重新計量為公平值減銷售成本之虧損(附註)	(90,171)
Assets of disposal group classified as held for sale	歸類為持作銷售之出售組別資產	857,474
Trade and other payables	貿易及其他應付款項	90,954
Tax payable	應付稅款	25,908
Liabilities of disposal group classified as held for sale	歸類為持作銷售之出售組別負債	116,862

Note: The amount of HK\$90,171,000 represented the loss on remeasurement to fair value less cost to sell, which is calculated based on the difference between the 29.2% of net asset value of CEL as at 31 March 2008 and the cash consideration of HK\$152,418,000.

附註：90,171,000港元之金額指重新計量為公平值減銷售成本之虧損，乃按於二零零八年三月三十一日CEL資產淨值之29.2%與現金代價152,418,000港元之差額計算。

## 12. Income Tax Expense

## 12. 所得稅開支

		Continuing operations 持續經營業務		Discontinued operations 非持續業務		Consolidated 綜合	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
The charge (credit) comprises:	支出(抵免)包括:						
Profit tax:	利得稅:						
Hong Kong Profits Tax	香港利得稅	119,876	34,165	—	—	119,876	34,165
Overseas	海外	7,050	(1,704)	—	(77,170)	7,050	(78,874)
		126,926	32,461	—	(77,170)	126,926	(44,709)
Deferred tax (note 46)	遞延稅項(附註46)	17,837	(4)	—	50,935	17,837	50,931
		144,763	32,457	—	(26,235)	144,763	6,222

Hong Kong Profits Tax was calculated at 17.5% (2007: 17.5%) of the estimated assessable profit for the year.

香港利得稅就本年度估計應課稅溢利按稅率17.5%(二零零七年: 17.5%)計算。

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

在其他司法權區所產生之所得稅按有關司法權區之現行稅率計算。



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## 12. Income Tax Expense (Continued)

The income tax expense for the year can be reconciled to the profit (loss) before income tax per the consolidated income statements as follows:

## 12. 所得稅開支(續)

本年度所得稅開支與綜合收益表內除所得稅前溢利(虧損)之對賬如下:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit (loss) before income tax expense:	除所得稅開支前溢利(虧損):		
Continuing operations	持續經營業務	192,749	(23,967)
Discontinued operations (note 13)	非持續業務(附註13)	—	(34,655)
		<b>192,749</b>	<b>(58,622)</b>
Tax at applicable tax rate of 17.5% (2007: 17.5%)	按適用稅率 17.5% (二零零七年: 17.5%) 計算之稅項	<b>33,731</b>	(10,259)
Tax effect of share of results of associates	應佔聯營公司業績之稅務影響	<b>(16,793)</b>	(6,187)
Tax effect of income not taxable for tax purposes	毋須繳稅收入之稅務影響	<b>(6,056)</b>	(49,273)
Tax effect of expenses not deductible for tax purposes	不能扣稅開支之稅務影響	<b>97,666</b>	61,899
Tax effect of tax losses not recognized	未確認稅項虧損之稅務影響	<b>36,595</b>	17,405
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之 附屬公司之不同稅率之影響	<b>(273)</b>	(7,856)
Others	其他	<b>(107)</b>	493
Income tax expense for the year	本年度所得稅開支	<b>144,763</b>	6,222

## 13. Discontinued Operations

For the year ended 31 March 2007

On 19 January 2006, the Group through its non-wholly owned subsidiary, Memorex International Inc. ("MII"), entered into agreements (the "Disposal Agreement") with Imation Corp. ("Imation"), a company listed on the New York Stock Exchange, to dispose of (i) MII's entire interest in Hanny Magnetics Europe Limited, Memorex Canada Ltd., Memorex Products Europe Limited, Memorex Products S.A.S., Memorex Products GmbH, Memorex Products (Taiwan) Inc. and Memorex Products, Inc. (the "Disposed Companies"); and (ii) MII's trademark license and other assets relating to the trading of computer related product business under the trade name "Memorex<sup>®</sup>", which include the business of design, development, marketing, distribution and sale of hardware, media and accessories used for the storage of electronic data conducted by MII and the Disposed Companies (the "Disposed Business"). The disposal was completed on 28 April 2006.

The business segment of trading of computer related products business under the trade name "Memorex<sup>®</sup>" and trading of consumer electronic product business were classified as discontinued operations during the year ended 31 March 2007.

## 13. 非持續業務

截至二零零七年三月三十一日止年度

於二零零六年一月十九日，本集團透過其非全資附屬公司Memorex International Inc.（「MII」）與 Imation Corp.（「Imation」）（一間於紐約證券交易所上市之公司）訂立協議（「出售協議」），以出售（i）MII於Hanny Magnetics Europe Limited、Memorex Canada Ltd.、Memorex Products Europe Limited、Memorex Products S.A.S.、Memorex Products GmbH、Memorex Products (Taiwan) Inc.及 Memorex Products, Inc.（「出售公司」）之全部權益；及（ii）MII之商標許可證及其他有關以「Memorex<sup>®</sup>」商用名稱買賣電腦相關產品之業務之資產（包括MII及出售公司進行之電子數據儲存所用硬件、媒體及配件之設計、開發、營銷、分銷及銷售之業務（「出售業務」）。出售已於二零零六年四月二十八日完成。

截至二零零七年三月三十一日止年度，「Memorex<sup>®</sup>」品牌電腦相關產品貿易業務及消費電子產品貿易業務分類列作非持續業務。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 13. Discontinued Operations (Continued)

The profit for the year from the discontinued operations for the period from 1 April 2006 to 28 April 2006 was analyzed as follows:

### 13. 非持續業務(續)

二零零六年四月一日至二零零六年四月二十八日期間非持續業務之年度溢利分析如下：

		1.4.2006 to 28.4.2006 二零零六年 四月一日至 二零零六年 四月二十八日 HK\$'000 千港元
Loss of business segment of trading of computer related products business under the trade name "Memorex®" and trading of consumer electronic product business	「Memorex®」品牌電腦相關產品貿易業務及消費電子產品貿易業務分類之虧損	(8,420)
Gain on disposal of Disposed Business (note 49(ii))	出售出售業務之收益(附註49(ii))	1,526,346
		1,517,926
Attributable to:	歸屬於：	
Equity holder of the Company	本公司股權持有人	637,972
Minority interests	少數股東權益	879,954
		1,517,926

The related assets and liabilities at the date of disposal of Disposed Business is disclosed in note 49(ii).

出售業務於出售當日之有關資產及負債於附註49(ii)中披露。

### 13. Discontinued Operations (Continued)

The results of the trading of computer related products under "Memorex®" and trading of consumer electronic product business for the period from 1 April 2006 to the date of disposal were as follows:

		<b>1.4.2006 to 28.4.2006</b>
		二零零六年 四月一日至 二零零六年 四月二十八日
		HK\$'000 千港元
Revenue	收入	289,253
Cost of sales	銷售成本	(231,045)
Other income	其他收入	7,825
Distribution and selling expenses	分銷及銷售開支	(89,370)
Administrative expenses	行政開支	(10,651)
Finance costs	財務費用	(667)
Loss before income tax	除所得稅前虧損	(34,655)
Income tax credit	所得稅抵免	26,235
Loss for the period	本期間虧損	(8,420)

The cash flows of the discontinued operations were as follows:

		<b>1.4.2006 to 28.4.2006</b>
		二零零六年 四月一日至 二零零六年 四月二十八日
		HK\$'000 千港元
Net cash from operating activities	經營業務產生之現金淨額	72,599
Net cash used in financing activities	融資業務動用之現金淨額	(62,072)

### 13. 非持續業務(續)

於二零零六年四月一日至出售當日期間，「Memorex®」品牌電腦相關產品貿易業務及消費電子產品貿易業務之業績如下：

非持續業務之現金流量如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 14. Profit for the Year

### 14. 本年度溢利

	Continuing operations		Discontinued operations		Consolidated	
	持續經營業務		非持續業務		綜合	
	2008	2007	2008	2007	2008	2007
	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Profit for the year has been arrived at after charging (crediting):						
Staff costs (including directors' emoluments):						
Salaries and other benefits	22,980	19,657	—	11,852	22,980	31,509
Discretionary bonus included in gain on disposal of Disposal Business	—	—	—	15,119	—	15,119
Retirement benefits scheme contributions	652	184	—	41	652	225
	23,632	19,841	—	27,012	23,632	46,853
Release of prepaid lease payments	392	—	—	—	392	—
Amortization of intangible assets (included in administrative expenses)	2,600	—	—	—	2,600	—
Depreciation of property, plant and equipment	35,467	12,364	—	1,280	35,467	13,644
Write-off of loans to associates	—	1,331	—	—	—	1,331
Allowance for other receivables	7,009	—	—	11,877	7,009	11,877
Allowance for margin loans receivable	1,435	—	—	—	1,435	—
Auditor's remuneration	8,756	6,000	—	607	8,756	6,607
Cost of inventory recognized as expense	—	1,280	—	231,045	—	232,325
Share of income tax of associates (included in share of results of associates)	1,996	2,428	—	—	1,996	2,428
Exchange loss (gain)	14,484	(17,895)	—	(5,147)	14,484	(23,042)
Reversal of allowance for loans receivable	(4,472)	(5,725)	—	—	(4,472)	(5,725)
Reversal of allowance for trade receivables	(88)	—	—	—	(88)	—

## 15. Directors' and Employee's Remuneration

### (a) Directors' remuneration

The emoluments paid or payable to each of the 7 (2007: 8) directors were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Chan Kwok Keung, Charles	陳國強		
Fees	袍金	—	—
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	—	—
Retirement benefits scheme contributions	退休福利計劃供款	—	—
		—	—
Yap, Allan	Yap, Allan		
Fees	袍金	—	163
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	2,400	2,400
Discretionary bonus	酌情花紅	—	15,119
Retirement benefits scheme contributions	退休福利計劃供款	12	12
		2,412	17,694
Lui Siu Tsuen, Richard	呂兆泉		
Fees	袍金	—	—
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	2,206	2,195
Discretionary bonus	酌情花紅	275	—
Retirement benefits scheme contributions	退休福利計劃供款	124	113
		2,605	2,308

## 15. 董事及僱員酬金

### (a) 董事酬金

已付或應付予7名董事(二零零七年：8名)各自之酬金如下：

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 15. Directors' and Employee's Remuneration (Continued)

## 15. 董事及僱員酬金(續)

(a) Directors' remuneration (Continued)

(a) 董事酬金(續)

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Kwok Ka Lap, Alva	郭嘉立		
Fees	袍金	48	48
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	—	—
Retirement benefits scheme contributions	退休福利計劃供款	—	—
		48	48
Wong King Lam, Joseph	黃景霖		
Fees	袍金	29	50
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	—	—
Retirement benefits scheme contributions	退休福利計劃供款	—	—
		29	50
Yuen Tin Fan, Francis (resigned during the year ended 31 March 2007)	袁天凡 (於截至二零零七年三月三十一日止年度退任)		
Fees	袍金	N/A 不適用	—
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	N/A 不適用	—
Retirement benefits scheme contributions	退休福利計劃供款	N/A 不適用	—
		N/A 不適用	—



## 15. Directors' and Employee's Remuneration (Continued)

## 15. 董事及僱員酬金 (續)

(a) Directors' remuneration (Continued)

(a) 董事酬金 (續)

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Sin Chi Fai	冼志輝		
Fees	袍金	10	52
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	—	—
Retirement benefits scheme contributions	退休福利計劃供款	—	—
		10	52
Poon Kwok Hing, Albert	潘國興		
Fees	袍金	50	8
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及其他福利	—	—
Retirement benefits scheme contributions	退休福利計劃供款	—	—
		50	8
Total	合計		
Directors' fees	董事袍金	137	321
Other emoluments:	薪金及其他福利：		
Salaries and other benefits	薪金及其他福利	4,606	4,595
Discretionary bonus	酌情花紅	275	15,119
Retirement benefits scheme contributions	退休福利計劃供款	136	125
		5,154	20,160

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 15. Directors' and Employee's Remuneration (Continued)

## (b) Employees' remuneration

The emoluments of the five highest paid individuals of the Group included two directors for the year ended 31 March 2008 (2007: two directors), whose emoluments are included in (a) above. The aggregate emoluments of the remaining individuals are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	3,242	2,120
Performance related incentive payments	與表現有關之獎金	356	178
Retirement benefit scheme	退休福利計劃	180	115
		<b>3,778</b>	<b>2,413</b>

## 15. 董事及僱員酬金 (續)

## (b) 僱員酬金

截至二零零八年三月三十一日止年度，本集團包括兩名（二零零七年：兩名）董事在內之五位最高薪人士之酬金已呈列於上文(a)。其餘人士之酬金總額如下：

		Number of employees 僱員人數	
		2008 二零零八年	2007 二零零七年
HK\$nil to HK\$1,000,000	零港元至 1,000,000 港元	1	2
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	—
		<b>3</b>	<b>3</b>

## 16. Distributions

## 16. 分派

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Final, paid — HK1 cent per share for 2007, with a scrip option (2007: HK6 cents per share for 2006)	末期，已付—二零零七年每股1港仙(可選擇以股代息)(二零零七年：二零零六年每股6港仙)	33,381	15,027
Interim, paid — HK0.5 cent per share for 2008 (2007: HK5 cents per share for 2007) with a scrip option	中期，已付—二零零八年每股0.5港仙(可選擇以股代息)(二零零七年：二零零七年每股5港仙)	25,049	12,628
		<b>58,430</b>	27,655

The directors do not recommend the payment of a final dividend for the year ended 31 March 2008 (2007: HK1 cent per share in cash with a scrip option).

董事會不建議派發截至二零零八年三月三十一日止年度之末期股息(二零零七年：每股現金1港仙，可選擇以股代息)。

Share dividends were offered in respect of the 2007 and 2008. These cash and share dividends were as follows:

本公司已就二零零七年及二零零八年派發股份股息。該等現金及股份股息如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Dividend	股息		
— cash	— 現金	56,467	19,378
— share alternative	— 股份選擇	1,963	8,277
		<b>58,430</b>	27,655

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 17. Earnings (Loss) Per Share

For continuing and discontinued operations

The calculation of the basic and diluted earnings per share attributable to the equity holders of the Company is based on the following data:

Earnings:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit for the year attributable to equity holders of the Company for the purpose of basic earnings per share	計算每股基本盈利之 本公司股權持有人應佔 年度溢利	129,110	527,080
— Interest on convertible loan notes	— 可兌換貸款票據利息	N/A 不適用	31,931
Earnings for the year attributable to equity holders of the Company for the purpose of diluted earnings per share	計算每股攤薄盈利之 本公司股權持有人應佔 年度溢利	129,110	559,011

## 17. 每股盈利(虧損)

就持續經營業務及非持續業務而言

本公司股權持有人應佔每股基本及攤薄盈利乃按以下數據計算：

盈利：

## 17. Earnings (Loss) Per Share (Continued)

For continuing and discontinued operations (Continued)

Number of shares:

		2008 二零零八年 '000 千股 (Note) (附註)	2007 二零零七年 '000 千股 (Note) (附註)
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利之普通股加權平均數目	4,384,156	3,273,953
Effect of dilutive potential ordinary shares:	可能對普通股產生攤薄影響：		
— Share options	— 購股權	—	8,690
— Convertible loan notes	— 可兌換貸款票據	N/A 不適用	1,141,814
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利之普通股加權平均數目	4,384,156	4,424,457

Note: The weighted average number of ordinary shares has been adjusted for the effect of bonus issue as described in note 44.

No diluted earnings per share was presented for the year ended 31 March 2008 as the conversion of convertible loan notes would result in increase in earnings per share from continuing and discontinued operations.

## 17. 每股盈利(虧損)(續)

就持續經營業務及非持續業務而言  
(續)

股份數目：

附註：普通股加權平均數目已就附註44所述之發行紅股影響而作出調整。

由於兌換可兌換票據將導致持續及非持續經營業務之每股盈利增加，故於二零零八年三月三十一日止年度並無呈列每股攤薄盈利。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 17. Earnings (Loss) Per Share (Continued)

## For continuing operations

The calculation of the basic and diluted earnings per share from continuing operations attributable to the equity holders of the Company is based on the following data:

Earnings (loss):

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit for the year attributable to equity holders of the Company	本公司股權持有人應佔年度溢利	129,110	527,080
Less: Profit for the year from discontinued operations attributable to equity holders of the Company	減：本公司股權持有人應佔非持續業務年度溢利	—	(637,972)
Earnings (loss) for the purpose of basic and diluted earnings (loss) per share from continuing operations	計算持續經營業務之每股攤薄盈利(虧損)之盈利(虧損)	129,110	(110,892)

The denominators used are the same as those detailed above for both basic and diluted earnings (loss) per share.

No diluted loss per share was presented for the year ended 31 March 2007 as the exercise of share option and the conversion of convertible loan notes would result in decrease in loss per share from continuing operation.

No diluted earnings per share was presented for the year ended 31 March 2008 as the conversion of convertible loan notes would result in increase in earnings per share from continuing operations.

## 17. 每股盈利(虧損)(續)

## 來自持續經營業務

本公司股權持有人應佔來自持續經營業務之每股基本及攤薄盈利乃按以下數據計算：

盈利(虧損)：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit for the year attributable to equity holders of the Company	本公司股權持有人應佔年度溢利	129,110	527,080
Less: Profit for the year from discontinued operations attributable to equity holders of the Company	減：本公司股權持有人應佔非持續業務年度溢利	—	(637,972)
Earnings (loss) for the purpose of basic and diluted earnings (loss) per share from continuing operations	計算持續經營業務之每股攤薄盈利(虧損)之盈利(虧損)	129,110	(110,892)

每股基本及攤薄盈利(虧損)所採用之分母與上文所採用者相同。

由於行使購股權及兌換可兌換貸款票據會導致來自持續經營業務之每股虧損減少，故此並無呈列截至二零零七年三月三十一日止年度每股攤薄虧損。

由於可兌換貸款票據之兌換會導致來自持續經營業務之每股盈利增加，故此並無呈列截至二零零八年三月三十一日止年度之每股攤薄盈利。

## 17. Earnings (Loss) Per Share (Continued)

### For continuing operations (Continued)

The above has not accounted for the conversion of the convertible note issued by the associate for the year ended 31 March 2007 and 31 March 2008 since such conversion is anti-dilutive.

### For discontinued operations

For the year ended 31 March 2007, basic earnings per share for the discontinued operation was HK19.49 cents per share and diluted earnings per share for the discontinued operation was HK14.39 cents per share, based on the profit for the year from the discontinued operations of HK\$637,972,000 and the denominators detailed above for both basic and diluted earnings per share.

## 17. 每股盈利(虧損)(續)

### 來自持續經營業務(續)

由於兌換具反攤薄作用，故此上文並無計及截至二零零七年三月三十一日及二零零八年三月三十一日止年度兌換由聯營公司發行的可兌換票據。

### 來自非持續業務

截至二零零七年三月三十一日止年度，非持續業務的每股基本盈利為每股19.49港仙，而非持續業務的每股攤薄盈利則為每股14.39港仙，乃根據非持續業務年度溢利637,972,000港元及上文每股基本及攤薄盈利所採用之分母計算。



## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 18. Property, Plant and Equipment

## 18. 物業、機器及設備

		Leasehold buildings	Plant and machinery	Moulds	Furniture, fixtures and equipment 傢具、裝置 及設備	Motor vehicles	Sand mining vessel	Total
		租賃樓宇 HK\$'000 千港元	機器及機械 HK\$'000 千港元	模具 HK\$'000 千港元	傢具、裝置 及設備 HK\$'000 千港元	汽車 HK\$'000 千港元	採砂船 HK\$'000 千港元	總額 HK\$'000 千港元
<b>THE GROUP</b>	<b>本集團</b>							
COST	成本							
At 1 April 2006	於二零零六年四月一日	46,463	10,131	2,971	10,766	2,672	—	73,003
Currency realignment	貨幣調整	—	—	—	1,262	(41)	4,261	5,482
Additions	添置	—	—	—	1,133	2,302	—	3,435
Arising from acquisition of subsidiaries	來自收購附屬公司	—	40	—	142	387	134,684	135,253
Disposals	出售	(33,335)	(10,131)	(2,971)	(320)	(514)	—	(47,271)
Disposal of subsidiaries	出售附屬公司	(13,128)	—	—	(4,413)	(133)	—	(17,674)
At 31 March 2007	於二零零七年三月三十一日	—	40	—	8,570	4,673	138,945	152,228
Currency realignment	貨幣調整	5,733	346	—	14	105	12,282	18,480
Additions	添置	—	3	—	587	—	—	590
Arising from acquisition of subsidiaries	來自收購附屬公司	78,060	3,597	—	91	121	26,500	108,369
Disposals	出售	—	—	—	(1,000)	(350)	—	(1,350)
Disposal of subsidiaries	出售附屬公司	—	(17)	—	—	(368)	—	(385)
At 31 March 2008	於二零零八年三月三十一日	83,793	3,969	—	8,262	4,181	177,727	277,932
DEPRECIATION AND IMPAIRMENT	折舊及減值							
At 1 April 2006	於二零零六年四月一日	10,621	10,131	2,971	9,017	1,696	—	34,436
Currency realignment	貨幣調整	—	—	—	(4)	—	—	(4)
Provided for the year	本年度撥備	549	11	—	1,231	358	10,215	12,364
Eliminated on disposals	出售時撇銷	(10,682)	(10,131)	(2,971)	(317)	(418)	—	(24,519)
Eliminated on disposal of subsidiaries	出售附屬公司時撇銷	(488)	—	—	(3,289)	(61)	—	(3,838)
At 31 March 2007	於二零零七年三月三十一日	—	11	—	6,638	1,575	10,215	18,439
Currency realignment	貨幣調整	662	60	—	10	24	104	860
Provided for the year	本年度撥備	6,612	250	—	443	786	27,376	35,467
Eliminated on disposals	出售時撇銷	—	—	—	(570)	(350)	—	(920)
Eliminated on disposal of subsidiaries	出售附屬公司時撇銷	—	(4)	—	—	(174)	—	(178)
At 31 March 2008	於二零零八年三月三十一日	7,274	317	—	6,521	1,861	37,695	53,668
CARRYING VALUES	賬面值							
At 31 March 2008	於二零零八年三月三十一日	76,519	3,652	—	1,741	2,320	140,032	224,264
At 31 March 2007	於二零零七年三月三十一日	—	29	—	1,932	3,098	128,730	133,789

## 18. Property, Plant and Equipment (Continued)

The above items of property, plant and equipment are depreciated on straight-line basis at the following rates per annum.

Leasehold buildings	Over the period of the leases or 2%–5%
Plant and machinery	10%–20%
Moulds	25%–33%
Furniture, fixtures and equipment	10%–33%
Motor vehicles	20%–25%
Sand mining vessel	10%

The Group's leasehold buildings are situated in a land in PRC with medium-term leases.

## 18. 物業、機器及設備(續)

上述物業、機器及設備各項目乃按直線法及以下年率折舊。

租賃樓宇	按租約年期或 2%–5%
機器及機械	10%–20%
模具	25%–33%
傢具、裝置及設備	10%–33%
汽車	20%–25%
採砂船	10%

本集團之租賃樓宇位於中國一幅中期租約土地。

## 19. Investment Properties

## 19. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 April 2006	於二零零六年四月一日	133,000
Additions	添置	10,358
Increase in fair value recognized in the consolidated income statement	於綜合收益表確認之公平值增加	2,642
At 31 March 2007	於二零零七年三月三十一日	146,000
Additions	添置	747
Increase in fair value recognized in the consolidated income statement	於綜合收益表確認之公平值增加	103,253
At 31 March 2008	於二零零八年三月三十一日	250,000

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 19. Investment Properties (Continued)

The fair value of the Group's investment properties at 31 March 2008 have been arrived at on the basis of a valuation carried out by RHL Appraisal Limited, a firm of independent valuers. The valuation of the Group's investment properties was arrived at by using direct comparison method where comparison based on prices information on comparable property is made. During the year ended 31 March 2008, a gain on fair value changes in investment properties amounting to HK\$103,253,000 (2007: HK\$2,642,000) was recognized in the consolidated income statement.

The investment properties are held under long leases and are situated in Hong Kong.

All of the Group's investment properties held under operating leases to earn rentals or for capital appreciation purposes are measured using fair value model and are classified and accounted for as investment properties.

### 19. 投資物業(續)

本集團投資物業於二零零八年三月三十一日之公平值以獨立估值師行永利行評值顧問有限公司進行之估值為基準釐定。本集團之投資物業估值乃使用直接比較法按可供比較物業之價格資料作出比較釐定。截至二零零八年三月三十一日止年度內，於綜合收益表確認投資物業公平值變動收益103,253,000港元(二零零七年：2,642,000港元)。

投資物業以長期租約持有並位於香港。

本集團為賺取租金或資本增值而按經營租約持有的所有投資物業按公平值模式計量，並分類入賬列為投資物業。

## 20. Prepaid Lease Payments

The Group's prepaid lease payments comprise leasehold lands in the PRC held under medium-term land use rights.

## 20. 預付租賃付款

本集團的預付租賃付款包括在中國根據中期土地使用權持有的租賃土地。

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Analyzed for reporting purposes as:	就呈報目的而作出分析：		
Non-current asset	非流動資產	8,120	—
Current asset	流動資產	550	—
		8,670	—

## 21. Goodwill

## 21. 商譽

		HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
At 1 April 2006 and 31 March 2007	於二零零六年四月一日及 二零零七年三月三十一日	6,621
Arising on acquisition of subsidiaries	收購附屬公司產生	26,524
At 31 March 2008	於二零零八年三月三十一日	33,145
<b>IMPAIRMENT LOSS</b>	<b>減值虧損</b>	
At 1 April 2006	於二零零六年四月一日	—
Impairment loss recognized	已確認減值虧損	6,621
At 31 March 2007 and 2008	於二零零七年及二零零八年三月三十一日	6,621
<b>CARRYING AMOUNTS</b>	<b>賬面值</b>	
At 31 March 2008	於二零零八年三月三十一日	26,524
At 31 March 2007	於二零零七年三月三十一日	—

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 21. Goodwill (Continued)

Particulars regarding impairment testing on goodwill are set out below:

(i) For the year ended 31 March 2007

An impairment testing was performed in relation to the goodwill arising from acquisition of Rapid Growth Profits Limited and management determined that the goodwill was impaired and full amount of goodwill was charged as impairment loss on goodwill arising on acquisition of subsidiaries in the consolidated income statement.

(ii) For the year ended 31 March 2008

The carrying amount of goodwill as at 31 March 2008 of HK\$6,869,000 and HK\$19,655,000 is attributable to the acquisition of (i) Regrowth Resources Limited which is engaged in water supply business (cash generating unit of water supply business) and (ii) 東莞市富昌建材貿易有限公司 which is engaged in sand mining business (cash generating unit of sand mining business) respectively.

During the year ended 31 March 2008, management of the Group determines that there is no impairment in either of these two cash generating units containing goodwill.

### 21. 商譽 (續)

有關商譽減值測試的詳情如下：

(i) 截至二零零七年三月三十一日止年度

已就有關因收購Rapid Growth Profits Limited所產生之商譽進行減值測試，管理層認為上述商譽已減值，而全部商譽數額已按收購附屬公司所產生商譽減值虧損於綜合收益表悉數扣除。

(ii) 截至二零零八年三月三十一日止年度

於二零零八年三月三十一日賬面值為6,869,000港元及19,655,000港元的商譽分別來自收購(i)從事供水業務(供水業務的現金產生單位)的新生資源有限公司及(ii)從事採砂業務的東莞市富昌建材貿易有限公司(採砂業務的現金產生單位)。

截至二零零八年三月三十一日止年度，本集團管理層認為兩個包括商譽的現金產生單位概無出現減值。

## 21. Goodwill (Continued)

### (ii) For the year ended 31 March 2008 (Continued)

The basis of the recoverable amounts of these two cash generating units and their major underlying assumptions are summarized below:

#### *Cash generating unit of water supply business*

The recoverable amount of this unit has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by the management covering a 5-year period and discount rate of 17%. The cash flows beyond the 5-year period are extrapolated using a steady 3% growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development.

#### *Cash generating unit of sand mining business*

The recoverable amount of this unit has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by the management covering a 5-year period and discount rate of 18%. The cash flows beyond the 5-year period are extrapolated using a steady 3% growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development.

## 21. 商譽(續)

### (ii) 截至二零零八年三月三十一日止年度(續)

該兩個現金產生單位的可收回金額及其主要相關假設的基準概述如下：

#### *供水業務的現金產生單位*

本單位的可收回金額乃根據在用價值計算法釐定。該計算法乃利用基於涵蓋5年，並由管理層批准之財務預算之現金流量預測，並按17%貼現率計算。五年期以外的現金流量乃使用穩定的3%增長率推算。在用價值計算法之其他主要假設與現金流入／流出之估計有關(包括預算銷售額及毛利率)，該等估計乃根據該單位之過往表現及管理層對市場發展之預期而釐定。

#### *採砂業務的現金產生單位*

本單位的可收回金額乃根據在用價值計算法釐定。該計算法乃利用基於涵蓋5年，並由管理層批准之財務預算之現金流量預測，並按18%貼現率計算。五年期以外的現金流量乃使用穩定的3%增長率推算。在用價值計算法之其他主要假設與現金流入／流出之估計有關(包括預算銷售額及毛利率)，該等估計乃根據該單位之過往表現及管理層對市場發展之預期而釐定。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 22. Intangible Assets

## 22. 無形資產

		Customer contracts	Operating right to water supply business	Total
		客戶合約	供水業務經營權利	總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
<b>COST</b>	<b>成本</b>			
Acquired on acquisition of subsidiaries and at 31 March 2008 (Note 47)	於收購附屬公司時獲得及於二零零八年三月三十一日(附註47)	91,735	13,395	105,130
<b>AMORTIZATION</b>	<b>攤銷</b>			
Charge for the year and at 31 March 2008	年內扣除及於二零零八年三月三十一日	2,377	223	2,600
<b>CARRYING VALUE</b>	<b>賬面值</b>			
At 31 March 2008	於二零零八年三月三十一日	89,358	13,172	102,530

The above intangible assets was purchased as part of the acquisition of the Regrowth Resources Limited (water supply business) and 東莞市富昌建材貿易有限公司 (sand mining business).

上述無形資產乃作為收購新生資源有限公司(供水業務)及東莞市富昌建材貿易有限公司(採砂業務)的一部份而購入。

The above intangible assets have definite lives and are amortized on a straight-line basis over following periods:

上述無形資產的使用期有限，並於下列期間按直線基準攤銷：

Customers contracts	10–15 years	客戶合約	10–15年
Operating right to water supply business	26 years	供水業務經營權利	26年



## 23. Interests in Associates

## 23. 聯營公司權益

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cost of investment in associates which are:	於下列聯營公司投資之成本：		
— listed in Hong Kong (note a)	— 在香港上市(附註a)	—	285,739
— listed overseas (note b)	— 在海外上市(附註b)	313,235	239,004
— unlisted (note c)	— 非上市(附註c)	6,353	281,523
Share of post-acquisition profit, net of dividends received	應佔收購後溢利，減已收股息	66,747	69,348
		<b>386,335</b>	875,614
Interests in associates included in assets held for sales (notes a and c) (note 11)	列為持作銷售資產之聯營公司權益(附註a及c)(附註11)	<b>651,029</b>	—
Fair value of listed shares	上市股份之公平值	<b>212,168</b>	278,262

## Notes:

- a. As at 31 March 2007, the amount represented the 20.36% equity interest in Wing On held by CEL.

During the year ended 31 March 2008, the changes of the interest in Wing On held by the Group are as follows:

- (i) In June 2007, CEL converted the convertible note of Wing On with principal amount of HK\$237,000,000 into 300,000,000 shares in Wing On and disposed of 355,000,000 shares in Wing On to the market at a consideration of approximately HK\$262,059,000;
- (ii) In June, July and August 2007, the Group acquired 223,772,000 shares in Wing On in aggregate from the market at a total consideration of HK\$122,321,000; and
- (iii) In November 2007, the Group disposed of 59,595,000 shares in Wing On at a consideration of HK\$25,470,000.

## 附註：

- a. 於二零零七年三月三十一日，該金額指由CEL持有的20.36%永安股權。

於截至二零零八年三月三十一日止年度，由本集團持有的永安權益的變動如下：

- (i) 於二零零七年六月，CEL轉換本金額為237,000,000港元的永安可兌換票據為300,000,000股永安股份，並按代價約262,059,000港元於市場上出售355,000,000股永安股份；
- (ii) 於二零零七年六月、七月及八月，本集團於市場上購入合共223,772,000股永安股份，總代價為122,321,000港元；及
- (iii) 於二零零七年十一月，本集團按代價25,470,000港元出售59,595,000股永安股份。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 23. Interests in Associates (Continued)

Notes: (Continued)

a. (Continued)

During the year ended 31 March 2008, Wing On also increased its share capital from HK\$61,059,000 as at 31 March 2007 to HK\$182,076,000 as at 31 March 2008 by placement of shares, exercise of share options and conversion of convertible bond held by other convertible bond holders of Wing On. As a result of the above transactions, the Group's interest in Wing On were reduced from 20.36% as at 31 March 2007 to 12.82% as at 31 March 2008, and resulted in a loss on disposal and dilution of interest in an associate amounting to HK\$268,525,000 and a discount on acquisition of additional interest in an associate amounting to HK\$148,309,000. The directors consider that the Group has retained significant influence over Wing On by the representation of the Group on the board of directors of Wing On despite the interest held by the Group is below 20% and the Group has continuously accounted for Wing On as its associate.

As explained in note 11, the Group entered into a conditional agreement to dispose of its 29.2% interest in CEL at a cash consideration of HK\$152,418,000. In addition, the directors of the Company committed a plan to dispose of its entire interest in Wing On, and accordingly, its entire interests of Wing On held by the Group were classified under assets held for sale and not accounted for using the equity method of accounting as at 31 March 2008. Details of these are set out in note 11.

## 23. 聯營公司權益 (續)

附註：(續)

a. (續)

截至二零零八年三月三十一日止年度，永安亦通過配售股份、行使購股權及兌換由其他永安可兌換債券持有人持有的可兌換債券，將其股本由二零零七年三月三十一日的61,059,000港元增至二零零八年三月三十一日的182,076,000港元。由於進行上述交易，本集團於永安的權益自二零零七年三月三十一日的20.36%降至二零零八年三月三十一日的12.82%，並導致268,525,000港元的一間聯營公司出售及權益攤薄虧損，以及148,309,000港元的增購一間聯營公司權益折讓。董事認為本集團已通過本集團於永安董事會的代表保留對永安的重大影響，儘管本集團持有的權益已降至20%以下，而本集團已繼續將永安入賬列為聯營公司。

誠如附註11所說明，本集團訂立有條件協議按現金代價152,418,000港元出售其於CEL的29.2%權益。此外，本公司董事已落實一項計劃，出售其於永安的全數權益，故於二零零八年三月三十一日本集團持有的全數永安權益歸類為持作銷售資產，並無按權益會計法入賬。該等詳情載於附註11。

## 23. Interests in Associates (Continued)

Notes: (Continued)

- b. The amount as at 31 March 2008 and 2007 represented the Group's 24.26% equity interest in PSC Corporation Ltd ("PSCL").

Included in investment in associates is goodwill of HK\$38,979,000 as at 31 March 2008 and 2007 arising on acquisition of associates in previous year. The movement of goodwill is set out below:

		HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
At 1 April 2006, 1 April 2007 and 31 March 2008	於二零零六年四月一日、 二零零七年四月一日及 二零零八年三月三十一日	53,370
<b>AMORTIZATION AND IMPAIRMENT</b>	<b>攤銷及減值</b>	
At 1 April 2006, 1 April 2007 and 31 March 2008	於二零零六年四月一日、 二零零七年四月一日及 二零零八年三月三十一日	14,391
<b>CARRYING VALUE</b>	<b>賬面值</b>	
At 31 March 2007 and 31 March 2008	於二零零七年三月三十一日及 二零零八年三月三十一日	38,979

- c. As at 31 March 2007, the amount represented the 26% equity interest in Hangzhou Zhongce Rubber Company Limited ("HZ Rubber") held by CEL. As explained in note 11, the related assets and liabilities of CEL were classified as disposal group held for sale and accordingly, the interest in HZ Rubber were classified as disposal group held for sale as at 31 March 2008. The amount of HK\$6,353,000 as at 31 March 2008 mainly represented the 28.6% interest in Mass Success International Ltd., a company incorporated in the British Virgin Islands and engaged in investment holding and provision of management services.

## 23. 聯營公司權益 (續)

附註：(續)

- b. 於二零零八年及二零零七年三月三十一日之金額指本集團所持普威集團有限公司(「普威」)之24.26%股權。

於聯營公司之投資包括於過往年度收購聯營公司而產生之商譽，於二零零八年及二零零七年三月三十一日金額為38,979,000港元。商譽之變動詳情載於下文：

- c. 於二零零七年三月三十一日，金額指CEL所持之杭州中策橡膠有限公司(「杭州中策橡膠」)26%股權。誠如附註11所說明，CEL的有關資產及負債歸類為持作銷售出售組別，於二零零八年三月三十一日杭州中策橡膠權益歸類為持作銷售出售組別。於二零零八年三月三十一日的6,353,000港元主要指Mass Success International Ltd.之28.6%權益，該公司於英屬處女群島註冊成立，從事投資控股及提供管理服務。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 23. Interests in Associates (Continued)

Notes: (Continued)

d. Details of the Group's principal associates are as follows:

Name of associate 聯營公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 營運地點	Proportion of equity interest attributable to the Group 本集團應佔股權比例		Principal activities 主要業務
			2007 二零零七年 %	2008 二零零八年 %	
PSCL 普威	Singapore 新加坡	Singapore 新加坡	24.26	<b>24.26</b>	Supply of household consumer products 供應家用消費品
Wing On 永安	Bermuda 百慕達	Hong Kong 香港	20.36	<b>12.82</b>	Business of providing package tours, travel and other related services 提供旅行團、旅遊及其他相關服務之業務
HZ Rubber 杭州中策橡膠	PRC 中國	PRC 中國	26	<b>26</b>	Manufacturing of tires 製造輪胎

PSCL is a company listed in the Republic of Singapore and its financial year end date is 31 December. The Group has equity accounted for its share of interest in PSCL at 31 March 2007 and at 31 March 2008, based on the net assets of PSCL at 31 March 2007 and at 31 March 2008, respectively, extracted from the published interim financial information of PSCL.

普威乃一間於新加坡共和國上市之公司，其財政年度結算日為十二月三十一日。本集團應佔普威於二零零七年三月三十一日及二零零八年三月三十一日之權益，乃根據普威於二零零七年三月三十一日及二零零八年三月三十一日之資產淨值（摘錄自普威已刊發之中期財務資料）計算，並入賬列為權益。

### 23. 聯營公司權益 (續)

附註：(續)

d. 本集團主要聯營公司之詳情載列如下：

## 23. Interests in Associates (Continued)

Notes: (Continued)

d. (Continued)

Wing On is a company listed in Hong Kong and its financial year end date is 31 December. The Group has equity accounted for its share of interest in Wing On at 31 March 2007 and up to 25 March 2008 (being the date of classification of interest in Wing On as assets held for sale) based on the net assets of Wing On at 31 December 2006 and 31 December 2007 respectively, after adjusting for any material transactions up to 31 March 2007 and 25 March 2008.

HZ Rubber is a PRC sino-foreign equity joint venture.

The above tables list the associates of the Group which, in the opinion of the directors, principally affected the results of the Group for the year or formed a substantial portion of the net assets of the Group at the end of the year. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.

e. The summarized financial information in respect of the Group's associates under equity method of accounting is set out below:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Total assets	資產總值	2,098,800	10,796,695
Total liabilities	負債總值	(487,266)	(6,872,066)
Net assets	資產淨值	1,611,534	3,924,629
Group's share of net assets of associates	本集團應佔聯營公司資產淨值	347,356	836,635

## 23. 聯營公司權益 (續)

附註：(續)

d. (續)

永安乃一間於香港上市之公司，其財政年度結算日為十二月三十一日。本集團應佔永安於二零零七年三月三十一日以及直至二零零八年三月二十五日（即於永安的權益分類為持作銷售資產之日期）之權益，乃根據永安於二零零六年十二月三十一日及二零零七年十二月三十一日之資產淨值（已就截至二零零七年三月三十一日及二零零八年三月二十五日止之任何重大交易進行調整）計算，並入賬列為權益。

杭州中策橡膠乃一間中外合資經營企業。

上表列載之本集團聯營公司，乃董事認為主要影響本集團本年度之業績或構成本集團年終資產淨值重大部分之公司。董事認為，詳載其他聯營公司會導致篇幅過於冗長。

e. 本集團聯營公司根據權益會計法編製之財務資料概要如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 23. Interests in Associates (Continued)

Notes: (Continued)

e. (Continued)

The summarized financial information in respect of the Group's associates that are not accounted for using the equity method of accounting (included in assets held for sale) is set out below:

		2008 二零零八年 HK\$ 港元
Total assets	資產總值	11,329,977
Total liabilities	負債總值	(7,212,046)
		4,117,931
Group's share of net assets of associates	本集團應佔聯營公司資產淨值	651,029

The revenue and profit for the year of the associates that are and are not accounted for using the equity method of accounting are set out below:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Revenue	收入	15,365,782	10,510,049
Profit for the year	本年度溢利	274,817	97,098
Group's share of profit of associates for the year	本集團應佔聯營公司本年度溢利	95,959	35,356

### 23. 聯營公司權益 (續)

附註：(續)

d. (續)

本集團聯營公司並非採用權益會計法入賬之財務資料(計入持有作銷售資產)概要載列如下：

本年度聯營公司採用及並非採用權益會計法入賬之收入及溢利載列如下：

## 23. Interests in Associates (Continued)

Notes: (Continued)

- f. The Group has discontinued recognition of its share of losses of certain associates. The amounts of unrecognized share of those associates, extracted from the relevant audited financial statements of associates, both for the year and cumulatively, are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Accumulated unrecognized of share losses of associates	應佔聯營公司之 累計未確認虧損	(797)	(558)
Unrecognized share of losses of associates for the year	應佔聯營公司之 本年度未確認虧損	(239)	—

## 23. 聯營公司權益 (續)

附註：(續)

- f. 本集團已終止確認應佔若干聯營公司之虧損。以下為應佔該等聯營公司之本年度及累計未確認虧損數額如下，乃摘錄自相關聯營公司經審核財務報表：

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 24. Available-for-Sale Investments

## 24. 可供銷售投資

		Notes 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Listed investments:	上市投資：			
— Equity securities listed in Hong Kong	— 於香港上市 之股本證券	(a)	316,523	247,967
Unlisted securities:	非上市證券：			
— equity securities	— 股本證券	(b)	295,662	43,662
— debt securities	— 債務證券	(c)	821,774	704,067
			1,117,436	747,729
			1,433,959	995,696
Analyzed for reporting purposes as:	就呈報目的而 作出分析：			
Non-current assets	非流動資產		1,404,127	995,696
Current assets	流動資產		29,832	—
			1,433,959	995,696
Available-for-sale investments included in disposal group held for sale (note 11)	計入持作銷售之 出售組別之可供 銷售投資(附註11)			
— Equity securities listed in Hong Kong	— 於香港上市之 股本證券	(a)	9,562	—

An amount of HK\$29,832,000 as at 31 March 2008 was classified under current assets as maturity date of the related convertible notes is in September 2008.

於二零零八年三月三十一日，29,832,000港元之金額歸類為流動資產，原因是有關可兌換票據的到期日為二零零八年九月。



## 24. Available-for-Sale Investments (Continued)

### Notes:

- (a) All listed investments are stated at fair value which is determined based on the quoted market bid prices available on the Stock Exchange. During the year, the Group identified an impairment loss of HK\$72,383,000 related to listed security whose share price has declined for a prolonged period.
- (b) The unlisted securities as at 31 March 2007 represented 9.76% interest in Apex Quality Group Limited ("Apex"). Apex is incorporated in the British Virgin Islands and its subsidiaries are engaged in hotel and leisure related business.

During the year ended 31 March 2008, the Group acquired various unlisted equity securities at a total consideration of HK\$502,000,000. The investees are mainly engaged in holding of properties interests in the PRC. The Group also disposed of certain unlisted equity securities with carrying value of HK\$250,000,000 through disposal of subsidiaries as set out in note 49(i).

The unlisted equity securities are measured at cost less impairment at each balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair value cannot be measured reliably.

- (c) The amount represented the fair value of debt elements of the convertible notes issued by various companies whose shares are listed on the Stock Exchange.

During the year ended 31 March 2008, the Group subscribed a convertible note ("SCL 2009") with principal amount of HK\$100,000,000 issued by See Corporation Limited ("SCL"). SCL is a public limited liability company with its shares listed on the Stock Exchange. SCL 2009 carries interest at 1% per annum with maturity on 4 December 2009 at redemption amount of 100% of the principal amount. The fair value at initial recognition of the debt element of SCL 2009 and conversion option element of SCL 2009, amounting to HK\$99,376,000 and HK\$624,000 (note 27) respectively, are measured in accordance HKAS 39.

## 24. 可供銷售投資(續)

### 附註：

- (a) 所有上市投資均按根據聯交所提供之所報市場買入價釐定之公平值列賬。本年度，本集團已識別與一項股價長期下跌之上市證券有關之減值虧損72,383,000港元。
- (b) 於二零零七年三月三十一日之非上市證券相當於Apex Quality Group Limited(「Apex」)之9.76%權益。Apex於英屬處女群島註冊成立，其附屬公司從事酒店及休閒相關業務。

截至二零零八年三月三十一日止年度，本集團已按總代價502,000,000港元收購多項非上市股本證券。所投資公司主要於中國從事持有物業權益。誠如附註49(i)所載，本集團亦透過出售附屬公司而出售賬面值250,000,000港元之若干非上市股本證券。

因合理公平值估計範圍相當重大，而本公司董事認為該等證券之公平值無法可靠計量，故於各結算日按成本減減值計量非上市股本證券。

- (c) 該金額指由數間股份於聯交所上市之公司所發行之可兌換票據債務部分之公平值。

截至二零零八年三月三十一日止年度，本集團已認購一份由漢傳媒集團有限公司(「漢傳媒」)發行之可兌換票據(「漢傳媒二零零九」)，本金額為100,000,000港元。漢傳媒為一間公眾有限公司，其股份於聯交所上市。漢傳媒二零零九按年利率1%計息，於二零零九年十二月四日到期，贖回金額為本金額之100%。漢傳媒於首次確認二零零九之債務部分及漢傳媒二零零九之兌換權部分之公平值分別為99,376,000港元及624,000港元(附註27)，乃根據香港會計準則第39號計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 24. Available-for-Sale Investments (Continued)

Notes: (Continued)

(c) (Continued)

Details of the terms and conditions of the principal convertible notes are as follows:

### 24. 可供銷售投資 (續)

附註：(續)

(c) (續)

主要可兌換票據之條款及條件詳情載列如下：

Convertible note	Principal amount	Issuer	Interest rate per annum	Maturity date	Redemption amount over the principal	Fair value of debt element as at	
						於下列日期	債務部分公平值
						31 March 2007	31 March 2008
						二零零七年三月三十一日	二零零八年三月三十一日
	HK\$'000				贖回金額 除以本金額	HK\$'000	HK\$'000
	千港元		年利率	到期日		千港元	千港元
ITC Properties 2010 德祥地產 二零一零	450,000	ITC Properties Group Limited ("ITC Properties", formerly known as Macau Prime Properties Holdings Limited) 德祥地產集團有限公司 (「德祥地產」), 前稱 澳門祥泰地產集團 有限公司	Zero 零	10 August 2010 二零一零年 八月十日	110%	277,331	293,984
ITC Properties 2011 德祥地產 二零一一	270,000	ITC Properties 德祥地產	1%	14 June 2011 二零一一年 六月十四日	110%	218,841	229,877
SCL 2009 漢傳媒 二零零九	100,000	SCL 漢傳媒	1%	4 December 2009 二零零九年 十二月四日	100%	N/A	87,245
SCL 2010 漢傳媒 二零一零	170,000	SCL 漢傳媒	Zero 零	9 August 2010 二零一零年 八月九日	110%	135,736	150,152
Wo Kee Hong 2008 和記行 二零零八	30,000	Wo Kee Hong (Holdings) Limited ("Woo Kee Hong") 和記行(集團)有限公司 (「和記行」)	7.25%	5 September 2008 二零零八年 九月五日	100%	28,921	29,834
Asia Standard 2009 泛海二零零九	19,000	Asia Standard International Limited ("Asia Standard") 泛海國際有限公司 (「泛海」)	4%	14 May 2009 二零零九年 五月十四日	100%	17,116	—

## 24. Available-for-Sale Investments (Continued)

Notes: (Continued)

(c) (Continued)

The methods and assumptions applied for the valuation of the principal convertible notes are as follows:

### (1) Valuation of debt component

The fair value of debt element was calculated based on the present value of contractually determined stream of future cash flows discounted at the required yield, which was determined with reference to the credit rating of the convertible notes issuer and remaining time to maturity. The effective interest rate of the debt component of each convertible note as at date of subscription, 31 March 2007 and 31 March 2008 are as follows:

Convertible note 可兌換票據	Date of issue 發行日期	Date of Subscription 認購日期	31 March 2007	31 March 2008
			二零零七年 三月三十一日	二零零八年 三月三十一日
ITC Properties 2010 德祥地產二零一零	1 August 2005 二零零五年八月一日	8.59%	8.33%	9.34%
ITC Properties 2011 德祥地產二零一一	15 June 2006 二零零六年六月十五日	9.16%	8.63%	9.72%
SCL 2009 漢傳媒二零零九	5 December 2007 二零零七年十二月五日	10%	—	9.75%
SCL 2010 漢傳媒二零一零	10 August 2005 二零零五年八月十日	10%	10%	9.75%
Wo Kee Hong 2008 和記行二零零八	7 September 2005 二零零五年九月七日	10.25%	10%	9.75%
Asia Standard 2009 泛海二零零九	15 May 2006 二零零六年五月十五日	10%	9.25%	8.75%

## 24. 可供銷售投資 (續)

附註：(續)

(c) (續)

主要可兌換票據估值之方法及假設如下：

### (1) 債務部分之估值

債務部分之公平值基於合約釐定之未來現金流量按規定收益率折現之現值計算，未來現金流量乃經參考可兌換票據發行人信貸評級及餘下至到期之時間而釐定。於認購日期、二零零七年三月三十一日及二零零八年三月三十一日，各可兌換票據債務部分之實際利率如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 24. Available-for-Sale Investments (Continued)

Notes: (Continued)

(c) (Continued)

#### (2) Valuation of conversion option element

Black-Scholes option pricing model is used for valuation for conversion option element of convertible notes. The inputs into the model of each convertible note as at date of subscription and each of the year ended 31 March 2007 and 2008, if applicable, was as follows:

ITC Properties 2010	1 August 2005 (date of subscription) 二零零五年八月一日 (認購日期)	31 March 2007 二零零七年 三月三十一日	31 March 2008 二零零八年 三月三十一日
德祥地產二零一零			
Stock price 股價	HK\$0.39 港元	HK\$0.41 港元	HK\$0.24 港元
Conversion price 兌換價	HK\$0.44 港元	HK\$0.44 港元	HK\$0.44 港元
Volatility 波幅	73.57%	49.28%	48.79%
Dividend yield 息率	Zero 零	Zero 零	Zero 零
Option life 期權年期	5 years 年	1.68 years 年	1.18 years 年
Risk free rate 無風險利率	4%	3.79%	0.91%
ITC Properties 2011	15 June 2006 (date of subscription) 二零零六年六月十五日 (認購日期)	31 March 2007 二零零七年 三月三十一日	31 March 2008 二零零八年 三月三十一日
德祥地產二零一一			
Stock price 股價	HK\$0.54 港元	HK\$0.41 港元	HK\$0.24 港元
Conversion price 兌換價	HK\$0.70 港元	HK\$0.70 港元	HK\$0.70 港元
Volatility 波幅	61.62%	49.20%	48.79%
Dividend yield 息率	Zero 零	Zero 零	Zero 零
Option life 期權年期	5 years 年	3.37 years 年	2.56 years 年
Risk free rate 無風險利率	4.62%	3.93%	1.38%

### 24. 可供銷售投資 (續)

附註：(續)

(c) (續)

#### (2) 兌換權部分之估值

柏力克-舒爾斯期權定價模式用於可兌換票據兌換權部分之估值。於認購日期及截至二零零七年三月三十一日及二零零八年三月三十一日止年度各年(如適用)計入各可兌換票據模式之數據如下：

## 24. Available-for-Sale Investments (Continued)

Notes: (Continued)

(c) (Continued)

(2) Valuation of conversion option element (Continued)

## 24. 可供銷售投資 (續)

附註：(續)

(c) (續)

(2) 兌換權部分之估值 (續)

SCL 2009	5 December 2007 (date of subscription) 二零零七年十二月五日 (認購日期)	31 March 2007 二零零七年 三月三十一日	31 March 2008 二零零八年 三月三十一日
漢傳媒二零零九			
Stock price 股價	HK\$0.1 港元	N/A 不適用	HK\$0.05 港元
Conversion price 兌換價	HK\$0.4 港元	N/A 不適用	HK\$0.4 港元
Volatility 波幅	56.37%	N/A 不適用	72.84%
Dividend yield 息率	Zero 零	N/A 不適用	Zero 零
Option life 期權年期	2 years 年	N/A 不適用	1.66 years 年
Risk free rate 無風險利率	1.65%	N/A 不適用	1.24%
SCL 2010	10 August 2005 (date of subscription) 二零零五年八月十日 (認購日期)	31 March 2007 二零零七年 三月三十一日	31 March 2008 二零零八年 三月三十一日
漢傳媒二零一零			
Stock price 股價	HK\$0.66 港元	HK\$0.69 港元	HK\$0.05 港元
Conversion price 兌換價	HK\$0.12 港元	HK\$4.06 港元	HK\$1.08 港元
Volatility 波幅	82.58%	66.83%	72.84%
Dividend yield 息率	Zero 零	Zero 零	Zero 零
Option life 期權年期	5 years 年	3.36 years 年	2.38 years 年
Risk free rate 無風險利率	4%	3.93%	1.24%

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### 24. Available-for-Sale Investments (Continued)

Notes: (Continued)

(c) (Continued)

(2) Valuation of conversion option element (Continued)

### 24. 可供銷售投資 (續)

附註：(續)

(c) (續)

(2) 兌換權部分之估值 (續)

Wo Kee Hong 2008	7 September 2005 (date of subscription) 二零零五年九月七日 (認購日期)	31 March 2007 二零零七年 三月三十一日	31 March 2008 二零零八年 三月三十一日
和記行二零零八			
Stock price 股價	HK\$0.07 港元	HK\$0.47 港元	HK\$0.70 港元
Conversion price 兌換價	HK\$0.10 港元	HK\$1 港元	HK\$0.83 港元
Volatility 波幅	55.94%	72.15%	97.61%
Dividend yield 息率	Zero 零	Zero 零	Zero 零
Option life 期權年期	3 years 年	1.44 years 年	0.43 years 年
Risk free rate 無風險利率	4%	3.79%	0.80%
Asia Standard 2009	15 May 2006 (date of subscription) 二零零六年五月十五日 (認購日期)	31 March 2007 二零零七年 三月三十一日	31 March 2008 二零零八年 三月三十一日
泛海二零零九			
Stock price 股價	HK\$0.28 港元	HK\$0.25 港元	N/A 不適用
Conversion price 兌換價	HK\$0.31 港元	HK\$0.28 港元	N/A 不適用
Volatility 波幅	45.24%	41.62%	N/A 不適用
Dividend yield 息率	3.11%	1.99%	N/A 不適用
Option life 期權年期	3 years 年	1.06 years 年	N/A 不適用
Risk free rate 無風險利率	4.18%	3.76%	N/A 不適用

## 24. Available-for-Sale Investments (Continued)

During the year ended 31 March 2008, a net loss arising on change in fair value of approximately HK\$9,688,000 for the available-for-sale investments were recognized in investment revaluation reserve, representing the net effect of the gain on fair value change of HK\$23,215,000 for listed equity securities and the loss on fair value change of HK\$32,903,000 for unlisted debt securities. An impairment loss of HK\$72,383,000 for a listed equity security was directly recognized in the consolidated income statement.

During the year ended 31 March 2007, a net loss arising on change in fair value of approximately HK\$47,231,000 for the available-for-sale investments were recognized in investment revaluation reserve, representing the net effect of the loss on fair value change of HK\$34,902,000 for listed equity securities and the loss on fair value change of HK\$12,329,000 for unlisted debt securities. A cumulative loss of HK\$13,120,000 on fair value of listed equity securities was removed from reserve and recognized in the consolidated income statement during the year while an additional impairment loss of HK\$32,631,000 was directly recognized in the consolidated income statement.

## 25. Payments for Acquisition of Long-Term Investments

The amount as at 31 March 2007 represented the refundable deposits paid for the acquisition of certain interests in port business, water supply business, sand mining business and the exploitation right for river sand business (the "Potential Investments") at a payment of HK\$35,000,000, HK\$35,000,000, HK\$25,000,000 and HK\$50,000,000, respectively. These payments would be refundable from the counter parties if the terms and conditions had not been concluded within one year after the payments made by the Group.

## 24. 可供銷售投資 (續)

截至二零零八年三月三十一日止年度，可供銷售投資之公平值變動所產生之虧損淨額約9,688,000港元已於投資重估儲備確認，有關金額為上市股本證券之公平值變動收益23,215,000港元及非上市債務證券之公平值變動虧損32,903,000港元之淨影響。上市股本證券之減值虧損72,383,000港元直接於綜合收益表確認。

截至二零零七年三月三十一日止年度，可供銷售投資之公平值變動所產生之虧損淨額約47,231,000港元已於投資重估儲備確認，有關金額為上市股本證券之公平值變動虧損34,902,000港元及非上市債務證券之公平值變動虧損12,329,000港元之淨影響。本年度，上市股本證券之公平值累計虧損13,120,000港元自儲備中剔除，並於綜合收益表確認；而32,631,000港元之額外減值虧損直接於綜合收益表確認。

## 25. 收購長期投資之付款

於二零零七年三月三十一日之金額指收購港口業務、供水業務、採砂業務及河砂開採權業務(「可能之投資項目」)若干權益所付之可退回按金，分別為35,000,000港元、35,000,000港元、25,000,000港元及50,000,000港元。倘若本集團作出付款後一年內有關條款及條件仍未落實，則訂約對方將退還該等款項。

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#### 25. Payments for Acquisition of Long-Term Investments (Continued)

During the year ended 31 March 2008, the acquisition of water supply and sand mining business were completed and the corresponding deposits of HK\$35,000,000 and HK\$25,000,000 were formed part of settlement of consideration for acquisition of subsidiaries. Details of these are set out in note 47.

The remaining payments of HK\$85,000,000 were refunded to the Group as the conditions had not been fulfilled by other vendors in accordance with the agreements.

#### 26. Deposit Paid for Acquisition of Subsidiaries

As at 31 March 2007, the amount represented the deposits paid for acquisition of 100% equity interest in Goal Wisdom Limited. Goal Wisdom Limited is an investment holding company with its subsidiary engaging in business of catering and entertainment operations and related management. During the year, the acquisition was cancelled because of certain conditions had not been fulfilled by the vendor, including the requirement for the land use right related to a piece of land located in the PRC to be obtained by the subsidiary of Goal Wisdom Limited. The vendor refunded the amount of HK\$50,000,000 to the Group during the year.

#### 25. 收購長期投資之付款(續)

截至二零零八年三月三十一日止年度，收購供水業務及採砂業務已告完成，當中35,000,000港元及25,000,000港元之按金用作清償收購附屬公司之部分代價。有關詳情載於附註47。

由於其他賣方尚未達成協議項下條件，故餘額85,000,000港元退還予本集團。

#### 26. 收購附屬公司所付之按金

於二零零七年三月三十一日之金額指收購高威頓有限公司之全部股權所付之按金。高威頓有限公司為投資控股公司，其附屬公司從事餐飲與娛樂及相關管理業務。本年度，由於賣方尚未達成若干條件，包括有關高威頓有限公司之附屬公司取得一幅位於中國之土地相關之土地使用權之規定，故該項收購取消。賣方於本年度向本集團退還50,000,000港元。



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## 27. Conversion Options Embedded in Convertible Notes

## 27. 可兌換票據之兌換權

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
The amount was analyzed for reporting purposes as:	就呈報目的而作出分析之金額：		
Non-current asset	非流動資產	7,223	52,070
Current asset	流動資產	4,127	—
		<b>11,350</b>	52,070

Conversion options embedded in convertible notes represented the conversion option element of certain convertible notes subscribed by the Group and are measured at fair value using the Black-Scholes option pricing model, at initial recognition and at each balance sheet date. The debt element of those convertible notes are classified under available-for-sale investment.

As explained in note 24(c), the Group subscribed SCL 2009 during the year ended 31 March 2008 and an amount of HK\$624,000 was recognized as conversion options embedded in convertible notes which was measured at fair value at initial recognition. During the year ended 31 March 2008, the Group also recognized a decrease in fair value changes of approximately HK\$38,327,000 (2007: HK\$187,131,000) in consolidated income statement.

An amount of HK\$4,127,000 was classified under current assets as the maturity date of the related convertible notes is in September 2008.

Details of the method and assumptions applied for the valuation of the conversion options embedded in convertible notes are set out in note 24.

可兌換票據之兌換權指本集團認購之若干可兌換票據之兌換權部分，於首次確認時及各結算日使用柏力克－舒爾斯期權定價模式以公平值計算。該等可兌換票據之債務部分歸類為可供銷售投資。

按附註24(c)所述，於截至二零零八年三月三十一日止年度，本集團認購漢傳媒二零零九，而為數624,000港元之金額確認為可兌換票據之兌換權，乃於首次確認時按公平值計算。截至二零零八年三月三十一日止年度，本集團亦於綜合收益表確認約38,327,000港元（二零零七年：187,131,000港元）之公平值變動減少。

4,127,000港元之金額歸類為流動資產，原因是有關可兌換票據的到期日為二零零八年九月。

可兌換票據之兌換權估值所採用之方法及假設詳載於附註24。

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#### 28. Convertible Note Receivable from an Associate/Conversion Options Embedded in Convertible Note Receivable from an Associate

The convertible note is held by CEL.

During the year ended 31 March 2007, CEL entered into an agreement to subscribe for a convertible note ("Wing On CN") with an aggregate principal amount of HK\$300,000,000 from Wing On (a 20.36% associate of CEL). The Wing On CN carries interest at 2% per annum and will mature on 7 June 2011. The initial conversion price is HK\$0.79 per share (subject to adjustments). Unless previously converted or lapsed by Wing On, Wing On will redeem the Wing On CN on 7 June 2011 at the redemption amount which is 110% of the principal amount of the outstanding Wing On CN. The effective interest rate of Wing On CN is 9% per annum.

During the year ended 31 March 2008, CEL converted the Wing On CN with principal amount of HK\$237,000,000 into 300,000,000 shares in Wing On. The carrying amount of convertible note receivable from an associate amounting to HK\$196,622,000 and the conversion options embedded in convertible note receivable from an associate amounting to HK\$54,882,000 were transferred to interests in associates upon conversion of Wing On CN.

As at 31 March 2008, the carrying amount of convertible note receivable from an associate and the conversion options embedded in convertible note receivable from an associate amounting to HK\$55,521,000 and HK\$1,119,000 respectively were classified as held for sale, as explained in note 11.

#### 28. 應收一間聯營公司之可兌換票據／應收一間聯營公司之可兌換票據之兌換權

該可兌換票據由CEL持有。

截至二零零七年三月三十一日止年度，CEL簽訂協議，向永安(CEL持有20.36%權益之聯營公司)認購本金總額300,000,000港元之可兌換票據(「永安可兌換票據」)。永安可兌換票據以年息2厘計息，於二零一一年六月七日期到，初步兌換價為每股0.79港元(可予調整)。除非先前由永安兌換或失效，否則永安將於二零一一年六月七日按相當於尚未贖回之永安可兌換票據本金額110%之贖回價贖回永安可兌換票據。永安可兌換票據實際年利率為9厘。

截至二零零八年三月三十一日止年度，CEL已兌換本金額237,000,000港元之永安可兌換票據為300,000,000股永安股份。為數196,622,000港元之應收一間聯營公司之可兌換票據及為數54,882,000港元之應收一間聯營公司之可兌換票據之兌換權之賬面值於兌換永安可兌換票據後轉撥至聯營公司權益。

按附註11所述，於二零零八年三月三十一日，分別為數55,521,000港元及1,119,000港元之應收一間聯營公司之可兌換票據及應收一間聯營公司之可兌換票據之兌換權之賬面值歸類為持作銷售。

## 28. Convertible Note Receivable from an Associate/Conversion Options Embedded in Convertible Note Receivable from an Associate (Continued)

The Group measured the Wing On CN in accordance with HKAS 39. The debt element of the Wing On CN were measured initially at fair value and subsequently at amortized cost and classified as convertible note receivable from an associate on the consolidated balance sheet. The conversion option element of Wing On CN were measured initially and subsequently at fair value in accordance HKAS 39 and classified as conversion options embedded in convertible notes receivable from an associate. During the year, an increase in fair value of HK\$11,359,000 (2007: a decrease of HK\$18,396,000) for conversion option element were recognized in the consolidated income statement.

The debt component of Wing On CN was accounted for as loans and receivables while the conversion options element of Wing On CN was accounted for as derivative financial instruments.

Details of the method and assumptions used in the Black-Scholes option pricing model in valuing the convertible options embedded in convertible note receivable from an associate are as follows:

## 28. 應收一間聯營公司之可兌換票據／應收一間聯營公司之可兌換票據之兌換權 (續)

本集團根據香港會計準則第39號計算永安可兌換票據。永安可兌換票據之債務部分首先以公平值計算，其後則以攤銷成本計算，並於綜合資產負債表歸類為應收一間聯營公司之可兌換票據。永安可兌換票據之兌換權部分首次及其後根據香港會計準則第39號以公平值計算，並歸類為應收一間聯營公司之可兌換票據之兌換權。年內，兌換權部分公平值增加11,359,000港元（二零零七年：減少18,396,000港元）於綜合收益表確認。

永安可兌換票據之債務部分入賬列為貸款及應收款項，而永安可兌換票據之兌換權部分則入賬列為衍生財務工具。

應收一間聯營公司之可兌換票據之兌換權估值採用之柏力克－舒爾斯期權定價模式中使用之方法及假設詳載如下：

		23 March 2006 (date of subscription) 二零零六年 三月二十三日 (收購日期)	31 March 2007 二零零七年 三月三十一日	31 March 2008 二零零八年 三月三十一日
<b>Wing On CN</b>	<b>永安可兌換票據</b>			
Stock price	股價	HK\$0.71 港元	HK\$0.60 港元	HK\$0.21 港元
Conversion price	兌換價	HK\$0.79 港元	HK\$0.79 港元	HK\$0.79 港元
Volatility	波幅	96.47%	89%	50.93%
Dividend yield	息率	—	—	2.63%
Option life	期權年期	4.97 years 年	3.95 years 年	3.19 years 年
Risk free rate	無風險利率	4.39%	3.96%	1.53%

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#### 29. Deposit for Acquisition of Interests in Properties

The amount represented initial payments incurred in connection with the acquisition of properties interest located in Shanghai, PRC (the "Project"), as part of the assets acquired resulting from the acquisition of Group Dragon Investment Group Limited ("GDI Group"), as set out in note 47(ii).

Prior to being acquired by the Company, GDI Group entered into a conditional agreement with a third party to acquire the interest in properties in a parcel of land situated in Shanghai, PRC and the 24-storey building being erected upon the land together with 2 levels of underground car parks for a consideration of RMB450,000,000 (approximately HK\$424,528,000). An initial payment of RMB58,000,000 (approximately HK\$58,830,000) was paid to the vendor pursuant to the conditional agreement.

However, the conditions stated in the agreement were not fulfilled by the vendor and the GDI Group commenced legal proceeding's against the vendor. On 22 June 2006, the People's High Court of Shanghai City ruled the case in favour of the GDI Group and demanded the vendor to continue fulfilling its obligations to refund the deposits to the GDI Group under the agreement.

On 12 July 2007, an independent third party offered to acquire the Project from the Group and made an deposit of RMB70,000,000 (equivalent to HK\$70,000,000) into an escrow account held under the People's High Court of Shanghai City as protection to the Group.

The Project was held by CEL and the amount was classified as held for sale as explained in note 11.

Subsequent to 31 March 2008, the disposal of the Project was completed and the deposit of RMB58,000,000 (equivalent to HK\$60,013,000) was refunded to the Group.

#### 29. 收購物業權益所付之按金

誠如附註47(ii)所載，該金額指收購位於中國上海之物業權益（「項目」）所涉及之首期款項，該項目為因收購群龍投資有限公司（「群龍集團」）而獲得之部分資產。

於獲本公司收購前，群龍集團與第三方簽訂有條件協議，以收購一幅位於中國上海之土地及其上所建一幢24層高樓宇連兩層地庫停車場之物業權益，代價為人民幣450,000,000元（約424,528,000港元）。首期款項人民幣58,000,000元（約58,830,000港元）已根據有條件協議付予賣方。

然而，賣方未能達成協議所列之條件，而群龍集團已開始向賣方提出法律程序。於二零零六年六月二十二日，上海市高級人民法院判群龍集團勝訴，要求賣方繼續履行該協議之責任，向群龍集團償還按金。

於二零零七年七月十二日，一名獨立第三方向本集團提出建議收購該項目，並將人民幣70,000,000元（相當於70,000,000港元）按金存入上海市高級人民法院之託管賬戶，以保障本集團。

按附註11所述，該項目由CEL持有，而該金額歸類為持作銷售。

於二零零八年三月三十一日之後，出售該項目已告完成，人民幣58,000,000元（相當於60,013,000港元）之按金已退還予本集團。

### 30. Other Asset

The amount as at 31 March 2007 was related to a land development project of 珠海市龍山智業產業園 located in Long Shan Development Area, Doumen District, Zhuhai City, the PRC. The Group made a payment of HK\$229,288,000 to PRC government in return for the exclusive development right to the project and the right to obtain the land for the development. The Group is also entitled to sell the rights to the investors at consideration to be agreed among themselves. The Group acquired the other asset for resale purpose.

During the year, the Group entered into an agreement with an independent third party to dispose of the other asset at a consideration of HK\$130,000,000, and accordingly, a gross loss of HK\$99,288,000 (net amount of the revenue of HK\$130,000,000 and cost of sales of HK\$229,288,000) were recognized in the consolidated income statement.

### 30. 其他資產

於二零零七年三月三十一日，該筆金額有關一項位於中國珠海市斗門區龍山發展區之珠海市龍山智業產業園土地發展項目。本集團已向中國政府支付229,288,000港元，以獲得該項目之專屬開發權利及取得該土地作開發用途之權利。本集團亦有權按雙方協定之代價將此等權利出售予投資者。本集團已收購其他資產作轉售用途。

本年度，本集團與獨立第三方簽訂協議，以按代價130,000,000港元出售其他資產，因此於綜合收益表確認虧損總額99,288,000港元（經扣除收益130,000,000港元及銷售成本229,288,000港元）。

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## 31. Trade and Other Receivables and Prepayments

## 31. 貿易及其他應收款項及預付款項

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade receivables	貿易應收款項	38,889	40,003
Less: allowance for doubtful debts on trade receivables	減：貿易應收款項呆賬撥備	(36,503)	(38,902)
		2,386	1,101
Consideration receivables for disposal of subsidiaries (note)	出售附屬公司應收代價(附註)	19,453	295,618
Other receivables	其他應收款項	21,019	47,736
Interest receivables	應收利息	14,191	36,946
Deposits and prepayments	按金及預付款項	10,186	7,772
		67,235	389,173
Trade receivables included in disposal group held for sale (note 11)	計入持作銷售之出售組別之貿易應收款項(附註11)	69	—
Other receivables included in disposal group held for sale (note 11)	計入持作銷售之出售組別之其他應收款項(附註11)	25,862	—
		25,931	—

Note: The amount was related to the consideration receivable for disposal of Disposed Business and the amount was fully settled subsequent to balance sheet date.

附註：該筆金額有關出售出售業務之應收代價，並已於結算日後全數結清。

### 31. Trade and Other Receivables and Prepayments (Continued)

The Group allows an average credit period of one to two months to its trade customers. The following is an aged analysis of trade receivable net of allowance for doubtful debts at the respective balance sheet date:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Not yet due	未到期	914	1,101
Overdue between one and two months	逾期一至兩個月	550	—
Overdue more than two months	逾期超過兩個月	991	—
		<b>2,455</b>	1,101

Before accepting any new customer, the Group will assess and understand the potential customer's credit quality and defines its credit limits. Credit limits attributed to each customer are reviewed regularly.

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$991,000 (2007: Nil) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is one to two months (2007: one to two months).

#### Ageing of trade receivables which are past due but not impaired

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Overdue more than two months	逾期超過兩個月	991	—

### 31. 貿易及其他應收款項及預付款項 (續)

本集團向貿易客戶平均提供一至兩個月之信貸期。於各結算日，貿易應收款項扣除呆賬撥備之賬齡分析如下：

在接收任何新客戶前，本集團會評估及了解潛在客戶之信貸質素並釐定其信貸限額。每位客戶之信貸限額均會作定期檢討。

本集團之貿易應收款項結餘包括應收賬款賬面總值991,000港元(二零零七年：無)，該筆款項於申報日期已逾期，而本集團並未就減值虧損計提撥備。本集團並無就該等結餘持有任何抵押品。該等應收款項之平均賬齡為一至兩個月(二零零七年：一至兩個月)。

#### 已逾期但未減值貿易應收款項之賬齡

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## 31. Trade and Other Receivables and Prepayments (Continued)

The Group has provided fully for all receivables over one year because management considers those amounts are generally not recoverable.

## Movement in the allowance for doubtful debts on trade receivables

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	38,902	73,313
Exchange realignment	匯兌調整	546	—
Amounts written off as uncollectible	撇銷為不可收回之金額	(2,857)	(34,411)
Amounts recovered during the year	年內收回之金額	(88)	—
Balance at end of the year	年終結餘	36,503	38,902

## Movement in the allowance for doubtful debts on other receivables

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	1,450	1,450
Impairment losses recognized on other receivables	就其他應收款項確認之減值虧損	8,459	—
Amounts recovered during the year	年內收回之金額	(1,450)	—
Balance at end of the year	年終結餘	8,459	1,450

The impairment losses recognized on trade and other receivable is mainly because of those debtors have financial difficulties.

## 31. 貿易及其他應收款項及預付款項(續)

本集團並未就所有逾期超過一年之應收款項全數計提撥備，原因是管理層認為該等款項一般無法收回。

## 貿易應收款項呆賬撥備之變動

## 其他應收款項呆賬撥備之變動

就貿易及其他應收款項確認之減值虧損主要是由有財政困難之債務人所致。



### 32. Investments Held for Trading

Investments held for trading at the balance sheet dates include:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Listed securities:	上市證券：		
— Equity securities listed in Hong Kong	— 於香港上市之股本證券	527,298	569,131
— Equity securities listed elsewhere	— 於其他地方上市之股本證券	4,370	29,617
		<b>531,668</b>	598,748
Investments held for trading included in disposal group held for sale ( <i>note 11</i> )	計入持作銷售之出售組別之持作買賣投資 (附註11)		
— Equity securities listed in Hong Kong	— 於香港上市之股本證券	58,522	—
— Equity securities listed elsewhere	— 於其他地方上市之股本證券	27,396	—
		<b>85,918</b>	—

### 32. 持作買賣投資

於結算日，持作買賣之投資包括：

### 33. Deposits Paid for Acquisition of Investments Held for Trading

During the year ended 31 March 2007, the Group entered into conditional agreements to acquire 10,563,715 shares of Guangzhou Global Telecom Inc., a company whose shares were subsequently listed on Over-The-Counter Bulletin Board of United States of America on 17 May 2007, for a consideration of US\$19,015,000 (equivalent to HK\$146,578,000) which is based on the subscription price under the initial public offer of Guangzhou Global Telecom Inc.. An amount of US\$9,507,000 (equivalent to HK\$73,289,000) was paid as deposit upon entering the agreements.

During the year, the acquisition were completed and the related deposits were transferred to investments held for trading accordingly.

### 33. 收購持作買賣之投資所付之按金

截至二零零七年三月三十一日止年度，本集團簽訂有條件協議，以收購Guangzhou Global Telecom Inc. (一間其股份其後於二零零七年五月十七日於美國場外交易議價板上市之公司) 10,563,715股股份，代價為19,015,000美元(相等於146,578,000港元)，乃根據Guangzhou Global Telecom Inc. 首次公開發售的認購價釐定。簽訂協議時已支付按金9,507,000美元(相等於73,289,000港元)。

本年度，收購已告完成，相關按金因而轉撥至持作買賣之投資。

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#### 34. Convertible Notes Designated at Fair Value Through Profit or Loss

As at 31 March 2007, the amount represented the fair value of the convertible note issued by Mei Ah Entertainment Group Limited ("Mei Ah CN") and Golden Harvest Holdings Limited ("Golden Harvest CN") amounted to HK\$55,526,000 and HK\$67,023,000 respectively.

The Mei Ah CN carries interest at 4 % per annum with maturity date on 10 August 2009, and can be redeemed at 106 % of the principal amount. The Golden Harvest CN carries interest at 4 % per annum with maturity date on 21 August 2008, and can be redeemed at 104 % of the principal amount.

During the year ended 31 March 2008, the Group subscribed two convertible notes with principal amount of HK\$40,000,000 from Wonson International Holdings Limited ("Wonson") and HK\$118,275,000 from China Star Entertainment Limited ("China Star"). The shares of Wonson and China Star are listed on the Stock Exchange. The Group designated them as financial assets at fair value through profit or loss because these convertible notes meet the criteria for the category of financial assets designated at fair value through profit and loss. After the subscription, the Group fully converted the convertible notes of Wonson and China Star during the year. A gain amounting to HK\$434,221,000, representing the difference between the fair value of the shares converted and the initial cost of the convertible notes paid by the Group during the year, has been recognized in the consolidated income statement. The shares converted are then classified as investments held for trading.

During the year, the gain on change in fair value of other convertible notes designated at fair value through profit and loss of which the fair value is measured under Black-Scholes option pricing model, was HK\$16,301,000 (2007: HK\$16,816,000).

#### 34. 指定按公平值列賬並計入損益之可兌換票據

於二零零七年三月三十一日，該金額指由美亞娛樂資訊集團有限公司及嘉禾娛樂事業(集團)有限公司分別發行公平值為55,526,000港元及67,023,000港元之可兌換票據(「美亞可兌換票據」及「嘉禾可兌換票據」)。

美亞可兌換票據以年息4厘計息，於二零零九年八月十日期到，可按本金額106%贖回。嘉禾可兌換票據以年息4厘計息，於二零零八年八月二十一日到期，可按本金額104%贖回。

截至二零零八年三月三十一日止年度，本集團向和成國際集團有限公司(「和成」)及中國星集團有限公司(「中國星」)分別認購本金額達40,000,000港元及118,275,000港元之兩份可兌換票據。和成及中國星之股份均於聯交所上市。由於該等可兌換票據符合指定按公平值列賬並計入損益一類財務資產之條件，故本集團已指定該等可兌換票據為按公平值列賬並計入損益之財務資產。於收購後，本集團於年內全數兌換和成及中國星之可兌換票據。為數434,221,000港元之收益(即已兌換股份之公平值與本集團於年內所附之可兌換票據初步成本之差額)已於綜合收益表確認。已兌換股份其後歸類為持作買賣投資。

年內，其他指定按公平值列賬並計入損益之可兌換票據之公平值變動收益為16,301,000港元(二零零七年：16,816,000港元)，該公平值以柏力克-舒爾斯期權定價模式計算。

### 34. Convertible Notes Designated at Fair Value Through Profit or Loss (Continued)

The methods and assumptions applied for the valuation of the convertible notes designated at fair value through profit or loss are as follows:

#### (1) Valuation of debt component

The fair value of debt element was calculated based on the present value of contractually determined stream of future cash flows discounted at the required yield, which was determined with reference to the credit rating of the convertible notes issuer and remaining time to maturity. The effective interest rate of the debt component of each convertible note as at date of subscription, 31 March 2007 and 31 March 2008 are as follows:

Convertible note	Date of issue	Date of Subscription	31 March 2007	31 March 2008
			二零零七年三月三十一日	二零零八年三月三十一日
可兌換票據	發行日期	認購日期		
Mei Ah CN 美亞可兌換票據	11 August 2006 二零零六年八月十一日	10%	9.75%	9.75%
Golden Harvest CN 嘉禾可兌換票據	22 August 2006 二零零六年八月二十二日	10%	9.75%	9.75%

### 34. 按公平值列賬並在損益表內處理之可兌換票據(續)

指定按公平值列賬並計入損益之可兌換票據估值採用之柏力克-舒爾斯期權定價模式中使用之方法及假設詳載如下：

#### (1) 債務部分之估值

債務部分公平值乃根據合約釐定之日後現金流量按規定收益率貼現之現值計算，日後現金流量乃經參考可兌換票據發行人之信用評級及餘下至屆滿時間而釐定。於認購日期、二零零七年三月三十一日及二零零八年三月三十一日，各可兌換票據債務部分之實際利率如下：

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## 34. Convertible Notes Designated at Fair Value Through Profit or Loss (Continued)

## (2) Valuation of conversion option element

Black-Scholes option pricing model is used for valuation for conversion option element of convertible notes designated at fair value through profit or loss. The inputs into the model of each convertible note as at date of subscription and each of the year ended 31 March 2007 and 2008 was as follows:

		11 August 2006 (date of subscription) 二零零六年 八月十一日 (認購日期)	31 March 2007 二零零七年 三月三十一日	31 March 2008 二零零八年 三月三十一日
<b>Mei Ah CN</b>	<b>美亞可兌換票據</b>			
Stock price	股價	HK\$0.38 港元	HK\$0.35 港元	<b>HK\$0.41 港元</b>
Conversion price	兌換價	HK\$0.44 港元	HK\$0.44 港元	<b>HK\$0.44 港元</b>
Volatility	波幅	67.8%	64.58%	<b>90.04%</b>
Dividend yield	息率	1.03%	0.37%	<b>1.45%</b>
Option life	期權年期	1.5 years 年	1.18 years 年	<b>0.68 year 年</b>
Risk free rate	無風險利率	4.06%	3.76%	<b>0.91%</b>

## 34. 按公平值列賬並在損益表內處理之可兌換票據(續)

## (2) 兌換權部分之估值

指定按公平值列賬並計入損益之可兌換票據之兌換權部分使用柏力克—舒爾斯期權定價模式估值。於認購日期及截至二零零七年及二零零八年三月三十一日止各年，各可兌換票據計入該模式之數據如下：

		22 August 2006 (date of subscription) 二零零六年 八月二十二日 (認購日期)	31 March 2007 二零零七年 三月三十一日	31 March 2008 二零零八年 三月三十一日
<b>Golden Harvest CN</b>	<b>嘉禾可兌換票據</b>			
Stock price	股價	HK\$0.158 港元	HK\$3.2 港元	<b>HK\$2.88 港元</b>
Conversion price	兌換價	HK\$0.22 港元	HK\$2.2 港元	<b>HK\$2.2 港元</b>
Volatility	波幅	50.35%	61.3%	<b>49.83%</b>
Dividend yield	息率	Zero 零	Zero 零	<b>Zero 零</b>
Option life	期權年期	2 years 年	1.39 years 年	<b>0.39 year 年</b>
Risk free rate	無風險利率	3.97%	3.79%	<b>0.80%</b>

## 35. Short-term Loans Receivable

## 35. 應收短期貸款

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Secured loans receivable (note)	應收有抵押貸款 (附註)	172,906	381,315
Less: Allowance for doubtful debt	減：呆賬撥備	(68,294)	(72,766)
		<b>104,612</b>	308,549
Secured loans receivable included in disposal group classified as held for sales (note 11) (note)	計入劃分為持作銷售出售組別的應收有抵押貸款 (附註11) (附註)	<b>21,627</b>	—

Note: The loans were secured by (i) shares in land/property holding companies; (ii) shares in companies engaged in garment manufacturing and (iii) listed securities.

The loans receivable carry interest at Hong Kong Prime Rate plus 2% to 3% (2007: Hong Kong Prime Rate plus 2% to 3%) and are repayable within one year.

附註：該貸款以下列各項抵押：(i)持有土地／物業的公司的股份；(ii)從事成衣製造的公司的股份及(iii)上市證券。

應收貸款按香港最優惠利率加2%至3% (二零零七年：香港最優惠利率加2%至3%) 計息，並須於一年內償還。

#### Movement of the allowance for doubtful debts on loans receivable

#### 應收貸款的呆賬撥備變動

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	72,766	78,491
Amounts recovered during the year	年內收回金額	(4,472)	(5,725)
Balance at the end of the year	年終結餘	<b>68,294</b>	72,766

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## 36. Amount(s) Due from (to) Related Companies

The amounts are unsecured, interest-bearing at Hong Kong Prime Rate plus 2% and repayable on demand.

As at 31 March 2007, the related companies are the companies in which the ultimate holding company has beneficial interest.

As at 31 March 2008, the related companies are (i) the Company's substantive shareholder and (ii) the Companies in which the Company's substantial shareholder has beneficial interest.

## 37. Margin Loans Receivable/Payable

During the year ended 31 March 2007, margin loans receivable and payable are generated from brokers' business, aged less than one month and bear interest ranging from Hong Kong Prime Rate plus 3.5% to 5%.

## Movement of the allowance for margin loans receivable

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	2,624	2,624
Impairment loss recognized	已確認的減值虧損	1,435	—
Balance at the end of the year	年終結餘	4,059	2,624

## 36. 應付(收)關連公司款項

該款項為無抵押、按香港最優惠利率加2%計息，並須於要求時償還。

於二零零七年三月三十一日，關連公司指最終控股公司擁有實益權益的公司。

於二零零八年三月三十一日，關連公司指(i)本公司的主要股東及(ii)本公司的主要股東擁有實益權益的公司。

## 37. 應收／應付孖展貸款

截至二零零七年三月三十一日止年度，應收孖展貸款及應付孖展貸款來自經紀業務，賬齡少於一個月，按香港最優惠利率加3.5%至5%計息。

## 應收孖展貸款撥備變動

### 38. Loans to Associates

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Loans to associates	給予聯營公司貸款	380,931	372,072
Loans to associates included in disposal group classified as held for sale (note 11)	計入劃分為持作銷售出售組別的給予聯營公司貸款 (附註11)	36,610	—

The amounts are unsecured, bears interest at Hong Kong Prime Rate plus 2% to 3% per annum (2007: Hong Kong Prime Rate plus 2% to 3%) and repayable on demand or within one year.

該金額為無抵押、按香港最優惠利率加2%至3% (二零零七年：香港最優惠利率加2%至3%) 計息，並須於要求時或一年內償還。

### 39. Bank Balances and Cash

The bank balances and cash comprises cash and short-term bank deposits with an original maturity of three months or less held by the Group. The bank balances carries interest at 1.5% to 5.3% per annum (2007: 3.5% to 4.6% per annum).

### 39. 銀行結存及現金

銀行結存及現金包括本集團所持有之現金及原到期日為三個月或以內之短期銀行存款。銀行結存按年息1.5%至5.3% (二零零七年：年息3.5%至4.6%) 計息。

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## 40. Trade and Other Payables and Accrual

## 40. 貿易及其他應付款項及應計款項

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade payables	貿易應付款項	45,569	17,140
Accrued expenses	應計開支	14,077	15,224
Interest payables	應付利息	2,776	26,361
Disposals received (note)	已收出售款項(附註)	30,000	—
Others	其他	16,901	31,998
		<b>109,323</b>	90,723
Trade payables included in disposal group classified as held for sales (note 11)	計入劃分為持作銷售出售組別的貿易應付款項(附註11)	63,501	—
Other payables included in disposal group classified as held for sales (note 11)	計入劃分為持作銷售出售組別的其他應付款項(附註11)	27,453	—
		<b>90,954</b>	—
The following is an aged analysis of trade payable at respective balance sheet date:	於各結算日，貿易應付款項之賬齡分析如下：		
Not yet due	未到期	96,921	17,140
Overdue within one month	逾期少於一個月	691	—
Overdue between one to two months	逾期一至兩個月	442	—
Overdue more than two months	逾期超過兩個月	11,016	—
		<b>109,070</b>	17,140

Note: The amount represented a deposit received upon entering into a conditional agreement to dispose of the 29.2% interest in CEL as explained in note 11.

附註：該金額為於附註11所述，就出售CEL 29.2%權益訂立有條件協議時收取的按金。



## 41. Amount Due to Ultimate Holding Company

During the year ended 31 March 2008, the amount due to ITC Corporation Limited, the former ultimate holding company, was reclassified to amounts due to related companies upon the change in shareholding in the Company.

The amount is unsecured, interest-bearing at Hong Kong Prime Rate plus 2% and repayable on demand.

## 41. 應付最終控股公司款項

截至二零零八年三月三十一日止年度，應付前最終控股公司德祥企業集團有限公司款項於本公司股權變動時已重新分類為應付關連公司款項。

該款項為無抵押、按香港最優惠利率加2%計息，並須於要求時償還。

## 42. Borrowings

## 42. 借款

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Borrowings comprise:	借款包括：		
Bank borrowings	銀行借款	146,125	88,350
Other borrowings	其他借款	30,000	510,000
Promissory note (note 48)	承兌票據 (附註48)	40,000	—
		<b>216,125</b>	598,350
Analyzed as:	分析：		
Secured	有抵押	146,125	88,350
Unsecured	無抵押	70,000	510,000
		<b>216,125</b>	598,350
The above amounts are repayable as follows:	上述款項須於以下年期償還：		
Within one year or on demand	一年內或於要求時	85,813	514,650
Between one and two years	一至兩年內	16,750	7,440
Between two and five years	兩至五年內	55,750	22,320
Over five years	超過五年	57,812	53,940
		<b>216,125</b>	598,350
Amount due within one year under current liabilities	列入流動負債項下於一年內到期的款項	<b>(85,813)</b>	(514,650)
Amount due after one year	一年後到期的款項	<b>130,312</b>	83,700

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## 42. Borrowings (Continued)

The exposure of the Group's fixed-rate bank and other borrowings and the contractual maturity dates are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Fixed-rate bank and other borrowings which due within one year	一年內到期之定息銀行及 其他借款	—	510,000

The ranges of effective interest rates during the year (which are equal to contractual interest rates) on the Group's variable-rate borrowings are as follows:

		2008 二零零八年	2007 二零零七年
Effective interest rate: Variable-rate borrowings	實際利率： 浮息借款	3.03% to 9.75%	5.03% to 10%

The promissory note carried interest at 5% per annum and repayable within one year.

## 43. Bank Overdrafts

Bank overdrafts are repayable on demand and carry interest at prevailing market rate ranging from 5% to 6% per annum (2007: 6% to 7% per annum).

## 42. 借款(續)

本集團之定息銀行及其他借款及合約到期日如下：

本集團本年度浮息借款之實際利率(相等於合約利率)範圍如下：

承兌票據按年利率5%計息，並須於一年內償還。

## 43. 銀行透支

銀行透支須於要求時償還，並按當時的市場利率介乎年息5%至6%(二零零七年：年息6%至7%)計息。

## 44. Share Capital

## 44. 股本

		Number of shares 股份數目	Value 價值 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股		
Authorized:	法定股本：		
At 31 March 2007 and 31 March 2008	於二零零七年三月三十一日 及二零零八年三月 三十一日	20,000,000,000	200,000
Issued and fully paid:	已發行及繳足股本：		
At 1 April 2006	於二零零六年四月一日	237,253,402	2,372
Issue upon scrip dividend	以股代息發行	2,367,102	24
Exercise of share options	行使購股權	3,250,000	33
Issue of share for acquisition of GDI Group	就收購群龍集團發行股份	9,926,228	99
Conversion of convertible loan note	兌換可兌換貸款票據	27,608	—
At 31 March 2007	於二零零七年三月三十一日	252,824,340	2,528
Issue upon scrip dividend	以股代息發行	7,075,791	71
Placement of shares (note a)	配售股份(附註a)	544,500,000	5,445
Issue of bonus shares by capitalization of the share premium account (note b)	透過股份溢價賬資本化發行紅股(附註b)	3,674,892,976	36,749
Issue of shares (note c)	發行股份(附註c)	499,000,000	4,990
Conversion of convertible notes (note d)	兌換可兌換票據(附註d)	34,530,202	345
At 31 March 2008	於二零零八年三月三十一日	5,012,823,309	50,128

## Notes:

- (a) On 11 April 2007, the Company entered into a placing agreement with ITC Corporation Limited ("ITC") and a placing agent (i) for placement of 43,500,000 existing shares at the price of HK\$3.40 per share on behalf of ITC to independent third parties; (ii) ITC agreed to subscribe for 43,500,000 new shares at the price of HK\$3.40 per share.

On 29 October 2007, the Company issued 501,000,000 new shares at the price of HK\$0.29 per share to independent third parties pursuant to the placing agreement entered into with a placing agent.

## 附註：

- (a) 於二零零七年四月十一日，本公司與德祥企業集團有限公司(「德祥企業」)及配售代理訂立配售協議，(i)以每股3.40港元代德祥企業向獨立第三方配售43,500,000股現有股份；(ii)德祥企業同意以每股3.40港元認購43,500,000股新股份。

於二零零七年十月二十九日，本公司根據與配售代理訂立之配售協議，以每股0.29港元向獨立第三方發行501,000,000股新股份。

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### 44. Share Capital (Continued)

Notes: (Continued)

- (b) On 11 April 2007, the Company announced that a bonus issue of new shares be issued to the shareholders whose names appeared on the register of members of the Company on 21 May 2007 by way of capitalization of the share premium account on the basis of ten bonus shares for every one existing share held by the shareholders on the record date. A total of 3,007,268,390 new bonus shares were issued on 6 June 2007.

On 27 July 2007, the Company announced that a bonus issue of new shares be issued to the shareholders whose names appeared on the register of members of the Company on 10 September 2007 by way of capitalization of the share premium account on the basis of one bonus share for every five existing shares held by the shareholders on the record date. A total of 667,624,586 new bonus shares were issued on 24 September 2007.

- (c) On 29 October 2007, the Company issued 499,000,000 new shares at HK\$0.29 per share pursuant to a subscription agreement entered into with ITC Corporation Limited, a substantial shareholder of the Company. The proceeds were used to provide additional working capital for the Company.
- (d) During the year, convertible loan notes with principal amount of HK\$64,025,940 were converted into 34,530,202 ordinary shares of HK\$0.01 each of the Company.

All shares issued during the year were ranked pari passu with other shares in issue in all respects.

### 44. 股本 (續)

附註：(續)

- (b) 於二零零七年四月十一日，本公司宣佈以股份溢價賬資本化方式，以記錄日期股東持有的每一股股份分派十股紅股為基準，發行新紅股予於二零零七年五月二十一日名列本公司股東名冊內的股東。於二零零七年六月六日，本公司發行共3,007,268,390股新紅股。

於二零零七年七月二十七日，本公司宣佈以股份溢價賬資本化方式，以記錄日期股東持有的每五股股份分派一股紅股為基準，發行新紅股予於二零零七年九月十日名列本公司股東名冊內的股東。於二零零七年九月二十四日，本公司已發行共667,624,586股新紅股。

- (c) 於二零零七年十月二十九日，本公司根據與本公司主要股東德祥企業集團有限公司訂立之認購協議，以每股0.29港元發行499,000,000股新股份。所得款項用作提供本公司額外營運資金。
- (d) 年內，本金額為64,025,940港元的可兌換貸款票據已兌換為34,530,202股本公司每股面值0.01港元的普通股。

年內的所有已發行股份在所有方面均與其他已發行股份享有同等權益。

## 45. Convertible Loan Notes

During the year ended 31 March 2007, the Company issued convertible loan notes with principal amount of HK\$770,973,000 for the acquisition of GDI Group. The fair value of the liability component at the date of issue is HK\$627,636,000. The convertible loan notes carry interest at 2% per annum and will be matured on 15 June 2011. The convertible loan notes are denominated in Hong Kong dollars. The initial conversion price is HK\$9 per share and subject to anti-dilutive adjustments. The conversion price of the convertible loan notes have been adjusted from HK\$9 per share to HK\$0.81 per share and further to HK\$0.675 per share as a result of the bonus issue of share as set out in note 44(b). The effective interest rate of the liability component is 6.6% per annum.

Unless previously converted by the convertible note holder, the Company will redeem the convertible loan notes on the maturity date at the 100% of the principal amount of the convertible notes then outstanding.

During the year ended 31 March 2008, convertible loan notes with principal amount of HK\$64,025,940 were converted into 34,530,202 ordinary shares of HK\$0.01 each of the Company.

The movement of the liability component of the convertible loan notes for the year is set out below:

## 45. 可兌換貸款票據

截至二零零七年三月三十一日止年度，本公司為收購群龍集團發行本金額770,973,000港元的可兌換貸款票據。負債部分於發行日期之公平值為627,636,000港元。可兌換貸款票據按年息2%計息，於二零一一年六月十五日到期。可兌換貸款票據以港元計值。原定兌換價為每股9港元，或因反攤薄調整而更改。可兌換貸款票據的兌換價由每股9港元調整至每股0.81港元，其後因附註44(b)所述發行紅股而進一步調整至每股0.675港元。負債部分的實際年利率為6.6%。

除非可兌換票據持有人於到期前兌換，否則本公司將於到期日按當時尚未兌換之可兌換票據的全數本金額贖回可兌換貸款票據。

截至二零零八年三月三十一日止年度內，本金額64,025,940港元的可兌換貸款票據已兌換為34,530,202股本公司每股面值0.01港元的普通股。

年內可兌換貸款票據的負債部分變動載列如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Carrying amount at the beginning of the year	年初賬面值	659,341	—
Issue of convertible notes	發行可兌換票據	—	627,636
Interest charge	收取利息	37,778	31,931
Interest paid	已支付利息	(15,355)	(24)
Conversion	兌換	(53,988)	(202)
Carrying amount at the end of the year	年終賬面值	627,776	659,341

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### 46. Deferred Tax

The following are the major deferred tax liabilities (assets) recognized and movements thereon during the year:

### 46. 遞延稅項

於年內已確認之主要遞延稅項負債(資產)及其變動如下:

		Revaluation of investment property	Fair value adjustment on business combination	Accelerated tax depreciation	Others	Tax losses	Total
		投資物業 重估	業務合併的 公平值調整	加速稅項 折舊	其他	稅項虧損	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2006	於二零零六年四月一日	6,298	—	146	213	(332)	6,325
Currency realignment	外幣調整	—	—	—	(213)	—	(213)
Charge (credit) to the consolidated income statement for the year (note 12)	年內於綜合收益表中扣除(入賬)(附註12)	462	—	666	—	(1,132)	(4)
Arising on acquisition of subsidiaries (note 47)	收購附屬公司時產生(附註47)	—	28,675	—	—	—	28,675
At 31 March 2007	於二零零七年三月三十一日	6,760	28,675	812	—	(1,464)	34,783
Charge (credit) to the consolidated income statement for the year (note 12)	年內於綜合收益表中扣除(入賬)(附註12)	17,787	—	64	—	(14)	17,837
Arising on acquisition of subsidiaries (note 47)	收購附屬公司時產生(附註47)	—	30,902	—	—	—	30,902
At 31 March 2008	於二零零八年三月三十一日	24,547	59,577	876	—	(1,478)	83,522

## 46. Deferred Tax (Continued)

For the purposes of balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	(1,478)	(1,464)
Deferred tax liabilities	遞延稅項負債	85,000	36,247
		<b>83,522</b>	<b>34,783</b>

The Group has unused tax losses of HK\$388,591,000 at 31 March 2008 (2007: HK\$179,513,000) available for offset against future profits. A deferred tax asset has been recognized in respect of tax losses amounting to HK\$8,330,000 at 31 March 2008 (2007: HK\$8,365,000) of such losses. No deferred tax has been recognized in respect of the remaining HK\$380,261,000 at 31 March 2008 (2007: HK\$171,148,000) due to the unpredictability of future profit streams. The losses can be carried forward indefinitely.

## 46. 遞延稅項 (續)

就資產負債表之呈列而言，若干遞延稅項資產及負債已予對銷。以下為作財務申報用途之遞延稅項結餘分析：

於二零零八年三月三十一日，本集團可用於對銷未來溢利的未動用稅項虧損為388,591,000港元(二零零七年：179,513,000港元)。於二零零八年三月三十一日，該虧損中8,330,000港元(二零零七年：8,365,000港元)稅項虧損已確認遞延稅項資產。於二零零八年三月三十一日，由於未能預測未來溢利來源，故未有就其餘虧損380,261,000港元(二零零七年：171,148,000港元)確認遞延稅項。該等虧損可無限期結轉。

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### 47. Acquisition of Subsidiaries

(i) For the year ended 31 March 2008

On 4 June 2007, the Group entered into an agreement to acquire 59.75% interest in Regrowth Resources Limited at a consideration of HK\$80,000,000. Regrowth Resources Limited is an investment holding company and its subsidiaries are engaged in the business of water supply in the PRC. The acquisition was completed on 29 June 2007.

On 1 June 2007, the Group entered into an agreement to acquire 100% interest in 東莞市富昌建材貿易有限公司 at a consideration of HK\$90,000,000. 東莞市富昌建材貿易有限公司 is engaged in the sand mining business in the PRC. The acquisition were completed on 29 June 2007.

The transactions has been accounted for using the purchase method of accounting.

### 47. 收購附屬公司

(i) 截至二零零八年三月三十一日止年度

於二零零七年六月四日，本集團訂立協議，以代價80,000,000港元收購新生資源有限公司59.75%權益。新生資源有限公司為投資控股公司，其附屬公司在中國從事供水業務。收購已於二零零七年六月二十九日完成。

於二零零七年六月一日，本集團訂立協議，以代價90,000,000港元收購東莞市富昌建材貿易有限公司全部股權。東莞市富昌建材貿易有限公司從事採砂業務。收購已於二零零七年六月二十九日完成。

該交易採用收購會計法入賬。



## 47. Acquisition of Subsidiaries (Continued)

(i) For the year ended 31 March 2008 (Continued)

The net assets acquired in the transactions, and the goodwill arising on the acquisition, are as follows:

		Regrowth Resources Limited 新生資源有限公司			東莞市富昌建材貿易有限公司			
		Acquiree's carrying amount before combination 合併前 被收購方 的賬面值 HK\$'000 千港元	Provisional fair value adjustments 暫定公平值 調整 HK\$'000 千港元	Provisional fair value 暫定公平值 HK\$'000 千港元	Acquiree's carrying amount before combination 合併前 被收購方 的賬面值 HK\$'000 千港元	Provisional fair value adjustments 暫定公平值 調整 HK\$'000 千港元	Provisional fair value 暫定公平值 HK\$'000 千港元	Total provisional fair value 暫定公平值 總額 HK\$'000 千港元
Net assets acquired:	所收購的資產淨值：							
Property, plant and equipment	物業、機器及設備	66,299	15,570	81,869	23,589	2,911	26,500	108,369
Intangible assets	無形資產	—	44,867	44,867	—	60,263	60,263	105,130
Prepaid lease payments	預付租賃付款	8,385	—	8,385	—	—	—	8,385
Inventories	存貨	—	—	—	158	—	158	158
Trade and other receivables	貿易及其他應收款項	2,571	—	2,571	156	—	156	2,727
Bank balances and cash	銀行結存及現金	6,956	—	6,956	301	—	301	7,257
Trade and other payables	貿易及其他應付款項	(7,144)	—	(7,144)	(1,240)	—	(1,240)	(8,384)
Deferred taxation	遞延稅項	—	(15,109)	(15,109)	—	(15,793)	(15,793)	(30,902)
		77,067	45,328	122,395	22,964	47,381	70,345	192,740
Minority interests	少數股東權益			(49,264)			—	(49,264)
Goodwill	商譽			6,869			19,655	26,524
Total consideration	總代價			80,000			90,000	170,000
Total consideration satisfied by:	總代價的支付方式：							
Payments and deposits for acquisition of long-term investments	收購長期投資的付款及按金			35,000			25,000	60,000
Cash	現金			45,000			65,000	110,000
				80,000			90,000	170,000
Net cash outflow arising on acquisition:	收購所產生的現金流出淨額：							
Cash and cash equivalents acquired	所收購的現金及現金等額			6,956			301	7,257
Cash consideration paid	已付現金代價			(45,000)			(65,000)	(110,000)
				(38,044)			(64,699)	(102,743)

## 47. 收購附屬公司(續)

(i) 截至二零零八年三月三十一日止年度(續)

該交易所購入之資產淨值及收購所產生之商譽金額如下：

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### 47. Acquisition of Subsidiaries (Continued)

(i) For the year ended 31 March 2008 (Continued)

The subsidiaries acquired did not make any significant revenue, result or cash flow to the Group.

The initial accounting for the above acquisitions has been determined provisionally, awaiting the receipt of professional valuation in relation to certain underlying assets and liabilities of the acquired subsidiaries. The goodwill of HK\$26,524,000 were mainly attributable to the difference between the consideration and the fair value of underlying assets and liabilities acquired, and since the fair value of acquired assets and liabilities are determined provisionally and therefore, the goodwill may be subject to further changes upon finalization of initial accounting.

The directors are of the view that it is impracticable to disclose the revenue and the result of the acquired subsidiaries for the period from 1 April 2007 to 31 March 2008 as if the acquisition had been effected at the 1 April 2007 since such financial information was not provided by the vendor.

### 47. 收購附屬公司 (續)

(i) 截至二零零八年三月三十一日止年度 (續)

所收購的附屬公司並無為本集團帶來任何重大收入、業績或現金流量。

上述收購的初步會計處理已暫時釐定，正等待收取所收購附屬公司之若干相關資產及負債的專業估值報告。商譽26,524,000港元主要來自代價與所收購相關資產及負債的公平值之間的差額，由於所收購相關資產及負債的公平值乃暫時釐定，故最終確定初步會計處理後商譽有可能可予進一步調整。

董事認為，由於賣方並無提供財務資料，故無法披露所收購附屬公司於二零零七年四月一日至二零零八年三月三十一日期間的收入及業績（猶如收購已於二零零七年四月一日生效）。

## 47. Acquisition of Subsidiaries (Continued)

(ii) For the year ended 31 March 2007

The Group acquired a further 69.5% interest in the issued share capital of the GDI Group for total consideration of HK\$751,353,000. GDI Group became a 98.9% subsidiary of the Group. This transaction has been accounted for using the purchase method of accounting.

The net assets acquired in the transaction, and the discount on acquisition arising, are as follows:

		Acquiree's carrying amount before combination 合併前被 收購方的賬面值 HK\$'000 千港元	Adjustments 調整 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Net assets acquired:	收購的資產淨值：			
Property, plant and equipment	物業、機器及設備	105,026	30,227	135,253
Interests in associates	聯營公司權益	488,554	72,054	560,608
Convertible note receivable from an associate	應收一間聯營公司可 兌換票據	238,116	—	238,116
Available-for-sale investments	可供銷售投資	98,746	—	98,746
Deposits for acquisition of interests in properties	收購物業權益所付 之按金	56,295	—	56,295
Other asset	其他資產	229,288	—	229,288
Inventories	存貨	149	—	149
Amounts due from associates	應收聯營公司款項	4,510	—	4,510
Short-term loan receivables	應收短期貸款	338,687	—	338,687
Trade and other receivables	貿易及其他應收款項	56,639	—	56,639
Conversion options embedded in convertible note receivable from an associate	應收一間聯營公司可 兌換票據之兌換權	63,038	—	63,038
Tax recoverable	可收回稅項	126	—	126
Bank balances and cash	銀行結存及現金	93,656	—	93,656
Trade and other payables	貿易及其他應付款項	(27,323)	—	(27,323)
Amounts due to related companies	應付關連公司款項	(208,326)	—	(208,326)
Tax payables	應付稅項	(14,126)	—	(14,126)
Obligation under a finance lease	融資租賃承擔	(124)	—	(124)
Deferred tax liabilities	遞延稅項負債	(21,175)	(7,500)	(28,675)

## 47. 收購附屬公司 (續)

(ii) 截至二零零七年三月三十一日止年度

本集團以總代價751,353,000港元增購群龍集團已發行股本的69.5%權益。群龍集團成為本集團持有98.9%的附屬公司。該交易已按收購會計法入賬。

於交易中收購的資產淨值及收購產生的折讓如下：

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For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 47. Acquisition of Subsidiaries (Continued)

(ii) For the year ended 31 March 2007 (Continued)

## 47. 收購附屬公司(續)

(ii) 截至二零零七年三月三十一日止年度(續)

	Acquiree's amount before combination 合併前 被收購方的 賬面值 HK\$'000 千港元	Adjustments 調整 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
	1,501,756	94,781	1,596,537
Minority interest	少數股東權益		(331,416)
Discount on acquisition	收購折讓		(132,462)
Reclassify from the Group's interests in associates	重新分類自本集團於 聯營公司的權益		(353,478)
Revaluation increase in net assets attributable to interests previously held by the Group	本集團之前持有之 權益應佔之資產淨值 重估增加		(27,828)
Total consideration	總代價		751,353
Total consideration satisfied by:	總代價的支付方式：		
Cash	現金		17,915
Issue of convertible loan notes	發行可兌換貸款票據		687,188
Issue of shares	發行股份		38,733
Expenses incurred for the acquisition	收購產生之開支		7,517
			751,353
Net cash outflow arising on acquisition:	收購項目產生的現金 流出淨額：		
Cash consideration paid	已付現金代價		(17,915)
Cash and cash equivalents acquired	收購的現金及 現金等額		93,656
Expenses paid for the acquisition	已付收購開支		(7,517)
			68,224

## 47. Acquisition of Subsidiaries (Continued)

### (ii) For the year ended 31 March 2007 (Continued)

As part of the consideration for the acquisition of GDI Group, 9,926,228 ordinary shares of the Company with par value of HK\$0.01 each and convertible loan notes with principal amount of HK\$770,973,000 were issued. The fair value of the ordinary shares of the Company, determined using the published price available of the date of acquisition, amounted to HK\$38,733,000 and the fair value of the convertible loan notes amounted to HK\$687,188,000, were determined by the valuation performed by an independent valuer.

The consideration for the acquisition of the GDI Group were determined based on the net assets value of the GDI Group.

The discount on acquisition of HK\$132,462,000 were mainly attributable to (i) the difference between the principal amount of convertible loan notes of HK\$770,973,000 and its fair value at date of completion amounted to HK\$687,188,000; (ii) the fair value adjustment arising from the property, plant and equipments; and (iii) the fair value adjustment related to the fair value of the underlying assets and liabilities of the associates which are shared by the Group.

GDI Group contributed revenue of HK\$1,158,000 to the Group's revenue and profit of HK\$27,465,000 to the Group's profit for the year between the date of acquisition and the balance sheet date. The directors are of the view that it is impracticable to disclose the revenue and the result of GDI Group for the period from 1 April 2006 to 31 March 2007 as if the acquisition had been effected at the 1 April 2006 since such financial information was not provided by the ex-shareholders of GDI Group.

## 47. 收購附屬公司 (續)

### (ii) 截至二零零七年三月三十一日止年度 (續)

本公司發行9,926,228股每股面值0.01港元的普通股及本金額為770,973,000港元的可兌換貸款票據，作為收購群龍集團的部分代價。本公司普通股的公平值為38,733,000港元，乃按收購當日的公開價格釐定，而可兌換貸款票據的公平值為687,188,000港元則根據獨立估值師的估值釐定。

收購群龍集團的代價根據群龍集團的資產淨值釐定。

收購折讓132,462,000港元主要來自(i)可兌換貸款票據的本金額770,973,000港元與其完成日期的公平值687,188,000港元之間的差額；(ii)物業、機器及設備的公平值調整；及(iii)有關本集團應佔聯營公司相關資產及負債公平值調整。

自收購日期至結算日之間的年度，群龍集團為本集團收入帶來1,158,000港元的收入，而為本集團溢利帶來27,465,000港元溢利。董事認為，由於群龍集團前股東並無提供財務資料，故無法披露群龍集團於二零零六年四月一日至二零零七年三月三十一日期間的收入及業績（猶如收購已於二零零六年四月一日生效）。

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## 48. Acquisition of Assets Through Acquisition of a Subsidiary

On 31 December 2007, the Group entered into an agreement to acquire 100% interest in Siu Hin Development Limited ("Siu Hin") at a consideration of HK\$40,000,000. Siu Hin Development Limited is an investment holding company and its subsidiary holds a land as property held for sale in PRC. The acquisition was completed on 31 December 2007.

The acquisition has been accounted for as an acquisition of assets and liabilities. The effect of the acquisition is summarized as follows:

## 48. 通過收購一間附屬公司收購資產

於二零零七年十二月三十一日，本集團訂立協議，以代價40,000,000港元收購Siu Hin Development Limited（「Siu Hin」）的全部權益。Siu Hin Development Limited為投資控股公司，其附屬公司於中國持有一幅土地作為持作銷售物業。收購已於二零零七年十二月三十一日完成。

收購作為資產及負債收購入賬。收購影響概要如下：

		2008 二零零八年 HK\$'000 千港元
Net assets acquired:	收購之資產淨值：	
Properties held for sale	持作銷售物業	69,435
Bank balances	銀行結存	420
Other receivables	其他應收款項	69
Amount due to a subsidiary of the Company (Note a)	應付本公司一間附屬公司款項 (附註a)	(15,782)
Amount due to an associate of the Group (Note b)	應付本集團一間聯營公司款項 (附註b)	(14,142)
		40,000
Consideration satisfied by:	代價的支付方式：	
Promissory note included in borrowings	計入借款的承兌票據	40,000
Net cash inflow arising from acquisition:	收購項目產生的現金流入淨額：	
Bank balances acquired	收購的銀行結存	420

Notes:

- (a) The amount of HK\$15,782,000 represented the short-term loan receivable due from Siu Hin.
- (b) In accordance with the agreement, the amount due to an associate of the Group were assigned to the Group as settlement to the Group's loans to an associate.

附註：

- (a) 15,782,000港元為應收Siu Hin之應收短期貸款。
- (b) 根據協議，應付一間聯營公司款項已分配至本集團作結算本集團給予一間聯營公司之貸款。

## 48. Acquisition of Assets Through Acquisition of a Subsidiary (Continued)

The subsidiary acquired did not make any significant result or cash flow to the Group.

## 49. Disposal of Subsidiaries

### (i) For the year ended 31 March 2008

On 2 October 2007, the Group disposed of 55.2% interest in Manwide Holdings Limited ("Manwide Holdings") at a consideration of HK\$500,000.

On 7 March 2008, the Group disposed of 100% interest in Pariet Trading Limited ("Pariet") at a consideration of approximately HK\$214,000.

On 31 March 2008, the Group disposed of 100% interest in Total Wealth Investments Limited ("Total Wealth") at a consideration of approximately HK\$3,000,000.

Manwide, Pariet and Total Wealth were engaged in securities trading and investment holding.

On 31 March 2008, the Group disposed of 100% interest in Menfus Group Limited and its subsidiaries (collectively referred as to "Menfus Group") to a purchaser at a total consideration of HK\$25,000,000.

## 48. 通過收購一間附屬公司收購資產(續)

所收購的附屬公司並無為本集團帶來任何重大業績或現金流量。

## 49. 出售附屬公司

### (i) 截至二零零八年三月三十一日止年度

於二零零七年十月二日，本集團以代價500,000港元，出售Manwide Holdings Limited(「Manwide Holdings」)之55.2%權益。

於二零零八年三月七日，本集團以代價約214,000港元，出售Pariet Trading Limited(「Pariet」)之100%權益。

於二零零八年三月三十一日，本集團以代價約3,000,000港元，出售Total Wealth Investments Limited(「Total Wealth」)之100%權益。

Manwide、Pariet及Total Wealth從事證券買賣及投資控股。

於二零零八年三月三十一日，本集團以總代價25,000,000港元，向買方出售Menfus Group Limited及其附屬公司(統稱為「Menfus Group」)之100%權益。

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## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 49. Disposal of Subsidiaries (Continued)

(i) For the year ended 31 March 2008 (Continued)

		<b>Manwide Holdings</b>	<b>Pariet</b>	<b>Total Wealth</b>	<b>Menfus Group</b>	<b>Total</b>
		<b>Manwide Holdings</b>	<b>Pariet</b>	<b>Total Wealth</b>	<b>Menfus Group</b>	<b>總計</b>
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Available-for-sale investments	可供銷售投資	—	—	—	250,000	250,000
Property, plant and equipment	物業、機器及設備	207	—	—	—	207
Investments held for trading	持作買賣投資	—	—	479	—	479
Trade and other receivables	貿易及其他應收款項	17,655	3,000	96,006	—	116,661
Bank balances and cash	銀行結存及現金	12,431	—	—	—	12,431
Trade and other payables	貿易及其他應付款項	(42,360)	(2,643)	—	(225,029)	(270,032)
Tax payable	應付稅項	—	—	(93,539)	—	(93,539)
		(12,067)	357	2,946	24,971	16,207
(Loss) gain on disposal of subsidiaries	出售附屬公司 (虧損) 收益	12,567	(143)	54	29	12,507
<b>Total consideration</b>	<b>總代價</b>	<b>500</b>	<b>214</b>	<b>3,000</b>	<b>25,000</b>	<b>28,714</b>
Satisfied by:	支付方式：					
Cash	現金	500	214	3,000	25,000	28,714
Net cash inflow arising on disposal:	出售產生之淨現金 流入：					
Cash consideration	現金代價	500	214	3,000	25,000	28,714
Bank balances and cash disposed of	出售之銀行結存 及現金	(12,431)	—	—	—	(12,431)
		(11,931)	214	3,000	25,000	16,283

The subsidiaries disposed of during the year did not contribute significantly to the revenue and the results of the Group. The cash flow contributed or utilized by the subsidiaries disposed of during the year was not significant.

### 49. 出售附屬公司 (續)

(i) 截至二零零八年三月三十一日止年度 (續)

年內出售之附屬公司對本集團之收入及業績並無重大貢獻。年內出售之附屬公司貢獻或動用之現金流量並不重大。



## 49. Disposal of Subsidiaries (Continued)

### (ii) For the year ended 31 March 2007

Other than the disposal of Disposed Business set out in note 13, the Group also disposed of 100% interest in Collegate Limited, Trifame Limited and Pacerinc Limited for a consideration of HK\$28,500,000, HK\$24,000,000 and HK\$21,000,000 respectively. Collegate Limited, Trifame Limited and Pacerinc Limited are investment holding company. In additions, the Group has dissolved certain subsidiaries, namely Hollywood & Co., Limited, Better Gain Investment Limited, Hanny Strategy Limited and Zhuhai Hanny Property Investment Limited.

## 49. 出售附屬公司(續)

### (ii) 截至二零零七年三月三十一日止年度

除附註13所載出售業務外，本集團亦分別以代價28,500,000港元、24,000,000港元及21,000,000港元出售Collegate Limited、Trifame Limited及Pacerinc Limited全部權益。Collegate Limited、Trifame Limited及Pacerinc Limited均為投資控股公司。此外，本集團已解散若干附屬公司，分別為Hollywood & Co., Limited、Better Gain Investment Limited、錦興策略有限公司及珠海錦興產業園投資有限公司。

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### 49. Disposal of Subsidiaries (Continued)

(ii) For the year ended 31 March 2007 (Continued)

### 49. 出售附屬公司 (續)

(ii) 截至二零零七年三月三十一日止年度 (續)

	Hollywood & Co., Limited	Collegiate Limited	Trifame Limited	Pacerinc Limited	Better Gain Investment Limited	Hanny Strategy Limited	Zhuhai Hanny Property Investment Limited	Subtotal	Disposed Business	Total	
	Hollywood & Co., Limited	Collegiate Limited	Trifame Limited	Pacerinc Limited	Better Gain Investment Limited	錦興策略 有限公司	珠海錦興產 業園投資 有限公司	小計	出售業務	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Property, plant and equipment	物業、機器及設備	208	—	—	—	13,610	18	—	13,836	28,440	42,276
Available-for-sale investments	可供銷售投資	—	28,500	24,000	21,000	—	—	73,500	—	73,500	
Goodwill	商譽	—	—	—	—	—	—	—	167,908	167,908	
Intangible assets	無形資產	—	—	—	—	—	—	—	68,002	68,002	
Deferred tax assets	遞延稅項資產	—	—	—	—	—	—	—	749	749	
Inventories	存貨	—	—	—	—	—	—	—	600,161	600,161	
Trade and other receivables	貿易及其他應收 款項	6	—	—	—	12,137	33	15,277	27,453	536,769	564,222
Tax recoverable	可收回稅項	—	—	—	—	26	—	26	86,263	86,289	
Bank balance and cash	銀行結存及現金	542	—	—	—	2,451	—	35	3,028	36,543	39,571
Trade and other payables	貿易及其他應付 款項	(2,707)	—	—	(5)	(19,873)	(390)	(35)	(23,010)	(660,748)	(683,758)
Bank borrowings	銀行借款	—	—	—	—	(7,838)	(4)	—	(7,842)	(108,626)	(116,468)
Deferred tax liabilities	遞延稅項負債	—	—	—	—	—	—	—	—	(12,172)	(12,172)
Tax payables	應付稅項	—	—	—	—	(94)	—	(15,277)	(15,371)	—	(15,371)
		(1,951)	28,500	24,000	20,995	419	(343)	—	71,620	743,289	814,909
Minority interests	少數股東權益	—	—	—	—	—	—	—	—	(19,795)	(19,795)
		(1,951)	28,500	24,000	20,995	419	(343)	—	71,620	723,494	795,114
Exchange reserve realized	已變現匯兌儲備	—	—	3	—	533	—	—	536	(5,979)	(5,443)
Gain (loss) on disposal of subsidiaries	出售附屬公司之 收益 (虧損)	1,951	—	(3)	5	(952)	343	—	1,344	1,526,346	1,527,690
		—	28,500	24,000	21,000	—	—	—	73,500	2,243,861	2,317,361

(Note)  
(附註)

## 49. Disposal of Subsidiaries (Continued)

(ii) For the year ended 31 March 2007 (Continued)

		Hollywood & Co., Limited	Collegate Limited	Trifame Limited	Pacerinc Limited	Better Gain Investment Limited	Hanny Strategy Limited	Zhuhai Hanny Property Investment Limited	Disposed Business	Total	
		Hollywood & Co., Limited	Collegate Limited	Trifame Limited	Pacerinc Limited	Better Gain Investment Limited	錦興策略 有限公司	珠海錦興產 業園投資 有限公司	小計	出售業務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Satisfied by:	支付方式:										
Cash in HK Dollar	現金 (港元)	—	28,500	24,000	21,000	—	—	—	73,500	—	73,500
Cash (US\$274,200,000)	現金 (274,200,000美元)	—	—	—	—	—	—	—	—	2,127,237	2,127,237
Amount held under escrow account (US\$33,100,000)	計入其他應收款項 之託管賬戶所持 之金額 (33,100,000美元)	—	—	—	—	—	—	—	—	256,823	256,823
Earnout amount (US\$5,000,000) included in other receivables	計入其他應收款項 所得金額 (5,000,000美元)	—	—	—	—	—	—	—	—	38,795	38,795
Withholding tax (US\$1,500,000)	已付預扣稅 (1,500,000美元)	—	—	—	—	—	—	—	—	(11,638)	(11,638)
Expenses incurred for disposal	出售產生之開支	—	—	—	—	—	—	—	—	(167,356)	(167,356)
<b>Total consideration</b>	<b>總代價</b>	<b>—</b>	<b>28,500</b>	<b>24,000</b>	<b>21,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>73,500</b>	<b>2,243,861</b>	<b>2,317,361</b>
Net cash inflow (outflow) arising on disposal:	出售項目產生之 現金流入 (流出)淨額:										
Cash consideration	現金代價	—	28,500	24,000	21,000	—	—	—	73,500	2,127,237	2,200,737
Expenses incurred for disposal	出售產生之開支	—	—	—	—	—	—	—	—	(167,356)	(167,356)
Bank balances and cash disposal of	出售之銀行結存 及現金	(542)	—	—	—	(2,451)	—	(35)	(3,028)	(36,543)	(39,571)
		(542)	28,500	24,000	21,000	(2,451)	—	(35)	70,472	1,923,338	1,993,810

The subsidiaries disposed of or dissolved did not make any significant contribution to the cash flows of the Group during the year. Details of the cash flows of the Disposed Business is set out in note 13.

## 49. 出售附屬公司 (續)

(ii) 截至二零零七年三月三十一日止年度 (續)

年內，所出售或解散之附屬公司向本集團貢獻之現金流量並不重大。出售業務的現金流量詳情載於附註13。

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## 49. Disposal of Subsidiaries (Continued)

## (ii) For the year ended 31 March 2007 (Continued)

Note: Pursuant to the Disposal Agreement, the aggregate consideration for the disposal of Disposed Business comprises: (i) an initial consideration of US\$330,000,000 (equivalent to approximately HK\$2,560,470,000); (ii) plus the amount, if any, by which the net current assets amount at completion date exceeding US\$87,000,000 (equivalent to approximately HK\$675,033,000) or minus the amount, if any, by which the amount of net current assets amount at completion date falling short of US\$87,000,000 (equivalent to approximately HK\$675,033,000); and (iii) plus the earnout amount which is to be determined by reference to the earnings before interest, tax, depreciation and amortization of the electronic data storage business of the Disposed Companies to be disposed of by the MII and calculated on an agreed basis set out in the agreement for each of the twelve-month periods ending on 31 March 2007, 31 March 2008 and 31 March 2009. The earnout amount shall have a cumulative minimum of US\$5,000,000 (equivalent to approximately HK\$38,795,000) and a cumulative maximum of US\$45,000,000 (equivalent to approximately HK\$349,155,000). In the event that Imation transfers control of the business (as defined in the circular dated 10 April 2006) at any time, prior to 1 April 2009, Imation will pay MII an amount equal to whatever would be required to bring the aggregate amount of earnout payments to US\$45,000,000 (equivalent to approximately HK\$349,155,000).

According to the above terms set out in the Disposal Agreement, the net consideration of US\$289,195,000 (equivalent to approximately HK\$2,243,861,000) is calculated after taking into the following:

- (a) the initial consideration of US\$330,000,000 (equivalent to HK\$2,560,470,000);

## 49. 出售附屬公司 (續)

## (ii) 截至二零零七年三月三十一日止年度 (續)

附註：根據出售協議，出售出售業務之總代價包括：(i)原定代價330,000,000美元(約等於2,560,470,000港元)；(ii)另加完成日期流動資產淨值超逾87,000,000美元(約等於675,033,000港元)之款項(如有)，或減去完成日期流動資產淨值少於87,000,000美元(約等於675,033,000港元)之款項(如有)；及(iii)加上所得金額，該金額乃參考MII所出售之出售公司電子數據存儲業務未計利息、稅項、折舊及攤銷之盈利釐定，並以協議所載截至二零零七年三月三十一日、二零零八年三月三十一日及二零零九年三月三十一日止各十二個月期間之經協定基準計算。所得金額之累計最低額須為5,000,000美元(約等於38,795,000港元)，而累計最高額須為45,000,000美元(約等於349,155,000港元)。倘Imation於二零零九年四月一日前任何時間轉讓業務之控制權(定義見日期為二零零六年四月十日之通函)，則Imation將會向MII支付一筆相等於使所得付款總額達45,000,000美元(約等於349,155,000港元)所需金額之款項。

根據出售協議所載之上述條款，代價淨額289,195,000美元(約等於2,243,861,000港元)按以下各項計算：

- (a) 原定代價330,000,000美元(相等於2,560,470,000港元)；

## 49. Disposal of Subsidiaries (Continued)

(ii) For the year ended 31 March 2007 (Continued)

Note: (Continued)

- (b) plus additional consideration of US\$1,200,000 (equivalent to HK\$9,311,000) agreed between the Group and Imation pursuant to the pre-closing agreement dated 28 April 2006;
- (c) minus shortfall amount of approximately US\$23,900,000 (equivalent to HK\$185,721,000) which represented the net current assets at completion date (based on the figures extracted from the management accounts of the Disposed Companies as at 28 April 2006 provided by Imation) falling short of US\$87,000,000 (equivalent to HK\$675,033,000);
- (d) plus the earnout amount of US\$5,000,000 (equivalent to HK\$38,795,000) which represented the minimum earnout amount as provided in the Disposal Agreement;
- (e) minus the estimated withholding tax of US\$1,500,000 (equivalent to HK\$11,638,000) withheld by Imation regarding the disposal; and
- (f) minus the expenses incurred in connection with the disposal of approximately HK\$167,356,000.

## 49. 出售附屬公司 (續)

(ii) 截至二零零七年三月三十一日止年度 (續)

附註：(續)

- (b) 另加本集團與Imation根據日期為二零零六年四月二十八日之完成前協議協定之額外代價1,200,000美元(相等於9,311,000港元)；
- (c) 減去不足差額約23,900,000美元(相等於185,721,000港元)，即完成日期之流動資產淨值少於87,000,000美元(相等於675,033,000港元)之款項(根據摘錄自Imation提供之出售公司截至二零零六年四月二十八日之管理賬目所載數字計算)；
- (d) 另加所得金額5,000,000美元(相等於38,795,000港元)，即出售協議所規定之最低所得金額；
- (e) 減去Imation就出售預扣之估計預扣稅1,500,000美元(相等於11,638,000港元)；及
- (f) 減去有關出售之開支約167,356,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 50. Major Non-cash Transactions

For the year ended 31 March 2008, the major non-cash transactions were as follows:

- (a) Amount due to ultimate holding company amounting to HK\$169,757,000 were transferred to amounts due to related companies due to the change of the shareholding of the Company held by the shareholder.
- (b) Convertible note receivable from an associate of HK\$196,622,000 and conversion options embedded in convertible note receivable from an associate of HK\$54,882,000 were transferred to interests in associates upon the Group converted the Wing On CN as explained in note 28.
- (c) Convertible notes designated at fair value through profit and loss of HK\$640,404,000 were transferred to investments held for trading upon the conversion of convertible notes designated at fair value through profit and loss into investments held for trading.

For the year ended 31 March 2007, the major non-cash transactions were as follows:

- (a) Borrowings of HK\$183,046,900 and HK\$169,000,000 were transferred to amounts due to related companies and amount due to ultimate holding company respectively due to the change of shareholding of the Company.
- (b) Short-terms loans receivables from related companies of HK\$159,559,000 were transferred to loans to associates since the related company has become the associate of the Group during the year.

### 50. 主要非現金交易

截至二零零八年三月三十一日止年度，主要非現金交易如下：

- (a) 由於股東持有之本公司之股權變動，故應付最終控股公司款項金額169,757,000港元已轉撥至應付關連公司款項。
- (b) 應收一間聯營公司之可兌換票據196,622,000港元及應收一間聯營公司之可兌換票據之兌換權54,882,000港元，已於本集團兌換永安可兌換票據時轉撥至聯營公司權益，詳情見附註28。
- (c) 指定按公平值列賬並計入損益之可兌換票據640,404,000港元，已於指定按公平值列賬並計入損益之可兌換票據兌換為持作買賣投資時轉撥至持作買賣投資。

截至二零零七年三月三十一日止年度，主要非現金交易如下：

- (a) 因本公司股權變動，金額為183,046,000港元及169,000,000港元的借款分別轉撥至應付關連公司款項及應付最終控股公司款項。
- (b) 應收關連公司短期貸款159,559,000港元於年內關連公司成為本集團聯營公司後轉撥至給予聯營公司貸款。

## 51. Contingent Liabilities

## 51. 或然負債

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Amounts utilized in respect of guarantees given to banks and other financial institutions for facilities granted to outsiders	就外界公司所獲信貸向銀行及其他金融機構提供擔保而動用之金額	2,635	23,292

Save as disclosed above, the Group has no other contingent liabilities as at 31 March 2008 and 31 March 2007.

除上文所披露者外，本集團於二零零八年三月三十一日及二零零七年三月三十一日並無其他或然負債。

## 52. Operating Lease

## 52. 經營租約

The Group as lessee

本集團作為承租人

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Minimum lease payments paid under operating leases during the year:	年內根據經營租約支付之最低租賃付款：		
Land and buildings	土地及樓宇	883	1,700
Property, plant and equipment	物業、機器及設備	—	295
		883	1,995

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 52. Operating Lease (Continued)

## The Group as lessee (Continued)

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	—	38

Leases are negotiated for lease term of one year and rentals are fixed over the terms of the leases.

## The Group as lessor

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Rental income earned under operating leases during the year:	年內，根據經營租約賺取之租金收入：		
Investment properties	投資物業	529	1,228
Land and buildings	土地及樓宇	—	64
Property, plant and equipment	物業、機器及設備	—	36
		529	1,328

## 52. 經營租約 (續)

## 本集團作為承租人 (續)

於各結算日，本集團尚有根據不可撤銷之經營租約之承擔，該等未來最低租賃付款之到期日如下：

商議之租約年期為一年，而租金在租約期內固定。

## 本集團作為出租人



## 52. Operating Lease (Continued)

### The Group as lessor (Continued)

At the respective balance sheet date, the Group had contracted with tenants for the following future minimum lease income which fall due as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Operating leases which expire within one year	一年內到期之經營租約	—	525

The Group has committed tenants with lease term of one year as at 31 March 2007.

## 52. 經營租約 (續)

### 本集團作為出租人 (續)

於各結算日，本集團已與租戶訂立的未來最低租金收入於以下期間到期：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Operating leases which expire within one year	一年內到期之經營租約	—	525

於二零零七年三月三十一日，本公司已向租戶承諾，租期為期一年。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 53. Share Option Scheme

The Company's share option scheme was adopted on 21 August 2001 (the "2001 Share Option Scheme") for the primary purpose of providing incentives to the employees of the Group. Under the 2001 Share Option Scheme, the board of directors of the Company may grant options to eligible employees including the directors (but excluding independent non-executive directors) of the Company and the directors of any of the subsidiaries of the Company to subscribe for shares in the Company.

Pursuant to a resolution passed at a special general meeting of the Company on 17 March 2003, the Company has terminated the 2001 Share Option Scheme and adopted a new share option scheme (the "2003 Share Option Scheme"). Under the 2003 Share Option Scheme, the board of directors of the Company may grant options to directors and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters and service providers of any members of the Group who the board of directors considers have contributed or will contribute or can contribute to the Group. The purpose of the 2003 Share Option Scheme is to provide participants with the opportunity to acquire proprietary interests in the Group and to encourage participants to work towards enhancing the value of the Group and its shares for the benefits of the Group and its shareholders as a whole.

Subject to the condition that the total number of shares which may be issued upon the exercise of all outstanding options granted and to be exercised under the 2003 Share Option Scheme and any other schemes of the Company must not exceed 30% of the shares of the Company in issue from time to time, the total number of shares in respect of which options may be granted under the 2003 Share Option Scheme, when aggregated with any shares subject to any other schemes, is not permitted to exceed 10% of the shares of the Company in issue on the date of approval and adoption of the 2003 Share Option Scheme.

### 53. 購股權計劃

本公司於二零零一年八月二十一日採納的購股權計劃（「二零零一年購股權計劃」）主要旨在激勵本集團僱員。根據二零零一年購股權計劃，本公司董事會可能授予合資格僱員（包括本公司董事（但不包括獨立非執行董事）及本公司附屬公司董事）可認購本公司股份的購股權。

根據於二零零三年三月十七日舉行的本公司股東特別大會通過之決議案，本公司已終止二零零一年購股權計劃並採納新購股權計劃（「二零零三年購股權計劃」）。根據二零零三年購股權計劃，本公司董事會可將購股權授予其認為曾經或將會或能夠對本集團做出貢獻的本集團董事及僱員、本集團任何成員公司的顧問、專家、分銷商、承包方、供應商、代理人、客戶、業務夥伴、合營公司業務夥伴、發起人及服務供應商。二零零三年購股權計劃的目的在於提供參與者獲得本集團股權的機會並激勵參與者為本集團及其股東整體利益而努力提升本集團及其股份價值。

除須符合根據二零零三年購股權計劃及本公司其他計劃行使全部已授出將行使的尚未行使購股權而發行的股份總數不得超過本公司不時已發行股份總數的30%條件外，根據二零零三年購股權計劃授出購股權發行的股份總數連同根據任何其他計劃發行的股份總數不得超過本公司於二零零三年購股權計劃獲批准及採納當日已發行股份的10%。

### 53. Share Option Scheme (Continued)

Under the 2003 Share Option Scheme, the options which may be granted to any individual in any one year are not permitted to exceed 1% of the shares of the Company in issue, 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 million must be approved in advance by the Company's shareholders.

Options granted must be taken up within 28 days from the date of grant, upon payment of HK\$1 per grant. Options may be exercised at any time from the date on which the option is accepted to the tenth 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 shares on the date of grant or the average closing price of the shares for the five business days immediately preceding the date of grant or the nominal value of the share of the Company.

No options were outstanding under the 2003 Share Option Scheme at 31 March 2007 and 2008.

### 53. 購股權計劃(續)

根據二零零三年購股權計劃，倘無本公司股東事先批准，於各年內授予任何個人的購股權不得超過本公司已發行股份的1%。授予主要股東或獨立非執行董事的購股權超過本公司股本0.1%或超過5,000,000港元則須獲得本公司股東批准。

授出的購股權須於授出日起28日內接受，每次獲授購股權支付1港元。購股權可於接受當日起至授出日第十個周年內任何時間行使。行使價由本公司董事釐定，但不得低於本公司股份於授出日的收市價、或緊接授出日前五個營業日本公司股份的平均收市價或本公司股份面值三者的最高者。

於二零零七年及二零零八年三月三十一日，並無根據二零零三年購股權計劃授出而尚未行使的購股權。

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## 綜合財務報表附註

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## 53. Share Option Scheme (Continued)

## 2001 Share Option Scheme

During the year ended 31 March 2007, the movements of the share options are as follows:

Date of grant	Exercisable period	Exercise price	Outstanding at 1.4.2006	Number of share options		
				Exercised during the year	Lapsed during the year	Outstanding at 31.3.2007
授出日	可行使期間	行使價 HK\$ 港元	於二零零六年 四月一日 尚未行使	於年內 已行使	於年內 失效	於二零零七年 三月三十一日 尚未行使
Directors						
董事						
31.8.2001	31.8.2001 to 30.8.2006	2.9888	7,250,000	(3,250,000)	(4,000,000)	—
二零零一年八月 三十一日	二零零一年八月三十一日至 二零零六年八月三十日					
Employees						
僱員						
31.8.2001	31.8.2001 to 30.8.2006	2.9888	1,750,000	—	(1,750,000)	—
二零零一年八月 三十一日	二零零一年八月三十一日至 二零零六年八月三十日					
			9,000,000	(3,250,000)	(5,750,000)	—

No options were outstanding under the 2001 Share Option Scheme at 31 March 2007 and 2008.

## 53. 購股權計劃(續)

## 二零零一年購股權計劃

截至二零零七年三月三十一日止年度，購股權變動如下：

於二零零七年及二零零八年三月三十一日，並無根據二零零一年購股權計劃授出而尚未行使的購股權。

## 54. Retirement Benefits Schemes

The Group operates a Mandatory Provident Fund (“MPF”) scheme for qualifying employees of the Company and its subsidiaries in Hong Kong. The assets of the MPF scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees.

The Group’s employees who are employed by subsidiaries in the PRC are members of the state-managed retirement benefit scheme operated by the PRC government. These subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The total cost charged to consolidated income statement of HK\$652,000 (2007: HK\$225,000) represents contributions payable to these schemes by the Group in respect of the current accounting period. As at balance sheet dates, no contribution were due in respect of the reporting period had not been paid over to the Schemes.

## 55. Pledge of Assets

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Listed securities of associates	聯營公司之上市證券	422,346	92,955
Investment properties	投資物業	250,000	146,000
Available-for-sale investments	可供銷售投資	134,915	—
Investments held for trading	持作買賣投資	50,869	61,087
		<b>858,130</b>	300,042

## 54. 退休福利計劃

本集團為本公司及其香港附屬公司之合資格僱員推行強制性公積金(「強積金」)計劃。強積金計劃之資產乃獨立於本集團，以信託人控制之基金形式持有。本集團就有關工資成本之5%向該計劃供款，與僱員之供款額相同。

受僱於中國附屬公司之本集團僱員為中國政府所推行之國家管理退休福利計劃成員。該等附屬公司須將工資若干百分比作為該退休福利計劃之供款，為福利提供資金。本集團對該退休福利計劃之承擔僅為作出特定之供款。

綜合收益表內扣除之總成本652,000港元(二零零七年：225,000港元)指本集團就本會計期間對該等計劃應付之供款。於結算日，並無尚未對計劃支付之就申報期間作出之供款。

## 55. 資產抵押

於各結算日，本集團將下列資產抵押作為銀行及其他融資信貸之擔保：

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## 綜合財務報表附註

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## 56. Transactions and Balances with Related Parties

During the year, the Group had significant transactions with the following related parties, together with balances with them at the respective balance sheet date, details of which are as follows:

## 56. 與關連人士進行交易及相關結餘

本集團於本年度與下列關連人士進行之重大交易及於各結算日之結餘詳情如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Ultimate holding company:	最終控股公司：		
Secondment fee	借調費用	—	1,313
Associates:	聯營公司：		
Interest income	利息收入	37,172	16,790
Rental expenses	租金支出	537	923
Management fee income	管理費收入	3,702	3,524
Rental income	租金收入	—	36
Related companies:	關連公司：		
Interest expenses	利息支出	24,888	4,068

## 56. Transactions and Balances with Related Parties (Continued)

On 29 October 2007, the Company issued 499,000,000 new shares at HK\$0.29 per share by entering into a subscription agreement with ITC Corporation Limited, a substantial shareholder of the Company.

Details of balances with associates/related parties at the balance sheet date are set out in note 38 and 36 respectively.

In addition, certain banking and other facilities of the Group were secured by personal guarantee from a director of the Company, to the extent of HK\$5,018,400 and HK\$504,619,700 at 31 March 2008 and 2007 respectively.

### Compensation of key management personnel

The remuneration of directors and key executives of the Group is determined by the remuneration committee, having regard to the performance of individuals and market trends, amounted to HK\$8,932,000 (2007: HK\$22,573,000).

Save as disclosed above, there were no other significant transactions with related parties during the year or no significant balances with them at the respective balance sheet date.

## 56. 與關連人士進行交易及相關結餘(續)

於二零零七年十月二十九日，本公司與本公司之主要股東德祥企業集團有限公司訂立認購協議，按每股0.29港元發行499,000,000股新股份。

於結算日在聯營公司／有關連人士之結餘詳情分別載於附註38及36。

此外，本集團之若干銀行及其他信貸由本公司一名董事提供個人擔保，於二零零八年及二零零七年三月三十一日之金額分別為5,018,400港元及504,619,700港元。

### 主要管理人員報酬

本集團董事及主要行政人員薪酬由薪酬委員會經參考彼等的工作表現及市場趨勢釐定，總額為8,932,000港元(二零零七年：22,573,000港元)。

除上文所披露者外，年內並無關連人士之其他重大交易，而於各結算日亦無重大結餘。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 57. Balance Sheet of the Company

## 57. 本公司資產負債表

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Total assets	資產總值	3,351,770	3,372,811
Total liability	負債總值	1,240,326	1,498,958
		<b>2,111,444</b>	1,873,853
Capital and Reserves	資本及儲備		
Share capital	股本	50,128	2,528
Reserves	儲備	2,061,316	1,871,325
Total equity	權益總額	<b>2,111,444</b>	1,873,853

## 58. Post Balance Sheet Events

## 58. 結算日後事項

The Group have the following significant events subsequent to balance sheet date:

本集團於結算日後之重大事項如下：

- (i) On 29 May 2008, the Group entered into agreement with Skyera International Limited, an independent third party of the Group, to dispose of the 22,727,272 shares of Golden Harvest Entertainment (Holdings) Limited ("Golden Harvest", a company whose shares are listed on the Stock Exchange) at a consideration of approximately HK\$84,100,000. The shares were issued to the Group on 30 May 2008 upon conversion from a convertible note held by the Group with principal amount of HK\$50,000,000 issued by Golden Harvest at a conversion price of HK\$2.2 per share. The directors of the Company are in the progress of assessing the financial impact.

- (i) 於二零零八年五月二十九日，本集團與本集團獨立第三方 Skyera International Limited 訂立協議，以出售嘉禾娛樂事業(集團)有限公司(「嘉禾」，其股份於聯交所上市的一家公司)22,727,272 股股份，代價約為84,100,000 港元。該等股份於本集團按兌換價每股2.2 港元兌換本身所持有並由嘉禾發行本金額為50,000,000 港元之可兌換票據時於二零零八年五月三十日發行予本集團。本公司董事現正評估有關財務影響。



## 58. Post Balance Sheet Events (Continued)

- (ii) On 6 June 2008, the Company announced that the Company had irrevocably undertaken to ITC Properties Group Limited ("ITCP") and the underwriter that it will take up, or procure the taking up of, its provisional entitlements under the rights issue of ITCP. The rights issue of ITCP is the issue of three ITCP shares (together with warrants to be issued in the proportion of four warrants for every fifteen shares to be subscribed under the rights issue) for every ITCP share held on a record date to be determined at a subscription price of HK\$0.07 per share. The Group held 477,517,272 ITCP shares and therefore has undertaken to subscribe 1,432,551,816 ITCP shares at total consideration of approximately HK\$100,279,000. At the date of the report, the rights issue of ITCP was not yet completed.

## 58. 結算日後事項 (續)

- (ii) 於二零零八年六月六日，本公司宣佈，本公司已向德祥地產集團有限公司(「德祥地產」)及包銷商作出不可撤回之承諾，其將認購或促使認購其在德祥地產供股項下之暫定配額。德祥地產的供股即根據認購價每股0.07港元於將予釐定的記錄日期按每持有一股德祥地產股份發行三股德祥地產股份(連同按每認購供股項下十五股可供認購股份派送四份認股權證的比例發行的認股權證)。本集團持有477,517,272股德祥地產股份，故承諾認購1,432,551,816股德祥地產股份，總代價約為100,279,000港元。於本報告日期，德祥地產供股尚未完成。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 59. Particulars of Principal Subsidiaries

Details of the Company's principal subsidiaries at 31 March 2008 are as follows:

### 59. 主要附屬公司之詳情

於二零零八年三月三十一日，本公司各主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 登記地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 登記股本	Equity interest held by the Group 本集團持有的 股本權益	Principal activities 主要業務
Island Town Limited 倫都有限公司	Hong Kong 香港	HK\$100 100港元	100%	Investment property holding 持有投資物業
Hanny Magnetics Limited 錦興磁訊有限公司	Hong Kong 香港	HK\$1,100,000,200 ordinary shares HK\$6,000,000 5% non-voting deferred shares (note a) 1,100,000,200 港元 普通股 6,000,000 港元 5% 無投票權遞延 股份 (附註a)	100%	Investment holding and trading and marketing of computer media products and related peripherals and accessories 投資控股及電腦媒體 產品及相關周邊產 品及配件的貿易及 市場推廣
CEL (note b) CEL (附註b)	Bermuda 百慕達	US\$90,173 Common stock 90,173 美元 普通股	55.2%	Investment holding 投資控股
MRI Holdings Limited ("MRI") (note c) MRI Holdings Limited (「MRI」) (附註c)	Australia 澳洲	A\$31,381,010 ordinary shares 31,381,010 澳元 普通股	57.26%	Investment holding 投資控股
廣州耀陽實業有限公司 (note d) 廣州耀陽實業有限公司 (附註d)	PRC 中國	RMB1,000,000 人民幣1,000,000元	100%	Sand mining 採砂
山東肥城市大禹水務有限 公司 (note d) 山東肥城市大禹水務 有限公司 (附註d)	PRC 中國	RMB76,980,000 人民幣76,980,000元	59.75%	Water supply 供水
東莞市富昌建材貿易有限 公司 (note d) 東莞市富昌建材貿易 有限公司 (附註d)	PRC 中國	RMB1,000,000 人民幣1,000,000元	100%	Sand mining 採砂

## 59. Particulars of Principal Subsidiaries (Continued)

Details of the Company's principal subsidiaries at 31 March 2007 are as follows:

## 59. 主要附屬公司之詳情(續)

於二零零七年三月三十一日，本公司各主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 登記地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 登記股本	Equity interest held by the Group 本集團持有的 股本權益	Principal activities 主要業務
Island Town Limited 倫都有限公司	Hong Kong 香港	HK\$100 100港元	100%	Investment property holding 持有投資物業
CEL (note b) CEL (附註b)	Bermuda 百慕達	US\$90,173 Common stock 90,173美元普通股	55.2%	Investment holding 投資控股
MRI Holdings Limited ("MRI") (note c) MRI Holdings Limited (「MRI」) (附註c)	Australia 澳洲	A\$31,381,010 ordinary shares 31,381,010澳元普通股	57.26%	Investment holding 投資控股

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

59. Particulars of Principal Subsidiaries  
(Continued)

## 59. 主要附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 登記地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 登記股本	Equity interest held by the Group 本集團持有的 股本權益	Principal activities 主要業務
Hanny Magnetics Limited 錦興磁訊有限公司	Hong Kong 香港	HK\$1,100,000,200 ordinary shares HK\$6,000,000 5% non-voting deferred shares (note a) 1,100,000,200 港元 普通股 6,000,000 港元 5% 無投票權遞延 股份 (附註 a)	100%	Investment holding and trading and marketing of computer media products and related peripherals and accessories 投資控股及電腦媒體 產品及相關周邊產 品及配件的貿易及 市場推廣
Well Orient Limited 威倫有限公司	Hong Kong 香港	HK\$2 2 港元	100%	Investment holding 投資控股
廣州耀陽實業有限公司 (note d) 廣州耀陽實業有限公司 (附註 d)	PRC 中國	RMB1,000,000 人民幣 1,000,000 元	100%	Sand mining 採砂

Notes:

- a. The holders of the 5% non-voting deferred shares are not entitled to receive notice of or to attend or vote at any general meetings of the Company. The non-voting deferred shares practically carry no rights to dividends or to participate in any distribution on winding up.
- b. CEL operates in both Hong Kong and the PRC and its shares are traded on the Over-the-Counter Bulletin Board in the United States of America.
- c. MRI operates both in Australia and Hong Kong and its shares are listed on the Australia Stock Exchange. MRI and its subsidiaries are mainly engaged in securities holding activities.

附註：

- a. 5% 無投票權遞延股份之持有人無權收取本公司任何股東大會之通告或出席大會或於會上投票。無投票權遞延股份實際上並無附有任何權利獲派股息或在清盤時獲得任何分派。
- b. CEL 於香港及中國經營，其股份在美國場外交易議價板買賣。
- c. MRI 在澳洲及香港經營，其股份在澳洲證券交易所上市。MRI 及其附屬公司主要業務為持有證券。

## 59. Particulars of Principal Subsidiaries (Continued)

Notes: (Continued)

- d. These companies are registered in the form of foreign investment enterprises.

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the result of the Group for the year or formed a substantial portion of the net assets of the Group at the end of the year. To give details of other subsidiaries would, in the opinion of the directors, result in particular of excessive length.

## 60. Change in Presentation

In previous periods, sale proceeds and related cost of sales of financial assets were presented in the consolidated income statement within turnover and cost of sales respectively.

In preparation for the consolidated financial statements for the year ended 31 March 2008, the presentation of revenue, cost of sale and net unrealized gain/loss on investments held for trading have been changed to reflect the nature of sales of financial assets in a more appropriate manner, whereby the net realized and unrealized gain/loss on investments held for trading are presented in the consolidated income statement as net gain on investments held for trading. The comparatives in respect of the year ended 31 March 2007 have been restated accordingly to conform with the current year's presentation.

## 59. 主要附屬公司之詳情(續)

附註：(續)

- d. 該等公司以外商投資企業形式登記。

上表列載之本集團附屬公司，乃董事認為主要影響本集團年內之業績或構成本集團年終資產淨值重大部份之公司。董事認為，詳載其他附屬公司會導致篇幅過於冗長。

## 60. 呈列方式變動

在過往期間，財務資產的銷售所得款項及相關銷售成本乃於綜合收益表內分別呈列於營業額及銷售成本項下。

編製截至二零零八年三月三十一日止年度綜合財務報表時，收入、銷售成本及持作買賣投資之未變現收益／虧損淨額之呈列已作出調整以更適當地反映出售財務資產的性質，據此，持作買賣投資之可變現及未變現收益乃於綜合收益表呈列作持作買賣投資收益淨額。截至二零零七年三月三十一日止之可比較數字已據此重列以符合本年度之呈列。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

## 60. Change in Presentation (Continued)

The effects of the change in presentation have been accounted for retrospectively with comparative figures changed. The specific line items affected are as follows:

## 60. 呈列方式變動(續)

呈列方式變動的影響已追溯入賬，並已調整比較數字。受影響的特定項目如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Decrease in revenue	收入減少	429,820	108,682
Decrease in cost of sale	銷售成本減少	428,847	118,339
Decrease in net unrealized (loss) gain on investments held for trading	持作買賣投資之未變現(虧損)收益淨額減少	(973)	9,657
Increase in net gain on investments held for trading	持作買賣投資收益淨額增加	39,398	60,323

# Financial Summary

## 財務摘要

A summary of the consolidated results and of the assets and liabilities of the Group for each of the five years ended 31 March 2008 is set out below:

本集團於截至二零零八年三月三十一日止五個年度各年綜合業績及資產與負債之概要載於下文：

### (a) Results

### (a) 業績

		Year ended 31 March 截至三月三十一日止年度				
		2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)	2008 二零零八年 HK\$'000 千港元
Revenue	收入	5,025,930	257,656	316,638	358,573	627,588
Profit (loss) before income tax	除所得稅前溢利 (虧損)	135,245	(248,508)	(144,092)	(23,967)	192,749
Income tax expense	所得稅開支	(25,469)	(4,282)	(4,331)	(32,457)	(144,763)
Profit (loss) for the year from continuing operations	本年度來自持續 經營業務之溢利 (虧損)	109,776	(252,790)	(148,423)	(56,424)	47,986
Profit for the year from discontinued operations	本年度來自非持續 業務之溢利	—	152,552	52,419	1,517,926	—
Profit (loss) for the year	本年度溢利(虧損)	109,776	(100,238)	(96,004)	1,461,502	47,986
Attributable to:	應佔：					
Equity holders of the Company	本公司股權 持有人	13,300	(161,862)	8,915	527,080	129,110
Minority interests	少數股東權益	96,476	61,624	(104,919)	934,422	(81,124)
		109,776	(100,238)	(96,004)	1,461,502	47,986

# Financial Summary

## 財務摘要

### (b) Assets and liabilities

### (b) 資產及負債

		At 31 March 於三月三十一日				
		2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total assets	資產總值	3,943,236	3,656,553	4,193,180	5,007,707	5,193,985
Total liabilities	負債總值	(1,664,898)	(1,400,562)	(1,973,857)	(1,808,595)	(1,426,384)
		2,278,338	2,255,991	2,219,323	3,199,112	3,767,601
Equity attributable to equity holders of the Company	本公司股權持有人應佔權益	1,873,181	1,806,374	1,868,889	2,492,490	3,089,010
Minority interests	少數股東權益	405,157	449,617	350,434	706,622	678,591
		2,278,338	2,255,991	2,219,323	3,199,112	3,767,601

Note: For the year ended 31 March 2007, the revenue was restated as a result of the change in presentation as described in note 60 to the consolidated financial statements for the year ended 31 March 2008. In the opinion of directors, no restatement of revenue for the years ended 31 March 2004, 2005 and 2006 was presented, as it would involve expense and delay out of proportion to the value to the members of the Company.

附註：由於呈列方式已就截至二零零八年三月三十一日止年度之綜合財務報表附註60所述變動，故截至二零零七年三月三十一日止年度之收入已作出重列。董事認為，由於重列將涉及開支及不合比例地延遲本公司成員之價值，故並無載呈列至二零零四年、二零零五年及二零零六年三月三十一日止年度之收入重列。



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