



建發國際(控股)有限公司

(To be changed to Sino Resources Group Limited) (將更改為神州資源集團有限公司)

(Incorporated in Cayman Islands with limited liability) (於開曼群島註冊成立之有限公司)

Stock Code 股份代號：223



ANNUAL REPORT | 二零零八年 年報

A GATEWAY TO ACHIEVE BUSINESS OPPORTUNITIES

2008

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Ip Ki Cheung (CHAIRMAN)
Cheung Shui Kwai (MANAGING DIRECTOR)
Chan Siu Chung
Hung Chen, Richard
Ma Li Shan
Javed Iqbal Khan
Fong Wang

INDEPENDENT NON-EXECUTIVE DIRECTORS

Cheng Hong Kei
Cheng Wing Keung, Raymond
John Reynolds

AUDIT COMMITTEE

Cheng Hong Kei (CHAIRMAN)
Cheng Wing Keung, Raymond
John Reynolds

REMUNERATION COMMITTEE

Cheng Hong Kei (CHAIRMAN)
Cheng Wing Keung, Raymond
Chan Siu Chung

NOMINATION COMMITTEE

Cheng Wing Keung, Raymond (CHAIRMAN)
John Reynolds
Ip Ki Cheung

COMPANY SECRETARY

Sin Chi Keung

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

30/F., One Kowloon,
No. 1 Wang Yuen Street,
Kowloon Bay,
Kowloon, Hong Kong

REGISTERED OFFICE

Cricket Square,
Hutchins Drive,
P.O. Box 2681,
Grand Cayman KY1-1111,
Cayman Islands

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
The Hong Kong and Shanghai Banking Corporation Limited

AUDITORS

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants
31/F., Gloucester Tower, The Landmark,
11 Pedder Street, Central,
Hong Kong

SHARE REGISTRAR

Tricor Tengis Limited
26/F., Tesbury Centre,
28 Queen's Road East, Wan Chai, Hong Kong

FINANCIAL RELATIONS CONSULTANTS

Strategic Financial Relations Limited
Unit A, 29/F., Admiralty Centre 1,
18 Harcourt Road,
Hong Kong

U Six Holdings Limited
Suite 6209, 62/F.,
The Center,
99 Queen's Road Central,
Hong Kong

董事會

執行董事
葉紀章(主席)
張瑞貴(董事總經理)
陳兆忠
洪誠
馬立山
簡志偉
方宏

獨立非執行董事

鄭康祺
鄭永強
John Reynolds

審核委員會

鄭康祺(主席)
鄭永強
John Reynolds

薪酬委員會

鄭康祺(主席)
鄭永強
陳兆忠

提名委員會

鄭永強(主席)
John Reynolds
葉紀章

公司秘書

冼志強

香港主要營業地點

香港九龍九龍灣宏遠街1號
一號九龍30樓

註冊辦事處

Cricket Square,
Hutchins Drive,
P.O. Box 2681,
Grand Cayman KY1-1111,
Cayman Islands

主要來往銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司

核數師

國衛會計師事務所
英國特許會計師
香港執業會計師
香港中環畢打街11號
置地廣場告羅士打大廈31字樓

股份登記處

卓佳登捷時有限公司
香港皇后大道東28號
金鐘匯中心26樓

財經公關顧問

縱橫財經公關顧問有限公司
香港金鐘夏慤道18號
海富中心第1期29樓A室

裕陸控股有限公司
香港中環皇后大道中99號
中環中心62樓6209室

CORPORATE PROFILE

公司簡介

Kenfair International (Holdings) Limited ("Kenfair International" or the "Company", together with its subsidiaries, the "Group") is one of the leading commercial trade exhibition organizers in Hong Kong. Since its establishment in 1991, the Group has focused on its mission to serve as "A Gateway to achieve Business Opportunities" for Asian manufacturers and global buyers by producing world-class sourcing exhibitions and other trade-related services. Following a decade of solid growth, Kenfair International successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (Stock Code: 223) on 10 April 2002.

The Group's significant databank consists of over 1,000,000 international buyers and Asian manufacturers in the toys, gifts, premium and household products industries. The state-of-the-art databank plays a vital role in ensuring the high attendance and overall success of the Group's trade fairs.

The Group's flagship twin-event **Hong Kong International Toys & Gifts Show** and **Asian Gifts Premium & Household Products Show** (collectively known as "**MEGA SHOW Part 1**") is the Group's annual anchor event. MEGA SHOW Part 1 has grown solidly since its debut in 1992 to become the largest trade fair for toys, gifts, premium and household products in Asia. The significance of MEGA SHOW Part 1 in the international exhibition arena is validated by its endorsement in October 2002 by UFI, the Global Association of the Exhibition Industry, as a "UFI-Approved Event".

The increasing demand for professional trade fairs for toys, gifts, premium and household products prompted the Group to pair **MEGA SHOW Part 1** with its sister trade fair, **MEGA SHOW Part 2** into the "**Mega Show**" series in October 2004. MEGA SHOW Part 2 follows MEGA SHOW Part 1 just five days later to extend the business opportunities for suppliers and worldwide buyers. In 2005, MEGA SHOW Part 2 was accredited as a "UFI-approved event".

In October 2006, the Group co-operated with the Hong Kong Trade Development Council in launching the 1st **Hong Kong International Furniture Fair** in the city. In October 2007, the Group launched its 1st "Mega Macao".

The Group researched additional overseas markets in early 2000, and launched the inaugural Asia Expo in London in February 2001. As the largest trade fair for Asian-made merchandises in the United Kingdom ("U.K."), **Asia Expo** gained UFI-endorsement in October 2003. Replicating this successful initiative, **Kenfair Asian expo** made its debut in Las Vegas, the United States ("U.S.") in August 2003. The Group then further expanded the "**Asia Expo**" series in June 2005 by launching a new edition of **Asia Expo Poland** in Warsaw.

To facilitate growth of Kenfair International in the People's Republic of China ("China"), the Group has established four China-based subsidiaries in Beijing, Shanghai, Shenzhen and Guangzhou to prepare for the launch of the Group's branded exhibition series in China.

The Group began in October 2002 to diversify its business scope and services beyond the physical exhibition halls by launching a trade magazine, **MegAsia**. As a cost-effective advertising channel for Hong Kong and Asian suppliers and a premier sourcing guide for global buyers, each edition of MegAsia is packed with hundred pages of suppliers' product advertisements, the latest product trends on toys, gifts, premium and household products, updated industry news, exhibition information and in-depth company profiles. The CD-ROM and online versions of the trade magazine, eMegAsia, were launched in October 2004, and MegAsia is now a bi-annual magazine.

Kenfair Travel Limited was set up in August 2003 to provide a one-stop travel-related service, including travel arrangement, air ticketing, hotel booking and tour packages, etc. to cater for every travel need of the exhibitors and buyers attending the Group's trade fairs.

Kenfair International will continue to consistently deliver world-class exhibitions and value-added services to all its customers, and maintain its position as a leading exhibition organizer in Hong Kong and the Asia-Pacific region. It is a member of UFI, the Hong Kong Exhibition and Convention Organisers Association and Macao Convention and Exhibition Association.

CORPORATE PROFILE

公司簡介

建發國際（控股）有限公司（「建發國際」或「本公司」；及其附屬公司「本集團」）乃香港一家具領導地位之商業貿易展覽會主辦機構。自1991年成立以來，本集團一直透過舉辦一系列世界級採購展覽會及其他貿易相關服務，貫徹為亞洲廠商及國際買家「開啟商機之門」的承諾。經過十多年的發展，建發國際於2002年4月10日成功在香港聯合交易所有限公司（「聯交所」）主板上市（股票編號：223）。

本集團龐大的數據資料庫擁有超過1,000,000名國際買家及從事玩具、禮品、贈品及家居用品廠商的資料。此數據資料庫在促使本集團各貿易展覽會取得高參與率及成功，擔當重要角色。

合稱「亞洲展覽盛事第一部份」的「香港國際玩具及禮品展」暨「亞洲贈品及家居用品展」乃本集團一年一度之重點展覽項目；自1992年開辦以來，「亞洲展覽盛事第一部份」的規模迅速發展，現已被譽為亞洲最大型的玩具、禮品、贈品及家居用品展之一。「亞洲展覽盛事第一部份」更於2002年10月榮獲國際展覽業協會UFI評定為「認可展覽會」，足證是項展覽會於國際展覽界的重要地位。

為滿足玩具、禮品、贈品及家居用品行業對專業貿易展覽會的殷切需求，本集團於2004年10月把「亞洲展覽盛事第一部份」與本集團另一同類貿易展覽會——「亞洲展覽盛事第二部份」，組合為「亞洲展覽盛事」系列。「亞洲展覽盛事第二部份」緊接「亞洲展覽盛事第一部份」五天後舉行，為廠商及國際買家提供更多業務拓展機會。2005年，「亞洲展覽盛事第二部份」成為UFI「認可展覽會」。

2006年10月，與香港貿易發展局合辦在香港舉行的第一屆「香港國際家具展」。2007年10月，本集團首次舉辦「澳門國際消費品展」。

本集團於2000年初開始研究其他海外展覽市場，於2001年2月推出倫敦「亞洲博覽會」。該展覽會現已成為英國最大型的亞洲產品展覽會，更於2003年10月成為UFI「認可展覽會」。參考倫敦「亞洲博覽會」的成功模式，本集團於2003年8月在美國推出「拉斯維加斯 — 亞洲博覽會」。2005年6月，本集團把「亞洲博覽會」品牌進一步拓展至華沙，舉辦「波蘭 — 亞洲博覽會」。

為促進建發國際在中華人民共和國（「中國」）的發展，本集團已先後於北京、上海、深圳及廣州設立四家附屬公司，為本集團將其品牌展覽會推廣至中國市場作充分準備。

自2002年10月，本集團致力將其業務範疇及服務擴展至展覽場館以外，推出專業貿易雜誌MegAsia，為本地及亞洲廠商提供具宣傳效益的產品宣傳渠道之同時，MegAsia亦是國際買家最佳的採購指南。每期MegAsia均刊登數百頁產品廣告，介紹玩具、禮品、贈品及家居用品的最新潮流、行業資訊、展覽會資料及企業專訪。雜誌的光碟版及網上版eMegAsia已於2004年10月推出，而MegAsia目前每年出版兩份定期刊號。

本集團另一附屬公司建發旅運有限公司於2003年8月成立，為參加本集團展覽會的參展商及買家提供一站式旅運服務，包括行程安排、票務、預訂酒店、旅遊套票及其他旅遊服務等。

建發國際將繼續致力為所有客戶提供世界級展覽會及優質增值服務，維持本集團於香港及亞太地區展覽會行業中的領導地位。本集團為國際展覽業協會UFI、香港展覽業協會及澳門會議展覽業協會會員。

FINANCIAL HIGHLIGHTS

財務摘要

2008
HK\$'000
港幣千元

2007
HK\$'000
港幣千元

2006
HK\$'000
港幣千元

2005
HK\$'000
港幣千元
(Restated)
(重列)

2004
HK\$'000
港幣千元
(Restated)
(重列)

OPERATING PERFORMANCE

經營狀況

Turnover 營業額	213,795	236,319	261,650	228,678	228,352
(Loss)/profit from operating activities 經營業務（虧損）／溢利	(2,230)	(29,988)	(28,683)	42,964	43,060
(Loss)/profit attributable to equity holders of the Company 本公司股東應佔 （虧損）／溢利	(7,174)	(34,411)	(33,191)	34,775	32,208

FINANCIAL POSITION

財務狀況

Total assets 資產總值	1,172,409	120,848	156,357	205,690	193,208
Cash reserves 現金儲備	67,839	40,412	63,331	62,948	61,278
Total bank borrowings 銀行借貸總額	-	-	-	2,299	8,776
Net cash reserves 現金儲備淨額	67,839	40,412	63,331	60,649	52,502
Shareholders' funds 股東資金	179,440	45,796	73,504	115,811	116,256

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

The fiscal year had been very challenging for the traditional exhibition and associated business of Kenfair International (Holdings) Limited ("Kenfair International" or the "Company", together with its subsidiaries, the "Group"). The Group is facing intense competition in both the local market and from peers in nearby countries and regions.

During the year, the Group recorded a turnover of approximately HK\$213,795,000, representing a decrease of approximately 10% when compared with the previous year. In the trade exhibition sector, Kenfair International is confident of sustaining its leadership with the support of a sound business model, strong financial resources, proven management capabilities and a team of professional staff. However, in the long run, it sees the need to diversify its business so as to achieve sustainable growth. To this end, it started its foray into the coal energy and natural resources sector during the year and made encouraging progress. It expects to deliver more favourable returns to shareholders in the coming years.



CHAIRMAN 主席
Mr. Ip Ki Cheung 葉紀章先生

Seeing strong potential in the fast-growing coal energy and natural resources sector, in March 2008, the Group acquired an operating mine – Sheng Ping Coal Mine in Heilongjiang Province, the PRC. The Group was able to bring in several international institutional and individual investors supportive of the acquisition, which it sees as evidence of confidence of the investment community in its strategic pursuit. The new mining business was acquired as of 31 March 2008 and therefore did not reflect any revenue for this reporting period. However, Sheng Ping Coal Mine has been producing positive cash flow on a monthly basis. We have no doubt that it will broaden and contribute significantly to our revenue sources in the not too distant future.

致各股東

本財政年度對建發國際（控股）有限公司（「建發國際」）或「本公司」及其附屬公司（「本集團」）的傳統展覽及相關業務而言是充滿挑戰的一年。本集團正面對本地及鄰近國家及地區展覽行業的激烈競爭。

年內，本集團錄得營業額約 213,795,000 港元，較去年下跌約 10%。貿易展覽行業方面，憑藉本集團鞏固的業務基礎、穩健的財務資源、優秀的管理能力和專業團隊，建發國際有信心保持行內的領導地位。然而，長遠而言，本集團認為必須多元化發展業務方可達致持續的增長。故此，本集團於年內開始進軍煤炭能源、天然資源行業，並取得令人鼓舞的進展。本集團預期此舉將可於未來數年內為股東帶來理想的回報。

有見煤炭能源、天然資源行業迅速增長展現龐大的潛力，本集團於二零零八年三月收購位於中國黑龍江省已投產的升平煤礦。本集團成功吸引數名國際機構及個人投資者入股，反映投資界對其策略的強大信心。新煤礦業務剛在今年三月三十一日才完成收購，故此截至本財政年度並未反映任何收益，但實際上，升平煤礦現每月已衍生正面之現金收益，我們深信有關業務將於不久將來為本集團擴闊收入來源，並帶來重大收益。

INDUSTRY OVERVIEW

Dubbed Asia's Trade Fair Capital, Hong Kong continues to boast internationally recognised trade fair skills, with the complement of superb infrastructure. In 2007, exhibition activities in Hong Kong drew an 18% increase in overall number of visits from buyers around the world as compared to the last year. With twenty five years of solid event growth and the Hong Kong Convention and Exhibition Centre (HKCEC) due to complete expansion by early 2009, Hong Kong will be able to welcome yet more participants – manufacturers in different industries and buyers – to its trade events and conferences.

In Mainland China, investment in event infrastructure remains strong with local authorities recognising the economic value that the exhibition trade can bring. Pazhou in Guangzhou is expected to open its expanded facilities in the first half of 2008. It will be the largest exhibition venue in Southern China. During the year, with the opening of the Venetian Macao Convention and Exhibition Center, Macao established presence in the regional exhibition service market as an additional premium avenue for suppliers in China to meet with international buyers.

Kenfair International sees huge potential for the region's exhibition industry and believes it is well-placed to capture opportunities and exploit that potential.

Kenfair International

The Company's mission is to serve Asian manufacturers and international buyers as "A Gateway to achieve Business Opportunities". It does so by providing different "meeting" platforms for them in forms of trade shows, publications, an online sourcing website and dedicated travel services to trade show participants. During the financial year, Kenfair International presented five trade fairs – three in Hong Kong, a new trade fair in Macao and the 8th Asia Expo in London, the United Kingdom (the "U.K."). In addition, it continued the partnership with alibaba.com in mounting major promotional campaigns, Cathay Pacific, as the sole official airline of its Hong Kong shows, and the Hong Kong Trade Development Council. It also established new business relationships in the meetings and conference industries.

行業概覽

香港享有「亞洲展覽之都」美譽，擁有國際認可的貿易展覽技能及頂尖的基建設施。於二零零七年，來自世界各地到香港出席展覽活動的買家較去年錄得18%的增長。隨著展覽活動於過往二十五年穩步增長，加上香港會議展覽中心（「會展」）的擴建工程將於二零零九年初完成，香港將可容納更多來自各行各業的商家參與區內的貿易活動及會議。

中國內地方面，由於當地機構逐漸洞悉貿易展覽業務帶來的經濟價值，因此相關基建的投資仍然強勁。位於廣州琶州經擴充的展覽設施預期將於二零零八年上半年開幕，成為華南地區最大型的展覽場地。年內，隨著威尼斯人澳門會議展覽中心開幕，澳門成功於區內展覽服務市場建立據點，成為中國供應商與國際買家接洽的另一有效途徑。

本集團相信區內展覽服務業具有龐大潛力，而建發國際亦已準備就緒，全面把握各項商機及潛力。

建發國際

本公司一直以為亞洲商家及國際買家「開啟商機之門」為己任，透過提供貿易展覽會、商貿雜誌、網上採購入門網站及旅運服務，為參與本集團旗下展覽會的人士提供一個「接洽」平台。於財政年度內，建發國際共舉辦五個貿易展覽會，其中三個於香港舉行，一個於澳門首度舉行，以及另一個於英國倫敦舉行的第八屆亞洲博覽會。此外，本集團繼續夥拍阿里巴巴網站（alibaba.com）舉辦大型宣傳活動，並委任國泰航空為本集團旗下香港展覽會的唯一指定航空公司，亦與香港貿易發展局合作，同時致力於會展行業建立新聯繫網絡。

Trade Exhibitions

Hong Kong

“Mega Show” series

Hong Kong International Toys and Gifts Show and Asian Gifts Premium and Household Products Show, Part 1

The largest trade fair in Hong Kong, the UFI-approved MEGA SHOW Part 1 was held from 21-24 October 2007, again taking up all available space at the HKCEC. Over 5,000 booths were constructed, at which 3,348 exhibitors from 34 countries and regions presented gifts, premium, houseware and toys to an international audience of buyers representing importers, distributors and retailers.

Hong Kong International Toys and Gifts Show and Asian Gifts Premium and Household Products Show, Part 2

As the last trade fair concluding the October sourcing season, MEGA SHOW Part 2, and its sister show, Table Object Asia, were held from 28-30 October 2007. It provided 829 booths to 677 exhibitors from 11 countries and regions to display their star products to attract buyers.

In total, these shows maintained strong audience turnout in excess of 72,000 from not only traditional buyer markets in the USA and Europe, but also new markets in the Middle East and Eastern Europe.

Mega Macao

The inaugural Mega Macao show was timed at the start of the sourcing season. It presented products of 923 Asian and Mainland China suppliers of gifts, premium, household goods and textiles at the Venetian Macao Convention and Exhibition Center, between 18 and 20 October 2007. Over 8,000 visitors attended the event and many of them returned favourable comments about the venue and timing of the event. The Group plans to host Mega Macao twice a year in April and October, and booking for the next show scheduled for between 21 and 23 April 2008 has been flooding in.

Hong Kong International Furniture Fair

The Group continued to cooperate with the Hong Kong Trade Development Council to present the second Hong Kong International Furniture Fair between 27 and 30 October 2007 at AsiaWorld Expo in Hong Kong. As the only trading platform in Hong Kong for higher-end furniture manufacturers, the event attracted 172 exhibitors from 19 countries and regions and over 8,000 buyers.

Overseas

Asia Expo

The 8th Asia Expo was held from 29 January to 1 February in 2008 at the Grand Hall, Olympia Exhibition Centre, London, the U.K.. This year's show has once again achieved a great success, 494 exhibitors from major Asian countries and regions have set up 524 booths to showcase their wide range of products, and a total of 9,231 buyers from 70 countries were attracted to the four-day show.

EXHIBITION RELATED BUSINESS

Publications and the travel service division all continued to provide invaluable services to exhibitors and buyers. Both businesses also have room for enhancement and growth as supplementary income sources of the Group.

貿易展覽會

香港

「亞洲展覽盛事」系列

「香港國際玩具及禮品展」暨「亞洲贈品及家居用品展」第一部份

作為香港最大貿易展覽會，並獲國際展覽業協會「UFI」認可的「亞洲展覽盛事第一部份」於二零零七年十月二十一日至二十四日舉行。是項展覽會一如以往般佔用會展全部可供展覽的空間，共有來自 34 個國家及地區的 3,348 名參展商設置超過 5,000 個攤位，向包括進口商、分銷商及零售商的國際買家展示其禮品、贈品、家居用品及玩具。

「香港國際玩具及禮品展」暨「亞洲贈品及家居用品展」第二部份

「亞洲展覽盛事第二部份」及其展覽專區「亞洲餐桌用品展」於二零零七年十月二十八日至三十日舉行，作為十月採購旺季的最後一個貿易展覽會，是項展覽盛事接待來自 11 個國家及地區的 677 名參展商設置的 829 個攤位，是次展出的高質素展品吸引了眾多買家參觀。

兩個展覽會合共吸引超過 72,000 名買家進場參觀，當中不僅來自美國及歐洲等傳統市場的買家，更包括來自中東及東歐等新市場的買家。

「澳門國際消費品展」

首屆「澳門國際消費品展」正值於採購旺季之始舉行，乘勢向買家展示 923 名亞洲及中國內地廠商的禮品、贈品、家居用品及紡織品。是項展覽會於二零零七年十月十八日至二十日假威尼斯人澳門會議展覽中心舉行，吸引超過 8,000 名買家進場參觀，他們對場地及展覽會舉辦時間均一致好評。本集團計劃分別於每年的四月及十月舉辦「澳門國際消費品展」，而下屆展覽會已定於二零零八年四月二十一日至二十三日舉行，至今已獲不少參展商預訂位置。

「香港國際家具展」

本集團繼續與香港貿易發展局合作，於二零零七年十月二十七日至三十日假香港亞洲國際博覽館舉辦第二屆「香港國際家具展」。是項展覽會是香港唯一專為高檔家具廠商而設的展覽盛事，共吸引來自 19 個國家及地區的 172 名廠商參展，以及超過 8,000 名買家進場參觀。

海外

「亞洲博覽會」

第八屆「亞洲博覽會」已於二零零八年一月二十九日至二月一日假英國倫敦 Olympia Exhibition Centre 的 Grand Hall 隆重舉行。今年的展覽會相當成功，主要亞洲國家及地區共 494 名參展商設立了 524 個攤位，展示各式各樣的產品，吸引來自 70 個國家共 9,231 名買家參觀為期四天的展覽。

展覽相關服務

商貿雜誌及旅運服務業務繼續為參展商及買家提供具價值服務。兩項業務均為本集團提供額外的收入來源，且具有相當增長空間。

FUTURE OPPORTUNITIES

Exhibition Business

Asia is the home of some of the top manufacturers and suppliers of gifts, premium, toys and houseware in the world and many of their peers in western countries are also setting up base in the region. Armed with 16 years' of experience and in-depth knowledge of manufacturers in the region and their buyers, Kenfair International believes it can continue to expand its trade fair business in the region including Hong Kong and Macao. It will also extend its reach in China by forging partnerships with mainland government departments and associations.

Mining Business

Riding on the strong growth momentum of the PRC economy and the continuous and unceasing increase in demand for coal, coal price has more than doubled since last year. Sheng Ping Coal Mine has produced consistent profitability and the Group is optimistic about the prospects of its coal mining business. Following the acquisition of the Mine, the Group has continued its pursuit in expanding the coal mining business and capitalizing mergers and acquisitions opportunities of coal resources. Subsequent to the end of the fiscal year, it signed a letter of intent with The Peoples' Government of Jixian County, Shuangyashan, Heilongjiang Province regarding a coal-based urea project involving a total investment of RMB7,800,000,000 over three years. Looking ahead, the Group will continue to explore profitable opportunities in the coal energy and natural resources sector that can allow it to generate substantial cash flow and revenue in the near future.

前景

展覽業務

亞洲是全球眾多頂尖禮品、贈品、玩具及家居用品廠商及供應商的據點，外國同業亦陸續於區內成立基地。憑藉十六年的豐富營運經驗及了解區內廠商及其買家的需求，建發國際深信將可繼續擴展香港及澳門等地區的貿易展覽業務，並將透過與內地政府部門及協會建立夥伴關係擴大其於中國的覆蓋範圍。

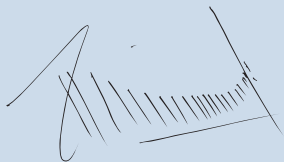
煤礦業務

隨著中國經濟強勁增長，加上市場對煤的需求殷切，煤價自去年已上升超過一倍，令升平煤礦收益平穩增長。因此，本集團對煤礦業務的前景表示樂觀。繼收購升平煤礦後，本集團將繼續積極發展煤礦、煤資源併購業務。於本財政年底，本集團與黑龍江省雙鴨山集賢縣人民政府簽訂意向協議書，於未來三年內在當地建設總投資達7,800,000,000元人民幣的煤基尿素項目。展望未來，本集團將繼續於煤炭能源、天然資源行業發掘具盈利潛力的商機，於不久將來為本集團帶來可觀的現金流及收益。

APPRECIATION

On behalf of the board of directors of Kenfair International, I wish to thank all shareholders, customers, partners and suppliers for their continuous support. I am also grateful to our staff for their loyalty, hard work and contribution in the past year to the Company.

Led by a professional and forward-looking management team, I am confident that the Group will be able to continue to boost shareholder value building on its past successes.



Ip Ki Cheung

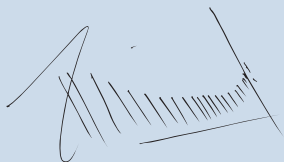
Chairman

Hong Kong, 31 July 2008

致謝

本人謹代表建發國際董事會感謝所有股東、客戶、業務夥伴及供應商一直以來的支持，並衷心感謝各員工於過去一年對本公司的忠誠、努力及貢獻。

在專業及高瞻遠矚的管理團隊帶領下，本人有信心本集團將承接以往佳績，繼續提升股東價值。



主席

葉紀章

香港，二零零八年七月三十一日

REPORT OF MANAGING DIRECTOR

董事總經理報告

Dear Shareholders,

On behalf of the board of director, I would like to report the results of the Group for the financial year 2008.

For the year ended 31 March 2008, the Group continued to present trade fairs in Hong Kong and overseas and operate exhibition-related business. Staged five trade fairs as compared to seven in the last year, turnover for the year was reduced by approximately 10% to approximately HK\$213,795,000 (2007: approximately HK\$236,319,000). The Group incurred net loss attributable to equity holders of the Company amounted to approximately HK\$7,174,000 for the year (2007: HK\$34,411,000). Despite the drop in turnover, the reduction in the net loss for the year was mainly resulted from the significant increase in the other income including gain on disposal of the property and available-for-sale financial assets and no loss was incurred for financial assets at fair value through profit or loss during the year.

In its bid to diversify into other business and seeing huge potential in the fast-growing natural resources industry in China, the Group forayed into the coal mining sector through acquisition of two projects in March and June 2008. With the approval of shareholders at the Company's EGM held in June, the Company proposed to change its name to "Sino Resources Group Limited" to more accurately reflect its new business focus.

The Group will shift its business focus to natural resources and actively exploit the potential of the new business segment with the goal of becoming a leading player in the mining industry in China.



MANAGING DIRECTOR 董事總經理
Mr. Cheung Shui Kwai 張瑞貴先生

致各股東

本人謹代表董事會報告本集團二零零八年財政年度之業績。

截至二零零八年三月三十一日止年度，本集團繼續專注在香港及海外舉辦貿易展覽會及經營展覽相關業務。較上年度的七項貿易展覽會，本集團於年內舉辦五項貿易展覽會，營業額減少約10%至約213,795,000港元（二零零七年：約236,319,000港元）。本集團於年內錄得股東應佔虧損約為7,174,000港元（二零零七年：約34,411,000港元）。儘管營業額減少，股東應佔虧損於其他收入包括出售物業及可供銷售財務資產等收益的大幅增加及於年內沒有再產生按公平值計入損益賬之財務資產之虧損的情況下得已減少。

為致力多元化發展業務領域，以及有見中國內地天然資源行業迅速增長展現龐大的潛力，本集團分別於二零零八年三月及六月參與兩個相關項目，以進軍國內的煤礦業。本公司在六月所舉行的特別股東大會上取得股東同意後，改名為「神州資源集團有限公司」，以更確切反映其新的業務重點。

本集團今後會將其業務重點轉移至新的天然資源業務，並積極發掘採礦業的市場潛力，銳意成為中國煤礦業的其中一個領導者。

DIVIDEND

The board of directors did not recommend payment of a final dividend for the year ended 31 March 2008. The register of members of Kenfair International will be closed from 26 August 2008 to 29 August 2008, both dates inclusive, to determine the eligibility to vote in the forthcoming annual general meeting of the Company.

股息

董事會建議不派付截至二零零八年三月三十一日止年度之末期股息。建發國際將由二零零八年八月二十六日至二零零八年八月二十九日（包括首尾兩日）暫停辦理股東登記手續，以釐定可於本公司應屆股東週年大會上投票之股東資格。

BUSINESS REVIEW



During the financial year, the Group presented a total of five trade exhibitions including the internationally recognized MEGA SHOW series with two parts, second edition of The Hong Kong International Furniture Fair in Hong Kong, the inaugural Mega Macao show at the Venetian Macao Convention and Exhibition Center in Macao and the 8th edition of Asia Expo, in London, the U.K..

業務回顧

回顧期內，本集團共舉辦五項貿易展覽會，包括享譽全球的「亞洲展覽盛事」系列第一及第二部份、在香港舉行的第二屆「香港國際家具展」、在澳門威尼斯人澳門會議展覽中心舉行的首屆「澳門國際消費品展」，以及在英國倫敦舉行的第八屆「亞洲博覽會」。

TRADE EXHIBITIONS

“Mega Show” series, Hong Kong

Mega Show Part 1

Held from 21-24 October 2007, MEGA SHOW Part 1 again took up all available space at the Hong Kong Convention and Exhibition Centre (“HKCEC”). However since the HKCEC has been undergoing expansion works, it offered venue space enough for just over 5,000 booths. Despite the reduction in exhibition area, Mega Show Part 1 still attracted a total of 3,348 exhibitors and retained its status as the largest trade exhibition for gifts, premium, household products and toys in Hong Kong and the largest ever trade fair held at HKCEC.

To facilitate worldwide marketing of Mega Show Part 1, the Group continued to work with its official trade media partner and leading e-commerce platform in China, Alibaba.com. Buyer pre-registration service, the hyperlink of the show and promotional materials on www.alibaba.com had all been effective in bringing more visitors to Mega Show Part 1.

The Group also maintained cooperation with another essential strategic partner Cathay Pacific, which is the official airline for Mega Show Part 1 & 2. This partnership has enabled the Group to provide quality flight services, including exclusive packages for exhibitors and buyers participating in the event.

MEGA SHOW PART 1

Hong Kong Convention & Exhibition Centre, Hong Kong

貿易展覽會

香港「亞洲展覽盛事」系列

「亞洲展覽盛事第一部份」

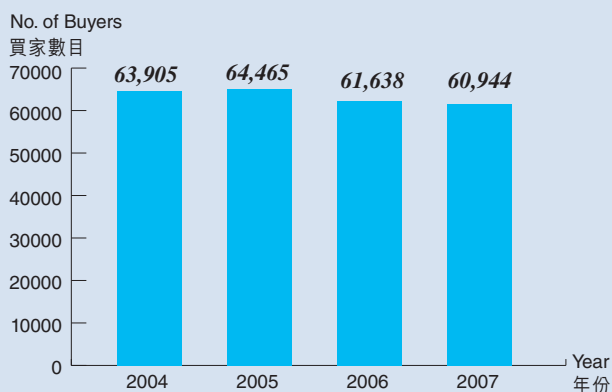
本屆「亞洲展覽盛事第一部份」於二零零七年十月二十一日至二十四日假香港會議展覽中心（「會展」）舉行，是次再度佔用館內全部可供參展空間。然而，由於會展正進行擴建工程，本集團僅能設置 5,000 多個攤位。儘管可供展覽的空間減少，但「亞洲展覽盛事第一部份」仍能吸引 3,348 名參展商參展，繼續成為香港最大型的禮品、贈品、家居用品及玩具貿易展覽會，以及會展最大規模的貿易展覽盛事。

為了在全球推廣「亞洲展覽盛事第一部份」，本集團繼續指定於中國首屈一指的電子商貿平台阿里巴巴網站 (Alibaba.com) 為貿易媒體合作夥伴。透過 www.alibaba.com 為買家提供預先登記服務、展覽會超連結和宣傳資料，有效為「亞洲展覽盛事第一部份」帶來更多入場參觀人士。

此外，本集團繼續與另一重要策略夥伴國泰航空合作，國泰航空再度擔任本屆「亞洲展覽盛事」第一及第二部份的指定航空公司，為參展商及買家提供優質的航空服務和專享的優惠套票。

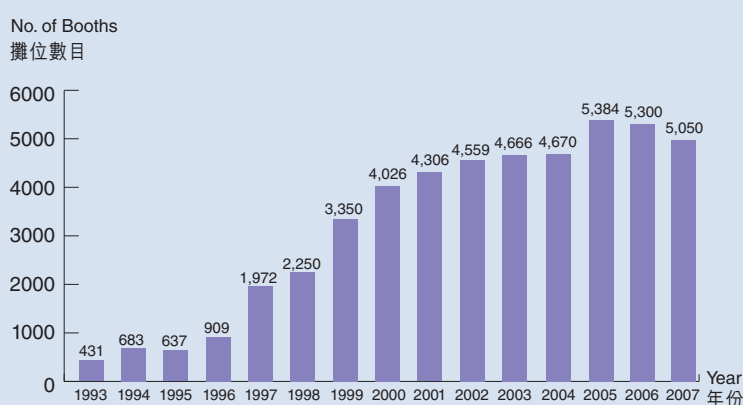


Growth of Buyer Attendance 入場買家增長



Certified by HLB Hodgson Impey Cheng 經國衛會計師事務所證實

Growth of Booths 攤位數目增長



Mega Show series – Mega Show Part 2

The exhibition held from 28-30 October 2007 gave the final opportunity for buyers to view gifts, premium, houseware and toy products before the sourcing season conclude. Table Object Asia, which featured a wide array of tableware of different styles and designs from Asian countries, continued as an added attraction.

MEGA SHOW PART 2

Hong Kong Convention & Exhibition Centre, Hong Kong

Mega Show Part 2 retains its niche featuring an impressive combination of Asian products at the right time in Hong Kong the “trade show capital” in Asia. The show attracted over 677 exhibitors from 11 countries and regions showcasing their products in 829 booths.

The 2007 MEGA SHOW series received a total of 72,538 visitors.

「亞洲展覽盛事」系列 - 「亞洲展覽盛事第二部份」

「亞洲展覽盛事第二部份」於二零零七年十月二十八日至三十日舉行，在採購季度結束前提供最後機會，為買家展示更多禮品、贈品、家庭用品及玩具產品。同場設有「亞洲餐桌用品展」的專區，展示一系列不同款式及設計的亞洲餐桌用品，吸引了不少訪客參觀。

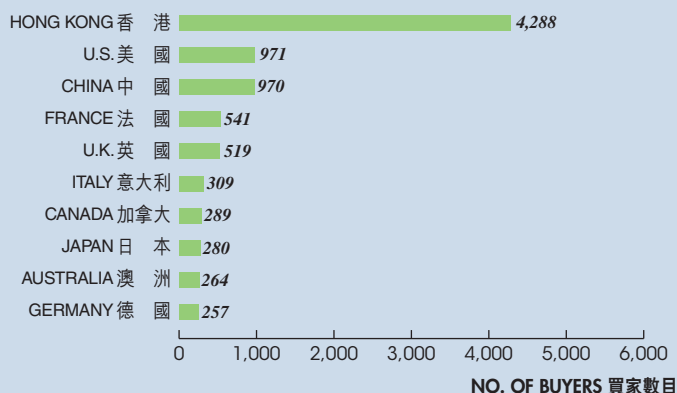
「亞洲展覽盛事第二部份」憑藉一系列琳瑯滿目的亞洲製產品，並於合適的時間在香港這個亞洲「貿易展之都」舉辦，使其得以繼續享有獨特的定位。今年的展覽會共吸引了來自 11 個國家及地區逾 677 名參展商於 829 個攤位參展。

二零零七年的「亞洲展覽盛事」系列合共吸引了 72,538 名訪客蒞臨參觀。



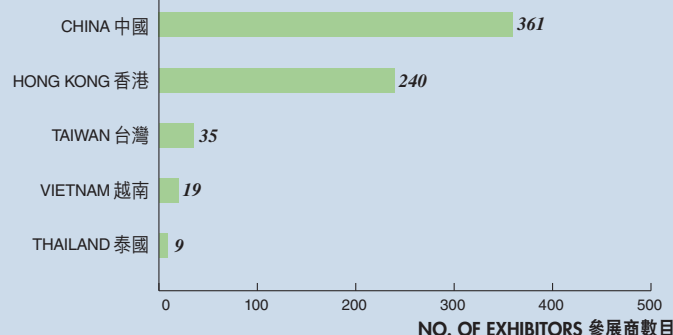
Buyer Attendance Breakdown (Top 10 visiting countries or regions)
入場買家分佈 (十個主要參與國家或地區)

COUNTRY OR REGION 國家或地區



Exhibitor Breakdown (Top 5 exhibiting countries or regions)
參展商分佈 (五個主要參展國家或地區)

COUNTRY OR REGION 國家或地區





Mega Macao

Heeding the demand for a strong promotion platform in the major sourcing periods in April and October of export-ready manufacturers in Mainland China and companies which have set up regional base in Asia, the Group launched Mega Macao in October 2007. The event which took place between 18 and 20 October 2007 at The Venetian Macao Convention and Exhibition Center brought together 923 exhibitors and received 8,789 visitors, many of whom were buyers from the USA and Europe. Encouraged by the enthusiasm of participant of the inaugural show, the Group decided to present two editions of the show a year from then on, with the second show planned for April 2008. It believes the show has all – timing, location and content – working in its favor and will take roots and gain influence in the region very quickly.

「澳門國際消費品展」

有見中國內地出口商及已於亞洲設立地區性據點的公司在四月及十月的兩個主要採購期對強大宣傳平台的殷切需求，本集團於二零零七年十月舉辦首屆「澳門國際消費品展」。該展覽會於二零零七年十月十八日至二十日假威尼斯人澳門會議展覽中心舉行，共有923名參展商參展，並吸引了8,789名來自歐美等地的買家入場參觀。鑒於展覽會首度登場時反應非常踴躍，本集團決定今後將會每年舉辦兩屆展覽會，第二屆展覽會已於二零零八年四月舉行。本集團相信，由於這項展覽會的舉辦時間及地點理想，加上具吸引力的展品，預期將會在區內瞬間建立地位及影響力。



Hong Kong International Furniture Fair

The Group together with the Hong Kong Trade Development Council staged the second edition of the Hong Kong International Furniture Fair from 27-30 October 2007 at the AsiaWorld- Expo. The 4-day show had 172 participating exhibitors and welcomed over 8,000 visitors from 112 countries and regions.

「香港國際家具展」

本集團與香港貿易發展局攜手合作，於二零零七年十月二十七日至三十日假香港亞洲國際博覽館舉辦第二屆「香港國際家具展」。一連四天的展覽會共有 172 名參展商參展，吸引了 112 個國家及地區逾 8,000 名訪客蒞臨參觀。

Asia Expo

Positioned as one of the largest trade fairs in London for Asian-made toys, gifts, premium and household products, the UFI-approved Asia Expo has successfully helped over thousands of Asian suppliers to link up with a large congregation of European buyers in the past eight years.

This year, the 8th Asia Expo was held from 29 January to 1 February 2008 at the Grand Hall, Olympia Exhibition Centre, London, the U.K.. 494 exhibitors from Hong Kong, China, Taiwan, Korea, Vietnam, India and many other Asian countries has set-up a total of 524 booths to display their high quality Asian products.

A total of 9,231 international buyers from 70 countries including major European countries such as the U.K., France, Italy and Spain were recorded during the four-day show.

9TH ASIA EXPO LONDON

GRAND HALL - OLYMPIA, LONDON

「亞洲博覽會」

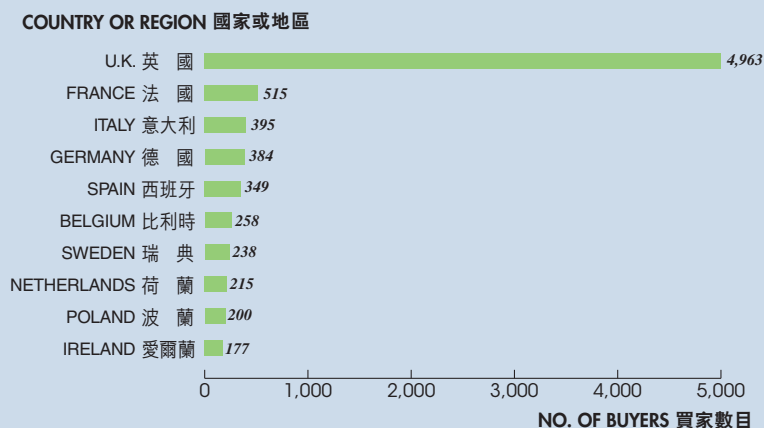
「亞洲博覽會」不單是倫敦其中一個最大規模的亞洲製玩具、禮品、贈品及家居用品產品的貿易展覽會，更榮獲國際展覽業協會 UFI 評定為「認可展覽會」，在過去八年來協助數以千計的亞洲供應商與歐洲買家建立業務夥伴關係。

展覽會今年已進行至第八屆，於二零零八年一月二十九日至二月一日假英國倫敦 Olympia Exhibition Centre 的 Grand Hall 隆重舉行，來自香港、中國、台灣、韓國、越南、印度及其他亞洲國家的 494 個參展商設立了 524 個攤位，展示各種優質產品。

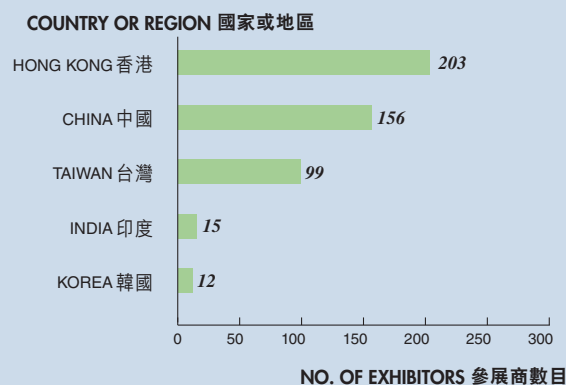
70 個國家（包括英國、法國、意大利及西班牙等主要歐洲國家）合共 9,231 名國際買家參加了為期四天的展覽。



Buyer Attendance Breakdown (Top 10 visiting countries or regions)
入場買家分佈 (十個主要參與國家或地區)



Exhibitor Breakdown (Top 5 exhibiting countries or regions)
參展商分佈 (五個主要參展國家或地區)

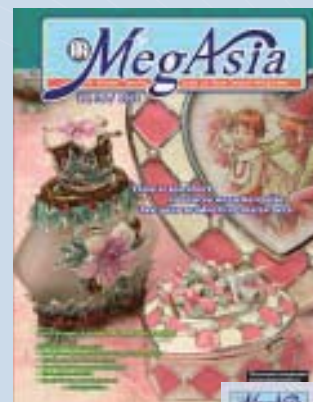


Exhibition-related Services

MegAsia

The Group's bi-annual trade magazine MegAsia, which was first published in October 2002, is used by buyers around the world today as an essential sourcing guide to find new products and suppliers of gifts, premium, houseware and toys in Hong Kong and different Asian countries. In addition to product advertisements, each issue of MegAsia also carries latest industry news, reports on product trends, information of trade shows and in-depth company profiles of selected suppliers.

During the financial year, MegAsia produced the mega issue Vol.October/2007 to be the official show directory of Mega Macao and its flagship in Hong Kong – the Mega Show Series. Over 20,000 free copies of that October issue of MegAsia with 287 advertising pages were picked up by buyers visiting Mega Macao and the Mega Show Series – Mega Show Part 1 and Part 2 – in Hong Kong. MegAsia continued to generate advertising revenue, serving as a supplementary income source of the Group.



展覽相關業務

MegAsia

本集團於二零零二年十月首度出版、一年兩期的商貿雜誌 MegAsia，已成為全球買家搜尋新產品，以及香港及不同亞洲國家禮品、贈品、家居用品及玩具廠商的重要採購指南。除產品廣告外，每期 MegAsia 亦刊載最新的行業消息和產品潮流、貿易展覽資訊及精選廠商的詳盡公司專訪。

於本財政年度內，MegAsia 刊發了二零零七年十月號，作為「澳門國際消費品展」及香港旗艦展覽會「亞洲展覽盛事」系列的官方展覽指南。MegAsia 十月號刊載了 287 頁廣告，超過兩萬本刊物已在澳門的首屆「澳門國際消費品展」及在香港的「亞洲展覽盛事」系列第一及第二部份舉行期間免費派發予到場買家。而 MegAsia 所產生的廣告收益繼續為本集團帶來穩定的額外收入。

Kenfair Travel Limited

Licensed in 2003, Kenfair Travel Limited ("Kenfair Travel") is a wholly-owned subsidiary and travel agency service arm of the Group.



Kenfair Travel provides comprehensive travel-related services including special travel packages, hotel accommodation, transportation, air-ticketing and tour arrangements to regional exhibitors and international buyers attending the Group's shows. During this financial year, it handled more than 1,500 hotel bookings for buyers and exhibitors supporting the Mega Show series in Hong Kong and Mega Macao.

Kenfair Travel has become an integral part of the value-added services offered by the Group bringing in steady revenue.

建發旅運有限公司

建發旅運有限公司（「建發旅運」）為本集團的全資附屬公司，於二零零三年取得旅遊代理牌照，專門提供旅遊代理服務。

建發旅運為參與本集團旗下貿易展覽會的地區參展商及國際買家提供全面的旅遊相關服務，包括特設之旅遊套票、酒店住宿、交通、票務及行程安排等。於本財政年度內，建發旅運為在香港參與「亞洲展覽盛事」系列及「澳門國際消費品展」的買家及參展商處理超過1,500宗酒店房間預訂事宜。

建發旅運現已成為本集團的增值服務中不可或缺的部份，並為本集團提供穩定的收入。



OUTLOOK

Exhibition Business

Trade exhibitions are among the most effective marketing tools for manufacturers, as they provide an avenue for manufacturers to showcase their products and meet buyers face-to-face to discuss business and ascertain sales leads. Different cities in Asia and Mainland China, recognising the economic value of the trade, have been making significant investment in developing their exhibition related infrastructure.

To maintain its leadership in the trade fair sector in Hong Kong and the region, Kenfair International will strive to expand its business in Hong Kong as well as new markets including Macao and China. It conducts professional industry research regularly to gather information required for planning existing and new trade exhibitions and at new locations.

The Group is actively investigating the potential in other parts of China for its exhibition business, including Guangzhou, one of the largest distribution centres for China-made toys and light-industry products. The Group's four subsidiaries in China, namely Kenfair (Beijing) Exhibition Company Limited, Kenfair International (Shanghai) Limited, Guangzhou Kenfair Exhibition Company Limited in Panyu and Kenfair International (Shenzhen) Limited, have all been relating market intelligence to the Group to aid its feasibility study of presenting new trade exhibitions in major Chinese cities like Guangzhou.

To grow its exhibition business, the Group will strive to consolidate Mega Macao, prepare to expand Mega Show Part 1 and Part 2 in Hong Kong in 2009, enlarge the base of Asia Expo (London) and explore possibilities of new shows in China. It, however, has no plan to re-launch the Asia Expo series in the USA or Europe in the near future.

Apart from presenting trade shows, applying its experience in organising mega events, the Group signed an agreement to provide floor management and travel agency services to the World Ophthalmology Congress 2008. The major international conference held at the HKCEC between 28 June to 2 July 2008.

The Group believes by entering the Meetings, Incentives and Conference sector and riding on the increase in conference and meeting facilities in Hong Kong and Macao, it will eventually create for itself a new revenue stream.

展望

展覽業務

貿易展覽會為廠商提供展示產品及與買家會面的渠道，讓他們可進行業務磋商及開拓銷售商機，是最有效的市場推廣工具之一。有見貿易所帶來的經濟價值，亞洲及中國內地多個城市已作出重大投資，以興建與展覽會相關的基礎設施。

為了維持於香港以至區內貿易展覽行業的領導地位，建發國際將致力擴展香港以至澳門及中國的新興市場之業務。本集團亦會定期進行專業行業研究，以蒐集所需資料，以規劃現有及全新的貿易展覽會，及研究貿易展覽會之新舉辦地點。

本集團正積極在中國其他地方，包括廣州這個最大型的中國製玩具及輕工業產品分銷中心之一，發掘展覽業務的潛力。本集團於中國設立了四間附屬公司，包括建發（北京）會展有限公司、上海建發展覽有限公司、廣州市鍵發展覽策劃有限公司及深圳建發展覽有限公司，為本集團提供市場資訊，作為研究在中國主要城市（如廣州）舉辦新貿易展覽會的可行性評估之一部份。

為了拓展其展覽業務，本集團致力綜合「澳門國際消費品展」所得的經驗，籌備更大規劃的二零零九年香港「亞洲展覽盛事」第一部份及第二部份，並加強倫敦「亞洲博覽會」的基礎，以及研究在中國舉辦新展覽的機會。然而，本集團暫無計劃在短期內在美國或歐洲再度推出「亞洲博覽會」系列。

除舉辦貿易展覽會以外，為善用其籌辦大型展覽會的經驗，本集團已簽訂協議，為世界眼科學術大會提供場地管理及旅遊代理業務。該大型國際展覽會議於二零零八年六月二十八日至七月二日假香港會議展覽中心舉行。

本集團相信透過進軍會議及獎勵旅遊業務，加上香港和澳門新增的會議設施，最終可為本集團開拓新的收入來源。



Mining Business

During the financial year, the Group made a strategic move to expand its operation beyond the exhibition sector. In March 2008, Kenfair acquired the Sheng Ping Coal Mine in Heilongjiang Province, the PRC, at the aggregate consideration of HK\$700,000,000. The mine has an operating history of over 30 years and a remarkable and experienced management team. The Group's new business direction is well received as evidenced in the support of renowned international investors subscribing to the placing shares of the Group.

The Sheng Ping Coal Mine was built in 1970 and has been in production since 1972. It has over 60 million tons reserve of top quality "1/3 Coking" "Bituminous" coal and is well recognized in the region as a benchmark and training hub for mine operators. It has recently received the "Star Mine" award for its excellent safety records from the China Coal Mining Operational Safety Bureau. Sheng Ping has a production capacity of 600,000 tons per annum and its own coal washery facility to produce Clean Coke used primarily to manufacture iron and steel. The robust PRC economy and strong demands in coal have driven up the prices of coal especially Clean Coke substantially in the past few years and have no sign of retreating. Riding on the surge of coal prices, Sheng Ping Coal Mine has generated consistent profitability.

In June 2008, the Group signed a letter of intent with The Peoples' Government of Jixian County, Shuangyashan, Heilongjiang Province regarding investing RMB7,800,000,000 in a coal-based urea project over the period of three years. This project can generate 1,600,000 tonnes of coal-based urea per year for producing agricultural fertilisers and other uses.

We are committed to enhancing the operation of our mine by bringing in international mining experts. We are confident that our timely investment in the new mining business will start contributing significantly to our overall operating performance in the near future.

採礦業務

於本財政年度，本集團採取策略性部署將業務擴大至展覽以外行業。建發國際於二零零八年三月以總代價 700,000,000 港元，收購中國黑龍江省升平煤礦。該煤礦已有超過 30 年營運歷史，並擁有出色及經驗豐富的管理團隊。此項目吸引多名國際知名投資者入股認購本集團的配售股份，可見新業務方向被受投資界的歡迎。

升平煤礦建於一九七零年，自一九七二年投產。該煤礦擁有超過 60,000,000 噸頂級 1/3 焦煤儲量，更公認是區內煤礦基準及營辦商的訓練基地。近期，該煤礦更獲得中國煤炭安全生產管理局頒發的「煤礦之星」大獎，以表揚其優秀安全記錄。現時升平煤礦每年產量達 600,000 噸，其洗煤設施能夠生產主要用作製造鐵和鋼的洗精煤。受惠於中國經濟增長及龐大需求，煤價（特別是洗精煤）近年接連飆升，並未有放緩的跡象。隨著煤價急劇上漲，為升平煤礦帶來穩定的利潤。

於二零零八年六月，本集團與黑龍江省雙鴨山市集賢縣人民政府簽訂意向協議書，於未來三年內在當地建設總投資達人民幣 7,800,000,000 元的煤基尿素項目。該項目每年可生產高達 1,600,000 噸煤基尿素，可用作農業化肥及其他多元化用途。

本集團將招攬更多國際礦業專家，致力加強採礦業務。本集團有信心，新投資的採礦業務將在短期內，為整體營運表現帶來重大貢獻。



Strategic Partnership Development Worldwide

To strengthen exhibition industry ties, the Group has held meetings with major Australasian, European and USA trade associations and government bodies in the gift, houseware and toy fields, with the intention of boosting the value of its offer to their members in the form of pre-, post- and during-show services.

全球策略夥伴

為加強與業內的聯繫，本集團一直與從事禮品、家居用品及玩具行業的澳洲、歐洲及美國貿易聯會及政府機構建立緊密聯繫，以及為他們的會員提供更多優惠，並於展覽會前後及展覽會舉行期間為他們提供更多服務。

CORPORATE GOVERNANCE

Kenfair International firmly believes that for a corporation to ensure business excellence and long-term growth, it must demonstrate exemplary corporate governance. Thus, it diligently observes the Code of Corporate Governance Practices ("CG Code"), set out in Appendix 14 of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange"), and other Stock Exchange recommendations, with the exceptions listed in the section "Corporate Governance Report" in the latter part of this report. In addition to abiding by rules and regulations, the Group also believes that the values held by a company and its leaders are critical to ensuring the company's creditability and overall performance.

The Group values the governance, counsel and guidance of its directors. All its executive directors are responsible for the day-to-day management of the Group's operations and regular meetings are held with senior management to formulate and communicate the Group's overall strategy and corporate policies. Furthermore, the Board remains vigilant of conditions that may affect the Group's financial situation and business performance, as well as shareholders' interests.

To ensure the Group's financial and accounting policies are strictly implemented, the audit committee meets regularly to review the completeness, accuracy and fairness of the Group's financial statements. We also take the nature and scope of external auditors' reviews into account in guiding corporate finance implementations.

企業管治

建發國際深信良好的企業管治是維持集團長遠增長及達至業務成功的重要因素。因此，本集團全力執行香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄 14 之企業管治常規守則（「企業管治守則」），及其他建議措施，惟本報告較後部份「企業管治報告」一欄所列者除外。除遵守條例及規則外，本集團亦深信公司及其管理層的價值觀亦對確保公司誠信和整體表現至關重要。

因此，建發國際將繼續重視其董事的管治、意見及指導。所有執行董事均負責本集團之日常營運管理，並定期與高級管理層進行會議，商討及制訂本集團的整體策略及企業政策。此外，董事會亦會密切留意每個可影響本集團財務狀況、業績表現及股東利益的情況。

為堅守一貫嚴謹的財務及會計政策，本集團的審核委員會定期檢閱本集團的財務報告，確保文件之完整、準確及公平，並會檢討本集團外聘核數師報告的性質及範圍，以給予企業財務計劃有效的指引。

HUMAN RESOURCES

As at 31 March 2008, the Group had a total of 2,971 employees in Hong Kong and China. All employees are remunerated according to their performance, experience and prevailing industry practices.

The Group also participates in retirement benefit schemes for its staff in Hong Kong and China. It introduced a share option scheme on 10 April 2002, with options to be granted to employees at the discretion of the Board. A total of 4,400,000 options at the exercise price of HK\$1.066 had been granted up to the date of approval of this report. They were granted to nine employees on 22 August 2007 and total of 4,000,000 options were outstanding as at 31 March 2008.

人力資源

於二零零八年三月三十一日，本集團於香港及中國共僱有 2,971 名員工。所有僱員之薪酬乃按照其工作表現、經驗及人力市場情況而釐定。

本集團為香港及中國員工提供一套完善的退休福利計劃。自二零零二年四月十日起，本集團開始實施購股權計劃，根據該計劃，董事會可酌情向員工授出購股權。截至本報告獲批准當日，本集團已於二零零七年八月二十二日向 9 名員工授出合共 4,400,000 份每股行使價為 1.066 港元的購股權。於二零零八年三月三十一日，合共 4,000,000 份購股權尚未行使。

LIQUIDITY AND FINANCIAL RESOURCES

The Group finances its operations internally generated cash flows. As at 31 March 2008, it had bank balances and fixed deposits of approximately HK\$67,839,000.

As at 31 March 2008, the Group's total investment in listed securities amounted to approximately HK\$10,377,000 (2007: approximately HK\$34,690,000). They are classified into long-term holdings for capital growth and short-term holdings for profit.

As at 31 March 2008, the Group has convertible notes amounted to approximately HK\$196,518,000 (2007: Nil). Its current ratio was 21% (2007: 75%) and gearing ratio (total debts to total equity) was 109% (2007: Nil). Both the Group and Kenfair International had no significant contingent liabilities as at 31 March 2008. The Group's cash balances are mainly denominated in Hong Kong, Renminbi and U.S. dollars, with minimal exposure to foreign exchange fluctuation.

流動資金及財務資源

本集團主要以日常營運所產生的現金支付業務運作開支。於二零零八年三月三十一日，本集團之銀行結餘及定期存款總值約 67,839,000 港元。

於二零零八年三月三十一日，本集團於證券的投資總值約 10,377,000 港元（二零零七年：約 34,690,000 港元），可分為長期持有及短期持有兩類，前者著眼於長遠資本增長，後者則著重短期獲利。

於二零零八年三月三十一日，本集團之可換股票據為 196,518,000 港元（二零零七年：無）。流動比率約為 21%（二零零七年：75%），資產負債比率（以總負債對比權益）則約為 109%（二零零七年：無）。截至二零零八年三月三十一日，本集團及本公司均無重大的或然負債。本集團的現金結餘主要為港元、人民幣及美元，故此外幣匯率波動對本集團造成之影響非常輕微。

CONCLUSION

On behalf of the board of directors, I would like to express my thanks to the management and operational staff for their efforts in the past year. I feel confident that on the back of clear strategy the Group will be able to overcall challenges presented by the competitive market. We are poised to sustain growth and improve performance of the Company in the coming year and beyond.



Cheung Shui Kwai

Managing Director

Hong Kong, 31 July 2008

總結

本人謹代表董事會感謝管理層及全體員工於去年作出的努力。本人充滿信心，本集團清晰的策略將可支持我們在這個競爭激烈的市場內，繼續迎接接踵而來的挑戰。我們已準備就緒，在未來積極推動本公司繼續增長和改善業績。



董事總經理

張瑞貴

香港，二零零八年七月三十一日

DIRECTORS & SENIOR MANAGEMENT PROFILES

董事及高級管理層簡介

EXECUTIVE DIRECTORS

Mr. IP Ki Cheung, aged 51, who founded the Group in 1991, is the Chairman of the Company. Appointed as a director of the Company on 16 January 2002, Mr. Ip is accountable for the overall strategic planning and development of the Group. He has over 20 years of experience in the plastic products and trade exhibitions industries. Mr. Ip is now the Chief President of the Hong Kong and Kowloon Plastic Products Merchants United Association, and he has obtained a bachelor's degree in Commerce from Concordia University, Canada.

Mr. CHEUNG Shui Kwai, aged 50, is the Managing Director of the Company. He joined the Group in 1991 and was appointed as a director of the Company on 16 January 2002. With 18 years of experience in the administration, operation, organization and marketing of the Group's trade exhibitions, Mr. Cheung is now supervising the overall operations and management of the exhibition business of the Group.

Mr. CHAN Siu Chung, aged 47, who joined the Group in 1991, was appointed as a director of the Company on 16 January 2002. He has over 16 years of experience in the trade exhibitions industry, and his primary responsibility is to take charge of the Group's customer services and public relations matters.

Mr. HUNG Chen, Michael, aged 53, was appointed as a director of the Company on 29 April 2008. Mr. Hung is responsible for the overall planning and strategic development of the Group's coal operations. Mr. Hung has over 30 years of experience in the political, economics, investment and management aspects in Hong Kong and the PRC. Mr. Hung is familiar with the investment strategies and atmosphere and business environment in the region. Mr. Hung will play a vital role in leading the Board to formulate long term goals related to acquisitions, mergers and further development of the Group so as to capitalize investment opportunities in Mainland China.

Mr. MA Li Shan, aged 56, was appointed as a director of the Company on 7 June 2008. Mr. Ma has accumulated over 20 years of experience in corporate management. Prior to joining the Group, Mr. Ma has served in various senior management positions in the grain, oil, food and alcohol industry in China. Mr. Ma has worked with a Stock Exchange listed company, China Foods Limited (stock code: 506, formerly known as China Foods Holdings Limited and COFCO International Limited) and was appointed as an executive director in January 1996. In May 1997, he served as a director and managing director, and as a managing director from April 2002 to June 2003. He has also been appointed as a vice general manager of China Cereals, Oils, Foods Import and Export (Group) Co., Ltd. in 2000. During the period from June 2003 to July 2005, Mr. Ma held the position of vice managing director in COFCO (Hong Kong) Limited.

Mr. KHAN Javed Iqbal, aged 45, is the General Manager of the Group. He joined the Group in January 1992 and was appointed as a director of the Company on 7 June 2008. With 16 years of experience in the trade fair industry, he primarily oversees the promotion and marketing of the Group's overseas trade exhibitions and the administrative function of the Group.

Mr. FONG Wang, aged 39, joined the Group in December 1991 and was appointed as a director of the Company on 7 June 2008. As the General Manager of the Group, Mr. Fong is responsible for the marketing and promotions of the Group's exhibitions in Hong Kong and China and he has 16 years of experience in the trade show industry.

執行董事

葉紀章先生，51歲，於一九九一年創立本集團，現為本公司主席。葉先生於二零零二年一月十六日獲委任為本公司董事，負責本集團整體策略規劃及發展。葉先生於塑膠產品及貿易展覽業累積逾20年經驗，現任港九塑膠製造商聯合會首席會長。葉先生畢業於加拿大康哥迪亞大學(Concordia University)，取得商務學士學位。

張瑞貴先生，50歲，為本公司董事總經理。張先生於一九九一年加入本集團，並於二零零二年一月十六日獲委任為本公司董事。張先生於本集團旗下貿易展覽會之行政、運作、組織及市場推廣方面累積18年經驗，現負責本集團展覽業務整體管理及日常營運。

陳兆忠先生，47歲，於一九九一年加入本集團，並於二零零二年一月十六日獲委任為本公司董事。陳先生於貿易展覽業累積16年經驗，現負責本集團客戶服務及公共關係。

洪誠先生，53歲，於二零零八年四月二十九日獲委任為本公司董事，負責本集團煤炭行業整體規劃及策略發展。洪先生於中國、香港兩地，政治、經濟、投資、管理等方面，累積逾30年經驗，熟悉區內投資政策、氣氛及營商環境，將帶領董事會制訂收購、合併、壯大的長期目標，把握中國內地投資商機。

馬立山先生，56歲，於二零零八年六月七日獲委任為本公司董事。馬先生於企業管理擁有超過20年經驗。馬先生加入本集團前曾擔任若干中國糧油、食品、酒等行業的高級管理職位。馬先生曾任職於交易所主板上市的中國食品有限公司（股份代號：506）（前稱為「中國食品發展集團有限公司」及「中國糧油國際有限公司」），由一九九六年一月起獲委任為執行董事，一九九七年五月出任董事及董事總經理，而於二零零二年四月至二零零三年六月間則獲委任為董事總經理。彼於二零零零年獲委任為中國糧油食品進出口（集團）有限公司的副總經理。由二零零三年六月至二零零五年七月，馬先生為中國糧油食品集團（香港）有限公司的董事副總經理。

簡志偉先生，45歲，於一九九二年一月加入本集團，現為本集團總經理及於二零零八年六月七日獲委任為本公司董事。簡先生於貿易展覽業累積16年經驗，負責本集團海外貿易展覽的宣傳及市場推廣，同時參與本集團之行政工作。

方宏先生，39歲，於一九九一年十二月加入本集團，現為本集團總經理及於二零零八年六月七日獲委任為本公司董事，負責本集團香港及中國展覽會之宣傳及推廣工作。方先生於貿易展覽業累積16年經驗。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHENG Hong Kei, aged 53, was appointed as an independent non-executive director of the Company on 7 June 2008. Mr. Cheng is a co-founding director of Cheng & Cheng Limited, Certified Public Accountants, in Hong Kong. He studied accountancy at the Hong Kong Polytechnic University and was admitted as a Certified Public Accountant in Hong Kong in 1991. Mr. Cheng has over 30 years of experience in the accounting and taxation fields. Prior to establishing his own practice, he worked as an assessor for the Hong Kong Inland Revenue Department for 12 years. Mr. Cheng is a fellow member of each of the Association of Chartered Certified Accountants, the Taxation Institute of Hong Kong and the Hong Kong Institute of Certified Public Accountants (Practising).

Mr. Cheng was appointed as an independent non-executive director and a member of the audit committee of South China Holdings Limited (listed on the Stock Exchange, stock code: 265) with effect from 28 September 2004 and also was appointed as an independent non-executive director and a member of the audit committee of Beauforte Investors Corporation Limited (listed on the Stock Exchange, stock code: 21) with effect from 8 June 2006.

Mr. CHENG Wing Keung, Raymond, aged 48, was appointed as an independent non-executive director of the Company on 25 August 2007. Mr. Cheng is a solicitor practicing in Hong Kong and has over 20 years of experience in corporate, company secretarial and listing affairs. He is an associate member of The Institute of Chartered Secretaries and Administrators in United Kingdom and The Hong Kong Institute of Company Secretaries in Hong Kong. He holds a degree in laws in the University of London and a Master Degree in Business Administration in the University of Strathclyde, Scotland. Mr. Cheng was an independent non-executive director of Fortuna International Holdings Limited (0530) from 27 September 2004 to 20 September 2006. At present, he is an independent non-executive director in three listed companies in Hong Kong: Skyfame Realty (Holdings) Limited (0059), Emperor Capital Group Limited (0717) and China Investment Fund Company Limited (0612).

The Honourable John Reynolds, aged 66, was appointed as an independent non-executive director of the Company on 7 June 2008. The Honourable Reynolds has nearly 40 years of experience at senior levels of national and provincial government of Canada and substantial expertise in international trade, natural resources development, venture capital finance, and consumer products marketing. The Honourable Reynolds served as the Speaker of the Legislative Assembly and he chaired the Cabinet Committee as Minister of Environment in British Columbia. In 1997, he was elected to the Canadian House of Commons as a Reform Party Member of the Parliament of Canada for the riding of West Vancouver – Sunshine Coast. In 2001, he served as the Leader of Her Majesty's Loyal Opposition in the Canadian House of Commons. The Honourable Reynolds served as the Co-chairman of the Conservative Party campaign in 2006 federal election of Canada in which Stephen Harper, the leader of the Conservative Party, was elected the Prime Minister of Canada. Other key public service roles of The Honourable Reynolds include the Vice-chairman of the Commonwealth Parliamentary Association, the Canada/UK Parliamentary Association's Executive Committee and a member of the Queen's Privy Council for Canada. He has further received the Queen's Medal, "Golden Jubilee" for significant contribution to his fellow Canadians, on two occasions, with the most recent one in 2002.

獨立非執行董事

鄭康祺先生，53歲，於二零零八年六月七日獲委任為本公司獨立非執行董事。鄭先生為香港鄭鄭會計師事務所有限公司之共同創辦董事。彼於香港理工大學修讀會計，於一九九一年成為香港執業會計師。鄭先生於會計及稅務界累積逾30年經驗。於成立其會計師事務所前，彼曾任香港稅務局評稅主任達12年。鄭先生為英國特許公認會計師公會、香港稅務學會及香港會計師公會（執業）資深會員。

鄭先生自二零零四年九月二十八日起獲委任為南華集團有限公司（於交易所上市，股份代號：265）獨立非執行董事兼審核委員會成員，並自二零零六年六月八日起獲委任為寶福集團有限公司（於交易所上市，股份代號：21）獨立非執行董事兼審核委員會成員。

鄭永強先生，48歲，於二零零七年八月二十五日獲委任為本公司之獨立非執行董事。鄭先生為香港執業律師，於企業、公司秘書及上市事務方面累積逾20年經驗。彼為英國特許秘書及行政人員公會及香港特許秘書公會會員。彼持有倫敦大學法律學位及蘇格蘭University of Strathclyde 工商管理碩士學位。鄭先生自二零零四年九月二十七日起至二零零六年九月二十日期間擔任廣益國際集團有限公司(0530)之獨立非執行董事。目前，彼亦為三間香港上市公司：天譽置業（控股）有限公司(0059)、英皇證券集團有限公司(0717)及中國投資基金有限公司(0612)之獨立非執行董事。

John Reynolds議員，66歲，於二零零八年六月七日獲委任為本公司獨立非執行董事。Reynolds議員於加拿大國家及省政府高層累積近40年經驗，並於國際貿易、天然資源開發、企業資本融資及消費者產品推廣方面擁有豐富專業知識。Reynolds議員曾出任加拿大卑詩省立法會下議院議長及卑詩省環境部長。於一九九七年，彼以改革黨成員身份當選加拿大下議院議員（西溫哥華－陽光海岸選區），至二零零一年出任加拿大國會下議院官方反對黨領袖。二零零六年加拿大聯邦大選，Reynolds議員擔任保守黨陣營聯席主席，成功協助保守黨魁哈珀當選為加拿大總理。Reynolds議員之其他主要公職包括英聯邦議會協會副主席、加拿大／英國議會協會執行委員會委員及加拿大樞密院成員。而彼曾兩度獲頒「英女皇金禧勳章」（最近一次為二零零二年），以表彰其對加拿大國民所作出之重大貢獻。

SENIOR MANAGEMENT

Mr. SI Tze Fung, aged 44, is the Senior Manager of the Group. With over 20 years of experience and proven track record in marketing, Mr. Si is principally responsible for marketing the Group's trade shows and other business. He joined the Group in May 1998.

Mr. CHEUNG Yun Fat, aged 41, is the Project Manager of the Group. He joined the Group in May 1993. With 14 years of experience in the trade fair industry, Mr. Cheung is responsible for the sales and marketing activities of the Group's local and China-based trade exhibition projects.

Mr. HO Pei Yiu, aged 40, joined the Group in July 1993. As the Group's Project Manager, he is responsible for the sales and marketing activities of the overseas trade exhibitions organized by the Group. Mr. Ho has 14 years of experience in the trade fair industry.

Mr. SIN Chi Keung, aged 33, joined the Group in May 2008, the Financial Controller – Resources Division and Company Secretary of the Group. With over 14 years of experience in auditing, financing and accounting, he is now responsible for the Group's accounting and company secretarial matters. Mr. Sin holds a bachelor's degree in Accountancy from Curtin University of Technology in Australia. He is associate member of the Association of International Accountants and the Hong Kong Institute of Certified Public Accountants.

高級管理層

施子豐先生，44歲，為本集團之高級經理，在市場推廣方面累積逾20年經驗，現負責本集團貿易展覽之市場推廣工作及其他業務。施先生於1998年5月加入本集團。

張潤發先生，41歲，為本集團項目經理。張先生於1993年5月加入本集團，於貿易展覽業累積14年經驗，現負責本集團本地及中國貿易展覽項目之銷售及市場推廣。

何比耀先生，40歲，於1993年7月加入本集團，為本集團項目經理。何先生於貿易展覽業累積14年經驗，現負責本集團海外貿易展覽項目之銷售及市場推廣。

冼志強先生，33歲，於2008年5月加入本集團，為本集團財務總監 — 資源部及公司秘書。冼先生於核數、財務及會計方面累積超過14年經驗，現負責本集團的會計及公司秘書事宜。冼先生持有澳洲科廷科技大學學士學位，現為英國國際會計師公會會員及香港會計師公會會員。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to ensuring high standards of corporate governance through the establishment and adoption of good practices and procedures which are in the best interests of the Company and its shareholders. The principles of corporate governance adopted by the Company enhance board practices, internal controls, transparency and accountability to the Company's shareholders.

The Company applied the principles and complied with all code provisions of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the accounting period covered by the annual report (the "Period"), with the exceptions of deviations from the Code provision A.4.1 & A.4.2 mentioned below under the sub-heading "APPOINTMENTS, REELECTION AND REMOVAL OF DIRECTORS".

The Board will review the corporate governance practices and procedures from time to time and shall make necessary arrangements when the Board considers appropriate.

We have summarized the corporate governance practices and procedures adopted by the Company during the Period as below:

THE BOARD OF DIRECTORS (THE "BOARD")

As at the date of this report, the Board comprises a total of ten directors, including seven executive directors and three INEDs. One of the INEDs has the relevant accounting and related financial management expertise as required by the Listing Rules. The names of the directors by category are as follows:-

Executive directors

Ip Ki Cheung (Chairman)
Cheung Shui Kwai (Managing Director)
Chan Siu Chung
Hung Chen, Richael (appointed on 29 April 2008)
Ma Li Shan (appointed on 7 June 2008)
Javed Iqbal Khan (appointed on 7 June 2008)
Fong Wang (appointed on 7 June 2008)

Independent non-executive directors

Cheng Wing Keung, Raymond (appointed on 25 August 2007)
Cheng Hong Kei (appointed on 7 June 2008)
John Reynolds (appointed on 7 June 2008)
Chan Wing Yau, George (resigned on 7 June 2008)
Law Sung Ching, Gavin (resigned on 7 June 2008)
Lai Yang Chau, Eugene (retired on 25 August 2007)

本公司承諾透過制定及採納符合本公司及其股東最佳利益之良好常規及程序，以確保達致高水平之企業管治。本公司所採納之企業管治原則有助加強董事會常規、內部監控、對本公司股東之透明度及問責。

本公司已於整個年報所涵蓋之會計期間內（「該期間」）應用香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治常規守則（「企業管治守則」）之所有守則條文，惟下文「董事之委任、重選及免職」分節所述之偏離守則條文第A.4.1及第A.4.2條者除外。

董事會將不時檢討企業管治常規及程序，並於董事會認為適當時作出必要安排。

吾等已於下文概述本公司於該期間內所採納之企業管治常規及程序：

董事會（「董事會」）

於本報告日期，董事會共由十名董事組成，包括七名執行董事及三名獨立非執行董事。其中一名獨立非執行董事擁有上市規則所規定之有關會計及相關財務管理專長。茲按類別列出董事之姓名如下：

執行董事

葉紀章（主席）
張瑞貴（董事總經理）
陳兆忠
洪誠（於二零零八年四月二十九日獲委任）
馬立山（於二零零八年六月七日獲委任）
簡志偉（於二零零八年六月七日獲委任）
方宏（於二零零八年六月七日獲委任）

獨立非執行董事

鄭永強（於二零零七年八月二十五日獲委任）
鄭康棋（於二零零八年六月七日獲委任）
John Reynolds（於二零零八年六月七日獲委任）
陳永祐（於二零零八年六月七日辭任）
羅崇禎（於二零零八年六月七日辭任）
黎瀛洲（於二零零七年八月二十五日退任）

CORPORATE GOVERNANCE REPORT

企業管治報告

During the Period, Mr. Cheng Wing Keung, Raymond was elected and appointed as an independent non-executive director at the annual general meeting of the Company held on 25 August 2007 (the "AGM") and also appointed as a member of the Audit and Nomination Committee on 25 August 2007. Mr. Lai Yang Chau, Eugene, an independent non-executive director and a member of the Audit and Nomination Committee, was retired by rotation at the AGM.

Subsequent to the Period, Mr. Hung Chen, Richael was appointed as an executive director on 29 April 2008. Mr. Ma Li Shan, Mr. Javed Iqbal Khan and Mr. Fong Wang were appointed as executive directors on 7 June 2008. On 7 June 2008, Mr. Cheng Hong Kei and The Honourable John Reynolds were appointed as independent non-executive directors to replace Mr. Chan Wing Yau, George and Mr. Law Sung Ching, Gavin who have resigned as the independent non-executive directors and members of the Audit, Nomination and Remuneration Committee with effect from 7 June 2008.

On 7 June 2008, Mr. Cheng Hong Kei was also appointed as the Chairman of each of the Audit and Remuneration Committee, The Honourable John Reynolds was appointed as a member of each of the Audit and Nomination Committee and Mr. Cheng Wing Keung, Raymond, was appointed a member of the Remuneration Committee and re-designated as the Chairman of the Nomination Committee.

Biographical details of each director are set out under the Directors and Senior Management Profiles section on pages 22 to 24 of this annual report.

The Company has received confirmation from each of the INEDs about his independence pursuant to rule 3.13 of the Listing Rules. The Company is of the view that all INEDs meet the independence rules and continues to consider each of them to be independent.

The Board, as led by the Chairman, is collectively responsible for the set up of the Group's overall strategies, operating and financial policies, approval of annual budgets and business plans, evaluation of the performance of the Company's business, and oversight of the management team. The management team is responsible for the day-to-day operations of the Group under the supervision of the Managing Director.

CHAIRMAN AND MANAGING DIRECTOR

The positions of the Chairman and the Managing Director are held by separate individuals with a view to maintaining an effective segregation of duties regarding the management of the Board and the day-to-day management of the Group's businesses.

於該期間，鄭永強先生於二零零七年八月二十五日舉行之本公司股東週年大會（「股東週年大會」）上獲選並獲委任為獨立非執行董事，並於二零零七年八月二十五日獲委任為審核及提名委員會成員。獨立非執行董事兼審核及提名委員會成員黎灝洲先生於股東週年大會上輪值告退。

於該期間後，洪誠先生於二零零八年四月二十九日獲委任為執行董事。馬立山先生、簡志偉先生及方宏先生於二零零八年六月七日獲委任為執行董事。二零零八年六月七日，鄭康祺先生及John Reynolds議員獲委任為獨立非執行董事，以接替於二零零八年六月七日辭任之獨立非執行董事兼審核、提名及薪酬委員會成員之陳永祐先生及羅崇禎先生。

二零零八年六月七日，鄭康祺先生亦獲委任為審核委員會主席及薪酬委員會主席，John Reynolds議員獲委任為審核委員會成員及提名委員會成員，鄭永強先生獲委任為薪酬委員會成員並調任為提名委員會主席。

各位董事之履歷詳情載於本年報第22至第24頁之董事及高級管理層簡介一節。

本公司已收到各獨立非執行董事根據上市規則第3.13條作出關於其獨立性之確認書。本公司認為所有獨立非執行董事均符合獨立性規則，並繼續認為彼等各自均為獨立人士。

在主席之領導下，董事會共同負責制定本集團之整體策略、經營及財務政策、審批年度預算與業務計劃、評估本公司之業務表現以及監督管理層團隊。管理層團隊在董事總經理之監督下負責本集團之日常經營業務。

主席及董事總經理

主席及董事總經理之職務由不同人士擔任，以便有關董事會管理與本集團業務日常管理之職責得到有效分配。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Chairman leads the Board and oversees the functioning of the Board to ensure that the Board acts in the best interests of the Company and its shareholders, and Board meetings are planned and conducted effectively. The Chairman is primarily responsible for the approval of the agenda prepared by the Company Secretary for each Board meeting, and taking into account, where appropriate, matters proposed by members of the Board and including them in the agenda. With the support of other executive directors and the Company Secretary, the Chairman seeks to ensure that all directors are properly briefed on issues arising at Board meetings and receive sufficient and reliable information in a timely manner before the Board meetings. The Chairman also actively encourages directors to engage in the Board's affairs and make contribution to the Board's decisions.

The Managing Director is responsible for the day-to-day management of the Group's businesses, the formation and implementation of operating and financial policies among the Group and accountability to the Board for all the Group's operations. The Managing Director together with the management team ensures that the Company's business plans are consistent with the strategies and objectives established by the Board. In addition, the Managing Director ensures that the Company meets its funding requirements and closely monitors the operating and financial results against the Company's business plans and budgets, and takes remedial actions if necessary. The Managing Director is also responsible for the establishment and maintenance of an effective management team to assist him in the day-to-day management of the Group's businesses.

BOARD PRACTICES

Regular Board meetings are scheduled in advance to give all directors an opportunity to attend in person. Twenty regular Board meetings had been held during the Period. Each of the directors has full access to information of the Company and has access to the advice and services of the Company Secretary in respect of compliance with board procedures and all applicable rules and regulations. Each of the directors may also take independent professional advice at the Company's expense, if necessary, in accordance with the approved procedures. The minutes of the Board are prepared by the Company Secretary with details of the matters considered by the Board and decisions reached, including any concerns raised by the members of the Board or dissenting views expressed.

主席領導董事會及監督董事會之職能，以確保董事會按符合本公司及其股東之最佳利益行事，並有效籌劃及進行董事會會議。主席主要負責審批公司秘書為每次董事會會議準備之議程，並考慮（如適用）董事會成員提呈之事項並將其納入會議議程。在其他執行董事及公司秘書之支持下，主席致力確保所有董事就於董事會會議上提出之事項得到適當說明，並於董事會會議前及時獲得充份而可靠之資料。主席亦積極鼓勵董事參與董事會事務，為董事會之決策作出貢獻。

董事總經理負責本集團業務之日常管理、制定及執行本集團之經營及財務政策，並就本集團之所有經營業務對董事會負責。董事總經理及管理層團隊確保本公司之業務計劃與董事會制定之策略及目標一致。另外，董事總經理確保本公司可應付其資金需求及以本公司業務計劃及預算密切監察其經營及財務業績，並於必要時採取補救措施。董事總經理亦負責建立及維護一支有效的管理層團隊，以協助其進行本集團業務之日常管理。

董事會常規

董事會常規會議乃預先安排，好讓所有董事均有機會親自出席。於該期間內舉行了二十次董事會常規會議。各董事可索取本公司之一切資料，並可就遵守董事會程序及所有適用規則及規例請公司秘書提供意見及服務。各董事亦可按照所需及根據既定程序尋求獨立專業意見，有關支出由本公司承擔。載有董事會所考慮之事宜及所達致之決定（包括董事會成員提出之任何關注事項或表達之不同看法）之董事會會議紀錄由公司秘書備存。

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The Board held twenty meetings during the Period and the attendance record of each member of the Board is set out below:

董事會於該期間內舉行了二十次會議，董事會各位董事之出席記錄如下：

		Attendance of Board meetings Directors in 2007/08	Attendance Rate
Directors 董事		於二零零七年／零八年 內出席董事會會議次數	出席率
Executive directors 執行董事	Ip Ki Cheung (Chairman) 葉紀章(主席)	17/20	85%
	Cheung Shui Kwai (Managing Director) 張瑞貴(董事總經理)	18/20	90%
	Chan Siu Chung 陳兆忠	20/20	100%
	Hung Chen, Richael (appointed on 29 April 2008) 洪誠(於二零零八年四月二十九日獲委任)	N/A 不適用	N/A 不適用
	Ma Li Shan (appointed on 7 June 2008) 馬立山(於二零零八年六月七日獲委任)	N/A 不適用	N/A 不適用
	Javed Iqbal Khan (appointed on 7 June 2008) 簡志偉(於二零零八年六月七日獲委任)	N/A 不適用	N/A 不適用
	Fong Wang (appointed on 7 June 2008) 方宏(於二零零八年六月七日獲委任)	N/A 不適用	N/A 不適用
Independent non-executive directors 獨立非執行董事	Chan Wing Yau, George (resigned on 7 June 2008) 陳永祐(於二零零八年六月七日辭任)	5/20	25%
	Law Sung Ching, Gavin (resigned on 7 June 2008) 羅崇禎(於二零零八年六月七日辭任)	4/20	20%
	Cheng Wing Keung, Raymond (appointed on 25 August 2007) 鄭永強(於二零零七年八月二十五日獲委任)	1/8	13%
	Lai Yang Chau, Eugene (retired on 25 August 2007) 黎瀛洲(於二零零七年八月二十五日退任)	2/11	18%
	Cheng Hong Kei (appointed on 7 June 2008) 鄭康棋(於二零零八年六月七日獲委任)	N/A 不適用	N/A 不適用
	John Reynolds (appointed on 7 June 2008) John Reynolds(於二零零八年六月七日獲委任)	N/A 不適用	N/A 不適用

APPOINTMENTS, RE-ELECTION AND REMOVAL OF DIRECTORS

In accordance with article 86(3) of the Articles, any director appointed by the board to fill a casual vacancy should be subject to election by Shareholders at the first general meeting of the Company. In accordance with articles 87(1) of the Articles, every director (including those appointed for a specific term or holding office as Chairman of the Board or the Managing Director of the Company) shall be subject to retirement by rotation at least once every three years.

Under the CG Code, non-executive directors should be appointed for specific terms, subject to re-election. Currently, the independent non-executive Directors have no set term of office but are subject to retirement by rotation at annual general meetings of the Company in accordance with the Company's articles of association.

董事之委任、重選及免職

根據細則第86(3)條，董事會所委任以填補臨時空缺之任何董事應於隨後的本公司首次股東大會上接受股東選舉。根據細則第87(1)條，每位董事(包括獲委任一個指定任期或擔任董事會主席或本公司董事總經理職務者)須至少每三年輪值退任一次。

根據企業管治守則，非執行董事應獲委任指定任期(可予重選)。目前，獨立非執行董事並無設定任期，但須根據本公司之組織章程細則，於本公司之股東週年大會上輪值退任。

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However, the Chairman, Ip Ki Cheung and the Managing Director, Cheung Shui Kwai, are not subject to retirement by rotation. This constitutes a deviation from code provision of A.4.2 of the CG code. As continuation is a key factor to the successful implementation of business plans, the Board believes that the roles of the Chairman and the Managing Director provide the Company with strong and consistent leadership and are beneficial to the Company especially in planning and execution of business strategies and also believes that the present arrangement is beneficial to the Company and the shareholders of the Company as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE “MODEL CODE”)

The Company adopted a code of conduct regarding directors’ securities transactions as set out in the Model Code in Appendix 10 of the Listing Rules on the terms no less exacting than the required standard set out in the Model Code throughout the Period. After having made specific enquiry to all directors of the Company, the directors are of the opinion that they have complied with the required standard set out in the Model Code and its code of conduct regarding directors’ securities transactions throughout the Period.

ACCOUNTABILITY

The following statement, which sets out the responsibilities of the directors in relation to the financial statements, should be read in conjunction with, but distinguished from, the Independent Auditors’ Report on pages 44 to 45 of the annual report which acknowledges their reporting responsibilities as the external auditors of the Company:

(i) Annual and Interim Reports and Financial Statements

The directors acknowledge their responsibility to prepare the financial statements of the Company and of the Group for each financial year which gives a true and fair view of the state of affairs of the Company and of the Group as at the year end and of the Group’s profit or loss and cash flow for the year then ended.

(ii) Accounting Policies

In preparing the financial statements for each financial year, the directors have selected appropriate accounting policies and apart from those new and amended accounting policies as disclosed in the notes to the financial statements, have applied them consistently with previous financial periods. Judgments and estimates have been made that are prudent and reasonable.

(iii) Accounting Records

The directors are responsible for ensuring that the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group and enable the preparation of financial statements in accordance with the Hong Kong Financial Reporting Standards issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of the Listing Rules.

然而，主席葉紀章先生及董事總經理張瑞貴先生毋須輪值退任。此舉偏離企業管治守則之守則條文第A.4.2條。由於持續性乃成功實行業務計劃之關鍵，董事會相信，主席及董事總經理之角色可為本公司提供強大一貫之領導能力，從而對本公司特別是在規劃及執行業務策略方面有利；董事會亦相信，目前安排對本公司及本公司股東整體有利。

上市發行人董事進行證券交易的標準守則（「標準守則」）

本公司於該期間內一直採納上市規則附錄十標準守則規定之董事進行證券交易之行為守則，其條款與標準守則所載之必守準則同樣嚴謹。向本公司全體董事作出特定查詢後，各董事認為彼等於該期間內一直遵守標準守則所載之必守準則及其有關董事進行證券交易之行為守則。

問責

下文陳述（載有董事有關財務報表之責任）應與年報第44頁至第45頁確認本公司外聘核數師呈報職責之獨立核數師報告書一併閱讀，但兩者應分別獨立理解：

(i) 年度及中期報告與財務報表

董事確認負責編製本公司及本集團於各財政年度之財務報表，而有關財務報表應真實及公平地反映本公司及本集團於年結日之財務狀況以及本集團於截至年結日止年度之盈虧及現金流量狀況。

(ii) 會計政策

於編製各財政年度之財務報表時，董事已選用適當之會計政策，並（除財務報表附註所披露之新訂及經修訂之會計政策外）採納與先前財政期間一致之會計政策。本公司已作出謹慎合理之判斷及估計。

(iii) 會計紀錄

董事有責任確保本集團存置會計紀錄，而該等紀錄可合理準確披露本集團之財務狀況，以及可根據香港會計師公會頒佈之香港財務報告準則、香港普遍採納之會計原則及香港公司條例之披露規定以及上市規則之適當披露條文編製財務報表。

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(iv) Safeguarding Assets

The directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

(v) Going Concern

The directors, having made specific enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the financial statements of the Company and of the Group.

BOARD COMMITTEES

As an integral part of good corporate governance, the Board has established the following Board Committees to oversee particular aspects of the Company's affairs. A majority of the members of each of these Committees is INEDs. Each of the Audit, Remuneration and Nomination Committee is governed by its respective terms of reference.

AUDIT COMMITTEE

During the Period, the Audit Committee, which comprises the three INEDs, is chaired by Mr. Chan Wing Yau, George and the other two members of the Committee are Mr. Law Sung Ching, Gavin and Mr. Cheng Wing Keung, Raymond. Mr. Cheng Wing Keung, Raymond was appointed a member of the Committee to replace Mr. Lai Yang Chau, Eugene who has retired at the AGM.

On 7 June 2008, Mr. Cheng Hong Kei and The Honourable John Reynolds were appointed as the Chairman and a member of the Committee to replace Mr. Chan Wing Yau, George and Mr. Law Sung Ching, Gavin respectively; both have resigned on 7 June 2008.

The terms of reference of the Audit Committee is based on "A Guide for the Formation of an Audit Committee" and updated by "A Guide for Effective Audit Committees" as issued by the HKICPA (previously known as the Hong Kong Society of Accountants) in December 1997 and in February 2002 respectively. It sets out the powers and duties of the Audit Committee, which includes those as set out in code provisions C.3.3(a) to (n) of the CG Code, and is reviewed by the Board from time to time.

The Audit Committee meets regularly with the management and the external auditors of the Company and reviews matters relating to audit, accounting and financial statements as well as internal control, risk evaluation and general compliance of the Group, and reports directly to the Board. It reviews the external auditors about their independence and objectivity and holds meetings with the external auditors to discuss the nature and scope of audit and reporting obligations and also makes recommendations to the Board on the selection, appointment, resignation or dismissal of the external auditors.

(iv) 保護資產

董事有責任採取一切合理必要措施，以保護本集團之資產以及防範及查明欺詐和其他違規問題。

(v) 持續經營

經作出特定查詢後，董事認為本集團擁有充足資源以供在可見將來繼續經營業務，有鑒於此，採用持續經營基準編製本公司及本集團之財務報表實屬恰當。

董事委員會

作為良好企業管治不可或缺的一環，董事會已成立下列董事委員會，以監督本公司之各類具體事務。該等委員會之成員大多數為獨立非執行董事。審核、薪酬及提名委員會均受其本身之職權範圍所規管。

審核委員會

於該期間，審核委員會（由三名獨立非執行董事組成）由陳永祐先生擔任主席，此委員會之其他兩名成員為羅崇禎先生及鄭永強先生。鄭永強先生獲委任為委員會成員，以接替於股東週年大會退任之黎瀛洲先生之職務。

二零零八年六月七日，鄭康祺先生及John Reynolds議員分別獲委任為委員會主席及成員，以接替同於二零零八年六月七日辭任之陳永祐先生及羅崇禎先生之職務。

審核委員會之職權範圍乃根據香港會計師公會分別於一九九七年十二月頒佈之「成立審核委員會指引」及於二零零二年二月更新之「審核委員會有效運作指引」制訂，其載有審核委員會之權力及職責（包括企業管治守則之守則條文第C.3.3(a)至(n)條所載者），並由董事會不時檢討。

審核委員會乃定期與管理層及本公司之外聘核數師舉行會議，檢討有關本集團之核數、會計及財務報表以及內部監控、風險評估及一般遵例之事宜，並直接向董事會匯報。審核委員會就外聘核數師是否獨立及客觀進行檢討，並與外聘核數師舉行會議以討論核數之性質與範圍及呈報責任，並須就外聘核數師之挑選、委任、辭任或免除向董事會提出推薦建議。

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The Audit Committee held three meetings during the Period and the attendance record of each Audit Committee member is set out below:

審核委員會已於該期間內舉行三次會議，各審核委員會成員之出席紀錄載列如下：

Directors 董事	Attendance of Audit Committee meetings in 2007/08 於二零零七年／零八年 出席審核委員會會議次數		Attendance Rate 出席率
Chan Wing Yau, George (resigned on 7 June 2008)	陳永祐 (於二零零八年六月七日辭任)	3/3	100%
Law Sung Ching, Gavin (resigned on 7 June 2008)	羅崇禎 (於二零零八年六月七日辭任)	3/3	100%
Cheng Wing Keung, Raymond (appointed on 25 August 2007)	鄭永強 (於二零零七年八月二十五日獲委任)	1/3	33%
Lai Yang Chau, Eugene (retired on 25 August 2007)	黎瀛洲 (於二零零七年八月二十五日退任)	1/3	33%
Cheng Hong Kei (appointed on 7 June 2008)	鄭康棋 (於二零零八年六月七日獲委任)	N/A 不適用	N/A 不適用
John Reynolds (appointed on 7 June 2008)	John Reynolds (於二零零八年六月七日獲委任)	N/A 不適用	N/A 不適用

The major work performed by the Audit Committee during the Period is summarized below:

審核委員會於該期間內履行之主要工作概述如下：

(i) Review of Financial Statements

The Audit Committee met and held discussions with the Group's external auditors and senior management, and reviewed the draft 2007 annual report and financial statements and 2007 interim report and financial statements before making recommendations for the Board's approval. It reviewed and discussed the management's reports and representations with a view to ensuring that the Group's consolidated financial statements are prepared in accordance with the accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of Appendix 16 to the Listing Rules.

(i) 審閱財務報表

審核委員會與本集團之外聘核數師及高級管理層舉行會議及進行討論，並向董事會提出批准推薦建議前審閱二零零七年年報及財務報表以及二零零七年中期報告及財務報表之草稿。審核委員會審閱及討論管理層之報告及陳述，旨在確保本集團之綜合財務報表乃按照香港普遍採納之會計原則及上市規則附錄十六之適用披露規定編製。

(ii) Review of the Company's financial controls, risk management and internal control systems

The Audit Committee reviewed the process by which the Group evaluated its control environment and its risk assessment process, and the way in which business and control risks were managed. It made recommendations to the Board about the effectiveness of internal control systems in the Group's business operations. These controls and systems allowed the Board to monitor the Company's overall financial position and to protect its assets.

(ii) 檢討本公司之財務監控、風險管理及內部監控系統

審核委員會檢討本集團對其監控環境與風險管理之評估程序，以及對營運及監控風險之管理方式，並就本集團業務營運之內部監控系統之有效性向董事會提出推薦建議。該等監控及系統可讓董事會監察本公司之整體財務狀況及保護其資產。

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REMUNERATION COMMITTEE

During the Period, the Remuneration Committee, which comprises two INEDs and one executive director, is chaired by Mr. Chan Wing Yau, George and the other two members of the Committee are Mr. Law Sung Ching, Gavin and Mr. Chan Siu Chung.

On 7 June 2008, Mr. Cheng Hong Kei and Mr. Cheng Wing Keung, Raymond were appointed as the Chairman and a member of the Committee to replace Mr. Chan Wing Yau, George and Mr. Law Sung Ching, Gavin respectively; both had resigned on 7 June 2008.

The Remuneration Committee's major responsibilities include the review of the Company's policy and structure for all remuneration of directors and senior management and the establishment of a formal and transparent procedure for developing policy on such remuneration, and the review and approval of performance-based remuneration by reference to corporate goals and objectives.

The Remuneration Committee held no meeting during the Period.

NOMINATION COMMITTEE

During the Period, the Nomination Committee, which comprises two INEDs and one executive director, is chaired by Mr. Law Sung Ching, Gavin and the other two members of the Committee are Mr. Cheng Wing Keung, Raymond and Mr. Ip Ki Cheung.

On 7 June 2008, Mr. Cheng Wing Keung, Raymond and The Honourable John Reynolds were re-designated and appointed as the Chairman and a member of the Committee to replace Mr. Chan Wing Yau, George and Mr. Law Sung Ching respectively; both have resigned on 7 June 2008.

The Nomination Committee's major responsibilities include:

- (i) to review of the structure, size and composition of the Company's Board of Directors including, inter alia, the skills, knowledge, integrity, accomplishment and experience in the relevant industry;
- (ii) to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship;
- (iii) assess the independence of independent non-executive directors; and
- (iv) to make recommendations to the Board on relevant matters relating to the appointment or reappointment of directors and succession planning for directors.

The Nomination Committee held one meeting during the Period.

薪酬委員會

於該期間，薪酬委員會由兩位獨立非執行董事及一位執行董事組成，其中陳永祐先生擔任該委員會主席，該委員會之其他兩位成員為羅崇禎先生及陳兆忠先生。

二零零八年六月七日，鄭康祺先生與鄭永強先生分別獲委任為委員會之主席及成員，以接替同於二零零八年六月七日辭任之陳永祐先生與羅崇禎先生之職務。

薪酬委員會之主要職責包括檢討本公司有關董事及高級管理層所有薪酬之政策及架構，並就該薪酬制定正規及具透明度之政策程序，以及參照公司目標及宗旨檢討及批准績效薪酬。

薪酬委員會於該期間內並無舉行會議。

提名委員會

於該期間，提名委員會由兩位獨立非執行董事及一位執行董事組成，其中羅崇禎先生擔任該委員會主席，該委員會之其他兩位成員為鄭永強先生及葉紀章先生。

二零零八年六月七日，鄭永強先生及John Reynolds議員分別調任及獲委任為委員會主席及成員，以接替同於二零零八年六月七日辭任之陳永祐先生及羅崇禎先生之職務。

提名委員會之主要職責包括：

- (i) 檢討本公司董事會之架構、規模及組成，包括（但不限於）技能、學識、誠信、成就及於相關行業之經驗；
- (ii) 物色符合資格成為董事會成員之適當人選，並就挑選所提名人士擔任董事職務向董事會提供推薦意見；
- (iii) 評估獨立非執行董事之獨立性；及
- (iv) 就與委任或重新委任董事及董事繼任計劃有關之事宜向董事會提供推薦意見。

提名委員會於該期間內舉行了一次會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

Directors 董事	Attendance of Nomination Committee meeting in 2007/08 於二零零七年／零八年 出席提名委員會會議次數			Attendance Rate 出席率
Law Sung Ching, Gavin (resigned on 7 June 2008)	羅崇禎 (於二零零八年六月七日辭任)	1/1		100%
Ip Ki Cheung	葉紀章	1/1		100%
Lai Yang Chau, Eugene (retired on 25 August 2007)	黎瀛洲 (於二零零七年八月二十五日退任)	0/1		0%
Cheng Wing Keung, Raymond (appointed on 25 August 2007)	鄭永強 (於二零零七年八月二十五日獲委任)	N/A 不適用		N/A 不適用
John Reynolds (appointed on 7 June 2008)	John Reynolds (於二零零八年六月七日獲委任)	N/A 不適用		N/A 不適用

The Nomination Committee has reviewed and discussed (1) the prevailing structure, size and composition of the Board; (2) the independence of the INEDs; and (3) nomination of directors for re-election at the forth coming annual general meeting. The Nomination Committee has made recommendations to the Board.

In selecting a suitable candidate to become a member of the Board, the Nomination Committee will consider various criteria such as education, qualification, experience and reputation of such candidate.

INTERNAL CONTROL AND GROUP RISK MANAGEMENT

The Board has overall responsibilities for maintaining sound and effective internal control systems of the Group. The Group's systems of internal control include a defined management structure with limits of authority which is designed to help the achievement of business objectives, safeguard assets against unauthorised use or disposition, to ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and to ensure compliance with relevant legislation and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives.

(i) Organisational Structure

An organisational structure with operating policies and procedures, lines of responsibility and delegated authority has been established.

(ii) Authority and Control

The relevant executive directors and senior management are delegated with respective levels of authorities with regard to key corporate strategy and policy and contractual commitments.

提名委員會曾審閱及討論(1)董事會之現行架構、規模及組成；(2)獨立非執行董事之獨立性；及(3)於應屆股東週年大會上提名有關重選之董事。提名委員會已向董事會提出建議。

於挑選合適候選人加入董事會時，提名委員會將考慮多項標準，例如該候選人之教育水平、資格、經驗及知名度等。

內部監控及集團風險管理

董事會須全面負責維持本集團穩建及有效之內部監控系統。本集團之內部監控系統包括界定管理架構及授權限制，以協助實現各項業務目標、保障資產免於未經授權挪用或處置，從而確保維護妥當之會計記錄以提供可靠之財務資料供內部使用或作發表之用，並確保遵守相關法例及規例。上述監控系統旨在合理（但並非絕對）保證並無重大錯誤陳述或損失，以及管理（而非消除）營運系統失誤及本集團未能達標之風險。

(i) 組織架構

本公司已建立一套訂明相關營運政策及程序、職責及權限之組織架構。

(ii) 權限及監控

相關執行董事及高級管理層各自獲授有關重要企業策略及政策及合約承諾之權限。

CORPORATE GOVERNANCE REPORT

企業管治報告

(iii) Budgetary Control and Financial Reporting

Proper controls are in place for the recording of complete, accurate and timely accounting and management information. Regular reviews and audits are carried out to ensure that the preparation of financial statements is carried out in accordance with generally accepted accounting principles, the Group's accounting policies and applicable laws and regulations.

(iv) Group Risk Management

The Group has developed and implemented risk mitigation strategies including the use of insurance to transfer the financial impact of risk upon directors and senior management.

The Board, has reviewed the effectiveness of the Company's system of internal control over financial, operational and compliance issues for the year 2008 and concluded that the Company has set up a sound control environment and necessary control mechanism to monitor and correct non-compliance. The Board is satisfied that the Company in 2008 fully complied with the provisions on internal controls as set out in CG Code.

EXTERNAL AUDITORS

HLB Hodgson Impey Cheng ("HLB") are currently appointed as the external auditors of the Company, which provides audit and non-audit services to the Company. In order to maintain HLB's independence and objectivity and the effectiveness of the audit process in accordance with the applicable standards, the Audit Committee, under its terms of reference, holds meetings with HLB to discuss the nature and scope of their audit and related fees, and to approve the nature and scope of non-audit services requested by the Company and related fees.

The nature of audit and non-audit services provided by HLB and fees paid to HLB (including any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally) are set out below:

Auditors' remuneration:		HK\$'000 千港元
	核數師酬金：	
- Audit services	- 核數服務	500
- Tax services	- 稅務服務	200
- Other services	- 其他服務	296
		996

The Board has accepted the recommendation from the Audit Committee on re-appointing HLB as the external auditors of the Company.

(iii) 預算控制及財務申報

本公司已建立適當監控程序，以確保全面、正確、及時紀錄會計及管理資料，並定期進行檢討及審查，以確保按照普遍採納之會計原則、本集團之會計政策及適用之法例及規例編製財務報表。

(iv) 集團風險管理

本集團已制訂及實施風險減輕策略，包括使用保險以轉移風險對董事及高級管理層之財務影響。

董事會已檢討本公司有關二零零八年度之財務、營運及合規事宜之內部監控系統之成效，得出之結論是，本公司已制定穩健的監控環境及必要監控機制，以監察及糾正未有合規之情況。董事會相信，本公司於二零零八年已全面遵守企業管治守則所載之內部監控條文。

外聘核數師

國衛會計師事務所(「國衛」)現獲委任為本公司之外聘核數師，向本公司提供核數及非核數服務。為維持國衛按照適用準則進行核數程序之獨立、客觀及有效，審核委員會在其職權範圍內與國衛舉行會議以討論其核數之性質及範圍以及相關費用，並審批本公司要求之非核數服務之性質及範圍以及相關費用。

國衛提供之核數及非核數服務之性質及支付予國衛(包括與會計師事務所受共同控制、擁有或管理之任何機構，或知悉所有相關資料之合理知情第三方可合理斷定為該會計師事務所之國內或國際分部之任何機構)之費用如下：

		HK\$'000 千港元
	核數師酬金：	
- 核數服務		500
- 稅務服務		200
- 其他服務		296
		996

董事會已接納審核委員會關於續聘國衛為本公司外聘核數師之推薦建議。

REPORT OF THE DIRECTORS

董事會報告

The board of directors (the “Board”) submit herewith their report and the audited financial statements of Kenfair International (Holdings) Limited (the “Company”) and its subsidiaries (together the “Group”) for the year ended 31 March 2008.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the Company’s subsidiaries are set out in note 17 to the consolidated financial statements. There were no significant changes in the nature of the Group’s principal activities during the year.

RESULTS AND DIVIDENDS

The Group’s loss for the year ended 31 March 2008 and the state of affairs of the Company and the Group at that date are set out in the consolidated financial statements on pages 46 to 119.

The directors do not recommend the payment of a final dividend (2007: Nil) in respect of the year to shareholders of the Company.

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published consolidated results and of the assets and liabilities of the Group:

董事會(「董事會」)謹此提呈彼等之報告及建發國際(控股)有限公司(「本公司」)及其附屬公司(統稱「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

本公司之主要業務為投資控股。本公司附屬公司之主要業務詳情載於綜合財務報表附註17。年內，本集團之主要業務性質概無重大變動。

業績及股息

本集團截至二零零八年三月三十一日止年度之虧損及本公司與本集團於該日之業務狀況載於綜合財務報表第46至第119頁內。

董事會不建議向本公司之股東派付本年度末期股息(二零零七年：無)。

財務資料概要

以下為本集團已刊發之綜合業績及資產與負債概要：

REPORT OF THE DIRECTORS

董事會報告

SUMMARY FINANCIAL INFORMATION (continued)

財務資料概要(續)

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元 (Restated) (重列)	2004 HK\$'000 千港元 (Restated) (重列)
Turnover	營業額					
Participation fee income	參展費收入	198,429	212,976	233,819	203,969	204,931
Entrance fee income	入場費收入	639	762	918	1,020	1,787
Hotel and travel package income	酒店及旅遊套票收入	5,513	11,833	14,632	12,317	11,686
Advertising fee income	廣告費收入	7,413	8,105	9,576	8,741	7,200
Portal income	入門網站收入	1,801	2,643	2,705	2,631	2,748
		213,795	236,319	261,650	228,678	228,352
Other revenue	其他收益	1,422	3,097	1,112	511	333
Other income	其他收入	23,748	290	1,503	15,201	7,426
		238,965	239,706	264,265	244,390	236,111
Fair value losses on financial assets at fair value through profit or loss	按公平值計入損益賬 之財務資產 之公平值虧損	-	-	(15,126)	-	-
Loss on disposal of financial assets at fair value through profit or loss	出售按公平值計入損益 賬之財務資產之虧損	-	(8,500)	-	-	-
Advertising and promotion expenses	廣告及推廣開支	(31,792)	(39,532)	(44,716)	(29,585)	(25,459)
Agency commission	代理佣金	(13,396)	(15,948)	(15,473)	(13,006)	(13,253)
Amortisation and depreciation	攤銷及折舊	(5,707)	(8,467)	(8,234)	(8,752)	(10,494)
Hotel and travel package expenses	酒店及旅遊套票開支	(8,603)	(12,122)	(14,537)	(12,133)	(12,437)
Impairment loss recognised in respect of intangible assets	已確認無形資產之 減值虧損	(7,480)	(7,425)	-	-	-
Operating lease rentals	經營租賃租金	(49,160)	(49,336)	(39,026)	(32,382)	(34,511)
Staff costs	員工成本	(49,242)	(50,693)	(55,087)	(43,129)	(40,405)
Other operating expenses	其他營運開支	(75,815)	(77,671)	(100,749)	(62,439)	(56,492)
(Loss)/profit from operating activities	經營業務(虧損)/ 溢利	(2,230)	(29,988)	(28,683)	42,964	43,060
Finance costs	融資成本	-	-	(67)	(189)	(352)
(Loss)/profit before tax	除稅前(虧損)/溢利	(2,230)	(29,988)	(28,750)	42,775	42,708
Taxation	稅項	(4,944)	(4,423)	(3,474)	(8,000)	(10,500)
(Loss)/profit for the year	本年度(虧損)/溢利	(7,174)	(34,411)	(32,224)	34,775	32,208
Attributable to	歸屬於					
- Minority interests	- 少數股東	-	-	967	-	-
- Equity holders of the Company	- 本公司股東	(7,174)	(34,411)	(33,191)	34,775	32,208
(Loss)/profit for the year	本年度(虧損)/溢利	(7,174)	(34,411)	(32,224)	34,775	32,208

REPORT OF THE DIRECTORS

董事會報告

SUMMARY FINANCIAL INFORMATION (continued)

財務資料概要(續)

		As at 31 March 於三月三十一日				
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元 (Restated) (重列)	2004 HK\$'000 千港元 (Restated) (重列)
Assets and liabilities	資產與負債					
Non-current assets	非流動資產	1,030,397	65,178	63,082	68,591	80,386
Current assets	流動資產	142,012	55,670	93,275	137,099	112,822
Current liabilities	流動負債	(689,400)	(74,022)	(79,151)	(80,915)	(74,654)
Non-current liabilities	非流動負債	(303,569)	(1,030)	(3,702)	(8,964)	(2,298)
		179,440	45,796	73,504	115,811	116,256

Note: The results of the Group for the two years ended 31 March 2008 and its assets and liabilities as at 31 March 2007 and 2008 are those set out on pages 46 and 47 of the consolidated financial statements.

附註：本集團截至二零零八年三月三十一日止兩個年度之業績及其於二零零七年及二零零八年三月三十一日之資產與負債分別載於財務報表第46及第47頁。

PROPERTY, PLANT AND EQUIPMENT

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

物業、廠房及設備

本集團年內之物業、廠房及設備變動詳情載於綜合財務報表附註15。

SHARE CAPITAL, SHARE OPTION AND WARRANTS

Details of movements in the Company's share capital during the year and details of the Company's share option scheme and warrants are set out in notes 33 and 35 to the consolidated financial statements.

股本、購股權及認股權證

本公司年內之股本變動詳情及本公司購股權計劃及認股權證詳情載於綜合財務報表附註33及35。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

優先購買權

本公司之公司組織章程細則或開曼群島(本公司註冊成立所處之司法權區)法例概無載有關於優先購買權之條文，而令本公司須按比例向現有股東發售新股份。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company or any of its subsidiaries had not purchased, redeemed or sold any of the Company's listed securities during the year.

購買、贖回或出售本公司之上市證券

本公司或其任何附屬公司在年內概無購買、贖回或出售任何本公司之上市證券。

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 34 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

儲備

本公司及本集團在年內之儲備變動詳情分別載於綜合財務報表附註34及綜合權益變動表。

REPORT OF THE DIRECTORS

董事會報告

DISTRIBUTABLE RESERVES

At 31 March 2008, the Company did not have any reserves (2007: Nil), available for cash distribution and/or distribution in specie, calculated in accordance with the Companies Law (2003 Revision) of the Cayman Islands, and no final dividend (2007: Nil) has been proposed out of such reserves for the year. In accordance with the Companies Law (2003 Revision) of the Cayman Islands, a company may make distributions to its members out of the contributed surplus accounts under certain circumstances. In addition, the Company's share premium account, in the amount of HK\$120,639,000 (2007: HK\$23,517,000) may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for approximately 24% (2007: 24%) of the Group's turnover for the year and turnover attributable to the largest customer included therein amounted to approximately 16% (2007: 16%). Purchases from the Group's five largest suppliers accounted for approximately 51% (2007: 41%) of the Group's cost of exhibitions for the year and the fees paid to the largest supplier accounted for approximately 22% (2007: 18%) of the Group's cost of exhibitions for the year.

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

DIRECTORS

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

Executive directors:

Mr. Ip Ki Cheung (Chairman)
Mr. Cheung Shui Kwai (Managing Director)
Mr. Chan Siu Chung
Mr. Hung Chen, Richael (Appointed on 29 April 2008)
Mr. Ma Li Shan (Appointed on 7 June 2008)
Mr. Javed Iqbal Khan (Appointed on 7 June 2008)
Mr. Fong Wang (Appointed on 7 June 2008)

Independent non-executive directors:

Mr. Cheng Wing Keung, Raymond (Appointed on 25 August 2007)
Mr. Cheng Hong Kei (Appointed on 7 June 2008)
The Honourable John Reynolds (Appointed on 7 June 2008)
Mr. Lai Yang Chau, Eugene (Retired on 25 August 2007)
Mr. Chan Wing Yau, George (Resigned on 7 June 2008)
Mr. Law Sung Ching, Gavin (Resigned on 7 June 2008)

可供分派儲備

於二零零八年三月三十一日，本公司並無任何按照開曼群島公司法（二零零三年修訂版）計算之可供作現金分派及／或實物分派之儲備（二零零七年：無），亦無獲建議自本年度之有關儲備中撥付末期股息（二零零七年：無）。根據開曼群島公司法（二零零三年修訂版），本公司可在若干情況下以繳入盈餘賬內之款項向其股東作出分派。此外，本公司股份溢價賬內之120,639,000港元（二零零七年：23,517,000港元）亦可以繳足股款紅利股份之形式作出分派。

主要客戶及供應商

於回顧年度內，本集團向五大客戶取得之銷售額佔本集團年內之營業額約24%（二零零七年：24%），此數額包括向當中最大客戶取得之銷售額約16%（二零零七年：16%）。本集團向五大供應商之採購額佔本集團年內之展覽成本約51%（二零零七年：41%），而向最大供應商支付之費用則佔本集團年內之展覽成本約22%（二零零七年：18%）。

本公司董事、彼等之任何聯繫人士或任何股東（就董事所知，擁有本公司已發行股本5%以上者）概無於本集團之五大客戶或供應商中擁有任何實益權益。

董事

年內及截至本報告日期為止，本公司之董事如下：

執行董事：

葉紀章先生（主席）
張瑞貴先生（董事總經理）
陳兆忠先生
洪誠先生（於二零零八年四月二十九日獲委任）
馬立山先生（於二零零八年六月七日獲委任）
簡志偉先生（於二零零八年六月七日獲委任）
方宏先生（於二零零八年六月七日獲委任）

獨立非執行董事：

鄭永強先生（於二零零七年八月二十五日獲委任）
鄭康祺先生（於二零零八年六月七日獲委任）
John Reynolds議員（於二零零八年六月七日獲委任）
黎瀟洲先生（於二零零七年八月二十五日退任）
陳永祐先生（於二零零八年六月七日辭任）
羅崇禎先生（於二零零八年六月七日辭任）

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS (continued)

In accordance with articles 86(3) of the Articles, Mr. Ma Li Shan, Mr. Javed Iqbal Khan, Mr. Fong Wang, Mr. Cheng Hong Kei and Honourable John Reynolds will be eligible for re-election at the forthcoming annual general meeting.

In accordance with articles 87(1) and (2) of the Articles, Mr. Chan Siu Chung will retire from the Board of the forthcoming annual general meeting and being eligible, offer himself for re-election.

The Company has received confirmation from each of the INEDs about his independence pursuant of rule 3.13 of the Listing Rules. The Company is of the view that all INEDs meet the independent rules and continues to consider each of them to be independent.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 22 to 24 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Three of the executive directors Mr. Ip Ki Cheung, Mr. Cheung Shui Kwai and Mr. Chan Siu Chung have entered into a service agreement with the Company for an initial term of three years commencing from 1 April 2002 and which will continue thereafter until the agreement is terminated by not less than six calendar months' notice in writing served by either party on the other. Such notice of termination is agreed not to be issued earlier than 31 March 2005. No notice of termination was received from them nor issued by the Company up to the date of this report. Mr. Hung Chen, Richael has entered into a service agreement with the Company with no fixed term which commences from 29 April 2008 and can be terminated by not less than three calendar months' notice in writing served by either party on the other. No notice of termination was received from Mr. Hung nor issued by the Company up to the date of this report. Mr. Ma Li Shan, Mr. Javed Iqbal Khan and Mr. Fong Wang have not entered into any service agreement with the Company and no fixed term of service to the Company.

All INEDs have no fixed terms of appointments. No service agreement has been or will be entered into between the Company and either of the INEDs.

Apart from the foregoing, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment other than statutory compensation.

董事(續)

根據細則第86(3)條，馬立山先生、簡志偉先生、方宏先生、鄭康棋先生及John Reynolds議員將符合資格於應屆股東週年大會上膺選連任。

根據細則第87(1)及(2)條，陳兆忠先生將於應屆股東週年大會上從董事會告退，彼符合資格並願意膺選連任。

本公司已收到各位獨立非執行董事根據上市規則第3.13條作出有關其獨立之確認書。本公司認為所有獨立非執行董事均遵守獨立規則，並繼續認為彼等均為獨立人士。

董事及高級管理層之簡歷

本公司董事及本集團高級管理層之簡歷載於本年報第22至第24頁。

董事之服務合約

三名執行董事葉紀章先生、張瑞貴先生及陳兆忠先生與本公司訂立服務合約，自二零零二年四月一日起初步為期三年，並於其後繼續生效，直至協議任何一方向另一方發出不少於六個公曆月之書面通知終止協議為止，有關終止通知不得於二零零五年三月三十一日前發出。截至本報告日期為止，並無收到該等執行董事或由本公司發出之終止通知。洪誠先生已經與本公司訂立無固定年期之服務合約，自二零零八年四月二十九日起生效，並可由任何一方向另一方發出不少於三個公曆月之書面通知終止協議為止。截至本報告日期為止，並無收到洪誠先生發出終止通知，本公司亦無發出終止通知。馬立山先生、簡志偉先生及方宏先生並無與本公司訂立服務合約，彼等於本公司並無固定服務年期。

所有獨立非執行董事均無固定任期。本公司概無亦將不會與獨立非執行董事訂立服務合約。

除上述者外，擬於應屆股東週年大會上膺選連任之董事概無與本公司訂立本公司不得於一年內終止而毋須作出賠償(法定賠償除外)之服務合約。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' REMUNERATION

During the year, directors' remuneration, comprised payments to the directors of the Company and its subsidiaries in connection with the management of the affairs of the Group, is as follow:

董事酬金

年內，董事酬金(包括就管理本集團業務而支付予本公司及其附屬公司各董事之款項)如下：

Name of director 董事姓名	Fees 袍金 HK\$'000 千港元	Basic salaries 基本薪金 HK\$'000 千港元	Housing allowances 房屋津貼 HK\$'000 千港元	Bonuses 花紅 HK\$'000 千港元	Provident fund contributions 公積金供款 HK\$'000 千港元	Total 合計 HK\$'000 千港元
2008:						
Executive directors						
Mr. Ip Ki Cheung	—	1,575	840	131	12	2,558
Mr. Cheung Shui Kwai	—	1,575	840	131	12	2,558
Mr. Chan Siu Chung	—	1,575	840	131	12	2,558
Independent non-executive directors						
Mr. Lai Yang Chau, Eugene (Retired on 25 August 2007)	50	—	—	—	—	50
Mr. Chan Wing Yau, George (Resigned on 7 June 2008)	120	—	—	—	—	120
Mr. Law Sung Ching, Gavin (Resigned on 7 June 2008)	120	—	—	—	—	120
Mr. Cheng Wing Keung, Raymond (Appointed on 25 August 2007)	72	—	—	—	—	72
	362	4,725	2,520	393	36	8,036
2007:						
Executive directors						
Mr. Ip Ki Cheung	—	1,556	840	256	12	2,664
Mr. Cheung Shui Kwai	—	1,556	840	256	12	2,664
Mr. Chan Siu Chung	—	1,556	840	256	12	2,664
Independent non-executive directors						
Mr. Chan Wing Yau, George	105	—	—	—	—	105
Mr. Lai Yang Chau, Eugene	105	—	—	—	—	105
Mr. Law Sung Ching, Gavin	105	—	—	—	—	105
	315	4,668	2,520	768	36	8,307

In accordance with the director's service agreement entered between the Company and Mr. Ip Ki Cheung, Mr. Cheung Shui Kwai and Mr. Chan Siu Chung, executive directors on 18 March 2002, a discretionary bonus calculated as a percentage of the audited consolidated profit of the Group attributable to shareholders of the Company (after tax but before extraordinary items and such bonus) in respect of every financial year of the Company shall be determined by the Board, but in any event, the aggregate amount payable each financial year shall not exceed 15 per cent of such profit and shall be payable within one calendar month after the audited consolidated accounts of the Group for such financial year have been approved by the Board.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

根據本公司分別與執行董事葉紀章先生、張瑞貴先生及陳兆忠先生於二零零二年三月十八日訂立之董事服務協議，董事會須釐定就每個財政年度按本公司股東應佔本集團經審核綜合溢利(除稅但未扣除非經常項目及有關花紅)之某個百分比計算之酌情花紅，惟無論如何，每個財政年度應付總額不得超過有關溢利之15%，並須於董事會已批准本集團於有關年度之經審核綜合賬目後一個曆月內支付。

年內並無董事放棄或同意放棄任何酬金之安排。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS

No director had a significant beneficial interest, either directly or indirectly, in any contracts of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party during the year. Save as disclosed in this report, none of the director has had any direct or indirect interest in any assets which have been acquired or disposed of by, or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group during the year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

Save as disclosed below, as at 31 March 2008, none of the directors had any beneficial interests (including interests or short positions) in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they are taken or deemed to have taken under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to in that section, or will be required, pursuant to the Model Code in the Listing Rules, to be notified to the Company and the Stock Exchange.

Long positions in the shares of the Company

Name of directors	董事姓名	Number of shares interested 持有權益之股份數目	Capacity 身份	Approximate percentage holding of shares 持股票量概約百分比
Mr. Ip Ki Cheung (note)	葉紀章先生(附註)	111,900,000	Interest of a controlled corporation 擁有受控制公司之權益	25.45%

Note:

Mr. Ip Ki Cheung is beneficially interested in 50% of the entire issued share capital of Capital Concord Profits Limited ("Capital Concord") which in turn holds 111,900,000 shares representing 25.45% of the entire issued shares of the Company as at 31 March 2008. Accordingly, Mr. Ip Ki Cheung is deemed to be interested in these 111,900,000 shares under the SFO.

In addition to the above interests, (1) Mr. Cheung Shui Kwai, an executive director, wholly owns Harbour Rich Finance Limited which in turn is interested in 30% of the issued share capital of Capital Concord and has an attributable interest in 33,570,000 shares and (2) Mr. Chan Siu Chung, an executive director, wholly owns Pace Maker Finance Limited which in turn is interested in 20% of the issued share of Capital Concord and has an attributable interest in 22,380,000 shares.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the share option scheme as set out in note 35 to the consolidated financial statements, at no time during the year was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the Company's directors, their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

董事之合約權益

本公司、其控股公司或其任何附屬公司於年內概無訂立與董事直接或間接擁有重大實益權益而對本集團業務影響重大之任何合約。除本報告披露者外，年內各董事概無直接或間接擁有本集團任何成員公司購入、出售或租賃或擬購入、出售或租賃之任何資產之任何權益。

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

除下文披露者外，於二零零八年三月三十一日，概無董事於本公司或其任何聯營公司(具有證券及期貨條例(「證券及期貨條例」)第XV部所賦予之涵義)之股份、相關股份及債券中擁有根據證券及期貨條例第XV部份第7及8分部須知會本公司及聯交所(包括根據證券及期貨條例之有關條文被當作或被視為擁有之權益及淡倉)或根據證券及期貨條例第352條須記錄於該條例所述之登記冊或須根據標準守則知會本公司及聯交所之任何實益權益(包括權益或淡倉)。

於本公司股份之好倉

附註：

於二零零八年三月三十一日，葉紀章先生實益擁有Capital Concord Profits Limited(「Capital Concord」)全部已發行股本之50%權益，而該公司則持有本公司111,900,000股股份，佔本公司全部已發行股份之25.45%。因此，根據證券及期貨條例，葉紀章先生被視為擁有該111,900,000股股份之權益。

除上述權益外，(1)執行董事張瑞貴先生全資擁有Harbour Rich Finance Limited，而該公司擁有Capital Concord已發行股本之30%權益，應佔33,570,000股股份之權益；及(2)執行董事陳兆忠先生全資擁有Pace Maker Finance Limited，而該公司則擁有Capital Concord已發行股本之20%權益，應佔22,380,000股股份之權益。

董事購入股份或債券之權利

除於綜合財務報表附註35所載購股權計劃內所披露者外，本公司、其控股公司或其任何附屬公司在年內概無訂立任何安排，致使本公司董事、彼等各自之配偶或18歲以下之子女可藉購入本公司或任何其他法人團體之股份或債券而得益。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME

Details of the Company's share option scheme are set out in note 35 to the consolidated financial statements.

4,400,000 options had been granted to nine employees under the share option scheme during the year. Each option gives the holders the right to subscribe for one ordinary shares in the Company. The option period is one year from 22 August 2007 to 21 August 2008. The exercise price of the options is HK\$1.066. The Company had 4,000,000 options outstanding as at 31 March 2008 and 2,000,000 options outstanding up to the date of approval of this report.

SUBSTANTIAL SHAREHOLDERS AND INTERESTS DISCLOSABLE UNDER THE SFO

As at 31 March 2008, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in the shares of the Company

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35。

4,400,000份購股權乃根據本公司購股權計劃於年內授予九名僱員。每份購股權賦予持有人權利認購一股本公司普通股。購股權行使期為二零零七年八月二十二日起至二零零八年八月三十一日止，為期一年。購股權之行使價為1.066港元。於二零零八年三月三十一日及直至本報告獲批准當日，本公司分別有4,000,000份及2,000,000份尚未行使之購股權。

主要股東與根據證券及期貨條例須予披露之權益

於二零零八年三月三十一日，本公司已發行股本5%或以上之下列權益乃載於本公司根據證券及期貨條例第336條須存置之權益登記冊內：

於本公司股份之好倉

Name	名稱	Number of shares interested 持有權益之股份數目	Capacity 身份	Approximate percentage of existing issued ordinary share capital of the Company 本公司現有已發行普通股股本中之持股量概約百分比
Capital Concord (1)	Capital Concord (1)	111,900,000	Beneficial owner 實益擁有人	25.45%
Best Aims Finance Limited ("Best Aims") (1)	Best Aims Finance Limited (「Best Aims」) (1)	111,900,000	Interest of a controlled corporation 擁有受控制公司之權益	25.45%
Mr. Ip Ki Cheung (1)	葉紀章先生 (1)	111,900,000	Interest of a controlled corporation 擁有受控制公司之權益	25.45%
Mr. Hung Chen, Richael ("Mr. Hung") (2)	洪誠先生 (「洪先生」) (2)	760,000,000	Beneficial owner 實益擁有人	172.80%

Notes:

- The entire issued share capital of Capital Concord is beneficially owned as to 50% by Best Aims, 30% by Harbour Rich and 20% by Pace Maker. The entire issued share capital of Best Aims is beneficially owned by Mr. Ip Ki Cheung ("Mr. Ip"), an executive director. Accordingly, Mr. Ip is deemed to be interested in 111,900,000 shares held by Capital Concord, representing approximately 25.45% of the entire issued capital of the Company. The entire issued share capital of Harbour Rich is beneficially owned by Mr. Cheung Shui Kwai, an executive director. The entire issued share capital of Pace Maker is beneficially owned by Mr. Chan Siu Chung, an executive director.
- Mr. Hung beneficially interested is 70,000,000 shares and convertible note of principal amount in HK\$345,000,000, which can be converted into ordinary shares at a conversion price of HK\$0.50 shares.

附註：

- Capital Concord之全部已發行股本中，Best Aims實益擁有50%、Harbour Rich實益擁有30%及Pace Maker實益擁有20%。Best Aims之全部已發行股本乃由執行董事葉紀章先生 (「葉先生」) 實益擁有。因此，葉先生被視為於Capital Concord持有之111,900,000股股份 (相當於本公司全部已發行股本約25.45%) 中擁有權益。Harbour Rich之全部已發行股本乃由執行董事張瑞貴先生實益擁有。Pace Maker之全部已發行股本乃由執行董事陳兆忠先生實益擁有。
- 洪先生於70,000,000股股份及本金額為345,000,000港元之可換股票據中擁有實益權益。有關可換股票據可按每股0.50港元之換股價轉換為普通股。

REPORT OF THE DIRECTORS

董事會報告

COMPLIANCE WITH CG CODE

The Company is committed to ensuring high standards of corporate governance through the establishment and adoption of good practices and procedures which are in the best interests of the Company and its shareholders. The Company has applied the principles and complied with all code provisions of the CG Code throughout the year, except for code provisions A.4.1 and A.4.2 details of which are set out in the Corporate Governance Report on pages 25 to 34 of this annual report.

COMPLIANCE WITH MODEL CODE

Details of compliance with the Model Code by directors of the Company is set out in the Corporate Governance Report on page 29 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

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

AUDIT COMMITTEE

Details of the composition of the Company's Audit Committee and the major work performed by the Committee during the year is set out in the Corporate Governance Report on pages 30 to 31 of this annual report.

AUDITORS

HLB Hodgson Impey Cheng ("HLB") retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

The financial statements have been audited by HLB who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of HLB as auditors of the Company is to be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Ip Ki Cheung

Chairman

Hong Kong
31 July 2008

遵守企業管治守則

本公司承諾透過建立及採納符合本公司及其股東最佳利益之良好常規及程序，以確保高水準之企業管治。本公司於年內一直採用該等原則並遵守企業管治守則之所有守則條文，惟守則條文第A.4.1及A.4.2條除外，其詳情載於本年報25頁至第34頁之企業管治報告內。

遵守標準守則

本公司董事遵守標準守則之詳情載於本年報第29頁之企業管治報告內。

足夠公眾持股量

於本報告日期，根據本公司已公開可用之資料及就本公司董事所知，本公司已維持足夠公眾持股量。

審核委員會

本公司審核委員會之組成及該委員會所履行之主要工作之詳情載於本年報30頁至第31頁之企業管治報告內。

核數師

國衛會計師事務所(「國衛」)任滿告退，而應屆股東週年大會上將提呈決議案以續聘國衛為本公司核數師。

財務報表已經國衛所審核，國衛即將告退，惟彼符合資格並願膺選連任。就重新委任國衛為本公司核數師之決議案將於即將召開之股東週年大會上提呈。

代表董事會

葉紀章

主席

香港
二零零八年七月三十一日

INDEPENDENT AUDITORS' REPORT

獨立核數師報告書



國衛會計師事務所
Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

31/F Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

**TO THE SHAREHOLDERS OF
KENFAIR INTERNATIONAL (HOLDINGS) LIMITED**
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Kenfair International (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 46 to 119, which comprise the consolidated and company balance sheets 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 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.

AUDITORS' 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, 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.



國衛會計師事務所
Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

香港
中環
畢打街11號
置地廣場
告羅士打大廈31樓

致：建發國際(控股)有限公司
(於開曼群島註冊成立之有限公司)
各股東

本核數師(以下簡稱「我們」)已審核刊於第46頁至第119頁建發國際(控股)有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,其中包括於二零零八年三月三十一日之綜合及公司資產負債表、截至該日止年度之綜合損益賬、綜合權益變動表及綜合現金流量表,以及重大會計政策概要及其他說明附註。

董事編製財務報表之責任

貴公司董事須遵照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定,負責編製並真實兼公平地呈列此等綜合財務報表。此責任包括設計、實行及維持與編製並真實兼公平地呈列綜合財務報表有關之內部監控,以確保其並無重大錯誤陳述(不論其由欺詐或錯誤引起);選擇並應用適當會計政策;以及在不同情況作出合理之會計估算。

核數師之責任

我們之責任是根據審核之結果對此等綜合財務報表作出意見,並僅向閣下匯報我們之意見,除此之外,別無其他用途。我們不會就本報告之內容向任何其他人士負責或承擔責任。我們之審核工作是按照香港會計師公會頒佈之香港審計準則進行。該等準則要求我們遵守操守規定以及計劃及進行審核以合理之確定此等綜合財務報表是否不存在重大之錯誤陳述。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告書

AUDITORS' RESPONSIBILITY (continued)

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 auditors' 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 auditors consider 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 Company and of the Group as at 31 March 2008 and of the loss and cash flows of the Group for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

MATERIAL UNCERTAINTY CONCERNING GOING CONCERN BASIS OF ACCOUNTING

Without qualifying our opinion, we draw attention to note 3(a) in the consolidated financial statements which indicates that the Group incurred accumulated losses of approximately HK\$13,564,000 as at 31 March 2008 and net current liabilities of approximately HK\$547,388,000 as at 31 March 2008 respectively. These conditions, along with other matters as set forth in note 3(a) to the consolidated financial statements, indicate that existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

HLB Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

Hong Kong, 31 July 2008

核數師之責任(續)

審核範圍包括進行程序以取得與綜合財務報表所載數額及披露事項有關之審核憑證。選取之該等程序須視乎核數師之判斷，包括評估綜合財務報表之重大錯誤陳述(不論其由欺詐或錯誤引起)之風險。在作出該等風險評估時，核數師將考慮與公司編製並真實兼公平地呈列綜合財務報表有關之內部監控，以為不同情況設計適當審核程序，但並非旨在就公司內部監控是否有效表達意見。審核範圍亦包括評估所用會計政策之恰當性，董事所作之會計估算之合理性，並就綜合財務報表之整體呈列方式作出評估。

我們相信，我們所取得之審核憑證就提出審核意見而言屬充分恰當。

意見

我們認為，綜合財務報表根據香港財務報告準則足以真實兼公平地顯示 貴公司及 貴集團於二零零八年三月三十一日之財務狀況及 貴集團截至該日止年度之虧損及現金流量，並按照香港公司條例之披露規定妥為編製。

有關持續經營會計基準之重大不明朗因素

在不作出保留意見之情況下，我們謹請 閣下垂注綜合財務報表附註3(a)顯示 貴集團於二零零八年三月三十一日之累計虧損約為13,564,000港元以及於二零零八年三月三十一日之流動負債淨額約為547,388,000港元。此等條件連同綜合財務報表附註3(a)所載其他事宜，顯示目前存在重大不明朗因素，可能會對 貴集團能否繼續持續經營能力產生重大疑問。

國衛會計師事務所

英國特許會計師
香港執業會計師

香港，二零零八年七月三十一日

CONSOLIDATED INCOME STATEMENT

綜合損益賬

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 HK\$'000 千港元	2007 HK\$'000 千港元
Turnover	營業額	7	213,795	236,319
Other revenue	其他收益	7	1,422	3,097
Other income	其他收入	8	23,748	290
Advertising and promotion expenses	廣告及推廣開支		(31,792)	(39,532)
Agency commission	代理佣金		(13,396)	(15,948)
Amortisation and depreciation	攤銷及折舊		(5,707)	(8,467)
Hotel and travel package expenses	酒店及旅遊套票開支		(8,603)	(12,122)
Operating lease rentals	經營租賃租金		(49,160)	(49,336)
Staff costs	員工成本		(49,242)	(50,693)
Other operating expenses	其他營運開支		(75,815)	(77,671)
Loss on disposal of financial assets at fair value through profit or loss	出售按公平值計入損益賬之 財務資產之虧損		–	(8,500)
Impairment loss recognised in respect of intangible assets	已確認無形資產之減值虧損		(7,480)	(7,425)
Loss before tax	除稅前虧損		(2,230)	(29,988)
Taxation	稅項	11	(4,944)	(4,423)
Loss for the year	本年度虧損	8	(7,174)	(34,411)
Attributable to	歸屬於			
– Equity holders of the Company	– 本公司股東		(7,174)	(34,411)
Dividends	股息	13		
Interim dividend	中期股息		–	11,773
Loss per share attributable to equity holders of the Company	本公司股東應佔每股虧損	14		
– Basic and diluted	– 基本及攤薄		(2 cents 仙)	(15 cents 仙)

All of the Group's operations are classed as continuing.

本集團所有經營業務均分類為持續經營業務。

The accompanying notes form an integral part of these financial statements.

隨附之附註屬本財務報表整體之一部份。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

At 31 March 2008 二零零八年三月三十一日

	Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	75,291	4,399
Prepaid land premium	預付土地費用	–	355
Intangible assets	無形資產	603,667	24,000
Goodwill	商譽	341,062	920
Available-for-sale financial assets	可供銷售財務資產	10,377	34,690
Prepayments for acquisition of a subsidiary	收購一間附屬公司之預付款項	–	814
		1,030,397	65,178
Current assets	流動資產		
Inventories	存貨	10,776	–
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	42,928	14,713
Trade receivables	貿易應收款項	20,469	–
Cash and cash equivalents	現金及現金等值項目	67,839	37,237
Pledged bank deposits	已抵押銀行存款	–	3,175
Tax prepayment	預付稅項	–	545
		142,012	55,670
Less: Current liabilities	減：流動負債		
Trade payables	貿易應付款項	3,859	–
Deferred revenue	遞延收益	2,187	4,035
Accrued liabilities and other payables	累計負債及其他應付款項	583,828	6,908
Deposits received in advance	預收按金	79,096	55,961
Tax payable	應付稅項	20,430	7,118
		689,400	74,022
Net current liabilities	流動負債淨值	(547,388)	(18,352)
Total assets less current liabilities	資產總值減流動負債	483,009	46,826
Less: Non-current liabilities	減：非流動負債		
Deposits received in advance	預收按金	6,307	1,030
Deferred income	遞延收入	2,681	–
Other long term liabilities	其他長期負債	75,692	–
Convertible notes	可換股票據	196,518	–
Deferred tax liabilities	遞延稅項負債	22,371	–
		303,569	1,030
Net assets	資產淨值	179,440	45,796
Equity	權益		
Share capital	股本	4,397	2,355
Reserves	儲備	175,043	43,441
Total equity attributable to equity holders of the Company	本公司股東應佔權益總額	179,440	45,796

The consolidated financial statements on pages 46 to 119 were approved and authorised for issue by the Board of Directors on 31 July 2008 and signed on its behalf by:

第46至119頁之綜合財務報表已於二零零八年七月三十一日獲董事會批准及授權刊發，並由下列人士代表簽署：

Ip Ki Cheung
葉紀章
Director
董事

Cheung Shui Kwai
張瑞貴
Director
董事

The accompanying notes form an integral part of these financial statements.

隨附之附註屬本財務報表整體之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

Equity attributable to equity holders of the Company 本公司股東應佔權益

		Share capital	Share premium account	Other reserves	Accumulated losses	Convertible notes equity reserve	Share options reserve	Total equity
		股本 HK\$'000 千港元	股份溢價賬 HK\$'000 千港元	其他儲備 HK\$'000 千港元 (Note 34(a)) (附註34(a))	累計虧損 HK\$'000 千港元	可換股票據 權益儲備 HK\$'000 千港元	購股 權儲備 HK\$'000 千港元	權益總額 HK\$'000 千港元
At 1 April 2006	於二零零六年四月一日	2,355	89,517	7,838	(26,206)	-	-	73,504
Exchange differences on translation of overseas subsidiaries not recognised in the income statement	未於損益賬確認之換算 海外附屬公司之匯兌差額	-	-	(163)	-	-	-	(163)
Fair value gains in respect of available-for-sale financial assets	可供銷售財務資產之 公平值收益	-	-	18,639	-	-	-	18,639
Net income and expense recognised directly in equity	直接於權益確認之 收入及開支淨額	-	-	18,476	-	-	-	18,476
Net loss for the year	本年度虧損淨額	-	-	-	(34,411)	-	-	(34,411)
Total recognised income and expense for the year	本年度經確認之收入及 開支總額	-	-	18,476	(34,411)	-	-	(15,935)
Share premium transferred to accumulated losses	股份溢價撥入累積虧損	-	(66,000)	-	66,000	-	-	-
2007 interim dividend	二零零七年中期股息	-	-	-	(11,773)	-	-	(11,773)
At 31 March 2007	於二零零七年三月三十一日	2,355	23,517	26,314	(6,390)	-	-	45,796
At 1 April 2007, as per above	同上於二零零七年四月一日	2,355	23,517	26,314	(6,390)	-	-	45,796
Disposal of subsidiaries	出售附屬公司	-	-	(8,975)	-	-	-	(8,975)
Exchange differences on translation of overseas subsidiaries not recognised in the income statement	未於損益賬確認之換算 海外附屬公司之匯兌差額	-	-	763	-	-	-	763
Fair value losses in respect of available-for-sale financial assets	可供銷售財務資產之 公平值虧損	-	-	(15,243)	-	-	-	(15,243)
Net income and expense recognised directly in equity	直接於權益確認之 收入及開支淨額	-	-	(23,455)	-	-	-	(23,455)
Transfer to income statement on disposal of available-for-sale financial assets	因出售可供銷售財務資產而 轉入損益賬	-	-	(4,482)	-	-	-	(4,482)
Net loss for the year	本年度虧損淨額	-	-	-	(7,174)	-	-	(7,174)
Total recognised income and expense for the year	本年度經確認之收入及 開支總額	-	-	(27,937)	(7,174)	-	-	(35,111)
Issue of shares	發行股份	1,177	10,442	-	-	-	-	11,619
Issue of share options	發行購股權	-	-	-	-	-	13,044	13,044
Exercise of share option	行使購股權	165	18,080	-	-	-	(4,565)	13,680
Equity component of convertible notes	可換股票據之權益部份	-	-	-	-	83,152	-	83,152
Deferred tax arising on issue of convertible notes	發行可換股票據產生 之遞延稅項	-	-	-	-	(22,371)	-	(22,371)
Issue of shares upon acquisition of subsidiaries	收購附屬公司而發行股份	700	68,600	-	-	-	-	69,300
Recognition of equity-settled share based payment	確認為權益結算之以股份 為基礎付款	-	-	-	-	-	331	331
At 31 March 2008	於二零零八年三月三十一日	4,397	120,639	(1,623)	(13,564)	60,781	8,810	179,440

The accompanying notes form an integral part of these financial statements.

隨附之附註屬本財務報表整體之一部份。

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 HK\$'000 千港元	2007 HK\$'000 千港元
Cash flows from operating activities	經營業務之現金流量		
Loss before tax	除稅前虧損	(2,230)	(29,988)
Adjustments for:	作出以下調整：		
Interest income	利息收入	(1,225)	(1,675)
Amortisation of intangible assets	無形資產攤銷	3,810	6,096
Amortisation of prepaid land premium	預付土地費用之攤銷	–	9
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,897	2,362
Transfer from equity on disposal of available-for-sale financial assets	出售可供銷售財務資產時從權益轉撥	(3,761)	–
Gain on disposal of subsidiaries	出售附屬公司之收益	(6,494)	–
Share-based payment	以股份為基礎之付款	331	–
Share option expenses	購股權開支	13,044	–
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(6,373)	–
Net exchange gains/(losses)	匯兌收益／(虧損)淨額	321	(326)
Loss on disposal of financial assets at fair value through profit or loss	出售按公平值計入損益賬之財務資產之虧損	–	8,500
Impairment loss recognised in respect of the intangible assets	已確認無形資產之減值虧損	7,480	7,425
Impairment of interest in an option to acquire an equity interest of a company	購入一間公司股權之購股權之權益減值	–	2,358
Operating profit/(loss) before working capital changes	經營溢利／(虧損)，未計營運資金變動	6,800	(5,239)
Decrease in available-for-sale financial assets	可供銷售財務資產減少	–	600
Decrease/(increase) in prepayments for acquisition of a subsidiary	收購一間附屬公司之預付款項減少／(增加)	814	(814)
Increase in deposits, prepayments and other receivables	按金、預付款項及其他應收款項增加	(8,579)	(4,811)
Decrease in deferred revenue	遞延收益減少	(1,848)	(357)
Increase/(decrease) in deposits received in advance	預收按金增加／(減少)	3,250	(10,215)
Increase/(decrease) in other payables and accrued liabilities	其他應付款項及累計負債增加／(減少)	7,135	(107)
Cash generated from/(used in) operations	經營業務產生／(已用)之現金	7,572	(20,943)
Interest received	已收利息	1,225	1,675
Hong Kong profits tax (paid)/refund	(已付)／退還香港利得稅	(2,754)	1,820
Overseas tax refund	退還海外稅項	–	169
Net cash inflow/(outflow) from operating activities	經營業務之現金流入／(流出)淨額	6,043	(17,279)

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 HK\$'000 千港元	2007 HK\$'000 千港元
Cash flows from investing activities	投資活動之現金流量			
Purchase of property, plant and equipment	購買物業、廠房及設備	15	(4,765)	(1,328)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		9,440	—
Proceeds from disposal of available-for-sale financial assets	出售可供銷售財務資產所得款項		8,349	—
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益賬之財務資產所得款項		—	7,461
Acquisition of a subsidiary (net cash and cash equivalents acquired)	收購附屬公司(扣除所收購之現金及現金等值項目)	36	(16,875)	—
Disposal of subsidiaries	出售附屬公司	37	(64)	—
Decrease/(increase) in pledged bank deposits	已抵押銀行存款減少／(增加)		3,175	(309)
Net cash (outflow)/inflow from investing activities	投資活動之現金(流出)／流入淨額		(740)	5,824
Cash flows from financing activities	融資活動之現金流量			
Proceeds from issue of shares	發行股份之所得款項		11,773	—
Proceeds from issue of shares upon exercise of share options	因行使購股權而發行股份之所得款項		13,680	—
Shares issuing expenses	股份發行開支		(154)	—
Dividends paid	已付股息		—	(11,773)
Net cash inflow/(outflow) from financing activities	融資活動之現金流入／(流出)淨額		25,299	(11,773)
Increase/(decrease) in cash and cash equivalents	現金及現金等值項目增加／(減少)		30,602	(23,228)
Cash and cash equivalents at beginning of the year	年初之現金及現金等值項目		37,237	60,465
Cash and cash equivalents at end of the year	年終之現金及現金等值項目		67,839	37,237
Analysis of balances of cash and cash equivalents	現金及現金等值項目結餘分析			
Cash and bank balances	現金及銀行結餘		67,839	37,237

The accompanying notes form an integral part of these financial statements. 隨附之附註屬本財務報表整體之一部份。

BALANCE SHEET

資產負債表

At 31 March 2008 二零零八年三月三十一日

		Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Non-current assets	非流動資產			
Interests in subsidiaries	於附屬公司之權益	17	702,574	2,735
Available-for-sale financial assets	可供銷售財務資產	20	10,377	30,100
			712,951	32,835
Current assets	流動資產			
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	23	530	130
Cash and cash equivalents	現金及現金等值項目	25	1,220	25
			1,750	155
Less: Current liabilities	減：流動負債			
Accrued liabilities and other payables	累計負債及其他應付款項	28	300,248	222
Deposits received in advance	預收按金	29	3,250	—
			303,498	222
Net current liabilities	流動負債淨額		(301,748)	(67)
Total assets less current liabilities	資產總值減流動負債		411,203	32,768
Less: Non-current liabilities	減：非流動負債			
Convertible notes	可換股票據	31	196,518	—
Deferred tax liabilities	遞延稅項負債	32	22,371	—
			218,889	—
Net assets	資產淨值		192,314	32,768
Equity:	權益：			
Share capital	股本	33	4,397	2,355
Reserves	儲備	34(b)	187,917	30,413
Total equity attributable to equity holders of the Company	本公司股東應佔權益總額		192,314	32,768

The consolidated financial statements on pages 46 to 119 were approved and authorised for issue by the Board of Directors on 31 July 2008 and signed on its behalf by:

Ip Ki Cheung

葉紀章

Director

董事

Cheung Shui Kwai

張瑞貴

Director

董事

第46至119頁之綜合財務報表已於二零零八年七月三十一日獲董事會批准及授權刊發，並由下列人士代表簽署：

The accompanying notes form an integral part of these financial statements.

隨附之附註屬本財務報表整體之一部份。

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

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at 30/F, One Kowloon, No. 1 Wang Yuen Street, Kowloon Bay, Kowloon, Hong Kong.

During the year, the principal activities of the Company and its subsidiaries (the "Group") were involved in the organisation of exhibitions and trade shows, providing ancillary services and sale of coal in the PRC. The principal activities and other particulars of its subsidiaries are set out in note 17 to the consolidated financial statements.

In the opinion of the directors of the Company, the ultimate holding company is Capital Concord Profits Limited ("Capital Concord"), which was incorporated in the British Virgin Islands.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

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 standards, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning 1 April 2007.

HKAS 1 (Amendment)	Capital Disclosures ¹
HKFRS 7	Financial Instruments: Disclosures ¹
HK(IFRIC) – Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ²
HK(IFRIC) – Int 8	Scope of HKFRS 2 ³
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives ⁴
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment ⁵
HK(IFRIC) – Int 11	HKFRS 2-Group and Treasury Share Transactions ⁶

¹ Effective for annual periods beginning on or after 1 January 2007

² Effective for annual periods beginning on or after 1 March 2006

³ Effective for annual periods beginning on or after 1 May 2006

⁴ Effective for annual periods beginning on or after 1 June 2006

⁵ Effective for annual periods beginning on or after 1 November 2006

⁶ Effective for annual periods beginning on or after 1 March 2007

1. 公司資料

本公司為於開曼群島註冊成立之有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司主要營業地點位於香港九龍九龍灣宏遠街1號一號九龍30樓。

年內，本公司及其附屬公司（「本集團」）之主要業務為舉辦展覽會及貿易展覽會、提供配套服務以及在中國銷售煤炭。旗下附屬公司之主要業務及其他詳情載於綜合財務報表附註17。

本公司董事認為，最終控股公司為Capital Concord Profits Limited（「Capital Concord」），其於英屬處女群島註冊成立。

綜合財務報表以港元呈列，而港元亦為本公司之功能貨幣；除另有指明外，所有數值均約整至千位（千港元）。

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」）

本集團於本年度首次應用以下由香港會計師公會（「香港會計師公會」）頒佈並且對本集團二零零七年四月一日開始之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（修訂）	資本披露 ¹
香港財務報告準則第7號	財務工具：披露 ¹
香港（國際財務報告詮釋委員會）—詮釋第7號	根據香港會計準則第29號於惡性通貨膨脹經濟中之財務報告應用重列法 ²
香港（國際財務報告詮釋委員會）—詮釋第8號	香港財務報告準則第2號之範圍 ³
香港（國際財務報告詮釋委員會）—詮釋第9號	重估內嵌式衍生工具 ⁴
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 ⁵
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—集團及庫務股份交易 ⁶

¹ 對二零零七年一月一日或其後開始之年度期間生效

² 對二零零六年三月一日或其後開始之年度期間生效

³ 對二零零六年五月一日或其後開始之年度期間生效

⁴ 對二零零六年六月一日或其後開始之年度期間生效

⁵ 對二零零六年十一月一日或其後開始之年度期間生效

⁶ 對二零零七年三月一日或其後開始之年度期間生效

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 adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods 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 requirements 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.

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

¹ Effective for annual periods beginning on or after 1 January 2009.

² Effective for annual periods beginning on or after 1 July 2009.

³ Effective for annual periods beginning on or after 1 January 2008.

⁴ Effective for annual periods beginning on or after 1 July 2008.

The directors of the Company anticipate that the application of these standards, amendments or interpretations will have no material impact on the results and the financial position of the Group except for the adoption of HKFRS 3 (Revised) “Business Combinations” and HKAS 27 (Revised) “Consolidated and Separate Financial Statements”. HKFRS 3 (Revised) may affect the accounting for business combinations 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) will affect the accounting treatment on changes in parent’s ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

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)

採納新香港財務報告準則對目前或以往會計期間之業績及財務狀況的編製及呈列並無重大影響，因此毋須作出前期調整。

本集團已追溯應用香港會計準則第1號(修訂)及香港財務報告準則第7號之披露要求。於上年度根據香港會計準則第32號規定而呈列之若干資料現已刪除，而按香港會計準則第1號(修訂)及香港財務報告準則第7號規定編製之相關比較資料，已於本年度首次呈列。

本集團並未提前應用以下已頒佈但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(經修訂)	財務報表之呈列 ¹
香港會計準則第23號(經修訂)	借貸成本 ¹
香港會計準則第27號(經修訂)	綜合及獨立財務報表 ²
香港會計準則第32號及香港會計準則第1號(修訂)	可沽售財務工具及清盤產生之責任 ¹
香港財務報告準則第2號(修訂)	以股支付－歸屬條件及註銷 ¹
香港財務報告準則第3號(經修訂)	業務合併 ²
香港財務報告準則第8號	經營分部 ¹
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 ³
香港(國際財務報告詮釋委員會)－詮釋第13號	忠誠顧客計劃 ⁴
香港(國際財務報告詮釋委員會)－詮釋第14號	香港財務報告準則第19號－界定利益資產之限制、最低資金要求及兩者之互動關係 ³

¹ 對二零零九年一月一日或其後開始之年度期間生效。

² 對二零零九年七月一日或其後開始之年度期間生效。

³ 對二零零八年一月一日或其後開始之年度期間生效。

⁴ 對二零零八年七月一日或其後開始之年度期間生效。

本公司董事預期，應用此等準則、修訂或詮釋對本集團之業績及財務狀況將不會有重大影響，惟採納香港財務報告準則第3號(經修訂)「業務合併」及香港會計準則第27號(經修訂)「綜合及獨立財務報表」除外。香港財務報告準則第3號(經修訂)可能會影響其收購日期為二零零九年七月一日或之後開始首個年度報告期間之開始日期或之後的業務合併之會計處理。香港會計準則第27號(經修訂)將會影響有關母公司於附屬公司之擁有權益變動(並無導致失去控制權)之會計處理，該變動將列作權益交易。

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs"), and Interpretations issued by the HKICPA and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance.

(a) Basis of preparation

The measurement basis used in the preparation of the consolidated financial statements is historical cost except for certain financial assets and financial liabilities which are carried at fair value.

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the Group's net current liabilities of approximately HK\$547,388,000 at 31 March 2008. The directors of the Company have been taking steps to improve the liquidity of the Group. As set out in note 45 to the consolidated financial statements, subsequent to the balance sheet date, the Group carried out a placement of 120,500,000 new shares at a placing price of HK\$0.99 per share. The placing of new shares was completed on 29 May 2008 and the Company received net proceeds from the placing of approximately HK\$105,438,000. In addition, Capital Concord and Mr. Hung Chen, Richael, the substantial shareholders of the Company, have agreed to provide continuing financial support to the Group. As such, the directors are satisfied that the Group will be able to meet in full its financial obligations as they fall due for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

3. 重大會計政策概要

以下為編製此等綜合財務報表時應用之主要會計政策。除另有指明外，此等政策已於所呈列之各年度貫徹應用。

此等綜合財務報表已按照所有適用之香港財務報告準則及香港普遍採納之會計原則而編製。香港財務報告準則為一項統稱，其包括香港會計師公會頒佈之所有適用之各項香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例之適用披露規定。

(a) 編製基準

本綜合財務報表乃以歷史成本法作為編製基準，惟若干按公平值列賬之財務資產及財務負債除外。

於編製綜合財務報表時，本公司董事已因應本集團於二零零八年三月三十一日之流動負債淨額約547,388,000港元而審慎考慮本集團之未來流動資金。本公司董事已採取措施，力求改善本集團之流動資金。如綜合財務報表附註45所載，於結算日後，本集團按每股0.99港元之配售價配售120,500,000股新股份。配售新股份已於二零零八年五月二十九日完成，而本公司已通過配售收到所得款項淨額約105,438,000港元。此外，本公司主要股東Capital Concord及洪誠先生已同意向本集團提供持續財務支持。因此，董事相信，本集團將能夠於可見將來悉數應付其到期之財務責任。因此，本綜合財務報表乃按持續經營基準編製。

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March 2008. The results of the subsidiaries acquired or disposed of during the year are consolidated from their effective dates of acquisition or disposal, respectively.

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

(c) Business combination

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

Goodwill arising on acquisition is recognised 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 recognised. 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 recognised immediately in the consolidated income statement.

3. 重大會計政策概要(續)

(b) 綜合賬目之基準

綜合財務報表包括本公司及其附屬公司截至二零零八年三月三十一日止之財務報表。在本年度購入或出售之附屬公司之業績分別按實際購入或出售日期起計綜合入賬。

集團內公司間的交易及結餘以及集團公司之間交易之未變現收益均在綜合賬目時對銷。除非有關交易可提供證據證明所轉讓之資產出現減值，否則未變現虧損亦予以對銷。附屬公司之會計政策已作出調整(如必要)，以確保與本集團所採納之政策一致。

(c) 業務合併

本集團所收購之附屬公司乃使用會計處理之購買法入賬。收購成本乃按於交易日期所取得資產、所發行權益工具及所產生或承擔之負債之公平值加收購直接應佔成本計量。不論任何少數股東權益之程度，於業務合併中所收購之可識別資產與承擔之負債及或然負債乃初步按收購日期之公平值計量。收購成本超出本集團分佔所收購可識別資產淨值之公平值部分乃記錄作商譽。倘收購成本少於所收購附屬公司之資產淨值之公平值，則差額直接於綜合損益賬中確認。

收購所產生之商譽乃確認為資產並且按成本首次計量，其為業務合併之成本超出本集團於已確認之可識別資產、負債及或然負債之公平值淨額之權益部份。倘經重新評估後，本集團於被收購方之可識別資產、負債及或然負債之公平值淨額之權益，超出業務合併之成本，多出之數會即時於綜合損益賬確認。

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company control another entity.

In the Company's financial statements, the investments in subsidiaries that are not classified as held for sale are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(e) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (i) Participation fee income is derived from the letting of exhibition booths and the provision of decoration facilities for the exhibition booths, and is recognised when the decoration facilities are provided and when the shows are held;
- (ii) Entrance fee income is recognised on a cash receipt basis;
- (iii) Revenue from hotel and travel package services provided is recognised when the services are rendered;
- (iv) Advertising fee income earned from the publication of trade show and exhibition booklets is recognised when the trade show and exhibition booklets are published;
- (v) Internet advertising revenue and portal income is recognised ratably in the period in which the advertisement and information is displayed on the website of the Group; and
- (vi) Interest income is recognised as it accrues using the effective interest method.

3. 重大會計政策概要(續)

(d) 附屬公司

附屬公司乃由本公司控制之企業。當本公司有權力直接或間接監管一間企業之財務及經營政策，藉此自其業務獲得利益，則存在控制權。在評估本集團是否控制另一企業時，將考慮目前可行使或可轉換的潛在投票權是否存在及其影響。

於本公司之財務報表，並非列為持作銷售之附屬公司投資乃按成本值減去減值虧損準備列賬。附屬公司之業績由本公司根據已收及應收股息入賬。

(e) 收益確認

收益乃於本集團可取得經濟利益，而收益亦能夠可靠計算時，按以下基準確認：

- (i) 參展費收入來自出租展覽攤位及提供攤位額外佈置設施，此項收入於正式提供佈置設施及展覽正式舉行時確認入賬；
- (ii) 入場費收入按所收現金確認入賬；
- (iii) 來自酒店及旅遊套票服務之收益於提供服務時確認入賬；
- (iv) 廣告費收入來自為貿易展覽會及展覽會出版場刊，於貿易展覽會及展覽會場刊出版時確認入賬；
- (v) 網上廣告收益及入門網站收入按廣告刊登期間之播放比例及資訊在本集團網址登載期間之顯示比例確認入賬；及
- (vi) 利息收入按實際利率法確認入賬。

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment

Building held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value of the leasehold land at the inception of the lease and all other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	2% to 10%
Leasehold improvements	Over the lease terms
Furniture and equipment	2% to 25%
Fixtures and fittings	33 $\frac{1}{3}$ %
Computer equipment	25%
Motor vehicles	5% to 12.5%

The residual values and useful lives of items of property, plant and equipment are reviewed, and adjusted if appropriate, at each balance sheet date.

The gain or loss on disposal or retirement of an item of property, plant and equipment is the difference between the net sale proceeds and the carrying amount of the relevant asset, and is recognised in the consolidated income statement.

(g) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

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

3. 重大會計政策概要(續)

(f) 物業、廠房及設備

於租賃土地上持作自用之樓宇，而租賃開始時該樓宇之公平值可與租賃土地之公平值分開計算，且所有其他物業、廠房及設備項目均以成本值減累計折舊及減值虧損列賬。

折舊乃按其估計可使用年期以直線法撇銷物業、廠房及設備項目之成本值減其估計剩餘價值(如有)計算。就此而言乃按以下主要年率計算：

樓宇	2%至10%
租賃物業裝修	按租約年期攤分
傢俬及設備	2%至25%
裝置及配件	33 $\frac{1}{3}$ %
電腦設備	25%
汽車	5%至12.5%

物業、廠房及設備項目之剩餘價值及使用年期於每個結算日檢討並於適當時作出調整。

出售或報廢物業、廠房及設備項目產生之收益或虧損乃出售有關資產所得款項淨額及其賬面值之差額，並於綜合損益賬內確認。

(g) 商譽

商譽指於收購日期，收購成本超出本集團應佔所收購附屬公司之可識別資產公平淨值的差額。有關商譽按成本減任何累計減值虧損列值。

因收購附屬公司而產生並且撥充資本之商譽，乃於綜合資產負債表另行呈列。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Goodwill (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 recognised 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 or a jointly controlled entity, the attributable amount of goodwill capitalized is included in the determination of the amount of profit or loss on disposal.

(h) Intangible assets

(i) Licence rights

Purchased licence rights are stated at cost less any impairment losses and are amortised on a straight-line basis over their estimated useful lives.

(ii) e-Commerce platform

Acquisition costs of purchasing an e-Commerce platform are stated at cost less any impairment losses and are amortised on a straight-line basis over their estimated useful lives.

(iii) Mining rights

Mining rights are stated at cost less accumulated amortisation and impairment losses and are amortised on a straight-line basis over their useful lives based on the total proven and probable reserves of the coal mine or contractual period from the date of commencement of commercial production which approximates the date from which they are available for use.

3. 重大會計政策概要(續)

(g) 商譽(續)

收購產生之商譽會分配至預計可從收購事項之協同效益受惠的各個相關現金產生單位或現金產生單位組別，以作減值測試。經分配商譽之現金產生單位會每年進行減值測試，又或於有跡象顯示該單位可能出現減值時進行減值測試。就於某財政年度進行收購所產生之商譽而言，經分配商譽之現金產生單位會於該財政年度年結前進行減值測試。倘現金產生單位之可回收金額低於其賬面值，則分配至該單位之減值虧損會先用作減低任何分配至該單位之商譽之賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。商譽之任何減值虧損直接於綜合損益賬確認。就商譽確認之減值虧損不會於往後期間撥回。

倘其後出售相關現金產生單位或共同控制實體，釐定出售盈虧時會包括已資本化商譽之應佔金額。

(h) 無形資產

(i) 特許權

購買之特許權均按成本值減任何減值虧損列賬，並以直線法按其估計可使用年期攤銷。

(ii) 電子商貿平台

購買電子商貿平台之購入成本按成本值減任何減值虧損列賬，並以直線法按其估計可使用年期攤銷。

(iii) 採礦權

採礦權按成本減累計攤銷及減值虧損列示，並根據煤礦之已探明及可能總儲量釐定之可用年期或由開始商業生產之日(大約為煤礦可供使用日期)起之合約期間按直線法攤銷。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Intangible assets (continued)

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with indefinite useful life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to definite is accounted for on a prospective basis.

(i) Inventories

Inventories of coal are physically measured and are carried at the lower of cost and net realisable value. Cost, of which comprises direct materials and, where applicable, direct labour and overheads that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less all further costs to completion and costs to be incurred in selling, marketing and distribution.

Inventories of auxiliary materials, spare parts and small tools expected to be used in production are stated at weight average cost less allowance, if necessary, for obsolescence.

(j) Financial instruments

Financial assets and financial liabilities are recognised 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 recognised immediately in consolidated income statement.

3. 重大會計政策概要(續)

(h) 無形資產(續)

無形資產之可使用年期乃評為有限或無限。年期有限之無形資產於可使用年期內攤銷，並評估是否有跡象顯示無形資產可能出現減值。年期有限之無形資產之攤銷年期及攤銷方法至少於每個結算日檢討。

無限可使用年期之無形資產乃個別地或就著現金產生單位進行減值測試。有關無形資產並不攤銷。無限可使用年期之無形資產之可使用年期乃每年檢討，以決定無限可使用年期之評估是否繼續有效。若已無效，則可使用年期之評估將以預先應用的基準由無限改為有限。

(i) 存貨

煤炭存貨按實物計量，並按成本及可變現淨值之較低者計量。成本包括直接原料，在適用情況亦包括直接人工及使存貨達到目前場所和狀態所產生的其他支出。存貨成本採用加權平均法計算。可變現淨值為於日常業務之估計售價，減去達致完工之所有其他成本，以及用於銷售、市場推廣及分銷之費用。

預期將於生產使用之配套材料、配件及小型工具存貨按加權平均成本法列賬，如有必要，扣除陳舊存貨備抵。

(j) 財務工具

當一家集團企業成為財務工具合約其中一方時，於資產負債表內確認為財務資產或財務負債。財務資產及負債初步以公平值計量。直接歸於收購或發行財務資產或負債之交易成本(按公平值計入損益賬之財務資產及財務負債除外)，於初步確認時計入財務資產或負債之公平值或從中扣減。收購按公平值計入損益賬之財務資產或財務負債直接應佔的交易成本即時於綜合損益賬內確認。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

i. 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 recognised and derecognised on a trade date basis. Regular way purchases or sales of financial assets that requires delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

Effective interest method

The effective interest method is a method of calculating the amortised 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 on 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 recognised on an effective interest basis for debt instruments other than those financial assets designated as at fair value through profit or loss, of which interest income is included in net gains or losses.

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 as at fair value through profit or loss on initial recognition.

A financial asset is classified as held for trading if:

- (i) it has been acquired principally for the purpose of selling in the near future; or
- (ii) 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
- (iii) it is a derivative that is not designated and effective as a hedging instrument.

3. 重大會計政策概要(續)

(i) 財務工具(續)

i. 財務資產

本集團之財務資產劃分為三類，包括按公平值計入損益賬之財務資產、貸款及應收款項，以及可供銷售財務資產。財務資產之所有正常購買及出售均按交易日期基準確認及取消確認。正常購買及銷售乃指須按規定或市場慣例規定之時間內交收財務資產。每類財務資產採用之會計政策說明如下。

實際利息法

實際利息法為計算財務資產之攤銷成本以及分配於有關期間的利息收入之方法。實際利率是可將財務資產於預計可用年期或(倘適用)在較短期間內的估計未來現金收入(包括所支付或收取能構成整體實際利率之所有費用、交易成本及其他溢價或折讓)準確折算的利率。

就債務文據而言，利息收入按實際利率基準確認，惟指定按公平值計入損益賬之財務資產除外，其利息收入乃計入淨收益或虧損。

按公平值計入損益賬之財務資產

按公平值計入損益賬之財務資產再細分為兩類，即持作交易之財務資產及於初步確認時指定為按公平值計入損益賬之財務資產。

財務資產於下列情況歸類為持作買賣：

- (i) 所收購之財務資產主要用於在不久將來銷售；或
- (ii) 屬於本集團整體管理之已識別財務工具組合之一部份，且近期事實上是有出售以賺取短期利潤的模式；或
- (iii) 屬於衍生工具(除指定及具有有效對沖作用之工具之外)。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

i. 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 as at fair value through profit or loss upon initial recognition if:

- (i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- (ii) 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
- (iii) it forms part of a contract containing one or more embedded derivatives and HKAS 39 permits the entire combined contract (asset or liability) to be designated as 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 recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets.

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 other receivables, pledged bank deposits and cash and cash equivalents are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

3. 重大會計政策概要(續)

(i) 財務工具(續)

i. 財務資產(續)

按公平值計入損益賬之財務資產(續)

持作交易之財務資產以外之財務資產倘符合下列條件，則於初步確認時可被指定為按公平值計入損益賬之財務資產：

- (i) 該指定消除或大大減低以其他方式計量或確認而出現之不一致計量或確認；或
- (ii) 財務資產構成按本集團列明之風險管理或投資策略管理的一組財務資產或財務負債或者兩者同時具有，並以公平值為基準評估其表現，以及按該基準提供有關組別的內部資訊；或
- (iii) 構成含有一項或多項嵌入式衍生工具之合約的一部份，而香港會計準則第39號准許整份合併合約(資產或負債)指定為按公平值計入損益賬。

於初步確認後之每個結算日，按公平值計入損益賬之財務資產以公平值計量，而公平值變化直接於產生期間之損益賬確認。在損益賬確認之盈利或虧損淨額包括從財務資產賺取之任何股息或利息。

貸款及應收款項

貸款及應收款項乃固定或可釐定付款，並未於活躍市場掛牌之非衍生財務資產。於初步確認後之每個結算日，貸款及應收款項(包括其他應收款項、已抵押銀行存款以及現金及現金等值項目)按實際利率法計算之攤銷成本減任何可識別之減值虧損(見下文有關財務資產減值虧損之會計政策)入賬。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

i. Financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories (set out above). At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in income statement. Any impairment losses on available-for-sale financial assets are recognised in income statement. Impairment losses on available-for-sale equity investments will not reverse in subsequent periods. 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.

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. An impairment loss is recognised in income statement when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset 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 losses will not reverse in subsequent periods.

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.

3. 重大會計政策概要(續)

(i) 財務工具(續)

i. 財務資產(續)

可供銷售財務資產

可供銷售財務資產乃被指定為或者無法歸入其他(如上所述)類別的非衍生財務工具。於初步確認後之每個結算日,可供銷售財務資產以公平值計量。公平值變化於權益確認,直至該財務資產被出售或被釐定應予減值,屆時之前已在權益確認的累計損益將在權益剔除,並於損益賬確認。可供銷售財務資產之減值虧損於損益賬確認。可供銷售股本投資之減值虧損不會於隨後期間撥回。若可供銷售債務投資之公平值其後增加,而該增加是可客觀地與確認減值虧損後發生的事件有關連,則其減值虧損隨後撥回。

於活躍市場並無可報市價而其公平值未能可靠地計量之可供銷售股本投資,於初步確認後之每個結算日按成本減任何已識別減值虧損計量。若有客觀證據顯示資產已減值,即於損益賬確認減值虧損。減值虧損按資產的賬面值與估計未來現金流按類似財務資產的現時市場回報率折現為現值,以二者之差額計算。此等減值虧損概不於往後期間撥回。

財務資產減值

於各結算日評估財務資產有否減值跡象,惟按公平值計入損益賬之財務資產除外。倘有客觀證據顯示財務資產首次確認後發生的一項或多項事件導致相關投資之估計未來現金流量被削弱,則財務資產視為已減值。

就可供銷售股本投資而言,倘該投資的公平值長期或持續下跌至低於其成本,則被視為減值之客觀證據。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

i. Financial assets (continued)

Impairment of financial assets (continued)

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

- (i) significant financial difficulty of the issuer or counterparty; or
- (ii) default or delinquency in interest or principal payments; or
- (iii) it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

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 30 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised 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.

3. 重大會計政策概要(續)

(i) 財務工具(續)

i. 財務資產(續)

財務資產減值(續)

就所有其他財務資產而言，減值之客觀證據可以包括：

- (i) 發行人或交易對手出現重大財政困難；或
- (ii) 拖欠或不支付利息或本金；或
- (iii) 借貸方很可能破產或進行財務重組。

就若干類別之財務資產(例如貿易應收款項)而言，被評為不會單獨作出減值之資產會於其後彙集一併評估減值。應收款項組合出現減值之客觀證據包括本集團之收款記錄、組合內延遲付款之拖欠期超過30日平均信貸期之宗數上升，以及國家或地區經濟狀況出現明顯變動導致應收款項未能償還。

就按已攤銷成本列賬之財務資產而言，當有客觀證據證明資產已減值，減值虧損於損益賬確認，並按資產賬面值與按原實際利率貼現之估計日後現金流量現值之差額計算。

就按成本列賬之財務資產而言，減值虧損金額乃資產賬面值與估計未來現金流折現計算的現值兩者之間的差額，而折現率為同類財務資產之現時市場回報率。該減值虧損不可在往後期間撥回。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial instruments (continued)

i. Financial assets (continued)

Impairment of financial assets (continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectable, 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 amortised 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 loss was recognised, the previously recognised 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 amortised cost would have been had the impairment not been recognised.

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 recognised directly in equity.

ii. 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. The Group's financial liabilities are generally classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Effect interest method

The effective interest method is a method of calculating the amortised 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.

3. 重大會計政策概要(續)

(i) 財務工具(續)

i. 財務資產(續)

財務資產減值(續)

所有財務資產之減值虧損會直接於財務資產之賬面值中作出扣減，惟貿易應收款項除外，貿易應收款項之賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益賬確認。當貿易應收款項被視為不可回收時，將於撥備賬撇銷。先前已撇銷的款項如其後收回，將撥回損益賬。

就按攤銷成本計量之財務資產而言，倘減值虧損額於其後期間減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益賬予以撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時應有之已攤銷成本。

可供銷售股本投資之減值虧損不會於其後期間在損益賬撥回。減值虧損後公平值的任何增加將直接於權益確認。

ii. 財務負債及權益

由一間集團實體發行之財務負債及權益工具，乃依據所簽署合約安排之內容，以及對財務負債及權益工具之界定進行歸類。

一項權益工具乃證明於集團資產之剩餘權益(扣減其所有負債後)之任何合約。本集團之財務負債一般分為按公平值計入損益賬之財務負債及其他財務負債。

實際利息法

實際利息法為計算財務負債之攤銷成本以及分配於有關期間的利息開支之方法。實際利率是可將財務負債在預計年期或(倘適用)在較短期間內的估計未來現金付款準確折算的利率。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial Instruments (continued)

ii. Financial liabilities and equity (continued)

Effect interest method (continued)

Interest expense is recognised on an effective interest basis other than those financial liabilities designated as at fair value through profit or loss, of which the interest expense is included in net gains or losses.

Financial liabilities at fair value through profit or loss

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

A financial liability is classified as held-for-trading if:

- (i) it has been incurred principally for the purpose of repurchasing in the near future; or
- (ii) 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
- (iii) it is a derivative that is not designated and effective as a hedging instrument.

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

- (i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- (ii) the financial liability 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
- (iii) it forms part of a contract containing one of more embedded derivatives, and HKAS 39 *Financial Instruments: Recognition and Measurement* permits the entire combined contract to be designated as fair value through profit or loss.

3. 重大會計政策概要(續)

(i) 財務工具(續)

ii. 財務負債及權益(續)

實際利息法(續)

利息開支按實際利率基準確認，惟指定按公平值計入損益賬之財務負債除外，其利息開支乃計入淨收益或虧損。

按公平值計入損益賬之財務負債

按公平值計入損益賬之財務負債再細分為兩類，即持作交易之財務負債及於初步確認時指定為按公平值計入損益賬之財務負債。

財務負債於下列情況歸類為持作買賣：

- (i) 所錄得之財務負債主要用於在不久將來購回；或
- (ii) 屬於本集團整體管理之已識別財務工具組合之一部份，且近期事實上有出售以賺取短期利潤的模式；或
- (iii) 屬於衍生工具（除指定及具有有效對沖作用之工具之外）。

持作交易之財務負債以外之財務負債倘符合下列條件，則於初步確認時可被指定為按公平值計入損益賬之財務負債：

- (i) 該指定消除或大大減低以其他方式計量或確認而出現之不一致計量或確認；或
- (ii) 財務負債構成按本集團列明之風險管理或投資策略管理的一組財務資產或財務負債或者兩者同時具有，並以公平值為基準評估其表現，以及按該基準提供有關組別的內部資訊；或
- (iii) 構成含有一項或多項嵌入式衍生工具之合約的一部份，而香港會計準則第39號「財務工具：確認及計量」准許整合合併合約指定為按公平值計入損益賬。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial Instruments (continued)

ii. Financial liabilities and equity (continued)

Financial liabilities at fair value through profit or loss (continued)

At each balance sheet date subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in income statement in the period in which they arise. The net gain or loss recognised in profit or loss includes any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities including creditors and accruals, deposits received in advance, and other borrowings are subsequently measured at amortised cost, using the effective interest rate method.

Convertible notes

Convertible notes issued by the Company that contain both financial liability and equity components are classified separately into respective liability and equity components on initial recognition. On initial recognition, the fair value of the liability component is determined using the prevailing market interest rate of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible notes and the fair value assigned to the liability component, representing the embedded call option for the holder to convert the notes into equity, is included in equity (convertible notes – equity reserve). Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds.

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

3. 重大會計政策概要(續)

(i) 財務工具(續)

ii. 財務負債及權益(續)

按公平值計入損益賬之財務負債(續)

於初步確認後之每個結算日，按公平值計入損益賬之財務負債以公平值計量，而公平值變化直接於所產生期間之損益賬確認。在損益賬內確認之盈利或虧損淨額包括就財務負債支付之利息。

其他財務負債

其他財務負債包括應付款項及應計費用、預收按金以及其他借貸，乃採用實際利率法計算攤銷成本入賬。

可換股票據

本公司發行之可換股票據包含財務負債及權益部份，並於初步確認時分開歸類於各自負債及權益部份。於初步確認時，負債部份之公平值乃按類似非可換股債務之現行市場息率釐定。發行可換股票據所得款項總額與歸入負債部份之公平值之差額(代表持有人將票據轉換為權益之嵌入式認購期權)計入權益(可換股票據 – 權益儲備)。發行可換股票據有關交易成本乃按所得款項總額分配比例，分配至負債及權益部份。

其後期間可換股票據之負債部份採用實際利率法以攤銷成本入賬。權益部份(代表將負債部份轉換為本公司普通股之期權)將保留於可換股票據儲備，直至嵌入式期權被行使(其時可換股票據 – 權益儲備呈列之餘額將轉撥入股本及股份溢價)。若該期權於到期日仍未行使，則於可換股貸款票據 – 權益儲備呈列之餘額將轉出至保留溢利。期權於換股或屆滿時之損益概不會於損益賬確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial Instruments (continued)

ii. Financial liabilities and equity (continued)

Convertible notes (continued)

If the conversion option of convertible notes exhibits characteristics of an embedded derivative, it is separated from its liability component. On initial recognition, the derivative component of the convertible notes is measured at fair value and presented as part of derivative financial instruments. Any excess of proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs are apportioned between the liability and derivative components of the convertible notes based on the allocation of proceeds to the liability and derivative components when the instruments are initially recognised. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability. The portion relating to the derivative component is recognised immediately in the consolidated income statement.

iii. Derecognition

Financial assets are derecognised 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 recognised directly in equity is recognised in consolidated income statement.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in consolidated income statement.

(k) Deferred revenue

Deferred revenue represents amounts received in advance for services to be rendered.

3. 重大會計政策概要(續)

(j) 財務工具(續)

ii. 財務負債及權益(續)

可換股票據(續)

倘可換股票據的換股權具有嵌入式衍生工具之特徵，則應獨立於其負債部份。於首次確認時，可換股票據之衍生工具部份按公平值計量，並以衍生金融工具之一部份呈列。若所得款項超出首次確認為衍生工具部份的金額，則差額確認為負債部份。交易費用根據工具首次確認時所得款項分配至負債與衍生工具部份之所得款項分配的比例，分配至可換股票據之負債與衍生工具部份。有關負債部份的交易費用部份首次確認為負債部份。有關衍生工具的部份則即時在綜合損益賬內確認。

iii. 取消確認

當自一項財務資產收取現金流量之權利屆滿，或該項財務資產已轉讓且本集團已大體上轉移該財務資產所有權之全部風險及回報，該財務資產即被取消確認。於取消確認某項財務資產時，有關資產賬面值及已收與應收代價之和，與已直接於權益確認之累計收益或虧損之差額乃於綜合損益賬確認。

當有關合約規定之責任被解除、取消或屆滿之時，財務負債會取消確認。被取消確認之財務負債賬面值與已付或應付代價之差額乃於綜合損益賬確認。

(k) 遞延收益

遞延收益指提供服務前先獲得之收益款額。

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) 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 net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable or deductible.

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investment 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.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the 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.

(m) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligations.

3. 重大會計政策概要(續)

(l) 稅項

所得稅指本年度應付稅項及遞延稅項之總額。

本年度應付稅項乃按本年度應課稅溢利計算。應課稅溢利與損益賬中所報溢利淨額不同，乃由於前者不包括在其他年度應課稅或可扣稅收支項目，且不包括損益賬內從未課稅或扣稅之項目。

遞延稅項乃就財務報表內資產及負債賬面值及計算應課稅溢利所用相應稅基之差額而須支付或可回收之稅項，並以負債法作會計處理。遞延稅項負債通常會就所有應課稅暫時差額確認，而遞延稅項資產在可能出現可動用暫時差額扣減之應課稅溢利時確認。倘若交易中因商譽(或負商譽)或因業務合併以外原因首次確認其他資產及負債而引致之暫時差額並不影響應課稅溢利及會計溢利時，則不會確認該等資產及負債。

遞延稅項負債就於附屬公司及聯營公司之投資產生之應課稅暫時差額予以確認，惟本集團可控制暫時差額之撥回及暫時差額可能在可見將來不會撥回則除外。

遞延稅項資產之賬面值乃於各結算日進行檢討，並予以相應扣減，直至不可能有足夠應課稅溢利以動用全部或部份遞延稅項資產為止。

遞延稅項乃按預期於清償負債或變現資產期間應用之稅率計算。遞延稅項於損益賬扣除或計入損益賬，惟倘遞延稅項直接於權益中扣除或計入權益之情況(其時遞延稅項亦會於權益中處理)除外。

(m) 準備

倘若本集團須就已發生的事件承擔法律或推定責任，而履行該責任預期會導致資源外流，並可就責任金額作出可靠的估計，便會就此計提準備。本集團於各結算日檢討準備，並且為反映目前之最佳估計作出調整。如果貨幣時間價值重大，則按預計履行責任所需開支於結算日的現值計提準備。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(o) Dividends distribution

Final dividend proposed by the directors are classified as a separate allocation of retained profits within the equity section of the balance sheet, until they have been approved by shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability in the Group's financial statements.

Interim dividends are recognised as a liability when they are proposed and declared.

(p) 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. 重大會計政策概要(續)

(n) 或然負債及或然資產

或然負債指因已發生的事件而可能引起的責任，此等責任須就某一宗或多宗事件會否發生才能確認，而本集團並不能完全控制這些事件會否發生。或然負債亦可能是因已發生的事件引致現有的責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地衡量而未有入賬。或然負債不會被確認，但會在財務報表附註內披露。假若消耗資源的機會率改變而導致出現資源消耗時，此等負債將被確認為準備。

或然資產是指因已發生的事件而可能產生的資產，此等資產須就某一宗或多宗未來事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否發生。或然資產不會被確認，但會於可能收到經濟效益時在財務報表附註內披露。若幾可肯定會收到經濟效益時，方會確認為資產。

(o) 股息分派

由董事建議派付之末期股息在資產負債表內權益項下列作保留溢利之一項獨立分配，直至股息於股東大會上獲股東批准為止。待此等股息獲股東批准而宣派後，將於本集團財務報表確認為一項負債。

中期股息於建議及宣派時確認為負債。

(p) 外幣

編製每個個別集團實體之財務報表時，採用並非該實體功能貨幣(外幣)進行之交易，一律以交易日現行匯率換算為其功能貨幣(即該實體經營之主要經濟環境之貨幣)入賬。於每個結算日，以外幣計值之貨幣項目以結算日現行匯率重新換算。以外幣計值且以公平值入賬之非貨幣項目，以公平值釐定日之現行匯率重新換算。以外幣歷史成本計量之非貨幣項目概不重新換算。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Foreign currencies (continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financial statements. 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 recognised directly in equity, in which cases, the exchange differences are also recognised 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 recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising are recognised in the translation reserve.

(q) Employee benefits

i) Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. No accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward as the amount is immaterial.

3. 重大會計政策概要(續)

(p) 外幣(續)

因貨幣項目結算及貨幣項目換算產生之匯兌差額，於產生期內之損益賬確認，惟構成本公司對一項外國業務淨投資之貨幣項目所產生之匯兌差額除外，此類匯兌差額於綜合財務報表之權益部份確認。以公平值入賬之非貨幣項目，其重新換算產生之匯兌差額於當期損益賬確認，惟重新換算非貨幣項目產生之差額除外，有關盈虧乃直接於權益確認，其匯兌差額亦直接於權益確認。

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債按結算日之現行匯率換算為本集團之呈列貨幣(即港元)，其收入及支出按該年度之平均匯率換算，惟匯率於該期間出現大幅波動則作別論，其時則採用於交易當日之現行匯率換算。所產生之匯兌差額(如有)乃確認作權益之獨立部份(匯兌儲備)。該等匯兌差額於出售海外業務之期間在損益賬確認。

於二零零五年一月一日或之後收購海外業務時產生有關所收購可識別資產之商譽及公平值調整，乃處理為該海外經營業務之資產及負債，並按於結算日之現行匯率換算。產生之匯兌差額於匯兌儲備確認。

(q) 僱員福利

i) 有薪假期結轉下年度

本集團根據僱員合約，按曆年基準向僱員提供有薪年假福利。在若干情況，有關僱員在結算日尚餘之有薪假期可結轉下一個曆年並由僱員動用。基於涉及之款額微不足道，故在結算日並未就此等僱員年內應計及結轉下年度之有薪假期之預期未來累計成本列賬。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Employee benefits (continued)

ii) Pension scheme

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

The employees of the Group's subsidiaries which operates in Mainland China are required to participate in a central pension scheme operated by the local municipal government. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

(r) Equity-settled share based payment transaction

The fair value of share options granted is expensed on a straight-line basis over the vesting period with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the Black-Scholes-Merton option pricing model taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

3. 重大會計政策概要(續)

(q) 僱員福利(續)

ii) 退休福利計劃

本集團根據強制性公積金計劃條例設立界定供款強制性公積金退休福利計劃(「強積金計劃」)供合資格參與強積金計劃之有關僱員參與。根據強積金計劃之規則，供款額為僱員基本薪金之某個百分比，並於應繳付時在損益賬扣除。強積金計劃之資產與本集團之資產分開持有，並由獨立運作之基金管理。本集團之僱主供款於對強積金計劃供款時全數歸於僱員。

於中國內地經營之本集團附屬公司之僱員須參與由當地市政府設立之中央退休福利計劃。根據中央退休福利計劃之規則，供款乃當其應繳付時於損益賬扣除。

(r) 以權益結算並以股份為基礎之付款交易

授出之購股權之公平值於歸屬期內以直線法支銷而權益內之資本儲備會相應增加。該公平值乃於授出日期經計及購股權獲授出時之條款及條件後以畢蘇莫期權定價模式計量。倘僱員須於無條件享有購股權之前履行歸屬條件，則購股權之估計公平值總額乃經計及購股權將會歸屬之機會率後按歸屬期予以攤分。

於歸屬期內，會檢討預期歸屬之購股權數目。於過往年度確認之累計公平值之任何調整乃扣自／計入有關檢討年度之損益賬，除非原有僱員支出符合確認為資產之資格而資本儲備作出相應調整則作別論。於歸屬日，確認為一項支出之款額乃予以調整，以反映歸屬之實際購股權數目(連同資本儲備之相應調整)，惟倘沒收僅因未達致與本公司股份之市價有關之歸屬條件則除外。權益款額於資本儲備中確認，直至購股權獲行使(當其撥至股份溢價賬時)或購股權屆滿(當其直接轉出至保留盈利時)為止。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Related parties

A party is considered to be related to the Group if:

- (i) the party, directly or indirectly through one or more intermediaries, (a) controls, is controlled by, or is under common control with, the Group; (b) has an interest in the Group that gives it significant influence over the Group; or (c) has joint control over the Group;
- (ii) the party is an associate;
- (iii) the party is a jointly-controlled entity;
- (iv) the party is a member of the key management personnel of the Group or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

(t) Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, demand deposits and short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

(u) Borrowing costs

Borrowing costs are interests and other costs incurred in connection with the borrowing of funds. All borrowing costs are charged to the income statement in the period in which they are incurred.

3. 重大會計政策概要(續)

(s) 關連人士

以下人士被視為與本集團有關連：

- (i) 該人士透過一個或多個中介機構直接或間接(a)控制本集團或受本集團控制或與本集團受到共同控制；(b)於本集團之權益使其可對本集團施加重大影響力；或(c)共同控制本集團；
- (ii) 該人士為聯繫人士；
- (iii) 該人士為共同控制實體；
- (iv) 該人士為本集團或其母公司之主要管理人員成員；
- (v) 該人士為(i)或(iv)項所述任何個別人士有密切關係之家族成員；
- (vi) 該人士為受(iv)或(v)項所述任何人士直接或間接控制、共同控制或擁有重大影響力之實體或就此於該實體中擁有重大投票權；或
- (vii) 該人士為有關本集團僱員福利或作為本集團關連人士之任何實體而設立之離職後福利計劃。

(t) 現金及現金等值項目

現金及現金等值項目包括銀行及手頭上現金、活期存款及可隨時轉換為已知數額的現金、並無重大價值變動風險及一般於購入後三個月內屆滿的短期高流動投資，減去須按要求償還之銀行透支，並構成本集團現金管理之整體部份。

(u) 借貸成本

借貸成本指因借入資金而產生之利息及其他成本。所有借貸成本均於其產生期間在損益賬扣除。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessee, rentals payable under the operating leases net of any incentives received from the lessor are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land premiums under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

(w) Segment reporting

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

In accordance with the Group's internal financial reporting, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format.

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

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

(x) Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the income statements over the period necessary to match them with costs that they are intended to compensate and are presented separately from the costs. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are recognised in the income statements on a straight-line basis over the expected lives of the related assets.

3. 重大會計政策概要(續)

(v) 經營租賃

資產所有權之絕大部份回報及風險由出租人保留之租賃均列作經營租賃。倘本集團為承租人，根據經營租賃應付之租金（扣除自出租人所收取之任何獎勵）乃按有關租賃年期以直線法於損益賬扣除。

根據經營租賃之預付土地費用乃初步按成本值列賬，並隨後按有關租賃年期以直線法確認。

(w) 分部呈報

一個分部乃指本集團之一個可清楚界定的組成部份，經營提供產品或服務的業務（業務分部），或在某一特定經濟環境經營提供產品或服務的業務（地區分部），其風險與回報亦與其他分部不同。

根據本集團的內部財務申報，本集團已選擇業務分部資料作為主要呈報模式，而地區分部資料則作為次要呈報模式。

分部收益、支出、業績、資產及負債包括一個分部直接應佔之項目，以及可按合理基準向有關分部劃撥之項目。分部收益、支出、資產及負債在集團成員公司間的結餘款額及集團成員公司間的交易互相對銷（此乃綜合賬目過程之一部份）前釐定，惟倘此等集團成員公司間之結餘款額及交易乃在同一分部內的集團成員公司之間產生者，則作別論。各分部之間的交易定價根據向集團外其他人士提供之類似交易條款釐定。

分部資本開支乃於期內購入且預期可使用一年以上之分部資產（包括有形及無形資產）所引致之總成本額。

(x) 政府補貼

當可合理保證政府補貼將可收取且本集團符合所有附帶條件時，政府補貼按其公平值確認。與成本有關之政府補貼乃予以遞延及按擬補償之成本配合所需期間於損益賬中確認，並與成本分開呈列。與購買物業、廠房及設備有關之補貼乃作為遞延政府補貼計入非流動負債，並按有關資產之預期可用年期以直線法於損益賬確認。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3 to the consolidated financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

(i) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(ii) Impairment of assets

The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

(iii) Estimated impairment of intangible assets and goodwill

The Group performs annual tests on whether there has been impairment of goodwill and intangible assets in accordance with the accounting policy stated in note 3g and 3h. The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations.

4. 關鍵會計判斷及估計不確定性之主要來源

於應用綜合財務報表附註3所載本集團之會計政策時，管理層須就從其他來源不顯而易見之資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設乃以經驗及認為屬有關之其他因素而作出。實際結果可能有別於該等估計。

估計及相關假設按持續基準審閱。倘若會計估計修訂僅影響該期間，有關修訂會在修訂估計期間確認。倘若有關修訂影響當期及未來期間，有關修訂會在修訂期間及未來期間確認。

應用會計政策之關鍵判斷

除該等涉及估計之判斷外，以下關鍵判斷為董事於應用本集團之會計政策時所作出，並對綜合財務報表內已確認金額構成最重大影響。

(i) 所得稅

本集團須繳納多個司法權區之所得稅。於釐定世界各地之所得稅準備時需作出重要判斷。於正常業務過程中，有許多交易及計算均難以明確作出最終稅務釐定。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜之責任。倘該等事宜之最終稅務結果與起初錄得之金額不同，差額將影響稅務釐定期內之所得稅及遞延稅項準備。

(ii) 資產減值

本集團每年就資產有否減值進行測試。資產或現金產生單位之可回收金額，乃根據需要用上假設及估計之在用價值計算法釐定。

(iii) 無形資產及商譽之估計減值

本集團分別根據財務報表附註3g及附註3h所載之會計政策，每年測試商譽及無形資產是否出現任何減值。現金產生單位之可回收金額乃根據使用價值計算釐定。該等計算需要管理層對未來業務營運作出估計及假設、使用稅前折現率及其他有關使用價值計算之假設。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

(iv) Provision for obsolete inventories

Management reviews the condition of inventories of the Group at each balance sheet date and makes provision for obsolete and slow-moving inventory items identified that are no longer suitable for sale. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. Management reassesses the estimation at each balance sheet date.

(v) Share-based payment

The valuation of the fair value of share options granted requires judgement in determining the expected volatility of the share price, the dividends expected on the shares, the risk-free interest rate during the life of the options and the number of share options that are expected to become exercisable, details of which are set in note 35 to the financial statements. Where the actual outcome of the number of exercisable options is different from the previously estimated number of exercisable options, such difference will have impact on the consolidated income statement in the subsequent remaining vesting period of the relevant share options.

(vi) Estimated impairment of trade receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, impairment loss may arise. As at 31 March 2008, the carrying amount of trade receivables is approximately HK\$20,469,000 (2007:Nil).

(vii) Mine reserves

Reserves are estimates of the amount of product that can be economically and legally extracted from the Group's properties. In order to calculate reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand and commodity prices.

Estimating the quantity and/or grade of reserves requires the size, shape and depth of ore bodies or fields to be determined by analysing geological data such as drilling samples. This process may require complex and difficult geological judgements and calculations to interpret the data.

4. 關鍵會計判斷及估計不確定性之主要來源 (續)

(iv) 陳舊存貨準備

管理層於各結算日檢視本集團存貨之情況，並且對已識別為不再適合出售之陳舊及滯銷存貨作出準備。管理層主要根據最近的發票價格與目前情況估計有關存貨之可變現淨值。管理層於各結算日重新評估有關估計。

(v) 以股份為基礎之付款

評估已授出購股權之公平值時需要作出判斷，以釐定股價之預期波幅、股份之預計股息、購股權有效期內的無風險利率，以及預期可以行使之購股權的數目，有關詳情載於財務報表附註35。若可行使購股權之實際數目有別於原先估計，差額將影響有關購股權之其後餘下歸屬期的綜合損益賬。

(vi) 貿易應收款項之估計減值

若出現減值虧損之客觀憑證，本集團將考慮有關未來現金流之估計。減值虧損之金額，是指資產賬面值與估計未來現金流（不包括尚未產生之未來信貸虧損）以財務資產的原訂實際利率（即初步確認時計算之實際利率）貼現之現值之間的差額。若未來現金流之實際金額低於預期，則可能出現減值。於二零零八年三月三十一日，貿易應收款項之賬面值約為20,469,000港元（二零零七年：無）。

(vii) 煤礦儲量

儲量是估計可以具有經濟效益及合法的從本集團的礦區開採的數量。於計算儲量時，需要使用關於一定範圍內地質、技術及經濟因素的估計和假設，包括產量、等級、生產技術、回採率、開採成本、運輸成本、產品需求及商品價格。

對儲量的數量及／或等級的估計，需要取得礦區的形狀、體積及深度的數據，這些數據是由對地質數據的分析得來的，例如採掘樣本。這一過程需要複雜和高難度的地質判斷及計算，以對數據進行分析。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

(vii) Mine reserves (continued)

Because the economic assumptions used to estimate reserves change from period to period, and because additional geological data is generated during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the Group's financial results and financial position in a number of ways, including the following:

- Asset carrying values may be affected due to changes in estimated future cash flows.
- Depreciation, depletion and amortisation charged in the income statement may change where such charges are determined by the units of production basis, or where the useful economic lives of assets change.

(viii) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date.

5. FINANCIAL RISK MANAGEMENT

The Group's major financial instruments include equity investments, borrowings and cash and cash equivalents. 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.

Market risk

(i) Foreign currency risk management

The Group operates mainly in both the People's Republic of China ("the PRC"), Macau and Hong Kong and majority of transactions are dominated in Hong Kong dollars ("HK\$"), Macau Pataca (MOP) and Renminbi ("RMB"). The Group is exposed to limited foreign exchange risk as most assets and liabilities are denominated in HK dollars, MOP, and RMB. Therefore, the Group is exposed to foreign exchange risk arising from these currency exposures. The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group is exposed to foreign exchange risk in respect of exchange fluctuation of HK\$ against RMB. The Group currently does not have a foreign currency hedging policy in respect of foreign current assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

4. 關鍵會計判斷及估計不確定性之主要來源 (續)

(vii) 煤礦儲量 (續)

由於用於估計儲量的經濟假設在不同的時期會發生變化，同時在經營期中會出現新的地質數據，對儲量的估計也會相應在不同的時期出現變動。估計儲量的變動將會在許多方面對本集團的財務業績和財務狀況產生影響，包括：

- 資產的賬面值可能由於未來預計現金流量的變化而受到影響。
- 按工作量法計算的或者按資產的可使用年限計算的計入損益賬的折舊、耗損和攤銷可能產生變化。

(viii) 衍生工具及其他財務工具之公平值

並無於交投活躍之市場買賣的財務工具，其公平值以估值方法釐定。本集團運用其判斷以挑選數種方法，而作出之假設則主要建基於各結算日之現存市況。

5. 財務風險管理

本集團之主要財務工具包括股本投資、借貸以及現金及現金等值項目。該等金融工具之詳情乃於相關附註披露。與該等財務工具有關之風險及如何減低該等風險之政策載於下文。管理層會管理及監察該等風險，以確保可及時有效地實行適當措施。

市場風險

(i) 外匯風險管理

本集團主要在中華人民共和國（「中國」）、澳門及香港經營業務，且大部份交易以港元（「港元」）、澳門幣（「澳門幣」）及人民幣（「人民幣」）計值。由於大部份資產及負債是以港元、澳門幣及人民幣計值，本集團面對之外匯風險有限。因此，本集團面對該等貨幣產生之外匯風險。人民幣兌換為外幣須遵守中國政府頒佈之外匯管制法規。本集團因港元兌人民幣之匯率波動而承受外匯風險。本集團現時並無任何外國流動資產及負債之外幣對沖工具。本集團將密切監管其外幣風險，並於必要時考慮對沖重大外匯風險。

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5. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

(i) Foreign currency risk management (continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

Assets	資產
RMB	人民幣
USD	美元
MOP	澳門幣

Liabilities	負債
RMB	人民幣
MOP	澳門幣

Sensitivity analysis on foreign currency risk management

The following table details the Group's sensitivity to a 5% increase and decrease in the Hong Kong dollars against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items, and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A negative number below indicates a decrease in profit where the Hong Kong dollars strengthen 5% against the relevant currency. For a 5% weakening of the Hong Kong dollars against the relevant currency, there would be an equal and opposite impact on the profit and the balances below would be positive.

5. 財務風險管理 (續)

市場風險 (續)

(i) 外匯風險管理 (續)

本集團於報告日期以外幣計值之貨幣資產及貨幣負債之賬面值如下：

2008 HK\$'000 千港元	2007 HK\$'000 千港元
333,969	5,765
10,740	3,182
91	10

2008 HK\$'000 千港元	2007 HK\$'000 千港元
330,440	1,198
-	1

外匯風險管理之敏感度分析

下表詳列本集團就港元兌相關外幣升值及貶值5%之敏感度。向內部主要管理人員報告外匯風險時所採用之敏感度比率為5%，其為管理層評估可能合理出現之匯率變動。敏感度分析包括尚未處理之外幣計值貨幣項目，並會對彼等於期末之換算在匯率上作出5%之調整。敏感度分析亦包括外界貸款及本集團內海外業務所獲之貸款，而有關貸款須為以借出方或借入方以外的貨幣計值。下文中之負數顯示倘港元兌相關貨幣升值5%時溢利之減少數額。倘港元兌相關貨幣貶值5%，溢利將會出現相反方向之等額變動，而下列之結餘將為正數。

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5. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

(i) Foreign currency risk management (continued)

Impact of RMB	人民幣之影響
Profit or loss	溢利或虧損

(ii) Price risk

The Group's equity investments classified as available-for-sale investments which are measured at fair value at each balance sheet date and expose the Group to equity price risk. The Group's equity price risk is mainly concentrated on equity securities operating in purchases and sales of listed securities and property investment, which are quoted in the Stock Exchange. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. In addition, the Group will monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the reporting date.

If equity prices had been 5% higher/lower, the Group's:

- securities investment reserve would increase/decrease by approximately HK\$519,000 (2007: increase/decrease by approximately HK\$1,735,000) as a result of the changes in fair value of financial assets at available-for-sale investments.

(iii) Cash flow interest rate risk

The Group has no interest-bearing assets and liabilities, and is therefore not exposed to significant cash flow interest rate risk. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

5. 財務風險管理 (續)

市場風險 (續)

(i) 外匯風險管理 (續)

2008 HK\$'000 千港元	2007 HK\$'000 千港元
44,916	3

(ii) 價格風險

本集團之股本投資列作可供銷售投資，於各結算日均會按公平值計量並令到本集團面對股本價格風險。本集團之股本價格風險主要集中於在聯交所報價並經買賣上市證券及物業投資業務之股本證券。管理層以設立不同風險水平之投資組合控制有關風險。此外，本集團將監管價格風險，並於必要時考慮對沖風險。

敏感度分析

以下敏感度分析乃根據報告日期所面對之股本價格風險而釐定。

倘股本價格上升／下降5%，本集團：

- 之證券投資投資儲備將增加／減少約519,000港元(二零零七年：增加／減少約1,735,000港元)，主要因為於可供銷售投資之財務資產的公平值變動。

(iii) 現金流利率風險

本集團並無計息資產及負債，因此並無面對重大現金流利率風險。本集團目前並無利率對沖政策。然而，管理層監管利率風險，並會於需要時考慮對沖重大利率風險。

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5. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

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 is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

In order to minimise the credit risk, the management of the Group has credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In this regards, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group's credit risk is primarily attributable to trade or other receivables. The Group has no significant concentrations of credit risk. The exposures to these credit risks are monitored on an ongoing basis.

Liquidity risk

The Group manages liquidity risk by maintaining adequate bank deposits and cash, monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The liquidity risk is under continuous monitoring by management. Reports with maturity dates of bank borrowings and thus the liquidity requirement are provided to management for review periodically. Management will raise or refinance bank borrowings whenever necessary.

The table below analyses the Group's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are based on the contractual undiscounted payments, was as follow:

		At 31 March 2008					
		於二零零八年三月三十一日					
		Less than 1 month	Between 1 to 3 months	Between 3 months to 1 year	Between 1 year to 5 years	More than 5 years	Total
		一個月內	一至三個月	三個月至一年	一年至五年	超過五年	總計
		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
Non-derivative financial liabilities	非衍生財務負債						
Trade payables	應付貿易款項	2,741	297	821	–	–	3,859
Accrued liabilities and other payables	累計負債及						
	其他應付款項	25,053	323,778	234,997	–	–	583,828
Other long term liabilities	其他長期負債	–	–	–	28,545	47,147	75,692
Convertible notes	可換股票據	–	–	–	196,518	–	196,518
Total	總計	27,794	324,075	235,818	225,063	47,147	859,897

5. 財務風險管理 (續)

信貸風險

於二零零八年三月三十一日，因交易對方未能履行責任而可為本集團帶來財務虧損之本集團最大信貸風險，乃來自綜合資產負債表所列各項已確認財務資產之賬面值。

為將信貸風險降至最低，本集團之管理層訂有信貸批准及其他監管程序，以確保採取跟進行動追收逾期債務。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

本集團之信貸風險主要由貿易或其他應收款項產生。本集團並無重大信貸集中風險。本集團會持續監控所面對之信貸風險。

流動資金風險

本集團通過維持充足銀行存款及現金、監管預測及實際現金流量，以及配合財務資產及負債之到期時間表，藉此管理流動資金風險。

管理層持續監管流動資金風險。載有銀行借貸到期日及相關流動資金需求之報告定期向管理層提交以供審閱。必要時，管理層將增加銀行借貸或對其進行再融資。

下表顯示本集團將結算之財務負債，此乃按照相關到期組別，根據由結算日至合約到期日之剩餘期間進行分析。表內披露之金額根據合約無折現付款計算，詳情如下：

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5. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk (continued)

5. 財務風險管理 (續)

流動資金風險 (續)

At 31 March 2007

於二零零七年三月三十一日

	Less than 1 month 一個月內 HK\$'000 千港元	Between 1 to 3 months 一至三個月 HK\$'000 千港元	Between 3 months to 1 year 三個月至一年 HK\$'000 千港元	Between 1 year to 5 years 一年至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Non-derivative financial liabilities 非衍生財務負債					
Accrued liabilities and other payables 累計負債及 其他應付款項	6,208	–	700	–	6,908

Fair value of financial instruments

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

- the fair value of financial assets and financial liabilities (including derivative instruments) with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; 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 or rates from observable current market transaction as input. For an option-based derivative, the fair value is estimated using option pricing model.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded in the consolidated financial statements approximate their fair value.

Capital management

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

The capital structure of the Group consists of debts which include other borrowings and convertible notes, cash and cash equivalents, and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

財務工具之公平值

財務資產及財務負債之公平值按以下方式釐定：

- 具備標準條款及條件，並於交投活躍市場買賣之財務資產及財務負債(包括衍生工具)之公平值，乃分別參考市場買入及賣出報價釐定；及
- 其他財務資產及財務負債(包括衍生工具)之公平值，乃根據公認定價模式，並按折現現金流量分析，採用作為輸入之可觀察現時市場交易之價格或費率計算。就以期權為基準之衍生工具而言，公平值乃採用期權定價模式估計。

本公司董事認為，於綜合財務報表記錄之財務資產及財務負債之賬面值與其公平值相若。

資本管理

本集團管理其資本，以確保本集團之實體將可持續經營，並透過優化債務及權益結餘為利益相關者帶來最大回報。本集團之整體策略維持不變，與去年無異。

本集團之資本結構包括債務(其包括其他借款及可換股票據)、現金及現金等值項目及本公司權益持有人應佔權益(其包括已發行股本及儲備)。

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

5. FINANCIAL RISK MANAGEMENT (continued)

Capital management (continued)

The directors of the Company review the capital structure on an annual basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital.

The Group monitors capital using a gearing ratio, which is calculated as either total borrowings divided by total capital or net borrowings divided by total capital. The gearing ratios as at the balance sheet date were as follows:

Total debt (i)	總債務(i)
Less: Cash and cash equivalents	減：現金及現金等值項目
Net debt/cash and cash equivalents	淨債務／現金及現金等值項目
Equity (ii)	權益(ii)
Net debt to equity ratio	淨債務對權益比率
Total debt to equity ratio	總債務對權益比率

Notes:

- (i) Debt comprises unsecured convertible notes as detailed in Note 31 to the financial statements.
- (ii) Equity includes all capital and reserves of the Group.

5. 財務風險管理(續)

資本管理(續)

本集團董事每年檢討資本結構。作為此檢討之一部份，本集團董事考慮資本成本及各類資本隨附之風險。

本集團採用資本負債比率監控資本，即總借貸除以總資本或淨借貸除以總資本。於結算日之資本負債比率如下：

2008 HK\$'000 千港元	2007 HK\$'000 千港元
196,518 (67,839)	— (37,237)
128,679	(37,237)
179,440	45,796
71%	N/A 不適用
109%	N/A 不適用

附註：

- (i) 債務包括無抵押可換股票據(有關詳情載於財務報表附註31)。
- (ii) 權益包括本集團之所有資本及儲備。

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. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

Business segments

The Group's turnover and operating profit or loss are attributable mainly from one business segment, the organising of trade shows and exhibitions and providing ancillary services.

For management purposes, the Group currently organised into two operating divisions – (i) organising of trade shows and exhibitions and providing ancillary services and (ii) production and sale of coal. The Group comprises two business segments as follows:

INCOME STATEMENT

For the year ended 31 March 2008

6. 分部資料

分部資料以兩種分部形式呈列：(i)按第一分部報告基準之業務分部；及(ii)按第二分部報告基準之地區分部。

業務分部

本集團之營業額及經營溢利或虧損主要來自一個業務分部，即舉辦貿易展覽會及提供配套服務。

就管理而言，本集團目前之架構分為兩個營運部門 – (i)舉辦貿易展覽會及提供配套服務，以及(ii)煤炭產銷。本集團之兩個業務分部如下：

損益賬

截至二零零八年三月三十一日止年度

		Trade shows and exhibition operation 展覽會業務 HK\$'000 千港元	Coal operation 煤炭業務 HK\$'000 千港元	Other operation 其他業務 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Turnover	營業額				
Turnover from external customers	來自外界客戶之營業額	213,795	-	-	213,795
Result	業績				
Segment result	分部業績	2,292	-	(11,421)	(9,129)
Unallocated income	未分配收入				6,899
Loss before tax	除稅前虧損				(2,230)
Income tax expense	所得稅開支				(4,944)
Loss for the year	本年度虧損				(7,174)

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. SEGMENT INFORMATION (continued)

BALANCE SHEET

At 31 March 2008

Assets

Segment assets	分部資產
Unallocated corporate assets	未分配企業資產

Liabilities

Segment liabilities	分部負債
Unallocated corporate liabilities	未分配企業負債

OTHER INFORMATION

For the year ended 31 March 2008

Capital additions	資本添置
Depreciation	折舊
Amortisation	攤銷

6. 分部資料 (續)

資產負債表

於二零零八年三月三十一日

Trade shows and exhibition operation 展覽會業務 HK\$'000 千港元	Coal operation 煤炭業務 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
--	--	---------------------------------------

100,989	1,059,294	1,160,283
		12,126

1,172,409

101,217	369,365	470,582
		522,387

992,969

其他資料

截至二零零八年三月三十一日止年度

Trade shows and exhibition operation 展覽會業務 HK\$'000 千港元	Coal operation 煤炭業務 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
--	--	---------------------------------------

75,315	–	75,315
1,897	–	1,897
3,810	–	3,810

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. SEGMENT INFORMATION (continued)

INCOME STATEMENT

For the year ended 31 March 2007

Turnover

Turnover from external customers 來自外界客戶之營業額

Result

Segment result 分部業績

Loss on disposal of financial assets at fair value through profit or loss 出售按公平值計入損益賬之財務資產之虧損

Loss before tax 除稅前虧損
Income tax expense 所得稅開支

Loss for the year 本年度虧損

BALANCE SHEET

At 31 March 2007

Assets

Segment assets 分部資產
Unallocated corporate assets 未分配企業資產

Liabilities

Segment liabilities 分部負債
Unallocated corporate liabilities 未分配企業負債

6. 分部資料 (續)

損益賬

截至二零零七年三月三十一日止年度

Trade shows and exhibition operation 展覽會業務 HK\$'000 千港元	Coal operation 煤炭業務 HK\$'000 千港元	Other operation 其他業務 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
236,319	–	–	236,319
19,056	–	(40,544)	(21,488)
			(8,500)
			(29,988)
			(4,423)
			(34,411)

資產負債表

於二零零七年三月三十一日

Trade shows and exhibition operation 展覽會業務 HK\$'000 千港元	Coal operation 煤炭業務 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
116,657	–	116,657
		4,191
		120,848
73,854	–	73,854
		1,198
		75,052

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. SEGMENT INFORMATION (continued)

OTHER INFORMATION

For the year ended 31 March 2007

Capital additions	資本添置
Depreciation	折舊
Amortisation	攤銷

Geographical segments

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

The following table presents revenue and certain asset and expenditure information for the Group's geographical segments, including Hong Kong, the People's Republic of China (the "PRC"), Macau, the United Kingdom ("UK"), the United States of America ("USA") and the Republic of Poland ("Poland").

Segment revenue:

Turnover from shows and exhibitions and providing ancillary services:

Hong Kong
Macau
UK
USA
Poland

分部收益：

展覽會及提供配套服務之營業額：

香港
澳門
英國
美國
波蘭

Other segment information:

Segment assets:

Hong Kong
The PRC

其他分部資料：

分部資產：

香港
中國

Capital expenditure:

Hong Kong
The PRC

資本支出：

香港
中國

6. 分部資料 (續)

其他資料

截至二零零七年三月三十一日止年度

Trade shows and exhibition operation 展覽會業務 HK\$'000 千港元	Coal operation 煤炭業務 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
1,328	—	1,328
2,362	—	2,362
6,096	—	6,096

地區分部

決定本集團之地區分部時，收益按顧客所在地區劃分，資產則按資產所在地劃分。

下表呈列本集團地區分部（包括香港、中華人民共和國（「中國」）、澳門、英國、美利堅合眾國（「美國」）及波蘭共和國（「波蘭」））之收益及若干資產及支出資料。

2008 HK\$'000 千港元	2007 HK\$'000 千港元
173,631	197,091
23,904	—
16,260	17,394
—	11,688
—	10,146
213,795	236,319
446,511	116,657
725,898	4,191
1,172,409	120,848
4,541	1,226
70,774	102
75,315	1,328

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

7. TURNOVER AND OTHER REVENUE

Turnover represents the aggregate of participation fee income, entrance fee income, hotel and travel package income, advertising fee income and portal income from exhibitions and trade shows. It is stated net of output value added tax of approximately HK\$2,846,000 (2007: HK\$5,276,000) accrued at 17.5% (2007: 17.5% or 22%) of the gross income generated from the exhibition and shows held in the United Kingdom (2007: the United Kingdom and Poland).

An analysis of the Group's turnover and other revenue is as follow:

7. 營業額及其他收益

營業額指來自展覽會及貿易展覽會之參展費收入、入場費收入、酒店及旅遊套票收入、廣告費收入及入門網站收入的總額。此等收入在減去銷項增值稅約2,846,000港元(二零零七年: 5,276,000港元)後列賬。有關稅項以在英國(二零零七年: 英國及波蘭)舉辦之展覽會所產生總收入之17.5%(二零零七年: 17.5%或22%)計提。

本集團之營業額及其他收益分析如下:

Turnover

Participation fee income
Entrance fee income
Hotel and travel package income
Advertising fee income
Portal income

營業額

參展費收入
入場費收入
酒店及旅遊套票收入
廣告費收入
入門網站收入

Other revenue

Interest income
Forfeited deposit received

其他收益

利息收入
已收被沒收之按金

Total revenue

總收益

2008	2007
HK\$'000	HK\$'000
千港元	千港元

198,429	212,976
639	762
5,513	11,833
7,413	8,105
1,801	2,643
213,795	236,319
1,225	1,675
197	1,422
1,422	3,097
215,217	239,416

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

8. LOSS FOR THE YEAR

The Group's loss for the year has been arrived at after charging:

8. 本年度虧損

本集團之本年度虧損已扣除：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Amortisation of intangible assets	無形資產攤銷	3,810	6,096
Amortisation of prepaid land premium	預付土地費用之攤銷	–	9
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,897	2,362
		5,707	8,467
Staff costs (including directors' remuneration (note 9))	員工成本 (包括董事酬金 (附註9))		
– wages and salaries	– 工資及薪金	47,899	49,591
– retirement benefits scheme contributions	– 退休福利計劃供款	1,012	1,102
– share-based payment	– 以股付為基礎之付款	331	–
		49,242	50,693
Auditors' remuneration	核數師酬金	503	500
Impairment of interest in an option to acquire an equity interest of a company	購入一間公司股權之購股權之權益減值	–	2,358
Minimum lease payments under operating lease rentals of land and buildings (note (i))	土地及樓宇經營租賃租金之最低租賃付款 (附註(i))	49,160	49,336
Share option expenses (note 35)	購股權開支 (附註35)	13,044	–
Loss on disposal of financial assets at fair value through profit or loss	出售按公平值計入損益賬之財務資產之虧損	–	8,500
and after crediting:	並經計入：		
Other income:	其他收入：		
Exchange differences, net	匯兌差異淨額	1,083	–
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	6,373	–
Gain on disposal of subsidiaries (note 37)	出售附屬公司之收益 (附註37)	6,494	–
Transfer from equity on disposals of available-for-sale investments	出售可供銷售投資時從權益轉出	3,761	–
Other income	其他收入	6,037	290
		23,748	290

Note:

- (i) The amount includes rentals paid for the venues of exhibitions and trade shows held in the United Kingdom (2007: the United Kingdom and Poland), net of input value added tax of approximately HK\$1,279,000 (2007: HK\$2,544,000) accrued at 17.5% (2007: 17.5% or 22%) of the gross rental expenses for the year.

附註：

- (i) 該筆款項包括就於英國 (二零零七年：英國及波蘭) 舉行之貿易展覽會之場地所支付之租金，已扣除按本年度租金支出總額之17.5% (二零零七年：17.5%或22%) 計提之進項增值稅約1,279,000港元 (二零零七年：2,544,000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

9. DIRECTORS' REMUNERATION

Directors' remuneration, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follow:

9. 董事酬金

根據上市規則及香港公司條例第161條之規定而須披露之董事酬金如下：

The Group and the Company						
本集團及本公司						
Name of Director	Fees	Basic salaries	Housing allowances	Bonuses	Provident fund contributions	Total
董事姓名	袍金	基本薪金	房屋津貼	花紅	公積金供款	合計
	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
<hr/>						
2008:	二零零八年：					
Executive directors	執行董事					
Mr. Ip Ki Cheung	–	1,575	840	131	12	2,558
Mr. Cheung Shui Kwai	–	1,575	840	131	12	2,558
Mr. Chan Siu Chung	–	1,575	840	131	12	2,558
<hr/>						
Independent non-executive directors	獨立非執行董事					
Mr. Chan Wing Yau, George	120	–	–	–	–	120
Mr. Lai Yang Chau, Eugene	50	–	–	–	–	50
Mr. Law Sung Ching, Gavin	120	–	–	–	–	120
Mr. Cheng Wing Keung, Raymond (appointed on 25 August 2007)	72	–	–	–	–	72
<hr/>						
	362	4,725	2,520	393	36	8,036
<hr/>						
<hr/>						
2007:	二零零七年：					
Executive directors	執行董事					
Mr. Ip Ki Cheung	–	1,556	840	256	12	2,664
Mr. Cheung Shui Kwai	–	1,556	840	256	12	2,664
Mr. Chan Siu Chung	–	1,556	840	256	12	2,664
<hr/>						
Independent non-executive directors	獨立非執行董事					
Mr. Chan Wing Yau, George	105	–	–	–	–	105
Mr. Lai Yang Chau, Eugene	105	–	–	–	–	105
Mr. Law Sung Ching, Gavin	105	–	–	–	–	105
<hr/>						
	315	4,668	2,520	768	36	8,307

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

年內並無董事放棄或同意放棄任何酬金之安排。

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

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2007: three) directors. Details of whose remuneration are set out in note 9 to the financial statements.

The details of the remuneration of the remaining two (2007: two) non-director, highest paid employees are as follows:

Basic salaries and allowances	基本薪金及津貼
Bonus	花紅
Retirement benefits scheme contributions	退休福利計劃供款

10. 五名最高薪僱員

年內五名最高薪僱員包括三名(二零零七年: 三名)董事, 其酬金詳情載於財務報表附註9內。

其餘兩名(二零零七年: 兩名)為非董事最高薪僱員, 其酬金詳情如下:

Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
1,172	1,416
536	383
24	24
1,732	1,823

The number of employees whose remuneration fell within the following band is as follow:

Nil to HK\$1,000,000	零至1,000,000港元
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元

酬金介乎以下金額範圍之僱員人數如下:

Number of employees 僱員人數	
2008	2007
2	1
–	1
2	2

11. TAXATION

Hong Kong profits tax Provided for the year	香港利得稅 年內準備
Overseas income tax Under/(over)-provision in previous years	海外所得稅 過往年度準備不足/(超額準備)

11. 稅項

2008 HK\$'000 千港元	2007 HK\$'000 千港元
4,833	4,592
111	(169)
4,944	4,423

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

11. TAXATION (continued)

The Group has tax losses arising in Hong Kong of approximately HK\$79,246,000 (2007: HK\$44,902,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised due to the unpredictability of the future profit streams.

Hong Kong profits tax has been provided for at the rate of 17.5% (2007: 17.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Reconciliation between tax expense and accounting loss at applicable tax rate:

		Hong Kong 香港 HK\$'000 千港元	The PRC 中國 HK\$'000 千港元	2008 United States 美國 HK\$'000 千港元	Macau 澳門 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Profit/(Loss) before tax	除稅前溢利/(虧損)	5,982	(7,322)	(180)	(710)	(2,230)
Tax at applicable tax rate	按適用稅率計算之稅項	1,047	(1,830)	(27)	(85)	(895)
Estimated tax effect of expenses not deductible in determining taxable profit	於釐定應課稅溢利時不可扣減開支之估計稅務影響	6,540	1,830	27	85	8,482
Estimated tax effect of income not taxable in determining taxable profit	於釐定應課稅溢利時毋須課稅收入之估計稅務影響	(4,703)	-	-	-	(4,703)
Under provision in previous years	以往年度之準備不足	111	-	-	-	111
Estimated tax effect of unrecognised tax losses	未確認稅項虧損之估計稅務影響	1,949	-	-	-	1,949
Tax charge at the Group's effective rate for the year	按本集團於本年度之實際稅率計算之稅項支出	4,944	-	-	-	4,944

11. 稅項 (續)

本集團於香港產生之稅項虧損約為79,246,000港元(二零零七年:44,902,000港元),可無限期用於抵銷產生虧損公司日後之應課稅溢利。由於日後溢利來源不確定,故並無確認遞延稅項資產。

香港利得稅乃按年內估計應課稅溢利以稅率17.5%(二零零七年:17.5%)提撥準備。海外利得稅根據年內應課稅溢利,按本集團經營業務之國家的現行稅率計算。

按適用稅率計算的稅項支出及會計虧損對賬如下:

		2007			
		Hong Kong 香港 HK\$'000 千港元	The PRC 中國 HK\$'000 千港元	United States 美國 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Loss before tax	除稅前虧損	(18,131)	(9,964)	(1,893)	(29,988)
Tax at applicable tax rate	按適用稅率計算之稅項	(3,172)	(3,288)	(284)	(6,744)
Estimated tax effect of expenses not deductible in determining taxable profit	於釐定應課稅溢利時不可扣減開支之估計稅務影響	3,966	778	284	5,028
Estimated tax effect of income not taxable in determining taxable profit	於釐定應課稅溢利時毋須課稅收入之估計稅務影響	(366)	-	-	(366)
Over-provision in previous year	過往年度超額準備	-	-	(169)	(169)
Estimated tax effect of unrecognised tax losses	未確認稅項虧損之估計稅務影響	4,164	2,510	-	6,674
Tax charge at the Group's effective rate for the year	按本集團於本年度之實際稅率計算之稅項支出	4,592	-	(169)	4,423

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11. TAXATION (continued)

The National People's Congress approved the Corporate Income Tax Law of the PRC (the new "CIT Law") on 16 March 2007 and the State Council announced the Detail Implementation Regulations ("DIR") on 6 December 2007, which was effective from 1 January 2008. According to the new CIT Law, the income tax rates for both domestic and foreign investment enterprises will be unified at 25% effective from 1 January 2008.

12. PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit/(loss) attributable to equity holders of the Company for the year ended 31 March 2008 which has been dealt with in the financial statements of the Company amounted to approximately HK\$8,240,000 (2007: Loss of approximately HK\$45,560,000).

13. DIVIDENDS

Dividend recognised as distribution during the year: 年內作為分派之已確認股息：
Interim dividend paid of HK\$Nil 已付中期股息每股普通股零港元
(2007: HK\$0.05) per ordinary share (二零零七年：0.05港元)

14. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

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

Loss attributable to equity holders of the Company for the purpose of basic and diluted loss per share 用於計算每股基本及攤薄虧損之本公司股東應佔虧損

Weighted average number of ordinary shares for the purposes of basic loss per share 用於計算每股基本虧損之普通股加權平均數
Effect of dilutive potential ordinary shares: 潛在攤薄普通股之影響：
Share options 購股權
Convertible notes 可換股票據

Weighted average number of ordinary shares for the purposes of diluted loss per share 用於計算每股攤薄虧損之普通股加權平均數

11. 稅項(續)

全國人民代表大會於二零零七年三月十六日通過中國企業所得稅法(新「企業所得稅法」)，而國務院亦於二零零七年十二月六日頒佈實施條例(「實施條例」)並由二零零八年一月一日起生效。根據新企業所得稅法，內資企業和外資企業的所得稅率將由二零零八年一月一日起統一為25%。

12. 本公司股東應佔本年度溢利／(虧損)

截至二零零八年三月三十一日止年度，本公司之財務報表中本公司股東應佔本年度溢利／(虧損)約為8,240,000港元(二零零七年：虧損約45,560,000港元)。

13. 股息

2008 HK\$'000 千港元	2007 HK\$'000 千港元
-	11,773

14. 本公司股東應佔每股虧損

本公司股東應佔每股基本及攤薄虧損乃根據以下數據計算：

2008 HK\$'000 千港元	2007 HK\$'000 千港元
(7,174)	(34,411)

Number of shares 股份數目

313,891,254	235,452,000
30,608,760	-
690,000,000	-
1,034,500,014	235,452,000

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14. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (continued)

For the year ended 31 March 2008, diluted loss per share is the same as the basic loss per share as the outstanding convertible notes and the shares options outstanding had anti-dilutive effect on the basic loss per share. For the year ended 31 March 2007, the diluted loss per share is the same as the basic loss per share as there was no dilutive events during the year.

14. 本公司股東應佔每股虧損(續)

截至二零零八年三月三十一日止年度之每股攤薄虧損與每股基本虧損相同，是因為未償還可換股票據及未行使購股權對每股基本虧損具反攤薄影響。於截至二零零七年三月三十一日止年度，由於年內並無攤薄事件，因此每股攤薄虧損與每股基本虧損相同。

15. PROPERTY, PLANT AND EQUIPMENT

The Group

15. 物業、廠房及設備

本集團

		Buildings 樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and equipment 傢俬及設備 HK\$'000 千港元	Fixtures and fittings 裝置及配件 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost:	成本值：							
At 1 April 2006	於二零零六年四月一日	3,294	3,831	6,134	2,897	6,063	2,500	24,719
Additions	增添	-	800	67	-	461	-	1,328
Exchange alignment	匯率調整	-	2	4	-	26	-	32
At 31 March 2007 and at 1 April 2007	於二零零七年三月三十一日 及二零零七年四月一日	3,294	4,633	6,205	2,897	6,550	2,500	26,079
Additions	增添	-	2,237	815	902	811	-	4,765
Acquisition of subsidiaries	收購附屬公司	40,126	-	27,390	-	-	3,034	70,550
Disposals	出售	(3,294)	(3,411)	(50)	(185)	-	(2,500)	(9,440)
Exchange alignment	匯率調整	-	-	4	-	66	-	70
At 31 March 2008	於二零零八年三月三十一日	40,126	3,459	34,364	3,614	7,427	3,034	92,024
Accumulated depreciation and impairment:	累計折舊及減值：							
At 1 April 2006	於二零零六年四月一日	1,308	3,546	5,388	2,873	5,013	1,181	19,309
Provided during the year	年內準備	201	334	534	24	436	833	2,362
Exchange alignment	匯率調整	-	1	1	-	7	-	9
At 31 March 2007 and at 1 April 2007	於二零零七年三月三十一日 及二零零七年四月一日	1,509	3,881	5,923	2,897	5,456	2,014	21,680
Provided during the year	年內準備	53	659	251	134	592	208	1,897
Written back on disposals	出售撥回	(1,562)	(2,885)	(23)	(185)	-	(2,222)	(6,877)
Exchange alignment	匯率調整	-	-	2	-	31	-	33
At 31 March 2008	於二零零八年三月三十一日	-	1,655	6,153	2,846	6,079	-	16,733
Net book value:	賬面淨值：							
At 31 March 2008	於二零零八年三月三十一日	40,126	1,804	28,211	768	1,348	3,034	75,291
At 31 March 2007	於二零零七年三月三十一日	1,785	752	282	-	1,094	486	4,399

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16. PREPAID LAND PREMIUM

The Group's prepaid land premium represents prepaid operating lease payment and its net book value is analysed as follow:

Carrying amount at beginning of the year	於年初之賬面值
Recognised during the year	年內已確認
Disposal	出售
Carrying amount at end of the year	於年結之賬面值

The leasehold land was held under medium term lease in Hong Kong.

16. 預付土地費用

本集團之預付土地費用指預付經營租賃付款，其賬面淨值分析如下：

The Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
355	364
–	(9)
(355)	–
–	355

租賃土地乃於香港按中期租賃持有。

17. INTERESTS IN SUBSIDIARIES

Unlisted investments, at cost	非上市投資，按成本值
Less: Impairment loss in respect of investment cost	減：投資成本減值虧損
Due from subsidiaries	應收附屬公司款項
Add: Reversal of impairment loss in respect of amount due from subsidiaries	加：應收附屬公司款項減值虧損撥回
Less: Impairment loss in respect of amount due from subsidiaries	減：應收附屬公司款項減值虧損

The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment. In the opinion of the directors of the Company, the Company will not demand repayment within one year from the balance sheet date and are therefore considered as non-current.

17. 於附屬公司之權益

The Company 本公司	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
697,604 (6,493)	7,676 (6,493)
691,111 11,463	1,183 64,521
–	529
–	(63,498)
702,574	2,735

應收附屬公司款項乃無抵押、免息及無固定還款期。公司董事認為，公司由結算日起一年內將不會要求還款，有關款項因而被視為非流動資產。

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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

17. INTERESTS IN SUBSIDIARIES (continued)

The following is a list of the principal subsidiaries as at 31 March 2008:

17. 於附屬公司之權益(續)

以下為於二零零八年三月三十一日之主要附屬公司名單：

Name 名稱	Place of incorporation and operations 註冊成立及 經營地點	Nominal value of issued share capital 已發行股本面值	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Pro-Capital Investments Limited	British Virgin Islands 英屬處女群島	US\$50 50美元	100	–	Investment holding 投資控股
Kenfair International Limited 建發國際有限公司	Hong Kong 香港	HK\$100 100港元	–	100	Organisation of exhibitions and trade shows in Hong Kong and Macau 於香港及澳門舉辦展覽會及 貿易展覽會
Kenfair Publications Limited	Hong Kong 香港	HK\$10 10港元	–	100	Provision of advertising services and publication of trade show and exhibition booklets 提供廣告服務及出版貿易展覽會 場刊
Capital Harvest Assets Limited	British Virgin Islands 英屬處女群島	US\$20 20美元	–	100	Investment holding 投資控股
Polonius Company Limited	Hong Kong 香港	HK\$10 10港元	–	100	Property holding 持有物業
Kenfair International (Overseas) Limited	Hong Kong 香港	HK\$10 10港元	–	100	Organisation of overseas exhibitions and trade shows 舉辦海外展覽會及貿易展覽會
Kenfair (U.S.A.) Limited	USA 美國	US\$1 1美元	–	100	Organisation of overseas exhibitions and trade shows 舉辦海外展覽會及貿易展覽會
Kenfair Travel Limited 建發旅運有限公司	Hong Kong 香港	HK\$2,500,000 2,500,000港元	–	100	Arrangement of hotel accommodation and travel package 安排酒店住宿及旅遊套票
Kenfair (Beijing) Exhibition Company Limited 建發(北京)會展有限公司	The PRC 中國	US\$1,750,000 1,750,000美元	–	100	Organisation of exhibitions and trade shows in the PRC and provision of consultancy services for exhibition 於中國舉辦展覽會及貿易展覽會 及提供展覽會顧問服務

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17. INTERESTS IN SUBSIDIARIES (continued)

17. 於附屬公司之權益(續)

Name 名稱	Place of incorporation and operations 註冊成立及 經營地點	Nominal value of issued share capital 已發行股本面值	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Kenfair International (Shanghai) Limited 上海建發展覽有限公司	The PRC 中國	US\$2,200,000 2,200,000美元	–	100	Organisation of exhibitions and trade shows in the PRC 於中國舉辦展覽會及貿易展覽會
Kenfair International (Shenzhen) Limited 深圳建發展覽有限公司	The PRC 中國	US\$150,000 150,000美元	–	100	Organisation of exhibitions and trade shows in the PRC 於中國舉辦展覽會及貿易展覽會
Guangzhou Kenfair Exhibition Company Limited 廣州市鍵發展覽策劃有限公司	The PRC 中國	US\$Nil 零美元	–	100	Organisation of exhibitions and trade shows in the PRC and provision of consultancy services for exhibitions 於中國舉辦展覽會及貿易展覽會及 提供展覽會顧問服務
Lucky Healthy Management Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
Group Idea International Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
Kenfair Macau Exhibition Limited	Macau 澳門	MOP 25,000 25,000澳門元	–	100	Organisation of exhibitions and trade shows in Macau 於澳門舉辦展覽會及貿易展覽會
Wealth Gain Global Investment Limited ("Wealth Gain")	British Virgin Islands 英屬處女群島	US\$1 1美元	100	–	Investment holding 投資控股
Shuangyashan Northern Sheng Ping Mining Limited ("Sheng Ping Mining") 雙鴨山北方升平礦業有限責任公司(「升平礦業」)	The PRC 中國	RMB20,000,000 人民幣20,000,000元	–	100	Coal Mining 煤礦開採

Note:

- (i) Kenfair (Beijing) Exhibition Company Limited, Kenfair International (Shanghai) Limited, Kenfair International (Shenzhen) Limited, Guangzhou Kenfair Exhibition Company Limited and Sheng Ping Mining were formed as wholly-owned foreign enterprises in the PRC.

附註：

- (i) 建發(北京)會展有限公司、上海建發展覽有限公司、深圳建發展覽有限公司、廣州市鍵發展覽策劃有限公司及升平礦業均為於中國成立之外商獨資企業。

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18. INTANGIBLE ASSETS

The Group

Cost:

At 1 April 2006, 31 March 2007 and 1 April 2007	於二零零六年四月一日、二零零七年三月三十一日及二零零七年四月一日
Acquisition of subsidiaries	增添附屬公司
Disposal of subsidiaries	出售附屬公司
At 31 March 2008	於二零零八年三月三十一日

Accumulated amortisation:

At 1 April 2006	於二零零六年四月一日
Amortisation provided for the year	本年度之攤銷準備
Impairment loss recognised	已確認之減值虧損
At 31 March 2007 and 1 April 2007	於二零零七年三月三十一日及二零零七年四月一日
Amortisation provided for the year	本年度之攤銷準備
Impairment loss recognised	已確認減值虧損
Disposal of subsidiaries	出售附屬公司
At 31 March 2008	於二零零八年三月三十一日

Net book value:

At 31 March 2008	於二零零八年三月三十一日
At 31 March 2007	於二零零七年三月三十一日

成本值：

累計攤銷：

賬面淨值：

18. 無形資產

本集團

Mining rights 採礦權 HK\$'000 千港元	e-Commerce platform 電子商貿平台 HK\$'000 千港元	Licence rights 特許權 HK\$'000 千港元	Total 總額 HK\$'000 千港元
–	34,219	17,632	51,851
593,282	–	–	593,282
–	–	(17,632)	(17,632)
593,282	34,219	–	627,501
–	6,619	7,711	14,330
–	3,807	2,289	6,096
–	2,793	4,632	7,425
–	13,219	14,632	27,851
–	3,135	675	3,810
–	7,480	–	7,480
–	–	(15,307)	(15,307)
–	23,834	–	23,834
593,282	10,385	–	603,667
–	21,000	3,000	24,000

The mining rights represent the rights to conduct mining activities in the coal mine situated at Jixian County, Shuangyashan City, Heilongjiang province, the PRC and have legal lives of five years, expiring in December 2012. In the opinion of the directors, the Group will be able to renew the mining rights with the relevant government authorities continuously at minimal charges. The mining rights are amortised over 43 years using the proven and probable mineral reserves of 63,072kt under the assumption that the Group can renew the mining rights indefinitely till all proven reserves have been mined.

The e-commerce platform represents "Kenfair.com" held by the Group. Kenfair.com is widely used in the Group's operation and generates income through membership fee, advertising fee and on-line application from its users. It acts as a virtual exhibition-sourcing platform for the suppliers to search for the target buyers. Members receive the latest information related to trade shows and exhibitions held by the Group. The cost of the e-commerce platform is amortised on a straight-line basis over the estimated remaining useful life of seven years.

採礦權代表於中國黑龍江省雙鴨山市集賢縣之煤礦進行採礦活動之權利。採礦權之有效期為五年，於二零一二年十二月屆滿。董事認為，本集團祇須支付小額費用，將能繼續與有關政府當局延續採礦權。採礦權以63,072千噸的已探明及推定礦產資源按43年攤銷，當中假設本公司能夠無限期延續採礦權直至所有已探明儲量已獲得開採。

電子商貿平台指由本集團所持有之「Kenfair.com」。Kenfair.com廣泛應用於本集團之營運，並透過會員費、廣告費及其用戶之在線申請而帶來收入。Kenfair.com為供應商提供虛擬展覽會採購平台，以搜尋目標買家。會員可獲取有關本集團所持有貿易展覽會及展覽會之最新資訊。電子商貿平台之成本以直線法按餘下估計可使用年期七年予以攤銷。

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18. INTANGIBLE ASSETS (continued)

Licence rights represents the non-exclusive rights to use the data contained in the annual edition of a business directory which contains the contact details of the enterprises in Beijing, the PRC. The use of such data facilitates the development of exhibition business, and allows the Group to immediately and directly approach the potential customers. The cost of licence rights is amortised on a straight-line basis over ninety months.

On 14 January 2008, the Group disposed the licence rights to an independent third party through disposal of subsidiaries. Details of which were set out in note 37 to the consolidated financial statements.

18. 無形資產(續)

特許權指使用商務指南(其載有中國北京之企業的聯繫詳情)年度版本所載數據之非獨家權利。使用有關數據有助拓展展覽會業務，並可讓本集團即時直接接洽潛在客戶。特許權之成本以直線法按九十個月予以攤銷。

二零零八年一月十四日，本集團透過出售附屬公司將特許權出售予一名獨立第三方。詳情載於綜合財務報表附註37。

19. GOODWILL

The Group

Carrying values:

Cost

At 1 April 2006, 31 March 2007
and 1 April 2007

Acquisition of subsidiaries
Disposal of subsidiaries

At 31 March 2008

Impairment

At 1 April 2006, 31 March 2007,
1 April 2007 and 31 March 2008

Carrying amounts

At 31 March 2008

At 31 March 2007

賬面值：

成本

於二零零六年四月一日、
二零零七年三月三十一日及
二零零七年四月一日

收購附屬公司
出售附屬公司

於二零零八年三月三十一日

減值

於二零零六年四月一日、
二零零七年三月三十一日、
二零零七年四月一日及
二零零八年三月三十一日

賬面值

於二零零八年三月三十一日

於二零零七年三月三十一日

HK\$'000
千港元

920

341,062
(920)

341,062

—

341,062

920

The carrying amounts of goodwill at balance sheet dates were attributable to acquisition of the following subsidiaries:

商譽於結算日之賬面值乃歸屬於以下附屬公司之收購：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Kenfair Technology Limited	Kenfair Technology Limited	—	920
Wealth Gain	Wealth Gain	341,062	—
		341,062	920

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19. GOODWILL (continued)

Impairment test for goodwill

For the purposes of impairment testing, goodwill has been allocated to an individual cash generating unit ("CGU") of mining operation. The carrying amount of goodwill (net of accumulated impairment losses) as at 31 March 2008 was approximately of HK\$341,062,000.

As at 31 March 2008, goodwill is allocated to the mining operation. The directors of the Company reassessed the recoverable amount of the goodwill with reference to the valuation performed by Savills Valuation and Professional Services Limited ("Savills"), an independent professional valuers not connected to the Group and determined that no impairment loss on goodwill associated with the mining operation was identified.

The recoverable amount of the CGU is determined based on a value-in-use calculation. The calculation used cash flow projections based on the financial budgets approved by management covering 5 year-period and a discount rate of 22% per annum. Cash flows beyond the five year-period have been extrapolated using a steady 3% growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. The key assumptions for the value in use calculation relate to the estimated mine reserves and the estimated prices of mineral resources. As at 31 March 2008, the recoverable amounts of the CGU exceed their corresponding carrying amounts. Management of the Group determines that there is no impairment of the CGU containing goodwill.

19. 商譽 (續)

商譽之減值測試

就進行減值測試而言，商譽已分配予採礦業務之一個獨立現金產生單位（「現金產生單位」）。於二零零八年三月三十一日，商譽（減去累計減值虧損）之賬面值約為341,062,000港元。

於二零零八年三月三十一日，商譽乃分配至採礦業務。本公司董事參考第一太平戴維斯估值及專業顧問有限公司（「第一太平戴維斯」）（其為與本集團並無關連之獨立專業估值師）所進行之估值，重新評估商譽之可收回金額，並釐定有關採礦業務之商譽並無已識別減值虧損。

現金產生單位之可收回金額是根據在用價值計算法釐定。該計算法使用現金流量預測，而現金流量預測則是建基於管理層批准之五年期財務預算以及每年22%之折現率。超過五年期之現金流以穩定的3%增長率推算。此增長率是建基於有關行業之增長預測而並無超過有關行業之平均長期增長率。在用價值計算法之主要假設是關於估計礦產儲量以及礦產資源之估計價格。於二零零八年三月三十一日，現金產生單位之可收回金額超過相關賬面值。本集團管理層釐定包含商譽之該現金產生單位並無減值。

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20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

20. 可供銷售財務資產

		The Group 本集團		The Company 本公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Equity securities listed in Hong Kong	於香港上市之股本證券				
At fair value (Note a)	按公平值(附註a)	10,377	34,690	10,377	30,100
Unlisted financial assets outside Hong Kong (Note b)	於香港境外之非上市財務資產(附註b)				
At cost	按成本值	—	9,434	—	—
Exchange alignment	匯率調整	—	230	—	—
Less: Provision for impairment	減：減值準備	—	(9,064)	—	—
Exercise of the option (Note 21)	行使購股權(附註21)	—	(600)	—	—
		—	—	—	—
At market value	按市值	10,377	34,690	10,377	30,100

Notes:

(a) The fair value is based on the market price at year end as quoted by the Stock Exchange of Hong Kong Limited.

(b) The unlisted financial asset represented the cost paid by the Group for an option to acquire an equity interest of a private company incorporated in the PRC. On 24 June 2003, the Company entered into an agreement (the "Option Agreement") with a limited company (the "Independent Third Party") incorporated in the PRC which, together with its beneficial owner, are independent of and not connected with the directors, chief executive or substantial shareholder of the Company or any of its subsidiaries or an associate of any of them, pursuant to which the Independent Third Party has agreed to grant an option (the "Option") to the Company for the Company to acquire up to but not exceeding 90% equity interest in Beijing Kenfair Capital Exhibition Company Limited, for identification purpose only), a PRC company subsequently set up on 29 September 2003 in the PRC with limited liability and commenced its business on 12 November 2003. On 24 June 2003, the Company also entered into an agreement (the "Undertaking Agreement", together with the Option Agreement, the "Agreements") with the Independent Third Party pursuant to which the Independent Third Party has given warranties and undertakings to the Company. Pursuant to the Agreements, the Company paid an amount of HK\$9,434,000 which was equivalent to RMB10,000,000 as consideration to the Independent Third Party for the grant of Option. The identity of the Independent Third Party is disclosed as CITIC Trust & Investment Co., Ltd. ("CITIC TRUST"), which is a wholly-owned subsidiary of China International Trust and Investment Corporation ("CITIC"), a state-owned enterprise. On 16 March 2007, the Company had exercised the Option and acquired 90% equity interest of Beijing Kenfair Capital Exhibition Company Limited.

The cost paid for the option is 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 the fair value cannot be measured reliably.

附註：

(a) 公平值乃根據香港聯合交易所有限公司所報之於年結日之市價計算。

(b) 非上市財務資產指本集團就購入一間於中國註冊成立之私人公司股權之購股權而支付之成本。於二零零三年六月二十四日，本公司與一間於中國註冊成立之有限公司(「獨立第三方」)訂立一項協議(「購股權協議」)。獨立第三方與其實益擁有人為本公司或其任何附屬公司之董事、主要行政人員或主要股東或彼等之任何聯繫人士之獨立人士，亦與彼等概無關連。據此，獨立第三方已同意向本公司授出購股權(「購股權」)，以收購北京建發京城會展有限公司(一間隨後於二零零三年九月二十九日在中國成立之中國有限責任公司並於二零零三年十一月十二日開展其業務)最多但不超過90%股本權益。於二零零三年六月二十四日，本公司亦與獨立第三方訂立一項協議(「承諾協議」，連同購股權協議，統稱「該等協議」)，據此，獨立第三方已向本公司作出保證及承諾。根據該等協議，本公司就獲授購股權而向獨立第三方支付款項9,434,000港元(相當於人民幣10,000,000元)作為代價。已披露獨立第三方為國有企業中國國際信托投資公司(「中信投資」)之全資附屬公司中信信托投資有限責任公司(「中信信托」)。二零零七年三月十六日，本公司行使購股權並收購北京建發京城會展有限公司之90%股本權益。

於各結算日，就購股權支付之成本乃按成本減去減值計量，原因是合理公平值估計之範圍太重大，以致本公司董事認為公平值無法可靠計量。

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21. PREPAYMENTS FOR ACQUISITION OF A SUBSIDIARY

The Company served a written notice to CITIC Trust to exercise the Option in whole and on 16 March 2007, Kenfair (Beijing) Exhibition Company Limited, a wholly-owned subsidiary of the Company, entered into the Transfer Agreement with CITIC Trust and Beijing Green Pioneer to transfer their respective 70% and 20% equity interest in Beijing Kenfair Capital Exhibition Company Limited to Kenfair (Beijing) Exhibition Company Limited. The completion date of the Transfer Agreement shall take place upon obtaining approval from relevant regulatory authorities in the PRC and internal approval of the parties to the Transfer Agreement. Details of the exercise of the Option are set out in the Company's announcement date 20 March 2007.

On 16 March 2007, Kenfair (Beijing) Exhibition Company Limited also entered into a sale and purchase agreement with CITIC Trust to acquire the remaining 10% equity interest in Beijing Kenfair Capital Exhibition Company Limited with a consideration of RMB212,447 which is equivalent to approximately HK\$214,593 which has been determined with reference to the net asset value of Beijing Kenfair Capital Exhibition Company Limited as at 31 July 2006. Details of the acquisition are set out in the Company's announcement dated 20 March 2007.

On 18 November 2007, Beijing Kenfair Capital Exhibition Company Limited has been deregistered.

22. INVENTORIES

Raw materials	原材料
Finished goods	製成品

At 31 March 2008, all inventories were stated at cost.

21. 收購一間附屬公司之預付款項

本公司向中信信託發出通知書以悉數行使購股權，而於二零零七年三月十六日，本公司之全資附屬公司建發(北京)會展有限公司與中信信託及北京綠先鋒訂立轉讓協議，以將中信信託與北京綠先鋒各自於北京建發京城會展有限公司的70%及20%股本權益轉讓予建發(北京)會展有限公司。轉讓協議之完成日期將於取得中國相關監管機關之批准及轉讓協議訂約方之內部批准時發生。有關行使購股權之詳情載於本公司二零零七年三月二十日之公佈。

於二零零七年三月十六日，建發(北京)會展有限公司亦與中信信託訂立買賣協議，以收購於北京建發京城會展有限公司之餘下10%股本權益，代價經參考北京建發京城會展有限公司於二零零六年七月三十一日之資產淨值後釐定為人民幣212,447元(約相等於214,593港元)。有關收購之詳情載於本公司二零零七年三月二十日之公佈。

二零零七年十一月十八日，北京建發京城會展有限公司取消註冊。

22. 存貨

2008 HK\$'000 千港元	2007 HK\$'000 千港元
10,557	—
219	—
10,776	—

於二零零八年三月三十一日，所有存貨按成本列賬。

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23. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

23. 按金、預付款項及其他應收款項

		The Group 本集團		The Company 本公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Deposits	按金	17,712	7,330	–	–
Prepayments	預付款項	16,695	7,002	530	130
Other receivables	其他應收款項	8,521	381	–	–
		42,928	14,713	530	130

The carrying amounts of deposits, prepayments and other receivables approximate to their fair values.

按金、預付款項及其他應收款項之賬面值與其公平值相若。

24. TRADE RECEIVABLES

The credit period granted to customers ranges from 30 to 90 days. The aged analysis of the trade receivables is as follow:

24. 貿易應收款項

本集團給予客戶之信貸期介乎30至90日。貿易應收款項之賬齡分析如下：

		The Group 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
0 to 30 days	0至30日	4,757	–
31 to 60 days	31至60日	5,039	–
61 to 90 days	61至90日	3,449	–
91 to 180 days	91日至180日	–	–
Over 180 days	超過180日	7,224	–
		20,469	–

According to the credit rating of different customers, the Group allows a range of credit periods not exceeding 180 days to its trade customers. Trade receivables are all denominated in RMB.

根據不同客戶之信貸評級，本集團給予貿易客戶之信貸期不超過180日。貿易應收款項全數以人民幣計值。

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Ageing of trade receivables which are not considered to be impaired is as follow:	並無被視為減值之貿易應收款項之賬齡如下：		
Over 180 days	超過180日	7,224	–

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24. TRADE RECEIVABLES (continued)

Trade receivables that were past due but not impaired related to a number of customers that have good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

In determining the recoverability of trade receivables, the directors of the Company consider any change in the credit quality of the trade receivables from the date credit were initially granted up to the reporting date. Accordingly, the directors of the Company considered provision for impairment in values be made in respect of trade receivables to their recoverable values and believe that there is no further credit provision required in excess of the allowance for doubtful debts.

25. CASH AND CASH EQUIVALENTS

Cash at banks and on hand	銀行及手頭現金
Time deposit	定期存款
Cash and cash equivalents	現金及現金等值項目

The time deposit of the Group carries interest rate of 1.1% (2007: 4.15%) per annum and these deposits have an average maturity of 14 days (2007: 15 days).

The directors of the Company consider that the carrying amount of the Group's and the Company's cash and cash equivalents approximate to their fair values.

26. PLEDGED BANK DEPOSITS

At 31 March 2008, the Group has no pledged bank deposits (2007: HK\$3,175,000) pledged to a bank for general banking facility in relation to a lease of an overseas exhibition venue.

24. 貿易應收款項 (續)

已逾期但並無減值之貿易應收款項是與多名客戶有關，彼等與本集團之業務往來記錄良好。根據經驗，管理層相信毋須就此等結餘作出減值備抵，因為信貸質素並無重大變動，而結餘仍被視為可以悉數收回。本集團並無就該等結餘持有任何抵押品。

在釐定貿易應收款項之可回收機會時，本公司董事會考慮貿易應收款項之信貸質素自初步授出信貸日期直至報告日期期間之任何變動。因此，本公司董事認為須對貿易應收款項作減值準備至其可回收價值，並相信毋須就超出呆賬備抵之差額進一步作出信貸準備。

25. 現金及現金等值項目

The Group 本集團		The Company 本公司	
2008	2007	2008	2007
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
55,358	15,442	1,220	25
12,481	21,795	—	—
67,839	37,237	1,220	25

本集團之定期存款按年利率1.1% (二零零七年：4.15%) 計息，而該等存款之平均到期日為14日 (二零零七年：15日)。

本公司董事認為，本集團及本公司之現金及現金等值項目之賬面值與其公平值相近。

26. 已抵押銀行存款

於二零零八年三月三十一日，本集團並無銀行存款 (二零零七年：3,175,000港元) 已就有關租賃海外展覽場地之一般銀行信貸而抵押予銀行。

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27. TRADE PAYABLES

The aged analysis of the trade creditors is as follow:

0 to 30 days	0至30日
31 to 60 days	31至60日
61 to 90 days	61至90日
91 to 180 days	91至180日
Over 180 days	超過180日

27. 貿易應付款項

貿易應付款項之賬齡分析如下：

The Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
2,741	—
17	—
280	—
121	—
700	—
3,859	—

28. ACCRUED LIABILITIES AND OTHER PAYABLES

Accrued liabilities	累計負債
Other payable	其他應付款項
Amount due to a former shareholder of a subsidiary	應付一間附屬公司之一名前股東的款項

28. 累計負債及其他應付款項

The Group 本集團		The Company 本公司	
2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
350,915	700	300,248	222
56,356	6,208	—	—
176,557	—	—	—
583,828	6,908	300,248	222

Included in accrued liabilities and other payables, HK\$300,000,000 was consideration payables for acquisition of "Wealth Gain" and approximately HK\$176,557,000 was payable to a former shareholder of Sheng Ping Mining.

累計負債及其他應付款項當中，300,000,000港元為收購「Wealth Gain」之應付代價，約176,557,000港元為應付予升平礦業之前股東。

The carrying amounts of accrued liabilities and other payables approximate to their fair values. The amount due to a former shareholder of a subsidiary is unsecured, interest free and repayable on demand.

累計負債及其他應付款項之賬面值與其公平值相若。應付一間附屬公司之一名前股東的款項為無抵押、免息及須應要求償還。

29. DEPOSITS RECEIVED IN ADVANCE

The carrying amounts of deposit received in advance approximates to its fair value.

29. 預收按金

預收按金之賬面值與其公平值相若。

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30. OTHER LONG TERM LIABILITIES

Repayable:	須於以下年期償還：
In the second to fifth year	第二至第五年
After the fifth year	五年後

Other long term liabilities represented government assistance granted by the Ministry of Land and Resources of Heilongjiang Province, the PRC, in relation to the transformation cost of the mining rights. The amount is recognised at initial amount granted and subsequently stated at carrying value with reference to the agreed terms. In accordance to the agreement, the government assistance is unsecured, non interest-bearing and repayable by nine annual instalments, commencing in the second year from the date of issuance of the mining rights certificate.

31. CONVERTIBLE NOTES

On 31 March 2008, the Company issued HK\$345,000,000 zero coupon convertible notes (the "Convertible Notes") which as part of the consideration for the acquisition of Wealth Gain and its subsidiary, Sheng Ping Mining (the "Wealth Gain Group")

The Group and the Company

Liability components	負債部份
Derivative components	衍生工具部份

- convertible at the option of the note holders into fully paid ordinary shares on or after 31 March 2008 and up to and including 30 March 2013 at a conversion price of HK\$0.5 per share ;
- redeemable at the option of the note holders at 100% of their principal amount at any time and from time to time, by written to notice to redeem the whole or part of the outstanding principal amount of the Convertible Notes.
- convertible at the option of the Company to request the note holders for mandatory conversion of the prescribed amount of the Convertible notes on or after the fifth anniversary of the issue date.

The Convertible Notes did not bear interest on the principal amount of the notes outstanding. The Convertible Notes will be redeemed on maturity at a value equal to the aggregate of its principal amount outstanding.

The Convertible Notes are denominated in HK\$ which is the same as the functional currency of the note issuing entity. As such, the exercise of the conversion option will give rise to the settlement by the exchange of a fixed amount of cash for a fixed number of shares of the Company. The conversion option is therefore accounted for as an equity instrument and is determined after deducting the liability component and the derivative component from the total proceeds.

30. 其他長期負債

The Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
38,060	—
37,632	—
75,692	—

其他長期負債即中國黑龍江省國土資源廳就有關採礦權轉變成本所授予之政府援助。有關款項以初步獲授予之款額確認，其後則參考協議之年期以賬面值列賬。根據有關協議，政府援助乃無抵押、免息並由採礦權證書發出日期起計第二年開始，以九個年期分期償還。

31. 可換股票據

二零零八年三月三十一日，本公司發行345,000,000港元的零息可換股票據（「可換股票據」），作為收購Wealth Gain及其附屬公司升平礦業（「Wealth Gain集團」）之部份代價。

本集團及本公司

2008 HK\$'000 千港元	2007 HK\$'000 千港元
209,415 (12,897)	—
196,518	—

- 票據持有人可選擇於二零零八年三月三十一日或其後至二零一三年三月三十日（包括該日）按每股0.5港元之價格將可換股票據轉換為繳足普通股；
- 票據持有人可選擇於任何時間及不時要求按本金額之100%進行贖回，方式為發出書面通知以贖回全部或部份可換股票據之未償還本金額。
- 本公司可選擇於發行日期起計滿五週年或其後要求票據持有人強行轉換規定金額之可換股票據。

可換股票據並不按未償還之本金額計息。可換股票據將於到期時按相等於其未償還本金總額之價值而贖回。

可換股票據以港元計值，此亦為發出可換股票據之實體的功能貨幣。因此，換股權之行使將導致以固定金額之現金換取固定數目之本公司股份。換股權因此按權益工具之方式入賬，並於所得款項總額減去負債部份及衍生工具部份後釐定。

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31. CONVERTIBLE NOTES (continued)

The embedded derivatives relating to the Company's redemption option in note (c) above which are not closely related to the host contract shall be separately measured and included together with the liabilities component as a financial liability. The fair value of the derivative component is determined based on the valuations performed by Savills using an option pricing model. The fair value of the liabilities component is determined based on the valuations performed by Savills using discounted cash flow method. The effective interest rate of the host contract is determined to be 10.5%. The residual amount was assigned as the equity component for the conversion option and was included in the convertible note equity reserve as at 31 March 2008.

The liability component is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The derivative component of the Convertible Notes is subsequently measured at fair value with changes recognised in the income statement. The value of the equity component is not remeasured in subsequent years.

Subsequent to the balance sheet date, 200,000,000 ordinary shares were issued in aggregate to the Convertible Notes holder upon the conversion of the Convertible Notes. As a result, there is a further increase in the share capital and share premium of HK\$2,000,000 and HK\$98,000,000 respectively.

This conversion has not yet been reflected in the consolidated financial statements for the year ended 31 March 2008.

32. DEFERRED TAXATION

The followings are the major deferred tax balances recognised by the Group and movements thereon:

The Group and the Company

At 1 April 2006 and 31 March 2007
and 1 April 2007
Charge to equity for the year

At 31 March 2008

At 31 March 2008, the Group had unused estimated tax losses of approximately HK\$79,246,000 (2007: HK\$44,902,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

The Company

No deferred tax assets has been recognised in respect of estimated tax losses of approximately HK\$26,857,000 (2007: HK\$12,242,000) due to the unpredictability of future profit streams.

31. 可換股票據 (續)

有關上文附註(c)之本公司贖回權之嵌入式衍生工具，其與主合約並無密切關係，應分開計量並以財務負債之形式計入負債部份。衍生工具之公平值是根據第一太平戴維斯以期權定價模式進行之估值而釐定。負債部份之公平值是根據第一太平戴維斯以折現現金流方法進行之估值而釐定。主合約之實際利率乃釐定為10.5%。剩餘金額乃歸入換股權之權益部份，並且計入於二零零八年三月三十一日之可換股票據權益儲備。

負債部份乃按攤銷成本基準列作長期負債，直至換股或贖回為止。可換股票據之衍生工具部份其後按公平值計量，變動於收益表確認。權益部份之價值不會於往後年度重新計量。

於結算日後，合共200,000,000股普通股乃於可換股票據換股後發行予可換股票據持有人。因此，股本及股份溢價分別進一步增加2,000,000港元及98,000,000港元。

此項換股並無於截至二零零八年三月三十一日止年度之綜合財務報表中反映。

32. 遞延稅項

以下為本集團確認之主要遞延稅項結餘及其中變動：

本集團及本公司

Convertible Notes 可換股票據 HK\$'000 千港元

於二零零六年四月一日及二零零七年 三月三十一日及二零零七年四月一日 年內在權益扣除	— 22,371
於二零零八年三月三十一日	<u>22,371</u>

於二零零八年三月三十一日，本集團有為數約79,246,000港元(二零零七年：44,902,000港元)之未動用估計稅項虧損可用以抵銷未來溢利。由於未來溢利來源之不可確定，故並無確認遞延稅項資產。

本公司

由於未來溢利來源之不可確定，故並無就為數約26,857,000港元(二零零七年：12,242,000港元)之估計稅項虧損確認遞延稅項資產。

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33. SHARE CAPITAL

33. 股本

		Number of shares 股份數目 2008 '000 千股	Number of shares 股份數目 2007 '000 千股	Amount 總額 2008 HK\$'000 千港元	Amount 總額 2007 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股	1,000,000	1,000,000	10,000	10,000
Issued and fully paid:	已發行及繳足：				
At beginning of the year	於年初	235,452	235,452	2,355	2,355
Issue of shares (note i)	發行股份(附註i)	117,726	—	1,177	—
Exercise of share options (note ii)	行使購股權(附註ii)	16,482	—	165	—
Placement of shares (note iii)	配售股份(附註iii)	70,000	—	700	—
At end of the year	於年終	439,660	235,452	4,397	2,355

Notes:

- (i) On 8 August 2007, 117,726,000 new shares of HK\$0.01 each were issued at a price of HK\$0.10 per share by way of open offer to the qualifying shareholders on the basis of one offer share for every two shares.
- (ii) On 20 February 2008, 16,481,640 shares were allotted and issued at a price of HK\$0.01 each pursuant to the exercise of share options granted to Capital Builder. The exercise price was HK\$0.83 per share.
- (iii) On 31 March 2008, 70,000,000 new shares of HK\$0.01 each were issued at a price of HK\$0.50 per share. The net proceeds were used to settle part of the consideration for the acquisition of Wealth Gain.

附註：

- (i) 二零零七年八月八日，117,726,000股每股面值0.01港元之新股份乃以公開發售方式按每股0.10港元之價格發行予合資格股東，基準為於記錄日期每持有兩股股份可獲配發一股發售股份。
- (ii) 二零零八年二月二十日，因授予Capital Builder之購股權獲行使而發行16,481,640股每股面值0.01港元之股份。行使價為每股0.83港元。
- (iii) 二零零八年三月三十一日，70,000,000股每股面值0.01港元之新股份乃按每股0.50港元之價格發行。所得款項淨額乃用以支付收購Wealth Gain之部份代價。

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34. RESERVES

(a) The Group

The detailed movement of other reserves as shown in the consolidated statements of changes in equity on page 48 of the financial statements is as follow:

34. 儲備

(a) 本集團

財務報表第48頁之綜合權益變動表內所示之其他儲備的詳細變動如下：

		Consolidation reserve 綜合儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Available- for-sale financial assets fair value reserve 可供銷售財務 資產公平值 儲備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2006	於二零零六年四月一日	8,975	163	(1,300)	7,838
Exchange differences on translation of overseas subsidiaries not recognised in the income statement	未於損益賬確認之換算海外附屬公司產生之匯兌差額	-	(163)	-	(163)
Fair value gains in respect of available-for-sale financial assets	可供銷售財務資產之公平值收益	-	-	18,639	18,639
At 31 March 2007 and at 1 April 2007	於二零零七年三月三十一日及二零零七年四月一日	8,975	-	17,339	26,314
Disposal of a subsidiary	出售一間附屬公司	(8,975)	-	-	(8,975)
Exchange differences on translation of overseas subsidiaries not recognised in the income statement	未於損益賬確認之換算海外附屬公司產生之匯兌差額	-	763	-	763
Transfer to income statement on disposals of available-for-sale financial assets	因出售可供銷售財務資產而轉入損益賬	-	-	(4,482)	(4,482)
Fair value losses in respect of available-for-sale financial assets	可供銷售財務資產之公平值虧損	-	-	(15,243)	(15,243)
At 31 March 2008	於二零零八年三月三十一日	-	763	(2,386)	(1,623)

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34. RESERVES (continued)

(b) The Company

34. 儲備 (續)

(b) 本公司

		Share premium account 股份溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Convertible notes reserve 可換股票據儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Available- for-sale financial assets fair value reserve 可供銷售財務 資產公平值 儲備 HK\$'000 千港元	Share option reserves 購股權 儲備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2006	於二零零六年四月一日	89,517	7,076	-	(23,910)	(1,145)	-	71,538
Share premium transferred to retained profits	股份溢價撥入 保留溢利	(66,000)	-	-	66,000	-	-	-
Net loss for the year	年內虧損淨額	-	-	-	(45,560)	-	-	(45,560)
Fair value gains in respect of available-for-sale financial assets	可供銷售財務資產之 公平值收益	-	-	-	-	16,208	-	16,208
2007 interim dividend	二零零七年中期股息	-	-	-	(11,773)	-	-	(11,773)
At 31 March 2007 and at 1 April 2007	於二零零七年 三月三十一日及 二零零七年四月一日	23,517	7,076	-	(15,243)	15,063	-	30,413
Net profit for the year	年內溢利淨額	-	-	-	8,240	-	-	8,240
Issue of share options	發行購股權	-	-	-	-	-	13,044	13,044
Issue of shares	發行股份	10,442	-	-	-	-	-	10,442
Exercise of share options	行使購股權	18,080	-	-	-	-	(4,565)	13,515
Equity component of convertible notes	可換股票據之權益部份	-	-	83,152	-	-	-	83,152
Deferred tax arising on issue of convertible notes	發行可換股票據產生之 遞延稅項	-	-	(22,371)	-	-	-	(22,371)
Transfer to income statement on disposals of available-for-sale financial assets	因出售可供銷售財務資產 而轉入收益表	-	-	-	-	(2,206)	-	(2,206)
Fair value losses in respect of available-for-sale financial assets	有關可供銷售財務資產之 公平值虧損	-	-	-	-	(15,243)	-	(15,243)
Recognition of equity-settled share based payment	確認以權益結算之以股份 為基礎付款	-	-	-	-	-	331	331
Issue of shares upon acquisition of subsidiaries	因收購附屬公司而 發行股份	68,600	-	-	-	-	-	68,600
At 31 March 2008	於二零零八年 三月三十一日	120,639	7,076	60,781	(7,003)	(2,386)	8,810	187,917

Note:

i) Contributed surplus

The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganisation during the year ended 31 March 2002, over the nominal value of the Company's shares issued in exchange therefore and the capitalisation of the 30,000,000 shares allotted and issued nil paid. Under the Companies Law (2001 Second Revision) of the Cayman Islands, the contributed surplus account is distributable to the shareholders of the Company under certain circumstances.

附註：

i) 繳入盈餘

本公司之繳入盈餘指根據於截至二零零二年三月三十一日止年度內進行之集團重組而購入之附屬公司股份之公平值，高出作為換取該等附屬公司股份而發行之本公司股份面值之差額及資本化所配發及發行之30,000,000股未繳股款股份。根據開曼群島公司法（二零零一年第二次修訂版），本公司可在若干情況以繳入盈餘賬內之款項向股東作出分派。

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35. SHARE OPTIONS

i) Share-based payment transactions

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and/or rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include any executives and full time employees of the Company, including all executive directors of the Company and its subsidiaries. The Scheme became effective on 10 April 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share option in excess of this limit is subject to shareholders' approval in a general meeting.

The share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their subsidiaries, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted would be determined by the directors, and commences after a certain vesting period and ends on a date which is not later than five years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of the share options would be determined by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options, which must be a business day; and (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer, provided that the subscription price shall not be lower than the nominal value of the shares.

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

35. 購股權

i) 以股份為基礎之付款交易

本公司設有一項購股權計劃（「該計劃」），藉以向對本集團業務成功作出貢獻之合資格參與者給予鼓勵及／或回報。該計劃之合資格參與者包括本公司任何行政人員及全職僱員（包括本公司及其任何附屬公司之所有執行董事）。該計劃於二零零二年四月十日起生效，除非以其他方式取消或修訂該計劃，否則該計劃自該日起計十年內保持有效。

根據該計劃現時獲准授出而尚未行使之購股權所涉及之最高股份數目相等於其行使時本公司於任何時間已發行股份之10%。該計劃各合資格參與者於任何12個月期間根據購股權可獲發行之最高股份數目以本公司任何時間已發行股份之1%為限。凡進一步授出超過此限額之購股權，必須於股東大會上獲股東批准。

凡向本公司董事、主要行政人員或主要股東或彼等之任何聯繫人士授出購股權，必須事先取得獨立非執行董事批准。此外，凡於任何12個月期間內向本公司或其任何附屬公司之主要股東或獨立非執行董事授出任何購股權，而有關數額超過本公司任何時間已發行股份之0.1%或總值（根據授出日期本公司股份之價格計算）超過5,000,000港元，必須事先於股東大會上獲得股東批准。

授出購股權之建議可於提出建議日期起計28日內接納，承授人須支付合共1港元之象徵式代價。所授購股權之行使期由董事釐定，並於若干歸屬期後方會開始，且最遲須於購股權建議提出日期起計五年或該計劃屆滿日期（倘為較早者）當日結束。

購股權之行使價由董事釐定，惟不得低於(i)本公司股份於購股權建議提出日期（必須為營業日）在聯交所之收市價；及(ii)本公司股份於緊接建議提出日期前五個交易日在聯交所之平均收市價兩者中較高者，惟認購價不得低於股份面值。

授予僱員之購股權之公平值確認為一項僱員成本，而權益內之資本儲備會相應增加。該公平值乃於授出日期經計及購股權獲授出時之條款及條件後以畢蘇莫期權定價模式計量。倘僱員須於無條件享有購股權之前履行歸屬條件，則購股權之估計公平值總額乃經計及購股權將會歸屬之機會率後按歸屬期限予以攤分。

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35. SHARE OPTIONS (continued)

i) Share-based payment transactions (continued)

During the vesting period, the number of share options that expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

At 22 August 2007, 4,400,000 share options have been granted to the employees of the Group which 400,000 share options were lapsed during the year and 4,000,000 share options are remained outstanding. The total number of share options may be granted under the Scheme is not permitted to exceed 30% of the Company's issued share capital during the Scheme period. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 10% of the shares of the Company in issue at any point in time, unless an approval by shareholders at general meeting has been obtained.

The consideration of HK\$1 is paid on the grant of an option. The share options may be exercised at any time commencing from 22 August 2007 to 21 August 2008 in accordance with the Option Scheme. The exercise price is determined by the directors of the Company, and will be at least the higher of (i) the closing price of the Company's shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheets on the offer date; and (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the offer date.

Details of specific categories of options are as follows:

Category of Participants 參與者類別	Date of grant 授出日期	Exercisable period 行使期	Exercisable price per share 每股行使價	Outstanding at 1/4/2006, 31/3/2007 and 1/4/2007 於二零零六年四月一日、二零零七年三月三十一日及二零零七年四月一日尚未行使	Granted during year 年內授出	Exercised during year 年內行使	Expired during year 年內屆滿	Lapsed during year 年內失效	Outstanding at 31/3/2008 於二零零八年三月三十一日尚未行使
Employees of the Company 本公司僱員	22/8/2007	22/8/2007-21/8/2008	1.066	–	4,400,000	–	–	400,000	4,000,000

35. 購股權 (續)

i) 以股份為基礎之付款交易 (續)

於歸屬期內，會檢討預期歸屬之購股權數目。於過往年度確認之累計公平值之任何調整乃扣自／計入有關檢討年度之損益賬，除非原有僱員支出符合確認為資產之資格而資本儲備作出相應調整則作別論。於歸屬日，確認為一項支出之款額乃予以調整，以反映歸屬之實際購股權數目（連同資本儲備之相應調整），惟倘沒收僅因未達致與本公司股份之市價有關之歸屬條件則除外。權益款額乃於資本儲備中確認，直至購股權獲行使（當其撥至股份溢價賬時）或購股權屆滿（當其直接轉出至保留盈利時）為止。

購股權持有人無權收取股息或在股東大會上投票。

二零零七年八月二十二日，本集團僱員獲授4,400,000份購股權，而400,000份購股權已於年內失效及4,000,000份購股權為仍未行使。根據該計劃可授出之購股權總數不得超過本公司於該計劃有效期內已發行股本之30%。於任何一年向任何個人授出及可能授出之購股權涉及的已發行及將發行股份數目，不得超過本公司不時已發行股份之10%，惟於股東大會上獲股東批准者則作別論。

承授人獲授購股權時已支付1港元之代價。根據購股權計劃，購股權可於二零零七年八月二十二日至二零零八年八月三十一日止期間行使。行使價由本公司董事釐定，將為以下兩者中的較高者：(i)本公司股份於要約日期在聯交所每日報價表所列之收市價；及(ii)本公司股份於緊接要約日期前五個營業日在聯交所每日報價表所列之平均收市價。

特定類別購股權之詳情如下：

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35. SHARE OPTIONS (continued)

i) Share-based payment transactions (continued)

In accordance with the terms of the share-based arrangement, options issued during the financial year ended 31 March 2008 were vested over the vesting period.

The Group recognised the total expenses of approximately HK\$331,000 for the year ended 31 March 2008 (2007: Nil), in relating to share options granted by the Company.

The fair value of the share options granted during the year ended 31 March 2008 is HK\$0.13547 each. Options were priced using a Black-Scholes-Merton option pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the opinion), and behavioral considerations. Expected volatility is based on the historical share price volatility over the past 5 years. To allow for the effects of early exercise, it was assumed that the employees of the Company would exercise the options after vesting date when the share price was two and a half times the exercise price.

Inputs into model

Inputs	Inputs
Grant date share price	授出日期之股價
Exercise price	行使價
Expected volatility	預期波幅
Expected life of the options	購股權之預期有效期
Dividend yield	股息率
Risk-free interest rate	無風險利率

Expected volatility was determined by using the historical volatility of the Company's share price over the previous two years.

The Black-Scholes-Merton option pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

35. 購股權 (續)

i) 以股份為基礎之付款交易 (續)

根據以股份為基礎之安排的條款，截至二零零八年三月三十一日止財政年度內發行之購股權已於歸屬期內歸屬。

本集團於截至二零零八年三月三十一日止年度就本公司授出之購股權確認總開支約331,000港元(二零零七年：無)。

截至二零零八年三月三十一日止年度內授出之購股權的公平值為每份0.13547港元。購股權乃以畢蘇莫期權定價模式定價。若相關，該模式所使用的預期年期已根據管理層對不可轉讓、行使限制(包括達致購股權規定之市場條件的機會)以及行為考慮因素之影響的最佳估計而調整。預期波幅乃根據過去五年的股份波幅記錄而釐定。為考慮到提前行使購股權之影響，已假設本公司僱員將於歸屬日期後，在股價為行使價的二點五倍時行使購股權。

輸入模式之參數

	2008	2007
Grant date share price	HK\$1.060	—
Exercise price	HK\$1.066	—
Expected volatility	52.02%	—
Expected life of the options	1 year	—
Dividend yield	8.2%	—
Risk-free interest rate	3.94%	—

預期波幅乃以過去兩年本公司股價之波幅而釐定。

畢蘇莫期權定價模式乃用以估計購股權之公平值。計算購股權公平值時所用之變數及假設乃建基於董事之最佳估計。購股權之價值隨若干主觀假設之不同變數而變動。

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35. SHARE OPTIONS (continued)

ii) Share options granted to Capital Builder Investment Limited

The Company granted 47,090,400 share options (the "Options") to an independent third parties, Capital Builder Investment Limited ("Capital Builder"), on 21 November 2007. Capital Builder shall be entitled to require the Company to allot and issue up to a maximum of 47,090,400 new shares at the subscription price of HK\$0.83 upon and subject to the terms set out in the option agreement ("Option Agreement").

The fair value of Options granted to Capital Builder is recognised as a share option cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date, using the binomial model, taking into account the terms and conditions upon which the options were granted.

The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 20% of the shares of the Company in issue at any point in time, unless an approval by shareholders at general meeting has been obtained.

The consideration of HK\$1 is paid upon grant of Options together with HK\$5,000,000 was paid as deposits to the Company for setting off against the subscription price payable by the subscriber for the relevant subscription share on a pro rata basis. Options may be exercised at any time commencing from 21 November 2007 to 20 November 2008 in accordance with the Option Agreement. The subscription price represents: (i) a discount of approximately 18.63% to the closing price of HK\$1.02 per share as quoted on the Stock Exchange on the last trading Day; (2) a discount of approximately 19.26% to the average closing price of HK\$1.028 per share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Option Agreement.

Details of the Options are as follows:

Participants 參與者類別	Date of grant 授出日期	Exercisable period 行使期	Exercisable price per share 每股行使價	Outstanding at 1/4/2006, 31/3/2007 and 1/4/2007 於二零零六年 四月一日、 二零零七年 三月三十一日 及二零零七年 四月一日 尚未行使	Granted during year 年內授出	Exercised during year 年內行使	Expired during year 年內屆滿	Lapsed during year 年內失效	Outstanding at 31/3/2008 於二零零八年 三月三十一日 尚未行使
Capital Builder	21/11/2007	21/11/2007- 20/11/2008	HK\$0.83	—	47,090,400	16,481,640	—	—	30,608,760

35. 購股權 (續)

ii) 授予Capital Builder Investment Limited之購股權

本公司於二零零七年十一月二十一日向獨立第三方Capital Builder Investment Limited (「Capital Builder」) 授出47,090,400份購股權 (「購股權」)。Capital Builder有權要求本公司根據購股權協議 (「購股權協議」) 所載之條款按認購價每股0.83港元配發及發行最多47,090,400股新股份。

授予Capital Builder之購股權之公平值確認為一項購股權成本，而權益內之資本儲備會相應增加。該公平值乃於授出日期經計及購股權授出時之條款及條件後以二項式模型計量。

於任何一年向任何個人授出及可能授出之購股權涉及的已發行股份及將發行股份數目，不得超過本公司不時已發行股份之20%，惟於股東大會上獲股東批准者則作別論。

1港元之代價已於授出購股權時支付，而5,000,000港元之按金已支付予本公司，以按比例的方式用於抵銷認購人就有關認購股份而應付之認購價。購股權可於二零零七年十一月二十二日至二零零八年十一月二十日止期間內根據購股權協議隨時行使。認購價較：(i) 股份於最後交易日在聯交所之收市報價每股1.02港元折讓約18.63%；(ii) 緊接購股權協議前最後連續五個交易日在聯交所之平均收市報價每股1.028港元折讓約19.26%。

購股權之詳情如下：

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35. SHARE OPTIONS (continued)

ii) Share options granted to Capital Builder Investment Limited (continued)

The Group recognised the total expenses of approximately HK\$13,044,000 for the year ended 31 March 2008 (2007: Nil), in relating to share options granted by the Company.

The fair value of the share options granted during the year ended 31 March 2008 is HK\$0.277 each. Options were priced using a binomial option pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the opinion), and behavioral considerations. Expected volatility is based on the historical share price volatility over the past 5 years.

Inputs into model

Grant date share price	授出日期之股價
Exercise price	行使價
Expected volatility	預期波幅
Option life	購股權年期
Dividend yield	股息率
Risk-free interest rate	無風險利率

Expected volatility was determined by using the historical volatility of the Company's share price over the previous two years.

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

35. 購股權 (續)

ii) 授予Capital Builder Investment Limited之購股權 (續)

本集團於截至二零零八年三月三十一日止年度就本公司授出之購股權確認總開支約13,044,000港元(二零零七年：無)。

截至二零零八年三月三十一日止年度內授出之購股權的公平值為每份0.277港元。購股權乃以二項式期權定價模式定價。若相關，該模式所使用的預期年期已根據管理層對不可轉讓、行使限制(包括達致購股權規定之市場條件的機會)以及行為考慮因素之影響的最佳估計而調整。預期波幅乃根據過去五年的股份波幅記錄而釐定。

輸入模式之參數

	2008	2007
Grant date share price	HK\$1.03	—
Exercise price	HK\$0.83	—
Expected volatility	60%	—
Option life	1 year	—
Dividend yield	4%	—
Risk-free interest rate	1.21%	—

預期波幅乃以過去兩年本公司股價之波幅而釐定。

二項式模式乃用以估計購股權之公平值。計算購股權公平值時所用之變數及假設乃建基於董事之最佳估計。購股權之價值隨若干主觀假設之不同變數而變動。

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36. ACQUISITION OF SUBSIDIARIES

On 31 March 2008, the Group acquired 100% equity interest of the Wealth Gain Group from an independent third party at a consideration of HK\$700,000,000 (the "Acquisition").

36. 收購附屬公司

二零零八年三月三十一日，本集團以700,000,000港元之代價向一名獨立第三方收購Wealth Gain集團之100%股本權益（「收購事項」）。

		Carrying amount before the acquisition 收購事項前之 賬面值 HK\$'000 千港元	Fair value adjustment 公平值調整 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Net assets acquired:	所收購之資產淨值：			
Property, plant and equipment	物業、廠房及設備	70,550	—	70,550
Mining rights	採礦權	593,282	—	593,282
Inventories	存貨	10,776	—	10,776
Trade receivables	貿易應收款項	20,469	—	20,469
Deposits, prepayment and other receivables	按金、預付款項及其他 應收款項	20,031	—	20,031
Cash at bank and cash equivalents	銀行現金及現金等值項目	3,125	—	3,125
Amounts due to former shareholder of a subsidiary	應付一間附屬公司之一名 前股東之款項	(176,557)	—	(176,557)
Trade payables	貿易應付款項	(3,859)	—	(3,859)
Accruals, deposits received and other payables	應計費用、已收按金及 其他應付款項	(92,330)	—	(92,330)
Tax payable	應繳稅項	(18,249)	—	(18,249)
Deferred income	遞延收入	(2,681)	—	(2,681)
Other long term liabilities	其他長期負債	(75,692)	—	(75,692)
Net assets acquired	所收購之資產淨值	348,865	—	348,865
Total consideration	總代價			(689,927)
Goodwill	商譽			341,062
Satisfied by:	支付方式：			
Cash	現金			320,000
Fair value of convertible notes	可換股票據之公平值			279,669
Issue of shares at fair value (note iii)	按公平值發行股份 (附註iii)			69,300
Expenses incurred for acquisition	收購產生之開支			20,958
				689,927
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：			
Cash consideration paid	已付現金代價			(20,000)
Bank balances and cash acquired	所收購之銀行結餘及現金			3,125
				(16,875)

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36. ACQUISITION OF SUBSIDIARIES (continued)

Notes:

- (i) Details of the Acquisition were set out in the Company's circular dated 13 February 2008. Since the Acquisition, the Wealth Gain Group did not contribute any revenue or profit for the year ended 31 March 2008.
- (ii) Had the Acquisition taken place at beginning of the year, the revenue and profits of the Wealth Gain Group would have been HK\$253,671,000 and HK\$32,281,000 respectively.
- (iii) As part of the consideration for the acquisition of the Wealth Gain Group, 70,000,000 ordinary shares of the Company with par value HK0.01 each were issued. The fair value of the ordinary shares of the Company, determined using the published price available at the date of the Acquisition of HK\$0.99 per share, amounted to HK\$69,300,000.

37. DISPOSAL OF INTEREST IN SUBSIDIARIES

On 14 January 2008, the Group disposed of 100% interest in several subsidiaries, including Superachieve International Limited, Kenfair Technology Limited, Octopus Enterprises Limited, Astonishing Profits Limited and Asian Online Limited, at a consideration of approximately HK\$1, resulting in a gain on disposal of approximately HK\$6,494,000.

The net assets of the subsidiaries at the date of disposal were as follows:

36. 收購附屬公司 (續)

附註：

- (i) 收購事項之詳情載於本公司二零零八年二月十三日之通函。自收購事項以來，Wealth Gain集團對截至二零零八年三月三十一日止年度並無任何收益或溢利貢獻。
- (ii) 倘若收購事項於年初已經進行，Wealth Gain集團之收益及溢利將分別為253,671,000港元及32,281,000港元。
- (iii) 作為收購Wealth Gain集團之部份代價，本公司已發行70,000,000股每股面值0.01港元之普通股。根據於收購事項當日可取得之已刊發股份價格每股0.99港元計算，該等本公司普通股之公平值為69,300,000港元。

37. 出售附屬公司權益

二零零八年一月十四日，本集團以約1港元之代價出售數間附屬公司，包括Superachieve International Limited、Kenfair Technology Limited、Octopus Enterprises Limited、Astonishing Profits Limited及Asian Online Limited之100%權益，產生出售收益約6,494,000港元。

該等附屬公司於出售日期之資產淨值如下：

		2008 HK\$'000 千港元
Net assets disposed of:	所出售之資產淨值：	
Intangible assets	無形資產	2,325
Amount due from the Group	應收本集團之款項	5,353
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	395
Cash at bank and on hand	銀行現金及手頭現金	65
Tax payables	應付稅項	(6,576)
		1,562
Release of consolidation reserve	解除綜合儲備	(8,975)
Goodwill disposed of	所出售之商譽	920
Gain on disposal of subsidiaries	出售附屬公司之收益	6,494
Total consideration	總代價	1
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash consideration	現金代價	1
Bank balances and cash disposed of	所出售之銀行結餘及現金	(65)
		(64)

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38. FINANCIAL INSTRUMENTS

Categories of financial instruments:

Financial assets

Loans and receivables

Available-for-sale financial assets

Financial liabilities

Amortised cost

財務資產

貸款及應收款項

可供銷售財務資產

財務負債

已攤銷成本

38. 財務工具

財務工具之類別：

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Financial assets		
Loans and receivables	96,829	40,793
Available-for-sale financial assets	10,377	34,690
Financial liabilities		
Amortised cost	859,897	6,908

39. CONTINGENT LIABILITIES

The Group and the Company had no significant contingent liabilities at the balance sheet date (2007: Nil).

39. 或然負債

本集團及本公司於結算日並無任何重大或然負債(二零零七年：無)。

40. COMMITMENTS

Commitments for the acquisition of property, plant and equipment

收購物業、廠房及設備之承擔

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Commitments for the acquisition of property, plant and equipment	140	—

40. 承擔

41. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties and exhibition venues under operating lease arrangements. Leases for office properties are negotiated for terms ranging from one to three years and the leases for exhibition venues are negotiated according to the exhibition periods, normally less than one week.

At 31 March 2008, the Group had total future minimum lease payments under non-cancellable operating leases in respect of land and buildings falling due as follows:

41. 經營租賃安排

本集團根據經營租賃安排租用其若干辦公室物業及展覽場地。辦公室物業之租賃期經協商定出，年期由一至三年不等，而展覽場地之租賃期則按照展覽期而商定，一般為少於一星期。

於二零零八年三月三十一日，本集團根據不可撤銷之土地及樓宇經營租約而須於下列期限內支付之未來最低租約付款總額如下：

		The Group 本集團		The Company 本公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Within one year	一年內	36,027	23,030	—	4,145
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	9,268	23,923	—	—
		45,295	46,953	—	4,145

The Company did not have significant operating lease arrangements at the balance sheet date (2007: HK\$Nil).

於結算日，本公司並無重大經營租賃安排(二零零七年：無)。

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42. MATERIAL RELATED PARTY TRANSACTIONS

In additions to the transactions and balances disclosed elsewhere in these financial statements, during the year ended 31 March 2008, the Group had entered into the following material related party transactions.

Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Company's directors as disclosed in Note 9 to the financial statement is as follow:

Short term employee benefits	短期僱員福利
MPF Contribution	強積金供款
Share-based payment	以股份為基礎之付款

Total remuneration is included in "Staff costs" in Note 8 to the financial statements.

43. MAJOR NON-CASH TRANSACTIONS

For the year ended 31 March 2008, the Group had the following major non-cash transactions:

- As at 31 March 2008, the Company issued and allotted a total of 70,000,000 ordinary shares of HK\$0.01 each at HK\$0.5 per share which was approximately HK\$35,000,000 to Mr. Hung Chen, Richael, as the partial consideration for the Acquisition.
- As at 31 March 2008, the Company issued convertible note in the aggregate principal amount of HK\$345,000,000 to Mr. Hung Chen, Richael as the consideration for the Acquisition.

For the year ended 31 March 2007, the Group had the following major non-cash transaction:

- On 16 September 2006, the Company has reduced the share premium account by an amount of HK\$66,000,000 be transferred to the retained earnings account of the Company to eliminate the accumulated losses of the Company as at 31 March 2006.

42. 重大關連人士交易

除於本財務報表其他地方披露之交易及結餘外，於截至二零零八年三月三十一日止年度，本公司已訂立下列重大關連人士交易。

主要管理人員酬金

主要管理人員之酬金(包括如財務報表附註9披露之已付予本公司董事之款額)如下：

The Group 本集團	
2008 HK\$'000 千港元	2007 HK\$'000 千港元
15,648	16,600
111	120
232	—
15,991	16,720

酬金總額乃包括在「員工成本」(財務報表附註8)內。

43. 主要非現金交易

於截至二零零八年三月三十一日止年度，本集團有下列主要非現金交易：

- 於二零零八年三月三十一日，本公司按每股0.5港元之價格發行及配發合共70,000,000股每股面值0.01港元之普通股予洪誠先生，價值約為35,000,000港元，乃用作支付收購事項之部份代價。
- 於二零零八年三月三十一日，本公司向洪誠先生發行本金總額為345,000,000港元之可換股票據，作為收購事項之代價。

於截至二零零七年三月三十一日止年度，本集團有下列主要非現金交易：

- 於二零零六年九月十六日，本公司透過將66,000,000港元之金額撥入本公司之保留盈利賬而削減股份溢價賬，以抵銷本公司於二零零六年三月三十一日之累積虧損。

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44. ENVIRONMENTAL CONTINGENCIES

To date, the Group has not incurred any significant expenditures for environment remediation and has not accrued any amounts for environmental remediation relating to its mining operations. Under existing legislation, management believes that there are no probable liabilities that will have a material adverse effect on the financial position or operating results of the Group. The PRC government, however, has moved and may move further towards more rigorous enforcement of applicable laws, and towards the adoption of more stringent environmental standards. Environmental liabilities are subject to considerable uncertainties which affect the Group's ability to estimate the ultimate cost of remediation efforts. These uncertainties include: (i) the exact nature and extent of the contamination at various sites including, but not limited to mines and processing plants whether operating, closed and sold; (ii) the extent of required cleanup efforts; (iii) varying costs of alternative remediation strategies; (iv) changes in environmental remediation requirements; and (v) the identification of new remediation sites. The amount of such future cost is indeterminable due to such factors as the unknown magnitude of possible contamination and the unknown timing and extent of the corrective actions that may be required. Accordingly, the outcome of environmental liabilities under proposed or future environmental legislation cannot reasonably be estimated at present and could be material. The Group has not incurred any expenses in respect of environment remediation during this year (2007: HK\$Nil).

45. POST BALANCE SHEET EVENTS

- (i) On 20 March 2008, the directors of the Company announced that the board proposed to increase the authorised share capital of the Company from 1,000,000,000 shares to 2,000,000,000 shares by the creation of an additional 1,000,000,000 unissued shares. Details of the proposed increase in the share capital were set out in the Company's circular dated 2 April 2008. The ordinary resolution to approve the increase in authorised share capital of the Company was duly passed by the shareholders at the extraordinary general meeting held on 18 April 2008.
- (ii) On 18 March 2008, the Company entered into the placing agreement with Baron Capital Limited (the "Placing Agent"), pursuant to which the Placing Agent would procure not less than six independent placees to subscribe for the placing shares up to a maximum of 250,000,000 new shares at a subscription price of not less than HK\$0.80 per placing share.

The placing of new 120,500,000 shares of the Company to not less than six placees was completed on 29 May 2008 at a placing price of HK\$0.99 per share. The Company received net proceeds from the placing of approximately HK\$105,438,000 for the purpose of financing the Acquisition.

44. 或然環保負債

截至現時，本集團並未因環境補償問題發生任何重大支出，亦未就任何與採礦業務相關的環境補償進一步計提任何金額的準備。在現行法律規定下，管理層相信不會發生任何可能對本集團的財務狀況或經營業績有重大負面影響的負債。然而，中國政府已經並有可能進一步實施更為嚴格的執行適用法律及採納更嚴謹的環境保護標準。環保負債面臨的不確定因素較大，並可能影響本集團估計最終環保補償措施的成本的能力。該等不確定因素包括：(i)相關地點（包括但不限於營運中、已關閉和已出售的礦場及加工廠）所發生污染的確切性質和程度；(ii)所需的清理工作量；(iii)各種補救措施的成本；(iv)環境補償規定的改變；及(v)新補償地點的確認。由於未知受污染程度及所需採取的補救措施的確切時間和程度等因素，故未能釐定將來涉及的費用。因此，依據擬議或未來的環境保護法律規定可能導致的環保方面的負債無法在目前合理確定，但有可能十分重大。本集團於本年度並無就環境補償而錄得任何開支（二零零七年：零港元）。

45. 結算日後事項

- (i) 二零零八年三月二十日，本公司董事宣佈董事會建議通過增設1,000,000,000股未發行股份，將本公司之法定股本由1,000,000,000股增加至2,000,000,000股。建議增加股本之詳情已載於本公司二零零八年四月二日之通函。於二零零八年四月十八日舉行之股東特別大會上，股東正式通過有關批准增加本公司法定股本之普通決議案。
- (ii) 二零零八年三月十八日，本公司與建勤融資有限公司（「配售代理」）訂立配售協議，據此，配售代理將促成不少於六名獨立承配人認購最多250,000,000股新股份之配售股份，每股配售股份之認購價不低於0.80港元。

向不少於六名承配人配售120,500,000股本公司新股份一事，已於二零零八年五月二十九日完成，每股配售價為0.99港元。本公司收到之配售事項所得款項淨額約為105,438,000港元，乃用於撥資進行收購事項。

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45. POST BALANCE SHEET EVENTS (continued)

- (iii) On 29 April 2008, the directors proposed to change the name of the Company from "Kenfair International (Holdings) Limited" to "Sino Resources Group Limited" and to adopt the Chinese name as "神州資源集團有限公司" for identification purposes of the Company. The change of name application is in processing and has not been completed as at the date of this report.
- (iv) Subsequent to the year ended 31 March 2008, the Convertible Notes holder had exercised his conversion rights by converting the Convertible Notes principal amount of HK\$50,000,000 and HK\$50,000,000 into 100,000,000 and 100,000,000 new shares on 29 April 2008 and 14 May 2008 respectively.
- (v) Subsequent to the year ended 31 March 2008, the share option holders had exercised their subscription rights under the Option Scheme which 1,300,000, 400,000, 100,000 and 200,000 new shares were issued on 28 April 2008, 2 May 2008, 22 May 2008 and 20 June 2008 respectively.
- (vi) Subsequent to the year ended 31 March 2008, the option holder, Capital Builder had exercised its subscription rights under the Option which 16,481,640 and 14,127,120 new shares were issued on 14 April 2008 and 21 April 2008 respectively.
- (vii) On 6 June 2008, the Company entered into a non-legally binding memorandum of understanding with the Jixian Government and Baron Capital Limited in relation to a proposed investment in the construction of a coal-based urea production facility at Jixian County, Shuangyashan City, Heilongjiang Province, the PRC. The designed production capacity of the facility is 1.6million tones of coal-based urea per annum and the total investment amount for the proposed investment is estimated to be RMB7.8 billion. The expected construction time of the production facility is approximately 30 months. Details of the proposed investment in a coal-based urea production facility is set out in the Company's announcement dated 6 June 2008.

46. AUTHORISATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 31 July 2008.

45. 結算日後事項 (續)

- (iii) 二零零八年四月二十九日，董事建議本公司之名稱由「Kenfair International (Holdings) Limited」更改為「Sino Resources Group Limited」並且採納中文名稱「神州資源集團有限公司」作為本公司之識別用途。有關當局正處理更改名稱之申請。於本報告日期，更改名稱一事尚未完成。
- (iv) 截至二零零八年三月三十一日止年度後，可換股票據持有人行使換股權，分別於二零零八年四月二十九日及二零零八年五月十四日將本金額分別為50,000,000港元及50,000,000港元之可換股票據轉換為100,000,000股及100,000,000股新股份。
- (v) 截至二零零八年三月三十一日止年度後，購股權持有人行使購股權計劃附帶之認購權，而1,300,000股、400,000股、100,000股及200,000股新股份已分別於二零零八年四月二十八日、二零零八年五月二日、二零零八年五月二十二日及二零零八年六月二十日發行。
- (vi) 截至二零零八年三月三十一日止年度後，購股權持有人Capital Builder行使購股權附帶之認購權，而16,481,640股及14,127,120股新股份已分別於二零零八年四月十四日及二零零八年四月二十一日發行。
- (viii) 於二零零八年六月六日，本公司與集賢縣政府及建勤融資有限公司就建議投資於在中國黑龍江省雙鴨山市集賢縣興建煤基尿素生產設施，訂立並無法律約束力之諒解備忘錄。該設施之計劃年產能為1,600,000噸煤基尿素，而建議投資項目之投資總額約為人民幣7,800,000,000元。預期興建該生產設施之施工期約30個月。有關建議投資於煤基尿素生產設施之詳情，載於本公司日期為二零零八年六月六日之公佈。

46. 授權刊發綜合財務報表

本綜合財務報表已由董事會於二零零八年七月三十一日批准及授權刊發。



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