

VXL CAPITAL LIMITED

卓越金融有限公司

(Stock Code 股份代號: 727)

卓越

2009/2010

Annual Report  
年報

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# Chairman's Statement

## 主席報告

Dear Shareholders,

I present to the Shareholders the annual results of the Group for the financial year ended 31 March 2010 ("FY 2010").

### FINANCIAL PERFORMANCE REVIEW

The Group's turnover for the current year comprised two elements namely the hotel rental and other income of HK\$1.9 million and the realized gain on listed securities trading of HK\$0.4 million. The hotel rental and other income were contributed from the Group's first operating hotel located in Xiangfan, Hubei province, which commenced business in September 2009. During the year, the Group has disposed of all the trading securities, and realized a gain of HK\$0.4 million.

As a result of disposals of the 112 Apartments and the Changshou Properties, the Group's operating expenses have decreased significantly during the year. In addition, the management has introduced cost control measures to further reduce the operating expenses of the Group. Furthermore, the Group has replaced the convertible notes by shareholder's loan which carries a lower interest rate which would result in a reduction in the Group's finance costs.

For FY 2010, the Group recorded a net loss attributable to equity holders of the Company of HK\$154.3 million (financial year ended 31 March 2009: HK\$150.4 million).

The Board does not recommend the payment of a final dividend for the year ended 31 March 2010.

致列位股東：

本人謹此向股東提呈本集團截至二零一零年三月三十一日止財政年度（「二零一零年財政年度」）之全年業績。

### 財務表現回顧

本集團本年度之營業額包括酒店租金及其他收入1,900,000港元以及上市證券買賣之已變現收益400,000港元兩部份。酒店租金及其他收入源自本集團位於湖北省襄樊市首間營運之酒店，該酒店於二零零九年九月開業。年內，本集團出售所有買賣證券，並已變現收益400,000港元。

於出售壹一寓及長壽物業後，本集團年內之經營開支大幅減少。此外，管理層已推出多項成本控制措施，以進一步減低本集團之經營開支。再者，本集團以利率較低之股東貸款取代可換股票據，應可降低本集團之融資成本。

於二零一零年財政年度，本集團錄得本公司權益持有人應佔之虧損淨額154,300,000港元（截至二零零九年三月三十一日止財政年度：150,400,000港元）。

董事會不建議就截至二零一零年三月三十一日止年度派發末期股息。

# Chairman's Statement (Continued)

## 主席報告 (續)

### BUSINESS REVIEW AND CORPORATE DEVELOPMENT

Consequent to the 2008/09 financial tsunami, the Group had during FY 2010 re-positioned its strategies to face the financial and economic climates under which its businesses have to operate. In realising its hotel properties' potential, the Group has also looked into alternative uses for its hotel properties.

#### Budget Hotels in the PRC

As reflected in our interim report, the Group has further re-organised its portfolio of hotel properties. As elaborated in our recent announcement, out of the total of 29 hotel properties that the Group had committed to acquire, due to unsuitability arising from location and size area, the commitment on 6 hotel properties had been terminated and the Group is in the process of negotiating the termination of another 4 hotel properties. For similar reason, 2 acquired hotel properties, one in Jinchang, Gansu and another in Daying, Sichuan, were disposed of in May 2009 and June 2010 respectively.

As an alternative to self-operating our hotel properties, the Group has begun looking into different uses for its hotel properties which include leasing out and redevelopment. The leasing route would target budget hotel operators with similar approach as us. Leasing would make the leased property self-sustained while allowing us to retain the potential capital appreciation. Redevelopment route is considered because certain properties allow for higher plot ratio, hence this would bring in higher returns from redevelopment potentials. Our hotel properties portfolio, recorded at historical cost convention, has enjoyed capital appreciation along with the PRC economic growth. Depending on the then prevailing circumstances, further disposals or termination of commitment may also be considered.

The Group will continue its efforts in seeking joint venture or partnership with hotel management companies and property developers where their expertise will be beneficial to our Group.

### 業務回顧及企業發展

於發生二零零八／零九年之金融海嘯後，本集團於二零一零年財政年度重新調整其策略，以應對其經營業務所在之金融及經濟環境。在發揮其酒店物業潛力之同時，本集團亦研究其酒店物業之其他用途。

#### 於中國之經濟型酒店

如中期報告所反映，本集團已進一步重整其酒店物業組合。如近期公告所闡述，於本集團承諾收購之合共二十九項酒店物業中，由於地點及規模並不適合，故本集團已終止有關六項酒店物業之承擔，而本集團現正磋商終止另外四項酒店物業之承擔。基於類似理由，本集團亦分別於二零零九年五月及二零一零年六月出售一項位於甘肅省金昌市及一項位於四川省大英縣之共兩項已收購酒店物業。

本集團已開始研究其酒店物業之不同用途，包括出租及重新發展，代替自營酒店物業。租賃目標會定於模式與本集團相近之經濟型酒店營運商。租賃安排可令出租物業自負盈虧，同時令本集團得以保留潛在資本增值。重新發展方面，由於若干物業可提高地積比率，因而潛在重新發展項目有望帶來更高回報。本集團按歷史成本法入賬之酒店物業組合亦已受惠於伴隨中國經濟增長而來之資本增值。本集團亦會視乎屆時情況，考慮進一步出售物業或終止承擔。

本集團將繼續致力物色與酒店管理公司及物業發展商合營或建立夥伴關係，期望該等酒店管理公司及物業發展商之專業知識能使本集團受惠。

## Chairman's Statement (Continued)

### 主席報告 (續)

#### Redemption of Convertible Notes

The Convertible Notes (the "Notes") in the amount of US\$15.0 million (approximately HK\$117.1 million) were issued on 9 September 2008. In accordance with the agreement, the maturity date of the Notes was 9 September 2010, and the noteholder has an option to request for an early redemption for the Notes starting from 9 March 2010.

The noteholder has had exercised its right under the agreement to require the Company to early redeem the Notes at the redemption amount of US\$18,849,832 on 9 March 2010. The Company has fully redeemed the Notes on 9 March 2010, and the Notes have since been cancelled.

#### PROSPECTS

The impact of the 2008/09 financial tsunami continues to unfold around the globe with the notable exception of China. The economy of the PRC has grown by 8.7% in 2009 and is projected to grow by 9.6% in 2010. Our Group maintains a focus on investing in the PRC, in the hospitality and tourism industry attached with property related investments.

#### ACKNOWLEDGEMENT

On behalf of the Board, I would like to extend our utmost gratitude to our valued clients, shareholders and business associates for their continued support for and confidence in the Group. I also wish to express our sincere appreciation to our management and employees for their positive efforts over the past year.

**Datuk LIM Chee Wah**

*Chairman*

Hong Kong, 21 July 2010

#### 贖回可換股票據

於二零零八年九月九日，本公司發行15,000,000美元（約117,100,000港元）之可換股票據（「票據」）。按照該協議，票據之到期日為二零一零年九月九日，而票據持有人有權由二零一零年三月九日起要求提前贖回票據。

票據持有人已行使其於該協議下之權利，要求本公司於二零一零年三月九日按贖回金額18,849,832美元提前贖回票據。本公司已於二零一零年三月九日全數贖回票據，而票據已隨即被註銷。

#### 展望

二零零八／零九年金融海嘯之影響繼續在全球蔓延，惟中國能夠獨善其身。二零零九年之中國經濟增長率為8.7%，預測二零一零年之數字則為9.6%。本集團會繼續集中投資於中國酒店及旅遊業，包括物業相關投資。

#### 致謝

本人謹代表董事會，就本集團之尊貴客戶、股東及業務夥伴一直的支持及信任，向彼等致以衷心謝意。本人亦謹此感謝全體管理層及僱員於過往年度對本集團作出的貢獻。

主席

拿督林致華

香港，二零一零年七月二十一日

- |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2009 3rd Quarter<br>二零零九年第三季度 | <ul style="list-style-type: none"><li>• The Company announced annual results for the year ended 31 March 2009.<br/>本公司公布截至二零零九年三月三十一日止年度之全年業績。</li><br/><li>• The subscription rights attaching to the Warrants of the Company issued to shareholders on 8 August 2007 expired on 8 August 2009.<br/>本公司於二零零七年八月八日發行予股東之認股權證所附的認購權於二零零九年八月八日屆滿。</li><br/><li>• Annual General Meeting was held on 26 August 2009.<br/>股東周年大會於二零零九年八月二十六日舉行。</li></ul>                                                                                                                                                                                                                                                                                                                                                                     |
| 2009 4th Quarter<br>二零零九年第四季度 | <ul style="list-style-type: none"><li>• The Company announced the issue of 2,590 Series A Preferred Shares of “U” Inns &amp; Hotels Holdings Limited (“UIHHL”), a wholly-owned subsidiary of the Company, at a subscription price of HK\$145.0 million pursuant to the subscription agreement entered with the subscriber on 28 October 2009. The net proceeds from the subscription would be used for the expansion and investment in property related project in the PRC and funding operating expenses of the U-Inn Group.<br/>本公司公布根據二零零九年十月二十八日與認購人訂立股份認購協議，發行本公司之全資附屬公司你的客棧酒店控股有限公司（「你的客棧控股」）2,590股A系列優先股，總認購價為145,000,000港元。認購事項所得款項淨額將用作擴充及投資於中國之物業相關項目以及為你的客棧集團之經營開支提供資金。</li><br/><li>• The Company announced interim results for six months ended 30 September 2009.<br/>本公司公布截至二零零九年九月三十日止六個月之中期業績。</li></ul> |
| 2010 1st Quarter<br>二零一零年第一季度 | <ul style="list-style-type: none"><li>• The Company announced that the First Tranche of the Convertible Notes with principal amount of US\$15.0 million was early redeemed on 9 March 2010. After the said redemption, there would be no outstanding Convertible Notes held by the noteholders.<br/>本公司公布第一批本金總額為15,000,000美元可換股票據於二零一零年三月九日提前贖回。於是次贖回後，票據持有人將不再持有尚未償還可換股票據。</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                    |

## Year's Events (Continued)

### 年誌 (續)

2010 2nd Quarter  
二零一零年第二季度

- The Company announced the resignation of Mr. Percy ARCHAMBAUD-CHAO as Executive Director, Group President and Group Chief Executive Officer and a member of the RQN Committee had been accepted by the Board with effect from the latest 7 August 2010 or any earlier date to be mutually agreed.  
本公司公布董事會已接納趙世雄先生辭任本公司執行董事、集團總裁及集團行政總裁以及RQN委員會成員，由最遲二零一零年八月七日或經相互協定的任何較早日期起生效。
- Datuk LIM Chee Wah would be appointed as Group President and Group Chief Executive Officer and a member of the RQN Committee for replacement of Mr. Percy ARCHAMBAUD-CHAO with effect from the latest 7 August 2010 or any earlier date to be mutually agreed.  
拿督林致華將獲委任集團總裁及集團行政總裁以及RQN委員會成員以替任趙世雄先生，由最遲二零一零年八月七日或經相互協定的任何較早日期起生效。
- Disposal of Daying Garden Hotel at a consideration of RMB22,000,000.  
以代價人民幣22,000,000元出售大英花園酒店。
- The Company entered into termination agreements to terminate the acquisition of 4 hotel properties on 25 June 2010, since these hotel properties no longer suited the overall development strategies of the Group.  
本公司於二零一零年六月二十五日訂立終止協議以終止收購四間酒店物業，該終止為該等酒店物業不切合本集團的整體發展策略。
- The Company also announced an update on the status of the other 25 hotel properties.  
本公司亦公布其餘二十五間酒店物業收購的最新情況。

### FINANCIAL PERFORMANCE REVIEW

#### Turnover

The Group's turnover for the year in the amount of HK\$2.3 million (year ended 31 March 2009: negative turnover of HK\$10.1 million) mainly represented hotel rental and other income of HK\$1.9 million (year ended 31 March 2009: HK\$Nil) and trading gain on securities of HK\$0.4 million (year ended 31 March 2009: loss of HK\$12.3 million).

The hotel rental and other income was contributed by the Group's first operating hotel located in Xiangfan, Hubei province, which was opened in September 2009. Therefore there was no such income in the last financial year.

There was also rental income of HK\$2.2 million in the last financial year, contributed from the Group's service apartment, 112 Apartments, which was disposed of in June 2008.

#### Other gain

Other gain represented the change in fair value gain of the convertible notes. The convertible notes were fully redeemed during the year.

#### Staff costs

Staff costs decreased compared to the previous financial year, mainly due to cost control measures undertaken by the management.

### 財務表現回顧

#### 營業額

本集團年內之營業額為2,300,000港元(截至二零零九年三月三十一日止年度:負營業額10,100,000港元),主要指酒店租金及其他收入1,900,000港元(截至二零零九年三月三十一日止年度:零港元)以及證券買賣之收益400,000港元(截至二零零九年三月三十一日止年度:虧損12,300,000港元)。

酒店租金及其他收入源自本集團位於湖北省襄樊市首間營運之酒店,該酒店於二零零九年九月開業。因此,上個財政年度並無有關收入。

上個財政年度亦錄得租金收入2,200,000港元,乃源自本集團已於二零零八年六月出售之服務式公寓—壹一寓。

#### 其他盈利

其他盈利指可換股票據之公平值收益變動。該等可換股票據已於年內全數贖回。

#### 僱員成本

僱員成本較上個財政年度有所減少,主要是由於管理層實施成本控制措施所致。



## Directors' Commentaries (Continued)

### 董事討論 (續)

#### Other operating expenses

The other operating expenses decreased significantly from HK\$95.0 million to HK\$41.6 million, which was mainly resulted from the disposal of Changshou Properties in the last financial year. Included in other operating expenses during the year ended 31 March 2009 were HK\$40.7 million of legal, property management, agency and professional fees, and, property tax related to Changshou Properties. In addition, corporate expenses such as legal and professional fees also decreased during the year mainly because fewer transactions had taken place in the current year as compared to the previous financial year, when the issuance of convertible notes and disposal of subsidiaries took place.

Other operating expenses which are of recurring nature comprise mainly office rentals, depreciation, and other corporate expenses related to on-going corporate development activities. Other recurring operating expenses have remained largely the same in the current year as compared to the previous year.

#### Finance costs

The finance costs have remained steady at HK\$97.7 million. However, with the early redemption of convertible notes by replacing with shareholder's loan, which carries a lower interest rate, in March 2010 and the expected reduction in total borrowings by the cashflow from disposal of hotel properties and refund of deposits from China Post Group on terminated acquisition of hotel properties, finance costs are expected to decrease significantly in the financial year ended 31 March 2011 as compared to the current financial year.

### LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group maintained total bank and cash balances of HK\$35.7 million as of 31 March 2010. Cash deposits have been placed with major banks in Hong Kong and the PRC in the form of United States dollar, Hong Kong dollar and Renminbi deposits mainly.

#### 其他經營開支

其他經營開支由95,000,000港元大幅減少至41,600,000港元，主要是由於上個財政年度出售長壽物業所致。截至二零零九年三月三十一日止年度之其他經營開支包括有關長壽物業之法律、物業管理、代理及專業費以及物業稅等共40,700,000港元。此外，年內之法律及專業費等公司開支亦有所減少，主要是由於本年度進行之交易較上個財政年度少所致，於上個財政年度曾發行可換股票據及出售附屬公司。

其他經營開支屬經常性質，主要包括辦公室租金、折舊及與持續企業發展活動相關之其他公司開支。本年度之其他經常性經營開支與上個年度比較大致相同。

#### 融資成本

融資成本保持穩定，錄得97,700,000港元。然而，隨着於二零一零年三月以利率較低之股東貸款取代而提前贖回可換股票據，以及因出售酒店物業及中國郵政集團終止收購酒店物業時退還訂金而獲得之現金流，預期借款總額因而減少，以致截至二零一一年三月三十一日止財政年度之融資成本預期會較本財政年度大幅減少。

### 流動資金、財務資源及資本架構

本集團於二零一零年三月三十一日之總銀行及現金結餘為35,700,000港元。現金存款主要以美元、港元及人民幣存款形式存放於香港及中國多家大型銀行。

## Directors' Commentaries (Continued)

### 董事討論 (續)

As of 31 March 2010, the Group had amount due to ultimate holding company and other loans totalling HK\$324.9 million due within one year, and obligations under finance leases of HK\$1.8 million maturing within 3 years.

The Group's gearing ratio is measured on the basis of the Group's total interest-bearing debts net of cash reserves over the total equity (including minority interest). As of 31 March 2010, the gearing ratio was 200.1% (2009: 136.0%). The increase in the gearing ratio over the two financial years was due to additional loans from ultimate holding company used to early redeem the convertible notes and settle payments to the China Post Group for the acquisition of hotel properties.

Subsequent to the year end, the management has obtained agreements by the lenders to extend the repayment of certain short-term borrowings totaling HK\$324.9 million. As disclosed in the Company's announcement on 25 June 2010, the Group has also terminated or proposed to terminate the acquisition of 10 hotel properties, and the deposits paid by the Group would be refunded by the China Post Group. In addition, on 7 June 2010, the Group has disposed of a hotel property located in Daying, Sichuan province at a consideration of RMB22.0 million. Together with the continuous financial support from the principal shareholder, the management is confident that by executing its plans the Group is able to meet its obligations.

## EMPLOYMENT AND REMUNERATION POLICY

As at 31 March 2010, the Group had a total of 115 employees, including Executive Directors. The number of employees increased from 92 at 31 March 2009 to 115 at 31 March 2010 was mainly due to the new recruits of staff force for the Group's first hotel in Xiangfan, Hubei province, which was opened during the year. The Group's remuneration policy and packages for the Executive Directors and senior management are reviewed and recommended by the RQN Committee and approved by the Board on an annual basis while that for other employees' are reviewed and approved by the Chief Executive Officer. The Group remunerates its employees based on industry practice and the performance of each individual. The Group also offers discretionary bonuses, medical insurance, and defined contribution retirement plans, and provides a share option scheme for its employees and Executive Directors.

於二零一零年三月三十一日，本集團擁有應付最終控股公司之款項及其他貸款合共324,900,000港元（須於一年內償還）及融資租賃承擔1,800,000港元（於三年內到期）。

本集團之資產負債比率按本集團之計息債務總額減去現金儲備之差額除以權益總額（包括少數股東權益）計算。於二零一零年三月三十一日，資產負債比率為200.1%（二零零九年：136.0%）。資產負債比率於此兩個財政年度內增加，是由於增加向最終控股公司貸款，用以提前贖回可換股票據，以及向中國郵政集團清償收購酒店物業之款項。

於本年度結算日後，管理層已獲貸款人同意將總額324,900,000港元之若干短期借款還款延期。如本公司於二零一零年六月二十五日之公告所披露，本集團亦已終止或建議終止收購十項酒店物業，而中國郵政集團會退還本集團已付之訂金。此外，於二零一零年六月七日，本集團已出售位於四川省大英縣之酒店物業，代價為人民幣22,000,000元。加上得到主要股東持續提供財務支援，管理層深信本集團於實行其計劃後有能力應付其債務。

## 僱員及薪酬政策

於二零一零年三月三十一日，本集團合共有一百一十五名僱員，包括執行董事。僱員數目由二零零九年三月三十一日之九十二名增至二零一零年三月三十一日之一百一十五名，主要是由於就本集團位於湖北省襄樊市並於年內開業之首間酒店增聘人手所致。本集團執行董事與高級管理人員之薪酬政策及福利，每年由RQN委員會檢討及提供建議，並由董事會批准；而其他僱員之薪酬政策及福利則由行政總裁檢討及批准。本集團給予僱員之薪酬乃根據業內慣例及個別表現而定。本集團亦向其僱員及執行董事提供酌情花紅、醫療保險及定額供款退休計劃，並設有購股權計劃。

## Profiles of Directors

### 董事簡歷

#### BOARD OF DIRECTORS

##### Executive Directors

**Datuk LIM Chee Wah**, *Chairman and member of the EC* <sup>(1)</sup>

Aged 55. Datuk Lim has been appointed as the Chairman and Executive Director since 27 April 2004. Datuk Lim holds a Bachelor of Economics degree of The London School of Economics, England. Datuk Lim has substantial investment and management experience in a wide range of industries including plantations, leisure and entertainment, construction, property development and information technology. Prior to joining the Group, Datuk Lim was the Deputy Managing Director of Genting Berhad and the Joint Managing Director of Asiatic Development Berhad during 1985 to 1990, and an Alternate Non-executive Director of Asia Financial Holdings Limited during 1997 to 2002. Datuk Lim was appointed as Executive Director of Dataprep Holdings Berhad on 5 March 2002, he has re-designated and continued to serve that company as a Non-independent Non Executive Director since November 2007. Genting Berhad and Asiatic Development Berhad are listed on the Main Board of the Bursa Malaysia Securities Berhad, Dataprep Holdings Berhad on the Second Board of the Bursa Malaysia Securities Berhad, and Asia Financial Holdings Limited on the Main Board of the Stock Exchange. Datuk Lim is a director and beneficial shareholder of VXLCP and is also an ultimate beneficial owner of Huge More Limited from 7 May 2010, both VXLCP and Huge More Limited are substantial shareholders of the Company under the SFO.

#### 董事會

##### 執行董事

**拿督林致華**主席及執行委員會成員

五十五歲，林拿督由二零零四年四月二十七日起獲委任為主席及執行董事。林拿督持有英國倫敦經濟學院(The London School of Economics)的經濟學士學位。林拿督於多個行業擁有豐富的投資及管理經驗：包括種植、消閒及娛樂、建築、物業發展及資訊科技業。在加盟本集團前，於一九八五年至一九九零年期間，林拿督曾為Genting Berhad的董事副經理及Asiatic Development Berhad的聯席董事總經理；而於一九九七年至二零零二年期間，彼曾擔任亞洲金融集團(控股)有限公司的替任非執行董事。於二零零二年三月五日林拿督獲委任為Dataprep Holdings Berhad的執行董事，其後於二零零七年十一月起調任為該公司之非獨立非執行董事。Genting Berhad及Asiatic Development Berhad均於馬來西亞交易所(Bursa Malaysia Securities Berhad)主板上市，Dataprep Holdings Berhad則於馬來西亞交易所(Bursa Malaysia Securities Berhad)第二市場上市；而亞洲金融集團(控股)有限公司則於聯交所主板上市。林拿督為VXLCP的董事及實益股東，及於二零一零年五月七日亦為Huge More Limited之最終實益擁有人，根據《證券及期貨條例》，VXLCP及Huge More Limited兩間公司為本公司的主要股東。

## Profiles of Directors (Continued) 董事簡歷 (續)

**Mr. Percy ARCHAMBAUD-CHAO**, *Group President and Group Chief Executive Officer, Chairman of the EC* <sup>(1)</sup> and *member of the RQNC* <sup>(3)</sup>

Aged 47. Mr. A. Chao has been appointed as an Executive Director, the Group President and the Group Chief Executive Officer since 1 March 2005. Mr. A. Chao has extensive experience in the property field both in Hong Kong and Asia. He was engaged in property investment and development in Hong Kong during the last 21 years. Mr. A. Chao started his property business in 1988 and developed his company into an integrated real estate group in Hong Kong and Asia with businesses encompassing such diverse areas as property agency, property investment/development, estate management and cleaning service, interior design and contracting business. He also has years of experience in the corporate development, business planning, advertising, direct marketing and publishing industries. Mr. A. Chao has tendered his resignation as Executive Director, the Group President and Group Chief Executive Officer, Chairman of the EC and member of the RQN Committee with effect from 7 August 2010 to the latest, or any earlier date to be mutually agreed.

**Mr. XIAO Huan Wei**, *Member of the EC* <sup>(1)</sup>

Aged 52. Mr. Xiao is the President – China of the Group since July 2006 and has been appointed as an Executive Director on 25 July 2008. He has also been appointed as the Acting Chief Executive Officer of U-Inn Group since 31 March 2010. Mr. Xiao has over 23 years professional experience in business investment, operation and management in the Mainland China. He was engaged in the establishment and management of the first joint venture company affiliated to Shanghai Post & Tele-communication Management Bureau from 1986 to 1991. In 1992, he participated in the formation of Ming Sheng Group and acted as the General Manager of its Shanghai branch. He was the President of Ming Sheng Group from 1994 to 2000 and was responsible for various functions including investment, real estate development, import and export, logistics, computer network and communications. Prior to joining the Group, he found an educational and financial service company in Australia which was in cooperation with the Bank of Communication in China and Australia Westpac to provide overall financial solutions to students from China.

趙世雄先生集團總裁、集團行政總裁、執行委員會主席及薪酬、素質及提名委員會成員四十七歲，趙先生由二零零五年三月一日起獲委任為執行董事、集團總裁及集團行政總裁。趙先生於香港及亞洲的地產界擁有廣泛經驗，並於過往二十一年在香港從物業投資及發展。趙先生於一九八八年開展其地產事業，並發展其公司成為香港及亞洲的綜合房地產集團，其業務範圍廣泛，包括地產代理、物業投資／發展、產業管理及潔淨服務、室內設計及承判業務。彼於企業發展、業務策劃、廣告、直銷及出版業方面亦擁有多年經驗。趙先生已辭任本公司執行董事、集團總裁及集團行政總裁、執行委員會主席及RQN委員會成員，由最遲二零一零年八月七日或經相互協定的任何較早日期起生效。

肖煥偉先生執行委員會成員

五十二歲，肖先生由於二零零六年七月起獲委任為本集團中國總裁及於二零零八年七月二十五日起獲委任為執行董事。彼亦於二零一零年三月三十一日起獲委任為你的客棧集團署任行政總裁。肖先生擁有逾二十三年於中國企業投資、營運和管理之專業經驗。彼於一九八六年至一九九一年參與創辦及營運上海市郵電管理局下屬之首家中外合資企業。彼於一九九二年參與創辦民生集團，並擔任其上海公司總經理，及於一九九四年至二零零零年就任民生集團總裁，負責之業務範圍涵蓋投資、房地產發展、商品進出口、物流、電腦網絡和通信等領域。於加盟本集團前，彼於澳洲創辦一所與中國交通銀行和澳洲西太銀行聯合作之教育及金融服務公司，為中國留學生提供全面財務解決方案。

## Profiles of Directors (Continued)

### 董事簡歷 (續)

#### Independent Non-executive Directors

**Mr. Alan Howard SMITH, J. P.,** *Member of the AC<sup>(2)</sup> and the RQNC<sup>(3)</sup>*

Aged 66. Mr. Smith has been appointed an Independent Non-executive Director since 27 April 2004. Mr. Smith holds an L.L.B. (Hons) degree of Bristol University, England. He was admitted as a solicitor in England in 1967 and in Hong Kong in 1970. He was elected a council member of the Stock Exchange on two occasions. He was a member of the Hong Kong Special Administrative Region Government's Economic Advisory Committee, and was a member of the Hong Kong Government's Standing Committee on Company Law Reform for ten years. Mr. Smith was the Vice Chairman, Pacific Region of Credit Suisse First Boston, a leading global investment bank from 1997 until his retirement in December 2001. He was also the Chief Executive of the Jardine Fleming Group from 1983 to 1994 and the Chairman of the Jardine Fleming Group from 1994 to 1996. Mr. Smith has over 25 years of investment banking experience in Asia. Mr. Smith is an Independent Non-executive Director of a number of listed companies including Frasers Property (China) Limited, Kingway Brewery Holdings Limited and Genting Hong Kong Limited (formerly known as "Star Cruises Limited") which are listed on the Stock Exchange; Noble Group Limited and United International Securities Limited which are listed on Singapore Exchange Securities Trading Limited; Asia Credit Hedge Fund Ltd., which is listed on The Irish Stock Exchange; Castle Asia Alternative PCC Limited (formerly known as "KGR Absolute Return PCC Limited") which is listed on The London Stock Exchange; and Global Investment House, KSC which is listed on Kuwait Stock Exchange, Bahrain Stock Exchange, The Dubai Financial Market and The London Stock Exchange.

#### 獨立非執行董事

史亞倫太平紳士審核委員會及薪酬、素質及提名委員會成員

六十六歲，史先生由二零零四年四月二十七日起獲委任為獨立非執行董事。史先生持有英國布里斯托大學(Bristol University)的法律學士(榮譽)學位，彼於一九六七年於英國及一九七零年於香港成為認許律師。彼曾兩度獲選為聯交所的理事會成員。彼曾為香港特別行政區政府經濟顧問委員會成員，亦曾為香港政府公司法改革常務委員會成員達十年。史先生由一九九七年直至其於二零零一年十二月退任前，曾擔任著名的全球投資銀行瑞士信貸第一波士頓的亞太區副主席。於一九八三年至一九九四年期間，彼為怡富集團的行政總裁，而於一九九四年至一九九六年期間出任該集團的主席。史先生擁有逾二十五年亞洲區投資銀行經驗。史先生亦為多間上市公司的獨立非執行董事：包括於聯交所上市的星獅地產(中國)有限公司、金威啤酒集團有限公司\*及雲頂香港有限公司\*(前稱「麗星郵輪有限公司」)；於新加坡交易所有限公司(Singapore Exchange Limited)上市的 Noble Group Limited及United International Securities Limited；於愛爾蘭證券交易所(The Irish Stock Exchange)上市的 Asia Credit Hedge Fund Ltd.；於倫敦交易所(The London Stock Exchange)上市的 Castle Asia Alternative PCC Limited(前稱「KGR Absolute Return PCC Limited」)及分別於科威特交易所(Kuwait Stock Exchange)、巴林交易所(Bahrain Stock Exchange)、迪拜交易所(The Dubai Financial Market)及倫敦交易所上市的 Global Investment House, KSC。

\* 僅供識別

## Profiles of Directors (Continued) 董事簡歷 (續)

During the last three years, Mr. Smith was a director of China Sunergy Co., Ltd., which is listed on NASDAQ during the period from May 2007 to June 2008; and of The Hong Kong Building and Loan Agency Limited, which is listed on the Stock Exchange until he resigned from the office with effect from 23 October 2009. Mr. Smith is also as a director of Lei Shing Hong Limited, which was delisted on the Stock Exchange on 17 March 2008 following completion of its privatization and The LIM Asia Multi-Strategy Fund Inc. (formerly known as “The LIM Asia Arbitrage Fund Inc.”), CQS Asia Feeder Fund Limited and CQS Convertible and Quantitative Strategies Feeder Fund Limited which had been listed on The Irish Stock Exchange but were voluntarily delisted in 2008, July 2009 and September 2009, respectively.

**Dr. Allen LEE Peng Fei, J.P.**, *Chairman of the RQNC<sup>(3)</sup> and member of the AC<sup>(2)</sup>*

Aged 70. Dr. Lee has been appointed as an Independent Non-executive Director since 6 October 2005. Dr. Lee holds an honorary degree of Doctor of Engineering from The Hong Kong Polytechnic University and an honorary degree of Doctor of Laws of The Chinese University of Hong Kong. Dr. Lee was formerly a member of the Hong Kong Legislative Council from 1978 to 1997 and a senior member of the Hong Kong Legislative Council from 1988 to 1991. He was also a member of the Hong Kong Executive Council from 1985 to 1992. Dr. Lee is currently the Chairman of Pacific Dimensions Consultants Limited and Jada Electronics Limited. He has also taken an active role in public services. Dr. Lee is an Independent Non-executive Director of AMS Public Transport Holdings Limited, Giordano International Limited, ITE (Holdings) Limited, Playmates Holdings Limited, Sam Woo Holdings Limited and Wang On Group Limited, all of which are listed on the Stock Exchange.

於最近三年，史先生自二零零七年五月至二零零八年六月期間擔任於納斯達克上市之 China Sunergy Co., Ltd. 的董事以及於聯交所上市之香港建屋貸款有限公司出任董事一職直至二零零九年十月二十三日辭任。史先生亦擔任利星行有限公司（其於私有化完成後已在二零零八年三月十七日從聯交所除牌）及於愛爾蘭證券交易所上市之 The LIM Asia Multi-Strategy Fund Inc.（前稱「The LIM Asia Arbitrage Fund Inc.」）、CQS Asia Feeder Fund Limited 及 CQS Convertible and Quantitative Strategies Feeder Fund Limited 的董事，該公司分別於二零零八年、二零零九年七月及二零零九年九月自願除牌。

**李鵬飛博士** 太平紳士 薪酬、素質及提名委員會主席及審核委員會成員

七十歲，李博士由二零零五年十月六日獲委任為獨立非執行董事。李博士持有香港理工大學榮譽工程博士學位及香港中文大學榮譽法學博士學位。李博士於一九七八年至一九九七年期間，擔任香港立法局議員；及於一九八八年至一九九一年期間，出任香港立法局首席議員；於一九八五年至一九九二年期間，彼亦擔任香港行政局成員。李博士現為華經顧問有限公司及積德電子有限公司的主席，並積極參與公共事務。李博士亦為進智公共交通控股有限公司、佐丹奴國際有限公司、ITE (Holdings) Limited、彩星集團有限公司\*、三和集團有限公司\*及宏安集團有限公司\*的獨立非執行董事，上述所有公司均於聯交所上市。

\* 僅供識別

## Profiles of Directors (Continued)

### 董事簡歷 (續)

**Mr. David YU Hon To**, Chairman of the AC <sup>(2)</sup> and member of the RQNC <sup>(3)</sup>

Aged 62. Mr. Yu has been appointed as an Independent Non-executive Director since 1 May 2007. He is the Vice Chairman of MCL Partners Limited, a Hong Kong-based financial advisory and investment firm. Mr. Yu is a fellow member of The Institute of Chartered Accountants in England and Wales and an associate member of Hong Kong Institute of Certified Public Accountants. He was formerly a partner of an international accounting firm with extensive experience in corporate finance. Mr. Yu is currently an Independent Non-executive Director of Great China Holdings Limited, Haier Electronics Group Co., Ltd., Hong Kong Energy (Holdings) Limited, Media Chinese International Limited, One Media Group Limited, Playmates Holdings Limited, Synergis Holdings Limited and TeleEye Holdings Limited, all of which are listed on the Stock Exchange.

During the last three years, Mr. Yu was an Independent Non-executive Director of Cinda International Holdings Limited (formerly known as “Hantec Investment Holdings Limited”) until 23 December 2008, Shun Cheong Holdings Limited until 23 October 2007 and BALtrans Holdings Limited (delisted on 9 April 2008) until 21 February 2008, all of which are listed on the Stock Exchange.

*Notes:*

- (1) EC- Executive Committee of the Board
- (2) AC – Audit Committee of the Board
- (3) RQNC – Remuneration, Quality and Nomination Committee of the Board

俞漢度先生審核委員會主席及薪酬、素質及提名委員會成員

六十二歲，俞先生由二零零七年五月一日獲委任為獨立非執行董事。俞先生為偉業資本有限公司的副主席，該公司於香港專門從事財務顧問及投資。俞先生為英格蘭及威爾斯特許會計師公會之資深會員及香港會計師公會之會士。彼曾擔任一間國際會計師行之合夥人，並於企業融資方面擁有豐富經驗。俞先生現時為大中華集團有限公司、海爾電器集團有限公司、香港新能源（控股）有限公司、世界華文媒體有限公司、萬華媒體集團有限公司、彩星集團有限公司\*、新昌管理集團有限公司及千里眼控股有限公司的獨立非執行董事，上述所有公司均於聯交所上市。

於最近三年，俞先生亦曾出任信達國際控股有限公司（前稱「亨達國際控股有限公司」）之獨立非執行董事直至二零零八年十二月二十三日；順昌集團有限公司之獨立非執行董事直至二零零七年十月二十三日及保昌控股有限公司（其於二零零八年四月九日從聯交所除牌）之獨立非執行董事直至二零零八年二月二十一日，上述所有公司均於聯交所上市。

\* 僅供識別

### CORPORATE GOVERNANCE PRINCIPLES

The Board presents this Corporate Governance Report in the Group's Annual Report for the year ended 31 March 2010.

While focusing on its business development with full force, the Company places great effort in upholding its corporate governance standards as we believe good corporate governance is an important component in striving for the highest returns to our Shareholders.

Our principles of corporate governance emphasize on a quality Board, sound internal controls, independence, transparency of information and accountability to all stakeholders. Both the Board and the management are committed to continuously improving corporate governance practices and an ethical corporate culture as its intrinsic value.

The Group has principally complied with the code provisions set out in the CG Code throughout the year ended 31 March 2010, with minor deviations as stated below.

In accordance with Article 133 of the Articles of Association, one-third of the directors shall retire from office by rotation whereas the Code A.4.2 states that each director shall retire by rotation at least once every three years. As the Board consists of six directors and each of them retires in every three years, this effectively achieves the same objective as set out in the CG Code.

Pursuant to Code A.4.1 of the CG Code, non-executive directors shall be appointed for a specific term, subject to re-election. All the Non-executive Directors, except Mr. Alan Howard SMITH, J.P., are appointed for a specific term. However, as one-third of all the Directors are subject to retirement by rotation at each AGM pursuant to Article 133 of the Articles of Association, the Board considers that sufficient measures have been made to ensure that the Company's corporate governance practices are no less exacting than those stipulated in the CG Code.

Pursuant to Code E.1.2 of the CG Code, the Chairman of the Board should attend the AGM. Datuk Lim, the Chairman of the Board, was unable to attend the 2009 AGM due to unexpected re-scheduling of other important business engagements. The majority of the Board members (including the Chairman of each of the Audit Committee, the RQN Committee) attended the 2009 AGM to answer the questions from Shareholders.

### 企業管治原則

董事會提呈本集團截至二零一零年三月三十一日止年度之年報內之企業管治報告。

本公司致力發展業務的同時，亦投入大量資源提升其企業管治水平；因為我們相信，良好的企業管治乃為股東爭取最高回報的重要因素。

我們的企業管治原則強調高素質的董事會、健全的內部監控、獨立性、對所有利益相關人士的透明度及責任承擔。董事會及管理層均承諾持續改善企業管治常規及企業道德文化以成為本集團的內在價值。

於截至二零一零年三月三十一日止年度內，除下文所載的輕微偏離情況外，本集團一直遵守《企業管治守則》所載的守則條文。

按照本公司的《組織章程細則》第133條，三分之一的董事須輪值退任，而根據《企業管治守則》第A.4.2條，每名董事均最少每三年輪值退任一次。董事會由六名董事組成及彼等均每三年退任，此舉有效達成《企業管治守則》所載列之相同目標。

根據《企業管治守則》第A.4.1條之守則條文，非執行董事之委任應有指定任期，並須接受重選。所有非執行董事（史亞倫太平紳士除外）均有指定任期。然而，按照本公司的《組織章程細則》第133條，全體董事的三分之一均須於每屆股東周年大會上輪值退任。董事會認為已採取充分措施，確保本公司企業管治常規不遜於《企業管治守則》所規定者。

根據《企業管治守則》第E.1.2條，董事會主席應出席股東周年大會。董事會主席林拿督因有未可預期之重要業務差旅行程改動，未能出席二零零九年股東周年大會。董事會大部份成員（包括審核委員會、RQN委員會主席）出席二零零九年股東周年大會並回應股東之提問。



# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### THE BOARD

The Company is headed by an effective Board which assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. The Directors take decisions objectively in the interests of the Company.

#### Board Composition

During the year ended 31 March 2010, the Board comprises six directors including three Executive Directors, namely, Datuk LIM Chee Wah (the Chairman), Mr. Percy ARCHAMBAUD-CHAO and Mr. XIAO Huan Wei and three Independent Non-executive Directors, namely, Mr. Alan Howard SMITH, J.P., Dr. Allen LEE Peng Fei, J.P. and Mr. David YU Hon To.

Mr. Percy ARCHAMBAUD-CHAO has tendered his resignation as Executive Director, Group President and Group Chief Executive Officer, Chairman of the Executive Committee and member of RQN Committee with effect from 7 August 2010 to the latest, or any earlier date to be mutually agreed.

The Board is committed to maintaining a balanced composition in terms of its diversity of experience and expertise and independence.

#### Director's Nomination and Appointment

The Company, since April 2006, has adopted the "Procedures on Directors' Nomination, Appointment and Re-appointment" for setting out the procedures, processes and criteria to select and recommend candidates for directorship.

Pursuant to the Articles of Association, the Board is empowered to appoint a director to fill a casual vacancy or as an addition to the Board. Shareholders (being two or more Shareholders holding not less than one-tenth of the entire issued share capital of the Company) are empowered to nominate candidates for directorship and subject to Shareholders' approval at general meeting. RQN Committee can also nominate candidates for directorship for appointment by the Board. Any director appointed by the Board during the year shall hold office until the next AGM and be eligible for re-election.

### 董事會

本公司由具高效率的董事會領導。董事會承擔領導及監控本公司的責任，並共同負責指導及監督本公司事務，以獲取成就。董事亦以客觀態度作出決策以符合本公司利益。

#### 董事會組成

於截至二零一零年三月三十一日止年度內董事會由六名董事組成，其中執行董事三名，包括：拿督林致華（主席）、趙世雄先生及肖煥偉先生；及獨立非執行董事三名，包括：史亞倫太平紳士、李鵬飛博士太平紳士及俞漢度先生。

趙世雄先生已辭任本公司執行董事、集團總裁及集團行政總裁、執行委員會主席及RQN委員會成員，由最遲二零一零年八月七日或經相互協定的任何較早日期起生效。

董事會承諾在成員中的多元化經驗、專長及獨立性之間，致力維持一個均衡的組合。

#### 董事的提名及委任

本公司自二零零六年四月採納《董事提名、委任及重新委任程序》，當中列明篩選及提名董事候選人的程序、過程及標準。

根據《組織章程細則》，董事會有權委任董事以填補空缺或為董事會增添成員。股東（持有本公司全部已發行股本不少於十分之一的兩名或以上的股東）有權提名董事候選人，惟須經股東於股東大會上批准。RQN委員會亦可提名董事候選人供董事會考慮委任。董事會於年內委任的任何董事在職至下屆股東周年大會並符合資格膺選連任。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

The Company has been providing comprehensive induction to newly appointed directors to ensure that they have a proper understanding of the operations and business of the Company and that they are fully aware of their responsibilities under statute and common laws, the Listing Rules, applicable legal requirements and other regulatory requirements and the business and governance policies of the Company.

The Company has purchased Directors' & Officers' Liability insurance for all Directors.

### Board Practices

The Board holds meeting regularly at least four times a year at approximately quarterly intervals to discuss business development as well as the overall strategy of the Company. All directors are given an opportunity to include matters in the meeting agenda. Formal notice of at least 14 days is given for a regular Board meeting. Reasonable notice will be given for all other Board meetings. Minutes are kept by the Company Secretary and available for inspection by Directors. Directors have full and unrestricted access to relevant information in a timely manner with appropriate information in such form and of such quality as will enable them to make an informed decision and to discharge their duties and responsibilities. The Board has adopted procedures to enable the Directors to seek independent professional advice in appropriate circumstances, at the Company's expense, to assist them to discharge their duties, as provided in the "Guideline on Independent Professional Advice".

The Board held six meetings during the year ended 31 March 2010 and its attendance record is set out below:–

本公司一直向新委任的董事提供全面的就任須知，以確保其對本公司的運作及業務均有適當的理解，以及完全明白本身在法規及普通法、《上市規則》、適用的法律規定及其他監管規定以及本公司的業務及管治政策下的職責。

本公司已為全體董事購買董事及高級行政人員責任保險。

### 董事會常規

董事會定期舉行會議，每年至少四次大約每季度舉行，以討論本公司的業務發展及總體策略。全體董事均有機會要求在董事會議程中加入討論事宜。董事會的定期會議舉行前最少十四日均發出正式會議通告。其他董事會會議通告均於合理時間發出。會議記錄由公司秘書存置且可供董事查閱。董事可無限制地按時取得所有有關資料，而資料的形式及質量足以使彼等作出知情決策及履行彼等職責。董事會已採納一項可使董事於適當情況下尋求獨立專業意見（費用由本公司支付）的程序，以協助彼等履行各自的職責，有關程序載於《獨立專業意見指引》內。

董事會於截至二零一零年三月三十一日止年度內舉行了六次會議，其出席記錄載列如下：

Directors 董事	Eligibility to Attend 應出席次數	No. of Attendance 出席次數	Attendance Rate (%) 出席率(%)
Datuk LIM Chee Wah 拿督林致華	6	6	100
Mr. Percy ARCHAMBAUD-CHAO 趙世雄先生	6	6	100
Mr. XIAO Huan Wei 肖煥偉先生	6	6	100
Mr. Alan Howard SMITH, J.P. 史亞倫太平紳士	6	6	100
Dr. Allen LEE Peng Fei, J.P. 李鵬飛博士太平紳士	6	5	83
Mr. David YU Hon To 俞漢度先生	6	6	100

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### Independence

The Company believes that independence brings unbiased judgment and conscience in decision making. The Board currently comprises three Independent Non-executive Directors, representing half of the full Board members. One of the Independent Non-executive Directors possesses accounting expertise as required under Rule 3.10(2) of the Listing Rules. The Board received from each Independent Non-executive Director a written confirmation of their independence and has satisfied their independence as required by the Listing Rules.

Independent Non-executive Directors are appointed for a specific term except Mr. Alan Howard SMITH, J.P., who does not have a fixed term of appointment, but is subject to retirement by rotation and re-election at the AGM. According to the Articles of Association, one-third of the Directors who served longest on the Board, shall retire but shall be eligible for re-election at the AGM. Pursuant to Code A.4.2 of the CG Code, every Director shall retire by rotation at least once every three years. The Board will ensure each Director shall retire by rotation at least once every three years in order to comply with the Code Provisions of the Listing Rules.

According to the Articles of Association, a Director appointed to fill a causal vacancy or as an addition to the Board is subject to re-election by shareholders at the first AGM after their appointment.

### Relationship

There is no family relationship among the Directors, senior management or substantial or controlling shareholders of the Company.

### Chairman and Chief Executive Officer

In order to ensure a balance of power and authority, the responsibilities of the Chairman, Datuk LIM Chee Wah and the Group Chief Executive Officer, Mr. Percy ARCHAMBAUD-CHAO, are segregated for the year ended 31 March 2010 and have been clearly defined in the “Guideline on Division of Roles of Chairman and Chief Executive Officer”.

However, after the resignation of Mr. Percy ARCHAMBAUD-CHAO as Group Chief Executive Officer with effect from 7 August, 2010 to the latest, or any earlier date to be mutually agreed and, as a transitional arrangement to cater for a smooth handover, Datuk LIM Chee Wah would be appointed Group Chief Executive Officer.

### 獨立性

本公司相信獨立性可讓作出決策時保持中立判斷及良知。董事會現包括三名獨立非執行董事，佔董事會人數一半以上；其中一名具有《上市規則》第3.10(2)條規定的會計專業知識。董事會已接獲各獨立非執行董事的獨立性確認書，並信納彼等具備《上市規則》所示的獨立性。

所有獨立非執行董事均有指定任期，惟史亞倫太平紳士並無固定任期，但須於股東周年大會輪值退任以進行重選。根據《組織章程細則》，董事會內三分之一的任職時間最長的董事須於股東周年大會上退任並有資格重選。根據《企業管治守則》第A.4.2條，每名董事須最少每三年輪值退任一次。為遵守《上市規則》內的守則條文，董事會將確保每名董事最少每三年輪值退任一次。

根據《組織章程細則》，為填補臨時空缺或額外委任的董事須在其獲委任後的首次股東周年大會上接受股東重選。

### 關係

本公司的各董事、高級管理人員或主要或控股股東之間不存在親屬關係。

### 主席及行政總裁

於截至二零一零年三月三十一日止年度，為確保權力與職權平衡，主席拿督林致華及集團行政總裁趙世雄先生的職責範疇已於《主席及行政總裁角色分工指引》中劃分及明確界定。

由於，趙世雄先生已辭任集團行政總裁一職，最遲二零一零年八月七日或經相互協定的任何較早日期起生效，拿督林致華將獲委任為集團行政總裁以確保過渡安排可順利交接。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### Matters Reserved for the Board

The Company's "Guideline on Division of the Roles of the Board and the Management" has set out clearly the roles of the Board and the management.

Matters reserved for the Board include long term objectives and commercial strategies, corporate and capital structures, financial reporting and controls, internal controls, material contracts, communications, board memberships, remuneration, delegation of authority, corporate governance matters and policy setting.

### Board Committees

There are Audit Committee, Executive Committee and RQN Committee of the Group. Reports of committee meetings are presented to the Board regularly.

#### *Executive Committee*

During the year ended 31 March 2010, the Executive Committee comprises all the Executive Directors. The Executive Committee was chaired by Mr. Percy ARCHAMBAUD-CHAO, the Group Chief Executive Officer, and the two other members are Datuk LIM Chee Wah and Mr. XIAO Huan Wei.

The Executive Committee is delegated to responsible for the day-to-day management, administration and operation of the Company and its principal duties are clearly set out in its terms of reference. The delegated functions and work tasks are periodically reviewed.

#### *Audit Committee*

The Audit Committee comprises all the Independent Non-executive Directors who possess appropriate business, legal, engineering and financial experience and skills to undertake review of financial statements in accordance with good practice of financial reporting. The Audit Committee is chaired by Mr. David YU Hon To and the other two members are Mr. Alan Howard SMITH, J.P., and Dr. Allen LEE Peng Fei, J.P.

### 保留予董事會的職權

本公司的《董事會及管理層角色分工指引》清晰列明董事會與管理層的職責。

保留予董事會的職權包括長期目標及商業策略、企業及資本結構、財務匯報及監控、內部監控、重大合約、傳訊、董事會成員、薪酬、授權、企業管治事宜及政策制訂。

### 董事委員會

本集團擁有審核委員會、執行委員會及RQN委員會。所有委員會會議報告會定期提交予董事會。

#### *執行委員會*

於截至二零一零年三月三十一日止年度內執行委員會包括所有執行董事。執行委員會由集團行政總裁趙世雄先生出任主席，其他兩名成員為拿督林致華及肖煥偉先生。

執行委員會被授權負責本公司日常管理、行政及營運及而其主要職責載於其明確職權範圍。其明確職能範圍及工作目標將定期予以檢討。

#### *審核委員會*

審核委員會包括所有獨立非執行董事，全部董事均具備合適的商業、法律、工程及財務經驗與技能，以根據財務匯報良規審閱財務報表。審核委員會由俞漢度先生出任主席，其餘兩名成員為史亞倫太平紳士及李鵬飛博士太平紳士。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

The Audit Committee's main duties are as follows:

- (1) to recommend to the Board on the appointment, re-appointment and removal of the External Auditor, and to approve the remuneration and terms of engagement of the External Auditor, and any questions of resignation or dismissal of that Auditor;
- (2) to develop and implement policy on the engagement of External Auditor for provision of non-audit services;
- (3) to monitor the integrity of financial statements and to review the annual report, interim report and financial statements with exercise of professional judgment before submission to the Board;
- (4) to review financial control, internal control and risk management systems;

The Audit Committee held three meetings during the year ended 31 March 2010 and its attendance record is set out below:

Directors		Eligibility to Attend	No. of Attendance	Attendance Rate (%)
董事		應出席次數	出席次數	出席率(%)
Mr. David YU Hon To	俞漢度先生	3	3	100
Mr. Alan Howard SMITH, J.P.	史亞倫太平紳士	3	3	100
Dr. Allen LEE Peng Fei, J.P.	李鵬飛博士太平紳士	3	3	100

The main works performed by the Audit Committee during the year ended 31 March 2010 and up to the date of this Annual Report included the review of External Auditor's audit plan and interim, annual financial statements and results announcements as well as audit reports. It has also reviewed the adequacy and effectiveness of internal control system and approved the internal audit report.

審核委員會之主要職責為：

- (1) 就外聘核數師的委任、重新委任及撤換向董事會提供建議、批准外聘核數師的薪酬及聘用條款；及處理任何有關該核數師辭任或辭退該核數師的問題；
- (2) 就外聘核數師提供非審核服務制訂政策，並予以執行；
- (3) 於提交予董事會前以專業判斷監察財務報表的完整性，並審閱年報、中期報告及財務報表；
- (4) 檢討財務監控、內部監控及風險管理制度；

審核委員會於截至二零一零年三月三十一日止年度內舉行了三次會議，其出席記錄載列如下：

於截至二零一零年三月三十一日止年度及截至本年報日期，審核委員會履行之主要工作包括審閱外聘核數師之核數方案及中期、年度財務報表及業績公布連同核數報告。審核委員會之主要工作亦包括審核內部監控制度之充足性及有效性及批准內部核數報告。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### Remuneration, Quality and Nomination (“RQN”) Committee

The RQN Committee comprises all the Independent Non-executive Directors and the Chief Executive Officer of the Company. The Committee is chaired by Dr. Allen Lee Peng Fei, J.P. and the other three members are Mr. Alan Howard SMITH, J.P., Mr. Percy ARCHAMBAUD-CHAO and Mr. David YU Hon To.

The RQN Committee has adopted clear terms of reference and its principal duties are to make recommendations to the Board on the Company’s remuneration policy and structure for all Directors and members of senior management and to draw up procedures for formulating an incentive-based remuneration policy.

The RQN Committee held one meeting during the year ended 31 March 2010 under review and its attendance record is set out below:

Directors 董事		Eligibility to Attend 應出席次數	No. of Attendance 出席次數	Attendance Rate (%) 出席率(%)
Dr. Allen Lee Peng Fei, J.P.	李鵬飛博士太平紳士	1	1	100
Mr. Alan Howard SMITH, J.P.	史亞倫太平紳士	1	1	100
Mr. Percy ARCHAMBAUD-CHAO	趙世雄先生	1	1	100
Mr. David YU Hon To	俞漢度先生	1	1	100

The main works performed by the RQN Committee during the year ended 31 March 2010 and up to the date of this Annual Report included the recommendation and approval of the fees and remuneration of Executive Directors and Independent Non-executive Directors. It has also reviewed and recommended the appointment and re-appointment of Directors.

### 薪酬、素質及提名 (「RQN」) 委員會

RQN委員會由所有獨立非執行董事及本公司行政總裁組成。委員會由李鵬飛博士太平紳士出任主席，其餘三名成員為史亞倫太平紳士、趙世雄先生及俞漢度先生。

RQN委員會有其明確的職權範圍，主要職責為就本公司所有董事及高級管理層成員之薪酬政策及架構向董事會提供推薦建議，以及就制定此等薪酬政策設立正規及具透明度的程序。

RQN委員會於截至二零一零三月三十一日止年度內舉行了一次會議，其出席記錄載列如下：

於截至二零一零三月三十一日止年度及截至本年報日期，RQN委員會履行之主要職責為建議及批准執行董事及非執行董事之袍金及薪酬。其主要職責亦包括審閱董事之委任及重新委任，並作出建議。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 31 March 2010, the interests and short positions of the Directors and the Chief Executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as set out in the Listing Rules were as follows:

#### Interests of the Directors in Shares and underlying Shares of the Company

Name of Directors	Nature of Interests	Note	Ordinary Shares/ underlying Shares of HK\$0.01 each 每股面值0.01港元 之普通股/ 相關股份	Approx. % of Issued Shares 估已發行 股份的概約 百分比(%)
Datuk LIM Chee Wah 拿督林致華	Interests in Shares – Corporate Interests 於股份之權益 – 公司權益	1	1,069,308,000	69.9%
	Interests in Share Options – Personal Interests 於購股權之權益 – 個人權益	2	4,400,000	–
			1,073,708,000	–
Mr. Percy ARCHAMBAUD-CHAO 趙世雄先生	Interests in Shares – Corporate Interests 於股份之權益 – 公司權益	3	300,000,000	19.6%
	Interests in Share Options – Personal Interests 於購股權之權益 – 個人權益	2	4,400,000	–
			304,400,000	–

### 董事及行政總裁的證券權益

於二零一零年三月三十一日，根據《證券及期貨條例》第三百五十二條規定須由本公司存備的登記冊所載，本公司董事及行政總裁於本公司及其相聯法團（按《證券及期貨條例》第XV部所賦予的涵義）的股份、相關股份及債權證，或根據《標準守則》須知會本公司及聯交所的權益及淡倉如下：

#### 董事於本公司股份及相關股份的權益

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### Notes:

1. The corporate interests of 1,069,308,000 Shares are held by VXLCP, a company wholly and beneficially owned by Datuk Lim Chee Wah (“Datuk Lim”). The interests in 1,069,308,000 Shares comprises 769,308,000 Shares which are beneficially owned by VXLCP and 300,000,000 Shares which are deemed to be interested by VXLCP as security interests. These 300,000,000 Shares are held by Huge More Limited (“Huge More”), a company wholly and beneficially owned by Mr. Percy ARCHAMBAUD-CHAO (“Mr. A. Chao”) until 7 May 2010.
2. Details of the interests in Share Options are set out separately in the section “Share Options Scheme” at Reports of Directors.
3. The corporate interests of 300,000,000 Shares are held by Huge More, a company wholly and beneficially owned by Mr. A. Chao until 7 May 2010.
4. All the interests disclosed above represent long position in the shares or underlying shares.

Save as disclosed above, as at 31 March 2010, none of the Directors or their Associates had any interests or short positions in the Shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were recorded in the register maintained under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### 附註：

1. 1,069,308,000股股份的公司權益乃透過由拿督林致華(「林拿督」)全資及實益擁有的VXLCP持有。該1,069,308,000股股份之權益包括769,308,000股股份由VXLCP實益擁有及300,000,000股股份被視為由VXLCP以保證權益方式擁有。該300,000,000股股份乃透過由趙世雄先生(「趙先生」)全資及實益擁有的Huge More Limited(「Huge More」)持有直至二零一零年五月七日止。
2. 購股權權益的詳情於「於本公司的購股權的權益」一節另行載列。
3. 300,000,000股股份的公司權益乃透過由趙先生全資及實益擁有的Huge More 持有持有直至二零一零年五月七日止。
4. 上述披露之所有權益均指股份及相關股份之好倉。

除上文所披露者外，於二零一零年三月三十一日，根據《證券及期貨條例》第三百五十二條規定須由本公司存備的登記冊所載，董事及其聯繫人概無本公司或其任何相聯法團(按《證券及期貨條例》第XV部所賦予的涵義)的股份、相關股份及債權證或根據《標準守則》須知會本公司及聯交所的權益及淡倉。



# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 March 2010, the interests or short positions of every person, other than the Directors and Chief Executive of the Company, in the Shares and underlying Shares of the Company, as recorded in the register maintained by the Company under section 336 of the SFO were as follows:

Name of Shareholders	Nature of Interests	Note	Ordinary Shares/ underlying Shares of HK\$0.01 each 每股面值0.01港元 之普通股/ 相關股份	Approx. % of Issued Shares 佔已發行 股份的概約 百分比(%)
股東名稱	權益性質	附註		
VXL Capital Partners Corporation Limited	Interests in Shares – Beneficial Interests 於股份之權益 – 實益權益	1	769,308,000	50.3%
	Interests in Shares – Security Interests 於股份之權益 – 保證權益	2	300,000,000	19.6%
			1,069,308,000	
Huge More Limited	Interests in Shares – Beneficial Interests 於股份之權益 – 實益權益	2	300,000,000	19.6%

*Notes:*

- 769,308,000 Shares are beneficially owned by VXL CPL, which is wholly and beneficially owned by Datuk Lim, the Chairman of the Board and an Executive Director. Datuk Lim is also a director of VXL CPL.
- 300,000,000 Shares are beneficially owned by Huge More and are deemed to be interested by VXL CPL as security interests. Huge More is wholly and beneficially owned by Mr. A. Chao (the Group Chief Executive Officer and an Executive Director) until 7 May 2010. Mr. A. Chao is also a director of Huge More until 7 May 2010.
- All the interests disclosed above represent long position in the shares and underlying shares.

Save as disclosed above, as at 31 March 2010, no other interests or short positions in the Shares or underlying Shares were recorded in the register maintained under section 336 of the SFO.

### 主要股東的證券權益

於二零一零年三月三十一日，根據《證券及期貨條例》第三百三十六條須由本公司存備的登記冊所載，除本公司董事及行政總裁以外的人士於本公司股份及相關股份中的權益及淡倉如下：

Name of Shareholders	Nature of Interests	Note	Ordinary Shares/ underlying Shares of HK\$0.01 each 每股面值0.01港元 之普通股/ 相關股份	Approx. % of Issued Shares 佔已發行 股份的概約 百分比(%)
股東名稱	權益性質	附註		
VXL Capital Partners Corporation Limited	Interests in Shares – Beneficial Interests 於股份之權益 – 實益權益	1	769,308,000	50.3%
	Interests in Shares – Security Interests 於股份之權益 – 保證權益	2	300,000,000	19.6%
			1,069,308,000	
Huge More Limited	Interests in Shares – Beneficial Interests 於股份之權益 – 實益權益	2	300,000,000	19.6%

*附註：*

- 769,308,000股股份乃由董事會主席兼執行董事林拿督全資及實益擁有的公司VXL CPL實益擁有，林拿督亦是VXL CPL的董事。
- 300,000,000股股份乃由Huge More實益擁有，及被視為由VXL CPL以保證權益方式擁有。Huge More乃由趙先生（集團行政總裁兼執行董事）全資及實益擁有直至二零一零年五月七日止。趙先生亦為Huge More的董事直至二零一零年五月七日止。
- 上述披露之所有權益均指股份及相關股份之好倉。

除上文所披露者外，於二零一零年三月三十一日，根據《證券及期貨條例》第三百三十六條存備的登記冊概無記錄其他於股份或相關股份的權益或淡倉。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### EXTERNAL AUDITOR

The Group's External Auditor is PricewaterhouseCoopers. The External Auditor provides an annual audit assurance on the Company's financial statements. It is the responsibility of the External Auditor to form an independent opinion, based on its audit, on the financial statements and to report its opinion solely to the Shareholders, as a body, in accordance with section 141 of the Companies Ordinance. The Audit Committee is obliged to ensure continuing External Auditor's objectivity and safeguard independence.

For the year ended 31 March 2010, audit fee amounted to approximately HK\$587,000 and non-audit fee amounted to approximately HK\$278,000.

### DIRECTOR'S AND AUDITOR'S RESPONSIBILITIES

The Directors have acknowledged their responsibilities for the preparation of the consolidated financial statements for the year ended 31 March 2010, which give a true and fair view of the financial performance of the Company and of the Group as at 31 March 2010. In preparing these consolidated financial statements, the Directors have selected suitable accounting policies and made judgments under circumstances and estimates that are prudent, fair and reasonable; and have prepared the consolidated financial statements on a going concern basis. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group.

PricewaterhouseCoopers, the External Auditor of the Company, has presented its responsibilities in the independent auditor's report as set out on pages 37 to 38.

### 外聘核數師

本集團的外聘核數師為羅兵咸永道會計師事務所。外聘核數師為本公司的財務報表提供年度審核保證。外聘核數師的責任是根據審核的結果，對該等財務報表作出獨立意見，並按照《公司條例》第一百四十一條且並僅向整體股東報告其意見。審核委員會負責確保外聘核數師的持續客觀及保證獨立。

截至二零一零年三月三十一日止年度，審核服務費約為587,000港元及非審核服務費用約為278,000港元。

### 董事及核數師責任

董事負責編製截至二零一零年三月三十一日止年度的綜合財務報表，使其真實及公平反映本公司與本集團於二零一零年三月三十一日的財務表現。於編製概等綜合財務報表時，董事已選擇合適的會計政策，並根據情況作出審慎、公平和合理的判斷及估計；並按持續經營基準編製綜合財務報表。董事負責存置適當的會計記錄(於任何時間合理正確地披露本集團的財務狀況)。

本公司之外聘核數師羅兵咸永道會計師事務所於第37至第38頁所載的獨立核數師報告內列述彼等責任。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### INTERNAL CONTROLS AND RISK MANAGEMENT

In the Company, the Board has overall responsibility for internal controls and reviewing its effectiveness. Policies and procedures are in place to ensure that assets are adequately protected against unauthorized use or disposal and that the interests of Shareholders are safeguarded. The systems in place are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board maintains an organizational structure with clearly defined levels of responsibility and authority and appropriate reporting procedures. The Board meets regularly and has a schedule of matters that are brought to it for decision in order that effective control over strategic, financial, operational and compliance issues can be maintained.

To enable the Company to discharge its annual review responsibilities pursuant to Code C2.1 of the CG Code, the Company reviewed the need for an internal audit function since April 2006 and considered it was appropriate to continue with the practice of outsourcing the internal audit functions. Accordingly, the Company has engaged an external accounting firm as Internal Auditors to provide internal audit services to the Group on an annual basis.

The Internal Auditors have conducted evaluation and tests in connection with the following management's assertions for the year ended 31 March 2010:

- (1) the system of internal control of the Group including financial reporting, operational and compliance controls is effective;
- (2) the risk management process of the Group is effective; and
- (3) effective internal controls are maintained to safeguard the Group's assets.

### 內部監控及風險管理

於本公司，董事會全權負責內部監控及檢討其效益。本公司設有一套政策及程序以確保資產獲得充份保障，防止未經授權使用或出售資產，以及確保股東利益獲得保障。本公司實施了一項專門用以管理（而非消除）未能達成業務目標風險的制度，並且僅能為防止出現重大錯誤陳述或虧損提供合理（但非絕對）的保證。

董事會維持組織架構具備明確界定的職責及職權水平及合適的報告程序。董事會定期舉行會議並訂明提交其釐訂的事宜，以保持對策略、財務、營運及遵守法規事宜進行有效監控。

為確保本公司能履行根據《企業管治守則》第C.2.1條之守則條文所規定之年度檢討責任，本集團自二零零六年四月起檢討內部核數功能需求，認為繼續外聘進行內部核數功能的常規屬適當。因此，本公司已決定聘任一家外聘會計師公司為內部核數師，每年向本集團提供內部核數服務。

於截至二零一零年三月三十一日止年度，內部核數師已進行有關下列管理層聲明的估值及測試：

- (1) 本集團的內部監控制度(包括財務匯報、營運及合規監控)為有效；
- (2) 本集團之風險管理程序為有效；及
- (3) 為保障本集團之資產已維持了有效之內部監控。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

The Internal Auditors also formulate the annual internal audit plan and procedures, conduct periodic independent reviews on the operations of each division to identify any irregularities and risks, develop action plans and make recommendations to address the identified risks, and report to the Audit Committee on any key findings and progress of the internal audit process. The Audit Committee, in turn, reports to the Board on any material issues and makes recommendations to the Board.

In strict compliance with the requirements of Code Provision C.2.1, the directors keep reviewing the internal control system of the Group and further improve the system with respect to financial control, operational control, compliance control and risk management on top of the comprehensive review of the internal control system conducted under the guidance of the Board. In addition, this review also considers the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

The Company will continue where necessary to improve its internal control system and strengthen its risk management capability.

### SHAREHOLDER RIGHTS AND INVESTOR RELATIONS

The rights of Shareholders and the procedures for demanding a poll on resolutions at general meetings are contained in the Articles of Association. Details of such rights to demand a poll procedure are included in all relevant circulars to Shareholders and will be explained during the proceedings of meetings.

Poll results will be posted on the website of the Stock Exchange following the general meeting.

The general meetings of the Company provide a forum for communication between the Shareholders and the Board. The Chairman of the Board as well as Chairman of the Audit Committee and RQN Committee, or in their absence, other members of the respective committees, and where applicable, the independent Board committee, are available to answer questions at the shareholders' meetings.

內部核數師亦闡明年度內部審核計劃及程序，對每個部門的營運定期進行獨立檢討，以識別任何違規及風險，發展行動計劃及提出推薦建議，以應對所識別的風險，並向審核委員會報告任何關鍵發現及內部審核過程的進度。審核委員會向董事會報告任何重大事項並向董事會提出推薦意見。

嚴格遵守守則條文C.2.1條規定，在董事會的引導下，董事在對內部監控系統進行全面檢討的基礎上，繼續對本集團內部監控系統進行審閱，進一步完善內控系統，包括財務監控、營運、合規監控及風險管理等方面。於審閱同時，董事會亦考慮於會計及財務匯報職能方面的資源、僱員資歷及經驗是否足夠，以及僱員所接受的培訓課程及有關預算是否充足。

本公司將持續盡可能改善其內部監控系統及強化風險管理功能。

### 股東權利及投資者關係

《組織章程細則》內載有股東要求就股東大會之決議案以股數投票方式表決的權利及程序。要求以股數投票方式表決的權利及投票程序的詳情，可見於每份致股東的通函，並在大會進行期間加以解釋。

股數投票之結果會在股東大會舉行後登載於聯交所網站。

本公司股東大會為股東與董事會提供了一個溝通的平臺。董事會主席、審核委員會主席及RQN委員會主席均會出席股東大會，如彼等無暇出席，則有個別委員會成員及在適當情況下，由獨立董事委員會成員出席，以解答提問。

## Corporate Governance Report (Continued)

### 企業管治報告 (續)

The Company continues to enhance communications and relationship with its investors. Designated senior management maintains regular dialogue with institutional investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and timely manner.

Currently, investors can assess the Company's information through websites of the Stock Exchange and of the Company (<http://www.vxlcapital.com>).

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to and within the knowledge of the Directors, it is confirmed that there is sufficient public float of more than 25% of the Company's issued shares at the latest practicable date prior to the issue of this Annual Report.

On behalf of the Board  
**Datuk LIM Chee Wah**  
*Chairman*

Hong Kong, 21 July 2010

本公司繼續加強與投資者間的溝通及關係，本公司指派高級管理層與機構投資者及分析員展開定期對話，以使彼等得悉本公司的最新發展，亦會儘快解答投資者的查詢。

目前，投資者可以透過聯交所網站及本公司網址<http://www.vxlcapital.com>閱覽本公司資料。

### 足夠公眾持股量

根據董事從公開途徑所得資料及就其所知，本公司確認於發行本年報前的最後可行日期公眾持股量充足，佔本公司已發行股份25%以上。

承董事會命  
主席  
拿督林致華

香港，二零一零年七月二十一日

# Report of the Directors

## 董事會報告

The Directors submit their report together with the audited financial statements of the Group for the year ended 31 March 2010.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, securities trading and provision of management services to subsidiaries. The principal activities of the principal subsidiaries of the Company are set out in Note 18 to the consolidated financial statements.

### SEGMENT INFORMATION

An analysis by operating segments of the Group's performance, assets and liabilities for the year is set out in Note 5 to the consolidated financial statements.

### RESULTS

The results of the Group for the year are set out in the consolidated statement of comprehensive income on page 39.

### MAJOR CUSTOMERS AND SUPPLIERS

The five largest customers for the year are guests of the Group's hotel properties and accounted for less than 30% of the Group's total turnover from hotel properties for the year.

For the year ended 31 March 2010, the purchase attributable to the Group's largest supplier was approximately 37% of the Group's total purchases and the aggregate purchases attributable to the Group's five largest suppliers accounted for approximately 57% of the Group's total purchase.

None of the Directors, their Associates or any Shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in any of the Group's five largest customers or suppliers noted above.

董事提呈本集團截至二零一零年三月三十一日止年度的董事會報告及經審核財務報表。

### 主要業務

本公司的主要業務為投資控股、證券買賣及向附屬公司提供管理服務。本公司主要附屬公司的主要業務載於綜合財務報表附註18。

### 分部資料

本集團於本年度營運分部的業績、資產及負債分析載於綜合財務報表附註5。

### 業績

本集團於本年度業績載於第39頁的綜合全面收益表。

### 主要客戶及供應商

本年度五大客戶為本集團酒店物業之客人及其收入佔本集團於本年度酒店物業營業額少於30%。

於截至二零一零年三月三十一日止年度，本集團來自最大供應商的購貨額佔本集團購貨總額約37%；而本集團來自五大供應商的購貨額佔本集團購貨總額約57%。

董事、彼等的聯繫人士或任何據董事所知擁有本公司已發行股本5%以上權益的股東概無於上文所述的本集團五大客戶或供應商中擁有任何權益。

# Report of the Directors (Continued)

## 董事會報告 (續)

### DIVIDEND

The Directors do not recommend the payment of a dividend for the year.

### PROPERTY, PLANT AND EQUIPMENT

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

### DONATIONS

The Group made no charitable donation during the year (year ended 31 March 2009: HK\$50,000).

### SHARE CAPITAL

Details of the share capital of the Company are set out in Note 29 to the consolidated financial statements.

### RESERVES

Movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity and Note 30 to the consolidated financial statements.

The distributable reserves of the Company as at 31 March 2010, calculated under section 79B of the Companies Ordinance, amounted to HK\$12,751,000 (2009: HK\$112,703,000).

### FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial periods is set out on page 137.

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

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

### 股息

董事不建議本年度派發股息。

### 物業、機器及設備

本集團與本公司的物業、機器及設備變動詳情載於綜合財務報表附註15。

### 捐款

本集團於本年度並無作出慈善捐款 (截至二零零九年三月三十一日止年度: 50,000港元)。

### 股本

本公司的股本詳情載於綜合財務報表附註29。

### 可供分派儲備

本集團與本公司於本年度的儲備變動詳情分別載於綜合權益變動表及綜合財務報表附註30。

於二零一零年三月三十一日, 根據《公司條例》第七十九B條計算, 本公司的可供分派儲備為12,751,000港元 (二零零九年: 112,703,000港元)。

### 財務摘要

本集團過去五個財政期間的業績、資產與負債摘要載於第137頁。

### 購買、出售或贖回本公司的上市證券

本公司及其任何附屬公司於本年度概無購買、出售或贖回本公司任何上市證券。

# Report of the Directors (Continued)

## 董事會報告 (續)

### SHARE OPTION SCHEME

Key terms of the Scheme are summarized below:

- (i) The purpose of the Scheme is to enable the Company to grant options to selected participants as incentives or rewards for their contribution or potential contribution to the growth and development of the Group;
- (ii) The participants of the Scheme include any employee or officer (whether full time or part time, and including any Executive Director but excluding any Non-executive Director and Independent Non-executive Director) of any company within the Group or any Invested Entity (as defined in the Scheme);
- (iii) The total number of Shares available for issue under the Scheme is 144,000,000 which represent 10% of the issued share capital of the Company at the date of adoption of the Scheme and after subdivision of share (representing approximately 9.4% of the issued share capital as at the date of the Annual Report);
- (iv) The total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue as at the date of adoption of the Scheme unless approval from the Shareholders has been obtained. The number of Shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Group must not in aggregate exceed 30% of the Shares in issue from time to time. No option may be granted under the Scheme or any other share option scheme of the Group if such grant would result in the 30% limit being exceeded;

### 購股權計劃

計劃的主要條款概述如下：—

- (i) 計劃旨在使本公司可向經甄選的參與者授出購股權，作為彼等對本集團的成長及發展所作的貢獻或潛在的貢獻的獎勵或回報；
- (ii) 計劃的參與者包括本集團屬下任何公司或任何投資實體（定義見計劃）的任何僱員或高級人員（不論全職或兼職，以及包括任何執行董事，但不包括任何非執行董事及獨立非執行董事）；
- (iii) 根據計劃可發行的股份總數為144,000,000股，即採納計劃當日及股份拆細（約佔年報之日已發行股本之9.4%）後本公司已發行股本的10%；
- (iv) 根據計劃及本集團任何其他購股權計劃，所有將予授出的全部購股權獲行使時將予配發及發行的股份數目總額，合共不得超過採納計劃當日所發行股份的10%，惟取得股東批准則除外。根據計劃及本集團任何其他購股權計劃，所有已授出而尚未行使及將予行使購股權獲行使時，將予配發及發行的股份數目，合共不得超過不時已發行股份的30%。倘根據計劃或本集團任何其他購股權計劃授出該等購股權導致超逾30%的限制，則不可授出購股權；



## Report of the Directors (Continued)

### 董事會報告 (續)

- (v) Unless approved by Shareholders in general meeting, the total number of Shares issued and to be issued upon exercise of all options granted to any Eligible Participant (as defined in the Scheme) under the Scheme and any other share option scheme (including both exercised and outstanding options) in any 12-month period during which an option is exercised by the grantee, shall not exceed 1% of the total number of Shares for the time being in issue. Any grant of options to a substantial Shareholder or any of their respective Associates in aggregate more than 0.1% of Shares in issue, and having an aggregate value, based on the closing price on the date of such grant, in excess of HK\$5.0 million, must be approved by Shareholders in general meeting;
- (v) 除非獲股東於股東大會上批准，否則任何合資格參與者（定義見計劃）於獲授人行使購股權的任何十二個月期間內，因藉著計劃及任何其他購股權計劃授出之所有購股權（包括已行使及已授出而尚未行使的購股權）獲行使時將予發行的股份總數，不得超過當時已發行股份總數的1%。倘向主要股東或任何彼等各自的聯繫人士授出的購股權總數超逾已發行股份的0.1%，及以該等授出購股權當日的收市價計算總值超逾5,000,000港元的購股權時，必須於股東大會上獲股東批准；
- (vi) An option may be exercised in accordance with the terms of the Scheme at any time during a period (which may not expire later than 10 years from the date of grant) to be notified by the Board to each grantee. Unless otherwise determined by the Board at its sole discretion, there is no requirement on the minimum period for which any option granted or to be granted must be held or the performance targets which must be achieved before the option can be exercised;
- (vi) 獲授人可根據計劃的條款於董事會所知會的期間（其有效期限不得超過由授出日期起計十年）內的任何時間行使購股權。除董事會全權酌情規定外，任何已授出或將授出的購股權於可行使前並無必須持有最短期限或必須達到工作表現目標的規定；
- (vii) A non refundable remittance of HK\$10 by way of consideration for the grant of an option is required to be paid by each grantee upon acceptance of the option. An option may be accepted by a grantee within 28 days from the date of offer of grant of the option;
- (vii) 每名獲授人於接納購股權時須支付不可退還款額十港元，作為獲授購股權的代價，獲授人可由授出認股權要約當日起計二十八日內接納購股權；
- (viii) The subscription price payable upon exercising any particular option granted under the Scheme is determined based on a formula:  $P = N \times E_p$ , where “P” is the subscription price; “N” is the number of shares to be subscribed; and “ $E_p$ ” is the exercise price of the highest of (a) the nominal value of a Share on the date of offer; (b) the official closing price of Shares as stated in the daily quotation sheets of the Stock Exchange on the date of offer; and (c) the average of the official closing prices of Shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of offer and as adjusted pursuant to the clauses of the Scheme; and
- (viii) 根據計劃所獲授的特定購股權而行使時應付的認購價乃根據方程式  $P = N \times E_p$  計算，當中「P」指認購價；「N」指將認購的股份數目；而「 $E_p$ 」則指行使價，而行使價為下列三者的最高者：(a) 股份於授出購股權日期的面值；(b) 股份於授出購股權日期於聯交所每日報價表的正式收市價；及(c) 股份於授出購股權日期前五個營業日在聯交所每日報價表的正式平均收市價，並已根據計劃的條款調整；及

## Report of the Directors (Continued)

### 董事會報告 (續)

(ix) The life of the Scheme is until the tenth anniversary of the adoption date of the Scheme or the date on which the Scheme is terminated by resolution of the Shareholders in general meeting, whichever is earlier.

(ix) 計劃的有效期乃直至採納計劃當日起計的十周年止，或直至股東於股東大會通過終止計劃的決議案日期止；以較早者為準。

As at 31 March 2010, details of share options granted to Directors and employees under the Scheme and outstanding are:-

於二零一零年三月三十一日，根據計劃授予董事及僱員之購股權及尚未行使之詳情：

Grantees	Date of Grant	Exercise Period	Exercise Price per Share (HK\$)	No. of Share Options 購股權數目					
				Share Options as at 1/4/2009	Granted during the year	Exercise during the year	Cancelled/lapsed during the year	Share Options as at 31/3/2010	
				於 二零零九年 四月一日 之購股權	本年度 授出	本年度 行使	本年度 註銷/ 失效	於 二零一零年 三月 三十一日 之購股權	
<b>Directors :</b>									
Datuk LIM Chee Wah	董事： 拿督林致華	23/8/2007	23/8/2007 to 22/08/2012	0.77	4,400,000	-	-	4,400,000	
Mr, Percy ARCHAMBAUD-CHAO	趙世雄先生	23/8/2007	23/8/2007 to 22/08/2012	0.77	4,400,000	-	-	4,400,000	
<b>Employees :</b>									
Aggregate total of employees	僱員： 僱員合共	23/8/2007	23/8/2007 to 22/08/2012	0.77	21,000,000	-	(8,400,000)	12,600,000	
					29,800,000	-	(8,400,000)	21,400,000	

**Notes:**

1. The share options to subscribe for Shares are exercisable as to:
  - (i) For Directors or employees who have been employed for not less than two years immediately before date of grant:
    - (a) up to 20% immediately after date of grant;
    - (b) up to 46.7% immediately after 12 months from date of grant;
    - (c) up to 73.3% immediately after 24 months from date of grant; and
    - (d) up to 100% immediately after 36 months from date of grant.
  - (ii) For Directors or employees who have been employed for less than two years immediately before date of grant:
    - (a) up to 33.3% immediately after 12 months from date of grant;
    - (b) up to 66.7% immediately after 24 months from date of grant; and
    - (c) up to 100% immediately after 36 months from date of grant.

**附註：**

1. 購股權可於下列時間行使以認購股份：
  - (i) 就緊隨授出日期前已受僱不少於兩年之董事或僱員而言：
    - (a) 緊隨授出日期後最多達20%；
    - (b) 緊隨授出日期起計12個月後最多達46.7%；
    - (c) 緊隨授出日期起計24個月後最多達73.3%；及
    - (d) 緊隨授出日期起計36個月後最多達100%。
  - (ii) 就緊隨授出日期前受僱少於兩年之董事或僱員而言：
    - (a) 緊隨授出日期起計12個月後最多達33.3%；
    - (b) 緊隨授出日期起計24個月後最多達66.7%；及
    - (c) 緊隨授出日期起計36個月後最多達100%。

# Report of the Directors (Continued)

## 董事會報告 (續)

### DIRECTORS

The Directors during the year ended 31 March 2010 and up to the date of this Annual Report were:

Datuk LIM Chee Wah

Mr. Percy ARCHAMBAUD-CHAO

(Mr. A. Chao has tendered his resignation with effect from 7 August 2010 to the latest, or any earlier date to be mutually agreed.)

Mr. XIAO Huan Wei

Mr. Alan Howard SMITH, J. P.

Dr. Allen LEE Peng Fei, J. P.

Mr. David YU Hon To

In accordance with Article 133 of the Company's Articles of Association, Mr. Alan Howard SMITH, J.P. and Mr. David YU Hon To, who have been longest in office since last election will retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election.

### BIOGRAPHICAL DETAILS OF DIRECTORS

Brief biographical details of Directors are set out on pages 10 to 14.

### DIRECTORS' EMOLUMENTS

Details of the Directors' emoluments for the year are set out in Note 14(a) to the consolidated financial statements.

### DIRECTORS' SERVICE CONTRACTS

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

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 March 2010, none of the Directors nor his/her Associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

### 董事

於截至二零一零年三月三十一日止年度及至本年報日期止的董事為：

拿督林致華

趙世雄先生

(趙先生已提呈其辭任，由最遲二零一零年八月七日或經相互協定的任何較早日期起生效。)

肖煥偉先生

史亞倫太平紳士

李鵬飛博士太平紳士

俞漢度先生

根據本公司《組織章程細則》第一百三十三條，史亞倫太平紳士及俞漢度先生，因自上次重選後在任最久，將於應屆股東周年大會上輪值退任並符合資格且願意於應選連任。

### 董事簡歷

董事簡歷載列於第10至第14頁。

### 董事酬金

本年度的董事酬金詳情載於綜合財務報表附註第14(a)。

### 董事的服務合約

除法定賠償外，擬於應屆股東周年大會上膺選連任的董事概無與本公司訂立了本公司在一年內不可在不予賠償的情況下終止的服務合約。

### 董事於競爭業務的權益

於二零一零年三月三十一日，董事及其聯繫人士並無於與本集團業務直接或間接構成競爭或可能構成競爭的任何業務中擁有權益。

# Report of the Directors (Continued)

## 董事會報告 (續)

### CONTINUING CONNECTED TRANSACTION

On 15 May 2006, VXL Management Services Limited, a wholly-owned subsidiary of the Company, entered into a tenancy agreement (“Tenancy Agreement”) with Smart Forward Services Limited (“Smart Forward”), a company wholly and beneficially owned by Datuk LIM Chee Wah, the Chairman of the Board and an Executive Director of the Company, to lease the premises at Flat B, 56th Floor, Tower 1 and Car Parking No. 1-224 on 1st Floor, The Harbourside, No. 1 Austin Road West, Kowloon, Hong Kong (“Premises”) for a term of two years commencing on 15 May 2006 at a monthly rent of HK\$55,000. The Premises are used as housing accommodation for staff or guests of the Company. The Tenancy Agreement constituted a continuing connected transaction of the Company and details of which were announced on 15 May 2006.

On 13 May 2008, the lease has been renewed for further two years commencing on 15 May 2008 at a monthly rent of HK\$66,000. A rental deposit of HK\$132,000 has been placed with Smart Forward. For the year ended 31 March 2010, total rental expenses paid and payable was HK\$792,000 (year ended 31 March 2009: HK\$775,000).

The lease was terminated on 14 May 2010 and was not renewed.

### DIRECTORS’ INTERESTS IN CONTRACTS AND MANAGEMENT CONTRACTS

Save as the connected transactions disclosed above and those transactions disclosed in “Related Party Transactions” as set out in Note 32 to the consolidated financial statements, no contracts of significance in relation to the Group’s business to which the Company or any of its subsidiaries was a party, and in which a Director had a material interest, whether directly or indirectly subsisted at end of the year or at any time during the year.

### 持續關連交易

於二零零六年五月十五日，本公司全資附屬公司卓越管理服務有限公司與本公司董事會主席兼執行董事拿督林致華全資及實益擁有的Smart Forward Service Limited (「Smart Forward」) 訂立一份租賃協議 (「租賃協議」)，租賃位於香港九龍柯士甸道西一號君臨天下第一座五十六樓B室及於一樓第1-224號車位之物業 (「物業」)，租期為兩年，由二零零六年五月十五日起生效，月租為55,000港元。物業供本公司僱員或客人住宿之用。租賃協議構成本公司的一項持續關連交易，其詳情已於二零零六年五月十五日公布。

於二零零八年五月十三日，租約已續約兩年由二零零八年五月十五日開始，月租為66,000港元。已向Smart Forward支付132,000港元租金按金。截至二零一零年三月三十一日止年度，已付及應付租金開支共為792,000港元 (截至二零零九年三月三十一日止年度：775,000港元)。

該租約已於二零一零年五月十四日屆滿，且未有續期。

### 董事的合約及管理合約利益

除上文所披露關連交易及財務報表附註第32「關聯方交易」所披露該等交易外，本公司或其任何附屬公司概無訂立對本集團業務有重大關係的合約，而董事直接或間接於其中擁有重大利益，並且於年終或本年度任何時間存續。

# Report of the Directors (Continued)

## 董事會報告 (續)

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

Details of Directors' and Chief Executive's interests in securities are set out in the section "Directors' and Chief Executive's Interests in Securities" in the Corporate Governance Report of this Annual Report.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

Details of Substantial Shareholders' interests in securities are set out in the section "Substantial Shareholders' Interests in Securities" in the Corporate Governance Report of this Annual Report.

### CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out on pages 15 to 28 in the Corporate Governance Report of this Annual Report.

### AUDITOR

The financial statements have been audited by PricewaterhouseCoopers, the External Auditor of the Company, PricewaterhouseCoopers will retire and, being eligible, offer itself for re-appointment at the forthcoming AGM.

On behalf of the Board  
**Datuk LIM Chee Wah**  
*Chairman*

Hong Kong, 21 July 2010

### 董事及行政總裁的證券權益

董事及行政總裁的證券權益詳情載於本年報《企業管治報告》內「董事及行政總裁的證券權益」一節。

### 主要股東的證券權益

主要股東的證券權益詳情載於《企業管治報告》內「主要股東的證券權益」。

### 企業管治

本公司致力維持高水平的企業管治常規。本公司採納的企業管治常規資料載於本年報《企業管治報告》第15至28頁。

### 核數師

財務報表由本公司的外聘核數師羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所將於應屆股東周年大會退任，並符合資格且願重獲委任。

承董事會命  
主席  
拿督林致華

香港，二零一零年七月二十一日



羅兵咸永道會計師事務所

PricewaterhouseCoopers  
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Facsimile (852) 2810 9888  
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**To the shareholders of VXL Capital Limited**  
(incorporated in Hong Kong with limited liability)

致卓越金融有限公司  
(於香港註冊成立的有限公司)  
全體股東

We have audited the consolidated financial statements of VXL Capital Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 39 to 133, which comprise the consolidated and Company balance sheets as at 31 March 2010, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

本核數師(以下簡稱「我們」)已審核列載於第39至133頁卓越金融有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的合併財務報表。此綜合財務報表包括於二零一零年三月三十一日的綜合及公司資產負債表與截至該日止年度的綜合全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他附註解釋。

## 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 Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

## 董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制,以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## 核數師的責任

我們的責任是根據我們的審核對該等合併財務報表作出意見,並按照香港《公司條例》第141條僅向整體股東報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

## Independent Auditor's Report (Continued)

### 獨立核數師報告 (續)

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

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

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

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2010 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 21 July 2010

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

### 意見

我們認為，該等合併財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一零年三月三十一日的事務狀況及 貴集團截至該日止年度的虧損及現金流量，並已按照香港《公司條例》妥為編製。

**羅兵咸永道會計師事務所**  
*執業會計師*

香港，二零一零年七月二十一日

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

			2010 二零一零年	2009 二零零九年
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額	5	2,329	(10,105)
Other operating income	其他經營收入		–	1,888
Other gain/(loss), net	其他盈利/(虧損)淨額	6	5,252	47,731
Staff costs	僱員成本	7	(28,893)	(62,443)
Write off of goodwill upon disposal of an investment property	出售投資物業時 撇銷之商譽		–	(18,314)
Gain on disposal of subsidiaries	出售附屬公司之盈利		–	54,393
Other operating expenses	其他經營開支		(41,602)	(94,987)
Operating loss	經營虧損	8	(62,914)	(81,837)
Finance income	財務收入	9	6,334	181
Finance costs	融資成本	10	(97,665)	(98,411)
Share of losses of associates	應佔聯營公司虧損	19	(33)	(96)
Loss before taxation	除稅前虧損		(154,278)	(180,163)
Taxation (charge)/credit	稅項(支出)/抵免	11	(3)	29,087
Loss for the year	年內虧損		(154,281)	(151,076)
Other comprehensive income:	其他全面收入:			
Release of exchange reserve on disposal of subsidiaries	因出售附屬公司而解除匯兌儲備		–	(50,283)
Currency translation differences	外幣換算差額		1,228	15,857
Other comprehensive income for the year, net of tax	年內其他全面收入, 已扣除稅項		1,228	(34,426)
Total comprehensive income for the year	年內全面收入總額		(153,053)	(185,502)
Loss for the year attributable to:	以下應佔年內虧損:			
– equity holders of the Company	– 本公司權益持有人	12	(154,281)	(150,407)
– minority interest	– 少數股東權益		–	(669)
			(154,281)	(151,076)
Total comprehensive income for the year attributable to:	以下應佔年內全面收入總額:			
– equity holders of the Company	– 本公司權益持有人		(153,053)	(184,833)
– minority interest	– 少數股東權益		–	(669)
			(153,053)	(185,502)
			HK cents 港仙	HK cents 港仙
Basic and diluted earnings per ordinary share for loss for the year attributable to equity holders of the Company	本公司權益持有人應佔年內虧損之每股普通股基本及攤薄溢利	13	(10.09)	(9.83)

The notes on pages 47 to 133 form part of these consolidated financial statements.

第47頁至第133頁之附註屬本綜合財務報表之一部分。



# Consolidated Balance Sheet

## 綜合資產負債表

As at 31 March 2010 於二零一零年三月三十一日

			2010 二零一零年	2009 二零零九年
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備	15(a)	229,590	161,308
Land use rights	土地使用權	16	79,790	63,338
Construction in progress	在建工程	17	4,302	11,416
Interests in associates	聯營公司權益	19	96	129
Available-for-sale financial assets	可供出售財務資產	20	2,111	2,111
Receivables, prepayments and deposits	應收款項、預付款項及按金	22	130,399	157,368
			<b>446,288</b>	<b>395,670</b>
<b>Current assets</b>	<b>流動資產</b>			
Financial assets at fair value through profit or loss	按公平值透過損益列賬之財務資產	21	31,111	33,075
Receivables, prepayments and deposits	應收款項、預付款項及按金	22	76,700	81,118
Restricted cash	受限制現金		–	4,043
Bank balances and cash	銀行結餘及現金	23	35,659	7,835
			<b>143,470</b>	<b>126,071</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Payables and accruals	應付款項及應計項目	24	95,056	97,417
Liability component of compound financial instrument	複合財務工具之負債部分	25	10,150	–
Other borrowings	其他借款	26	325,511	167,377
			<b>430,717</b>	<b>264,794</b>
<b>Net current liabilities</b>	<b>流動負債淨額</b>		<b>(287,247)</b>	<b>(138,723)</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>159,041</b>	<b>256,947</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Liability component of compound financial instrument	複合財務工具之負債部分	25	12,375	–
Convertible notes	可換股票據	27	–	80,398
Other borrowings	其他借款	26	1,193	1,769
			<b>13,568</b>	<b>82,167</b>
<b>Net assets</b>	<b>資產淨值</b>		<b>145,473</b>	<b>174,780</b>

## Consolidated Balance Sheet (Continued)

### 綜合資產負債表(續)

As at 31 March 2010 於二零一零年三月三十一日

			2010 二零一零年	2009 二零零九年
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
<b>EQUITY</b>	<b>權益</b>			
Share capital	股本	29	15,296	15,296
Reserves	儲備	30(a)	6,813	159,484
Total shareholders' fund	股東資金總額		22,109	174,780
Minority interest	少數股東權益	25	123,364	—
<b>Total equity</b>	<b>權益總額</b>		<b>145,473</b>	<b>174,780</b>

Approved by the Board on 21 July 2010 and signed on behalf of the Board by:

於二零一零年七月二十一日獲董事會通過，並由以下董事代表董事會簽署：

**Datuk LIM Chee Wah**

拿督林致華

Director

董事

**Mr. Percy ARCHAMBAUD-CHAO**

趙世雄先生

Director

董事

The notes on pages 47 to 133 form part of these consolidated financial statements.

第47頁至第133頁之附註屬本綜合財務報表之一部分。

# Balance Sheet

## 資產負債表

As at 31 March 2010 於二零一零年三月三十一日

			2010	2009
			二零一零年	二零零九年
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備	15(b)	42	53
Interests in subsidiaries	附屬公司權益	18	330,000	–
Available-for-sale financial assets	可供出售財務資產	20	660	660
			<b>330,702</b>	<b>713</b>
<b>Current assets</b>	<b>流動資產</b>			
Financial assets at fair value through profit or loss	按公平值透過損益列賬之財務資產	21	–	1,964
Receivables, prepayments and deposits	應收款項、預付款項及按金	22	2,913	2,953
Amounts due from subsidiaries	應收附屬公司款項	18	133,590	366,617
Restricted cash	受限制現金		–	4,043
Bank balances and cash	銀行結餘及現金	23	325	922
			<b>136,828</b>	<b>376,499</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Payables and accruals	應付款項及應計項目	24	2,474	3,380
Other borrowings	其他借款	26	278,631	58,413
Amounts due to subsidiaries	應付附屬公司款項	18	53,319	–
			<b>334,424</b>	<b>61,793</b>
<b>Net current (liabilities)/assets</b>	<b>流動(負債)/資產淨值</b>		<b>(197,596)</b>	<b>314,706</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>133,106</b>	<b>315,419</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Convertible notes	可換股票據	27	–	80,398
			<b>–</b>	<b>80,398</b>
<b>Net assets</b>	<b>資產淨值</b>		<b>133,106</b>	<b>235,021</b>

## Balance Sheet (Continued)

### 資產負債表 (續)

As at 31 March 2010 於二零一零年三月三十一日

			2010	2009
			二零一零年	二零零九年
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
<b>EQUITY</b>	<b>權益</b>			
Share capital	股本	29	15,296	15,296
Reserves	儲備	30(b)	117,810	219,725
<b>Total equity</b>	<b>權益總額</b>		<b>133,106</b>	<b>235,021</b>

Approved by the Board on 21 July 2010 and signed on behalf of the Board by:

於二零一零年七月二十一日獲董事會通過，  
並由以下董事代表董事會簽署：

**Datuk LIM Chee Wah**

拿督林致華

*Director*

董事

**Mr. Percy ARCHAMBAUD-CHAO**

趙世雄先生

*Director*

董事

The notes on pages 47 to 133 form part of these consolidated financial statements.

第47頁至第133頁之附註屬本綜合財務報表之一部分。

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔								
		Share capital	Share premium	Available-for-sale financial assets reserve	Employee share-based compensation reserve	Exchange reserve	Retained earnings	Total	Minority interest	Total equity
		股本	股份溢價	可供出售財務資產儲備	以股份支付之僱員補償儲備	匯兌儲備	保留溢利	總額	少數股東權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2008	於二零零八年四月一日	15,296	152,049	404	3,805	51,634	133,388	356,576	-	356,576
Net loss for the year	年內虧損淨額	-	-	-	-	-	(150,407)	(150,407)	(669)	(151,076)
Other comprehensive income:	其他全面收入:									
Release of exchange reserve on disposal of subsidiaries	因出售附屬公司而解除匯兌儲備	-	-	-	-	(50,283)	-	(50,283)	-	(50,283)
Translation exchange difference	外幣換算差額	-	-	-	-	15,857	-	15,857	-	15,857
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	(34,426)	(150,407)	(184,833)	(669)	(185,502)
Employee share option benefits	僱員購股權福利	-	-	-	3,037	-	-	3,037	-	3,037
Transfer to retained earnings upon lapse of share options	於購股權失效時轉撥至保留溢利	-	-	-	(146)	-	146	-	-	-
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	(9)	(9)
Contribution from minority shareholders	少數股東出資	-	-	-	-	-	-	-	756	756
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	(78)	(78)
		-	-	-	2,891	-	146	3,037	669	3,706
At 31 March 2009	於二零零九年三月三十一日	15,296	152,049	404	6,696	17,208	(16,873)	174,780	-	174,780
Net loss for the year	年內虧損淨額	-	-	-	-	-	(154,281)	(154,281)	-	(154,281)
Other comprehensive income:	其他全面收入:									
Translation exchange difference	外幣換算差額	-	-	-	-	1,228	-	1,228	-	1,228
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	1,228	(154,281)	(153,053)	-	(153,053)
Employee share option benefits	僱員購股權福利	-	-	-	382	-	-	382	-	382
Transfer to retained earnings upon lapse of share options	於購股權失效時轉撥至保留溢利	-	-	-	(1,297)	-	1,297	-	-	-
Issuance of preferred shares by a subsidiary (Note 25)	附屬公司發行優先股(附註25)	-	-	-	-	-	-	-	123,364	123,364
		-	-	-	(915)	-	1,297	382	123,364	123,746
At 31 March 2010	於二零一零年三月三十一日	15,296	152,049	404	5,781	18,436	(169,857)	22,109	123,364	145,473

The notes on pages 47 to 133 form part of these consolidated financial statements.

第47頁至第133頁之附註屬本綜合財務報表之一部分。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

		2010 二零一零年	2009 二零零九年
	Note 附註	HK\$'000 千港元	HK\$'000 千港元
<b>Operating activities</b>	<b>經營活動</b>		
Loss before taxation	除稅前虧損	(154,278)	(180,163)
Adjustments for:	調整：		
Share of losses of associates	應佔聯營公司虧損	33	96
Change in fair value of investment properties	投資物業之公平值變動	-	379
Change in fair value of derivative financial instruments	衍生財務工具之公平值變動	-	(27,293)
Change in fair value of the embedded derivatives component of convertible notes	可換股票據內嵌入式衍生工具部分之公平值變動	(5,252)	(22,436)
Interest income on receivable from a former subsidiary	應收一間前附屬公司款項之利息收入	(6,303)	-
Finance costs	融資成本	97,665	98,411
Dividend income from listed investments	上市證券投資之股息收入	-	(1,638)
Provision for impairment of receivables, prepayments and deposits	應收款項、預付款項及按金之減值撥備	5,427	-
Bad debt provision	壞賬撥備	-	3,208
Depreciation and amortization	折舊及攤銷	5,739	8,025
Provision for impairment of property, plant and equipment	物業、機器及設備之減值撥備	50	8
Gain on disposal of property, plant and equipment	處置物業、機器及設備之盈利	(467)	(433)
Write off of goodwill upon disposal of an investment property	出售投資物業時撇銷之商譽	-	18,314
Gain on disposal of subsidiaries	出售附屬公司之盈利	-	(54,393)
Employee share option benefits	僱員購股權福利	382	3,037
Changes in working capital	營運資金變動		
- Increase in receivables, prepayments and deposits	- 應收款項、預付款項及按金增加	(2,238)	(11,525)
- (Decrease)/increase in payables and accruals	- 應付款項及應計項目(減少)/增加	(7,585)	152,054
- Decrease in financial assets at fair value through profit or loss	- 按公平值透過損益列賬之財務資產減少	1,964	16,504
Net cash (outflow)/inflow from operations	經營業務現金(流出)/流入淨額	(64,863)	2,155
Overseas profits tax paid	已付海外利得稅	(3)	(1)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>經營活動之現金(流出)/流入淨額</b>	<b>(64,866)</b>	<b>2,154</b>

# Consolidated Statement of Cash Flows (Continued)

## 綜合現金流量表 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

		2010 二零一零年	2009 二零零九年
	Note 附註	HK\$'000 千港元	HK\$'000 千港元
<b>Investing activities</b>			
Purchase of property, plant and equipment and land use rights		(4,787)	(62,109)
Purchase of investment properties		-	(48,718)
Payment of deposits for acquisition of hotel properties		(131,945)	(83,798)
Additions of construction in progress	17	(10,014)	(11,413)
Purchase of available-for-sale financial assets		-	(426)
Proceeds from disposal of property, plant and equipment		9,610	1,257
Proceeds from disposal of an investment property		-	31,800
Acquisition of subsidiaries		-	(2,274)
Disposal of subsidiaries (net of cash disposed)		-	355,891
Receipt from a former subsidiary		95,394	-
Dividends received from listed investments		-	1,638
<b>Net cash (outflow)/inflow from investing activities</b>		<b>(41,742)</b>	<b>181,848</b>
<b>Financing activities</b>			
Increase/(decrease) in amount due to ultimate holding company		216,000	(129,000)
Secured bank loans drawn down		-	62,343
Repayment of other loans		(12,673)	(217,036)
Other loans drawn down		20,000	50,000
Proceeds from issuance of convertible notes		-	107,853
Redemption of convertible notes	27	(146,317)	-
Capital element of finance lease rentals paid		(1,055)	(1,270)
Proceeds from issuance of preferred shares by a subsidiary	25	75,000	-
Contribution from minority shareholders		-	756
Decrease of restricted cash		4,043	507
Interest paid		(20,819)	(80,322)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>134,179</b>	<b>(206,169)</b>
Increase/(decrease) in cash and cash equivalents		27,571	(22,167)
Cash and cash equivalents at 1 April		7,835	29,526
Effect of foreign exchange rate changes		253	476
Cash and cash equivalents at 31 March	23	<b>35,659</b>	<b>7,835</b>

The notes on pages 47 to 133 form part of these consolidated financial statements.

第47頁至第133頁之附註屬本綜合財務報表之一部分。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 1. GENERAL INFORMATION

The principal activities of the Company are investment holding, securities trading and provision of management services to subsidiaries, whilst those of its principal subsidiaries are set out in Note 18 to the consolidated financial statements.

The Company has its listing on the Stock Exchange. The Directors consider the immediate and ultimate holding company to be VXLCP, incorporated in the British Virgin Islands.

### 2. PRINCIPAL ACCOUNTING POLICIES

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

#### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA. They have been prepared under the historical cost convention, except as modified by the revaluation of the available-for-sale financial assets and the financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

### 1. 一般資料

本公司之主要業務為投資控股、證券買賣及向附屬公司提供管理服務，其主要附屬公司之主要業務乃載於綜合財務報表附註18。

本公司於聯交所上市。董事認為於英屬處女群島註冊成立之VXLCP為直接及最終控股公司。

### 2. 主要會計政策

編製本綜合財務報表所採用之主要會計政策載列如下，且除非特別聲明，否則與各呈列年度所採用者一致。

#### 2.1 編製基準

本集團綜合財務報表乃根據香港會計師公會頒佈之《香港財務報告準則》（「香港財務報告準則」）編製。該等報表乃根據歷史成本法編製，並就重估可供出售財務資產及按公平值透過損益列賬之財務資產及財務負債（包括衍生工具）作出修訂。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

At 31 March 2010, the Group had net current liabilities of HK\$287,247,000. It mainly consists of the outstanding payments for acquisition of budget hotels and short-term borrowings. Subsequent to the year end, the management has obtained agreements by the lenders to extend the repayment of certain short-term borrowings totaling HK\$324.9 million. As disclosed in the Company's announcement on 25 June 2010, the Group has also terminated or proposed to terminate the acquisition of 10 hotel properties, which has reduced the Group's capital commitment in relation to acquisition of hotel properties from RMB43.1 million (equivalent to approximately HK\$49.1 million) to RMB12.1 million (equivalent to approximately HK\$13.7 million), and the deposits of RMB48.4 million (equivalent to approximately HK\$55.0 million) paid by the Group would be refunded by the China Post Group after deducting the respective penalties. In addition, as disclosed in Note 33(a), the Group has disposed of a hotel properties located in Daying, Sichuan province for a consideration of RMB22.0 million (equivalent to approximately HK\$25.0 million). The management is confident that with such expected cash inflows, the Group is able to meet its obligations. Moreover, the ultimate holding company of the Company, VXL CPL, has confirmed its intention to provide sufficient financial support to the Group so as to enable the Group to meet all its liabilities and obligations as and when they fall due and to enable the Group to continue its business for the foreseeable future. As such, Directors are satisfied that the Group will be able to meet in full its financial obligations as they fall due for the foreseeable future.

### 2. 主要會計政策 (續)

#### 2.1 編製基準 (續)

於二零一零年三月三十一日，本集團有流動負債淨額287,247,000港元。其主要包括收購經濟型酒店之尚未償還付款及短期借款。於本年度結算日後，管理層已獲貸款人同意將總額324,900,000港元之若干短期借款還款延期。如本公司於二零一零年六月二十五日刊發之公告所披露，本集團亦已終止或建議終止收購十間酒店物業，使本集團有關收購酒店物業之資本承擔由人民幣43,100,000元（相等於約49,100,000港元）減少至人民幣12,100,000元（相等於約13,700,000港元），中國郵政集團將於扣除相關罰款後，退回本集團已付之人民幣48,400,000元（相等於約55,000,000港元）按金。此外，如附註33(a)所披露，本集團已出售位於四川省大英縣之酒店物業，代價為人民幣22,000,000元（相等於約25,000,000港元）。憑藉該等預期現金流入，管理層有信心本集團有能力應付債務。再者，本公司之最終控股公司VXL CPL已確認其將向本集團提供足夠財務支持，以令本集團足以應付到期之所有負債及債務，並令本集團於可預見將來繼續經營其業務。因此，董事確信本集團完全有能力於可預見未來應付到期之財務負債。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

(a) *The following new and revised standards, amendments and interpretations have been effective for the first time for the current year's financial statements*

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 (Amendment) and HKAS 1	HKAS 32 (Amendment), "Financial Instruments: Presentation", and HKAS 1 (Amendment), "Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation"
HKAS 39 (Amendment) and HK(IFRIC) – Int 9	HKAS 39 (Amendment), "Financial Instruments: Recognition and Measurement" and HK(IFRIC) – Int 9, "Reassessment of Embedded Derivatives"
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments

## 2. 主要會計政策 (續)

### 2.1 編製基準 (續)

編製符合香港財務報告準則之綜合財務報表需要採用若干重大會計估計，同時亦需要管理層在貫徹本集團會計政策之過程中作出判斷。有關涉及判斷程度較高或較複雜之方面，或假設及估計會對綜合財務報表造成重大影響之方面，將在附註4披露。

(a) *以下新訂及經修訂的準則、修訂及詮釋首次於本年度之財務報表生效*

香港會計準則第1號 (經修訂)	財務報表的呈報
香港會計準則第23號 (經修訂)	借貸成本
香港會計準則第32號 (修訂本)及香港會計準則第1號	香港會計準則第32號 (修訂本)「財務工具：呈報」及香港會計準則第1號 (修訂本)「財務報表的呈報 – 可沽售財務工具及清盤時產生之責任」
香港會計準則第39號 (修訂本)及香港 (國際財務報告詮釋委員會) – 詮釋第9號	香港會計準則第39號 (修訂本)「財務工具：確認及計量」及香港 (國際財務報告詮釋委員會) – 詮釋第9號「內嵌式衍生工具之重新評估」
香港財務報告準則第2號 (修訂本)	以股份為基礎的付款的歸屬條件及註銷
香港財務報告準則第7號 (修訂本)	財務工具：披露 – 財務工具披露之改進

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

(a) The following new and revised standards, amendments and interpretations have been effective for the first time for the current year's financial statements (Continued)

HKFRS 8	Operating Segments
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Int 18	Transfers of Assets from Customers (effective for transfers of assets from customers received on or after 1 July 2009)
Annual improvements to HKFRSs 2008*	Amendments to a number of HKFRSs

\* The Group adopted all the improvements to HKFRSs issued in October 2008 except for the amendments to HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary”, which is effective for annual periods beginning on or after 1 July 2009.

### 2. 主要會計政策 (續)

#### 2.1 編製基準 (續)

(a) 以下新訂及經修訂的準則、修訂及詮釋首次於本年度之財務報表生效 (續)

香港財務報告準則第8號	營運分部
香港(國際財務報告詮釋委員會) – 詮釋第13號	客戶忠誠計劃
香港(國際財務報告詮釋委員會) – 詮釋第15號	房地產建築協議
香港(國際財務報告詮釋委員會) – 詮釋第16號	海外業務淨投資之對沖
香港(國際財務報告詮釋委員會) – 詮釋第18號	來自客戶之轉讓資產(生效於二零零九年七月一日或以後發生的客戶轉讓資產)
二零零八年對香港財務報告準則之年度改進*	對若干香港財務報告準則之修訂

\* 本集團採納二零零八年十月發佈之對香港財務報告準則之所有改進，惟於二零零九年七月一日或之後開始之年度期間生效之香港財務報告準則第5號之修訂本「持作出售之非流動資產及已終止經營業務—計劃出售所持附屬公司之控股權益」除外。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

(a) *The following new and revised standards, amendments and interpretations have been effective for the first time for the current year's financial statements (Continued)*

Other than as further explained below regarding the impact of the HKAS 1 (Revised), HKFRS 7 (Amendment) and HKFRS 8, the adoption of these new and revised HKFRSs has had no significant financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

- HKAS 1 (Revised), "Presentation of Financial Statements". The Group has elected to present a single statement of comprehensive income. The financial statements have been prepared under the revised disclosure requirements;
- HKFRS 7 (Amendment), "Financial Instruments: Disclosures". The Group has adopted this Standard on 1 April 2009 and has disclosed the fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share; and
- HKFRS 8, "Operating Segments". The Group has adopted this Standard on 1 April 2009 that segment information is presented on the same basis as that used for internal reporting purpose. Details of the segment information are presented in Note 5.

## 2. 主要會計政策 (續)

### 2.1 編製基準 (續)

(a) 以下新訂及經修訂的準則、修訂及詮釋首次於本年度之財務報表生效 (續)

除以下進一步闡釋香港會計準則第1號(經修訂)、香港財務報告準則第7號(修訂本)及香港財務報告準則第8號之影響外,採納該等新訂及經修訂香港財務報告準則對該等財務報表並無任何重大財務影響,該等財務報表所採用之會計政策亦無重大變動。

- 香港會計準則第1號(經修訂)「財務報表的呈報」。本集團已選擇以一份全面收益表呈報。本財務報表已根據經修訂披露規定編製;
- 香港財務報告準則第7號(修訂本)「財務工具:披露」。本集團已於二零零九年四月一日採納此準則,並以若干公平值計量層級披露公平值之計量。由於會計政策變動僅導致額外披露,故對每股溢利並無影響;及
- 香港財務報告準則第8號「營運分部」。本集團已於二零零九年四月一日採納此準則,分部資料已按內部呈報用途所用之相同基準呈列。分部資料詳情於附註5呈列。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

(b) *Standards, amendments and interpretations to existing standards, that are not yet effective and have not been early adopted by the Group*

HKAS 24 (Revised)  
香港會計準則第24號(經修訂)

HKAS 27 (Revised)  
香港會計準則第27號(經修訂)

HKAS 32 (Amendment)  
香港會計準則第32號(修訂本)

HKAS 39 (Amendment)  
香港會計準則第39號(修訂本)

HKFRS 1 (Revised)  
香港財務報告準則第1號(經修訂)

HKFRS 1 (Amendment)  
香港財務報告準則第1號(修訂本)

HKFRS 2 (Amendment)  
香港財務報告準則第2號(修訂本)

HKFRS 3 (Revised)  
香港財務報告準則第3號(經修訂)

Related Party Disclosures  
關連方披露

Consolidated and Separate Financial Statements  
綜合及個別財務報表

Classification of Rights Issues  
供股之分類

Financial Instruments: Recognition and Measurement – Eligible Hedged Items  
財務工具: 確認及計量 – 合資格對沖項目

First-time Adoption of HKFRS  
首次採納香港財務報告準則

First-time Adoption of HKFRS – Additional Exemptions for First-time Adopters  
首次採納香港財務報告準則 – 首次採納者之額外豁免

Share-based Payment – Group Cash-settled Share-based Payment Transactions  
以股份為基礎的付款 – 集團現金結算以股份為基礎付款交易

Business Combination  
業務合併

1 January 2011  
二零一一年一月一日

1 July 2009  
二零零九年七月一日

1 February 2010  
二零一零年二月一日

1 July 2009  
二零零九年七月一日

1 July 2009  
二零零九年七月一日

1 January 2010  
二零一零年一月一日

1 January 2010  
二零一零年一月一日

1 July 2009  
二零零九年七月一日

### 2. 主要會計政策(續)

#### 2.1 編製基準(續)

(b) *尚未生效及本集團並無提早採用之準則及現存準則的修訂及詮釋*

**Effective for accounting periods beginning on or after**  
於下列日期或之後開始的會計期間生效

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2. 主要會計政策 (續)

#### 2.1 Basis of preparation (Continued)

(b) *Standards, amendments and interpretations to existing standards, that are not yet effective and have not been early adopted by the Group (Continued)*

#### 2.1 編製基準 (續)

(b) *尚未生效及本集團並無提早採用之準則及現存準則的修訂及詮釋 (續)*

		Effective for accounting periods beginning on or after 於下列日期或之後開始 的會計期間生效
HKFRS 5 (Amendment)	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010
香港財務報告準則第5號 (修訂本)	持作出售之非流動資產及 已終止經營業務	二零一零年一月一日
HKFRS 9	Financial Instruments	1 January 2013
香港財務報告準則第9號	財務工具	二零一三年一月一日
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners	1 July 2009
香港 (國際財務報告詮釋委員會) – 詮釋第17號	向擁有人分派非現金資產	二零零九年七月一日
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2010
香港 (國際財務報告詮釋委員會) – 詮釋第19號	以股權工具抵銷財務負債	二零一零年七月一日
Annual improvements to HKFRSs 2009	Amendments to a number of HKFRSs	1 January 2010
二零零九年對香港財務報告準則 之年度改進	對若干香港財務報告準則之修訂	二零一零年一月一日
Annual improvements to HKFRSs 2010	Amendments to a number of HKFRSs	1 January 2011
二零一零年對香港財務報告準則 之年度改進	對若干香港財務報告準則之修訂	二零一一年一月一日

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) *Standards, amendments and interpretations to existing standards, that are not yet effective and have not been early adopted by the Group (Continued)*

The Group has already commenced an assessment of the related impact of adopting the above new standard, amendments and revisions to existing standards to the Group. The Group is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the financial statements will be resulted.

In addition, HKICPA also published a number of amendments for the existing standards under its annual improvement projects issued in October 2008 and May 2009, certain of which has not yet become effective in 2009. These amendments have not been early adopted by the Group and are not expected to have a significant financial impact on the results and financial position of the Group.

#### 2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31 March 2010.

- (a) *Subsidiaries*

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

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

### 2. 主要會計政策 (續)

#### 2.1 編製基準 (續)

- (b) *尚未生效及本集團並無提早採用之準則及現存準則的修訂及詮釋 (續)*

本集團已開始評估採納上述新準則、對現有準則之修訂及修改對本集團之有關影響。本集團尚未能確定會否對本集團之會計政策及財務報表之呈報造成重大變動。

此外，香港會計師公會已根據其於二零零八年十月及二零零九年五月公告之年度改善項目頒佈多項現有準則之修訂，其中若干修訂於二零零九年尚未生效。本集團並無提早採納該等修訂，預期該等修訂不會對本集團之業績及財務狀況造成重大財務影響。

#### 2.2 綜合賬目

綜合財務報表包括本公司及其所有附屬公司截至二零一零年三月三十一日止之財務報表。

- (a) *附屬公司*

附屬公司乃本集團有權決定財務及經營政策以及通常附帶逾半投票權之股權之所有實體。在評定本集團是否控制另一實體時，目前可行使或可兌換的潛在投票權之存在及影響均予考慮。

附屬公司自控制權轉移至本集團之日起全面綜合入賬，並於控制權終止時停止綜合入賬。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.2 Consolidation (Continued)

#### (a) Subsidiaries (Continued)

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at 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 recognized directly in the consolidated statement of comprehensive income (Note 2.8).

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary in the consolidated financial statements to ensure consistency with the policies adopted by the Group.

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds from the disposal of the subsidiary and its carrying amount as of the date of disposal, including any attributable amount of goodwill and any related accumulated foreign currency translation reserve.

In the Company's balance sheet the investments in subsidiaries are stated at cost less provision for impairment losses (Note 2.8). The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

## 2. 主要會計政策 (續)

### 2.2 綜合賬目 (續)

#### (a) 附屬公司 (續)

本集團以收購會計法為本集團所收購之附屬公司列賬。收購成本按於交易日所付資產、所發行之股本工具，以及所產生或承擔之負債之公平值計算，另加上該收購直接應佔之成本。在企業合併中之可識辨收購資產及所承擔之負債及或然負債，均於收購當日按其公平值作出初步計量，而不論少數股東權益之數額。收購成本超過本集團應佔可識辨所收購淨資產之公平值之數額記錄為商譽。如收購成本低於所收購附屬公司淨資產之公平值，該差額直接在綜合全面收益表內確認（附註2.8）。

本集團旗下公司間之交易、結餘及交易未變現收益互相對銷。未變現虧損亦會對銷。附屬公司之會計政策已按需要在綜合財務報表中作出改動，以確保本集團採用之政策一致。

出售一間附屬公司之盈虧乃指出售該附屬公司所得款項與出售日期其賬面值之差額，包括任何應佔商譽額以及任何有關累計外幣匯兌儲備。

在本公司資產負債表內，於附屬公司之投資乃按成本扣除減值虧損準備列賬（附註2.8）。本公司按已收及應收股息之基準計入附屬公司之業績。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.2 Consolidation (Continued)

##### (b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss (Note 2.8).

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

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet the investments in associates are stated at cost less provision for impairment losses (Note 2.8). The results of associates are accounted for by the Company on the basis of dividend received and receivable.

### 2. 主要會計政策 (續)

#### 2.2 綜合賬目 (續)

##### (b) 聯營公司

聯營公司指本集團對其有重大影響力而無控制權之所有實體，通常附帶20%至50%投票權之股權。聯營公司投資以權益會計法入賬，初始以成本確認。本集團於聯營公司之投資包括收購時已識辨商譽（扣除任何累計減值虧損）（附註2.8）。

本集團應佔收購後聯營公司之溢利或虧損於綜合全面收益表內確認，而應佔收購後儲備之變動則於儲備賬內確認。投資賬面值會根據累計之收購後變動而作出調整。倘本集團應佔一家聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押應收款項，本集團不會確認進一步虧損，除非本集團已代聯營公司承擔責任或作出付款。

本集團與其聯營公司之間交易之未變現收益按本集團在聯營公司權益所佔部分對銷。除非交易提供所轉讓資產減值之憑證，否則未變現虧損亦予以對銷。聯營公司之會計政策已按需要作出改動，以確保本集團採用之政策一致。

在本公司之資產負債表內，於聯營公司之投資按成本值扣除減值虧損撥備列賬（附註2.8）。聯營公司之業績由本公司按已收及應收股息入賬。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.3 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company.

### 2.4 Foreign currency translation

#### (a) Functional and presentation currency

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

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit and loss are recognized in the consolidated statement of comprehensive income as part of the fair value gain or loss. Translation difference on non-monetary financial assets, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

## 2. 主要會計政策(續)

### 2.3 營運分部

營運分部乃以與向主要營運決策人提供內部報告時所採用者一致之方式呈列。負責分配資源及評估營運分部表現之主要營運決策人為本公司之執行董事。

### 2.4 外幣換算

#### (a) 功能及呈報貨幣

本集團每個實體之財務報表所列項目均以有關實體經營業務所在地之主要經濟環境所用貨幣(「功能貨幣」)計算。綜合財務報表以港元呈報,其為本公司之功能貨幣及本集團之呈報貨幣。

#### (b) 交易及結餘

外幣交易按交易日期或項目重新計量之估值日期之匯率換算為功能貨幣。結算該等交易及按年結時匯率換算以外幣呈列貨幣資產及負債所產生匯兌盈虧,均於綜合全面收益表確認。

非貨幣財務資產及負債(如按公平值透過損益列賬之股本權益)之換算差額於綜合全面收益表內確認為公平值盈虧之一部分。非貨幣財務資產(如分類為可供出售財務資產之股本權益)之換算差額計入權益內公平值儲備。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.4 Foreign currency translation (Continued)

##### (c) Group companies

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

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

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognized in the consolidated statement of comprehensive income as part of the gain or loss on disposal.

### 2. 主要會計政策 (續)

#### 2.4 外幣換算 (續)

##### (c) 集團公司

本集團旗下所有功能貨幣與呈報貨幣不同之實體 (全部均無採用高通脹經濟體系之貨幣) 之業績及財務狀況, 按以下方式換算為呈報貨幣:

- (i) 各資產負債表所呈列資產及負債, 按資產負債表日之收市匯率換算;
- (ii) 各全面收益表之收入及支出按平均匯率換算, 惟倘此平均值並非該等交易日期通行匯率具累積效果之合理約數時除外。在此情況下, 收入及支出將於各自之交易日期按當時之匯率換算; 及
- (iii) 所有匯兌差額將確認為權益項下獨立項目。

綜合賬目時, 換算於海外經營業務之淨投資所產生匯兌差額及指定用作對沖該等投資之借款及其他貨幣工具之匯兌差額列入股東權益。出售海外經營業務時, 已於權益內入賬之該等匯兌差額於綜合全面收益表確認為出售盈虧之一部分。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

– Hotel properties	20 years
– Furniture and fixtures	3 – 5 years
– Office equipment and machinery	3 – 5 years
– Computer and related equipment	3 – 5 years
– Motor vehicles	5 years

Improvements are capitalized and depreciated over their expected useful lives to the Group.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An impairment loss is recognized immediately to write down an asset's carrying amount to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.8). Gains and losses on disposals are determined by comparing proceeds with carrying amount and are netted off or recognized within 'Other operating expenses' in the consolidated statement of comprehensive income.

## 2. 主要會計政策(續)

### 2.5 物業、機器及設備

物業、機器及設備按歷史成本減累計折舊及累計減值虧損列賬。歷史成本包括直接源自收購有關項目之開支。

其後成本僅於與有關項目相關之日後經濟利益將流入本集團且該項目之成本能可靠計量時，方計入資產賬面值或確認為獨立資產(視適用而定)。所有其他維修及保養成本於產生之財政期間在綜合全面收益表列支。

物業、機器及設備之折舊乃以直線法按下列估計可使用年期就其剩餘價值分配其成本：

– 酒店物業	二十年
– 傢俬及裝置	三至五年
– 辦公室設備及機器	三至五年
– 電腦及相關設備	三至五年
– 汽車	五年

裝修乃予以資本化並按彼等於本集團之估計可使用年期計算折舊。

資產之剩餘價值及可使用年期於每個資產負債表日檢討，並在適當時作出調整。

倘一項資產之賬面值高於其估計可收回金額，則即時確認減值虧損以調低該資產賬面值至其可收回金額(附註2.8)。處置資產產生之盈虧乃按所得款項與賬面值之差額而釐定，並於綜合全面收益表「其他經營開支」內扣除或確認。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.6 Land use rights

Land use rights are stated at cost less accumulated amortization and accumulated impairment losses (Note 2.8). Cost represents consideration and directly attributable transaction costs paid or payable for the rights to use the land for periods between 30 and 50 years. Amortization of land use rights is calculated on the straight-line method over the period of the land use rights.

#### 2.7 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, associate, or business attributable to the Group at the effective date of acquisition.

Goodwill on acquisitions of subsidiaries and businesses is included in intangible assets while goodwill on acquisitions of associates is included in "Interests in associates". Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity or business include the carrying amount of goodwill relating to the entity or business sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing. Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition of subsidiaries, associates or businesses, is recognized immediately in the consolidated statement of comprehensive income.

### 2. 主要會計政策 (續)

#### 2.6 土地使用權

土地使用權按成本減累計攤銷及累計減值虧損列賬(附註2.8)。成本指就年期為三十至五十年之土地使用權之已付或應付代價及直接應佔交易成本。土地使用權之攤銷於土地使用權期間以直線法計算。

#### 2.7 商譽

商譽指收購成本超過於有效收購日期本集團應佔所收購附屬公司、聯營公司或業務之可識辨資產淨值之公平值之差額。

收購附屬公司及業務所產生之商譽計入無形資產。收購聯營公司產生之商譽計入「聯營公司權益」。商譽每年就減值進行檢測，並按成本減累計減值虧損列賬。商譽減值虧損不可撥回。出售一家實體或業務之盈虧包括與所售出實體或業務有關商譽之賬面值。

就減值測試而言，商譽會分配至現金產生單位。本集團應佔被購對象可識別資產、負債及或然負債之公平值淨值超過收購附屬公司、聯營公司或業務之成本之任何差額即時於綜合全面收益表確認。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.8 Impairment of investments in subsidiaries, associates and non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization, which are at least tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

### 2.9 Financial assets

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivable and available-for-sale financial assets. The classification depends on the purposes for which the financial assets were acquired. The Group determines the classification of its financial assets at initial recognition.

#### (a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

## 2. 主要會計政策(續)

### 2.8 於附屬公司、聯營公司及非財務資產之投資減值

並無確定可使用期限之資產(如商譽)毋須攤銷,但此等資產每年均作出至少一次減值測試。如發生任何可能導致未能收回資產賬面值之事項或情況變化,本集團亦會測試該資產之減值情況。就須攤銷資產而言,倘發生任何可能導致未能收回資產賬面值之事項或情況變化,本集團將測試該資產之減值情況。減值虧損確認為資產賬面值超越其可收回價值之數額。可收回金額為資產公平值減出售成本後之價值,與其使用價值之間之較高者。本集團評估資產減值時,按可個別識辨其現金流量之資產類別(現金產生單位)作最低層次組合。在每個報告日期,對蒙受減值之非財務資產(不包括商譽)進行測試,以檢討該減值是否有可能撥回。

### 2.9 財務資產

本集團將其財務資產分為下列各項:按公平值透過損益列賬之財務資產、貸款及應收款項,以及可供出售財務資產。類別以獲取該等財務資產之目的為準。本集團於初次確認時釐定其財務資產之類別。

#### (a) *按公平值透過損益列賬之財務資產*

按公平值透過損益列賬之財務資產為持作買賣之財務資產。倘獲取財務資產主要旨在於短期內出售,則該財務資產歸於此類。衍生工具分類為持作買賣,惟彼等指定作對沖則除外。於此類之資產分類為流動資產。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.9 Financial assets (Continued)

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

Financial assets carried at fair value through profit or loss are initially recognized at fair value and subsequently carried at fair value. Transaction costs are expensed in the consolidated statement of comprehensive income.

Gains or losses arising from changes in the fair value of the 'Financial assets at fair value through profit or loss' category are presented in the consolidated statement of comprehensive income within 'Other (losses)/gains, net', in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the consolidated statement of comprehensive income as part of other operating income when the Group's right to receive payments is established.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as 'Receivables, prepayments and deposits' and 'Bank balances and cash' in the balance sheet (Notes 2.10 and 2.11). Loans and receivables are carried at amortized cost using the effective interest method.

### 2. 主要會計政策 (續)

#### 2.9 財務資產 (續)

(a) 按公平值透過損益列賬之財務資產 (續)

按公平值透過損益列賬之財務資產按公平值初步確認，其後按公平值列賬。交易成本於綜合全面收益表列支。

「按公平值透過損益列賬之財務資產」類別公平值變動產生之盈虧，於產生期間在綜合全面收益表「其他(虧損)/盈利淨額」內入賬。按公平值透過損益列賬之財務資產之股息收入則於確立本集團有權收款時在綜合全面收益表確認為其他經營收入之一部分。

(b) 貸款及應收款項

貸款及應收款項為沒有在活躍市場報價之非衍生財務資產，附帶固定或可釐定付款。彼等計入流動資產，惟到期日遲於資產負債表日後十二個月者除外。該等資產分類為非流動資產。貸款及應收款項於資產負債表分類為「應收款項、預付款項及按金」及「銀行結餘及現金」(附註 2.10及 2.11)。貸款及應收款項按攤銷成本採用實際利息法列賬。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.9 Financial assets (Continued)

#### (c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the Group intends to dispose of the investment within 12 months after the balance sheet date. Investments are initially recognized at fair value plus transaction costs and subsequently carried at fair value.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the consolidated statement of comprehensive income as 'Gains and losses from investment securities'.

Dividends on available-for-sale equity instruments are recognized in the consolidated statement of comprehensive income as part of other operating income when the Group's right to receive payments is established.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analyzed between translation differences resulting from changes in amortized cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognized in consolidated statement of comprehensive income; translation differences on non-monetary securities are recognized in consolidated statement of changes in equity. Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognized in consolidated statement of changes in equity.

## 2. 主要會計政策 (續)

### 2.9 財務資產 (續)

#### (c) 可供出售財務資產

可供出售財務資產為非衍生財務資產，指定為此類別或不分類於任何其他類別。彼等計入非流動資產，除非本集團擬於資產負債表日後十二個月內處置投資。投資初步按公平值加交易成本確認，其後按公平值列賬。

倘分類為可供出售之證券獲出售或減值，於權益確認之累計公平值調整作為「投資證券之盈虧」計入綜合全面收益表。

倘本集團收取付款之權利確立，則可供出售股本工具之股息於綜合全面收益表內確認為其他經營收入之一部分。

定期買賣財務資產於交易日確認，於該日本集團承諾購買或出售資產。倘收取投資現金流量之權利屆滿或已獲轉讓及本集團已轉讓絕大部分擁有權之風險及回報，則取消確認財務資產。

以外幣列值及分類為可供出售之貨幣證券之公平值變動於證券之攤銷成本變動與證券賬面值之其他變動之換算差異間分析。貨幣證券之換算差異於綜合全面收益表確認；非貨幣證券之換算差異於綜合權益變動表確認。分類為可供出售之貨幣及非貨幣證券之公平值變動於綜合權益變動表確認。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.9 Financial assets (Continued)

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group established fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in consolidated statement of comprehensive income – is removed from equity and recognized in the consolidated statement of comprehensive income. Impairment losses recognized in the consolidated statement of comprehensive income on equity instruments are not reversed through the consolidated statement of comprehensive income. Impairment of receivables, prepayments and deposits is described in Note 2.10.

### 2. 主要會計政策 (續)

#### 2.9 財務資產 (續)

有報價投資之公平值乃按當時買入價計量。倘某財務資產之市場並不活躍（及就非上市證券而言），本集團採用估值方法確立公平值，包括採用近期按公平原則進行之交易、參照其他相若工具、現金流量貼現分析，以及期權定價模式，盡可能使用市場輸入變量而盡量減少依賴實體獨有之輸入變量。

本集團於每個資產負債表日評估財務資產或一組財務資產有否出現減值之客觀證據。倘股本證券分類為可供出售，在判斷該證券有否減值時，須考慮其公平值是否大幅或長期下跌至低於其成本。如可供出售財務資產出現此等跡象，其累積虧損（收購成本與現時公平值之差額，減去該財務資產過往已計入綜合全面收益表之任何減值虧損）將從權益扣除，並於綜合全面收益表確認。股權工具於綜合全面收益表確認之減值虧損不會透過綜合全面收益表撥回。應收款項、預付款項及按金之減值於附註2.10闡述。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.10 Receivables

Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognized in the consolidated statement of comprehensive income within 'Other operating expenses'. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against 'Other operating expenses' in the consolidated statement of comprehensive income.

#### 2.11 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with a maturity of three months or less from date of investment and bank overdrafts.

### 2. 主要會計政策 (續)

#### 2.10 應收款項

應收款項初始按公平值確認，其後以實際利息法計量攤銷成本扣除減值撥備計算。當有客觀證據顯示本集團將不能根據應收款項之原訂條款收回所有到期款項，即就應收款項設定減值撥備。債務人出現重大財務困難、可能進入破產程序或財務重組、不履行付款義務或無法如期還款均視為應收款項減值徵象。撥備額為資產賬面值與按實際利率貼現之估計未來現金流量之現值兩者間之差額。該等資產之賬面值透過使用撥備賬削減，虧損之金額於綜合全面收益表「其他經營開支」內確認。倘應收款項為不可收回，則就應收款項撇銷撥備賬。其後收回過往已撇銷之款項於綜合全面收益表「其他經營開支」抵免。

#### 2.11 現金及現金等值物

就現金流量表而言，現金及現金等值物包括現金、銀行通知存款、投資日期起計三個月或以內到期之其他短期高流通性投資及銀行透支。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.12 Borrowings

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

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Compound financial instrument issued by a subsidiary of the Company comprises preferred shares that are convertible to common shares of the subsidiary, and the number of shares to be issued does not vary with changes in their fair value. The liability component of the compound financial instrument is recognized initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognized initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortized cost using the effective interest method. The equity component of the compound financial instrument is not re-measured subsequent to initial recognition.

### 2. 主要會計政策 (續)

#### 2.12 借款

借款初始按公平值減所產生之交易成本確認。交易成本為直接與收購、發行或出售財務資產或財務負債有關之附帶成本，包括支付予代理、顧問、經紀及交易商之費用及佣金、監管機關及證券交易所之收費，以及過戶及印花稅。於初始確認後，借款按攤銷成本列賬，所得款項（扣除交易成本）與贖回價值兩者間之任何差異會在借款期間以實際利息法在綜合全面收益表確認。

設立貸款融資時支付之費用當部分或全部融資將會很有可能被提取時確認為貸款之交易成本，在此情況下該費用可遞延入賬直至貸款提取為止。如沒有證據證明部分或全部融資將會很有可能被提取，則該項費用資本化作為預付流動資金服務款項，並於有關融資期間攤銷。

本公司附屬公司發行之複合財務工具包括可兌換成該附屬公司普通股之優先股，將予發行之股份數目不會隨公平值變動而改變。複合財務工具之負債部分初步按並無股本兌換期權之類似負債之公平值確認。權益部分初步按複合財務工具整體公平值與負債部分公平值之間之差額確認。任何直接應佔交易成本乃按初步賬面值比例分配至負債及權益部分。於初步確認後，複合財務工具之負債部分使用實際利息法按攤銷成本計量。複合財務工具之權益部分不會於初步確認後重新計量。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.12 Borrowings (Continued)

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

#### 2.13 Convertible notes

At initial recognition the convertible notes is separated into derivative components and a liability component. The derivative components of the convertible notes are measured at fair value. Any excess of proceeds over the amount initially recognized as the derivative components is recognized as the liability component. Transaction costs that relate to the issue of the convertible notes are recognized as part of the liability.

The derivative components are subsequently remeasured in accordance with Note 2.14. The liability component is subsequently carried at amortized cost. The interest expense recognized in profit or loss on the liability component is calculated using the effective interest method.

#### 2.14 Derivative financial instruments

Derivative financial instruments are recognized initially at fair value. At each balance sheet date the fair value is remeasured. The gain or loss on remeasurement to fair value is charged immediately to profit or loss.

### 2. 主要會計政策 (續)

#### 2.12 借款 (續)

除非本集團有權無條件於資產負債表日後延遲結算負債至少十二個月，借款會分類為流動負債。

#### 2.13 可換股票據

初步確認之可換股票據獨立入賬為衍生工具部分及負債部分。可換股票據之衍生工具部分按公平值計量。所得款項超過衍生工具部分首次確認金額之差額乃確認為負債部分。發行可換股票據之相關交易成本確認為負債部分。

衍生工具部分隨後根據附註2.14重新計量。負債部分隨後按攤銷成本入賬。負債部分之利息支出採用實際利息法計算並確認為損益。

#### 2.14 衍生財務工具

衍生財務工具初步按公平值確認。於每個資產負債表日之公平值重新計量。對公平值重新計量產生之盈虧即時於損益賬扣除。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.15 Current and deferred income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognized in consolidated statement of comprehensive income except to the extent that they relate to items recognized directly in statement of changes in equity, in which case they are recognized in statement of changes in equity.

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

Deferred tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

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

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

### 2. 主要會計政策 (續)

#### 2.15 即期及遞延所得稅

本年度之所得稅包括即期稅項及遞延稅項資產與負債之變動。即期稅項及遞延稅項資產與負債之變動均在綜合全面收益表確認，惟與直接在權益變動表中確認之項目有關者，則於權益變動表中確認。

即期稅項乃根據本年度之應課稅收入，採用於資產負債表日已訂定之稅率計算之預期應付稅項，並就過往年度之應付稅項作出任何調整。

遞延稅項乃採用負債法，就資產及負債稅基與其於綜合財務報表之賬面值間產生之暫時差額作出確認。然而，倘於初始確認於進行交易（企業合併除外）時不會影響會計或應課稅溢利或虧損之資產或負債時產生遞延稅項，則不予列賬。於資產負債表日已訂定或大致訂定之稅率乃用作計算遞延稅項。

遞延稅項資產將會被確認至於日後很可能獲得應課稅溢利以對銷可使用暫時差額之水平。

於附屬公司及聯營公司之投資所產生暫時差額將被計提為遞延稅項，惟本集團可控制撥回暫時差額之時間及暫時差額將不大可能於可預見將來撥回則除外。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.16 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate of the amount can be made.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlements is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax interest rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

### 2.17 Share capital

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

### 2.18 Employee benefits

#### (a) Employee leave entitlements

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity or paternity leave are not recognized until the time of leave.

## 2. 主要會計政策(續)

### 2.16 撥備

倘本集團因過往發生之事件須承擔現有法定或推定責任而極有可能須動用資源解決責任，則在能夠可靠估算責任金額之情況下確認撥備。

倘若有多項同類債務，須撥出資源予以支付之可能性將在整體考慮債務類別後決定。即使就同類債務包含之任何單一項目撥出資源之可能性不大，亦須確認撥備。

撥備按支付債務預期所需之支出之現值使用除稅前利率計算，而該現值反映當時市場對金錢之時間價值之評估及該項債務之特有風險。撥備隨著時間過去而增加之數額確認為利息開支。

### 2.17 股本

普通股被列為權益。直接歸屬於發行新股或購股權之附帶成本(除稅後)在權益中列為所得款項之扣減。

### 2.18 僱員福利

#### (a) 僱員可享有之假期

當僱員享有其應享有之年假時，即予確認其所享有之年假權利。直至資產負債表日僱員所提供之服務而應享有之年假，本集團會對此而產生之估計負債作出撥備。

僱員可享有之病假及產假乃於享有時方會確認。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.18 Employee benefits (Continued)

(b) Bonus plans

The expected cost of bonus payments are recognized as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(c) Pension obligations

The Group contributes to a mandatory provident fund scheme ("MPF Scheme") under the requirements of the Mandatory Provident Fund Schemes Ordinance. The assets of the scheme are generally held in separate trustee-administered funds. Contributions to the MPF Scheme by the Group and employees are calculated as a percentage of the employees' basic salaries.

The Company's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the government of the PRC. The retirement scheme contributions are based on a certain percentage of the salaries of the subsidiaries' employees.

The contributions are charged to the consolidated statement of comprehensive income in the period in which they relate.

### 2. 主要會計政策 (續)

#### 2.18 僱員福利 (續)

(b) 花紅計劃

本集團因僱員提供之服務而產生現有法定或推定責任及能可靠估計其責任時，支付花紅之預計成本確認為負債。

(c) 退休金承擔

本集團根據強制性公積金計劃條例之規定向強制性公積金計劃(「強積金計劃」)供款。該計劃之資產一般由獨立受託管理基金持有。本集團及僱員向強積金計劃之供款按僱員基本薪金之某一百分比計算。

本公司於中國之附屬公司為中國政府推行之國家退休福利計劃之成員。退休計劃供款根據該等附屬公司僱員薪金之若干百分比作出計算。

供款於彼等有關之期間於綜合全面收益表支銷。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.18 Employee benefits (Continued)

##### (d) Share-based compensation

The Group operates an equity-settled, share-based compensation plan, known as Share Option Scheme (the "Scheme"). The fair value of the employee services received in exchange for the grant of the options is recognized as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognizes the impact of the revision of original estimates, if any, in consolidated statement of comprehensive income, and a corresponding adjustment to equity over the remaining vesting period.

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

### 2. 主要會計政策 (續)

#### 2.18 僱員福利 (續)

##### (d) 以股份為基礎之薪償

本集團設有以股本結算並以股份為基礎之薪償計劃，稱為購股權計劃（「計劃」）。就僱員所提供服務授出之購股權之公平值確認為開支。歸屬期內支銷總額，乃參考所授出購股權之公平值釐定，惟不包括任何非市場性質歸屬條件之影響。有關預期可予行使購股權數目之假設，包括非市場性質歸屬條件。於每個資產負債表日，本公司會修訂其估計預期可予行使之購股權數目。本公司於綜合全面收益表確認修訂原有估計之影響（如有），並於餘下歸屬期就權益作出相應調整。

已收所得款項扣除任何直接應計交易成本後，於購股權獲行使時撥入股本（面值）及股份溢價。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.19 Revenue recognition

Revenue is recognized 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) Income from hotel room rental, food and beverage and other services is recognized when the relevant services are provided.
- ii) Rental income receivable under operating leases is recognized on a straight-line basis over the lease term.
- iii) Interest income is recognized on a time proportion basis using the effective interest method.
- iv) Realized gain/loss on trading of securities is recognized as revenue on a trade date basis.
- v) Dividend income is recognized when the right to receive payment is established.

#### 2.20 Leases (as the lessee)

##### (a) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

### 2. 主要會計政策 (續)

#### 2.19 收益確認

收益於經濟利益有可能流入本集團，且其能可靠計算時，按以下基準確認：

- i) 酒店客房租金、餐飲及其他服務收入於提供相關服務時入賬。
- ii) 根據經營租賃應收租金收入以直線法按租約期入賬。
- iii) 利息收入乃利用實際利息法按時間比例基準入賬。
- iv) 買賣證券之已變現盈利／虧損按買賣日基準入賬列為收益。
- v) 股息收入乃於確立收取款項之權利時入賬。

#### 2.20 租賃 (作為承租人)

##### (a) 經營租賃

凡所有權之絕大部分風險及回報由出租人保留之租約，均列為經營租賃。根據經營租賃支付之租金（在扣除自出租人收取之任何優惠後）按直線法於租賃期內在綜合全面收益表中支銷。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.20 Leases (as the lessee) (Continued)

##### (b) Finance leases

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other short-term and other long-term payables. The interest element of the finance cost is recognized in the consolidated statement of comprehensive income over the lease period so as to produce a constant rate of interest on the remaining balance of the liability for each period.

#### 2.21 Contingent liabilities and contingent assets

A contingent asset or liability is a possible asset or obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

A contingent liability is not recognized but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow of economic resources occurs so that the outflow is probable, it will then be recognized as a provision.

A contingent asset is not recognized but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

### 2. 主要會計政策(續)

#### 2.20 租賃(作為承租人)(續)

##### (b) 融資租賃

由本集團承擔大部分所有權風險及回報之資產租約均為融資租賃。融資租賃乃在租賃開始時按租賃物業之公平值與最低租賃付款之現值較低者入賬。每期租金均分攤為負債及財務費用，使財務費用佔融資結欠額為一常數比率。相應之租金承擔(扣除財務費用)乃計入其他短期及其他長期應付款項。融資成本之利息部分將在有關租賃年期於綜合全面收益表中確認，並藉此制定每個期間對負債餘額之常數定期利率。

#### 2.21 或然負債及或然資產

或然資產或負債指因已發生之事件而可能引起之資產或負債，此等資產或負債需就某一宗或多宗不確定事件會否發生才能確認，而本集團並不能完全控制該等事件會否發生。

或然負債不會被確認，但會在綜合財務報表附註中披露。假若消耗經濟資源之可能性改變導致可能出現經濟資源消耗，則會確認為撥備。

或然資產不會被確認，但會於可能收到經濟利益時在綜合財務報表附註中披露。若實質確定有收到經濟利益時，則會確認為資產。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

##### (a) Foreign exchange risk

The Group's monetary assets, liabilities and transactions are principally denominated in Hong Kong dollars ("HK dollars"), United States dollars ("US dollars") and Renminbi ("RMB"). The Group is exposed to foreign exchange risk arising from its investments which are located in the PRC. Considering that the exchange rate between HK dollars and US dollars is pegged, and that Renminbi is appreciating, the Group believes its downside foreign exchange risk is minimal. The Group does not use any derivative financial instruments to hedge its foreign exchange risk.

As at 31 March 2010, if RMB had strengthened/weakened by 10% against HK dollars, with all other variables held constant, post-tax loss for the year and total equity would have been HK\$2,506,000 and HK\$37,341,000 (year ended 31 March 2009: HK\$1,034,000 and HK\$36,170,000) higher/lower respectively.

### 3. 財務風險管理

#### 3.1 財務風險因素

本集團經營活動面對各種財務風險：外匯風險、信貸風險、流動資金風險以及現金流量利率風險。本集團之整體風險管理計劃專注於金融市場不可預測之特性，務求減低對本集團財務表現帶來之潛在負面影響。

##### (a) 外匯風險

本集團貨幣資產、負債及交易皆主要以港元（「港元」）、美元（「美元」）及人民幣（「人民幣」）計值。本集團承受位於中國之投資所產生之外匯風險。鑒於美元兌港元匯率掛鈎，而人民幣持續升值，本集團認為其所承受之外匯下跌風險不大。本集團並無使用任何衍生財務工具對沖其外匯風險。

於二零一零年三月三十一日，倘人民幣兌港元升值／貶值10%，而所有其他變數保持不變，本年度除稅後虧損及權益總額將分別增加／減少2,506,000港元及37,341,000港元（截至二零零九年三月三十一日止年度：1,034,000港元及36,170,000港元）。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

(b) *Credit risk*

The Group's credit risk is primarily attributable to receivables, investments and bank deposits. The exposures to these credit risks are monitored on an ongoing basis.

In respect of receivables, the Group closely monitors the credit performances and prompt repayments from the counterparties. Further quantitative data in respect of the Group's exposure to credit risk arising from receivables, prepayments and deposits are disclosed in Note 22 to the financial statements.

In respect of investments and bank deposits, the Group has diversified its exposures into different financial institutions. It has policies in place to assess the credit standing of the counterparties and financial institutions before the Group invests its assets.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

(b) *信貸風險*

本集團信貸風險主要來自應收款項、投資及銀行存款。所承受之信貸風險已受到持續監察。

就應收款項而言，本集團密切監控信貸表現並及時要求對方還款。有關本集團來自應收款項、預付款項及按金之信貸風險之進一步定量分析於本財務報表附註22內披露。

就投資及銀行存款而言，本集團已將其風險分散至不同之財務機構。本集團訂有相應政策，據此，在投資其資產前，將會對對方及財務機構之信貸狀況進行評估。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk

The Group maintains liquidity by a number of sources including bank borrowings, orderly realization of short-term financial assets, receivables and certain assets that the Group considers appropriate and advantageous to dispose of. Equity and other long term financing including strategic partnerships, or strategic joint ventures are also considered by the Group in its capital structuring. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of the Group's available cash, bank overdrafts and other interest-bearing loans. The ultimate holding company of the Company, VXL CPL, has confirmed its intention to provide sufficient financial support to the Group so as to enable the Group to meet all its liabilities and obligations as and when they fall due and to enable the Group to continue its business for the foreseeable future.

The Group monitors rolling forecasts of its liquidity reserve which comprises borrowing facilities and cash and cash equivalents on the basis of expected cash flow.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (c) 流動資金風險

本集團透過一系列方式 (包括銀行借款、有序變現短期財務資產、應收款項及出售適合及有利本集團之若干資產) 維持流動資金。本集團亦同時會考慮將股權及其他長期融資 (包括策略性夥伴關係或策略性合營) 加入其資本架構內。本集團之目標為透過使用本集團之可動用現金、銀行透支及其他計息貸款, 在資金延續性與靈活性之間維持平衡。本公司之最終控股公司 VXL CPL 已確認其將向本集團提供足夠財務支持, 以令本集團足以應付到期之所有負債及債務, 並令本集團於可預見將來繼續經營其業務。

本集團根據預期現金流量, 監控其流動資金儲備之滾存預測, 流動資金儲備包括借款額度及現金及現金等值物。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

### 3. 財務風險管理 (續)

#### 3.1 Financial risk factors (Continued)

#### 3.1 財務風險因素 (續)

(c) Liquidity risk (Continued)

(c) 流動資金風險 (續)

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximates their carrying balances, as the impact of discounting is not significant.

下表乃根據由資產負債表日至合約到期日之剩餘期間就本集團及本公司之財務負債按相關到期組別進行之分析。表內所披露之金額為合約性未貼現現金流量。由於貼現影響並不重大，於十二個月內到期之結餘與其賬面值相若。

		Less than 1 year 一年內 HK\$'000 千港元	Between 1 and 5 years 一至五年 HK\$'000 千港元
<b>Group</b>	<b>本集團</b>		
<b>At 31 March 2010</b>	<b>於二零一零年三月三十一日</b>		
Other borrowings	其他借款	325,511	1,193
Liability component of compound financial instrument	複合財務工具之 負債部分	10,150	12,375
Payables and accruals	應付款項及應計項目	95,056	-
<b>At 31 March 2009</b>	<b>於二零零九年三月三十一日</b>		
Other borrowings	其他借款	167,377	1,769
Convertible notes	可換股票據	-	80,398
Payables and accruals	應付款項及應計項目	97,417	-
<b>Company</b>	<b>本公司</b>		
<b>At 31 March 2010</b>	<b>於二零一零年三月三十一日</b>		
Other borrowings	其他借款	278,631	-
Payables and accruals	應付款項及應計項目	2,474	-
<b>At 31 March 2009</b>	<b>於二零零九年三月三十一日</b>		
Other borrowings	其他借款	58,413	-
Convertible notes	可換股票據	-	80,398
Payables and accruals	應付款項及應計項目	3,380	-

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (d) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from bank deposits and borrowings. The Group monitors and limits its interest rate risk exposure through management of maturity profile, currency mix and choice of fixed and floating interest rates.

As the Group has no significant interest-bearing assets, the Group's interest rate risk arises from its borrowings. Borrowings bearing interest at variable rates expose the Group to cash flow interest rate risk. Borrowings bearing interest at fixed rates expose the Group to fair value interest rate risk. The Group manages its interest rate exposure of borrowings with a focus on reducing the overall cost of debt.

For the year ended 31 March 2010, if interest rates on the Group's floating rate borrowings had been 25 basis points higher/lower with all other variables held constant, post-tax loss for the year and total equity would have been unchanged (post-tax profit for the year ended 31 March 2009: HK\$1,261,000 lower/higher), since the Group only had fixed rate borrowings during the year.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (d) 現金流量及公平值利率風險

本集團利率風險來自銀行存款及借款。本集團透過管理還款期、貨幣組合、選擇固定及浮動息率，監察及限制其利率風險。

由於本集團並無重大附息資產，故本集團利率風險來自其借款。按浮動利率計息之借款令本集團承受現金流量利率風險。按固定利率計息之借款令本集團承受公平值利率風險。本集團透過專注於減少整體債務成本管理其借款之利率風險。

截至二零一零年三月三十一日止年度，倘本集團浮動利率借款之息率升/降25個基點，而所有其他變數保持不變，本年度除稅後虧損及權益總額將不變（截至二零零九年三月三十一日止年度除稅後溢利：增加/減少1,261,000港元），主要由於本集團年內只有固定利率借款。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue to provide returns for shareholders and to support the Group's stability and growth. The Group regularly reviews and manages its capital structure to ensure optimal capital structure to maintain a balance between higher shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economics conditions.

The Group monitors capital on the basis of the gearing ratio. The gearing ratios at 31 March 2010 and 2009 were as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Total borrowings and convertible notes (Notes 26 and 27)	借款及可換股票據總額 (附註26及27)	326,704	249,544
Less: restricted cash, bank balances and cash	減: 受限制現金、銀行結餘 及現金	(35,659)	(11,878)
Net debt	債務淨額	291,045	237,666
Total equity	權益總額	145,473	174,780
Total capital	總資金	436,518	412,446
Net debt/total capital ratio	債務淨額／總資金比率	66.7%	57.6%
Net debt/total equity ratio	債務淨額／權益總額比率	200.1%	136.0%

### 3. 財務風險管理 (續)

#### 3.2 資本風險管理

本集團管理資本之目標為保障本集團有能力持續為股東提供回報及支持本集團之穩定及增長。本集團定期檢討及管理其資本架構，以確保取得最佳資本架構，在較高股東回報（可能伴隨較高借款水平）與穩健之資本狀況帶來之利益及保障之間取得平衡，並因應經濟情況變動而調整資本結構。

本集團根據資本負債比率監控資本。於二零一零年及二零零九年三月三十一日之資本負債比率如下：



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation

Effective 1 April 2009, the group adopted the amendment to HKFRS 7 for financial instruments that are measured in the balance sheet at fair value, this requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2010:

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>				
Available-for-sale financial assets	可供出售財務資產				
– club debentures	– 會所債券	–	2,111	–	2,111
Financial assets at fair value through profit or loss	按公平值透過損益列賬之財務資產				
– unlisted securities	– 非上市證券	–	–	31,111	31,111
		–	2,111	31,111	33,222

### 3. 財務風險管理 (續)

#### 3.3 公平值之估計

自二零零九年四月一日起，本集團就於資產負債表按公平值計量之財務工具採納香港財務報告準則第7號之修訂本，此修訂本規定按下列公平值計量層級披露公平值之計量級別：

- 相同資產或負債於活躍市場之報價（未經調整）（第一級）；
- 除第一級所計及的報價外輸入之變數，而有關資產或負債之該等輸入變數可直接（即作為價格）或間接（即衍生自價格）觀測而得（第二級）；及
- 有關資產或負債之輸入變數並非基於可觀測市場數據（即不可觀測輸入變數）（第三級）。

下表載列於二零一零年三月三十一日本集團按公平值計量之資產及負債：

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation (Continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- Other techniques, such as inputs from recent arm's length transaction or discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There was no change in carrying value of the level 3 instruments for the year ended 31 March 2010.

### 3. 財務風險管理 (續)

#### 3.3 公平值之估計 (續)

於活躍市場買賣之財務工具之公平值乃按於資產負債表日之市場報價釐定。倘交易所、交易商、經紀、行業組織、報價公司或監管當局可隨時及定時報價，則有關市場被視為活躍，而有關價格反映按公平基準實際及經常進行之市場交易。

並無於活躍市場買賣之財務工具(如場外衍生工具)之公平值乃使用估值方法釐定。該等估值方法儘量利用於可觀測市場取得之數據，並儘量減少依賴實體獨有估計。倘釐定工具公平值之重大輸入變數均可觀測，則該工具歸入第二級。

倘一項或多項重大輸入變數並非基於可觀測市場數據，則該工具歸入第三級。

為財務工具估值所使用之個別估值方法包括：

- 類似工具之市場報價或交易商報價；
- 使用其他方法(包括近期公平交易之輸入變數或現金流量貼現分析)釐定其餘財務工具之公平值。

截至二零一零年三月三十一日止年度，第三級工具之賬面值並無變動。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the process of applying the accounting policies described in Note 2 above, the Group has made the following judgments that have the most significant effect on the amounts recognized in the consolidated financial statements. The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of the Group's assets and liabilities within the next financial year are disclosed below.

#### (a) Classification as investment properties and owner-occupied properties

The Group determines whether the acquired hotel properties qualify as investment properties. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity and the level of ancillary services provided to the tenants. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process. Taking into consideration of all the factors, the Group considers the acquired hotel properties to be owner-occupied properties.

#### (b) Useful lives of property, plant and equipment

The Group determines the estimated useful lives and depreciation rates for its property, plant and equipment. The Group will revise the depreciation rates where useful lives are different to previous estimation, or it will write off or write down the value of those assets which are technically obsolete or non-strategic assets that have been abandoned or sold.

### 4. 重大會計估計及判斷

在應用上文附註2所述會計政策之過程中，本集團已作出下列對綜合財務報表所確認金額造成重大影響之判斷。對未來之重大假設及於資產負債表日造成估計不確定性之其他重大原因（而有重大風險會導致需於未來財政年度內對本集團之資產及負債賬面值作出重大調整）於下文論述。

#### (a) 分類為投資物業及業主自用物業

本集團釐定購買之酒店物業是否合資格作為投資物業。本集團在作出判斷時會考慮該物業產生之現金流量是否在很大程度上獨立於一間實體所持有之其他資產，以及向租戶提供配套服務之程度。業主自用物業產生之現金流量不僅只與物業有關，亦與生產或供應流程中所使用之其他資產有關。考慮到上述所有因素，本集團認為所收購之酒店物業為業主自用物業。

#### (b) 物業、機器及設備之可使用年期

本集團釐定其物業、機器及設備之估計可使用年期及折舊率。倘可使用年期與先前估計有所差別，本集團將修正折舊率，或將撇銷或撇減在技術上過時之資產或已棄用或出售之非策略性資產之價值。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

#### (c) Income taxes

It is the Group's policy to recognize deferred tax assets for unused tax losses carried forward to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilized, based on all available evidence. Recognition primarily depends on the Group's expectation of future taxable profit that will be available against which tax losses can be utilized.

#### (d) Impairment of assets

The Group tests at least annually whether goodwill or assets that have indefinite useful lives have suffered any impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit has been determined based on value-in-use calculations. These calculations require the use of estimates, such as discount rates, future profitability and growth rates.

### 5. TURNOVER AND SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are principally engaged in (i) hotel investment and operations, (ii) property investment, and (iii) securities trading and investment.

### 4. 重大會計估計及判斷(續)

#### (c) 所得稅

根據本集團政策，倘若根據所有可知證據，日後很可能獲得足夠應課稅溢利以抵銷未動用稅項虧損，則就經結轉之未動用稅項虧損確認遞延稅項資產。該等確認主要以本集團預期日後會產生可抵銷稅項虧損之應課稅溢利為依據。

#### (d) 資產減值

本集團對具有不確定使用年限之商譽或資產至少每年檢測一次，以察知其是否出現任何減值。若有任何事件或狀況出現變化，顯示其他資產之賬面值超出其可收回金額，則會審閱該等資產之減值情況。資產或現金產生單位之可收回金額乃基於使用價值計算法釐定。上述計算法須利用折現率、日後盈利能力及增長率等估計。

### 5. 營業額及分部資料

本集團基於定期向執行董事報告之內部財務資料識別營運分部及編製分部資料，而該等內部財務資料乃供執行董事就向本集團之業務組成部分分配資源作出決策及審閱該等組成部分之表現。向執行董事報告之內部財務資料內之業務組成部分主要為(i)酒店投資及營運；(ii)物業投資；及(iii)證券買賣及投資。

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Hotel room rental and other fee income	酒店客房租金及其他費用收入	1,908	—
Other rental income	其他租金收入	—	2,211
Net realized income/(loss) from trading securities	證券買賣之已變現收入／(虧損)淨額	421	(12,316)
		<b>2,329</b>	<b>(10,105)</b>

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 5. TURNOVER AND SEGMENT INFORMATION (Continued)

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the services they provide. Each of the Group's business segments represents a strategic business unit which is subject to risks and returns that are different from those of other business segments. Summarized details of the business segments are as follows:

- a) the hotel investment and operations segment is engaged in hotel investment and hotel operations;
- b) the property investment segment is engaged in investment in properties. The Group will continue to look for quality properties for future investment;
- c) the securities trading and investment segment is engaged in securities trading and investment and other investment holding. The revenue of this segment mainly comprises net (loss)/income from trading securities; and
- d) the unallocated segment comprises operations other than those specified in (a) to (c) above and includes that of the corporate office.

Capital expenditures comprise additions to investment properties, property, plant and equipment (Note 15), land use rights (Note 16) and construction in progress (Note 17). Segment assets consist primarily of property, plant and equipment, land use rights, construction in progress, investments and receivables. Segment liabilities comprise operating liabilities. Unallocated assets and liabilities mainly represent assets and liabilities used by the corporate office, which cannot be allocated on a reasonable basis to any segment. They include items such as deferred taxation and corporate borrowings.

### 5. 營業額及分部資料 (續)

本集團之營運業務乃根據經營性質及所提供服務而分開籌劃及管理。本集團之業務分部各自為一個策略性業務單位，其所承受風險及所得回報有別於其他業務分部。業務分部之詳情概述如下：

- a) 酒店投資及營運分部從事酒店投資及酒店營運；
- b) 物業投資分部從事投資物業之營運。本集團將繼續物色優質物業作日後投資用途；
- c) 證券買賣及投資分部從事證券買賣、投資及其他投資控股。此分部之收益主要包括證券買賣（虧損）／收入淨額；及
- d) 未分配項目分部為上文(a)至(c)項所述以外之業務，包括本集團辦事處業務。

資本開支包括投資物業、物業、機器及設備（附註15）、土地使用權（附註16）及在建工程（附註17）之添置。分部資產主要由物業、機器及設備、土地使用權、在建工程、投資及應收款項組成。分部負債由經營負債組成。未分配資產及負債主要指由本集團辦事處使用且難以按合理基準分配到任何分部之資產及負債，包括遞延稅項及企業借款等項目。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 5. TURNOVER AND SEGMENT INFORMATION (Continued)

The segment results and capital expenditures based on reportable segments for the years ended 31 March 2010 and 2009 are as follows:

### 5. 營業額及分部資料 (續)

截至二零一零年及二零零九年三月三十一日止年度，按可報告分部劃分之分部業績及資本開支如下：

		Property investment	Hotel investment & operations	Securities trading & investment	Total for reportable segments	Unallocated	The Group
		物業投資	酒店投資及營運	證券買賣及投資	分部總額	未分配項目	本集團
		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
For the year ended 31 March 2010	截至二零一零年三月三十一日止年度						
<b>Segment revenue:</b>	<b>分部收益：</b>						
Sales to external customers	對外客戶銷售	-	1,908	421	2,329	-	2,329
<b>Segment results</b>	<b>分部業績</b>	736	(34,901)	415	(33,750)	(34,416)	(68,166)
Change in fair value of the embedded derivatives component of convertible notes (Note 6)	可換股票據內嵌式衍生工具部分之公平值變動(附註6)	-	2,626	-	2,626	2,626	5,252
Finance income	財務收入	6,304	24	-	6,328	6	6,334
Finance costs	融資成本	(5,782)	(44,415)	-	(50,197)	(47,468)	(97,665)
Share of losses of associates	應佔聯營公司虧損	-	-	-	-	(33)	(33)
Loss before taxation	除稅前虧損	1,258	(76,666)	415	(74,993)	(79,285)	(154,278)
Taxation	稅項	-	(3)	-	(3)	-	(3)
Loss for the year	年內虧損	1,258	(76,669)	415	(74,996)	(79,285)	(154,281)
<b>Other segment information</b>	<b>其他分部資料</b>						
Depreciation and amortization	折舊及攤銷	-	4,942	-	4,942	797	5,739
Capital expenditures	資本開支						
- Property, plant and equipment	- 物業、機器及設備	-	56,537	-	56,537	46	56,583
- Land use rights	- 土地使用權	-	25,092	-	25,092	-	25,092
- Construction in progress	- 在建工程	-	10,014	-	10,014	-	10,014

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 5. TURNOVER AND SEGMENT INFORMATION (Continued)

### 5. 營業額及分部資料 (續)

		Property investment	Hotel investment & operations	Securities trading & investment	Total for reportable segments	Unallocated	The Group
		物業投資	酒店投資及營運	證券買賣及投資	分部總額	未分配項目	本集團
		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
For the year ended 31 March 2009	截至二零零九年三月三十一日止年度						
<b>Segment revenue:</b>	<b>分部收益:</b>						
Sales to external customers	對外客戶銷售	2,124	87	(12,316)	(10,105)	–	(10,105)
<b>Segment results</b>	<b>分部業績</b>	(41,216)	(33,825)	(15,655)	(90,696)	(76,949)	(167,645)
Write off of goodwill upon disposal of an investment property	出售投資物業時撇銷之商譽	(18,314)	–	–	(18,314)	–	(18,314)
Gain on disposal of subsidiaries	出售附屬公司之盈利	54,071	322	–	54,393	–	54,393
Change in fair value of the embedded derivatives component of convertible notes (Note 6)	可換股票據內嵌入式衍生工具部分之公平值變動 (附註6)	–	11,218	–	11,218	11,218	22,436
Change in fair value of derivative financial instruments (Note 6)	衍生財務工具之公平值變動 (附註6)	–	13,646	–	13,646	13,647	27,293
Finance income	財務收入	28	138	–	166	15	181
Finance costs	融資成本	(29,668)	(12,573)	(6)	(42,247)	(56,164)	(98,411)
Share of losses of associates	應佔聯營公司虧損	–	–	–	–	(96)	(96)
Loss before taxation	除稅前虧損	(35,099)	(21,074)	(15,661)	(71,834)	(108,329)	(180,163)
Taxation	稅項	29,087	–	–	29,087	–	29,087
Loss for the year	年內虧損	(6,012)	(21,074)	(15,661)	(42,747)	(108,329)	(151,076)
<b>Other segment information</b>	<b>其他分部資料</b>						
Change in fair value on investment properties (Note 6)	投資物業之公平值變動 (附註6)	(379)	–	–	(379)	–	(379)
Depreciation and amortization	折舊及攤銷	142	6,824	–	6,966	1,059	8,025
Capital expenditures	資本開支						
– Investment properties	– 投資物業	116,463	–	–	116,463	–	116,463
– Property, plant and equipment	– 物業、機器及設備	23	21,554	–	21,577	3,014	24,591
– Land use rights	– 土地使用權	–	26,752	–	26,752	–	26,752
– Construction in progress	– 在建工程	–	11,413	–	11,413	–	11,413

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 5. TURNOVER AND SEGMENT INFORMATION (Continued)

The segment assets and liabilities based on reportable segments as at 31 March 2010 and 2009 are as follows:

### 5. 營業額及分部資料 (續)

於二零一零年及二零零九年三月三十一日，按可報告分部劃分之分部資產及負債如下：

		Property investment	Hotel investment & operations	Securities trading & investment	Total for reportable segments	Unallocated	The Group
		物業投資	酒店投資及營運	證券買賣及投資	分部總額	未分配項目	本集團
		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
<b>At 31 March 2010</b>	於二零一零年 三月三十一日						
Segment assets	分部資產	48,445	497,468	6	545,919	8,084	554,003
Interests in associates	聯營公司權益	–	–	–	–	96	96
Bank balances and cash	銀行結餘及現金	9	11,923	–	11,932	23,727	35,659
<b>Total assets</b>	<b>資產總值</b>	<b>48,454</b>	<b>509,391</b>	<b>6</b>	<b>557,851</b>	<b>31,907</b>	<b>589,758</b>
Segment liabilities	分部負債	23,296	59,934	–	83,230	36,120	119,350
Other loans	其他貸款	46,304	–	–	46,304	–	46,304
Amount due to ultimate holding company	應付最終控股公司款項	4,009	93,295	–	97,304	181,327	278,631
<b>Total liabilities</b>	<b>負債總額</b>	<b>73,609</b>	<b>153,229</b>	<b>–</b>	<b>226,838</b>	<b>217,447</b>	<b>444,285</b>
<b>At 31 March 2009</b>	於二零零九年 三月三十一日						
Segment assets	分部資產	134,271	364,650	1,977	500,898	8,836	509,734
Interests in associates	聯營公司權益	–	–	–	–	129	129
Restricted cash	受限制現金	–	2,022	–	2,022	2,021	4,043
Bank balances and cash	銀行結餘及現金	7	5,543	–	5,550	2,285	7,835
<b>Total assets</b>	<b>資產總值</b>	<b>134,278</b>	<b>372,215</b>	<b>1,977</b>	<b>508,470</b>	<b>13,271</b>	<b>521,741</b>
Segment liabilities	分部負債	25,697	38,933	–	64,630	40,863	105,493
Other loans and convertible notes	其他貸款及可換股票據	57,970	87,512	–	145,482	37,573	183,055
Amount due to ultimate holding company	應付最終控股公司款項	–	–	–	–	58,413	58,413
<b>Total liabilities</b>	<b>負債總額</b>	<b>83,667</b>	<b>126,445</b>	<b>–</b>	<b>210,112</b>	<b>136,849</b>	<b>346,961</b>



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 5. TURNOVER AND SEGMENT INFORMATION (Continued)

The Group's businesses operate in Hong Kong and the PRC. The segment revenue for the years ended 31 March 2010 and 2009 and non-current assets as at 31 March 2010 and 2009 based on geographical area are as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>		
Hong Kong	香港	421	(10,192)
PRC	中國	1,908	87
		<b>2,329</b>	<b>(10,105)</b>
<b>Non-current assets</b>	<b>非流動資產</b>		
Hong Kong	香港	13,492	5,261
PRC	中國	432,796	390,409
		<b>446,288</b>	<b>395,670</b>

Revenue is categorized based on the jurisdiction in which the customers are located, while assets are classified based on where the assets are located.

### 5. 營業額及分部資料(續)

本集團之業務分部均於香港及中國經營。截至二零一零年及二零零九年三月三十一日止年度按地區劃分之分部收益以及於二零一零年及二零零九年三月三十一日按地區劃分之非流動資產載列如下：

	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
<b>Revenue</b>		
Hong Kong	421	(10,192)
PRC	1,908	87
	<b>2,329</b>	<b>(10,105)</b>
<b>Non-current assets</b>		
Hong Kong	13,492	5,261
PRC	432,796	390,409
	<b>446,288</b>	<b>395,670</b>

收益按客戶所在司法權區進行分類，而資產則按資產所在地進行分類。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 6. OTHER GAIN/(LOSS), NET

#### 6. 其他盈利／(虧損)淨額

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Change in fair value on investment properties	投資物業之公平值變動	-	(379)
Unrealized loss on financial assets at fair value through profit or loss	按公平值透過損益列賬之 財務資產之未變現虧損	-	(1,619)
Change in fair value of the embedded derivatives component of convertible notes (Note 27)	可換股票據內嵌式衍生工具部分 之公平值變動 (附註27)	5,252	22,436
Change in fair value of derivative financial instruments (Note 27)	衍生財務工具之公平值變動 (附註27)	-	27,293
		<b>5,252</b>	<b>47,731</b>

#### 7. STAFF COSTS

The staff costs disclosed below are for all employees and include all Directors' emoluments (Note 14(a)).

#### 7. 僱員成本

下文披露全體僱員之僱員成本 (包括全體董事之酬金 (附註14(a)))。

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Directors' fees	董事袍金	1,241	1,127
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	25,233	57,373
Unutilized annual leave	未動用之年假	337	17
Employee share option benefits	僱員購股權福利	382	3,037
Pension costs – Mandatory Provident Fund (Note a)	退休金成本 – 強制性公積金 (附註a)	165	211
Social security costs (Note b)	社會保障成本 (附註b)	1,535	678
		<b>28,893</b>	<b>62,443</b>

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 7. STAFF COSTS (Continued)

Note a: There were no forfeited contributions during the years ended 31 March 2010 and 2009. Contributions totaling HK\$Nil (year ended 31 March 2009: HK\$28,000) were payable as at 31 March 2010.

Note b: All employees of the subsidiaries of the Company in the PRC excluding Hong Kong who are PRC citizens participate in employee social security plans enacted in the PRC, including pension, medical and other welfare benefits, which are organized and administrated by the government authorities. According to the relevant regulations, the Group contributes on a monthly basis based on certain percentages of the salaries of the employees, subject to a certain ceiling, and are paid to the labor and social welfare authorities. Contributions to the plans are expensed as incurred.

### 7. 僱員成本 (續)

附註a：截至二零一零年及二零零九年三月三十一日止年度，並無沒收之供款。於二零一零年三月三十一日，應付供款總額為零港元（截至二零零九年三月三十一日止年度：28,000港元）。

附註b：本公司之中國（不包括香港）附屬公司內所有屬中國公民之僱員均參與於中國推行之僱員社會保障計劃。該等計劃由政府機關營辦及管理，內容包括退休金、醫療及其他福利。按照相關規例，本集團每月根據僱員薪金之若干百分比向勞工及社會福利機關作出供款（惟設有若干上限）。向計劃作出之供款於產生時支銷。

### 8. OPERATING LOSS

### 8. 經營虧損

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Operating loss is arrived	計算經營虧損時已扣除／		
at after charging/(crediting):	(計入)：		
Legal and professional fee	法律及專業費	724	8,096
Consultancy fee	顧問費	44	4,791
Rental income from investment properties	投資物業之租金收入	-	(2,124)
Direct outgoings for investment properties	投資物業直接開支	-	574
Depreciation and amortization	折舊及攤銷	5,739	8,025
Provision for impairment of receivables, prepayments and deposits	應收款項、預付款項及按金減值撥備	5,427	-
Provision for impairment of property, plant and equipment	物業、機器及設備減值撥備	50	8
Gain on disposal of property, plant and equipment	處置物業、機器及設備之盈利	(467)	(433)
Auditor's remuneration	核數師酬金		
- audit	- 審核	587	990
- non-audit	- 非審核	278	664
Net exchange loss/(gain)	匯兌虧損／(盈利)淨額	564	(1,241)
Operating leases - land and buildings	經營租賃 - 土地及樓宇	13,483	13,668

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 9. FINANCE INCOME

### 9. 財務收入

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Bank interest income	銀行利息收入	31	181
Interest income on receivable from a former subsidiary	應收一間前附屬公司款項之 利息收入	6,303	-
		<b>6,334</b>	181

### 10. FINANCE COSTS

### 10. 融資成本

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Interest on bank loan wholly repayable within five years	須於五年內悉數償還之 銀行貸款之利息	-	598
Interest on bank loan not wholly repayable within five years	須於五年後悉數償還之 銀行貸款之利息	-	22,095
Interest and finance costs on convertible notes	可換股票據之利息及融資成本	76,100	22,754
Interest on finance leases	融資租賃利息	160	150
Other interest and finance costs on amounts wholly repayable within five years	須於五年內悉數償還之款項之 其他利息及融資成本	21,405	52,814
		<b>97,665</b>	98,411

### 11. TAXATION

Hong Kong profits tax is assessed at the statutory rate of 16.5% (year ended 31 March 2009: 16.5%) on the 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 jurisdictions in which the Group operates.

### 11. 稅項

香港利得稅乃根據年內應課稅溢利按16.5% (截至二零零九年三月三十一日止年度: 16.5%) 之法定稅率評估。海外溢利之稅項已根據本集團經營所處司法權區之適用稅率就估計之年內應課稅溢利計算。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 11. TAXATION (Continued)

The amount of taxation charged/(credited) to the consolidated statement of comprehensive income represents:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Current tax	即期稅項	3	1
Deferred tax	遞延稅項	–	(29,088)
		<b>3</b>	<b>(29,087)</b>

The tax on the Group's loss before taxation differs from the theoretical amount that would arise using the weighted average tax rate applicable to the results of the consolidated companies as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(154,278)	(180,163)
Share of losses of associates	應佔聯營公司虧損	33	96
Loss before taxation	除稅前虧損		
– Company and subsidiaries	– 本公司及附屬公司	(154,245)	(180,067)
Tax calculated at domestic tax rates applicable to profits in the respective jurisdictions	按適用於各司法權區溢利之當地稅率計算之稅項	(27,591)	(37,680)
Tax effect of non-deductible expenses	不可扣稅開支之稅項影響	17,075	31,117
Tax effect of non-taxable revenue	免稅收益之稅項影響	(2,444)	(25,334)
Tax effect on temporary differences not recognized	未確認之暫時差額之稅項影響	4	(21,727)
Tax losses for which no deferred tax assets was recognized	未確認遞延稅項資產之稅項虧損	12,959	24,537
Tax charge/(credit)	稅項支出/(抵免)	<b>3</b>	<b>(29,087)</b>

### 11. 稅項 (續)

綜合全面收益表內已扣除/(計入)之稅項金額指：

本集團除稅前虧損之稅項與按適用於綜合公司業績之加權平均稅率而計算之理論稅額之差額如下：

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 12. LOSS FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss for the year attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of a loss of HK\$102,297,000 for the year ended 31 March 2010 (year ended 31 March 2009: profit of HK\$63,285,000).

#### 13. BASIC AND DILUTED EARNINGS PER ORDINARY SHARE FOR LOSS FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

(a) Basic earnings per ordinary share is calculated by dividing the loss attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the years.

		2010	2009
		二零一零年	二零零九年
Loss for the year attributable to equity holders of the Company, HK\$'000	本公司權益持有人應佔 年內虧損, 千港元	(154,281)	(150,407)
Weighted average number of ordinary shares in issue	已發行普通股之加權 平均數	1,529,600,200	1,529,600,200
Basic earnings per share, HK cents	每股基本溢利, 港仙	(10.09)	(9.83)

(b) Diluted earnings per ordinary share is calculated by adjusting the weighted average number of ordinary shares to assume conversion of all dilutive potential ordinary shares. The conversion of all potential ordinary shares arising from share options, convertible notes and warrants would have an anti-dilutive effect on the earnings per ordinary share for the year ended 31 March 2009. There were no convertible notes and warrants outstanding at 31 March 2010, and the conversion of all potential ordinary shares arising from share options would have an anti-dilutive effect on the earnings per ordinary share for the year ended 31 March 2010.

#### 12. 本公司權益持有人應佔年內虧損

於本公司財務報表內處理之截至二零一零年三月三十一日止年度之本公司權益持有人應佔年內虧損為虧損102,297,000港元(截至二零零九年三月三十一日止年度:溢利63,285,000港元)。

#### 13. 本公司權益持有人應佔年內虧損之每股普通股基本及攤薄溢利

(a) 每股普通股基本溢利乃以年內本公司權益持有人應佔虧損除以已發行普通股之加權平均數計算。

(b) 每股普通股攤薄溢利乃於假設所有具潛在攤薄影響之普通股獲兌換後,透過調整普通股之加權平均數計算。兌換因購股權、可換股票據及認股權證而產生之所有潛在普通股會對截至二零零九年三月三十一日止年度之每股普通股溢利造成反攤薄影響。於二零一零年三月三十一日並無任何尚未兌換之可換股票據及認股權證,而兌換因購股權而產生之所有潛在普通股會對截至二零一零年三月三十一日止年度之每股普通股溢利造成反攤薄影響。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

#### (a) Directors' emoluments

The emoluments paid or payable to each of the Directors for the year ended 31 March 2010 were as follows:

Name of directors	Fees	Salaries	Discretionary bonuses	Other benefits**	Employee	Employer's	Total
					share option benefits	contribution to pension scheme	
董事姓名	袍金	薪金	酌情花紅	其他福利**	僱員購股權福利	僱主向退休金計劃作出之供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Datuk LIM Chee Wah (i)	–	–	–	–	180	–	180
Mr. Percy ARCHAMBAUD-CHAO (ii)	–	5,326	–	674	180	12	6,192
Mr. XIAO Huan Wei (iii)	341	545	–	486	–	–	1,372
Mr. Alan Howard SMITH, J.P.	300	–	–	–	–	–	300
Dr. Allen LEE Peng Fei, J.P.	300	–	–	–	–	–	300
Mr. David YU Hon To	300	–	–	–	–	–	300
	1,241	5,871	–	1,160	360	12	8,644

### 14. 董事及高級管理層酬金

#### (a) 董事酬金

截至二零一零年三月三十一日止年度已付或應付各董事之酬金如下：

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

### 14. 董事及高級管理層酬金 (續)

#### (a) Directors' emoluments (Continued)

The emoluments paid or payable to each of the Directors for the year ended 31 March 2009 were as follows:

Name of directors	Fees	Salaries	Discretionary bonuses	Other benefits**	Employee share option	Employer's contribution to pension scheme	Total
					benefits	to pension scheme	
董事姓名	袍金	薪金	酌情花紅	其他福利**	僱員購股權福利	退休金計劃作出之供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Datuk LIM Chee Wah (i)	-	-	-	-	211	-	211
Mr. Percy ARCHAMBAUD-CHAO (ii)	-	5,349	30,000	651	211	12	36,223
Mr. XIAO Huan Wei (iii)	227	590	273	298	-	-	1,388
Ms. Patsy SO Ying Chi (iv)	-	368	-	-	70	4	442
Mr. Alan Howard SMITH, J.P.	300	-	-	-	-	-	300
Dr. Allen LEE Peng Fei, J.P.	300	-	-	-	-	-	300
Mr. David YU Hon To	300	-	-	-	-	-	300
	1,127	6,307	30,273	949	492	16	39,164

\*\* Other benefits include housing allowance.

(i) An Executive Director, Datuk LIM Chee Wah has waived his emolument for the years ended 31 March 2010 and 2009.

(ii) Mr. Percy ARCHAMBAUD-CHAO has tendered his resignation with effect from 7 August 2010 to the latest, or any earlier date to be mutually agreed.

(iii) Appointed during the year ended 31 March 2009

(iv) Resigned during the year ended 31 March 2009

No emoluments were paid to any director as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 March 2010 and 2009.

#### (a) 董事酬金 (續)

截至二零零九年三月三十一日止年度已付或應付各董事之酬金如下:

Name of directors	Fees	Salaries	Discretionary bonuses	Other benefits**	Employee share option	Employer's contribution to pension scheme	Total
					benefits	to pension scheme	
董事姓名	袍金	薪金	酌情花紅	其他福利**	僱員購股權福利	退休金計劃作出之供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Datuk LIM Chee Wah (i)	-	-	-	-	211	-	211
Mr. Percy ARCHAMBAUD-CHAO (ii)	-	5,349	30,000	651	211	12	36,223
Mr. XIAO Huan Wei (iii)	227	590	273	298	-	-	1,388
Ms. Patsy SO Ying Chi (iv)	-	368	-	-	70	4	442
Mr. Alan Howard SMITH, J.P.	300	-	-	-	-	-	300
Dr. Allen LEE Peng Fei, J.P.	300	-	-	-	-	-	300
Mr. David YU Hon To	300	-	-	-	-	-	300
	1,127	6,307	30,273	949	492	16	39,164

\*\* 其他福利包括房屋津貼。

(i) 執行董事拿督林致華放棄其截至二零一零年及二零零九年三月三十一日止年度之酬金。

(ii) 趙世雄先生已提出請辭，於最遲二零一零年八月七日或經相互協定之任何較早日期起生效。

(iii) 於截至二零零九年三月三十一日止年度獲委任。

(iv) 於截至二零零九年三月三十一日止年度辭任。

截至二零一零年及二零零九年三月三十一日止年度，本公司並無向任何董事支付任何酬金，作為邀請彼等加入本集團或加入本集團時之獎勵金或作為離職補償。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

#### (b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year comprise 2 directors and 3 employees (year ended 31 March 2009: 3 directors and 2 employees). The details of the emoluments payable to the 3 employees (year ended 31 March 2009: 2 employees) during the year are presented below:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	4,255	2,974
Employee share option benefits	僱員購股權福利	–	463
Pension costs – defined contribution plan	退休金成本 – 定額供款計劃	22	12
		4,277	3,449
		<b>Number of individuals</b>	
		人數	
		2010 二零一零年	2009 二零零九年
<b>Emoluments band</b>	<b>酬金範圍</b>		
HK\$500,001 – HK\$1,000,000	500,001港元 – 1,000,000港元	1	–
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元	1	–
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元	–	2
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	1	–
		3	2

HK\$340,000 was paid to one of the five highest paid individuals as an inducement to join the Group during the year ended 31 March 2009. There was no such payment during the year ended 31 March 2010.

### 14. 董事及高級管理層酬金 (續)

#### (b) 五名最高薪人士

本年度本集團五名最高薪酬之人士包括兩名董事及三名僱員 (截至二零零九年三月三十一日止年度: 三名董事及兩名僱員)。年內應付該三名僱員 (截至二零零九年三月三十一日止年度: 兩名僱員) 之酬金詳情呈列如下:

截至二零零九年三月三十一日止年度, 本集團向五名最高薪人士之一支付340,000港元, 作為邀請加入本集團之獎勵金。截至二零一零年三月三十一日止年度並無支付任何有關款項。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、機器及設備

#### (a) Group

#### (a) 本集團

		Hotel properties	Furniture and fixtures	Office equipment and machinery	Computer and related equipment	Motor vehicles	Total
		酒店物業	傢俬及裝置	辦公室設備 及機器	電腦及 相關設備	汽車	總額
		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
<b>Cost</b>	<b>成本</b>						
At 1 April 2009	於二零零九年四月一日	154,892	12,420	7,232	2,029	4,330	180,903
Additions	添置	56,010	490	10	73	–	56,583
Transfer from Construction in Progress (Note 17)	從在建工程轉撥 (附註17)	13,552	3,601	–	–	–	17,153
Disposals	處置	(2,585)	–	–	–	–	(2,585)
Exchange difference	匯兌差額	597	29	23	4	3	656
At 31 March 2010	於二零一零年 三月三十一日	222,466	16,540	7,265	2,106	4,333	252,710
<b>Accumulated depreciation</b>	<b>累計折舊</b>						
At 1 April 2009	於二零零九年四月一日	4,693	11,585	1,673	779	865	19,595
Charge for the year	年內開支	322	691	1,355	276	847	3,491
Disposals	處置	(61)	–	–	–	–	(61)
Provision for impairment	減值撥備	–	50	–	–	–	50
Exchange difference	匯兌差額	15	21	7	1	1	45
At 31 March 2010	於二零一零年 三月三十一日	4,969	12,347	3,035	1,056	1,713	23,120
<b>Net book value</b>	<b>賬面淨值</b>						
At 31 March 2010	於二零一零年 三月三十一日	217,497	4,193	4,230	1,050	2,620	229,590
<b>Cost</b>	<b>成本</b>						
At 1 April 2008	於二零零八年四月一日	132,748	11,417	7,229	1,087	3,243	155,724
Additions	添置	19,150	569	262	1,256	3,354	24,591
Disposals	處置	–	(26)	(419)	(324)	(2,295)	(3,064)
Exchange difference	匯兌差額	2,994	460	160	10	28	3,652
At 31 March 2009	於二零零九年 三月三十一日	154,892	12,420	7,232	2,029	4,330	180,903
<b>Accumulated depreciation</b>	<b>累計折舊</b>						
At 1 April 2008	於二零零八年四月一日	1,134	10,669	375	636	1,085	13,899
Charge for the year	年內開支	3,533	462	1,408	209	773	6,385
Disposals	處置	–	(6)	(117)	(68)	(1,001)	(1,192)
Provision for impairment	減值撥備	–	8	–	–	–	8
Exchange difference	匯兌差額	26	452	7	2	8	495
At 31 March 2009	於二零零九年 三月三十一日	4,693	11,585	1,673	779	865	19,595
<b>Net book value</b>	<b>賬面淨值</b>						
At 31 March 2009	於二零零九年 三月三十一日	150,199	835	5,559	1,250	3,465	161,308

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 15. 物業、機器及設備 (續)

#### (b) Company

#### (b) 本公司

		Furniture and fixtures 傢俬及 裝置	Office equipment 辦公室 設備	Computer and related equipment 電腦及 相關設備	Motor vehicles 汽車	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Cost</b>	<b>成本</b>					
At 1 April 2009	於二零零九年 四月一日	5,062	87	480	–	5,629
Additions	添置	–	–	46	–	46
At 31 March 2010	於二零一零年 三月三十一日	5,062	87	526	–	5,675
<b>Accumulated depreciation</b>	<b>累計折舊</b>					
At 1 April 2009	於二零零九年 四月一日	5,019	83	474	–	5,576
Charge for the year	年內開支	43	4	10	–	57
At 31 March 2010	於二零一零年 三月三十一日	5,062	87	484	–	5,633
<b>Net book value</b>	<b>賬面淨值</b>					
At 31 March 2010	於二零一零年 三月三十一日	–	–	42	–	42
<b>Cost</b>	<b>成本</b>					
At 1 April 2008	於二零零八年 四月一日	5,062	94	490	1,161	6,807
Disposals	處置	–	(7)	(10)	(1,161)	(1,178)
At 31 March 2009	於二零零九年 三月三十一日	5,062	87	480	–	5,629
<b>Accumulated depreciation</b>	<b>累計折舊</b>					
At 1 April 2008	於二零零八年 四月一日	4,701	73	449	658	5,881
Charge for the year	年內開支	318	17	35	78	448
Disposals	處置	–	(7)	(10)	(736)	(753)
At 31 March 2009	於二零零九年 三月三十一日	5,019	83	474	–	5,576
<b>Net book value</b>	<b>賬面淨值</b>					
At 31 March 2009	於二零零九年 三月三十一日	43	4	6	–	53

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) The net book value of motor vehicles held under finance leases of the Group and the Company were HK\$1,967,000 and HK\$Nil respectively (2009: HK\$2,557,000 and HK\$Nil respectively). None of the leases include contingent rentals. The lease terms are within five years, and ownership of the assets lie within the Group.

### 16. LAND USE RIGHTS

The Group's interests in land use rights, which represent prepaid operating lease payments and their net book values, are analyzed as follows:

### 15. 物業、機器及設備 (續)

(c) 本集團及本公司以融資租賃所持有之汽車賬面淨值分別為1,967,000港元及零港元(二零零九年:分別為2,557,000港元及零港元)。該等租賃概無涵蓋或然租金。租賃年期為五年內,而資產擁有權屬本集團所有。

### 16. 土地使用權

本集團於土地使用權之權益(指預付經營租賃款項及其賬面淨值)分析如下:

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
<b>Cost:</b>	<b>成本:</b>		
At 1 April	於四月一日	65,186	37,582
Additions	添置	25,092	26,752
Disposals	處置	(6,818)	-
Exchange difference	匯兌差額	236	852
At 31 March	於三月三十一日	83,696	65,186
<b>Accumulated amortization:</b>	<b>累計攤銷:</b>		
At 1 April	於四月一日	1,848	203
Charge for the year	年內開支	2,248	1,640
Disposals	處置	(199)	-
Exchange difference	匯兌差額	9	5
At 31 March	於三月三十一日	3,906	1,848
<b>Net book value</b>	<b>賬面淨值</b>		
At 31 March	於三月三十一日	79,790	63,338

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 16. LAND USE RIGHTS (Continued)

The Group's interests in land use rights at their net book value are analyzed as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Outside Hong Kong, held on:	香港境外,就以下各項而持有:		
Leases of less than 10 years	十年以下之租賃	–	–
Leases of between 10 to 50 years	十年至五十年之租賃	79,790	63,338
		<b>79,790</b>	<b>63,338</b>

### 16. 土地使用權(續)

本集團於土地使用權之權益(按其賬面淨值計算)分析如下:

### 17. CONSTRUCTION IN PROGRESS

		Group 本集團	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
At 1 April	於四月一日	11,416	–
Additions	添置	10,014	11,413
Transfer to property, plant and equipment	轉撥至物業、機器及設備	(17,153)	–
Exchange difference	匯兌差額	25	3
At 31 March	於三月三十一日	<b>4,302</b>	<b>11,416</b>

### 17. 在建工程

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 18. INTERESTS IN SUBSIDIARIES

### 18. 附屬公司權益

		Company 本公司	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
<b>Non-current assets:</b>	<b>非流動資產：</b>		
Unlisted shares at cost (Note)	非上市股份，按成本值 (附註)	<b>330,000</b>	–
<b>Current assets:</b>	<b>流動資產：</b>		
Amounts due from subsidiaries	應收附屬公司之款項	<b>186,763</b>	416,127
Less: provision for impairment loss	減：減值虧損之撥備	<b>(53,173)</b>	(49,510)
		<b>133,590</b>	366,617
<b>Current liabilities:</b>	<b>流動負債：</b>		
Amounts due to subsidiaries	應付附屬公司之款項	<b>53,319</b>	–

Note: "U" Inns & Hotels Holdings Limited ("UIHHL"), a wholly-owned subsidiary of the Company, has issued preferred shares to a third party during the year, as disclosed in Note 25. As a condition to such issuance, the Company subscribed an additional 7,409 common shares of UIHHL at a total consideration of HK\$330.0 million. The consideration was satisfied by the set off of certain intercompany advances made by the Company to UIHHL.

附註：你的客棧酒店控股有限公司（「你的客棧控股」，本公司之全資附屬公司）於年內向一名第三方發行優先股，詳情於附註25披露。是次發行優先股之其中一項條件為本公司須按總代價330,000,000港元認購額外7,409股你的客棧控股普通股份。有關代價已透過對銷本公司向你的客棧控股作出之若干公司間墊款之方式償付。

The amounts due from/to subsidiaries are unsecured, non-interest bearing and repayable on demand. The carrying values of the amounts due from/to subsidiaries approximate their fair value. The amounts due from subsidiaries as at 31 March 2010 and 2009 and the amounts due to subsidiaries as at 31 March 2010 were all denominated in HK dollars.

應收／應付附屬公司之款項乃無抵押、免息及按要求償還。應收／應付附屬公司之款項之賬面值與公平值相若。於二零一零年及二零零九年三月三十一日之應收附屬公司之款項以及於二零一零年三月三十一日之應付附屬公司之款項均以港元計值。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 18. INTERESTS IN SUBSIDIARIES (Continued)

The following is a list of principal subsidiaries at 31 March 2010. Principal subsidiaries are those subsidiaries that are active and have commenced operations.

### 18. 附屬公司權益 (續)

以下載列於二零一零年三月三十一日之主要附屬公司名單。主要附屬公司乃指活躍且已開始營運之附屬公司。

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立 地點及法律實體類別	Principal activities and place of operations 主要業務及營業地點	Particulars of issued share capital/registered capital and debt securities 已發行股本/註冊資本 及債務證券之詳情	Interest held 所持權益	
				2010 二零一零年	2009 二零零九年
Arrow Star Investment Limited <sup>#</sup> 智域投資有限公司 <sup>#</sup>	Hong Kong 香港	Inactive 暫無業務	1 ordinary share of HK\$1 1股面值為1港元之 普通股股份	*100%	*100%
Chong Qing "U" Inns & Hotels Management Co., Limited <sup>Δ</sup> 重慶你的客棧酒店管理有限公司	PRC, limited liability company 中國， 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$2,000,000 註冊資本 2,000,000美元	100%	100%
Daily Right Limited 日正有限公司	Samoa 薩摩亞	Investment holding in Hong Kong 在香港投資控股	2 ordinary shares of US\$1 2股面值為1美元之 普通股股份	100%	100%
Grand Boom Investments Limited 廣隆投資有限公司	Samoa 薩摩亞	Investment holding in Hong Kong 在香港投資控股	1 ordinary share of US\$1 1股面值為1美元之 普通股股份	100%	100%
Great Partner International Limited <sup>#</sup> 朗喬國際有限公司 <sup>#</sup>	Hong Kong 香港	Investment holding in Hong Kong 在香港投資控股	1 ordinary share of HK\$1 1股面值為1港元之 普通股股份	100%	100%
Great Partner Investment (Shenzhen) Limited <sup>Δ</sup> 朗喬投資諮詢(深圳)有限公司	PRC, limited liability company 中國， 有限責任公司	Management and consulting in PRC 在中國提供管理及 諮詢服務	Registered capital of HK\$8,000,000 (Subsequently increased to HK\$12,000,000) 註冊資本8,000,000港元 (其後增至12,000,000港元)	100%	100%

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 18. INTERESTS IN SUBSIDIARIES (Continued)

### 18. 附屬公司權益(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立 地點及法律實體類別	Principal activities and place of operations 主要業務及營業地點	Particulars of issued share capital/registered capital and debt securities 已發行股本/註冊資本 及債務證券之詳情	Interest held 所持權益	
				2010 二零一零年	2009 二零零九年
Proper Class Limited <sup>#</sup> 譽加有限公司 <sup>#</sup>	Hong Kong 香港	Investment holding in Hong Kong 在香港投資控股	1 ordinary share of HK\$1 1股面值為1港元之 普通股股份	100%	100%
Rich Field International Limited 富域國際有限公司	Samoa 薩摩亞	Investment holding in Hong Kong 在香港投資控股	2 ordinary shares of US\$1 2股面值為1美元之 普通股股份	100%	100%
Success Key Holdings Limited 成基控股有限公司	British Virgin Islands 英屬處女群島	Investment holding in Hong Kong 在香港投資控股	1 ordinary share of US\$1 1股面值為1美元之 普通股股份	*100%	*100%
Sun Shell Limited <sup>#</sup> 新貝有限公司 <sup>#</sup>	Hong Kong 香港	Investment holding in Hong Kong 在香港投資控股	1 ordinary share of HK\$1 1股面值為1港元之 普通股股份	100%	100%
Superior Fortune Investments Limited <sup>#</sup> 富呈投資有限公司 <sup>#</sup>	Hong Kong 香港	Investment holding in Hong Kong 在香港投資控股	1 ordinary share of HK\$1 1股面值為1港元之 普通股股份	100%	100%
“U” Inns & Hotels Holdings Limited 你的客棧酒店控股有限公司	British Virgin Islands 英屬處女群島	Investment holding in Hong Kong 在香港投資控股	7,410 common shares of US\$1 each and 2,590 Series A preferred shares of US\$1 each 7,410股每股面值1美元之 普通股及2,590股每股面值 1美元之A系列優先股	*100% of common shares *100% 普通股	*100%
“U” Inns & Hotels Investment Limited <sup>#</sup> 你的客棧酒店有限公司 <sup>#</sup>	Hong Kong 香港	Investment holding in PRC 在中國投資控股	1 ordinary share of HK\$1 1股面值為1港元之 普通股股份	100%	100%



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 18. INTERESTS IN SUBSIDIARIES (Continued)

### 18. 附屬公司權益 (續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立 地點及法律實體類別	Principal activities and place of operations 主要業務及營業地點	Particulars of issued share capital/registered capital and debt securities 已發行股本/註冊資本 及債務證券之詳情	Interest held 所持權益	
				2010 二零一零年	2009 二零零九年
“U” Inns & Hotels Management Co., Ltd. Linzhi Tibet <sup>Δ</sup> 西藏林芝你的客棧酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Inactive 暫無業務	Registered capital of US\$2,200,000 註冊資本 2,200,000美元	100%	100%
“U” Inns & Hotels (Bu Er Jin) Management Co., Ltd. <sup>Δ</sup> 你的客棧酒店管理(布爾津縣) 有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$1,390,000 註冊資本 1,390,000美元	100%	100%
“U” Inns & Hotels (Chengdu) Investment Management Limited 你的客棧酒店(成都)投資管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Management and consulting in PRC 在中國提供管理及 諮詢服務	Registered capital of US\$2,000,000 註冊資本 2,000,000美元	100%	100%
“U” Inns & Hotels (Ding Xi) Management Limited <sup>Δ</sup> 你的客棧(定西)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Inactive 暫無業務	Registered capital of US\$3,000,000 註冊資本 3,000,000美元	100%	100%
“U” Inns & Hotels (Dun Huang) Management Limited <sup>Δ</sup> 你的客棧(敦煌)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Inactive 暫無業務	Registered capital of US\$3,700,000 註冊資本 3,700,000美元	100%	100%
“U” Inns & Hotels (Jin Chang) Management Co., Ltd. <sup>Δ</sup> 你的客棧(金昌)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Inactive 暫無業務	Registered capital of US\$1,147,980 註冊資本 1,147,980美元	100%	100%
“U” Inns & Hotel (Jing Gang Shan Shi) Limited <sup>Δ</sup> 你的客棧酒店(井岡山市) 有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of HK\$53,000,000 註冊資本 53,000,000港元	100%	100%

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 18. INTERESTS IN SUBSIDIARIES (Continued)

### 18. 附屬公司權益(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立 地點及法律實體類別	Principal activities and place of operations 主要業務及營業地點	Particulars of issued share capital/registered capital and debt securities 已發行股本/註冊資本 及債務證券之詳情	Interest held 所持權益	
				2010 二零一零年	2009 二零零九年
“U” Inns & Hotels (Long Nan) Management Co., Ltd. <sup>Δ</sup> 你的客棧(隴南)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Inactive 暫無業務	Registered capital of RMB18,500,000 註冊資本人民幣 18,500,000元	100%	100%
“U” Inns & Hotels (Ninghai) Management Co., Ltd. 你的客棧(寧海)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$6,000,000 註冊資本 6,000,000美元	100%	100%
U Inns & Hotel (Si Chuan) Limited <sup>Δ</sup> 你的客棧酒店(四川)有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$10,500,000 註冊資本 10,500,000美元	100%	100%
“U” Inns & Hotels (Tong Hua) Management Co., Ltd 你的客棧(通化)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$2,670,000 (Subsequently decreased to US\$2,249,000) 註冊資本2,670,000 美元 (其後減至2,249,000美元)	100%	100%
“U” Inns & Hotels (Tu Lu Fan) Management Co., Ltd. <sup>Δ</sup> 你的客棧酒店管理(吐魯番地區) 有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$1,770,000 註冊資本 1,770,000美元	100%	100%
“U” Inns & Hotel (Wei Fang) Limited <sup>Δ</sup> 你的客棧酒店(濰坊)有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$4,550,000 註冊資本 4,550,000美元	100%	100%
“U” Inns & Hotel (Wei Hai) Limited 你的客棧酒店(威海)有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$1,670,000 註冊資本 1,670,000美元	100%	100%

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 18. INTERESTS IN SUBSIDIARIES (Continued)

### 18. 附屬公司權益 (續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立 地點及法律實體類別	Principal activities and place of operations 主要業務及營業地點	Particulars of issued share capital/registered capital and debt securities 已發行股本/註冊資本 及債務證券之詳情	Interest held 所持權益	
				2010 二零一零年	2009 二零零九年
“U” Inns & Hotels (Wu Han) Management Co., Ltd. <sup>Δ</sup> 你的客棧(武漢)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$1,400,000 註冊資本 1,400,000美元	100%	100%
“U” Inns & Hotels (Xi An) Management Co., Ltd. <sup>Δ</sup> 你的客棧(西安)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$10,100,000 註冊資本 10,100,000美元	100%	100%
“U” Inns & Hotels (Xiang Fan) Management Co., Ltd. <sup>Δ</sup> 你的客棧(襄樊)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of US\$3,470,000 註冊資本 3,470,000美元	100%	100%
“U” Inns & Hotels (Yun Fu) Management Co., Ltd. <sup>Δ</sup> 你的酒店(雲浮)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Inactive 暫無業務	Registered capital of US\$2,600,000 註冊資本 2,600,000美元	100%	100%
“U” Inns (Wafangdian) Hotel Management Co. Ltd. <sup>Δ</sup> 你的客棧(瓦房店)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of HK\$28,000,000 註冊資本 28,000,000港元	100%	100%
“U” Inns (Yingkou) Hotel Management Co., Ltd. <sup>Δ</sup> 你的客棧(營口)酒店管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Hotel investment in PRC 在中國酒店投資	Registered capital of HK\$39,500,000 (Subsequently decreased to HK\$25,650,000) 註冊資本39,500,000港元 (其後減至25,650,000港元)	100%	100%
“U” Inns Hospitality Management (Shanghai) Co. Limited <sup>Δ</sup> 卓安酒店管理(上海)有限公司	PRC, limited liability company 中國, 有限責任公司	Management and consulting in PRC 在中國提供管理及 諮詢服務	Registered capital of US\$2,000,000 註冊資本 2,000,000美元	100%	100%

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 18. INTERESTS IN SUBSIDIARIES (Continued)

### 18. 附屬公司權益(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立 地點及法律實體類別	Principal activities and place of operations 主要業務及營業地點	Particulars of issued share capital/registered capital and debt securities 已發行股本/註冊資本 及債務證券之詳情	Interest held 所持權益	
				2010 二零一零年	2009 二零零九年
“U” Inns & Hotels Information Technology (Shanghai) Limited <sup>△</sup> 你的客棧(上海)信息技術 有限公司	PRC, limited liability company 中國, 有限責任公司	Management and consulting in PRC 在中國提供管理及 諮詢服務	Registered capital of US\$2,000,000 註冊資本 2,000,000美元	100%	100%
“U” Inns Investment Management (Shanghai) Limited <sup>△</sup> 你的客棧(上海)投資管理 有限公司	PRC, limited liability company 中國, 有限責任公司	Management and consulting in PRC 在中國提供管理及 諮詢服務	Registered capital of US\$2,000,000 註冊資本 2,000,000美元	100%	100%
VXL Corporate Advisory (Shanghai) Limited <sup>△</sup> 卓越企業管理顧問(上海) 有限公司	PRC, limited liability company 中國, 有限責任公司	Management and consulting in PRC 在中國提供管理及 諮詢服務	Registered capital of US\$140,000 註冊資本 140,000美元	100%	100%
VXL Management Services Limited <sup>#</sup> 卓越管理服務有限公司 <sup>#</sup>	Hong Kong 香港	Management services in Hong Kong 在香港提供管理服務	1 ordinary share of HK\$1 1股面值為1港元之 普通股股份	*100%	*100%
VXL Nominees Limited <sup>#</sup>	Hong Kong 香港	Investment holding in Hong Kong 在香港投資控股	2 ordinary shares of HK\$1 each 2股每股面值為1港元之 普通股股份	*100%	*100%
Yanlian International Petroleum Limited 延煉國際石油有限公司	British Virgin Islands 英屬處女群島	Investment holding in Hong Kong 在香港投資控股	1 ordinary share of US\$1 1股面值為1美元之 普通股股份	100%	100%

\* Shares held directly by the Company.

\* 股份由本公司直接持有。

△ These companies do not have English names. These are only translation of their Chinese names.

△ 該等公司並無英文名稱。此等名稱僅為其中文名稱之翻譯。

# Subsidiaries audited by PricewaterhouseCoopers.

# 附屬公司由羅兵咸永道會計師事務所審核。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 19. INTERESTS IN ASSOCIATES

### 19. 聯營公司權益

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
Share of net assets/(liabilities) of associates	應佔聯營公司資產/ (負債)淨額	96	(771)
Amounts due from associates	應收聯營公司款項	-	900
		<b>96</b>	<b>129</b>

The movement of the interests in associates is as follows:

聯營公司權益之變動如下:

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
At 1 April	於四月一日	129	225
Share of losses before taxation	應佔稅前虧損	(33)	(96)
At 31 March	於三月三十一日	<b>96</b>	<b>129</b>

The Group's share of the results of its associates, all of which are unlisted, and their aggregated assets and liabilities, are as follows:

本集團佔其聯營公司(均非上市)之業績及其總資產及負債如下:

		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
Assets	資產	96	137
Liabilities	負債	-	(908)
		<b>96</b>	<b>(771)</b>
Revenues	收益	-	-
Loss for the year	年內虧損	<b>(33)</b>	<b>(96)</b>

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 19. INTERESTS IN ASSOCIATES (Continued)

Details of the associates as at 31 March 2010 are as follows:

Name 名稱	Place of incorporation/ establishment 註冊成立/成立地點	Principal activities 主要業務	Particulars of issued share capital 已發行股本詳情	Interest indirectly held by the Company 本公司間接持有之權益	
				2010	2009
				二零一零年	二零零九年
Cruise City Holdings Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100 ordinary shares of US\$1 each 100股每股面值1美元之 普通股股份	30%	30%
Cruise City (Hong Kong) Limited (Note) 郵輪城(香港)有限公司 (附註)	Hong Kong 香港	Inactive 暫無業務	2 ordinary share of HK\$1 2股每股面值1港元之 普通股股份	30%	30%

Note: Cruise City (Hong Kong) Limited has been approved for application of deregistration on 10 May 2010.

於二零一零年三月三十一日聯營公司詳情載列如下:

附註: 郵輪城(香港)有限公司已於二零一零年五月十日獲批准撤銷註冊申請。

#### 19. 聯營公司權益(續)

#### 20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

		Group 本集團		Company 本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April	於四月一日	2,111	660	660	660
Additions	添置	-	1,451	-	-
At 31 March	於三月三十一日	2,111	2,111	660	660

#### 20. 可供出售財務資產



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 22. RECEIVABLES, PREPAYMENTS AND DEPOSITS

#### 22. 應收款項、預付款項及按金

		Group		Company	
		本集團		本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Non-current</b>	<b>非即期</b>				
Receivable from a former subsidiary	應收一間前附屬公司之款項	-	54,929	-	-
Deposits for acquisition of hotel properties	收購酒店物業之按金	130,399	102,439	-	-
		<b>130,399</b>	<b>157,368</b>	-	-
<b>Current</b>	<b>即期</b>				
Trade receivables	貿易應收賬款	98	-	-	-
Other receivables	其他應收款項	13,611	13,583	6	14
Deposits for acquisition of hotel properties	收購酒店物業之按金	55,006	22,624	-	-
Receivable from a former subsidiary	應收一間前附屬公司之款項	-	34,012	-	-
Other prepayments and deposits	其他預付款項及按金	13,420	10,899	2,907	2,939
		<b>82,135</b>	<b>81,118</b>	<b>2,913</b>	<b>2,953</b>
Less: provision for impairment	減：減值撥備	(5,435)	-	-	-
		<b>76,700</b>	<b>81,118</b>	<b>2,913</b>	<b>2,953</b>
		<b>207,099</b>	<b>238,486</b>	<b>2,913</b>	<b>2,953</b>

A significant part of the Group's sales are by credit cards or against payment of deposits. The remaining amounts are with general credit term of 0 to 90 days. As at 31 March 2010, the trade receivables age within one month and are not past due.

本集團之銷售大部分以信用卡付款或抵銷已付之按金。餘額一般具備信貸期介乎零至九十日。於二零一零年三月三十一日，貿易應收賬款之賬齡在一個月內，並未逾期。



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 22. RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

The carrying amounts of receivables, prepayments and deposits approximate their fair value. As at 31 March 2010 and 2009, none of the receivables, prepayments and deposits was impaired except for certain deposits for acquisition of hotel properties.

The carrying amounts of the Group's receivables, prepayments and deposits are denominated in the following currencies:

		Group 本集團		Company 本公司	
		2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Hong Kong dollars	港元	16,481	17,864	2,913	2,953
Renminbi	人民幣	189,045	218,590	–	–
United States dollars	美元	1,553	2,001	–	–
Other currencies	其他貨幣	20	31	–	–
		<b>207,099</b>	<b>238,486</b>	<b>2,913</b>	<b>2,953</b>

The maximum exposure to credit risk at the balance sheet date is the fair value of each class of receivables mentioned above. The Group does not hold any collateral as security.

#### 22. 應收款項、預付款項及按金(續)

應收款項、預付款項及按金之賬面值與其公平值相若。於二零一零年及二零零九年三月三十一日，除收購酒店物業之若干按金外，概無應收款項、預付款項及按金出現減值。

本集團之應收款項、預付款項及按金之賬面值以下列貨幣計值：

於資產負債表日承受之最大信貸風險為上述各類應收款項之公平值。本集團並無持有任何抵押品作擔保。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 23. BANK BALANCES AND CASH

#### 23. 銀行結餘及現金

		Group		Company	
		本集團		本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank balances and cash in hand	銀行結餘及現金	35,659	7,835	325	922

The carrying amounts of the bank balances and cash are denominated in the following currencies:

銀行結餘及現金之賬面值乃以下列貨幣結算：

		Group		Company	
		本集團		本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong dollars	港元	19,868	1,702	24	636
Renminbi	人民幣	1,648	2,563	–	–
United States dollars	美元	14,108	3,482	301	286
Other currencies	其他貨幣	35	88	–	–
		35,659	7,835	325	922

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 24. PAYABLES AND ACCRUALS

### 24. 應付款項及應計項目

		Group		Company	
		本集團		本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Trade payables (note b)	貿易應付賬款 (附註b)	59	–	–	–
Property acquisition cost payable (note c)	應付物業收購成本 (附註c)	3,050	7,732	–	–
Other payables and accruals	其他應付款項及 應計項目	91,947	89,685	2,474	3,380
		<b>95,056</b>	<b>97,417</b>	<b>2,474</b>	<b>3,380</b>

(a) The carrying amounts of the payables and accruals are denominated in the following currencies:

(a) 應付款項及應計項目之賬面值乃以下列貨幣計值：

		Group		Company	
		本集團		本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong dollars	港元	39,691	36,317	2,474	3,380
Renminbi	人民幣	53,812	59,531	–	–
Other currencies	其他貨幣	1,553	1,569	–	–
		<b>95,056</b>	<b>97,417</b>	<b>2,474</b>	<b>3,380</b>

(b) As at 31 March 2010, trade payables of HK\$45,000 and HK\$14,000 (2009: HK\$Nil and HK\$Nil) were aged within one month and between one and three months respectively.

(b) 於二零一零年三月三十一日，貿易應付賬款45,000港元及14,000港元（二零零九年：零港元及零港元）之賬齡分別在一個月內及一至三個月內。

(c) This represents the remaining balance of consideration payable for acquiring one hotel property (2009: one).

(c) 指就收購一項酒店物業（二零零九年：一項）應付代價之餘額。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 25. ISSUE OF PREFERRED SHARES BY A SUBSIDIARY

On 28 October 2009, UIHHL has entered into a subscription agreement where UIHHL agreed to issue and the subscriber, an independent third party, agreed to subscribe for 2,590 Series A preferred shares ("Preferred Shares") at a total subscription price of HK\$145.0 million based on a subscription price of HK\$55,984.55 per Preferred Share. The subscription price was partially set off against the loans by the subscriber to the Group of HK\$70.0 million, and the remaining HK\$75.0 million was settled in cash.

The Preferred Shares are convertible into 2,590 common shares ("Common Shares"), representing 25.9% of the issued Common Shares of UIHHL upon conversion of the Preferred Shares. Holders of the Preferred Shares are entitled to a preferred return of 6% per annum prior to the conversion of the Preferred Shares. Holders of the Preferred Shares shall convert the Preferred Shares into Common Shares at the ratio of one Preferred Share to one Common Share at the latest three years from the date of issue of the Preferred Shares.

Details of the issuance of Preferred Shares can be referred to the Company's announcements dated 27 October 2009 and 29 October 2009. No conversion has been made during the year.

The Preferred Shares are compound financial instrument which is separated into two components: a liability component and an equity component. The liability component was recognized as the discounted value of the preferred return payable during the three years period from the issuance of Preferred Shares until the last date of conversion into Common Shares. Interest expense was calculated using the effective interest method by applying the effective interest rate of 10% to the liability component. The equity component was residual value of the proceeds from the issuance of Preferred Shares less the liability component.

#### 25. 附屬公司發行優先股

於二零零九年十月二十八日，你的客棧控股訂立一項股份認購協議，據此，你的客棧控股同意發行及認購人（獨立第三方）同意認購2,590股A系列優先股（「優先股」），根據認購價每股優先股55,984.55港元計算，總認購價為145,000,000港元。認購價部分以認購人借予本集團之貸款70,000,000港元抵銷，而餘額75,000,000港元則以現金清付。

優先股可轉換為2,590股普通股（「普通股」），相當於優先股獲轉換時你的客棧控股已發行普通股之25.9%。優先股持有人有權於優先股獲轉換前享有每年6%之優先回報。優先股持有人須於優先股發行當日起計最近三年，按一股優先股換一股普通股之比例，將優先股轉換為普通股。

發行優先股之詳情可參閱本公司於二零零九年十月二十七日及二零零九年十月二十九日之公告。年內並無進行轉換。

優先股為複合財務工具，分為兩部分：負債部分及權益部分。負債部分按優先股發行至轉換為普通股之最後日期三年期間應付之優先回報之折現值確認。利息支出按實際利率法對負債部分採用實際利率10%計算。權益部分為優先股發行所得款項減負債部分之餘值。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 25. ISSUE OF PREFERRED SHARES BY A SUBSIDIARY (Continued)

The liability component is presented as “Liability component of compound financial instrument” in the consolidated balance sheet. The equity component is presented as “Minority interest” in the statement of changes in equity.

#### 25. 附屬公司發行優先股(續)

負債部分列作綜合資產負債表內之「複合財務工具之負債部分」。權益部分列作權益變動表內之「少數股東權益」。

		Group 本集團 2010 二零一零年 HK\$'000 千港元
Proceeds of issue	發行所得款項	145,000
Liability component	負債部分	(21,636)
Equity component	權益部分	123,364
Liability component at date of issue	於發行當日之負債部分	21,636
Interest expenses	利息支出	889
Liability component at 31 March 2010	於二零一零年三月三十一日之負債部分	22,525

At 31 March 2010, the Group's liability component of compound financial instrument were repayable as follows:

於二零一零年三月三十一日，本集團複合財務工具之負債部分須償還如下：

		Group 本集團 2010 二零一零年 HK\$'000 千港元
Within 1 year – current portion	一年內 – 即期部分	10,150
Between 1 and 5 years – non-current portion	一年至五年內 – 非即期部分	12,375
		22,525

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 26. OTHER BORROWINGS

#### 26. 其他借款

		Group		Company	
		本集團		本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Non-current</b>	<b>非即期</b>				
Obligations under finance leases	融資租賃承擔	1,193	1,769	-	-
		1,193	1,769	-	-
<b>Current</b>	<b>即期</b>				
Other loans	其他貸款	46,304	107,909	-	-
Obligations under finance leases	融資租賃承擔	576	1,055	-	-
Amount due to ultimate holding company	應付最終控股公司款項	278,631	58,413	278,631	58,413
		325,511	167,377	278,631	58,413
		326,704	169,146	278,631	58,413

At 31 March 2010 and 2009, the Group's and the Company's other borrowings were repayable as follows:

於二零一零年及二零零九年三月三十一日，本集團及本公司之其他借款須償還如下：

		Group			
		Obligations under		Other borrowings	
		finance leases		Other borrowings	
		融資租賃承擔		其他借款	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Within 1 year – current portion	一年內 – 即期部分	576	1,055	324,935	166,322
Between 1 and 2 years	一年至兩年內	607	576	-	-
Between 2 and 5 years	兩年至五年內	586	1,193	-	-
Non-current portion	非即期部分	1,193	1,769	-	-
		1,769	2,824	324,935	166,322

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 26. OTHER BORROWINGS (Continued)

#### 26. 其他借款 (續)

		Company 本公司	
		Other borrowings 其他借款	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 year – current portion	一年內 – 即期部分	278,631	58,413

The obligations under finance leases are effectively secured as the rights to the leased asset revert to the lessors in the event of default.

由於在違約情況下租賃資產將歸還予出租人，故融資租賃承擔實際上獲得抵押。

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
Finance lease liabilities	融資租賃負債		
– minimum lease payments:	– 最低租賃付款：		
Within 1 year	一年內	656	1,215
Between 1 and 5 years	一年至五年內	1,256	1,912
		1,912	3,127
Future finance charges on finance leases	融資租賃之未來財務費用	(143)	(303)
		1,769	2,824

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 26. OTHER BORROWINGS (Continued)

The effective annual interest rates at the balance sheet date were as follows:

	2010 二零一零年			2009 二零零九年		
	HK\$ 港元	RMB 人民幣	US\$ 美元	HK\$ 港元	RMB 人民幣	US\$ 美元
	Other loans 其他貸款	-	12.0%	-	12.0%	12.0%
Obligations under finance leases 融資租賃承擔	5.2%	-	-	5.2%	9.4%	-
Amount due to ultimate holding company 應付最終控股公司 款項	10.0%	-	10.0%	-	-	10.0%

#### 26. 其他借款 (續)

於資產負債表日之實際年利率如下：

The carrying amounts of the borrowings approximate their fair value.

借款之賬面值與其公平值相若。

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

借款之賬面值按以下貨幣計值：

		Group 本集團		Company 本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Hong Kong dollars 港元	221,887	52,255	220,118	-	
United States dollars 美元	58,513	58,413	58,513	58,413	
Renminbi 人民幣	46,304	58,478	-	-	
	<b>326,704</b>	169,146	<b>278,631</b>	58,413	



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 27. CONVERTIBLE NOTES AND DERIVATIVE FINANCIAL INSTRUMENT

On 29 August 2008, the Company entered into a subscription agreement with a third party subscriber to issue a two-year convertible note (“Convertible Notes”) in an aggregate amount of US\$15.0 million with an option granted to the subscriber to subscribe for the second tranche of the Convertible Notes in an aggregate amount of US\$23.0 million. On 9 September 2008, the Company issued the first tranche of the Convertible Notes with a face value of US\$15.0 million (equivalent to approximately HK\$117.1 million). The Convertible Notes can be converted into ordinary shares of the Company at any time after issuance at a conversion price of HK\$0.97 per ordinary share (subject to anti-dilutive adjustments) and bear interest at LIBOR plus 5% per annum. The noteholder has the right to put the Convertible Notes back to the Company after one and half year of issuance or the Company will be required to redeem the Convertible Notes upon maturity, i.e. two years after issuance. In either case, the noteholder will be entitled to a redemption amount representing a yield of 22% per annum. Details of the Convertible Notes can be referred to the Company’s announcements dated 24 July 2008 and 29 August 2008. No conversion has been made during the year. On 9 March 2010, the noteholder has exercised their redemption right and the Company has redeemed the Convertible Notes with a principal amount of US\$15.0 million, at a redemption amount of approximately US\$18.8 million (equivalent to approximately HK\$146.3 million).

The first tranche of the Convertible Notes was separated into the following components: a derivative component representing the option to subscribe for the second tranche of the Convertible Notes (the “Second Tranche Option”) and embedded derivatives consisting of a conversion option, a put option and other options (collectively the “ED Options”), and a liability component. During the year ended 31 March 2009, the Second Tranche Option was lapsed without exercised.

#### 27. 可換股票據及衍生財務工具

於二零零八年八月二十九日，本公司與一名第三方認購人訂立認購協議，向認購人發行總值15,000,000美元之兩年期可換股票據（「可換股票據」）連同授出可認購總值23,000,000美元之第二批可換股票據之選擇權。於二零零八年九月九日，本公司發行面值15,000,000美元（相等於約117,100,000港元）之第一批可換股票據。可換股票據於發行後可隨時按每股普通股0.97港元（可作出反攤薄調整）之兌換價兌換為本公司之普通股，並按年利率為倫敦銀行同業拆息另加5%計息。票據持有人有權於可換股票據發行起計一年半後將可換股票據售回予本公司，或本公司將須於可換股票據到期時（即發行後兩年）贖回可換股票據。在兩種情況下，票據持有人均有權收取相當於按年利率22%計算之收益之贖回金額。可換股票據詳情可參閱本公司於二零零八年七月二十四日及二零零八年八月二十九日之公告。年內並無進行兌換。於二零一零年三月九日，票據持有人已行使其贖回權利，而本公司亦已贖回本金額15,000,000美元之可換股票據，贖回金額約為18,800,000美元（相等於約146,300,000港元）。

第一批可換股票據分為以下部分：衍生工具部分（指認購第二批可換股票據之選擇權（「第二批票據認購權」）及內嵌式衍生工具（包括兌換選擇權、認沽選擇權及其他選擇權（統稱「內嵌式衍生工具選擇權」））及負債部分。截至二零零九年三月三十一日止年度，第二批票據認購權未獲行使並已失效。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 27. CONVERTIBLE NOTES AND DERIVATIVE FINANCIAL INSTRUMENT (Continued)

##### Embedded derivatives

###### *ED Options*

The ED Options was also recognized at fair value upon initial recognition, calculated using a Binomial Model by an external independent valuer, with any change in fair value recognized in the consolidated statement of comprehensive income in the period when the change occur.

The ED Options is included in the “Convertible notes” in the consolidated balance sheet.

##### Liability component

The liability component was the residual amount of proceeds after deducting the fair values of the Second Tranche Option and the ED Options at the date of issue of the Convertible Notes, and was subsequently measured at amortized cost.

Interest expense was calculated using the effective interest method by applying the effective interest rate of 58.5% to the adjusted liability component. Should the aforesaid derivative components not be separated out and the entire Convertible Notes be considered as the liability component, the effective interest rate would have been 21.7%.

The liability component is included in the “Convertible notes” in the consolidated balance sheet.

#### 27. 可換股票據及衍生財務工具 (續)

##### 內嵌式衍生工具

###### *內嵌式衍生工具選擇權*

內嵌式衍生工具選擇權亦已於初次確認時按公平值確認，有關公平值乃經按外聘獨立估值師採用二項式模型計算，公平值變動則於產生期間之綜合全面收益表內確認。

內嵌式衍生工具選擇權計入綜合資產負債表內之「可換股票據」。

##### 負債部分

負債部分為於扣除第二批票據認購權及內嵌式衍生工具選擇權於可換股票據發行日之公平值後之所得款項餘額，其後按攤銷成本列賬。

利息支出按實際利率法就經調整負債部分採用實際利率58.5%計算。倘上述衍生工具部分並非分開呈列，及將可換股票據整體視為負債部分，則實際利率應為21.7%。

負債部分計入綜合資產負債表內之「可換股票據」。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 27. CONVERTIBLE NOTES AND DERIVATIVE FINANCIAL INSTRUMENT (Continued)

#### Liability component (Continued)

The Convertible Notes recognized in the consolidated balance sheet was arrived at as follows:

### 27. 可換股票據及衍生財務工具 (續)

#### 負債部分 (續)

於綜合資產負債表確認之可換股票據如下：

		Group and Company 本集團及本公司	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
Liability component at 1 April 2009/date of issue	於二零零九年四月一日/ 發行當日之負債部分	75,146	61,878
Less: issuance costs	減：發行成本	-	(4,683)
Interest payments	利息付款	(5,101)	(4,385)
Interest expense	利息支出	72,747	21,453
Issuance costs amortized	已攤銷發行成本	3,353	1,301
Redemption payment	贖回付款	(146,317)	-
Exchange difference	匯兌差額	172	(418)
<b>Liability component at 31 March 2010/2009</b>	<b>於二零一零年/二零零九年 三月三十一日之負債部分</b>	<b>-</b>	<b>75,146</b>
ED Options at 1 April 2009/date of issue	於二零零九年四月一日/ 發行當日之內嵌式 衍生工具選擇權	5,252	27,809
Change in fair value	公平值變動	(5,252)	(22,436)
Exchange difference	匯兌差額	-	(121)
<b>ED Options at 31 March 2010/2009</b>	<b>於二零一零年/ 二零零九年三月三十一日之 內嵌式衍生工具選擇權</b>	<b>-</b>	<b>5,252</b>
<b>Carrying value of Convertible Notes at 31 March 2010/2009</b>	<b>於二零一零年/ 二零零九年三月三十一日之 可換股票據賬面值</b>	<b>-</b>	<b>80,398</b>

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 27. CONVERTIBLE NOTES AND DERIVATIVE FINANCIAL INSTRUMENT (Continued)

##### Liability component (Continued)

Details of the Second Tranche Option classified as 'Derivative financial instrument' are as follows:

		Group and Company 本集團及本公司	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
Second Tranche Option at 1 April 2009/date of issue	於二零零九年四月一日/ 發行當日之 第二批票據認購權	-	27,399
Option lapsed	認購權失效	-	(27,293)
Exchange difference	匯兌差額	-	(106)
Derivative component - Second Tranche Option at 31 March 2010/2009	於二零一零年/ 二零零九年三月三十一日 之衍生工具部分 - 第二批票據認購權	-	-

#### 27. 可換股票據及衍生財務工具 (續)

##### 負債部分 (續)

分類為「衍生財務工具」之第二批票據認購權詳情如下：

#### 28. DEFERRED TAX LIABILITIES

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. The offset amounts are as follows:

		Group 本集團	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
Deferred tax assets	遞延稅項資產	181	169
Deferred tax liabilities	遞延稅項負債	(181)	(169)
		-	-

#### 28. 遞延稅項負債

當有法定可執行權利可將即期稅項資產與即期稅項負債互相抵銷，而遞延所得稅資產與負債與應課稅實體或不同應課稅實體之同一徵稅機關所徵收之所得稅有關，且有意按淨額基準結算餘額時，即可將遞延稅項資產與負債互相抵銷。抵銷額如下：

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 28. DEFERRED TAX LIABILITIES (Continued)

The components of deferred tax assets/(liabilities) recognized in the consolidated balance sheet and the movements during the year are as follows:

#### 28. 遞延稅項負債 (續)

年內，綜合資產負債表所確認之遞延稅項資產／(負債)成份及其變動如下：

		Revaluation of investment properties/ accelerated depreciation allowances 投資 物業重估／ 加速折舊撥備 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2008	於二零零八年四月一日	(97,262)	9,671	(87,591)
Credited to consolidated statement of comprehensive income (Note 11)	計入綜合全面收益表 (附註11)	22,463	6,625	29,088
Disposal of subsidiaries	出售附屬公司	76,456	(16,328)	60,128
Exchange difference	匯兌差額	(1,826)	201	(1,625)
At 31 March 2009	於二零零九年 三月三十一日	(169)	169	-
(Charged)/Credited to consolidated statement of comprehensive income (Note 11)	(扣除自)／計入綜合 全面收益表 (附註11)	(12)	12	-
At 31 March 2010	於二零一零年 三月三十一日	(181)	181	-

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 28. DEFERRED TAX LIABILITIES (Continued)

Unrecognized deferred tax assets are as follows:

	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Unutilized tax losses	未動用之稅項虧損	40,843
Accelerated depreciation allowance	加速折舊撥備	458

At 31 March 2010, the deferred tax assets on the Group's and the Company's unutilized tax losses of approximately HK\$284,155,000 and HK\$120,654,000 (2009: HK\$220,584,000 and HK\$103,223,000) respectively, which can be carried forward against future taxable income, have not been recognized due to the unpredictability of future profit streams. Included in the Group's tax losses, HK\$202,464,000 (2009: HK\$167,552,000) has no expiry date and HK\$81,691,000 (2009: HK\$53,032,000) expire within five years under the current tax legislation of the respective jurisdictions. The Company's unutilized tax losses have no expiry date under the current tax legislation.

#### 28. 遞延稅項負債 (續)

未確認之遞延稅項資產如下:

	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Unutilized tax losses	53,829	40,843
Accelerated depreciation allowance	431	458
	<b>54,260</b>	<b>41,301</b>

於二零一零年三月三十一日，本集團及本公司擁有可結轉以抵銷日後應課稅收入之未動用稅項虧損分別約為284,155,000港元及120,654,000港元(二零零九年:220,584,000港元及103,223,000港元)，但因日後溢利來源不可預測，故尚未確認遞延稅項資產。根據各司法權區之現行稅務條例，在本集團稅項虧損中，202,464,000港元(二零零九年:167,552,000港元)並無屆滿日期，81,691,000港元(二零零九年:53,032,000港元)則於五年內到期。根據現行稅務條例，本公司之未動用稅項虧損並無屆滿日期。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 29. SHARE CAPITAL

### 29. 股本

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Authorized:	法定:		
4,000,000,000 ordinary shares of HK\$0.01 each	4,000,000,000股普通股， 每股面值0.01港元	40,000	40,000
Issued and fully paid:	已發行及繳足:		
1,529,600,200 ordinary shares of HK\$0.01 each	1,529,600,200股普通股， 每股面值0.01港元	15,296	15,296

#### Share option scheme

During the year ended 31 March 2008, 42,000,000 share options was granted under the Scheme with an exercise price of HK\$0.77 per share. The related weighted average closing price immediately before the date on which the share options were granted was HK\$0.77 per share.

The share options to subscribe for shares are exercisable as to:

- (i) For Directors or employees who have been employed for not less than two years immediately before date of grant:
  - (a) up to 20% immediately after date of grant;
  - (b) up to 46.7% immediately after 12 months from date of grant;
  - (c) up to 73.3% immediately after 24 months from date of grant; and
  - (d) up to 100% immediately after 36 months from date of grant.
- (ii) For Directors or employees who have been employed for less than two years immediately before date of grant:
  - (a) up to 33.3% immediately after 12 months from date of grant;
  - (b) up to 66.7% immediately after 24 months from date of grant; and
  - (c) up to 100% immediately after 36 months from date of grant.

#### 購股權計劃

於截至二零零八年三月三十一日止年度內，42,000,000份購股權根據計劃獲授出，行使價為每股0.77港元。緊接購股權獲授出日期前之相關加權平均收市價為每股0.77港元。

購股權可於下列時間行使以認購股份：

- (i) 就緊隨授出日期前已受僱不少於兩年之董事或僱員而言：
  - (a) 緊隨授出日期後最多達20%；
  - (b) 緊隨授出日期起計12個月後最多達46.7%；
  - (c) 緊隨授出日期起計24個月後最多達73.3%；及
  - (d) 緊隨授出日期起計36個月後最多達100%。
- (ii) 就緊隨授出日期前受僱少於兩年之董事或僱員而言：
  - (a) 緊隨授出日期起計12個月後最多達33.3%；
  - (b) 緊隨授出日期起計24個月後最多達66.7%；及
  - (c) 緊隨授出日期起計36個月後最多達100%。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 29. SHARE CAPITAL (Continued)

#### Share option scheme (Continued)

The fair value of share options granted during the year ended 31 March 2008 estimated using the Black-Scholes valuation model is HK\$0.2658 to HK\$0.2941 per share, which was based on valuation performed by an independent professional valuer, Grant Sherman Appraisal Limited. The calculation takes into account a share price of HK\$0.77 per share, exercise price of HK\$0.77 per share, a risk-free interest rate of 4.02% to 4.15%, a volatility of 42.34% to 50.62% with expected life for 2.5 to 4.0 years and no expected dividend.

None of the share options granted under the Scheme were exercised during the year ended 31 March 2010 and 2009. The related weighted average share price at the time of exercise during the year ended 31 March 2008 was HK\$0.80 per ordinary share. These shares rank pari passu with the existing shares of the Company.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

		2010 二零一零年		2009 二零零九年	
		Average exercise price in HK\$ per share 每股平均 行使價 (港元)	Number of share options 購股權 數目	Average exercise price in HK\$ per share 每股平均 行使價 (港元)	Number of share options 購股權 數目
At 1 April	於四月一日	0.77	29,800,000	0.77	34,400,000
Forfeited	沒收	0.77	(8,400,000)	0.77	(4,600,000)
At 31 March	於三月三十一日	0.77	21,400,000	0.77	29,800,000

Out of the 21,400,000 outstanding options (2009: 29,800,000), 15,093,000 (2009: 12,173,000) were exercisable. Share options outstanding at the end of the year will expire on 22 August 2012 with an exercise price of HK\$0.77 per share.

### 29. 股本 (續)

#### 購股權計劃 (續)

截至二零零八年三月三十一日止年度授出之購股權之公平值根據由獨立專業估值師中證評估有限公司進行之估值，採用柏力克-舒爾斯估值模式進行估計，介乎每股0.2658港元至0.2941港元。此計算採用股價每股0.77港元、行使價每股0.77港元、無風險利率4.02%至4.15%、波幅42.34%至50.62%及預計年期2.5至4.0年，並無預計股息。

截至二零一零年及二零零九年三月三十一日止年度，並無行使根據計劃授出之購股權。截至二零零八年三月三十一日止年度，於行使時相關之加權平均股價為每股普通股0.80港元。該等股份與本公司現有股份享有同等地位。

尚未行使購股權數目及彼等相關加權平均行使價之變動如下：

於21,400,000份(二零零九年：29,800,000份)尚未行使之購股權中，15,093,000份(二零零九年：12,173,000份)為可行使。年終尚未行使之購股權將於二零一二年八月二十二日屆滿，行使價為每股0.77港元。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 30. RESERVES

#### (a) The Group

		Share premium	Available- for-sale financial assets reserve 可供 出售財務 資產儲備	Employee share-based compensation reserve 以股份支付 之僱員 補償儲備	Exchange reserve 匯兌儲備	Retained earnings 保留溢利	Total 總額
		HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元
At 1 April 2008	於二零零八年四月一日	152,049	404	3,805	51,634	133,388	341,280
Release of exchange reserve on disposal of subsidiaries	因出售附屬公司 而解除匯兌儲備	-	-	-	(50,283)	-	(50,283)
Translation exchange difference	外匯換算差額	-	-	-	15,857	-	15,857
Employee share option benefits	僱員購股權福利	-	-	3,037	-	-	3,037
Transfer to retained earnings upon lapse of share options	於購股權失效時轉撥 至保留溢利	-	-	(146)	-	146	-
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-
Contribution from minority shareholders	少數股東出資	-	-	-	-	-	-
Net loss for the year	年內虧損淨額	-	-	-	-	(150,407)	(150,407)
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-
At 31 March 2009	於二零零九年三月三十一日	152,049	404	6,696	17,208	(16,873)	159,484
Translation exchange difference	外匯換算差額	-	-	-	1,228	-	1,228
Employee share option benefits	僱員購股權福利	-	-	382	-	-	382
Transfer to retained earnings upon lapse of share options	於購股權失效時轉撥 至保留溢利	-	-	(1,297)	-	1,297	-
Net loss for the year	年內虧損淨額	-	-	-	-	(154,281)	(154,281)
Issuance of preferred shares by a subsidiary (Note 25)	附屬公司發行 優先股 (附註25)	-	-	-	-	-	-
At 31 March 2010	於二零一零年 三月三十一日	152,049	404	5,781	18,436	(169,857)	6,813

### 30. 儲備

#### (a) 本集團

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 30. RESERVES (Continued)

##### (b) The Company

		Share premium	Employee share-based compensation reserve	Available-for-sale financial assets reserve	Retained earnings	Total
		股份溢價	以股份支付之僱員補償儲備	可供出售財務資產儲備	保留溢利	總額
		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
At 1 April 2008	於二零零八年四月一日	152,049	3,805	404	(2,855)	153,403
Employee share option benefits	僱員購股權福利	-	3,037	-	-	3,037
Transfer to retained earnings upon lapse of share options	於購股權失效時轉撥至保留溢利	-	(146)	-	146	-
Net profit for the year	年內溢利淨額	-	-	-	63,285	63,285
At 31 March 2009	於二零零九年三月三十一日	152,049	6,696	404	60,576	219,725
Employee share option benefits	僱員購股權福利	-	382	-	-	382
Transfer to retained earnings upon lapse of share options	於購股權失效時轉撥至保留溢利	-	(1,297)	-	1,297	-
Net loss for the year	年內虧損淨額	-	-	-	(102,297)	(102,297)
At 31 March 2010	於二零一零年三月三十一日	152,049	5,781	404	(40,424)	117,810

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

### 31. COMMITMENTS

#### (a) Operating lease commitments – where the Group is the lessee

At 31 March 2010 and 2009, the Group had commitments under non-cancellable operating leases in respect of rented premises, which fall due as follows:

	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Not later than 1 year 不超過一年	10,741	11,723
Later than 1 year and not later than 5 years 一年以上但不超過五年	837	11,074
	<b>11,578</b>	<b>22,797</b>

#### (b) Capital commitments

As at 31 March 2010, the Group has commitment in relation to acquisition of hotels to China Post Group, and the outstanding commitment amounted to RMB43.1 million (equivalent to approximately HK\$49.1 million) (2009: HK\$234.6 million). As disclosed in Note 33(b), the Group has entered into several termination agreements of four hotel properties on 25 June 2010. Following these terminations, the Group's commitment in relation to acquisition of hotels would be reduced to RMB12.1 million (equivalent to approximately HK\$13.7 million).

Other than those mentioned above, the Group has commitments in respect of refurbishment costs contracted but not recognized of HK\$5,560,000 and HK\$9,952,000 as at 31 March 2010 and 2009 respectively.

### 31. 承擔

#### (a) 經營租賃承擔—倘本集團為承租人

於二零一零年及二零零九年三月三十一日，本集團根據不可撤銷經營租賃須按以下年期支付之租賃物業之承擔如下：

	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
	10,741	11,723
	837	11,074
	<b>11,578</b>	<b>22,797</b>

#### (b) 資本承擔

於二零一零年三月三十一日，本集團有與向中國郵政集團收購酒店相關之承擔，及該應付承擔為人民幣43,100,000元（相等於約49,100,000港元）（二零零九年：234,600,000港元）。如附註33(b)所披露，本集團於二零一零年六月二十五日就四項酒店物業訂立多項終止協議。於終止後，本集團有關收購酒店之承擔減少至人民幣12,100,000元（相等於約13,700,000港元）。

除上述者外，於二零一零年及二零零九年三月三十一日，本集團有關翻新成本之已訂約但未確認承擔分別為5,560,000港元及9,952,000港元。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 32. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties during the year:

##### (a) Purchases of services

The Group has contracted with various related parties, which are corporations controlled by a Director, to provide management and administrative services to the Group. The service was terminated with effective from 1 May 2009. The management and administrative fee paid and payable for the year is HK\$20,000 (year ended 31 March 2009: HK\$249,000)

##### (b) Rental charges

The Group has entered into a tenancy agreement with the landlord, Smart Forward Services Limited, a corporation owned by a Director, to lease a residential unit at a monthly rent of HK\$55,000 effective from 15 May 2006 for a period of 2 years. The lease has been renewed on 13 May 2008 for further two years commencing on 15 May 2008 at a monthly rent of HK\$66,000. A rental deposit of HK\$132,000 has been placed with the landlord. The rental expense paid and payable for the year is HK\$792,000 (year ended 31 March 2009: HK\$775,000). The lease expired on 14 May 2010 and was not renewed.

##### (c) Interest expenses

During the year, the Group has interest expenses paid and payable to VXLCP amounting to HK\$10,523,000 for the loan as disclosed in Note 26 (year ended 31 March 2009: HK\$7,831,000).

#### 32. 關聯方交易

年內與關聯方進行之交易載列如下：

##### (a) 購買服務

本集團已與多名關聯方(由一名董事控制之公司)訂立合約,向本集團提供管理及行政管理服務。有關服務已由二零零九年五月一日起終止。年內,已付及應付之管理及行政管理費為20,000港元(截至二零零九年三月三十一日止年度:249,000港元)。

##### (b) 租金開支

本集團與業主Smart Forward Services Limited(由一名董事擁有之公司)訂立一項租賃協議,以月租55,000港元租賃一個住宅單位,租期由二零零六年五月十五日起計為期兩年。租賃已於二零零八年五月十三日續約兩年,自二零零八年五月十五日開始,月租為66,000港元。本集團已向業主支付租金按金132,000港元。年內,已付及應付之租金開支為792,000港元(截至二零零九年三月三十一日止年度:775,000港元)。租賃已於二零一零年五月十四日到期,且未有續期。

##### (c) 利息開支

年內,本集團就附註26所披露之貸款已付及應付予VXLCP之利息開支為10,523,000港元(截至二零零九年三月三十一日止年度:7,831,000港元)。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 32. RELATED PARTY TRANSACTIONS (Continued)

##### (d) Key management compensation

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Directors' fee	董事袍金	341	227
Salaries and other short-term employee benefits	薪金及其他短期僱員 福利	10,614	41,639
Employee share option benefits	僱員購股權福利	361	1,096
Pension costs – Mandatory Provident Fund	退休金成本 – 強制性公積金	26	36
		<b>11,342</b>	<b>42,998</b>

#### 33. SUBSEQUENT EVENTS

- (a) On 7 June 2010, U Inns & Hotel (Si Chuan) Limited, an indirect wholly-owned subsidiary of the Company, has entered into an agreement with a third party to dispose of the hotel property located in Daying, Sichuan province for a consideration of RMB22.0 million (equivalent to approximately HK\$25.0 million). The profit on disposal is estimated to be approximately HK\$5.5 million.

#### 32. 關聯方交易(續)

##### (d) 主要管理層酬金

#### 33. 結算日後事項

- (a) 於二零一零年六月七日，你的客棧酒店(四川)有限公司(本公司之間接全資附屬公司)與一名第三方訂立協議，出售位於四川省大英縣之酒店物業，代價為人民幣22,000,000元(相等於約25,000,000港元)。出售溢利估計約為5,500,000港元。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

#### 33. SUBSEQUENT EVENTS (Continued)

- (b) On 25 June 2010, the Group has entered into several termination agreements with the respective vendors of four hotel properties located in Linzhi, Tibet Autonomous Region, and Longnan, Dunhuang, and Dingxi in Gansu province. The consideration for these four hotels amounted to RMB74.3 million (equivalent to approximately HK\$84.5 million). The deposits paid by the Group for these four hotels amounted to HK\$55.0 million, of which HK\$5.4 million provision for impairment has been made as at 31 March 2010. The remaining deposits will be returned to the Group by end of August 2010. Upto the date of this report, RMB4.9 million (equivalent to approximately HK\$5.6 million) has been returned.

#### 34. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements on pages 39 to 133 were approved by the Board on 21 July 2010.

#### 33. 結算日後事項 (續)

- (b) 於二零一零年六月二十五日，本集團分別與位於西藏自治區林芝地區以及甘肅省隴南市、敦煌市及定西市之四項酒店物業之賣方訂立多項終止協議。該四間酒店之代價為人民幣74,300,000元（相等於約84,500,000港元）。本集團已就該四間酒店支付按金55,000,000港元，其中5,400,000港元已於二零一零年三月三十一日提撥減值撥備。按金餘額將於二零一零年八月底前退還予本集團。截至本報告日期，人民幣4,900,000元（相等於約5,600,000港元）已經退還。

#### 34. 批准綜合財務報表

董事會已於二零一零年七月二十一日批准載於年報第39頁至第133頁之綜合財務報表。

# Glossary

## 詞彙

“112 Apartments” 「壹一寓」	The property situated at 112 Chun Yeung Street, North Point, Hong Kong 位於香港北角春秧街112號之物業
“AGM(s)” 「股東周年大會」	Annual General Meetings of the Company 本公司的股東周年大會
“Articles of Association” 「《組織章程細則》」	The Articles of Association of the Company 本公司的《組織章程細則》
“Associate(s)” 「聯繫人士」	Has the meaning ascribed to it in the Listing Rules unless otherwise specified in the financial statements 具備《上市規則》所賦予的涵義，財務報表內另有界定的涵義則除外
“Board” 「董事會」	The board of Directors 董事會
“CG Code” 「《企業管治守則》」	Code of Corporate Governance Practices as set out in Appendix 14 to the Listing Rules 《上市規則》附錄十四所載的《企業管治常規守則》
“Changshou Properties” 「長壽物業」	The North Block and South Block of the property development known as Changshou Commercial Plaza situated in the Putuo District in Shanghai, the PRC. 位於中國上海普陀區名為長壽商業廣場的北座及南座物業發展項目
“Company” or “VXL Capital” 「本公司」或「卓越金融」	VXL Capital Limited 卓越金融有限公司
“Companies Ordinance” 「《公司條例》」	The Companies Ordinance, Chapter 32 of the Laws of Hong Kong, as amended from time to time. 香港法例第三十二章的《公司條例》（經不時修訂）
“Directors” 「董事」	Directors of the Company 本公司的董事
“Group” 「本集團」	The Company and its subsidiaries 本公司及其附屬公司
“HK\$” 「港元」	Hong Kong dollars, the lawful currency of Hong Kong 港元，香港的法定貨幣

## Glossary (Continued)

### 詞彙 (續)

“HKICPA” 「香港會計師公會」	Hong Kong Institute of Certified Public Accountants 香港會計師公會
“Hong Kong” 「香港」	The Hong Kong Special Administrative Region of the PRC 中華人民共和國香港特別行政區
“Listing Rules” 「《上市規則》」	The Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time 由聯交所刊發的《香港聯合交易所有限公司證券上市規則》(經不時修訂)
“Model Code” 「《標準守則》」	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules 《上市規則》附錄十的《上市發行人董事進行證券交易的標準守則》
“RQN Committee” 「RQN委員會」	Remuneration, Quality and Nomination Committee 薪酬、素質及提名委員會
“PRC” 「中國」	The Peoples’ Republic of China 中華人民共和國
“RMB” or “Renminbi” 「人民幣」	Renminbi, the lawful currency of the PRC 人民幣，中國法定貨幣
“SFO” 「《證券及期貨條例》」	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time 香港法例第五百七十一章的《證券及期貨條例》(經不時修訂)
“Shares” 「股份」	Ordinary share(s) of HK\$0.01 each in the share capital of the Company 本公司股本中每股面值0.01港元的普通股份
“Scheme” 「計劃」	The share option scheme adopted by the Company at AGM held on 3 June 2005 本公司於二零零五年六月三日舉行之股東周年大會上採納的購股權計劃
“Shareholder(s)” 「股東」	Holder(s) of Share(s) 股份持有人
“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司



## Glossary (Continued)

### 詞彙 (續)

“Substantial Shareholder(s)” 「主要股東」	Has the meaning ascribed to in Schedule I to the SFO 具備《證券及期貨條例》附表一所賦予的涵義
“VXLCPL” 「VXLCPL」	VXL Capital Partners Corporation Limited, a company incorporated in the British Virgin Islands and a controlling Shareholder of the Company 成立於英屬處女群島名為VXL Capital Partners Corporation Limited的公司及本公司的 控股股東
“Warrants” 「認股權證」	Listed warrants of the Company (Stock Code : 831) 本公司之上市認股權證 (股份代號 : 831)

## Financial Summary

### 財務摘要

The following is a summary of the consolidated results of the Group for the last five financial periods.

本集團於最近五個財政期間之綜合業績概述如下。

		1/1/2005 to 31/12/2005 1/1/2005至 31/12/2005 HK\$'000 千港元	1/1/2006 to 31/3/2007 1/1/2006至 31/3/2007 HK\$'000 千港元	1/4/2007 to 31/3/2008 1/4/2007至 31/3/2008 HK\$'000 千港元	1/4/2008 to 31/3/2009 1/4/2008至 31/3/2009 HK\$'000 千港元	1/4/2009 to 31/3/2010 1/4/2009至 31/3/2010 HK\$'000 千港元
Turnover	營業額	11,819	33,939	23,976	(10,105)	<b>2,329</b>
Profit/(loss) before taxation	除稅前溢利/ (虧損)	9,860	52,337	34,449	(180,163)	<b>(154,278)</b>
Taxation (charge)/credit	稅項(支出)/抵免	(5,793)	11,207	(26,885)	29,087	<b>(3)</b>
Profit/(loss) for the year	年內溢利/(虧損)	4,067	63,544	7,564	(151,076)	<b>(154,281)</b>

The following is a summary of the total assets and liabilities of the Group as at 31 December 2005, and 31 March 2007, 2008, 2009 and 2010.

本集團於二零零五年十二月三十一日以及二零零七年、二零零八年、二零零九年及二零一零年三月三十一日之資產及負債總額概述如下。

		31/12/2005 HK\$'000 千港元	31/3/2007 HK\$'000 千港元	31/3/2008 HK\$'000 千港元	31/3/2009 HK\$'000 千港元	31/3/2010 HK\$'000 千港元
Total assets	資產總額	300,505	994,971	1,480,957	521,741	<b>589,758</b>
Total liabilities	負債總額	(106,993)	(695,570)	(1,124,381)	(346,961)	<b>(444,285)</b>
Total equity	權益總值	193,512	299,401	356,576	174,780	<b>145,473</b>

# Shareholders' Information

## 股東資料

### ANNUAL GENERAL MEETING

The 2010 AGM will be held on Thursday, 16 September 2010 at 2:30 p.m. at Suite 2707-8, One Exchange Square, 8 Connaught Place, Central, Hong Kong. Details of the 2010 AGM are set out in the Notice of 2010 AGM sent to the Shareholders together with a proxy form along with this Annual Report.

### SHARE-RELATED SERVICES

For enquires about share transfer and registration, please contact the Company's Share Registrars:-

Name: Computershare Hong Kong Investor Services Limited  
Address: Shops 1712-16, 17th Floor, Hopewell Centre,  
183 Queen's Road East, Wanchai, Hong Kong.  
Telephone: +852 2862 8628  
Facsimile: +852 2529 6087

### INVESTOR INFORMATION

Corporate press releases, financial reports and other investor information of the Company are available online at the Company's website, <http://www.vxlcapital.com>.

#### FINANCIAL CALENDER 2010

Announcement of 2009-10 final results	21 July 2010
2010 AGM	16 September 2010
Announcement of 2010-11 interim results	November 2010

### COMPANY'S MARKET CAPITALIZATION

HK\$512.4 million as at year end, based on closing price of HK\$0.335 per Share on 31 March 2010.

### 股東周年大會

二零一零年股東周年大會謹訂於二零一零年九月十六日(星期四)下午二時三十分假座香港中環康樂廣場八號交易廣場一期二七零七至八室舉行。二零一零年股東周年大會詳情已載於二零一零年股東周年大會通告,該通告及代表委任表格連同本年報一併寄發給股東。

### 股份相關服務

有關股份過戶及登記事宜,請聯絡本公司的股份過戶登記處:-

名稱: 香港中央證券登記有限公司  
地址: 香港灣仔皇后大道東183號合和中心  
十七樓一七一二至一六室  
電話: +852 2862 8628  
傳真: +852 2529 6087

### 投資者資料

公司新聞稿、財務報告及其他投資者資料均可於本公司網址(<http://www.vxlcapital.com>)閱覽。

### 二零一零年財務日誌

公布二零零九至二零一零年 全期業績	二零一零年 七月二十一日
二零一零年股東周年大會	二零一零年九月十六日
公布二零一零至二零一一年 中期業績	二零一零年十一月

### 本公司市值

按二零一零年三月三十一日每股收市價0.335港元計算,於年度結束日之市值為512,400,000港元。

## **BOARD OF DIRECTORS**

### **Executive Directors**

Datuk LIM Chee Wah (*Chairman*)  
Mr. Percy ARCHAMBAUD-CHAO  
(*Group President and Chief Executive Officer*)  
Mr. XIAO Huan Wei

### **Independent Non-executive Directors**

Mr. Alan Howard SMITH, J.P.  
Dr. Allen LEE Peng Fei, J.P.  
Mr. David YU Hon To

## **EXECUTIVE COMMITTEE**

Mr. Percy ARCHAMBAUD-CHAO (*Chairman*)  
Datuk LIM Chee Wah  
Mr. XIAO Huan Wei

## **AUDIT COMMITTEE**

Mr. David YU Hon To (*Chairman*)  
Mr. Alan Howard SMITH, J.P.  
Dr. Allen LEE Peng Fei, J.P.

## **REMUNERATION, QUALITY AND NOMINATION COMMITTEE**

Dr. Allen LEE Peng Fei, J.P. (*Chairman*)  
Mr. Percy ARCHAMBAUD-CHAO  
Mr. Alan Howard SMITH, J.P.  
Mr. David YU Hon To

## **COMPANY SECRETARY**

Mr. WONG Wing Cheong

## **董事會**

### **執行董事**

拿督林致華 (*主席*)  
趙世雄先生  
(*集團總裁及行政總裁*)  
肖煥偉先生

### **獨立非執行董事**

史亞倫太平紳士  
李鵬飛博士太平紳士  
俞漢度先生

## **執行委員會**

趙世雄先生 (*主席*)  
拿督林致華  
肖煥偉先生

## **審核委員會**

俞漢度先生 (*主席*)  
史亞倫太平紳士  
李鵬飛博士太平紳士

## **薪酬、素質及提名委員會**

李鵬飛博士太平紳士 (*主席*)  
趙世雄先生  
史亞倫太平紳士  
俞漢度先生

## **公司秘書**

黃榮昌先生

## Corporate Information (Continued)

### 公司資料 (續)

#### REGISTERED OFFICE

Suite 2707-8, One Exchange Square  
8 Connaught Place  
Central  
Hong Kong

#### SHARE REGISTRARS AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Shops 1712-16, 17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

#### AUDITOR

PricewaterhouseCoopers  
33rd Floor, Cheung Kong Center  
2 Queen's Road Central  
Hong Kong

#### PRINCIPAL BANKERS

Bank of China Limited  
Industrial and Commercial Bank of China Limited  
The Hongkong and Shanghai Banking Corporation Limited

#### LISTING INFORMATION

The Stock Exchange of Hong Kong Limited  
Ordinary Shares (Stock Code: 727)

#### WEBSITES

VXL Capital Limited  
<http://www.vxlcapital.com>

U-Inn Hotels  
<http://www.uinns.cn>

#### 註冊辦事處

香港  
中環  
康樂廣場八號  
交易廣場一期二七零七至八室

#### 股份過戶登記處

香港中央證券登記有限公司  
香港  
灣仔  
皇后大道東一百八十三號  
合和中心十七樓一七一二至一六室

#### 核數師

羅兵咸永道會計師事務所  
香港  
中環皇后大道中二號  
長江集團中心三十三樓

#### 主要往來銀行

中國銀行股份有限公司  
中國工商銀行股份有限公司  
香港上海滙豐銀行有限公司

#### 上市資料

香港聯合交易所有限公司  
普通股 (股份代號: 727)

#### 網址

卓越金融有限公司  
<http://www.vxlcapital.com>

卓安酒店  
<http://www.uinns.cn>

