

# VXL CAPITAL LIMITED

卓越金融有限公司

(Stock Code 股份代號: 727)



## 2011/2012

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 2012 ("FY2012").

### FINANCIAL PERFORMANCE REVIEW

For the year under review, the Group's operating hotel located in Xiangfan, Hubei province contributed hotel rental income and food & beverage ("F&B") revenue of HK\$3.5 million and HK\$0.4 million, respectively, compared with the last financial year ("FY2011") of HK\$4.0 million of hotel rental income, and HK\$0.4 million of F&B revenue.

The Group's office building located in Yingkou, Liaoning province commenced its leasing operations in May 2011, and contributed office rental income of HK\$2.4 million.

During the year, two hotel properties located in the cities of Renshou and Suining in the Sichuan province were disposed for a total consideration of RMB33.4 million (equivalent to HK\$41.2 million), and realized a net gain of HK\$3.3 million. The Company has also disposed of the remaining 5% equity holding of an investment for a total consideration of RMB43.7 million (equivalent to approximately HK\$53.8 million), and realized a gain of HK\$21.9 million.

The Group continued to streamline its human resource, which resulted in further decrease in staff costs, from HK\$17.2 million in FY2011 to HK\$13.5 million in FY2012 and coupled with a write-back of a provision for bonus of HK\$5.5 million, the Group recorded net staff costs of HK\$8.0 million. Other operating costs have also decreased from HK\$33.3 million last year to HK\$28.3 million in FY2012.

致列位股東：

本人謹此向股東提呈本集團截至二零一二年三月三十一日止財政年度（「二零一二年財政年度」）之全年業績。

### 財務表現回顧

回顧本年度，本集團位於湖北省襄樊市營運之酒店分別錄得酒店租金收入及餐飲（「餐飲」）收益3,500,000港元及400,000港元。上述酒店於上個財政年度（「二零一一年財政年度」），分別錄得酒店租金收入及餐飲收益4,000,000港元及400,000港元。

本集團位於遼寧省營口市的辦公大樓，於二零一一年五月開展租賃業務，提供辦公室租金收入2,400,000港元。

年內，本集團出售四川省仁壽市及遂寧市的兩個酒店物業，總代價為人民幣33,400,000元（相當於41,200,000港元），並錄得收益淨額3,300,000港元。本公司亦已出售一個投資項目的餘下5%股權，總代價為人民幣43,700,000元（相當於約53,800,000港元），並錄得收益21,900,000港元。

本集團繼續精簡人手，令員工成本由二零一一年財政年度的17,200,000港元，進一步下跌至二零一二年財政年度的13,500,000港元，連同撥回花紅儲備5,500,000港元，本集團錄得員工成本淨額8,000,000港元。其他經營成本亦由去年的33,300,000港元，下跌至二零一二年財政年度的28,300,000港元。

# Chairman's Statement (Continued)

## 主席報告 (續)

For FY2012, the Group recorded a net loss attributable to equity holders of the Company of HK\$52.4 million (FY2011: HK\$66.4 million). Total comprehensive loss attributed to equity holders of the Company decreased to HK\$26.5 million due to the gain on property revaluation surplus and currency translation differences (FY2011: HK\$48.8 million).

The Board does not recommend the payment of final dividend for the financial year ended 31 March 2012.

### BUSINESS REVIEW AND CORPORATE DEVELOPMENT

The Group maintains its strategies of developing its properties into budget hotels or commercial offices for leasing or sales, or, when appropriate, outright sale. The Group will continue its efforts to add value to its assets by seeking appropriate joint ventures or partnership with companies in the hospitality, tourism and property industries or companies with investment interests in these industries.

#### Budget Hotels in the PRC

As noted above, two properties were disposed in November 2011 and recorded a gain on disposal of HK\$3.3 million.

Other than those mentioned above, the Group has commitments in respect of refurbishment costs contracts but not provided for HK\$5.0 million and HK\$6.7 million as at 31 March 2012 and 30 September 2011 respectively.

#### Yingkou office building

The major renovation work on the property in Yingkou, Liaoning province was completed at the end of June 2011. The Group has leased the lower floors of the building to CITIC Bank, which commenced business in July 2011. By April 2012, the Group has secured the leasing of all the remaining floors. Total yearly rental income of the building is approximately HK\$4.5 million.

於二零一二年財政年度，本集團錄得本公司權益持有人應佔虧損淨額52,400,000港元（二零一一年財政年度：66,400,000港元）。由於錄得物業重估盈餘收益及外幣換算差額，本公司權益持有人應佔全面虧損總額減至26,500,000港元（二零一一年財政年度：48,800,000港元）。

董事會不建議就截至二零一二年三月三十一日止財政年度派發末期股息。

### 業務回顧及企業發展

本集團秉承其一貫策略，將物業發展為經濟型酒店或商用辦公樓，供租賃或銷售或（在適當時機下）全面出售。本集團將繼續致力透過尋求與從事酒店、旅遊及物業行業或有意投資於該等行業之公司建立合適之合營公司或合作夥伴關係，為其資產增值。

#### 於中國之經濟型酒店

如上文所指，本集團已於二零一一年十一月出售兩項物業，並錄得出售盈利3,300,000港元。

除上述者外，於二零一二年三月三十一日及二零一一年九月三十日，本集團有關翻新成本之已訂約但未撥備之承擔分別為5,000,000港元及6,700,000港元。

#### 營口辦公大樓

遼寧省營口市物業的大型翻新工程，已於二零一一年六月底完成。本集團將大樓的較低樓層租予中信銀行，而該行已於二零一一年七月展開業務。於二零一二年四月，本集團已落實其餘所有樓層的租賃。大樓每年帶來的租金收入總額約為4,500,000港元。

## Chairman's Statement (Continued)

### 主席報告 (續)

The Yingkou building was revalued as at 31 March 2012 from HK\$72.6 million to HK\$93.7 million, resulted in a revaluation surplus of HK\$20.1 million before deferred tax. The net revaluation surplus of HK\$12.0 million was included in "Other comprehensive income" in the consolidated statement of comprehensive income.

### PROSPECTS

The economy of the PRC has grown by 9.2% in 2011 and is projected to grow by around 8% in 2012. Though China is slowing down in economic developments speed, its government has implemented a series of supporting policies for small & medium sized enterprises, entrepreneurial and innovation enterprises, such as credit supports, tax breaks and lowering the threshold for investment access etc, and has encouraged individuals to set up small enterprises. The demand of medium sized offices buildings by small & medium sized enterprises especially the entrepreneurial enterprises is increasing. According to the current 12th Five-Year-Plan, the China's government will actively develop the tourism industry. The Group believes that its investment in leasing and sale of budget hotels and commercial offices will avail itself of the economic developments in China.

### 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: 22 June 2012

經重新估價後，於二零一二年三月三十一日，營口大樓的價值由72,600,000港元增至93,700,000港元，帶來除遞延稅項前重估盈餘20,100,000港元。重估盈餘淨額12,000,000港元，已計入綜合全面收益表「其他全面收入」一項內。

### 展望

中國經濟於二零一一年增長9.2%，預期於二零一二年將增長約8%。即使中國的經濟發展速度有所放緩，惟中國政府已實施一系列扶助政策，支援中小型企業、創業型及創新型企業，譬如信貸援助、稅務寬免及降低投資門檻等，當局亦鼓勵民眾成立小型企業。中小企（尤其是創業型企業）對中型辦公樓的需求不斷增加。根據目前推行的十二五規劃，中國政府將大力發展旅遊業。本集團相信，對經濟型酒店及商用辦公樓租賃及銷售業務的投資，有助本集團把握中國經濟發展的機遇。

### 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，二零一二年六月二十二日

## **FINANCIAL PERFORMANCE REVIEW**

### **Turnover**

The Group recorded a turnover for the year in the amount of HK\$6.4 million (FY2011: HK\$4.4 million). Current year turnover comprised rental income, hotel rental income and F&B revenue of HK\$2.5 million, HK\$3.5 million and HK\$0.4 million respectively. For FY2011, where the office rental operations were not yet commenced, hotel rental income and F&B revenue were HK\$4.0 million and HK\$0.4 million respectively.

### **Other gain**

The Group recorded a net gain of HK\$32.4 million (FY2011: HK\$4.3 million) comprising disposal of non-current assets of HK\$31.8 million and a depreciation written back of HK\$0.6 million resulted from the termination of acquisition of a hotel property located in Weihai, Shandong province in July 2011.

### **Staff costs**

Staff costs decreased significantly from HK\$17.2 million to HK\$13.5 million during the year due to cost control measures undertaken by the management coupled with a decrease in operating activities in line with the Group's re-positioning of its strategies. There were written back of the provision for bonus of HK\$5.5 million and HK\$23.6 million in FY2012 and FY2011 respectively.

### **Other operating expenses**

Other operating expenses which are of recurring nature comprise mainly office rentals and other corporate expenses related to on-going corporate activities. Other operating expenses have decreased significantly from HK\$33.3 million last year to HK\$28.3 million this year mainly due to reduction in recurring costs and offset by increase in legal and professional fees.

## **財務表現回顧**

### **營業額**

本集團本年度之營業額為6,400,000港元(二零一一年財政年度: 4,400,000港元)。本年度之營業額分別包括租金收入2,500,000港元、酒店租金收入3,500,000港元及餐飲收益400,000港元。辦公室租賃業務於二零一一年財政年度尚未開展,而二零一一年財政年度之酒店租金收入及餐飲收益分別為4,000,000港元及400,000港元。

### **其他盈利**

本集團錄得盈利淨額32,400,000港元(二零一一年財政年度: 4,300,000港元),當中包括出售非流動資產31,800,000港元及折舊撥回600,000港元,主要因為於二零一一年七月終止收購位於山東省威海市的酒店物業。

### **僱員成本**

僱員成本於年內由17,200,000港元大幅減少至13,500,000港元,乃由於管理層實施成本控制措施及配合本集團重新部署其策略而減少經營活動所致。於二零一二年財政年度及二零一一年財政年度的回撥花紅撥備分別為5,500,000港元及23,600,000港元。

### **其他經營開支**

其他經營開支屬經常性質,主要包括辦公室租金及與企業發展活動相關之其他企業開支。其他經營開支由去年33,300,000港元大幅減少至本年度28,300,000港元,主要是由於經常性成本減少與法律及專業費增加互相抵銷所致。

# Directors' Commentaries (Continued)

## 董事討論 (續)

### Finance costs

The Group has obtained further loan from its principal shareholder in FY2011. This has resulted in a significant increase in finance costs from HK\$41.3 million to HK\$48.6 million in the current year.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group maintained total bank and cash balances of HK\$125.1 million as at 31 March 2012. 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.

As at 31 March 2012, the Group had amount due to ultimate holding company and other loans totaling HK\$441.1 million due within 1 year, and obligations under finance leases of HK\$0.6 million maturing within 1 year.

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 at 31 March 2012, the gearing ratio was 453.0% (FY2011: 333.2%). The increase in the gearing ratio over the two financial years was mainly due to a smaller total equity coupled with additional loans from the ultimate holding company. Subsequent to the year end, the management has obtained agreements by the lenders to extend over one year the repayment of short-term borrowings totaling HK\$441.1 million. During the year, the group has received HK\$107.6 million from its disposal of certain hotel properties and available-for-sale financial assets.

Together with the continuous financial support from the ultimate holding company, the management is confident that by executing its plans the Group is able to meet its obligations.

### 融資成本

於二零一一年財政年度，本集團已從其主要股東獲取進一步貸款。融資成本因而於年內由41,300,000港元大幅增加至48,600,000港元。

## 流動資金、財務資源及資本架構

本集團於二零一二年三月三十一日之總銀行及現金結餘為125,100,000港元。現金存款以美元、港元及人民幣存款形式存放於香港及中國多家大型銀行。

於二零一二年三月三十一日，本集團應付最終控股公司之款項及其他貸款合共441,100,000港元（須於一年內償還）及融資租賃承擔為600,000港元（於一年內到期）。

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。於二零一二年三月三十一日，資產負債比率為453.0%（二零一一年財政年度：333.2%）。兩個財政年度之資產負債比率增加主要是由於權益總額減少及向最終控股公司增加借款所致。於本年度結算日後，管理層已獲貸款人同意將總額441,100,000港元之若干短期借款的還款期延長超過一年。年內，集團已收取107,600,000港元，款項來自出售若干酒店物業及可供出售金融資產。

管理層深信，通過執行彼等之計劃，加上得到最終控股公司持續提供財務支援，本集團定可履行債務。

### EMPLOYMENT AND REMUNERATION POLICY

As at 31 March 2012, the Group had a total of 92 employees (31 March 2011: 120 employees), including Executive Directors. 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 Group 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.

### LITIGATION

On 18 May 2012, VXL Management Services Limited ("VXLMS"), a wholly owned subsidiary of the Company, and the former Chief Executive Officer entered into a deed of settlement, pursuant to which both parties agreed to settle the claim filed in the Labour Tribunal on 4 October 2011 by paying approximately HK\$1.0 million. The payment was made on 23 May 2012.

On 17 May 2011, VXLMS as plaintiff issued a writ of summon in Hong Kong against Shanghai Huayang Saili Enterprise Development Co., Ltd. (上海華揚賽利實業發展有限公司) ("Huayang") in respect of a claim for an overdue loan in the amount of RMB10.0 million. On 4 June 2012, VXLMS and Huayang entered into a deed of settlement, pursuant to which Huayang agreed to pay VXLMS a settlement amount of RMB4.5 million by 2 instalments on or before 4 August 2012. The first instalment of RMB0.5 million was made on 14 June 2012. Upon receipt of the second instalment, VXLMS will execute a consent order dismissing the proceedings and reverse a provision in respect of the claim in the amount of HK\$4.1 million which has been made in the consolidated financial statements of the Group for the year ended 31 March 2012.

### 僱員及薪酬政策

於二零一二年三月三十一日，本集團合共有九十二名（二零一一年三月三十一日：一百二十名）僱員，包括執行董事。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集團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。

### 訴訟

於二零一二年五月十八日，本公司全資附屬公司卓越管理服務有限公司（「卓越管理」）與前行政總裁訂立和解契約，據此雙方同意透過支付約1,000,000港元之款項，解決二零一一年十月四日入稟勞資審裁處的索償。該款項於二零一二年五月二十三日支付。

於二零一一年五月十七日，卓越管理（作為原告）於香港對上海華揚賽利實業發展有限公司（「華揚」）發出傳訊令狀，內容有關就逾期貸款人民幣10,000,000元提出之索償。於二零一二年六月四日，卓越管理與華揚訂立和解契約，據此華揚同意於二零一二年八月四日或之前，分兩期向卓越管理支付人民幣4,500,000元之和解款項。第一次分期支付之款項人民幣500,000元於二零一二年六月十四日支付。待收取第二次分期付款後，卓越管理將簽立在同意下作出的命令，終止法律程序，同時撥回在本集團截至二零一二年三月三十一日止年度之綜合財務報表就有關是項索償計提之撥備，金額為4,100,000港元。



## Profiles of Directors

### 董事簡歷

#### BOARD OF DIRECTORS

##### Executive Directors

**Datuk LIM Chee Wah**, *Chairman, member of the EC <sup>(1)</sup> and member of the RQNC <sup>(3)</sup>*

Aged 57. Datuk Lim was appointed as the Chairman and Executive Director on 27 April 2004. He was the Group Chief Executive Officer, Group President and the Chairman of EC <sup>(1)</sup> during the period from 1 August 2010 to 2 July 2012. 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 Genting Plantations Berhad (formerly known as “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, Genting Plantations Berhad and Dataprep Holdings Berhad are all listed on Main Market of Bursa Malaysia, and Asia Financial Holdings Limited on the Main Board of the Stock Exchange. Datuk Lim is a director and beneficial shareholder of VXL Capital Partners Corporation Limited (“VXLCPL”) and is also an ultimate beneficial owner of Huge More Limited (“Huge More”) from 7 May 2010, both VXLCPL and Huge More are substantial shareholders of the Company under the SFO.

#### 董事會

##### 執行董事

拿督林致華主席、執行委員會成員以及RQN委員會成員

五十七歲，林拿督於二零零四年四月二十七日獲委任為主席及執行董事。彼由二零一零年八月一日至二零一二年七月二日期間為集團行政總裁、集團總裁及執行委員會主席。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Genting Plantations Berhad (前稱「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、Genting Plantations Berhad及Dataprep Holdings Berhad均於馬來西亞交易所(Main Market of Bursa Malaysia)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VXL Capital Partners Corporation Limited (「VXLCPL」)的董事及實益股東，及於二零一零年五月七日亦為Huge More Limited (「Huge More」)之最終實益擁有人，根據《證券及期貨條例》，VXLCPL及Huge More兩間公司為本公司的主要股東。

## Profiles of Directors (Continued)

### 董事簡歷 (續)

**Mr. XIAO Huan Wei**, *Group President, Group Chief Executive Officer and Chairman of the EC* <sup>(1)</sup>

Aged 54. Mr. Xiao is the member – China of the Group since July 2006 and was appointed as an Executive Director on 25 July 2008. He was appointed the Group President, Group Chief Executive Officer and the Chairman of EC <sup>(1)</sup> on 3 July 2012. He was also appointed as the Acting Chief Executive Officer of U-Inn Group on 31 March 2010. Mr. Xiao has over 25 years professional experience in business investment, operation and management in 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.

### Independent Non-executive Directors

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

Aged 68. Mr. Smith was appointed an Independent Non-executive Director on 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 26 years of investment banking experience in Asia. Mr. Smith is an Independent Non-executive Director of a number of listed companies including, Kingway Brewery Holdings Limited, Genting Hong Kong Limited (formerly known as "Star Cruises Limited") and Wheelock and Company Limited which are listed on the Stock Exchange; Noble Group Limited which is listed on Singapore Exchange Securities Trading Limited; Asian Credit Hedge Fund Ltd., which is listed on The Irish 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.

肖煥偉先生，集團總裁、集團行政總裁及執行委員會主席

五十四歲，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。彼於二零一二年七月三日獲委任為集團總裁、集團行政總裁及執行委員會主席。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。肖先生擁有逾二十五年於中國企業投資、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。

### 獨立非執行董事

史亞倫太平紳士審核委員會及RQN委員會成員

六十八歲，史先生於二零零四年四月二十七日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。史先生擁有逾二十六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金威啤酒集團有限公司\*、雲頂香港有限公司\* (前稱「麗星郵輪有限公司」) 及會德豐有限公司；於新加坡證券交易所有限公司(Singapore Exchange Securities Trading Limited)上市的李博集團有限公司；於愛爾蘭證券交易所(The Irish Stock Exchange)上市的Asian Credit Hedge Fund Ltd.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。

## Profiles of Directors (Continued)

### 董事簡歷 (續)

During the last three years, Mr. Smith was a director 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 was an independent non-executive director of Frasers Property (China) Limited which is listed on the Stock Exchange, United International Securities Limited which is listed on Singapore Exchange Securities Trading Limited; and Castle Asia Alternative PCC Limited (formerly known as “KGR Absolute Return PCC Limited”) which is listed on The London Stock Exchange until he resigned from the office with effect on January 2011, April 2011 and April 2011, respectively. Mr. Smith is also as a director of 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 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 72. Dr. Lee was appointed as an Independent Non-executive Director on 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 and Wang On Group Limited, all of which are listed on the Stock Exchange.

During the last three years, Dr. Lee was an Independent Non-executive Director of Sam Woo Holdings Limited until 29 April 2011, which is listed on the Stock Exchange.

於最近三年，史先生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。史先生曾任於聯交所上市的星獅地產(中國)有限公司、於新加坡證券交易所有限公司(Singapore Exchange Securities Trading Limited)上市的United International Securities Limited及於倫敦交易所(The London Stock Exchange)上市的Castle Asia Alternative PCC Limited(前稱「KGR Absolute Return PCC Limited」)之獨立非執行董事，直至彼分別於二零一一年一月、二零一一年四月及二零一一年四月辭任生效為止。史先生亦擔任於愛爾蘭證券交易所上市的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RQN委員會主席及審核委員會成員*

七十二歲，李博士於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、彩星集團有限公司及宏安集團有限公司\*之獨立非執行董事，上述公司於聯交所上市。

於過去三年，李博士曾任聯交所上市公司三和集團有限公司\*之獨立非執行董事，直至二零一一年四月二十九日為止。

## 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 64. Mr. Yu was appointed as an Independent Non-executive Director on 1 May 2007. Mr. Yu 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 the 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 China Datang Corporation Renewable Power Co., Limited, China Renewable Energy Investment Limited, Great China Holdings Limited, Haier Electronics Group Co., Ltd., Media Chinese International Limited, One Media Group Limited, Playmates Holdings Limited, Sateri Holdings Limited, Synergis Holdings Limited and TeleEye Holdings Limited, 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RQN委員會成員

六十四歲，俞先生於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。俞先生現時為中國大唐集團新能源股份有限公司\*、中國再生能源投資有限公司、大中華集團有限公司、海爾電器集團有限公司、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\*、賽得利控股有限公司、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。

\* 僅供識別

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE PRINCIPLES

The Board presents this Corporate Governance Report in the Group's Annual Report for the year ended 31 March 2012.

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 the Shareholders.

The Company's 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 Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") throughout the year ended 31 March 2012, with minor deviations as stated below.

Pursuant to Code A.2.1 of the CG Code, the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual. The roles of both the Chairman and the CEO were performed by Datuk LIM Chee Wah which the Board Considered are for a transitional arrangement to cater for a smooth handover. In this transitional period, the Board believes that vesting the roles of both chairman and CEO in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies. On 3 July 2012, Mr. XIAO Huan Wei, an Executive Director, was appointed as the Group Chief Executive Officer in place of Datuk LIM Chee Wah. Since then, the roles of the Chairman and the CEO have been separate.

### 企業管治原則

董事會提呈本集團截至二零一二年三月三十一日止年度之年報內之企業管治報告。

在全力發展業務的同時，本公司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。

本公司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資訊透明度及責任承擔。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。

於截至二零一二年三月三十一日止年度內，除下文所載的輕微偏離情況外，本集團已遵守大部分香港聯合交易所有限公司證券上市規則（「《上市規則》」）附錄十四所載《企業管治常規守則》（「《企業管治守則》」）的守則條文。

根據《企業管治守則》第A.2.1條，主席與行政總裁（「行政總裁」）的角色應有區分，並不應由一人同時兼任。董事會認為主席及行政總裁由拿督林致華擔任，屬於過渡安排，以促成順利交接。在過渡期間，董事會相信由同一人士兼任主席及行政總裁之職務，為本公司提供堅穩一致之領導，從而可有效率及具效益地計劃及執行業務決定及策略。於二零一二年七月三日，執行董事肖煥偉先生獲委任為集團行政總裁以代替拿督林致華。此後，主席及行政總裁之角色得以區分。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

Pursuant to Code A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. All the Independent Non-executive Directors, except Mr. Alan Howard SMITH, J.P., are appointed for a specific term. 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.

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 five Directors and each of them retires at least once every three years, this effectively achieves the same objective as set out in the CG Code.

Following the retirement of Dr. Allen LEE Peng Fei, J.P. at the forthcoming AGM, the Company only has two Independent Non-executive Directors and two Audit Committee members, the number of which falls below the minimum number required under Rule 3.10(1) and Rule 3.21 of the Listing Rules. The Board will appoint an appropriate person to fill the vacancy as soon as possible within three months from 28 September 2012 (i.e. the date of AGM) pursuant to Rule 3.11 and Rule 3.23 of the Listing Rules. Further announcement will be made by the Company in relation to such appointment as and when appropriate.

### 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.

### Directors' Continuous Professional Development Programme

The Directors have been informed of the requirement under Code A.6.5 regarding continuous professional development.

根據《企業管治守則》第A.4.1條，非執行董事之委任應有指定任期，並須接受重選。所有獨立非執行董事（史亞倫太平紳士除外）均有指定任期。按照《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週年大會上輪值退任。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。

按照《組織章程細則》第133條，三分之一的董事須輪值退任，而守則第A.4.2條規定各董事須最少每三年輪值退任一次。因此，董事會認為鑑於董事會由五名董事組成，且彼等各人均至少每三年退任一次，此舉有效達成《企業管治守則》所載之相同目標。

繼李鵬飛博士太平紳士於應屆股東週年大會退任後，本公司僅得兩名獨立非執行董事及兩名審核委員會成員，惟該人數低於《上市規則》第3.10(1)條及第3.21條規定之最低人數。根據《上市規則》第3.11條及第3.23條，董事會須於二零一二年九月二十八日（即股東週年大會日期）起計三個月內，盡快委任適當人選填補空缺。本公司將於適當時候就有關委任另行作出公佈。

### 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，以推動本公司業務蒸蒸日上。董事亦以客觀態度作出決策以符合本公司利益。

### 董事持續專業發展計劃

根據守則第A.6.5條，董事已獲知會有關持續專業發展計劃。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### Board Composition

As at 31 March 2012, the Board comprises five directors including two Executive Directors, namely, Datuk LIM Chee Wah (the Chairman, Group President and Group Chief Executive Officer) 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.

With effect from 3 July 2012, Mr. XIAO Huan Wei was appointed as the new Group President and Group Chief Executive Officer in place of Datuk LIM Chee Wah.

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

### Directors' 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 ten per cent 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.

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.

### 董事會組成

於二零一二年三月三十一日，董事會由五名董事組成，其中執行董事兩名，包括：拿督林致華（主席、集團總裁及集團行政總裁）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。

肖煥偉先生將接替拿督林致華，獲委任為新集團總裁及集團行政總裁，由二零一二年七月三日起生效。

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起採納《董事提名、委任及重新委任程序》，當中列明篩選及提名董事人選的程序、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臨時空缺或為董事會增添成員。股東（即持有本公司全部已發行股本不少於百分之十的兩名或以上的股東）有權提名董事人選，惟須經股東於股東大會上批准。RQN委員會亦可提名董事人選供董事會考慮委任。董事會於年內委任的任何董事任職至下屆股東週年大會並符合資格膺選連任。

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了解，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。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### Board Practices

The Board holds meetings 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 perform their duties, as provided in the Company's "Guideline on Independent Professional Advice".

The Board held six meetings during the year ended 31 March 2012 and its attendance record is set out below:–

### 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。所有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定及履行彼等職責。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，有關程序載於本公司《獨立專業意見指引》內。

董事會於截至二零一二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		Eligibility to Attend	No. of Attendance	Attendance Rate (%)
董事		應出席次數	出席次數	出席率(%)
Datuk LIM Chee Wah	拿督林致華	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	83.33
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 over 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 Article 133 of the Company's Articles of Association, one-third of the Directors who served longest on the Board since they were last elected, 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 CG Code.

According to the Article 110 of 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

All the Directors do not have any financial, business, family or other material/relevant relationship with each other.

### 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》所規定的獨立性。

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，但須於股東週年大會輪值退任以進行重選。根據《組織章程細則》第133條，董事會內三分之一自上次獲選後任職時間最長的董事須於股東週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《企業管治守則》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》第110條，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週年大會上接受股東重選。

### 關係

各董事之間不存在任何財務、業務、親屬或其他重大／相關關係。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### Chairman and CEO

The responsibilities of the Chairman and the CEO have been clearly defined in the Company's "Guideline on Division of Roles of Chairman and Chief Executive Officer". During the year ended 31 March 2012, the roles of both the Chairman and the CEO were performed by Datuk LIM Chee Wah which the Board considered are for a transitional arrangement to cater for a smooth handover. In this transitional period, the Board believes that vesting the roles of both Chairman and CEO in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies. On 3 July 2012, Mr. XIAO Huan Wei, an Executive Director, was appointed as the Group Chief Executive Officer in place of Datuk LIM Chee Wah. Since then, the roles of the Chairman and the CEO have been separate.

### 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

The Board has established various committees including the Executive Committee, the Audit Committee and the RQN Committee of the Company and delegated authority to them for overseeing certain aspects of the Company's affairs. There are clear written terms of reference for Board committees. Reports of committee meetings are presented to the Board regularly.

### 主席及行政總裁

主席及行政總裁的職責範疇已於本公司《主席及行政總裁角色分工指引》中劃分及明確界定。董事會認為截至二零一二年三月三十一日止年度，主席及行政總裁均由拿督林致華擔任乃屬於過渡安排，以促成順利交接。在過渡期間，董事會相信由同一人士兼任主席及行政總裁之職務，為本公司提供堅穩一致之領導，從而可有效率及具效益地計劃及執行業務決定及策略。於二零一二年七月三日，執行董事肖煥偉先生獲委任為集團行政總裁以代替拿督林致華。此後，主席及行政總裁之角色得以區分。

### 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

董事會已成立多個董事委員會，包括本公司執行委員會、審核委員會及RQN委員會，並賦予各委員會權力監督本公司若干範疇之事務。各董事委員會均訂有明確書面職權範圍。所有委員會會議報告會定期提交予董事會。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### Executive Committee

During the year ended 31 March 2012, the Executive Committee comprises all the Executive Directors. The Executive Committee was chaired by Mr. Datuk LIM Chee Wah, the Chairman of the Company and the other member is Mr. XIAO Huan Wei.

With effect from 3 July 2012, Mr. XIAO Huan Wei was appointed the chairman of the Executive Committee in place of Datuk LIM Chee Wah.

The Executive Committee is delegated to be 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.

The Audit Committee's main duties, among others, 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 its resignation or dismissal;
- (2) to develop and implement policy on engaging 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; and
- (4) to review financial control, internal control and risk management systems.

### 執行委員會

於截至二零一二年三月三十一日止年度內，執行委員會成員包括所有執行董事。執行委員會由本公司主席拿督林致華出任主席，其他成員為肖煥偉先生。

肖煥偉先生接替拿督林致華獲委任為執行委員會主席，由二零一二年七月三日起生效。

執行委員會獲授權負責本公司日常管理、行政及營運，而其主要職責明確載於其職權範圍。其獲授權能及工作目標將定期予以檢討。

### 審核委員會

審核委員會成員包括所有獨立非執行董事，彼等均具備合適的商業、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。

審核委員會之主要職責（其中包括）為：

- (1) 就外聘核數師的委任、重新委任及撤換向董事會提供推薦建議、批准外聘核數師的薪酬及聘用條款、以及處理任何有關該核數師辭任或辭退的問題；
- (2) 就聘用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；及
- (4) 檢討財務監控、內部監控及風險管理制度。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

The Audit Committee held two meetings during the year ended 31 March 2012 and its attendance record is set out below:

審核委員會於截至二零一二年三月三十一日止年度內舉行了兩次會議，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(%)
Mr. David YU Hon To	俞漢度先生	2	2	100
Mr. Alan Howard SMITH, J.P.	史亞倫太平紳士	2	2	100
Dr. Allen LEE Peng Fei, J.P.	李鵬飛博士太平紳士	2	2	100

The main work performed by the Audit Committee during the year ended 31 March 2012 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, approved the internal audit report and reviewed and recommended the appointment and re-appointment of External Auditor.

於截至二零一二年三月三十一日止年度，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佈連同核數報告。審核委員會之主要工作亦包括檢討內部監控制度是否充足及有效並批准內部核數報告及檢討及建議委任及重新委任外聘核數師。

### **Remuneration, Quality and Nomination ("RQN") Committee**

### **薪酬、素質及提名 ("RQN") 委員會**

The RQN Committee comprises all the Independent Non-executive Directors and the Chairman of the Company. The RQN Committee is chaired by Dr. Allen LEE Peng Fei, J.P. and the other three members are Datuk LIM Chee Wah, Mr. Alan Howard SMITH, J.P. and Mr. David YU Hon To.

RQN委員會由所有獨立非執行董事及本公司主席組成。RQN委員會由李鵬飛博士太平紳士出任主席，其餘三名成員為拿督林致華、史亞倫太平紳士及俞漢度先生。

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 is authorized by the Board to determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management and is responsible for making recommendations to the Board on remuneration of Non-executive Directors. No Director or senior management or any of his associate will be involved in deciding his own remuneration.

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，以及就制定以獎勵為基礎之薪酬政策設立程序。RQN委員會獲董事會授予職權，專責釐定個別執行董事及高級管理人員的薪酬待遇，同時負責就非執行董事之薪酬向董事會提供推薦建議。董事、高級管理人員或其聯繫人不得參與釐定本身的薪酬。

## Corporate Governance Report (Continued) 企業管治報告 (續)

The RQN Committee is also responsible for reviewing the structure, size and composition of the Board, assessing the independence of Independent Non-executive Directors, identifying individuals suitably qualified to become Board members and make recommendations to the Board on the appointment or re-appointment of Directors.

The RQN Committee held one meeting during the year ended 31 March 2012 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
Datuk LIM Chee Wah	拿督林致華	1	1	100
Mr. Alan Howard SMITH, J.P.	史亞倫太平紳士	1	1	100
Mr. David YU Hon To	俞漢度先生	1	1	100

The main work performed by the RQN Committee during the year ended 31 March 2012 and up to the date of this Annual Report included the recommendation and approval of the directors' fees of Executive Directors and Independent Non-executive Directors and reviewed and approved the year 2012/13 remuneration package of Executive Directors and senior management of the Company. It has also reviewed the structure, size and composition of the Board, recommended the re-appointment of Directors and assessed the independence of Independent Non-executive Directors.

### CORPORATE GOVERNANCE

The Board is entrusted with the overall responsibility to maintain a good standard of corporate governance practices and business ethics within the Group. Under the terms of reference of the corporate governance function, the Board is responsible to develop and review the Company's policies and practices on corporate governance and make recommendations; review and monitor the training and continuous professional development of Directors and senior management; review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and review the Company's compliance with the code and disclosure in the Corporate Governance Report.

RQN委員會亦負責檢討董事會架構、規模及成員組合、評估獨立非執行董事的獨立性、物色具有適當資格的人士擔任董事會成員、並就委任或重新委任董事向董事會提供建議。

RQN委員會於截至二零一二年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：

於截至二零一二年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獨立非執行董事之董事袍金，以及檢討與審批本公司執行董事及高級管理人員於二零一二/一三年度的薪酬待遇。委員會亦會檢討董事會架構、規模及成員組合、就重新委任董事提出建議，以及評估獨立非執行董事的獨立性。

### 企業管治

董事會獲委以整體責任，在本集團內維持良好的企業管治準則及業務操守。根據企業管治職能之職權範圍，董事會負責發展及檢討本公司企業管治之政策及常規，並提出推薦建議；審閱及監察董事及高級管理層之培訓及持續專業發展；檢討及監督本公司遵守法律及監管規定之政策及常規；發展、檢討及監督僱員及董事適用之行為守則及合規手冊（如有）；以及檢討本公司之企業管治報告遵守守則及資料披露。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Board has adopted its own code of conduct regarding securities transactions by Directors (the “Model Code”) on terms no less exacting than the required standard set out in the “Model Code for Securities Transactions by Directors of Listed Issuers” of the Listing Rules. Having made specific enquires with all Directors, the Directors have complied with the Model Code in their securities transactions during the year ended 31 March 2012.

### DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS IN SECURITIES

As at 31 March 2012, the interests and short positions of the Directors and the chief executives 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 Securities and Futures Ordinance (“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 佔已發行 股份的概約 百分比(%)
董事名稱	權益性質	附註		
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	–

### 董事進行證券交易之標準守則

董事會已就董事進行證券交易採納自身之行為守則(「標準守則」)，其條款不遜於《上市規則》之《上市發行人董事進行證券交易的標準守則》規定之標準。經向所有董事作出特定查詢，董事在截至二零一二年三月三十一日止年度內進行證券交易時已遵守標準守則。

### 董事及最高行政人員的證券權益

於二零一二年三月三十一日，本公司董事及最高行政人員於本公司及其相聯法團(按《證券及期貨條例》(「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的權益及淡倉，或根據《上市規則》所載《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 and 300,000,000 shares which are beneficially owned by VXLCP and Huge More respectively. Huge More has been a wholly-owned subsidiary of VXLCP since 7 May 2010. Datuk Lim is also a director and the beneficial owner of VXLCP.
2. Details of the interests in share options are set out separately in the section “Interest in share options of the Company”.
3. All the interests disclosed above represent long position in the shares or underlying shares.

Save as disclosed above, as at 31 March 2012, none of the Directors or chief executives of the Company 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.

## SUBSTANTIAL SHAREHOLDERS’ INTERESTS IN SECURITIES

As at 31 March 2012, the interests or short positions of every person, other than the Directors and chief executives 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%
	Interest in Shares – Controlled Corporation 股份權益 – 受控制法團	1	300,000,000	19.6%
Huge More Limited	Interests in Shares – Beneficial Interests 於股份之權益 – 實益權益	1	300,000,000	19.6%

### 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股股份之權益包括分別由VXLCP及Huge More實益擁有之769,308,000股及300,000,000股股份。Huge More自二零一零年五月七日起為VXLCP之全資附屬公司。林拿督亦為VXLCP之董事兼實益擁有人。
2. 購股權權益的詳情於「本公司購股權權益」一節。
3. 上文披露之所有權益均指股份或相關股份之好倉。

除上文所披露者外，於二零一二年三月三十一日，概無本公司董事或最高行政人員於本公司或其相聯法團（按《證券及期貨條例》第XV部所賦予的涵義）的股份、相關股份及債權證中擁有須根據《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的權益或淡倉，或根據《標準守則》須知會本公司及聯交所的權益或淡倉。

## 主要股東的證券權益

於二零一二年三月三十一日，根據《證券及期貨條例》第三百三十六條規定須由本公司存備的登記冊所載，除本公司董事及最高行政人員以外的人士於本公司股份及相關股份中的權益或淡倉如下：

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### Notes:

1. The interest in 1,069,308,000 shares comprises 769,308,000 shares and 300,000,000 shares which are beneficially owned by VXLCP and Huge More respectively. Huge More has been wholly-owned by VXLCP since 7 May 2010. Datuk Lim is also a director and the beneficial owner of VXLCP.
2. All the interests disclosed above represent long position in the shares and underlying shares.

## EXTERNAL AUDITOR

PricewaterhouseCoopers had resigned as External Auditor of the Company with effect from 5 March 2012 and Pan-China (H.K.) CPA Limited (Pan-China™) have been appointed as the new External Auditor of the Company with effect from 5 March 2012 to fill the causal vacancy.

The consolidated financial statements for the year ended 31 March 2012 were audited by Pan-China whose term of office will expire upon the forthcoming AGM. The Audit Committee has recommended to the Board that Pan-China be nominated for appointment as the External Auditor of the Company at the forthcoming AGM.

Pan-China 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 2012, audit fee amounted to approximately HK\$570,000 and non-audit fee amounted to approximately HK\$150,000.

### 附註：

1. 該1,069,308,000股股份之權益包括分別由VXLCP及Huge More實益擁有之769,308,000股及300,000,000股股份。自二零一零年五月七日起，Huge More由VXLCP全資擁有。林拿督亦為VXLCP之董事兼實益擁有人。
2. 上文披露之所有權益均指股份及相關股份之好倉。

## 外聘核數師

羅兵咸永道會計師事務所已辭任本公司外聘核數師（由二零一二年三月五日起生效），而天健（香港）會計師事務所有限公司（「天健」）已獲委任為本公司之新外聘核數師（由二零一二年三月五日起生效），以填補臨時空缺。

截至二零一二年三月三十一日止年度之綜合財務報表已經天健審核，其任期將於應屆股東週年大會屆滿。審核委員會建議董事會提名天健，以於應屆股東週年大會委任其為本公司外聘核數師。

天健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持續客觀及保證獨立。

於截至二零一二年三月三十一日止年度，審核服務費約為570,000港元及非審核服務費用約為150,000港元。



# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### 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 2012, which give a true and fair view of the financial position of the Company and of the Group as at 31 March 2012. 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.

Pan-China, the External Auditor of the Company, has presented its responsibilities in the independent auditor's report as set out on page 39.

### 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 C.2.1 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.

### 董事及核數師之責任

董事確認彼等有責任編製截至二零一二年三月三十一日止年度的綜合財務報表，以真實及公平地反映本公司及本集團於二零一二年三月三十一日的財務狀況。於編製該等綜合財務報表時，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天健於第39頁所載的獨立核數師報告內列述彼等之責任及意見。

### 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決定的事宜，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條所規定之年度檢討責任，本公司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。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

The Internal Auditors have conducted evaluation and tests in connection with the following management's assertions for the year ended 31 March 2012:

- (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.

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, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function.

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

### COMPANY SECRETARY

The Company Secretary is Ms. Lim Yi Ping, who has been appointed by the Board and has been so nominated by Boardroom Corporate Services (HK) Limited ("BCS") under an engagement letter made between the Company and BCS. The primary corporate contact person at the Company is Mr. XIAO Huan Wei.

於截至二零一二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評估及測試：

- (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) 為保障本集團資產已維持了有效之內部監控。

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建議。

為嚴格遵守守則條文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，進一步完善內部監控系統，包括財務監控、營運監控、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。

### 公司秘書

公司秘書為林憶萍小姐，根據本公司與寶德隆企業服務（香港）有限公司（「寶德隆」）訂立之委聘函，彼獲董事會委任，亦獲寶德隆如是提名。本公司之主要公司聯絡人為肖煥偉先生。

# Corporate Governance Report (Continued)

## 企業管治報告 (續)

### SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

Shareholders are encouraged to attend all general meetings of the Company. Shareholder(s) holding not less than one-twentieth of the issued share capital of the Company have statutory rights pursuant to Section 113 of the Companies Ordinance of Hong Kong to call for extraordinary general meetings and put forward agenda items for consideration by shareholders by sending to the Company Secretary at the registered office address a written request for such general meetings duly signed by the shareholders concerned together with the proposed agenda items.

Shareholders representing not less than one-fortieth of the total voting rights of all shareholders or of not less than 50 members holding shares in the Company on which there has been paid up to an average sum of not less than HK\$2,000 per shareholder, may put forward proposals for consideration at a general meeting of the Company by sending to the Company Secretary at the registered office address a written request for such proposals according to Section 115A of the Companies Ordinance of Hong Kong.

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 websites of the Stock Exchange and the Company 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 attended the 2011 annual general meeting and the Chairman of the Audit Committee, the RQN Committee and the independent Board Committee (where applicable), or in their absence, other members of the respective committees, are available to answer questions at the shareholders' meetings.

### 股東權利及投資者關係

本公司鼓勵所有股東出席本公司所有股東大會。根據香港《公司條例》第113條，持有本公司已發行股本不少於二十分之一之股東有法定權力，可要求召開股東特別大會，並提出議程項目供股東考慮。該等股東須先將召開該等股東大會之書面要求按註冊地址寄送公司秘書，書面要求須有相關股東正式簽署，連同建議之議程項目。

根據香港《公司條例》第115A條，倘有股東代表所代表之投票權不少於總投票權四十分一，或最少五十名持有本公司股份之人士，而每位股東之實繳金額平均不少於2,000港元，則於本公司股東大會上提出建議，以供考慮，惟該等建議之書面要求須先按註冊辦事處地址，寄送予公司秘書。

《組織章程細則》內載有股東的權利及要求於股東大會上就決議案以股數投票方式表決之程序。要求以股數投票方式表決的權利的詳情載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及本公司網站。

本公司股東大會為股東與董事會提供了一個溝通的平台。董事會主席出席二零一一年股東週年大會，審核委員會主席、RQN委員會主席及獨立董事委員會主席（如適用）（如彼等無暇出席，則由個別委員會成員出席）出席股東大會以解答提問。

## 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.

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定期對話，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站<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彼等所知，本公司確認於刊發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。

# Report of the Directors

## 董事會報告

The Directors submit their report together with the audited consolidated financial statements of the Group for the year ended 31 March 2012.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to subsidiaries. The principal activities of the principal subsidiaries of the Company are set out in Note 19 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 40.

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2012, the turnover attributable to the Group's largest customer was approximately 27% of the Group's total turnover and the aggregate turnover attributable to the Group's five largest customers accounted for approximately 34% of the Group's total turnover.

The purchase attributable to the Group's largest supplier was approximately 33% of the Group's total purchases and the aggregate purchases attributable to the Group's five largest suppliers accounted for approximately 85% of the Group's total purchases.

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.

### DIVIDEND

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

董事提呈本集團截至二零一二年三月三十一日止年度的董事會報告及經審核綜合財務報表。

### 主要業務

本公司的主要業務為投資控股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19。

### 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40頁的綜合全面收益表。

### 主要客戶及供應商

截至二零一二年三月三十一日止年度，本集團最大客戶所佔之營業額，佔本集團總營業額約27%，而本集團五大客戶之總營業額，佔本集團總營業額約34%。

本集團向最大供應商採購之採購量，佔本集團總採購量約33%，而本集團向五大供應商採購之總採購量佔本集團總採購量約85%。

董事、彼等的聯繫人或任何據董事所知擁有本公司已發行股本5%以上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。

### 股息

董事不建議派發本年度股息。

# Report of the Directors (Continued)

## 董事會報告 (續)

### 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 2011: NIL).

### 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 on page 44 and Note 31 to the consolidated financial statements.

The distributable reserves of the Company as at 31 March 2012, calculated under section 79B of the Companies Ordinance, amounted to NIL. (31 March 2011: NIL).

### FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 145.

### 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.

### 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 (二零一一年三月三十一日止年度：零港元)。

### 股本

本公司的股本詳情載於綜合財務報表附註29。

### 儲備

本集團與本公司於本年度的儲備變動載於第44頁的綜合權益變動表及綜合財務報表附註31。

於二零一二年三月三十一日，根據《公司條例》第79B條計算，本公司可供分派儲備為零港元 (二零一一年三月三十一日：零港元)。

### 財務摘要

本集團過去五個財政年度的業績、資產與負債摘要載於第145頁。

### 購買、出售或贖回本公司之已上市證券

本公司或其任何附屬公司於本年度概無購回、出售或贖回本公司任何已上市證券。

# 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 upon exercise of all outstanding options already granted under the Scheme is 9,200,000 shares, representing 0.60% of the issued share capital of the Company at 31 March 2012. The maximum number of shares available for issue upon exercise of options not yet granted under the Schemes is 102,000,000 shares, representing 6.67% of the issued share capital of the Company at 31 March 2012.
- (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，以獎勵或回報彼等對本集團的成長及發展所作的貢獻或潛在的貢獻；
- (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) 根據計劃所有已授出而尚未行使的購股權獲行使時，可發行的股份總數為9,200,000股，佔於二零一二年三月三十一日本公司已發行股本的0.60%。計劃下尚未授出購股權獲行使時可發行的股份最高數目為102,000,000股，佔於二零一二年三月三十一日本公司已發行股本的6.67%。
- (iv) 根據計劃及本集團任何其他購股權計劃，所有將予授出的購股權獲行使時可予配發及發行的股份總數，合共不得超過採納計劃當日已發行股份的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的購股權獲行使時可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購股權導致超逾30%的限額，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 an Independent Non-executive Director or any of their respective Associates, which would result in the securities issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant: (a) representing in aggregate over 0.1% of Shares in issue, and (b) having an aggregate value, based on the closing price on the date of such grant, in excess of HK\$5 million, must be approved by Shareholders in general meeting;
- (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;
- (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;
- (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<sub>p</sub>" is the exercise price of the highest of (a) the par 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
- (v) 除非獲股東於股東大會上批准，否則於承授人行使購股權的任何十二個月期間內，因根據計劃及任何其他購股權計劃授予任何合資格參與者（定義見計劃）之所有購股權（包括已行使及尚未行使的購股權）獲行使時已經及將予發行的股份總數，不得超過當時已發行股份總數的1%。倘向主要股東或獨立非執行董事或任何彼等各自的聯繫人授出的購股權會令有關人士獲授購股權當日止的十二個月內所有已授予或將授予的購股權（包括已行使、已註銷及尚未行使的購股權）予以行使後所發行及將發行的證券：(a)合計超逾已發行股份的0.1%，及(b)按授出購股權當日的收市價計算總值超逾5,000,000港元，授予該等購股權必須於股東大會上獲股東批准；
- (vi) 各承授人可根據計劃的條款於由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。除董事會全權酌情釐定外，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) 每名承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。承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) 於根據計劃授出的特定購股權獲行使時應付的認購價乃根據方程式  $P = N \times E_p$  釐定，當中「P」指認購價；「N」指將獲認購的股份數目；而「E<sub>p</sub>」則指行使價，而行使價為下列三者的最高者：(a) 股份於要約日期的面值；(b) 股份於要約日期於聯交所每日報價表所列的正式收市價；及(c) 股份於緊接要約日期前五個營業日在聯交所每日報價表所列的正式平均收市價，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 (i.e. 3 June 2005) or the date on which the Scheme is terminated by resolution of the Shareholders in general meeting, whichever is earlier.

(ix) 計劃的有效期乃由採納計劃當日(即二零零五年六月三日)起計的十周年止,或直至股東於股東大會上通過終止計劃的決議案日期止,以較早者為準。

As at 31 March 2012, details of share options granted to Directors and employees under the Scheme and outstanding were:—

於二零一二年三月三十一日,根據計劃授予董事及僱員而未行使之購股權詳情如下:

Grantees	Date of Grant	Exercise Period	Exercise Price per Share (HK\$)	No. of Share Options 購股權數目				
				Share Options as at 1/4/2011	Granted during the year	Exercise during the year	lapsed during the year	Share Options as at 31/3/2012
承授人	授出日期	行使期	每股行使價(港元)	於二零一一年四月一日之購股權	本年度授出	本年度行使	本年度失效	於二零一二年三月三十一日之購股權
<b>Directors:</b> Datuk LIM Chee Wah	<b>董事:</b> 拿督林致華	23/8/2007 to 22/8/2012	0.77	4,400,000	-	-	-	4,400,000
<b>Employees:</b> Aggregate total of employees	<b>僱員:</b> 僱員合共	23/8/2007 to 22/8/2012	0.77	7,800,000	-	-	(3,000,000)	4,800,000
				12,200,000	-	-	(3,000,000)	9,200,000

### Notes:

- The share options to subscribe for Shares are exercisable as to:
  - For Directors or employees who have been employed for not less than two years immediately before date of grant:
    - up to 20% immediately after date of grant;
    - up to 46.7% immediately after 12 months from date of grant;
    - up to 73.3% immediately after 24 months from date of grant; and
    - up to 100% immediately after 36 months from date of grant.
  - For Directors or employees who have been employed for less than two years immediately before date of grant:
    - up to 33.3% immediately after 12 months from date of grant;
    - up to 66.7% immediately after 24 months from date of grant; and
    - up to 100% immediately after 36 months from date of grant.
- No Share options were cancelled during the year ended 31 March 2012.

### 附註:

- 購股權可於下列時間行使以認購股份:
  - 就緊接授出日期前已受僱不少於兩年之董事或僱員而言:
    - 緊隨授出日期後最多達20%;
    - 緊隨授出日期起計12個月後最多達46.7%;
    - 緊隨授出日期起計24個月後最多達73.3%;及
    - 緊隨授出日期起計36個月後最多達100%。
  - 就緊接授出日期前受僱少於兩年之董事或僱員而言:
    - 緊隨授出日期起計12個月後最多達33.3%;
    - 緊隨授出日期起計24個月後最多達66.7%;及
    - 緊隨授出日期起計36個月後最多達100%。
- 截至二零一二年三月三十一日止年度,概無購股權獲註銷。

# Report of the Directors (Continued)

## 董事會報告 (續)

### DIRECTORS

The Directors during the year ended 31 March 2012 and up to the date of this report were:

Datuk LIM Chee Wah  
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, Dr. Allen LEE Peng Fei, J.P. ("Dr. Allen LEE"), who has been longest in office since last re-election will retire by rotation at the forthcoming AGM and, being eligible, offer himself for re-election. Subsequently, Dr. Allen LEE tendered his resignation from the office of Independent Non-executive Director of the Company and accordingly he will no longer be seeking for re-election at the AGM.

### BIOGRAPHICAL DETAILS OF DIRECTORS

Brief biographical details of Directors are set out on pages 8 to 11.

### CHANGE IN INFORMATION OF DIRECTORS

During the year, Dr. Allen LEE resigned as independent non-executive director of Sam Woo Holdings Limited on 29 April 2011, which is listed on the Stock exchange.

Mr. Alan Howard Smith, J.P. was appointed an independent non-executive director of Wheelock and Company Limited, a company which shares are listed on the Stock Exchange, with effect from 1 July 2012.

Except as set out in this report, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51(B) of Listing Rules.

### DIRECTORS' EMOLUMENTS

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

### 董事

於截至二零一二年三月三十一日止年度及至本報告日期止的董事為：

拿督林致華  
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，李鵬飛博士（「李鵬飛博士」）因自上次重選後在任最久，彼將於應屆股東週年大會上輪值退任並符合資格且願意重選連任。其後，李鵬飛博士提出辭任本公司獨立非執行董事職務，因此並不會於應屆股東週年大會上重選連任。

### 董事簡歷

董事簡歷載列於第8至第11頁。

### 更改董事資料

年內，李鵬飛博士於二零一一年四月二十九日辭任聯交所上市公司三和集團有限公司之獨立非執行董事職務。

史亞倫太平紳士獲委任為會德豐有限公司（其股份於聯交所上市）之獨立非執行董事，自二零一二年七月一日起生效。

除本報告所載外，根據《上市規則》第13.51(B)條須予披露的董事資料概無變動。

### 董事酬金

本年度的董事酬金詳情載於綜合財務報表附註14。

# Report of the Directors (Continued)

## 董事會報告 (續)

### 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 2012, 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.

### CONNECTED TRANSACTION

On 13 April 2011, the Company entered into the sale and purchase agreement ("Sale and Purchase Agreement") with VXLCP which is a controlling Shareholder and wholly and beneficially owned by Datuk LIM Chee Wah, the Chairman and an Executive Director of the Company. The Company agreed to sell and VXLCP agreed to purchase the entire issued share capital of Hart Industries (Far East) Limited ("Hart Industries"), a wholly owned subsidiary of the Company, together with the sale loan ("Loan") of approximately HK\$1,099,998 owing by Hart Industries to the Company at a consideration of HK\$1,500,000, which shall be payable in one lump sum on the date of completion by setting-off the consideration against the Loan ("Disposal").

The Directors consider that the Disposal allows the Company to dispose of its non-core assets and improve the financial position of the Group by reducing the debts owing to the VXLCP and the consequential operating costs and interest expenses to be incurred.

### 董事的服務合約

除法定賠償外，擬於應屆股東週年大會上膺選連任的董事概無與本公司訂有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

於二零一二年三月三十一日，董事及其聯繫人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。

### 關連交易

於二零一一年四月十三日，本公司與VXLCP（為控股股東及由本公司主席及執行董事拿督林致華全資及實益擁有）訂立買賣協議（「買賣協議」）。本公司同意出售而VXLCP同意購買本公司全資附屬公司Hart Industries (Far East) Limited（「Hart Industries」）之全部已發行股本，連同其結欠本公司之銷售貸款約1,099,998港元（「貸款」），代價為1,500,000港元，須於完成日期以抵銷代價與貸款方式一筆過支付（「出售事項」）。

董事認為出售事項讓本公司出售其非核心資產，減少本集團結欠VXLCP之債項及其後所產生之營運成本及利息開支，從而改善本集團之財務狀況。

## Report of the Directors (Continued)

### 董事會報告 (續)

The Directors (including the Independent Non-executive Directors) believed that the terms of the transaction are on normal commercial terms, which were fair and reasonable and the entering into of the Sale and Purchase Agreement was in the interests of the Company and its shareholders as a whole.

VXLCPL, being the controlling Shareholder and being wholly and beneficially owned by Datuk LIM Chee Wah, the Chairman and an Executive Director of the Company, is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Disposal constitutes a connected transaction of the Company under the Listing Rules.

#### 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 33 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.

#### 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 Executives' Interests in Securities" in the Corporate Governance Report of this Annual Report.

董事 (包括獨立非執行董事) 相信, 交易條款屬一般商業條款, 實屬公平合理, 且訂立買賣協議符合本公司及其股東之整體利益。

VXLCPL為本公司控股股東及由本公司主席及執行董事拿督林致華全資及實益擁有, 根據上市規則第14A章, 彼為本公司關連人士。因此, 根據《上市規則》, 出售事項構成本公司關連交易。

#### 董事的合約及管理合約利益

除上文所披露之關連交易及綜合財務報表附註33「關聯方交易」所披露的交易外, 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。

#### 董事及最高行政人員的證券權益

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「董事及最高行政人員的證券權益」一節。

# Report of the Directors (Continued)

## 董事會報告 (續)

### 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.

### EVENTS AFTER THE REPORTING PERIOD

#### A Claim against the Company by a former CEO

On 18 May 2012, VXLMS, a wholly-owned subsidiary of the Company, entered into a deed of settlement ("Deed") with Mr. Percy ARCHAMBAUD-CHAO ("Mr. Chao"), the former Chief Executive Officer of the Company, that the Company shall pay a sum of approximately HK\$1.0 million ("Settlement") to Mr. Chao within 15 days upon signing of the Deed in full and final settlement of the claim for a total sum of HK\$30.0 million. Upon receipt of the Settlement, the parties shall execute the consent order dismissing the proceedings. The payment was made on 23 May 2012.

#### A Claim against a borrower by the Group

On 17 May 2011, VXLMS as plaintiff issued a writ of summon in Hong Kong against Shanghai Huayang Saili Enterprise Development Co., Ltd. (上海華揚賽利實業發展有限公司) ("Huayang") in respect of a claim for an overdue loan in the amount of RMB10.0 million. On 4 June 2012, VXLMS and Huayang entered into a deed of settlement, pursuant to which Huayang agreed to pay VXLMS a settlement amount of RMB4.5 million by 2 instalments on or before 4 August 2012. The first instalment of RMB0.5 million was made on 14 June 2012. Upon receipt of the second instalment, VXLMS will execute a consent order dismissing the proceedings and reverse a provision in respect of the claim in the amount of HK\$4.1 million which has been made in the consolidated financial statements of the Group for the year ended 31 March 2012.

### 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 12 to 27 in the Corporate Governance Report of this Annual Report.

### 主要股東的證券權益

主要股東的證券權益詳情載於本年報《企業管治報告》內「主要股東的證券權益」。

### 報告期後事項

#### 行政總裁向本公司提出前之索償

於二零一二年五月十八日，本公司全資附屬公司卓越管理與本公司前行政總裁趙世雄先生（「趙先生」）訂立和解契約（「契約」），本公司須於簽立契約後十五日內，支付約1,000,000港元之款項（「和解款項」）予趙先生，以最終及悉數解決合共30,000,000港元之索償。收到和解款項後，契約各方將簽立在同意下作出的命令，終止法律程序。款項已於二零一二年五月二十三日支付。

#### 本集團對借款人提出之索償

於二零一一年五月十七日，卓越管理（作為原告）於香港對上海華揚賽利實業發展有限公司（「華揚」）發出傳訊令狀，內容有關就逾期貸款人民幣10,000,000元提出之索償。於二零一二年六月四日，卓越管理與華揚訂立和解契約，據此華揚同意於二零一二年八月四日或之前，分兩期向卓越管理支付人民幣4,500,000元之和解款項。第一期款項人民幣500,000元於二零一二年六月十四日支付。待收取第二期和解款項後，卓越管理將簽立在同意下作出的命令，終止法律程序，同時撥回本集團在截至二零一二年三月三十一日止年度之綜合財務報表就是項索償計提之撥備，金額為4,100,000港元。

### 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12至第27頁。

# Report of the Directors (Continued)

## 董事會報告 (續)

### AUDITOR

PricewaterhouseCoopers was the external auditor of the Company for the financial years ended 31 March 2010 and 2011. It resigned as the auditor of the Company with effect from 5 March 2012.

Following the resignation of PricewaterhouseCoopers, Pan-China was appointed as the external auditor of the Company with effect from 5 March 2012 to fill the casual vacancy and to hold office of the Company until the conclusion of the forthcoming annual general meeting (“AGM”).

A resolution will be proposed at the AGM to appoint Pan-China as external auditor of the Company.

The audited consolidated financial statements of the Group for the year ended 31 March 2012 have been audited by Pan-China.

On behalf of the Board

**Datuk LIM Chee Wah**

*Chairman, Group President and Group Chief Executive Officer*

Hong Kong, 22 June 2012

### 核數師

截至二零一零年及二零一一年三月三十一日止財政年度，羅兵咸永道會計師事務所為本公司外聘核數師，其已辭任本公司核數師，由二零一二年三月五日起生效。

繼羅兵咸永道會計師事務所辭任後，天健於二零一二年三月五日起獲委任為本公司外聘核數師，以填補臨時空缺並留任至本公司應屆股東週年大會（「股東週年大會」）結束時。

本公司將於股東週年大會上提呈決議案，以委任天健為本公司外聘核數師。

本集團截至二零一二年三月三十一日止年度之經審核綜合財務報表已由天健審核。

承董事會命

主席、本集團總裁及行政總裁

拿督林致華

香港，二零一二年六月二十二日

# Independent Auditor's Report

## 獨立核數師報告



**PAN-CHINA (H.K.) CPA LIMITED** Certified Public Accountants  
**天健(香港)會計師事務所有限公司**

**To the shareholders of VXL Capital Limited**  
(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of VXL Capital Limited (the “Company”) and its subsidiaries (together, the “Group”) set out on pages 40 to 142, which comprise the consolidated and Company statement of financial position as at 31 March 2012, 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.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, 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.

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

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

本核數師(以下簡稱「我們」)已審核列載於第40至142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」)的綜合財務報表,此綜合財務報表包括於二零一二年三月三十一日的綜合及公司財務狀況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。

### 董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》編製綜合財務報表,以令綜合財務報表作出真實而公平的反映,及落實其認為編製綜合財務報表所必要的內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

### 核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見,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上或承擔任何責任。

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,以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

# Independent Auditor's Report (Continued)

## 獨立核數師報告 (續)

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

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

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2012 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.

### OTHER MATTER

The financial statements of the Company and the Group for the year ended 31 March 2011 were audited by another auditor who expressed an unmodified opinion on those statements on 22 June 2011.

#### PAN-CHINA (H.K.) CPA LIMITED

*Certified Public Accountants*

Hong Kong, 22 June 2012

**Lee Ping Kai**

Practising Certificate Number P02976

20/F., Hong Kong Trade Centre,  
161-167 Des Voeux Road Central,  
Central, Hong Kong,  
Hong Kong S.A.R., China

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。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，以及評價綜合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，該等綜合財務報表已根據《香港財務報告準則》真實而公平地反映 貴公司及 貴集團於二零一二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。

### 其他事項

貴公司及貴集團截至二零一一年三月三十一日止年度之財務報表由另一家核數師審核，並於二零一一年六月二十二日對該等財務報表發表無保留意見。

天健(香港)會計師事務所有限公司

執業會計師

香港，二零一二年六月二十二日

李炳佳

執業證書編號P02976

中國香港特別行政區  
香港中環  
德輔道中161-167號  
香港貿易中心20字樓



# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

			2012	2011
			二零一二年	二零一一年
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
Turnover	營業額	5	6,436	4,401
Other gain, net	其他盈利淨額	6	32,384	4,274
Fair value gain on investment property	投資物業公平值收益		979	–
Staff costs	僱員成本	7	(8,033)	6,365
Depreciation and amortization	折舊及攤銷		(7,291)	(7,044)
Other operating expenses	其他經營開支		(28,348)	(33,279)
Operating loss	經營虧損	8	(3,873)	(25,283)
Finance income	財務收入	9	383	218
Finance costs	融資成本	10	(48,583)	(41,349)
Loss before taxation	除稅前虧損		(52,073)	(66,414)
Taxation	稅項	11	(345)	(3)
Loss for the year	年內虧損		(52,418)	(66,417)
Other comprehensive income:	其他全面收入：			
Movement in available-for-sale financial assets	可供出售財務資產變動		(521)	117
Currency translation differences	外幣換算差額		14,404	17,488
Deferred tax on revaluation increase	重估增值引致之遞延稅項		(8,116)	–
Property revaluation	物業重估		20,141	–
Other comprehensive income for the year, net of tax	年內其他全面收入，已扣除稅項		25,908	17,605
Total comprehensive loss for the year	年內全面虧損總額		(26,510)	(48,812)
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	12	(52,418)	(66,417)
Total comprehensive loss for the year attributable to equity holders of the Company	本公司權益持有人應佔年內全面虧損總額		(26,510)	(48,812)
<b>Basic and diluted loss per ordinary share for loss for the year attributable to equity holders of the Company</b>	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虧損	13	HK(3.43) cents 港仙	HK(4.34) cents 港仙

The notes on pages 47 to 142 form part of these consolidated financial statements.

第47頁至第142頁之附註屬本綜合財務報表之一部分。

# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 March 2012 於二零一二年三月三十一日

		2012	2011
		二零一二年	二零一一年
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	246,217	255,302
	Land use rights	66,909	82,762
	Investment property	93,758	–
	Construction in progress	4,468	8,549
	Available-for-sale financial assets	1,128	33,339
	Receivables, prepayments and deposits	51,097	106,912
		<b>463,577</b>	<b>486,864</b>
<b>Current assets</b>		<b>流動資產</b>	
	Receivables, prepayments and deposits	21,409	28,826
	Bank balances and cash	125,059	96,350
		<b>146,468</b>	<b>125,176</b>
	Assets held for sale	–	19,463
		<b>146,468</b>	<b>144,639</b>
<b>Current liabilities</b>		<b>流動負債</b>	
	Payables and accruals	64,364	93,115
	Liability component of compound financial instrument	25,635	18,850
	Borrowings	441,696	416,980
		<b>531,695</b>	<b>528,945</b>
<b>Net current liabilities</b>		<b>(385,227)</b>	<b>(384,306)</b>
<b>Total assets less current liabilities</b>		<b>78,350</b>	<b>102,558</b>
<b>Non-current liabilities</b>		<b>非流動負債</b>	
	Liability component of compound financial instrument	–	5,569
	Borrowings	–	586
	Deferred tax	8,457	–
		<b>8,457</b>	<b>6,155</b>
<b>Net assets</b>		<b>69,893</b>	<b>96,403</b>

# Consolidated Statement of Financial Position (Continued)

## 綜合財務狀況表 (續)

As at 31 March 2012 於二零一二年三月三十一日

			2012 二零一二年	2011 二零一一年
		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	31(a)	(68,767)	(42,257)
Total shareholders' deficit	股東虧絀總額		(53,471)	(26,961)
Non-controlling interest	非控股權益		123,364	123,364
<b>Total equity</b>	<b>權益總額</b>		<b>69,893</b>	<b>96,403</b>

Approved by the Board on 22 June 2012 and signed on behalf of the Board by:

於二零一二年六月二十二日獲董事會通過，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. XIAO Huan Wei**

肖煥偉先生

Director

董事

The notes on pages 47 to 142 form part of these consolidated financial statements.

第47頁至第142頁之附註屬本綜合財務報表之一部分。

# Statement of Financial Position

## 財務狀況表

As at 31 March 2012 於二零一二年三月三十一日

			2012 二零一二年	2011 二零一一年
		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(b)	12	27
Interests in subsidiaries	附屬公司權益	19	<b>330,000</b>	330,000
			<b>330,012</b>	330,027
<b>Current assets</b>	<b>流動資產</b>			
Receivables, prepayments and deposits	應收款項、預付款項及按金	22	315	2,949
Amounts due from subsidiaries	應收附屬公司款項	19	<b>51,687</b>	51,626
Bank balances and cash	銀行結餘及現金	23	271	249
			<b>52,273</b>	54,824
<b>Current liabilities</b>	<b>流動負債</b>			
Payables and accruals	應付款項及應計項目	25	1,741	1,582
Borrowings	借款	27	<b>405,640</b>	367,112
Amounts due to subsidiaries	應付附屬公司款項	19	<b>13,771</b>	12,196
			<b>421,152</b>	380,890
<b>Net current liabilities</b>	<b>流動負債淨值</b>		<b>(368,879)</b>	(326,066)
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>(38,867)</b>	3,961
<b>Net (liabilities)/assets</b>	<b>(負債)/資產淨值</b>		<b>(38,867)</b>	3,961
<b>EQUITY</b>	<b>權益</b>			
Share capital	股本	29	<b>15,296</b>	15,296
Reserves	儲備	31(b)	<b>(54,163)</b>	(11,335)
<b>Total equity</b>	<b>權益總額</b>		<b>(38,867)</b>	3,961

Approved by the Board on 22 June 2012 and signed on behalf of the Board by:

於二零一二年六月二十二日獲董事會通過，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. XIAO Huan Wei**

肖煥偉先生

Director

董事

The notes on pages 47 to 142 form part of these consolidated financial statements.

第47頁至第142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 2012 截至二零一二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	Revaluation reserve	Accumulated losses	Total	Non-controlling 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	重估儲備	累計虧損	總額	非控股權益	權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2010	於二零一零年四月一日	15,296	152,049	404	5,781	18,436	-	(169,857)	22,109	123,364	145,473
Loss for the year	年內虧損	-	-	-	-	-	-	(66,417)	(66,417)	-	(66,417)
Other comprehensive income:	其他全面收入:										
Translation exchange difference	外匯換算差額	-	-	-	-	17,488	-	-	17,488	-	17,488
Movement in available-for-sale financial assets reserve	可供出售財務資產儲備之變動	-	-	117	-	-	-	-	117	-	117
Total comprehensive loss for the year	年內全面虧損總額	-	-	117	-	17,488	-	(66,417)	(48,812)	-	(48,812)
Employee share option benefits	僱員購股權福利	-	-	-	(258)	-	-	-	(258)	-	(258)
Transfer to accumulated losses upon lapse of share options	於購股權失效時轉撥至累計虧損	-	-	-	(2,092)	-	-	2,092	-	-	-
		-	-	-	(2,350)	-	-	2,092	(258)	-	(258)
At 31 March 2011	於二零一一年三月三十一日	15,296	152,049	521	3,431	35,924	-	(234,182)	(26,961)	123,364	96,403
Loss for the year	年內虧損	-	-	-	-	-	-	(52,418)	(52,418)	-	(52,418)
Other comprehensive income:	其他全面收入:										
Translation exchange difference	外匯換算差額	-	-	-	-	14,404	-	-	14,404	-	14,404
Available-for-sale financial assets – release of reserve upon disposal	可供出售財務資產 – 出售時解除儲備	-	-	(844)	-	-	-	-	(844)	-	(844)
Impairment loss reclassified from available-for-sale financial assets reserve	自可供出售財務資產儲備重新分類之減值虧損	-	-	323	-	-	-	-	323	-	323
Deferred tax on revaluation increase	重估增值引致之遞延稅項	-	-	-	-	-	(8,116)	-	(8,116)	-	(8,116)
Property revaluation	物業重估	-	-	-	-	-	20,141	-	20,141	-	20,141
Total comprehensive loss for the year	年度全面虧損總額	-	-	(521)	-	14,404	12,025	(52,418)	(26,510)	-	(26,510)
Transfer to accumulated losses upon lapse of share options	購股權失效時轉撥至累計虧損	-	-	-	(844)	-	-	844	-	-	-
		-	-	-	(844)	-	-	844	-	-	-
At 31 March 2012	於二零一二年三月三十一日	15,296	152,049	-	2,587	50,328	12,025	(285,756)	(53,471)	123,364	69,893

The notes on pages 47 to 142 form part of these consolidated financial statements.

第47頁至第142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 2012 截至二零一二年三月三十一日止年度

			2012	2011
			二零一二年	二零一一年
	Note	HK\$'000	HK\$'000	HK\$'000
	附註	千港元	千港元	千港元
<b>Operating activities</b>		<b>經營活動</b>		
Loss before taxation		除稅前虧損	(52,073)	(66,414)
Adjustments for:		調整：		
Finance costs	10	融資成本	48,583	41,349
Depreciation and amortization	8	折舊及攤銷	7,291	7,044
Gain on disposal of property, plant and equipment and assets held for sale	6	出售物業、機器及設備及持作出售資產之盈利	(6,006)	(4,250)
Gain on transfer of interest in properties before completion of acquisition	6	收購完成前轉讓物業權益之盈利	(3,283)	–
Gain on disposal of available-for-sale financial assets	6	出售可供出售財務資產之盈利	(21,892)	–
Available-for-sale financial assets – release of reserve upon disposal	6	可供出售財務資產 – 出售時解除儲備	(844)	–
Gain on disposal of a subsidiary	6	出售附屬公司之盈利	(100)	–
Loss on dissolution of associates	8	聯營公司解散之虧損	–	5
Reversal of employee share option benefits	7	撥回僱員購股權福利	–	(258)
Fair value gain on investment property		投資物業之公平值收益	(979)	–
Impairment loss reclassified from available-for-sale financial assets reserve	8	自可供出售財務資產儲備重新分類之減值虧損	323	–
Changes in working capital		營運資金變動		
– Decrease/(increase) in receivables, prepayments and deposits		– 應收款項、預付款項及按金減少／(增加)	6,597	(1,676)
– Decrease in payables and accruals		– 應付款項及應計項目減少	(11,968)	(41,260)
Net cash outflow from operations		經營業務現金流出淨額	(34,351)	(65,460)
Overseas profits tax paid		已付海外利得稅	(4)	(3)
<b>Net cash outflow from operating activities</b>		<b>經營活動之現金流出淨額</b>	<b>(34,355)</b>	<b>(65,463)</b>

## Consolidated Statement of Cash Flows (Continued)

### 綜合現金流量表 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

		2012 二零一二年	2011 二零一一年
	Note 附註	HK\$'000 千港元	HK\$'000 千港元
<b>Investing activities</b>	<b>投資活動</b>		
Purchase of property, plant and equipment and land use rights	購入物業、機器及設備及土地使用權	(8,018)	(10,577)
Payment of deposits for acquisition of hotel properties	支付收購酒店物業之按金	-	(7,392)
Additions of construction in progress	添置在建工程	(13,031)	(4,617)
Proceeds from disposal and refund from termination of acquisition contract for property, plant and equipment	出售物業、機器及設備所得款項與終止物業、機器及設備收購合約之退款	-	101,230
Proceeds from transfer of interest in, properties before completion of acquisition	收購完成前轉讓物業權益之盈利	41,167	-
Partial proceeds from disposal of assets held for sale	出售持作出售資產的部份所得款項	12,583	-
Proceeds from disposal of available-for-sale financial assets	出售可供出售財務資產的所得款項	53,824	-
Proceeds from dissolved associates	聯營公司解散所得款項	-	91
<b>Net cash inflow from investing activities</b>	<b>投資活動之現金流入</b>	<b>86,525</b>	<b>78,735</b>
<b>Financing activities</b>	<b>融資活動</b>		
Increase in amount due to ultimate holding company	應付最終控股公司之款項增加	-	57,000
Capital element of finance lease rentals paid	償還融資租賃租金本金部分	(607)	(594)
Repayment of other loans	償還其他貸款	(15,845)	-
Interest paid	已付利息	(7,146)	(7,364)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>融資活動之現金(流出)/流入淨額</b>	<b>(23,598)</b>	<b>49,042</b>
Increase in cash and cash equivalents	現金及現金等值物增加	28,572	62,314
Cash and cash equivalents at 1 April	於四月一日之現金及現金等值物	96,350	35,659
Effect of foreign exchange rate changes	匯兌變動之影響	137	(1,623)
Cash and cash equivalents at 31 March	於三月三十一日之現金及現金等值物	125,059	96,350
	23		

The notes on pages 47 to 142 form part of these consolidated financial statements.

第47頁至第142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 2012 截至二零一二年三月三十一日止年度

### 1. GENERAL INFORMATION

The principal activities of VXL Capital Limited (the “Company”) and its subsidiaries together (the “Group”) are (i) hotel investment and operations and (ii) property investment, whilst those of its principal subsidiaries are set out in Note 19 to the consolidated financial statements.

The Company is a limited liability company incorporated in Hong Kong. The address of its registered office is Room 603A, 6th Floor, Empire Centre, No. 68 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong.

The Company has its listing on The Stock Exchange of Hong Kong Limited. The Directors consider the immediate and ultimate holding company to be VXL Capital Partners Corporation Limited (“VXLCPL”), 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 Hong Kong Institute of Certified Public Accountants (“HKICPA”). HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. In addition, the consolidated financial statements include the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except as modified by the revaluation of investment property and available-for-sale financial assets. These financial statements are presented in Hong Kong Dollar thousands, unless otherwise stated.

### 1. 一般資料

卓越金融有限公司（「本公司」）及其附屬公司（統稱「本集團」）之主要業務為（i）酒店投資及營運，以及（ii）物業投資，其主要附屬公司之主要業務乃載於綜合財務報表附註19。

本公司為於香港註冊成立之有限公司，其註冊辦事處地址為香港九龍尖沙咀東麼地道六十八號帝國中心六字樓603A室。

本公司於香港聯合交易所有限公司上市。董事認為於英屬處女群島註冊成立之VXL Capital Partners Corporation Limited（「VXLCPL」）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（「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。香港財務報告準則由香港財務報告準則、香港會計準則及詮釋構成。此外，綜合財務報表亦包含《香港聯合交易所有限公司證券上市規則》及香港《公司條例》規定之適當披露資料。該等財務報表乃根據歷史成本法編製，並就重估投資物業及可供出售財務資產作出修訂。除另有指明外，該等財務報表乃以千港元呈列。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

At 31 March 2012, the Group had net current liabilities of HK\$385.2 million and a shareholders' deficit on equity of HK\$53.5 million. The current liabilities mainly consist of the outstanding payments for acquisition of budget hotels and short-term borrowings. Subsequent to the year end, the management has extended by over one year the repayment of short-term borrowings totaling HK\$441.1 million. During the year, the Group totally received HK\$107.6 million from its disposal of certain hotel properties and available-for-sale financial assets. As a result, the Group maintained cash and bank balances of HK\$125.1 million as at 31 March 2012. The management is confident that the Group is able to meet its obligations. Moreover, the ultimate holding company of the Company, VXLCP, 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 businesses for the foreseeable future.

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.

### 2. 主要會計政策 (續)

#### 2.1 編製基準 (續)

於二零一二年三月三十一日，本集團有流動負債淨額385,200,000港元及股東權益虧絀53,500,000港元。流動負債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，管理層對總額441,100,000港元之短期借款還款延期逾一年。於年內，本集團合共收取107,600,000港元，款項來自本集團出售若干酒店物業及可供出售金融資產。故此，於二零一二年三月三十一日，本集團維持現金及銀行結餘125,100,000港元。管理層有信心，本集團有能力應付其債務。再者，本公司之最終控股公司VXLCP已確認其願向本集團提供充足財務支持，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。

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執行本集團會計政策之過程中作出判斷。當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。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

(a) *New and amended standards and interpretations adopted by the Group*

The following new and revised standards, amendments and interpretations are mandatory for the first time for the financial year beginning 1 April 2011.

HKAS 24 (Revised)	Related Party Disclosures
HK(IFRIC) – Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to HKFRSs	Improvements to HKFRSs issued in 2010

### 2. 主要會計政策 (續)

#### 2.1 編製基準 (續)

(a) *本集團採納之新訂及經修訂準則及詮釋*

以下新訂及經修訂之準則、修訂及詮釋於二零一一年四月一日開始之財政年度首次強制生效。

香港會計準則第24號 (經修訂)	關連人士披露
香港(國際財務報告 詮釋委員會) – 詮釋第14號 (修訂本)	最低資金規定之預付款項
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
香港財務報告準則之 修訂	二零一零年頒佈之香港財務 報告準則之改進

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

(b) *New and amended standards and interpretations, those are not yet effective and have not been early adopted by the Group*

### 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新訂及經修訂準則及詮釋*

		<b>Effective for annual periods beginning on or after 於下列日期或之後開始 之會計期間生效</b>
HKFRS 1 (Amendments)	First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First time Adopters	1 July 2011
香港財務報告準則第1號(修訂本)	首次採納香港財務報告準則 – 嚴重高通脹及剔除首次採用者的 固定日期	二零一一年七月一日
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Transfer of Financial Assets	1 July 2011
香港財務報告準則第7號(修訂本)	財務工具:披露-轉讓財務資產	二零一一年七月一日
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
香港財務報告準則第7號(修訂本)	財務工具:披露-抵銷財務資產與 財務負債	二零一三年一月一日
HKFRS 9	Financial Instruments	1 January 2015
香港財務報告準則第9號	財務工具	二零一五年一月一日
HKFRS 10	Consolidated Financial Statements	1 January 2013
香港財務報告準則第10號	綜合財務報表	二零一三年一月一日
HKFRS 11	Joint Arrangements	1 January 2013
香港財務報告準則第11號	合營安排	二零一三年一月一日
HKFRS 12	Disclosure of Interests in Other Entities	1 January 2013
香港財務報告準則第12號	於其他實體的權益披露	二零一三年一月一日
HKFRS 13	Fair Value Measurement	1 January 2013
香港財務報告準則第13號	公平值計量	二零一三年一月一日

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二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) *New and amended standards and interpretations, those 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新訂及經修訂準則及詮釋 (續)*

		Effective for annual periods beginning on or after 於下列日期或之後開始 之會計期間生效
HKAS 1 (Amendments)	Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income	1 July 2012
香港會計準則第1號 (修訂本)	呈報財務報表 – 呈列其他全面收益項目	二零一二年七月一日
HKAS12 (Amendments)	Deferred Tax: Recovery of Underlying Assets	1 January 2012
香港會計準則第12號 (修訂本)	遞延稅項：收回相關資產	二零一二年一月一日
HKAS 19 (2011)	Employee Benefits	1 January 2013
香港會計準則第19號 (二零一一年)	僱員福利	二零一三年一月一日
HKAS 27 (2011)	Separate Financial Statements	1 January 2013
香港會計準則第27號 (二零一一年)	獨立財務報表	二零一三年一月一日
HKAS 28 (2011)	Investments in Associates and Joint Ventures	1 January 2013
香港會計準則第28號 (二零一一年)	於聯營公司及合營企業之投資	二零一三年一月一日
HKAS 32 (Amendments)	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities	1 January 2014
香港會計準則第32號 (修訂本)	財務工具：呈報 – 抵銷財務資產與 財務負債	二零一四年一月一日
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
香港 (國際財務報告詮釋委員會) – 詮釋第20號	露天礦場生產階段之剝採成本	二零一三年一月一日

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) *New and amended standards and interpretations, those are not yet effective and have not been early adopted by the Group (Continued)*

HKFRS 9 Financial Instruments introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2015, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

### 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新訂及經修訂準則及詮釋 (續)*

香港財務報告準則第9號引入財務資產之分類及計量新規定，並將於二零一五年一月一日生效，且獲准提早應用。該準則規定於香港會計準則第39號「財務工具：確認及計量」範圍內所有已確認財務資產其後須按攤銷成本或公平值計量。特別是(i)就以收取合約現金流量為目的業務模式持有之債務投資，及(ii)合約現金流量純粹為支付本金及未償還本金利息之債務投資，則一般於其後之會計期末按攤銷成本計量。所有其他債務投資及股本投資均於其後之報告期末按公平值計量。此外，根據香港財務報告準則第9號，實體須作出不可撤回之選擇，以於其他全面收入呈報股本投資（並非持作買賣者）公平值之其後變動，只有股息收入一般於損益確認。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

- (b) *New and amended standards and interpretations, those are not yet effective and have not been early adopted by the Group (Continued)*

The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in fair value of a financial liability (designed as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

The issuance of HKFRS 10 Consolidated Financial Statements, HKFRS 11 Joint Arrangements and HKFRS 12 Disclosure of Interests in Other Entities completes improvements to the accounting requirements for off balance sheet activities and joint arrangements and concludes an important element of the International Accounting Standards Board's comprehensive response to the financial crisis.

## 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新訂及經修訂準則及詮釋 (續)*

香港財務報告準則第9號與財務負債之分類及計量相關之最大影響，乃涉及財務負債（指定為按公平值計入損益者）信貸風險變動以致該負債公平值變動之呈報方式。特別是，根據香港財務報告準則第9號，就按公平值計入損益之財務負債而言，除非於其他全面收入中確認該負債之信貸風險改變之影響會於損益中產生或擴大會計錯配，否則，因負債之信貸風險改變而引致財務負債公平值金額的變動乃於其他全面收入中呈列。財務負債之信貸風險引致之公平值變動其後不會重新分類為損益。以往，根據香港會計準則第39號，分類為按公平值計入損益之財務負債的公平值變動，乃全數於損益中呈列。

頒發香港財務報告準則第10號「綜合財務報表」、香港財務報告準則第11號「合營安排」及香港財務報告準則第12號「於其他實體的權益披露」完善改進資產負債表外活動及合營安排之會計規定並規定國際會計準則委員會對金融危機所作全面回應之重要部分。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

(b) *New and amended standards and interpretations, those are not yet effective and have not been early adopted by the Group (Continued)*

- HKFRS 10 Consolidated Financial Statements builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statement of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.
- HKFRS 11 Joint Arrangements provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities.
- HKFRS 12 Disclosure of Interests in Other Entities is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.

### 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新訂及經修訂準則及詮釋 (續)*

- 香港財務報告準則第10號「綜合財務報表」以現有原則為基礎，確定將控制權之概念作為釐定實體是否應計入母公司之綜合財務報表之因素。該準則提供在此情況難以評估之情況下可協助釐定控制權之額外指引。
- 香港財務報告準則第11號「合營安排」透過專注於安排之權利及責任而非其法定形式（按現時情況）以提供對合營安排之更現實反映。該準則透過要求以單一方法入賬於共同控制實體之權益而處理於呈列合營安排方面之不一致性。
- 香港財務報告準則第12號「於其他實體的權益披露」為一項就於其他實體（包括合營安排、聯營公司、特殊目的工具及其他資產負債表外工具）之所有形式權益之披露規定之新訂及全面準則。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) *New and amended standards and interpretations, those are not yet effective and have not been early adopted by the Group (Continued)*

HKFRS 13 Fair Value Measurement improves consistency and reduces complexity by providing, for the first time, a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The requirements do not extend the use of fair value accounting, but provide guidance on how it should be applied where its use is already required or permitted by other standards within HKFRSs.

The amendments to HKAS 1 (Amendments) Presentation of Items of Other Comprehensive Income require companies preparing financial statements in accordance with HKFRSs to group together items within other comprehensive income (OCI) that may be reclassified to the profit or loss section of the statement of comprehensive income. The amendments also reaffirm existing requirements that items in OCI and profit or loss should be presented as either a single statement or two consecutive statements.

### 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新訂及經修訂準則及詮釋 (續)*

香港財務報告準則第13號「公平值計量」透過首次提供公平值之精確定義及公平值計量之單一來源及於香港財務報告準則使用之披露規定而提升一致性及減低複雜性。該等規定並不擴大公平值會計之使用，惟提供於其使用已由香港財務報告準則內之其他準則規定或准許之情況下應如何應用之指引。

修訂香港會計準則第1號(修訂本)「呈列其他全面收益項目」規定公司根據香港財務報告準則編製財務報表，以歸入於可重新分類至全面收益表損益部分之其他全面收入(「其他全面收入」)項目組合。修訂亦重申現有規定，即其他全面收入之項目及損益須按單一報表或兩份連續報表進行呈列。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) *New and amended standards and interpretations, those are not yet effective and have not been early adopted by the Group (Continued)*

HKAS 12 Amendments clarify the determination of deferred tax for investment property measured at fair value. The amendments introduce a rebuttable presumption that deferred tax on investment property measured at fair value should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, the amendments incorporate the requirement previously in HK(SIC) – int 21 Income Taxes – Recovery of Revalued Non-Depreciable Assets that deferred tax on non-depreciable assets, measured using the revaluation model in HKAS 16, should always be measured on a sale basis.

The issuance of HKAS 19 (2011) Employee Benefits completes improvements to the accounting requirements for pensions and other post-employment benefits and HKAS 19 (2011) makes important improvements by:

- Eliminating an option to defer the recognition of gains and losses, known as the “corridor method”, improving comparability and faithfulness of presentation.
- Streamlining the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in OCI, thereby separating those changes from changes that many perceive to be the result of an entity’s day-to-day operations.

### 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新訂及經修訂準則及詮釋 (續)*

香港會計準則第12號(修訂本)闡明以公平值計量之投資物業之遞延稅項之釐定。該等修訂引入可推翻推定,即以公平值計量之投資物業之遞延稅項,應以其賬面值藉出售而可收回之基準釐定。此外,該等修訂納入以往在香港(常務詮釋委員會) – 詮釋第21號所得稅 – 重估非折舊資產的收回之規定,即採用香港會計準則第16號的重估模式計量的非折舊資產之遞延稅項,應以出售基準計量。

頒發香港會計準則第19號(二零一一年)「僱員福利」完善改進退休金及其他離職福利之會計規定,而香港會計準則第19號(二零一一年)透過以下各項作出重大改進:

- 取消遞延確認損益之選擇(稱為「區間法」),改善呈列方式之相容及信實度。
- 使界定利益計劃所產生之資產及負債變動之呈列方式更為合理,包括要求於其他全面收入呈列項目時須重新計量,藉以將該等變動與被視為實體之日常營運變動予以區分。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

(b) *New and amended standards and interpretations, those are not yet effective and have not been early adopted by the Group (Continued)*

- Enhancing the disclosure requirements for defined benefit plans, providing better information about the characteristics of defined benefit plans and the risks that entities are exposed to through participation in those plans.

HKAS 27 (2011) Separate Financial Statements contains accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. The Standard requires an entity preparing separate financial statements to account for those investments at cost or in accordance with HKFRS 9 Financial Instruments.

HKAS 28 (2011) Investments in Associates and Joint Ventures prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

### 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新訂及經修訂準則及詮釋 (續)*

- 加強界定利益計劃之披露規定，以提供有關界定利益計劃之特色及因參與該等計劃而承擔風險之實體之更妥善資料。

香港會計準則第27號(二零一一年)「獨立財務報表」包含了對附屬公司、合營企業和聯營公司投資獨立編製財務報表的會計和披露要求。該準則要求實體按照成本或香港財務報告準則第9號「財務工具」獨立編製財務報表以對該等投資進行計量。

香港會計準則第28號(二零一一年)「於聯營公司及合營企業之投資」規定於聯營公司投資之會計處理，並載列有關聯營及合營公司在會計上按照權益法對投資進行會計處理的規定。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) *New and amended standards and interpretations, those are not yet effective and have not been early adopted by the Group (Continued)*

Amendments to HKAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities clarify the requirements for offsetting financial instruments. The amendments address inconsistencies in current practice when applying the offsetting criteria and clarify:

- The meaning of ‘currently has a legally enforceable right of set-off’; and
- That some gross settlement systems may be considered equivalent to net settlement.

HK(IFRIC) – Int 20 Stripping Costs in the Production Phase of a Surface Mine clarifies the requirements for accounting for stripping costs in the production phase of a surface mine. The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods.

The Group has already commenced an assessment of the related impact of adopting the above new standards, 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.

### 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新訂及經修訂準則及詮釋 (續)*

香港會計準則第32號「財務工具：呈報－抵銷財務資產與財務負債」闡明了抵銷財務工具之規定。該等修訂指明應用抵銷標準時之現行做法之不一致條文，並闡明：

- 「目前具有合法強制執行抵銷權利」之含義；及
- 若干總額結算系統可視為相當於淨額結算。

香港（國際財務報告詮釋委員會）－詮釋第20號「露天礦場生產階段之剝採成本」闡明露天礦場生產階段之剝採成本之會計處理規定。其闡明生產剝採何時會導致確認資產，以及應如何對該資產進行初步及其後期間之計量。

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導致本集團之會計政策及財務報表之呈報出現重大變動。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries for the year ended 31 March 2012.

#### (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)

### 2.2 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二零一二年三月三十一日止年度之財務報表。

#### (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 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.2 Consolidation (Continued)

##### (a) Subsidiaries (Continued)

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of comprehensive income (Note 2.8).

### 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企業合併列賬。為收購附屬公司而轉移之代價按本集團所轉讓之資產、所產生之負債及所發行之股本權益之公平值計算。所轉移之代價包括因或然代價安排而產生之任何資產或負債之公平值。與收購有關之成本於產生時支銷。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。所轉移代價、所收購公司之任何非控股權益數額及所收購公司任何過往股本權益於收購日期之公平值超過可識辨所收購淨資產之公平值之數額記錄為商譽。如屬折價收購，而有關數額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中之收入內確認（附註 2.8）。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.2 Consolidation (Continued)

#### (a) Subsidiaries (Continued)

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized gains and losses are also eliminated unless there is evidence of impairment. 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 statement of financial position 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.

### 2.3 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. 主要會計政策 (續)

### 2.2 綜合賬目 (續)

#### (a) 附屬公司 (續)

本集團旗下公司間之交易、結餘及交易未變現盈利互相對銷。除非出現減值證據，否則未變現盈利及虧損亦會對銷。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，以確保與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。

在本公司財務狀況表內，於附屬公司之投資乃按成本扣除減值虧損撥備列賬（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。

### 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。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 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 Hong Kong dollars ("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 recognised 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 recognised in the consolidated statement of comprehensive income as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale financial assets, are recognised in other comprehensive income and are included in the fair value reserve in equity.

### 2. 主要會計政策 (續)

#### 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(「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)之換算差額於其他全面收入確認,並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 2012 截至二零一二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 reporting date;
- (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 recognised in other comprehensive income and presented as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, are taken to shareholders' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognised 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) 於財務狀況表所呈列資產及負債各項結餘,按報告日之收市匯率換算;
- (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) 所有匯兌差額將於其他全面收入確認,並列為權益項下的獨立項目。

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 2012 截至二零一二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 recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance 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 reporting date.

### 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計算：

– 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報告日檢討，並在適當時作出調整。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.5 Property, plant and equipment (Continued)

An impairment loss is recognised 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. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are netted off or recognised within 'Other gain, net'/'Other operating expenses' in the consolidated statement of comprehensive income.

### 2.6 Land use rights

Land use rights which are prepayment of land leases are stated at cost less accumulated amortization and accumulated impairment losses. 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 Investment property

Investment property is property held to earn rentals and/or capital appreciation including properties under construction for such purpose.

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

## 2. 主要會計政策 (續)

### 2.5 物業、機器及設備 (續)

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。出售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「其他盈利淨額」/「其他經營開支」內扣除或確認。

### 2.6 土地使用權

土地使用權（即土地租約預付款項）按成本減累計攤銷及累計減值虧損列賬。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 投資物業

投資物業為持作賺取租金及／或資本增值之物業，包括作該用途之在建物業。

於初始確認時，投資物業按成本值計量，包括任何直接應佔開支。初始確認後，投資物業使用公平值模式計量。投資物業之公平值變動產生之損益計入產生期間之損益。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.7 Investment properties (Continued)

Construction costs incurred from investment properties under construction are capitalized as part of the carrying amount of the investment properties under construction.

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

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under “Property, plant and equipment and depreciation” up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation.

#### 2.8 Impairment of investments in subsidiaries

Impairment testing of the investment in a subsidiary is made if the carrying amount of the subsidiary in the Company’s statement of financial position exceeds the carrying amount of the subsidiary’s net assets including goodwill in the consolidated statement of financial position.

#### 2.9 Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

### 2. 主要會計政策 (續)

#### 2.7 投資物業 (續)

在建投資物業產生之建築成本予以資本化，作為在建投資物業之部分賬面值。

投資物業於出售時撤銷確認，或於投資物業永久地撤回使用及預期不會由日後出售而獲得任何經濟利益時撤銷確認。撤銷確認資產產生之任何收益或虧損（根據出售所得款項淨額與資產賬面值之差額計算）計入項目撤銷確認之年度之損益。

倘本集團佔用作為業主自用物業之物業，成為一項投資物業，本集團根據「物業、機器及設備及折舊」所載之政策，將該物業入賬，直至用途改變當日，而該物業於該日之賬面值與公平值之差額，則入賬作為重估。

#### 2.8 於附屬公司之投資減值

倘附屬公司於本公司財務狀況表內之賬面值超過該附屬公司淨資產（包括商譽）於綜合財務狀況表內之賬面值，則會對該附屬公司之投資進行減值測試。

#### 2.9 持作出售之非流動資產

倘非流動資產之賬面值將主要透過出售交易收回，且很大可能成功出售，則被分類為持作出售之資產。倘其賬面值將主要透過出售交易收回，而非透過持續使用，且被視為很大可能成功出售，該等資產將以賬面值及公平值減銷售成本兩者之較低者列賬。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.10 Financial assets

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. The classification depends on the 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.

Financial assets carried at fair value through profit or loss are initially recognised at fair value and subsequently carried at fair value. Transaction costs are expensed as incurred.

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 profit or loss in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of other operating income when the Group's right to receive payments is established.

### 2. 主要會計政策 (續)

#### 2.10 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。財務資產之分類取決於獲取該等財務資產時之目的。財務資產之歸類乃根據本集團於初次確認時所釐定。

(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。

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。交易成本於產生時列支。

「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，於產生期間在損益內入賬。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損益確認為其他經營收入之一部分。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.10 Financial assets (Continued)

##### (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 reporting 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 consolidated statement of financial position (Notes 2.11 and 2.14). Loans and receivables are carried at amortized cost using the effective interest method.

##### (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 investment matures or the Group intends to dispose of the investment within 12 months after the reporting date. Investments are initially recognised at fair value plus transaction costs and subsequently carried at fair value. Fair value changes are recognized in other comprehensive income, net of tax, and accumulated in equity in fair value reserve. The unlisted equity instruments, for which the fair value is not reliably measurable, are measured at cost. The fair value of unquoted instruments is not reliably measurable if the variability in the range of reasonable fair value estimates is significant for that instrument and the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value.”

### 2. 主要會計政策 (續)

#### 2.10 財務資產 (續)

##### (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，惟到期日遲於報告日後十二個月者除外。該等資產分類為非流動資產。貸款及應收款項於綜合財務狀況表分類為「應收款項、預付款項及按金」及「銀行結餘及現金」（附註2.11及2.14）。貸款及應收款項按攤銷成本採用實際利息法列賬。

##### (c) 可供出售財務資產

可供出售財務資產為非衍生工具，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，除非投資已到期，或本集團擬於報告日後十二個月內出售投資。投資初步按公平值加交易成本確認，其後按公平值列賬。公平值變動於扣除稅項後在其他全面收入列賬，並於權益內之公平值儲備累積。公平值無法可靠計量之非上市股本工具乃按成本計量。倘估計公平值之合理範圍變化就無報價工具而言屬龐大，且無法合理評估範圍內各估計之可能性，並用於估計公平值，則該工具被視為公平值無法可靠計量。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.10 Financial assets (Continued)

#### (c) Available-for-sale 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 reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in consolidated statement of comprehensive income – is removed from equity and recognised in the consolidated statement of comprehensive income. Impairment losses recognised 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 2.11.

## 2. 主要會計政策 (續)

### 2.10 財務資產 (續)

#### (c) 可供出售財務資產 (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、參照其他大致相若工具、現金流量貼現分析，以及期權定價模式，盡量減少依賴實體獨有之輸入變量。

本集團於每個報告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。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2.11闡述。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.10 Financial assets (Continued)

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

###### Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a short period, to the net carrying amount on initial recognition.

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

#### 2.11 Impairment of receivables

Receivables are recognised 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 recognised 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. 主要會計政策 (續)

#### 2.10 財務資產 (續)

##### (c) 可供出售財務資產 (續)

###### 實際利率法

實際利率法乃一種計算債務工具攤銷成本與就相關期間分派利息收入的方法。實際利率為於初步確認時藉債務工具的預計年期或較短期間(如適用)精確地將估計未來現金收入折算為賬面淨值的利率。

就債務工具而言,收入乃按實際利率法確認。

#### 2.11 應收款項減值

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。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.12 Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue cost.

#### *Other financial liabilities*

Other financial liabilities (including payables and accruals) are subsequently measured at amortized cost using the effective interest method.

#### *Effective interest method*

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

Interest expense is recognized on an effective interest basis.

## 2. 主要會計政策(續)

### 2.12 財務負債及股權工具

集團實體發行的債務及股權工具乃根據合約安排的內容與財務負債及股權工具的定義分類為財務負債或股權。

#### *股權工具*

股權工具為證明實體經扣除其所有負債後的資產剩餘權益的任何合約。本集團發行的股權工具乃以已收所得款項扣除直接發行成本確認。

#### *其他財務負債*

其他財務負債(包括應付款項及應計項目)隨後以實際利率法按攤銷成本計量。

#### *實際利率法*

實際利率法為一種計算財務負債攤銷成本與分派相關期間利息開支的方法。實際利率為藉財務負債的預計年期或較短期間(如適用)精確地折現估計未來現金付款至初步確認的賬面淨值的利率。

利息開支按實際利率法確認。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.13 Derecognition of financial assets and financial liabilities

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

#### 2.14 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in 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.

#### 2.15 Borrowings and compound financial instruments

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

### 2. 主要會計政策 (續)

#### 2.13 終止確認財務資產及財務負債

本集團僅會於資產現金流量的合約權利屆滿或其轉讓財務資產並轉移絕大部分資產擁有權風險及回報予另一實體時終止確認財務資產。

於完全終止確認財務資產時，資產賬面值與已收及應收代價及已於其他全面收入確認以及於權益累計的累計盈利或虧損的總和的差額，於損益內確認。

當且僅當本集團的責任解除、取消或屆滿時，本集團方會終止確認財務負債。終止確認財務負債的賬面值與已付及應付代價的差額，於損益內確認。

#### 2.14 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手頭現金、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。

#### 2.15 借款及複合財務工具

借款初始按公平值減所產生之交易成本確認。借款其後按攤銷成本列賬，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。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.15 Borrowings and compound financial instruments (Continued)

Fees paid on the establishment of loan facilities are recognised 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 recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised 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. The equity component is allocated to the non-controlling interest.

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 reporting date.

### 2. 主要會計政策 (續)

#### 2.15 借款及複合財務工具 (續)

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。權益部分分配至非控股權益。

除非本集團有權無條件延遲結算負債至報告日後至少十二個月，否則借款會分類為流動負債。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.16 Transaction costs

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.

#### 2.17 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 recognised in consolidated statement of comprehensive income except to the extent that they relate to items recognised directly in consolidated statement of changes in equity, in which case they are recognised in consolidated 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 reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised, 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 reporting date are used to determine deferred taxation.

### 2. 主要會計政策 (續)

#### 2.16 交易成本

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。

#### 2.17 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，惟與直接在綜合權益變動表中確認之項目有關者，則於綜合權益變動表中確認。

即期稅項乃根據本年度之應課稅收入，採用於報告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。於報告日已訂定或大致訂定之稅率乃用作計算遞延稅項。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.17 Current and deferred income tax (Continued)

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

#### 2.18 Provisions

Provisions are recognised 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 recognised 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 recognised as interest expense.

### 2. 主要會計政策 (續)

#### 2.17 即期及遞延所得稅 (續)

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。

#### 2.18 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，而該利率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。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.19 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.

#### 2.20 Employee benefits

##### (a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A liability is recognized for the estimated payment for annual leave as a result of services rendered by employees up to the reporting date.

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

##### (b) Bonus plans

The expected cost of bonus payments are recognised 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.

### 2. 主要會計政策 (續)

#### 2.19 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。

#### 2.20 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。本集團會對直至報告日僱員提供服務而應享有之年假所產生之估計款額確認負債。

僱員可享有之病假及產假或分娩假期乃於享有時方會確認。

##### (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。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.20 Employee benefits (Continued)

##### (c) Pension obligations (Continued)

The Company's subsidiaries in the People's Republic of China ("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.

##### (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 recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting 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)

#### 2.20 僱員福利 (續)

##### (c) 退休金承擔 (續)

本公司於中華人民共和國(「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。

##### (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。於每個報告日，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 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.21 Revenue recognition

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

- i) Income from hotel room rental, food and beverage and other services is recognised when the relevant services are provided.
- ii) Rental income receivable under operating leases is recognised on a straight-line basis over the lease term.
- iii) Interest income is recognised on a time proportion basis using the effective interest method.

#### 2.22 Leasing

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

##### *The Group as lessor*

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### 2. 主要會計政策 (續)

#### 2.21 收益確認

收益於經濟利益有可能流入本集團，且收入能可靠計算時，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。

#### 2.22 租賃

倘租賃之條款將幾近全部擁有權風險及回報轉讓予承租人，則該等租賃分類為融資租賃。所有其他租賃分類為經營租賃。

##### *本集團作為出租人*

經營租賃之租金收入以直線法根據有關租賃之租期確認。磋商及安排一項經營租賃產之初始直接成本加入租賃資產之賬面值，以及以直線法根據租期確認。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### 2.22 Leasing (Continued)

*The Group as 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.

#### (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 recognised 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. 主要會計政策 (續)

### 2.22 租賃 (續)

*本集團作為承租人*

#### (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。

#### (b) 融資租賃

由本集團承擔絕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現值間之較低者撥充資本。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期間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利率。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.23 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 recognised 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 recognised as a provision.

A contingent asset is not recognised 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 recognised.

### 3. FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, price risk, credit risk, liquidity risk and 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. The Group has not used any derivative financial instruments to hedge its risk exposures.

Risk management for the Company and its subsidiaries in PRC is carried out by the Executive Committee ("Excom"). Excom identifies, evaluates and monitors financial risk in close co-operation with the Group's operating units. The Group monitors the financial risk continuously to minimize the risk, such as foreign exchange risk, price risk, credit risk, liquidity risk, interest rate risk and cash management.

### 2. 主要會計政策 (續)

#### 2.23 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。

### 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、價格風險、信貸風險、流動資金風險以及利率風險。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。本集團並無使用任何衍生財務工具對沖其風險。

本公司及其中國附屬公司之風險管理由執行委員會（「執行委員會」）負責。執行委員會與本集團營運單位緊密合作，識別、評估及監察財務風險。本集團持續監察財務風險，以將各種風險盡量減低，例如外匯風險、價格風險、信貸風險、流動資金風險、利率風險及現金管理。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

(a) Foreign exchange risk

The Group's monetary assets, liabilities and transactions are principally denominated in 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 RMB 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 2012, if RMB had strengthened/weakened by 10% against HK dollars, with all other variables held constant, post-tax loss for the year would have been HK\$3.7 million (FY2011: HK\$2.4 million) lower/higher respectively. The movement in the profit or loss relates mainly as a result of foreign exchange gain/losses on translation of RMB denominated trade and other receivables and trade and other payables that affect revenues and other income and costs.

For the translation risk as at 31 March 2012, if RMB had strengthened/weakened by 10% against HK dollars, with all other variables held constant, total equity would have been HK\$40.6 million (FY2011: HK\$38.4 million) higher/lower respectively.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

(a) 外匯風險

本集團貨幣資產、負債及交易皆主要以港元、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。鑒於港元兌美元匯率掛鈎，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。

於二零一二年三月三十一日，倘人民幣兌港元升值／貶值10%，而所有其他變數保持不變，本年度除稅後虧損將分別減少／增加3,700,000港元(二零一一年財政年度：2,400,000港元)。損益之變動主要源於換算人民幣計值之貿易應收賬款及其他應收款項以及貿易應付賬款及其他應付款項所產生之匯兌盈利／虧損，對收益及其他收入及成本產生影響。

就於二零一二年三月三十一日之匯兌風險而言，倘人民幣兌港元升值／貶值10%，而所有其他變數保持不變，權益總額將分別增加／減少40,600,000港元(二零一一年財政年度：38,400,000港元)。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

(b) *Price risk*

The Group is exposed to club debentures price risk which is held by the Group and classified on the consolidated statement of financial position as available-for-sale financial assets. The Group maintained club debentures investments for long-term strategic purpose and the Group's overall exposure to price risk is not significant.

(c) *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 consolidated financial statements.

In respect of 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) *價格風險*

本集團持有會所債券，並於綜合財務狀況表內分類為可供出售財務資產，故本集團承受會所債券價值風險。本集團為長遠戰略目的而持有會所債券投資，而本集團整體所承受之價格風險不大。

(c) *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綜合財務報表附註22內披露。

就銀行存款而言，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 2012 截至二零一二年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (d) Liquidity risk

The Group maintains liquidity by a number of sources including shareholder's loan, orderly realisation 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 and other interest-bearing loans. The ultimate holding company of the Company, VXLCP, 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.

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

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (d) 流動資金風險

本集團透過一系列方式(包括股東貸款、在出售屬適當及有利本集團之情況下有序變現短期財務資產、應收款項及若干資產)維持流動資金。本集團亦會同時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)納入其資本架構內。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VXLCP已確認其有意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。

下表乃根據由財務狀況表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。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

(d) Liquidity risk (Continued)

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

(d) 流動資金風險 (續)

		Less than	Between 1 and
		1 year	5 years
		一年內	一至五年
		HK\$'000	HK\$'000
		千港元	千港元
<b>Group</b>	<b>本集團</b>		
<b>At 31 March 2012</b>	<b>於二零一二年三月三十一日</b>		
Borrowings	借款	441,696	–
Liability component of compound financial instrument	複合財務工具之負債部分	26,100	–
Payables and accruals	應付款項及應計項目	62,002	–
<b>At 31 March 2011</b>	<b>於二零一一年三月三十一日</b>		
Borrowings	借款	416,980	649
Liability component of compound financial instrument	複合財務工具之負債部分	18,850	7,250
Payables and accruals	應付款項及應計項目	82,924	–
<b>Company</b>	<b>本公司</b>		
<b>At 31 March 2012</b>	<b>於二零一二年三月三十一日</b>		
Borrowings	借款	405,640	–
Payables and accruals	應付款項及應計項目	1,741	–
<b>At 31 March 2011</b>	<b>於二零一一年三月三十一日</b>		
Borrowings	借款	367,112	–
Payables and accruals	應付款項及應計項目	1,582	–

Note: Accrued employee benefits are excluded in this table.

附註：此表並不包括應計僱員福利。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

(e) *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.

The Group does not have significant cash flow interest rate risk even it has interest-bearing assets due to the interest-bearing assets' short maturity and low interest rate level in the current market. 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.

The Group currently does not use any interest rate derivative contracts or other financial instruments to hedge against its interest rate risk exposure.

#### 3.2 Capital risk management

The capital structure of the Group consists of owner's equity and debts, which include borrowings, bank balances and cash and equity attributable to equity holders of the Company which comprises the issued share capital and accumulated losses.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

(e) *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。

鑒於本集團持有之附息資產屬短期性質及現時市場利率低企，故該等附息資產並沒有承受重大之現金流量利率風險。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。

本集團目前並無使用任何利率衍生合約或其他財務工具對沖其所承受之利率風險。

#### 3.2 資本風險管理

本集團之資本架構包括擁有人應佔權益及債務，其中包括借款、銀行結餘及現金以及本公司權益持有人應佔權益，本公司權益持有人應佔權益則包括已發行股本及累計虧損。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.2 Capital risk management (Continued)

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 2012 and 2011 were as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Total borrowings (Note 27)	借款總額(附註27)	441,696	417,566
Less: Bank balances and cash	減: 銀行結餘及現金	(125,059)	(96,350)
Net debt	債務淨額	316,637	321,216
Total equity	權益總額	69,893	96,403
Total capital	總資金	386,530	417,619
Net debt/total capital ratio	債務淨額/總資金比率	81.9%	76.9%
Net debt/total equity ratio	債務淨額/權益總額比率	453.0%	333.2%

The increase in gearing ratio during 2012 resulted primarily from the increment of borrowings from ultimate holding company for financing the daily operation and a smaller total equity.

### 3. 財務風險管理(續)

#### 3.2 資本風險管理(續)

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。於二零一二年及二零一一年三月三十一日之資本負債比率如下：

二零一二年之資本負債比率上升，主要是由於增加向最終控股公司借款以應付日常營運以及權益總額減少所致。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- 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:

#### Assets

Available-for-sale financial assets  
– club debentures

#### 資產

可供出售財務資產  
– 會所債券

1,128

2,228

### 3. 財務風險管理 (續)

#### 3.3 公平值之估計

下表乃按公平值列賬之財務工具按估值方法進行之分析。不同層級界定如下：

- 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有關資產或負債之輸入變數可直接 (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)。

下表載列於三月三十一日本集團按公平值計量之資產及負債：

#### Level 2

#### 第二級

2012	2011
二零一二年	二零一一年
HK\$'000	HK\$'000
千港元	千港元

1,128

2,228



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二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 reporting 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 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 were no transfers between Levels 1, 2 and 3 for both years.

### 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報告日之市場報價釐定。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。

第一級、第二級及第三級之間於兩個年度並無轉撥。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二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 recognised in the consolidated financial statements. The key assumptions concerning the future, and other key sources of estimation uncertainty at the financial position 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.

#### Critical accounting estimates

(a) *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.

(b) *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. The details of the assessment are disclosed in Note 28.

### 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財務狀況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）於下文披露。

#### 重大會計估計

(a) *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。

(b) *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。評估詳情於附註28披露。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

#### Critical accounting judgement

(a) *Classification as investment property and owner-occupied properties*

The management of the Group determines whether the acquired hotel property qualify as investment properties. If the property would be classified as investment property, the property would be measured using fair value model. 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.

(b) *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.

### 4. 重大會計估計及判斷(續)

#### 重大會計判斷

(a) *分類為投資物業及業主自用物業*

本集團管理層釐定購買之酒店物業是否合資格作為投資物業。倘物業將分類為投資物業，則其將使用公平值模型計量。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。

(b) *資產減值*

本集團最少每年測試無固定使用年期之商譽或資產是否已出現減值。其他資產則於出現事件或環境出現變化，顯示資產之賬面值超過其可收回金額時，進行減值檢討。資產或現金產生單位之可收回金額乃根據使用價值計算。該等計算需要使用之估計包括折現率、未來盈利能力及增長率等。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

#### Critical accounting judgement (Continued)

(c) *Reversal of key management bonus*

The management has re-assessed the bonus brought forward from previous year. In making its judgement, management considers a range of factors, consults with professional and carries out the re-assessment using consistent basis. Management is of the opinion that adequate provisions in respect of such bonus have been made. Please refer to Note 7 for the details.

### 5. TURNOVER AND SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the chief operating decision-maker, namely 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) property investment and (ii) hotel investment and operations.

### 4. 重大會計估計及判斷 (續)

#### 重大會計判斷 (續)

(c) *撥回主要管理層花紅*

管理層已重新評估承前自過往年度之花紅撥備。管理層在作出判斷時會考慮廣泛因素，諮詢專業人仕，並按統一之基準重新作出評估。管理層認為已就該等花紅充份撥備。詳情請參閱附註7。

### 5. 營業額及分部資料

本集團基於定期向主要營運決策人(即執行董事)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)物業投資及(ii)酒店投資及營運。

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Hotel rental income and food & beverage revenue	酒店租金收入及餐飲收入	3,941	4,401
Rental income	租金收入	2,495	–
		<b>6,436</b>	4,401

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二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 segment 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 investment in properties and;
- c) the unallocated segment comprises operations other than those specified in (a) to (b) above and includes that of the corporate office.

The accounting policies of the operating segments are the same as those described in Note 2 to the consolidated financial statements.

Segment result represents the profit/(loss) resulted by each segment excluding allocation of corporate or central administration costs, finance income, finance costs, gain on disposal of a subsidiary, release of available-for-sale financial assets reserve upon disposal, impairment loss reclassified from available-for-sale financial assets reserve and taxation.

Capital expenditures comprise additions to investment property (Note 17), property, plant and equipment (Note 15), land use rights (Note 16) and construction in progress (Note 18). Segment assets consist primarily of property, plant and equipment, land use rights, construction in progress, investments and receivables. Segment liabilities comprise borrowings and 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 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為從事酒店投資及酒店營運；
- b) 物業投資分部為從物業投資；及
- c) 未分配項目分部為上文(a)及(b)項所述以外之業務，包括本集團辦事處業務。

經營分部的會計政策與綜合財務報表附註2所述者相同。

分部業績代表各分部產生之盈利／(虧損)，其中未分配企業或中央行政費用、財務收入及公司庫務產生之財務成本、出售附屬公司收益、出售時解除可供出售財務資產、自可供出售財務儲備重新分類之減值虧損及稅項。

資本開支包括投資物業(附註17)、物業、機器及設備(附註15)、土地使用權(附註16)及在建工程之添置(附註18)。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。分部負債包括借款及經營負債。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 2012 截至二零一二年三月三十一日止年度

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

The segment revenue, segment results and other segment information based on reportable segments for the years ended 31 March 2012 and 2011 are as follows:

#### 5. 營業額及分部資料 (續)

截至二零一二年及二零一一年三月三十一日止年度，按可報告分部劃分之分部收入、分部業績及其他分部資料如下：

		Property investment	Hotel investment & operations	Total for reportable segments	Unallocated	The Group
		物業投資	酒店投資及營運	分部總額	未分配項目	本集團
		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
<b>For the year ended 31 March 2012</b>	<b>截至二零一二年三月三十一日止年度</b>					
<b>Segment revenue:</b>	<b>分部收益：</b>					
Sales to external customers	對外客戶銷售	2,495	3,941	6,436	–	6,436
<b>Segment results</b>	<b>分部業績</b>	21,316	(15,985)	5,331	(9,204)	(3,873)
Finance income	財務收入	3	126	129	254	383
Finance costs	融資成本	(3,149)	(21,561)	(24,710)	(23,873)	(48,583)
Loss before taxation	除稅前虧損	18,170	(37,420)	(19,250)	(32,823)	(52,073)
Taxation	稅項	–	(345)	(345)	–	(345)
Loss for the year	年內虧損	18,170	(37,765)	(19,595)	(32,823)	(52,418)
<b>Other segment information:</b>	<b>其他分部資料：</b>					
Depreciation and amortization	折舊及攤銷	106	5,452	5,558	1,733	7,291
Fair value gain on investment property	投資物業之公平值收益	979	–	979	–	979
Gain on disposal of property, plant and equipment	出售物業、機器及設備之盈利	–	968	968	–	968
Gain on transfer of interest in properties before completion of acquisition	收購完成前轉讓物業權益之盈利	–	3,283	3,283	–	3,283
Available-for-sale financial assets – release of reserve upon disposal	可供出售財務資產 – 出售時解除儲備	–	–	–	844	844
Impairment loss reclassified from available-for-sale financial assets reserve	自可供出售財務資產儲備重新分類之減值虧損	–	–	–	323	323
Gain on disposal of a subsidiary	出售附屬公司之盈利	–	–	–	100	100
Gain on disposal of assets held for sale	出售持作出售資產之盈利	–	5,038	5,038	–	5,038
Gain on disposal of available-for-sale financial assets	出售可供出售財務資產之盈利	21,892	–	21,892	–	21,892
Capital expenditures	資本開支					
– Property, plant and equipment	– 物業、機器及設備	3,365	36,666	40,031	106	40,137
– Construction in progress	– 在建工程	13,031	–	13,031	–	13,031

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二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	Total for reportable segments	Unallocated	The Group
		物業投資	酒店投資及營運	分部總額	未分配項目	本集團
		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
<b>For the year ended</b>	<b>截至二零一一年</b>					
<b>31 March 2011</b>	<b>三月三十一日止年度</b>					
<b>Segment revenue:</b>	<b>分部收益:</b>					
Sales to external customers	對外客戶銷售	-	4,401	4,401	-	4,401
<b>Segment results</b>	<b>分部業績</b>	(4,473)	(18,525)	(22,998)	(2,285)	(25,283)
Finance income	財務收入	-	108	108	110	218
Finance costs	融資成本	-	(20,941)	(20,941)	(20,408)	(41,349)
Loss before taxation	除稅前虧損	(4,473)	(39,358)	(43,831)	(22,583)	(66,414)
Taxation	稅項	-	(3)	(3)	-	(3)
Loss for the year	年內虧損	(4,473)	(39,361)	(43,834)	(22,583)	(66,417)
<b>Other segment information:</b>	<b>其他分部資料:</b>					
Depreciation and amortization	折舊及攤銷	-	6,206	6,206	838	7,044
Gain on disposal of property, plant and equipment	出售物業、機器及設備之盈利	-	4,250	4,250	-	4,250
Capital expenditures	資本開支					
- Property, plant and equipment	- 物業、機器及設備	-	45,395	45,395	422	45,817
- Land use rights	- 土地使用權	-	15,096	15,096	-	15,096
- Construction in progress	- 在建工程	-	4,617	4,617	-	4,617

#### Information about major customers

Revenue of approximately HK\$1.7 million (FY2011: HK\$Nil) was derived from a single customer in the property investment segment. No other single customer contributed 10% or more to the Group's revenue for both years ended 31 March 2012 and 2011.

#### 有關主要客戶的資料

約1,700,000港元(二零一一年財政年度:零港元)之收益來自物業投資分部的單一客戶。截至二零一二年及二零一一年三月三十一日止兩個年度,概無其他單一客戶之貢獻佔本集團收益10%或以上。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二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 2012 and 2011 are as follows:

### 5. 營業額及分部資料 (續)

於二零一二年及二零一一年三月三十一日，按可報告分部劃分之分部資產及負債如下：

		Property investment 物業投資 HK\$'000 千港元	Hotel investment & operations 酒店投資及營運 HK\$'000 千港元	Total for reportable segments 可報告分部總額 HK\$'000 千港元	Unallocated 未分配項目 HK\$'000 千港元	The Group 本集團 HK\$'000 千港元
<b>At 31 March 2012</b>	<b>於二零一二年三月三十一日</b>					
Segment assets	分部資產	111,636	369,616	481,252	3,734	484,986
Bank balances and cash	銀行結餘及現金	1,776	60,855	62,631	62,428	125,059
<b>Total assets</b>	<b>資產總值</b>	<b>113,412</b>	<b>430,471</b>	<b>543,883</b>	<b>66,162</b>	<b>610,045</b>
Segment liabilities	分部負債	26,147	65,470	91,617	7,425	99,042
Other loans	其他貸款	–	35,470	35,470	–	35,470
Amount due to ultimate holding company	應付最終控股公司款項	7,917	142,172	150,089	255,551	405,640
<b>Total liabilities</b>	<b>負債總額</b>	<b>34,064</b>	<b>243,112</b>	<b>277,176</b>	<b>262,976</b>	<b>540,152</b>
<b>At 31 March 2011</b>	<b>於二零一一年三月三十一日</b>					
Segment assets	分部資產	48,547	473,867	522,414	12,739	535,153
Bank balances and cash	銀行結餘及現金	10	72,371	72,381	23,969	96,350
<b>Total assets</b>	<b>資產總值</b>	<b>48,557</b>	<b>546,238</b>	<b>594,795</b>	<b>36,708</b>	<b>631,503</b>
Segment liabilities	分部負債	9,243	93,405	102,648	16,079	118,727
Other loans	其他貸款	–	49,261	49,261	–	49,261
Amount due to ultimate holding company	應付最終控股公司款項	4,009	131,489	135,498	231,614	367,112
<b>Total liabilities</b>	<b>負債總額</b>	<b>13,252</b>	<b>274,155</b>	<b>287,407</b>	<b>247,693</b>	<b>535,100</b>



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二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 (excluding Hong Kong). The Group's revenue from external customers for the years ended 31 March 2012 and 2011 and non-current assets as at 31 March 2012 and 2011 based on geographical area are as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
<b>Revenue from external customers</b>	<b>來自外部客戶之收益</b>		
Hong Kong	香港	–	–
PRC	中國	6,436	4,401
		<b>6,436</b>	<b>4,401</b>
<b>Non-current assets</b>	<b>非流動資產</b>		
Hong Kong	香港	1,008	13,030
PRC	中國	462,569	473,834
		<b>463,577</b>	<b>486,864</b>

Revenue is categorized based on the jurisdiction in which the customers are located. Non-current assets are categorized based on where the assets are located.

#### 5. 營業額及分部資料(續)

本集團於香港及中國(不包括香港)經營業務。本集團截至二零一二年及二零一一年三月三十一日止年度按地區劃分來自外部客戶之收益以及於二零一二年及二零一一年三月三十一日按地區劃分之非流動資產載列如下:

收益按客戶所在司法權區進行分類,而非流動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 2012 截至二零一二年三月三十一日止年度

### 6. OTHER GAIN, NET

### 6. 其他盈利淨額

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Gain on disposal of property, plant and equipment	出售物業、機器及設備之盈利	968	4,250
Gain on disposal of assets held for sales (Note a)	出售持作出售資產之盈利 (附註a)	5,038	-
Gain on transfer of interest in properties before completion of acquisition	收購完成前轉讓物業權益之盈利	3,283	-
Other gain	其他盈利	259	24
Available-for-sale financial assets	可供出售財務資產		
– release of reserve upon disposal (Note b)	– 出售時解除儲備 (附註b)	844	-
Gain on disposal of available-for-sale financial assets (Note c)	出售可供出售財務資產的盈利 (附註c)	21,892	-
Gain on disposal of a subsidiary (Note 20)	出售附屬公司之盈利 (附註20)	100	-
		<b>32,384</b>	<b>4,274</b>

Notes:

- (a) Assets held for sale with a carrying value of HK\$19.5 million at 31 March 2011 were disposed of at a consideration of RMB21.5 million (equivalent to HK\$26.2 million) during the year. After netting off related cost, the gain was HK\$5.0 million.
- (b) It represents the reclassification adjustments for gains previously included in available-for-sale financial assets reserve.
- (c) The Group sold 5% interest in Moral High Limited (“MHL”). Peak Moral High Commercial Development (Shanghai) Limited (“PMH”) is a limited liability company established in the PRC and is a wholly-owned subsidiary of MHL. The principal asset of PMH is the property located in Shanghai, the PRC.

附註：

- (a) 於年內，二零一一年三月三十一日之賬面值為19,500,000港元之持作出售資產，按代價人民幣21,500,000元（相當於26,200,000港元）出售。經扣除相關成本後，盈利為5,000,000港元。
- (b) 有關重新分類調整涉及過往計入可供出售財務資產儲備之盈利。
- (c) 本集團已出售德高有限公司（「德高」）5%權益。峻領德高商業發展（上海）有限公司（「峻領德高」）為於中國成立之有限公司，並為德高之全資附屬公司。峻領德高之主要資產為位於中國上海市之物業。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 7. STAFF COSTS

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Directors' fees	董事袍金	900	1,190
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	11,012	15,319
Provision/(written back) of unutilized annual leave	未動用年假撥備/(回撥)	29	(518)
Employee share option benefits	僱員購股權福利	-	(258)
Pension costs – MPF (note i)	退休金成本 – 強制性公積金 (附註i)	96	125
Social security costs (note ii)	社會保障成本 (附註ii)	1,446	1,377
Overprovision of bonus (note iii)	超額花紅撥備 (附註iii)	(5,450)	(23,600)
		<b>8,033</b>	<b>(6,365)</b>

Notes:

- There were no forfeited contributions during the years ended 31 March 2012 and 2011.
- 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.
- The Group had in the year ended 31 March 2009 made a bonus provision of HK\$30.0 million on the basis of estimated net profits of certain projects. The management has been re-assessing the bonus provision and given the actualization of a substantial number of factors affecting the estimated net profits, the Group had in FY2011 adjusted the bonus provision downwards from HK\$30.0 million to HK\$6.4 million, resulting in a reversal of bonus provision of HK\$23.6 million.

The Group announced that a deed of settlement was signed on 18 May 2012, pursuant to which the Company shall pay for and on behalf of itself and VXLMS, a sum of approximately HK\$1.0 million to the former Chief Executive Officer for settlement, resulting in a further reversal of bonus provision of HK\$5.5 million.

### 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))。

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Directors' fees	900	1,190
Salaries and other short-term employee benefits	11,012	15,319
Provision/(written back) of unutilized annual leave	29	(518)
Employee share option benefits	-	(258)
Pension costs – MPF (note i)	96	125
Social security costs (note ii)	1,446	1,377
Overprovision of bonus (note iii)	(5,450)	(23,600)
	<b>8,033</b>	<b>(6,365)</b>

附註:

- 截至二零一二年及二零一一年三月三十一日止年度，並無沒收之供款。
- 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。
- 本集團於截至二零零九年三月三十一日止年度根據若干項目之估計純利作出花紅撥備30,000,000港元。管理層已重新評估花紅撥備，而基於出現多項影響估計純利之因素，故本集團於二零一一年財政年度已將花紅撥備由30,000,000港元下調至6,400,000港元，導致撥回花紅撥備23,600,000港元。

本集團宣佈，各方已於二零一二年五月十八日簽訂和解契約，據此本公司將為及代表本身及卓越管理，向前行政總裁支付約1,000,000港元之和解款項，導致進一步撥回花紅撥備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 2012 截至二零一二年三月三十一日止年度

#### 8. OPERATING LOSS

#### 8. 經營虧損

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Operating loss is arrived at after charging/(crediting):	計算經營虧損時已扣除／(計入)：		
Legal and professional fee	法律及專業費	8,575	2,886
Consultancy fee	顧問費	49	127
Depreciation and amortization	折舊及攤銷	7,291	7,044
Loss on dissolution of associates	解散聯營公司之虧損	-	5
Impairment loss reclassified from available-for-sale financial assets reserve	自可供出售財務資產儲備重新分類之減值虧損	323	-
Auditors' remuneration	核數師酬金		
– audit	– 審核	765	638
– non-audit	– 非審核	275	264
Net exchange (gain)/loss	匯兌(盈利)／虧損淨額	(751)	128
Operating leases – land and buildings	經營租賃－土地及樓宇	2,968	12,361

#### 9. FINANCE INCOME

#### 9. 財務收入

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Bank interest income	銀行利息收入	383	218

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 10. FINANCE COSTS

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Interest on finance leases	融資租賃利息	48	79
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	48,535	41,270
		<b>48,583</b>	<b>41,349</b>

HK\$1.2 million (FY2011: HK\$1.9 million) of finance costs were incurred for the compound financial instrument (Note 26).

### 11. TAXATION

No provision for Hong Kong profits tax (FY2011: Nil) has been made for the year as the Group has no assessable profit for the year. Taxation on PRC profits has been calculated on the estimated assessable profit for the year at the rates of taxation in the PRC.

The provision of Land Appreciation Tax ("LAT") is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided for a range of progressive rates on the appreciation value, after deduction of certain allowable expenses including land cost, borrowing cost and the relevant property development expenditure.

### 10. 融資成本

	2012	2011
	二零一二年	二零一一年
	HK\$'000	HK\$'000
	千港元	千港元
Interest on finance leases	48	79
Other interest and finance costs on amounts wholly repayable within five years	48,535	41,270
	<b>48,583</b>	<b>41,349</b>

為數1,200,000港元(二零一一年財政年度:1,900,000港元)之融資成本因複合財務工具(附註26)而產生。

### 11. 稅項

由於本集團於本年度並無應課稅溢利，故於年內並無就香港利得稅計提撥備(二零一一年財政年度：無)。中國溢利之稅項已根據中國之稅率就估計之年內應課稅溢利計算。

土地增值稅之撥備乃根據相關中國稅務法例及法規之規定作出估計。於扣除若干獲准扣減的開支(包括土地成本、借貸成本及相關物業發展開支)後，土地增值稅乃就增值部分按一組累進稅率作出撥備。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 11. TAXATION (Continued)

The amount of taxation charged to the consolidated statement of comprehensive income represents:

### 11. 稅項 (續)

綜合全面收益表內已扣除之稅項金額指：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current tax – PRC	即期稅項 – 中國	4	3
Deferred tax – PRC (LAT) (Note 28)	遞延稅項 – 中國 (土地增值稅) (附註28)	341	–
		<b>345</b>	<b>3</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:

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計算之理論稅額之差額如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Loss before taxation – Company and subsidiaries	除稅前虧損 – 本公司及附屬公司	(52,073)	(66,414)
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	(10,297)	(12,955)
Tax effect of non-deductible expenses	不可扣稅開支之稅項影響	8,881	7,537
Tax effect of non-taxable revenue	免稅收益之稅項影響	(676)	(311)
Tax effect on temporary differences not recognized	未確認之暫時差額之稅項影響	(5,885)	–
Tax losses for which no deferred tax assets was recognized	未確認遞延稅項資產之 稅項虧損	8,322	5,732
Tax charge	稅項支出	<b>345</b>	<b>3</b>

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二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\$42.8 million for the year ended 31 March 2012 (FY2011: loss of HK\$128.5 million).

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

(a) Basic loss 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.

		2012 二零一二年	2011 二零一一年
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	(52,418)	(66,417)
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 loss per share, HK cents	每股基本虧損，港仙	(3.43)	(4.34)

(b) The calculation of diluted loss per ordinary share is based on the loss for the year attributable to equity holders of the Company and the weighted average number of ordinary shares used as the same for calculating basic loss per share above, as the Company did not have any dilutive potential ordinary shares arising from share options during the two years ended 31 March 2012.

#### 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二零一二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42,800,000港元(二零一一年財政年度：虧損128,500,000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虧損

(a) 每股普通股基本虧損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) 每股攤薄虧損之計算乃以本公司權益持有人應佔本公司年度虧損及上文計算每股基本虧損使用之相同普通股加權平均數為依據，因為本公司於截至二零一二年三月三十一日止兩個年度沒有源於購股權之任何攤薄潛在普通股。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

#### 14. 董事及高級管理層酬金

##### (a) Directors' emoluments

The emoluments paid or payable to each of the Directors for the year ended 31 March 2012 were as follows:

##### (a) 董事酬金

截至二零一二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 benefits	Employer's contribution	Total
						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)	-	-	-	-	-	-	-
Mr. XIAO Huan Wei	-	1,127	-	809	-	12	1,948
Mr. Alan Howard SMITH, J.P.	300	-	-	-	-	-	300
Dr. Allen LEE Peng Fei, J.P.	300	-	-	-	-	-	300
Mr. David YU Hon To	300	-	-	-	-	-	300
	900	1,127	-	809	-	12	2,848



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

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

The emoluments paid or payable to each of the Directors for the year ended 31 March 2011 were as follows:

Name of directors	Fees	Salaries	Discretionary bonuses	Other benefits**	Employer's contribution to pension scheme	Employee share option benefits	Total
董事姓名	袍金	薪金	酌情花紅	其他福利**	僱員退休金計劃作出之供款	購股權福利	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) 拿督林致華(i)	-	-	-	-	-	45	45
Mr. Percy ARCHAMBAUD-CHAO (ii) 趙世雄先生(ii)	-	1,869	-	238	5	-	2,112
Mr. XIAO Huan Wei 肖煥偉先生	290	1,137	-	732	-	-	2,159
Mr. Alan Howard SMITH, J.P. 史亞倫太平紳士	300	-	-	-	-	-	300
Dr. Allen LEE Peng Fei, J.P. 李鵬飛博士太平紳士	300	-	-	-	-	-	300
Mr. David YU Hon To 俞漢度先生	300	-	-	-	-	-	300
	1,190	3,006	-	970	5	45	5,216

\*\* Other benefits include housing allowance.

(i) An Executive Director, Datuk LIM Chee Wah has waived his emolument for the years ended 31 March 2012 and 2011.

(ii) Mr. Percy ARCHAMBAUD-CHAO has resigned on 7 August 2010.

### 14. 董事及高級管理層酬金 (續)

#### (a) 董事酬金 (續)

截至二零一一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**	Employer's contribution to pension scheme	Employee share option benefits	Total
董事姓名	袍金	薪金	酌情花紅	其他福利**	僱員退休金計劃作出之供款	購股權福利	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) 拿督林致華(i)	-	-	-	-	-	45	45
Mr. Percy ARCHAMBAUD-CHAO (ii) 趙世雄先生(ii)	-	1,869	-	238	5	-	2,112
Mr. XIAO Huan Wei 肖煥偉先生	290	1,137	-	732	-	-	2,159
Mr. Alan Howard SMITH, J.P. 史亞倫太平紳士	300	-	-	-	-	-	300
Dr. Allen LEE Peng Fei, J.P. 李鵬飛博士太平紳士	300	-	-	-	-	-	300
Mr. David YU Hon To 俞漢度先生	300	-	-	-	-	-	300
	1,190	3,006	-	970	5	45	5,216

\*\* 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二零一二年及二零一一年三月三十一日止年度之酬金。

(ii) 趙世雄先生已於二零一零年八月七日辭任。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二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 1 director and 4 employees (FY2011: 2 directors and 3 employees). The details of the emoluments payable to the 4 employees (FY2011: 3 employees) during the year are presented below:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	2,093	2,059
Discretionary bonuses	酌情花紅	–	–
Pension costs – defined contribution plan	退休金成本 – 定額供款計劃	12	32
		<b>2,105</b>	<b>2,091</b>

		Number of individuals 人數	
		2012 二零一二年	2011 二零一一年
Emoluments band	酬金範圍		
HK\$1 – HK\$500,000	1港元 – 500,000港元	1	–
HK\$500,001 – HK\$1,000,000	500,001港元 – 1,000,000港元	3	2
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	–	–
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	–	–
		<b>4</b>	<b>3</b>

No emoluments were paid to any director or the highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 March 2012 and 2011.

### 14. 董事及高級管理層酬金 (續)

#### (b) 五名最高薪人仕

本年度本集團五名最高薪酬之人仕包括一名董事及四名僱員 (二零一一年財政年度: 兩名董事及三名僱員)。年內應付該四名僱員 (二零一一年財政年度: 三名僱員) 之酬金詳情呈列如下:

截至二零一二年及二零一一年三月三十一日止年度, 本公司並無向任何董事或最高薪員工支付任何酬金, 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 2012 截至二零一二年三月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、機器及設備

#### (a) The 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 2011	於二零一一年四月一日	248,836	17,005	6,137	5,958	4,345	282,281
Additions	添置	40,031	87	–	19	–	40,137
Disposals	出售	(7,505)	(3,982)	(11)	(38)	(182)	(11,718)
Reclassified as investment property (Note 17)	重新分類為投資物業 (附註17)	(46,635)	–	–	–	–	(46,635)
Exchange difference	匯兌差額	9,715	296	223	201	35	10,470
At 31 March 2012	於二零一二年三月三十一日	244,442	13,406	6,349	6,140	4,198	274,535
<b>Accumulated depreciation</b>	<b>累計折舊</b>						
At 1 April 2011	於二零一一年四月一日	5,912	13,593	3,470	1,465	2,539	26,979
Charge for the year	年內開支	1,447	1,006	1,154	664	802	5,073
Disposals	出售	(147)	(3,982)	(11)	(4)	(157)	(4,301)
Exchange difference	匯兌差額	138	177	195	34	23	567
At 31 March 2012	於二零一二年三月三十一日	7,350	10,794	4,808	2,159	3,207	28,318
<b>Net book value</b>	<b>賬面淨值</b>						
At 31 March 2012	於二零一二年三月三十一日	237,092	2,612	1,541	3,981	991	246,217
<b>Cost</b>	<b>成本</b>						
At 1 April 2010	於二零一零年四月一日	222,466	16,540	7,265	2,106	4,333	252,710
Additions	添置	41,480	199	431	3,707	–	45,817
Disposals	出售	(11,494)	(156)	(1,825)	–	(26)	(13,501)
Reclassified as held for sale (Note 24)	重新分類為持作出售 (附註24)	(14,067)	–	–	–	–	(14,067)
Exchange difference	匯兌差額	10,451	422	266	145	38	11,322
At 31 March 2011	於二零一一年三月三十一日	248,836	17,005	6,137	5,958	4,345	282,281
<b>Accumulated depreciation</b>	<b>累計折舊</b>						
At 1 April 2010	於二零一零年四月一日	4,969	12,347	3,035	1,056	1,713	23,120
Charge for the year	年內開支	1,608	1,128	1,088	380	828	5,032
Disposals	出售	(410)	(62)	(839)	–	(25)	(1,336)
Reclassified as held for sale (Note 24)	重新分類為持作出售 (附註24)	(501)	–	–	–	–	(501)
Exchange difference	匯兌差額	246	180	186	29	23	664
At 31 March 2011	於二零一一年三月三十一日	5,912	13,593	3,470	1,465	2,539	26,979
<b>Net book value</b>	<b>賬面淨值</b>						
At 31 March 2011	於二零一一年三月三十一日	242,924	3,412	2,667	4,493	1,806	255,302

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二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) The Company

#### (b) 本公司

		Furniture and fixtures 傢俬及 裝置 HK\$'000 千港元	Office equipment 辦公室 設備 HK\$'000 千港元	Computer and related equipment 電腦及 相關設備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>				
At 1 April 2011	於二零一一年 四月一日	5,062	87	526	5,675
Disposals	出售	(3,984)	(9)	(4)	(3,997)
At 31 March 2012	於二零一二年 三月三十一日	1,078	78	522	1,678
<b>Accumulated depreciation</b>	<b>累計折舊</b>				
At 1 April 2011	於二零一一年 四月一日	5,062	87	499	5,648
Disposals	出售	(3,984)	(9)	(4)	(3,997)
Charge for the year	年內開支	-	-	15	15
At 31 March 2012	於二零一二年 三月三十一日	1,078	78	510	1,666
<b>Net book value</b>	<b>賬面淨值</b>				
At 31 March 2012	於二零一二年 三月三十一日	-	-	12	12
<b>Cost</b>	<b>成本</b>				
At 1 April 2010 and 31 March 2011	於二零一零年 四月一日及 二零一一年 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 2010	於二零一零年 四月一日	5,062	87	484	5,633
Charge for the year	年內開支	-	-	15	15
At 31 March 2011	於二零一一年 三月三十一日	5,062	87	499	5,648
<b>Net book value</b>	<b>賬面淨值</b>				
At 31 March 2011	於二零一一年 三月三十一日	-	-	27	27

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

- (c) At 31 March 2012, the net book value of motor vehicles held under finance leases of the Group and the Company were HK\$0.8 million and HK\$Nil respectively (FY2011: HK\$1.4 million and HK\$Nil). The lease terms are within five years which owned by the Group. None of the leases include contingent rentals.
- (d) Pursuant to the signed sale and purchase agreements, the purchase consideration of hotel properties at the amount of HK\$82.4 million as at reporting date (FY2011: HK\$161.1 million) were fully settled by the Group. The management believes the future economic benefits associated with the properties will flow to the Group as the controls of the properties have been transferred. The above balances of hotel properties were recognized in property, plant and equipment in the consolidated statement of financial position even the formal registration of ownership under the PRC jurisdiction have not been completed on the reporting date.

#### 15. 物業、機器及設備 (續)

- (c) 於二零一二年三月三十一日，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800,000港元及零港元（二零一一年財政年度：1,400,000港元及零港元）。租賃年期為五年內，而資產擁有權屬本集團所有。該等租賃概無涵蓋或然租金。
- (d) 根據已簽訂之買賣協議，本集團已悉數清付於報告日價值82,400,000港元（二零一一年財政年度：161,100,000港元）之酒店物業之購買代價。由於該等物業之控制權已經轉移，因此管理層相信，與該等物業相關之未來經濟利益將流入本集團。儘管中國司法權區之正式擁有權登記於報告日尚未完成，惟上述酒店物業結餘已於綜合財務狀況表之物業、機器及設備內確認。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 16. LAND USE RIGHTS

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

### 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	
		2012 二零一二年	2011 二零一一年
		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	87,979	83,696
Additions	添置	–	15,096
Disposals	出售	(8,899)	(8,268)
Reclassification as	重新分類		
Assets held for sale (Note 24)	持作出售資產(附註24)	–	(6,363)
Investment property (Note 17)	投資物業(附註17)	(8,547)	–
Exchange difference	匯兌差額	3,437	3,818
At 31 March	於三月三十一日	73,970	87,979
<b>Accumulated amortization</b>	<b>累計攤銷</b>		
At 1 April	於四月一日	5,217	3,906
Charge for the year	年內開支	2,218	2,012
Disposals	出售	(600)	(555)
Reclassification as	重新分類		
Assets held for sale (Note 24)	持作出售資產(附註24)	–	(466)
Exchange difference	匯兌差額	226	320
At 31 March	於三月三十一日	7,061	5,217
<b>Net book value</b>	<b>賬面淨值</b>		
At 31 March	於三月三十一日	66,909	82,762

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二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:

Outside Hong Kong, held on:

Short lease

Medium-term lease

香港境外，就以下方式  
持有：

短期租賃

中期租賃

### 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：

	Group 本集團	
	2012 二零一二年	2011 二零一一年
	HK\$'000 千港元	HK\$'000 千港元
Short lease	-	-
Medium-term lease	66,909	82,762
	<b>66,909</b>	<b>82,762</b>

Pursuant to the signed sale and purchase agreements, the purchase consideration of land use rights at the amount of HK\$39.7 million as at the reporting date (FY2011: HK\$55.8 million) were fully settled by the Group. The management believes the future economic benefits associated with the land use rights will flow to the Group as the controls of the land use rights have been transferred. The above balances of land use rights were recognized in the consolidated statement of financial position even the formal registration of ownership under the PRC jurisdiction have not been completed on the reporting date.

根據已簽訂之買賣協議，本集團已悉數清付於報告日為數39,700,000港元(二零一一年財政年度：55,800,000港元)之土地使用權之購買代價。由於該等土地使用權之控制權已經轉移，因此管理層相信，與該等土地使用權相關之未來經濟利益將流入本集團。儘管在中國司法管轄權之下的正式擁有權登記於報告日尚未完成，惟上述土地使用權結餘已於綜合財務狀況表內確認。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 17. INVESTMENT PROPERTY

### 17. 投資物業

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
At 1 April	於四月一日	-	-
Reclassified from	重新分類自		
- property, plant and equipment (Note 15)	- 物業、機器及設備 (附註15)	46,635	-
- land use rights (Note 16)	- 土地使用權 (附註16)	8,547	-
- construction in progress (Note 18)	- 在建工程 (附註18)	17,446	-
Increase in value credited to profit and loss	在損益計入之款額增加	979	-
Increase in value credited to other comprehensive income	在其他全面收入計入之 款額增加	20,141	-
Exchange difference	匯兌差額	10	-
At 31 March	於三月三十一日	<b>93,758</b>	-

The fair value of the completed investment property in the PRC at 31 March 2012 has been arrived on the basis of valuation carried out on the date by RHL Appraisal Limited, independent qualified professional valuers not connected to the Group. The valuation was arrived at by reference to market evidence of transaction prices for similar property at similar location.

The Group's property interests held under operating leases to earn rentals are measured using the fair value model and are classified and accounted for as investment property.

於二零一二年三月三十一日，已落成中國投資物業的公平值，乃以永利行評值顧問有限公司（與本集團概無關連之獨立合資格專業估值師）於該日進行的估值作為依據。估值乃參考鄰近類似物業交易價格之市場憑證作出。

本集團根據經營租賃持有以賺取租金之物業權益，乃採用公平值模式計量，並歸類為投資物業，亦據此入賬。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 17. INVESTMENT PROPERTY (Continued)

The carrying amount of investment property shown above comprises:

	香港境外，就以下方式持有
Outside Hong Kong, held on Medium-term lease	中期租賃

Pursuant to the signed sale and purchase agreement, the purchase consideration of investment property at the amount of HK\$93.8 million as at reporting date (FY2011: HK\$Nil) was fully settled by the Group. The management believes the future economic benefits associated with the property will flow to the Group as the control of the property has been transferred. The above balance of investment property was recognized in the consolidated statement of financial position even the formal registration of ownership under the PRC jurisdiction have not been completed on the reporting date.

### 17. 投資物業 (續)

上述投資物業之賬面值包括：

Group 本集團	
2012 二零一二年	2011 二零一一年
HK\$'000 千港元	HK\$'000 千港元
93,758	-

根據所簽立之買賣協議，投資物業之購買代價為93,800,000港元，於報告日已由本集團悉數清償（二零一一年財政年度：無）。管理層相信由於物業之控制權經已轉移，物業相關之未來經濟利益將流入本集團。儘管中國司法權區之正式擁有權登記於報告日尚未完成，惟上述投資物業結餘已在綜合財務狀況表確認。

### 18. CONSTRUCTION IN PROGRESS

At 1 April	於四月一日
Additions	添置
Sales of properties	出售物業
Refunded	退款
Transfer to investment property (Note 17)	轉撥至投資物業 (附註17)
Exchange difference	匯兌差額
At 31 March	於三月三十一日

### 18. 在建工程

Group 本集團	
2012 二零一二年	2011 二零一一年
HK\$'000 千港元	HK\$'000 千港元
8,549	4,302
13,031	4,617
-	(382)
-	(173)
(17,446)	-
334	185
4,468	8,549

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 19. INTERESTS IN SUBSIDIARIES

### 19. 附屬公司權益

		Company	
		本公司	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
<b>Non-current assets:</b>	<b>非流動資產:</b>		
Unlisted shares at cost	非上市股份，按成本值	330,000	330,000
<b>Current assets:</b>	<b>流動資產:</b>		
Amounts due from subsidiaries	應收附屬公司之款項	188,267	188,206
Less: provision for impairment loss	減：減值虧損之撥備	(136,580)	(136,580)
		51,687	51,626
<b>Current liabilities:</b>	<b>流動負債:</b>		
Amounts due to subsidiaries	應付附屬公司之款項	13,771	12,196

Note: "U" Inns & Hotels Holdings Limited ("UIHHL"), a wholly-owned subsidiary of the Company, has issued preferred shares to a third party during 2009, as disclosed in Note 26. 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.

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 values. The amounts due from subsidiaries as at 31 March 2012 and 2011 and the amounts due to subsidiaries as at 31 March 2012 and 2011 were all denominated in HK dollars.

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）於二零零九年內向一名第三方發行優先股，詳情於附註26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。

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。於二零一二年及二零一一年三月三十一日之應收附屬公司之款項以及於二零一二年及二零一一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 2012 截至二零一二年三月三十一日止年度

### 19. INTERESTS IN SUBSIDIARIES (Continued)

The following is a list of principal subsidiaries at 31 March 2012. Principal subsidiaries are those subsidiaries that are active and have commenced operations.

### 19. 附屬公司權益 (續)

以下載列於二零一二年三月三十一日之主要附屬公司名單。

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	
				2012 二零一二年	2011 二零一一年
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 <sup>Δ</sup>	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\$875,000 註冊資本875,000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 each 2股每股面值為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 <sup>Δ</sup>	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\$12,000,000 註冊資本12,000,000港元	100%	100%
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 each 2股每股面值為1美元之 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 2012 截至二零一二年三月三十一日止年度

### 19. INTERESTS IN SUBSIDIARIES (Continued)

### 19. 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	
				2012 二零一二年	2011 二零一一年
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股每股面值為1美元之 普通股及2,590股每股 面值為1美元之A系列優先股	*100% of common shares *100% 普通股	*100% of common shares *100% 普通股
"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%
"U" Inns & Hotels Management Co., Limited Linzhi Tibet <sup>Δ</sup> 西藏林芝你的客棧酒店管理 有限公司 <sup>Δ</sup>	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., Limited <sup>Δ</sup> 你的客棧酒店管理(布爾津縣) 有限公司 <sup>Δ</sup>	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 <sup>Δ</sup> 你的客棧酒店(成都)投資管理 有限公司 <sup>Δ</sup>	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 <sup>Δ</sup>	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%

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 19. INTERESTS IN SUBSIDIARIES (Continued)

### 19. 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	
				2012	2011
				二零一二年	二零一一年
"U" Inns & Hotels (Dun Huang) Management Limited <sup>Δ</sup> 你的客棧(敦煌)酒店管理 有限公司 <sup>Δ</sup>	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 (Jing Gang Shan Shi) Limited <sup>Δ</sup> 你的客棧酒店(井岡山市) 有限公司 <sup>Δ</sup>	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\$48,630,000 註冊資本48,630,000港元	100%	100%
"U" Inns & Hotels (Long Nan) Management Co., Limited <sup>Δ</sup> 你的客棧(隴南)酒店管理 有限公司 <sup>Δ</sup>	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., Limited <sup>Δ</sup> 你的客棧(寧海)酒店管理 有限公司 <sup>Δ</sup>	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\$5,705,000 註冊資本5,705,000美元	100%	100%
"U" Inns & Hotel (Sichuan) Limited <sup>Δ</sup> 你的客棧酒店(四川)有限公司 <sup>Δ</sup>	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., Limited <sup>Δ</sup> 你的客棧(通化)酒店管理 有限公司 <sup>Δ</sup>	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\$2,249,600 註冊資本2,249,000美元	100%	100%
"U" Inns & Hotels (Tu Lu Fan) Management Co., Limited <sup>Δ</sup> 你的客棧酒店管理(吐魯番地區) 有限公司 <sup>Δ</sup>	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 & Hotels (WeiFang) Limited <sup>Δ</sup> 你的客棧酒店(濰坊)有限公司 <sup>Δ</sup>	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 & Hotels (Wu Han) Management Co., Limited <sup>Δ</sup> 你的客棧(武漢)酒店管理 有限公司 <sup>Δ</sup>	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\$956,980 註冊資本956,980美元	100%	100%
"U" Inns & Hotels (Xi An) Management Co., Limited <sup>Δ</sup> 你的客棧(西安)酒店管理 有限公司 <sup>Δ</sup>	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%

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 19. INTERESTS IN SUBSIDIARIES (Continued)

### 19. 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	
				2012 二零一二年	2011 二零一一年
“U” Inns & Hotels (Xiang Fan) Management Co., Limited <sup>Δ</sup> 你的客棧(襄樊)酒店管理 有限公司 <sup>Δ</sup>	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\$2,949,000 註冊資本2,949,000美元	100%	100%
“U” Inns & Hotels (Yun Fu) Management Co., Limited <sup>Δ</sup> 你的酒店(雲浮)酒店管理 有限公司 <sup>Δ</sup>	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. Limited <sup>Δ</sup> 你的客棧(瓦房店)酒店管理 有限公司 <sup>Δ</sup>	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., Limited <sup>Δ</sup> 你的客棧(營口)酒店管理 有限公司 <sup>Δ</sup>	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\$25,650,000 註冊資本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 <sup>Δ</sup>	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\$1,166,030 註冊資本1,166,030美元	100%	100%
“U” Inns & Hotels Information Technology (Shanghai) Limited <sup>Δ</sup> 你的客棧(上海)信息技術 有限公司 <sup>Δ</sup>	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\$755,000 註冊資本755,000美元	100%	100%
“U” Inns Investment Management (Shanghai) Limited <sup>Δ</sup> 你的客棧(上海)投資管理 有限公司 <sup>Δ</sup>	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>Δ</sup> 卓越企業管理顧問(上海) 有限公司 <sup>Δ</sup>	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%

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 19. INTERESTS IN SUBSIDIARIES (Continued)

### 19. 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	
				2012 二零一二年	2011 二零一一年
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。

<sup>Δ</sup> These companies do not have English names. These are only translation of their Chinese names.

<sup>Δ</sup> 該等公司並無英文名稱。此等名稱僅為其中文名稱之翻譯。

<sup>#</sup> Subsidiaries audited by Pan-China (H.K.) CPA Limited.

<sup>#</sup> 附屬公司由天健(香港)會計師事務所有限公司審核。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 20. DISPOSAL OF A SUBSIDIARY

On 13 April 2011, pursuant to a Sale and Purchase Agreement entered into between the Group and VXLCP, the ultimate holding company of the Group, the Group approved the disposal of its entire equity interest in a subsidiary, Hart Industries (Far East) Limited (“Hart Industries”), which holds a corporate membership of the Shenzhen Xili Golf Club. The gain on disposal of the subsidiary amounted to HK\$100,000. The transaction was completed on 18 April 2011.

At the date of disposal, details of the subsidiary are as follows:

### 20. 出售一間附屬公司

於二零一一年四月十三日，根據本集團與本集團之最終控股公司 VXLCP 訂立之買賣協議，本集團批准出售一間附屬公司 Hart Industries (Far East) Limited (「Hart Industries」) 之全部股權，而該公司持有深圳西麗高爾夫俱樂部之公司會籍。出售附屬公司之盈利為100,000港元。該交易於二零一一年四月十八日完成。

於出售日，附屬公司之詳情如下：

		HK\$'000 千港元
Consideration	代價：	
Set off loan payable to VXLCP	抵銷應付予 VXLCP 之貸款	1,500
Net assets disposed of:	已出售資產淨值：	
Available-for-sale financial assets	可供出售財務資產	(1,100)
		400
Expenses directly attributable to disposal of subsidiary	出售附屬公司直接應佔開支	(300)
		100
Gain on disposal	出售盈利	(100)
Cash consideration received	已收現金代價	-

The gain on disposal is included in “Other gain, net” for the year.

出售盈利計入本年度「其他盈利淨額」。



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

### 21. 可供出售財務資產

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Unlisted equity securities, at cost (Note a)	非上市股本證券， 按成本值 (附註a)	-	31,111
Club debentures, at fair value (Note b)	會所債券，按公平值 (附註b)	1,128	2,228
At 31 March	於三月三十一日	1,128	33,339

Note: (a) The balance represent the investment in unlisted investment which is valued at cost as the fair value of such investment cannot be measured reliably. During the year, the Group disposed of 5% equity holding of Moral High Limited to an independent third party at a consideration of RMB43.7 million (equivalent to approximately HK\$53.8 million). The gain of the disposal was approximately HK\$21.9 million.

(b) The fair value of the available-for-sale financial assets are 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. The available-for-sale financial assets are not exposed to credit risk.

The carrying amount of the available-for-sale financial assets at 31 March 2012 and 2011 are denominated in RMB.

附註：(a) 指非上市投資之資產，由於投資公平值無法可靠計量，故按成本估值。於年內，本集團出售德高有限公司5%股權予一名獨立第三方，代價為人民幣43,700,000元（相當於約53,800,000港元）。出售收益約為21,900,000港元。

(b) 可供出售財務資產之公平值採用估值方法釐定。該等估值方法盡量利用可觀察之市場數據（如有），而盡量減少依賴實體之特定估計。可供出售財務資產並無承受信貸風險。

於二零一二年及二零一一年三月三十一日，可供出售財務資產之賬面值均以人民幣計值。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二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	本公司	本公司
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		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>				
Deposits for acquisition of hotel properties	收購酒店物業之按金	51,097	106,912	—	—
<b>Current</b>	<b>即期</b>				
Trade receivables	貿易應收賬款	42	215	—	—
Other receivables	其他應收款項	19,522	18,915	6	6
Other prepayments and deposits	其他預付款項及按金	1,845	9,696	309	2,943
		<b>21,409</b>	<b>28,826</b>	<b>315</b>	<b>2,949</b>
		<b>72,506</b>	<b>135,738</b>	<b>315</b>	<b>2,949</b>

A significant part of the Group's sales are by credit cards or against payment of deposits. The trade receivables are with general credit term of 0 to 90 days. As at 31 March 2012, the trade receivables aged within two months and are not past due (FY2011: within two months and are not past due).

The carrying amounts of receivables, prepayments and deposits approximate their fair values due to the fact that the effect of discounting is not material. As at 31 March 2012, none of the receivables, prepayments and deposits was impaired (FY2011: Nil). Management is of the opinion that there is no indication of impairment noted for the year.

本集團之銷售金額大部分以信用卡付款或以已付之按金抵銷。貿易應收賬款一般具備信貸期介乎零至九十日。於二零一二年三月三十一日，貿易應收賬款賬齡在兩個月內及並未逾期（二零一一年財政年度：賬齡在兩個月內及並未逾期）。

由於貼現影響並不重大，故應收款項、預付款項及按金之賬面值與其公平值相若。於二零一二年三月三十一日，概無應收款項、預付款項及按金出現減值（二零一一年財政年度：無）。管理層認為，本年度並無發現任何減值跡象。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

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	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
HK dollars	港元	13,331	15,821	315	2,949
RMB	人民幣	59,175	119,917	–	–
		<b>72,506</b>	<b>135,738</b>	<b>315</b>	<b>2,949</b>

#### 23. BANK BALANCES AND CASH

		Group 本集團		Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Bank balances and cash on hand	銀行結餘及現金	125,059	96,350	271	249

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

		Group 本集團		Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
HK dollars	港元	74,177	30,141	192	151
RMB	人民幣	31,454	38,293	–	–
US dollars	美元	19,393	27,895	79	98
Other currencies	其他貨幣	35	21	–	–
		<b>125,059</b>	<b>96,350</b>	<b>271</b>	<b>249</b>

Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

#### 22. 應收款項、預付款項及按金 (續)

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：

#### 23. 銀行結餘及現金

銀行結餘及現金之賬面值乃以下列貨幣計值：

將人民幣兌換為外幣須遵守《中國外匯管理條例》及結匯、售匯及付匯管理規定。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 24. ASSETS HELD FOR SALE

On 27 January 2011, the “U” Inns & Hotels (Sichuan) Limited (part of the hotel investment and operations segment), an indirect wholly-owned subsidiary of the Company, entered into an agreement with a third party to dispose of the hotel properties located in the cities of Yilong and Langzhong, Sichuan Province at a consideration of RMB11.7 million (equivalent to approximately HK\$13.9 million) and RMB9.8 million (equivalent to approximately HK\$11.6 million) respectively. The said subsidiary realised a gain on disposal of RMB4.1 million (equivalent to approximately HK\$5.0 million) for the year ended 31 March 2012.

Since the agreement signed on 27 January 2011, the carrying amounts of the hotel properties and land use rights were reclassified as “Assets held for sale” in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discounted Operations” as at 31 March 2011 and the transactions were completed in the year ended 31 March 2012.

### 24. 持作出售之資產

於二零一一年一月二十七日，本公司之間接全資附屬公司你的客棧酒店(四川)有限公司(酒店投資及營運分部之部分)與一名第三方訂立一項協議，出售位於四川省儀隴縣及閬中市之酒店物業，代價分別為人民幣11,700,000元(相等於約13,900,000港元)及人民幣9,800,000元(相等於約11,600,000港元)。於截至二零一二年三月三十一日止年度，該附屬公司套現出售收益人民幣4,100,000元(相當於約5,000,000港元)。

由於協議已於二零一一年一月二十七日簽署，酒店物業及土地使用權之賬面值已於二零一一年三月三十一日根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」重新分類為「持作出售資產」，而交易於截至二零一二年三月三十一日止年度完成。

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	–	13,566
Land use rights	土地使用權	–	5,897
		–	19,463

The above hotels were not in operation during the year.

上述酒店於年內並無營運。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 25. PAYABLES AND ACCRUALS

### 25. 應付款項及應計項目

		Group		Company	
		本集團		本公司	
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		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)	159	222	-	-
Property acquisition cost payable (Note c)	應付物業收購成本 (附註c)	1,119	2,681	-	-
Accrued bonus	應計花紅	950	6,400	-	-
Accrued expenses in respect of acquisitions of hotel properties	就收購酒店物業之 應計費用	29,000	37,315	-	-
Other payables and accruals	其他應付款項及應 計項目	33,136	23,202	1,741	1,582
Temporary receipts for return of properties and sales of properties	退還物業及銷售物 業之預收款	-	23,295	-	-
		<b>64,364</b>	<b>93,115</b>	<b>1,741</b>	<b>1,582</b>

Notes:

附註:

(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	
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		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	16,625	14,601	1,741	1,582
RMB	人民幣	47,739	78,514	-	-
		<b>64,364</b>	<b>93,115</b>	<b>1,741</b>	<b>1,582</b>

(b) As at 31 March 2012, trade payables of HK\$57,000 and HK\$102,000 (FY2011: HK\$210,000 and HK\$12,000) were aged within one month and between one and three months respectively.

(b) 於二零一二年三月三十一日，貿易應付賬款57,000港元及102,000港元(二零一一年財政年度: 210,000港元及12,000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 a hotel property (2011: one).

(c) 指就收購一項酒店物業(二零一一年: 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 2012 截至二零一二年三月三十一日止年度

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

On 28 October 2009, “U” Inns & Hotels Holdings Limited (“UIHHL”) 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. Subscription was completed in 1 November 2009.

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 recognised 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.

#### 26. 附屬公司發行優先股

於二零零九年十月二十八日，你的客棧酒店控股有限公司（「你的客棧控股」）訂立一項認購協議，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。認購事項已於二零零九年十一月一日完成。

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三年內，按一股優先股換為一股普通股之比例，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刊發之公告。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 2012 截至二零一二年三月三十一日止年度

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

The liability component is presented as “Liability component of compound financial instrument” in the consolidated statement of financial position. The equity component is presented as “Non-Controlling interest” in the consolidated statement of changes in equity.

#### 26. 附屬公司發行優先股(續)

負債部分列作綜合財務狀況表內之「複合財務工具之負債部分」。權益部分列作綜合權益變動表內之「非控股權益」。

		Group 本集團 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 1 April 2010	於二零一零年四月一日之負債部分	22,525
Interest expenses for the year ended 31 March 2011	截至二零一一年三月三十一日 止年度之利息支出	1,894
Liability component at 31 March 2011	於二零一一年三月三十一日之負債部分	24,419
Interest expenses for the year ended 31 March 2012	截至二零一二年三月三十一日 止年度之利息支出	1,216
Liability component at 31 March 2012	於二零一二年三月三十一日之負債部分	25,635

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

At 31 March 2012, the Group's liability component of compound financial instrument were repayable as follows:

#### 26. 附屬公司發行優先股 (續)

於二零一二年三月三十一日，本集團複合財務工具之負債部分須償還如下：

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 year – current portion	一年內 – 即期部分	25,635	18,850
Between 1 and 5 years – non-current portion	一年至五年內 – 非即期部分	–	5,569
		<b>25,635</b>	<b>24,419</b>

#### 27. BORROWINGS

#### 27. 借款

		Group 本集團		Company 本公司	
		2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Non-current</b>	<b>非即期</b>				
Obligations under finance leases	融資租賃承擔	–	586	–	–
<b>Current</b>	<b>即期</b>				
Other loans	其他貸款	35,470	49,261	–	–
Obligations under finance leases	融資租賃承擔	586	607	–	–
Amount due to ultimate holding company	應付最終控股公司款項	405,640	367,112	405,640	367,112
		<b>441,696</b>	416,980	<b>405,640</b>	367,112
		<b>441,696</b>	417,566	<b>405,640</b>	367,112



# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 27. BORROWINGS (Continued)

At 31 March 2012 and 2011, the Group's and the Company's borrowings were repayable as follows:

### 27. 借款 (續)

於二零一二年及二零一一年三月三十一日，本集團及本公司之借款須償還如下：

		Group 本集團			
		Obligations under finance leases 融資租賃承擔		Borrowings 借款	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Within 1 year – current portion	一年內 – 即期部分	586	607	441,110	416,373
Between 1 and 2 years	一年至兩年內	–	586	–	–
Between 2 and 5 years	兩年至五年內	–	–	–	–
Non-current portion	非即期部分	–	586	–	–
		<b>586</b>	<b>1,193</b>	<b>441,110</b>	<b>416,373</b>

  

		Company 本公司	
		Borrowings 借款	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Within 1 year – current portion	一年內 – 即期部分	405,640	367,112

The obligations under finance leases are effectively secured as the rights to the leased assets 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。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 27. BORROWINGS (Continued)

Pursuant to the written agreement with the lenders entered into subsequent to the reporting date, the repayment period of other loans and amount due to the ultimate holding company of HK\$441.1 million have been deferred for one year.

### 27. 借款 (續)

根據於報告日後與放款人訂立之書面協議，其他貸款及應付最終控股公司款項441,100,000港元之還款期已延長一年。

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Finance lease liabilities – minimum lease payments:	融資租賃負債		
Within 1 year	– 最低租賃付款：		
Within 1 year	一年內	601	655
Between 1 and 5 years	一年至五年內	–	601
		<b>601</b>	1,256
Future finance charges on finance leases	融資租賃之未來財務費用	(15)	(63)
		<b>586</b>	1,193

The effective annual interest rates at the end of the reporting period were as follows:

於報告期間之實際年利率如下：

		Group 本集團					
		2012 二零一二年			2011 二零一一年		
		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	–	15.0%	–	–	15.0%	–
Obligations under finance leases	融資租賃承擔	5.2%	–	–	5.2%	–	–
Amount due to ultimate holding company	應付最終控股公司款項	10.0%	–	10.0%	10.0%	–	10.0%

The carrying amounts of the borrowings approximate their fair value.

借款之賬面值與其公平值相若。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

#### 27. BORROWINGS (Continued)

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

		Group 本集團		Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
HK dollars	港元	335,877	304,593	335,291	303,400
US dollars	美元	70,349	63,712	70,349	63,712
RMB	人民幣	35,470	49,261	-	-
		<b>441,696</b>	417,566	<b>405,640</b>	367,112

#### 27. 借款 (續)

借款之賬面值乃以下列貨幣計值：

#### 28. DEFERRED TAX ASSETS AND 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 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:

#### 28. 遞延稅項資產及負債

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，而遞延稅項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：

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	74	181
Deferred tax liabilities	遞延稅項負債	(8,531)	(181)
		<b>(8,457)</b>	-

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

#### 28. 遞延稅項資產及負債 (續)

年內，綜合財務狀況表所確認之遞延稅項資產／(負債)成份及其變動如下：

		Group 本集團			
		Accelerated depreciation allowances 加速折舊 撥備 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	LAT 土地增值稅 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2010 and 31 March 2011	於二零一零年 四月一日及 二零一一年 三月三十一日	(181)	181	-	-
Credit/(Charge) to profit/(loss) (Note 11)	計入／(扣除)自 溢利／(虧損) (附註11)	107	(107)	(341)	(341)
Charge to other comprehensive income	在其他全面收入扣除	-	-	(8,116)	(8,116)
At 31 March 2012	於二零一二年 三月三十一日	(74)	74	(8,457)	(8,457)

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions including land cost, borrowing cost and the relevant property development expenditures.

土地增值稅撥備根據中國有關稅務法律及法規所載之規定估計。土地增值稅已根據增值額之累進稅率範圍撥備，並有若干可扣減項目，包括土地成本、借貸成本及有關物業發展開支。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

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

Unrecognised deferred tax assets are as follows:

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Unutilized tax losses	未動用之稅項虧損	64,585	63,900
Accelerated depreciation allowances	加速折舊撥備	382	403
		<b>64,967</b>	<b>64,303</b>

At 31 March 2012, the deferred tax assets on the Group's and the Company's unutilized tax losses of approximately HK\$325.6 million and HK\$42.8 million (FY2011: HK\$332.6 million and HK\$127.3 million) respectively, which can be carried forward against future taxable income, have not been recognised due to the unpredictability of future profit streams. Included in the Group's tax losses, HK\$201.9 million (FY2011: HK\$223.3 million) has no expiry date and HK\$123.7 million (FY2011: HK\$108.2 million) 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. 遞延稅項資產及負債(續)

未確認之遞延稅項資產如下:

	Group	
	本集團	
	2012	2011
	二零一二年	二零一一年
	HK\$'000	HK\$'000
	千港元	千港元
Unutilized tax losses	64,585	63,900
Accelerated depreciation allowances	382	403
	<b>64,967</b>	<b>64,303</b>

於二零一二年三月三十一日，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325,600,000港元及42,800,000港元(二零一一年財政年度:332,600,000港元及127,300,000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，201,900,000港元(二零一一年財政年度:223,300,000港元)並無屆滿日期，123,700,000港元(二零一一年財政年度:108,200,000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 2012 截至二零一二年三月三十一日止年度

### 29. SHARE CAPITAL

### 29. 股本

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 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

### 30. SHARE OPTION SCHEME

### 30. 購股權計劃

During the year ended 31 March 2008, 42,000,000 share options were 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.

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。

The share options to subscribe for shares are exercisable as to:

購股權可於下列時間行使以認購股份：

- (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.

- (i) 就緊接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) 就緊接授出日期前已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 2012 截至二零一二年三月三十一日止年度

### 30. 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 2012 and 2011.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

		2012 二零一二年		2011 二零一一年	
		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	12,200,000	0.77	21,400,000
Forfeited	沒收	0.77	(3,000,000)	0.77	(9,200,000)
At 31 March	於三月三十一日	0.77	9,200,000	0.77	12,200,000

The outstanding option exercisable for year ended 31 March 2012 and 2011 were 9,200,000 and 12,200,000 respectively. 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.

### 30. 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。

截至二零一二年及二零一一年三月三十一日止年度，並無行使根據計劃授出之購股權。

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：

可於截至二零一二年及二零一一年三月三十一日止年度行使而未行使購股權分別為9,200,000份及12,200,000份。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 2012 截至二零一二年三月三十一日止年度

### 31. RESERVES

#### (a) The Group

		Share premium	Available- for-sale financial assets reserve	Employee share-based compensation reserve	Exchange reserve	Revaluation reserve	Accumulated losses	Total
		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	重估儲備	累計虧損	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
At 1 April 2010	於二零一零年四月一日	152,049	404	5,781	18,436	-	(169,857)	6,813
Translation exchange difference	外匯換算差額	-	-	-	17,488	-	-	17,488
Employee share option benefits	僱員購股權福利	-	-	(258)	-	-	-	(258)
Transfer to accumulated losses upon lapse of share options	於購股權失效時轉撥至 累計虧損	-	-	(2,092)	-	-	2,092	-
Loss for the year	年內虧損	-	-	-	-	-	(66,417)	(66,417)
Movement in available-for-sale financial assets reserve	可供出售財務資產儲備變動	-	117	-	-	-	-	117
At 31 March 2011	於二零一一年三月三十一日	152,049	521	3,431	35,924	-	(234,182)	(42,257)
Translation exchange difference	外匯換算差額	-	-	-	14,404	-	-	14,404
Transfer to accumulated losses upon lapse of share options	於購股權失效時轉撥至 累計虧損	-	-	(844)	-	-	844	-
Loss for the year	年內虧損	-	-	-	-	-	(52,418)	(52,418)
Available-for-sale financial assets - release of reserve upon disposal	可供出售財務資產 - 出售時解除儲備	-	(844)	-	-	-	-	(844)
Impairment loss reclassified from available-for-sale financial assets reserve	自可供出售財務資產儲備重新 分類之減值虧損	-	323	-	-	-	-	323
Deferred tax on revaluation increase	重估增值引致之遞延稅項	-	-	-	-	(8,116)	-	(8,116)
Property revaluation	物業重估	-	-	-	-	20,141	-	20,141
At 31 March 2012	於二零一二年三月三十一日	152,049	-	2,587	50,328	12,025	(285,756)	(68,767)

### 31. 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 2012 截至二零一二年三月三十一日止年度

### 31. RESERVES (Continued)

#### (b) The Company

		Share premium	Employee share-based compensation reserve	Available-for-sale financial assets reserve	Accumulated losses	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	累計虧損	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 2010	於二零一零年四月一日	152,049	5,781	404	(40,424)	117,810
Employee share option benefits	僱員購股權福利	-	(258)	-	-	(258)
Transfer to accumulated losses upon lapse of share options	於購股權失效時轉撥至累計虧損	-	(2,092)	-	2,092	-
Loss for the year	年內虧損	-	-	-	(128,483)	(128,483)
Movement in available-for-sale financial assets reserve	可供出售財務資產儲備變動	-	-	(404)	-	(404)
At 31 March 2011	於二零一一年三月三十一日	152,049	3,431	-	(166,815)	(11,335)
Transfer to accumulated losses upon lapse of share options	於購股權失效時轉撥至累計虧損	-	(844)	-	844	-
Loss for the year	年內虧損	-	-	-	(42,828)	(42,828)
At 31 March 2012	於二零一二年三月三十一日	152,049	2,587	-	(208,799)	(54,163)

### 31. 儲備 (續)

#### (b) 本公司

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 32. COMMITMENTS

#### (a) Lease commitments

- (i) *Operating lease commitments – where the Group is the lessor*

At 31 March 2012 and 2011, the Group had contracted with tenants for the following minimum lease payments:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Not later than 1 year	不超過一年	3,980	–
Later than 1 year and not later than 5 years	一年以上但不超過五年	18,326	–
Over five years	超過五年	22,021	–
		<b>44,327</b>	<b>–</b>

Operating lease payments represent rentals receivable by the Group from non-cancellable operating leases of its investment property. Typically, leases are negotiated and rentals are fixed for lease term of ten to eleven years.

- (ii) *Operating lease commitments – where the Group is the lessee*

At 31 March 2012 and 2011, the Group had commitments under non-cancellable operating leases in respect of rented premises, which fall due as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Not later than 1 year	不超過一年	1,137	2,626
Later than 1 year and not later than 5 years	一年以上但不超過五年	–	1,223
		<b>1,137</b>	<b>3,849</b>

### 32. 承擔

#### (a) 租賃承擔

- (i) *經營租賃承擔 – 集團為出租人*

於二零一二年及二零一一年三月三十一日，本集團與租戶訂有以下最低租賃付款：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
不超過一年	3,980	–
一年以上但不超過五年	18,326	–
超過五年	22,021	–
	<b>44,327</b>	<b>–</b>

經營租賃付款代表本集團來自其投資物業不可取消經營租賃之應收租金。一般而言，租賃之磋商及租金釐定均就十至十一年之租期作出。

- (ii) *經營租賃承擔 – 本集團為承租人*

於二零一二年及二零一一年三月三十一日，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：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
不超過一年	1,137	2,626
一年以上但不超過五年	–	1,223
	<b>1,137</b>	<b>3,849</b>

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 32. COMMITMENTS (Continued)

#### (b) Capital commitments

As at 31 March 2012, the Group has commitments in relation to acquisition of hotel properties from China Post Group and the outstanding commitments amounted to RMB6.2 million (equivalent to approximately HK\$7.6 million) (FY2011: HK\$7.4 million).

Other than those mentioned above, the Group has commitments in respect of refurbishment costs contracted but not provided for HK\$4.9 million and HK\$11.0 million as at 31 March 2012 and 31 March 2011 respectively.

### 33. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties during the year.

#### (a) Interest expense

During the year, the Group has interest expense payable to VXLCP, the ultimate holding company, amounting HK\$40.2 million for the loan as disclosed in Note 27 (FY2011: HK\$32.3 million).

The loan from the ultimate holding company is interest bearing at fixed rate, unsecured and repayable in September 2012. However, based on the mutual agreement on 28 May 2012, the term of the payment was extended to September 2013.

### 32. 承擔 (續)

#### (b) 資本承擔

於二零一二年三月三十一日，本集團有關於向中國郵政集團收購酒店之承擔，該應付承擔為人民幣6,200,000元（相等於約7,600,000港元）（二零一一年財政年度：7,400,000港元）。

除上述者外，於二零一二年三月三十一日及二零一一年三月三十一日，本集團有關翻新成本之已訂約但未撥備之承擔分別為4,900,000港元及11,000,000港元。

### 33. 關連方交易

年內與關連方進行以下交易：

#### (a) 利息開支

於本年，本集團就附註27內披露最終控股公司VXLCP的貸款之利息開支為40,200,000港元（二零一一年財政年度：32,300,000港元）。

最終控股公司的貸款按固定利率計息、屬無抵押及須於二零一二年九月償還。然而，根據二零一二年五月二十八日的相互協定，還款期延長至二零一三年九月。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

#### 33. RELATED PARTY TRANSACTIONS (Continued)

##### (b) Key management compensation

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Director's fee	董事袍金	–	290
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	1,936	3,976
Employee share option benefits	僱員購股權福利	–	45
Pension costs – MPF	退休金成本 – 強制性公積金	12	5
		<b>1,948</b>	<b>4,316</b>

##### (c) Disposal of a subsidiary

During the year, the Group disposed its entire equity interest in a subsidiary, Hart Industries, to the ultimate holding company of the Group, VXLCP as disclosed in Note 20 to the financial statements.

##### (d) Rental charges

The Group 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 was renewed on 13 May 2008 for further two years commencing on 15 May 2008 at a monthly rent of HK\$66,000. The lease expired on 14 May 2010 and was not renewed. The rental expense paid for the year is HK\$Nil (FY2011: HK\$99,000).

#### 33. 關連方交易(續)

##### (b) 主要管理層報酬

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Director's fee	–	290
Salaries and other short-term employee benefits	1,936	3,976
Employee share option benefits	–	45
Pension costs – MPF	12	5
	<b>1,948</b>	<b>4,316</b>

##### (c) 出售一間附屬公司

年內，本集團出售其於一間附屬公司 Hart Industries 之全部股權予本集團之最終控股公司 VXLCP，詳情於財務報表附註 20 內披露。

##### (d) 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。租賃已於二零一零年五月十四日到期，且未有續期。年內，已付之租金開支為零港元(二零一一年財政年度：99,000 港元)。

# Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

### 34. LITIGATION AND EVENTS AFTER THE REPORTING PERIOD

- (a) On 4 October 2011, the Company received notice that a claim (the “Former CEO Claim”) has been filed in the Labour Tribunal against it by a former chief executive officer of the Company (the “Former CEO”) for a total sum of HK\$30.0 million, which was the alleged discretionary bonus owed by the Company to the Former CEO. The Labour Tribunal claim was subsequently transferred to the High Court.

During the year ended 31 March 2009, the Group made an accrual for a bonus of HK\$30.0 million to be paid to the Former CEO of the Group to reward him for his contribution in completing the property projects. For the year ended 31 March 2011, management has been reassessing the amount of such bonus since subsequent information suggested the actual profits were of a lower amount than the original estimates and the provision was adjusted from HK\$30.0 million to HK\$6.4 million, resulting in a reversal of bonus provision of HK\$23.6 million.

On 18 May 2012, VXLMS and the former Chief Executive Officer entered into a deed of settlement, pursuant to which both parties agreed to settle the claim filed in the Labour Tribunal on 4 October 2011 by paying approximately HK\$1.0 million. The payment was made on 23 May 2012.

### 34. 訴訟及報告期後事項

- (a) 於二零一一年十月四日，本公司接獲通知，內容為本公司前行政總裁（「前行政總裁」）入稟勞資審裁處，向本公司提出涉款合共30,000,000港元之索償（「前行政總裁索償」）。前行政總裁索償指稱本公司欠負前行政總裁酌情花紅。勞資審裁處索償其後轉介至高等法院。

截至二零零九年三月三十一日止年度，本集團已就支付予集團前行政總裁的花紅30,000,000港元計提款項，以報答彼對完成物業項目所作出的貢獻。截至二零一一年三月三十一日止年度，由於隨後有資料顯示，實際利潤金額較原先估計為低，因此管理層重新評估該筆花紅的金額，而有關撥備由30,000,000港元調整至6,400,000港元，導致撥回花紅撥備23,600,000港元。

於二零一二年五月十八日，卓越管理與前行政總裁訂立和解契約，據此雙方同意透過支付約1,000,000港元之款項，終止二零一一年十月四日入稟勞資審裁處的索償。該款項已於二零一二年五月二十三日支付。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註 (續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

#### 34. LITIGATION AND EVENTS AFTER THE REPORTING PERIOD (Continued)

- (b) On 17 May 2011, VXLMS as plaintiff issued a writ of summons (the “Writ”) in Hong Kong against Shanghai Huayang Saili Enterprise Development Co., Ltd. (上海華揚賽利實業發展有限公司) (“Huayang”) in respect of a claim (the “Huayang Claim”) for an overdue loan in the amount of RMB10.0 million and the interest accrued thereon owed by Huayang to VXLMS. Pursuant to an agreement dated 10 September 2008 between VXLMS as lender and Huayang as borrower, VXLMS advanced to Huayang a loan of RMB10.0 million. The repayment date of the loan was on or before 30 October 2008.

On 4 June 2012, VXLMS and the defendant Huayang, as a result of a mediation, entered into a deed of settlement, pursuant to which the defendant agreed to pay VXLMS a settlement amount of RMB4.5 million (equivalent to HK\$5.6 million) by 2 instalments, the first instalment of RMB0.5 million (equivalent to HK\$0.6 million) to be paid on or before 18 June 2012 and the second instalment of RMB4.0 million (equivalent to HK\$5.0 million) to be paid on or before 4 August 2012. The payment of the first instalment was made on 14 June 2012. Upon receipt of the second instalment, VXLMS will execute the consent order dismissing the proceedings, and reverse a provision in respect of this claim. This provision, in the amount of HK\$4.1 million, has been made in the consolidated financial statements of the Group for the year ended 31 March 2012.

In the opinion of the directors of the Company, adequate provision has been made in the consolidated financial statements.

#### 34. 訴訟及報告期後事項 (續)

- (b) 於二零一一年五月十七日，卓越管理（作為原告）於香港對上海華揚賽利實業發展有限公司（「華揚」）發出傳訊令狀（「令狀」），內容有關就華揚欠付卓越管理之逾期貸款人民幣10,000,000元及其應計利息提出之索償（「華揚索償」）。根據卓越管理（作為貸款人）及華揚（作為借款人）於二零零八年九月十日訂立的協議，卓越管理向華揚墊支貸款人民幣10,000,000元。貸款償還日期為二零零八年十月三十日或之前。

於二零一二年六月四日，卓越管理與被告人華揚經過調解後，訂立和解契約，據此，被告人同意分兩期向卓越管理支付經和解款項人民幣4,500,000元（相當於5,600,000港元），第一期款項人民幣500,000元（相當於600,000港元）須於二零一二年六月十八日或之前支付，而第二期款項人民幣4,000,000元（相當於5,000,000港元）須於二零一二年八月四日或之前支付。第一期款項已於二零一二年六月十四日支付。待收取第二期款項後，卓越管理將簽立在同意下作出的命令，終止法律程序，同時撥回在本集團截至二零一二年三月三十一日止年度之綜合財務報表就有關是項索償計提之撥備，金額為4,100,000港元。

本公司董事認為已於綜合財務報表計提充足撥備。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

#### 35. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified to conform to the current year's presentation. The directors consider that such reclassifications will allow a more appropriate presentation of the Group's state of affairs and better reflect the nature of the transactions.

#### 35. 比較金額

若干比較金額已重新分類，以符合本年度之呈列。董事認為該等重新分類更適當地呈報本集團之事務狀況及更好地反映交易性質。

#### 36. SCHEDULE OF INVESTMENT PROPERTY

Location	Use	Tenure	Attributable interest to the Group
位置	用途	租期	本集團應佔權益
Zhouyue Building West Kunlun Avenue Bayuquan District Yingkou City Liaoning Province PRC	Commercial	Medium	100%
卓越大廈 中國遼寧省營口市 鮫魚圈昆侖大街西	商業	中	100%

#### 36. 投資物業列表

#### 37. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements on pages 40 to 142 were approved by the board of directors on 22 June 2012.

#### 37. 批准綜合財務報表

董事會已於二零一二年六月二十二日批准載於年報第40頁至第142頁之綜合財務報表。

“AGM(s)” 「股東週年大會」	Annual General Meetings of the Company 本公司的股東週年大會
“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」	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 本公司的董事會
“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》
“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）
“Director(s)” 「董事」	The Director(s) 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
“HKFRSs” 「香港財務報告準則」	Hong Kong Financial Reporting Standards 香港財務報告準則
“HKICPA” 「香港會計師公會」	The 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 中國香港特別行政區



## Glossary (Continued)

### 詞彙 (續)

“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《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)
“Share(s)” 「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週年大會上採納的購股權計劃
“Shareholder(s)” 「股東」	Holder(s) of Share(s) 本公司的股份持有人
“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“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

## Financial Summary 財務摘要

The following is a summary of the consolidated results of the Group for the last five financial years.

本集團於最近五個財政年度之綜合業績概述如下。

		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	1/4/2010 to 31/3/2011 1/4/2010至 31/3/2011 HK\$'000 千港元	1/4/2011 to 31/3/2012 1/4/2011至 31/3/2012 HK\$'000 千港元
Turnover	營業額	23,976	(10,105)	2,329	4,401	6,436
Profit/(loss) before taxation	除稅前溢利／ (虧損)	34,449	(180,163)	(154,278)	(66,414)	(52,073)
Taxation (charge)/credit	稅項(支出)／ 抵免	(26,885)	29,087	(3)	(3)	(345)
Profit/(loss) for the year	年內溢利／ (虧損)	7,564	(151,076)	(154,281)	(66,417)	(52,418)

The following is a summary of the total assets and liabilities of the Group as at 31 March 2008, 2009, 2010, 2011 and 2012.

本集團於二零零八年、二零零九年、二零一零年、二零一一年及二零一二年三月三十一日之資產及負債總額概述如下。

		31/3/2008 HK\$'000 千港元	31/3/2009 HK\$'000 千港元	31/3/2010 HK\$'000 千港元	31/3/2011 HK\$'000 千港元	31/3/2012 HK\$'000 千港元
Total assets	資產總額	1,480,957	521,741	589,758	631,503	610,045
Total liabilities	負債總額	(1,124,381)	(346,961)	(444,285)	(535,100)	(540,152)
Total equity	權益總值	356,576	174,780	145,473	96,403	69,893

# Shareholders' Information

## 股東資料

### ANNUAL GENERAL MEETING

The 2012 AGM will be held on Friday, 28 September 2012 at 9:30 a.m. at 12th Floor, The Lee Gardens, 33 Hysan Avenue, Causeway Bay, Hong Kong. Details of the 2012 AGM are set out in the Notice of 2012 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 Registrar:-

Name: Boardroom Share Registrars (HK) Limited  
Address: 12th Floor, The Lee Gardens,  
33 Hysan Avenue, Causeway Bay, Hong Kong  
Telephone: +852 2153 1688  
Facsimile: +852 3020 5058

### 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 2012

Announcement of 2011-12 final results	22 June 2012
2012 AGM	28 September 2012
Announcement of 2012-13 interim results	November 2012

### COMPANY'S MARKET CAPITALIZATION

HK\$165.2 million at year end, based on closing price of HK\$0.108 per Share on 30 March 2012.

### 股東週年大會

二零一二年股東週年大會謹訂於二零一二年九月二十八日(星期五)上午九時三十分假座香港銅鑼灣希慎道33號利園12樓舉行。二零一二年股東週年大會詳情已載於二零一二年股東週年大會通告,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: 寶德隆證券登記有限公司  
地址: 香港銅鑼灣希慎道33號利園12樓  
電話: +852 2153 1688  
傳真: +852 3020 5058

### 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。

### 二零一二年財務日誌

公佈二零一一至 二零一二年全期業績	二零一二年 六月二十二日
二零一二年股東週年大會 公佈二零一二至 二零一三年中期業績	二零一二年九月二十八日 二零一二年十一月

### 本公司市值

按二零一二年三月三十日每股收市價0.108港元計算,於年度結束日之市值為165,200,000港元。

## BOARD OF DIRECTORS

### Executive Directors

Datuk LIM Chee Wah (*Chairman*)

Mr. XIAO Huan Wei (*Group President and Group Chief Executive Officer*)

### 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. XIAO Huan Wei (*Chairman*)

Datuk LIM Chee Wah

## 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*)

Datuk LIM Chee Wah

Mr. Alan Howard SMITH, J.P.

Mr. David YU Hon To

## COMPANY SECRETARY

Ms. LIM Yi Ping

## 董事會

### 執行董事

拿督林致華 (*主席*)

肖煥偉先生 (*集團總裁及集團行政總裁*)

### 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

肖煥偉先生 (*主席*)

拿督林致華

## 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*)

拿督林致華

史亞倫太平紳士

俞漢度先生

## 公司秘書

林憶萍小姐

## Corporate Information (Continued)

### 公司資料 (續)

#### REGISTERED OFFICE

Room 603A, 6th Floor  
Empire Centre  
No. 68 Mody Road  
Tsim Sha Tsui East  
Kowloon, Hong Kong

#### SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited  
12th Floor, The Lee Gardens  
33 Hysan Avenue, Causeway Bay  
Hong Kong

#### AUDITOR

Pan-China (H.K.) CPA Limited  
20/F, Hong Kong Trade Centre  
161-167 Des Voeux Road Central  
Central, Hong Kong

#### PRINCIPAL BANKERS

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

香港九龍  
尖沙咀東  
麼地道六十八號  
帝國中心  
六樓六零三A室

#### 股份過戶登記處

寶德隆證券登記有限公司  
香港  
銅鑼灣希慎道33號  
利園12樓

#### 核數師

天健(香港)會計師事務所有限公司  
香港中環  
德輔道中161至167號  
香港貿易中心20樓

#### 主要往來銀行

中國銀行股份有限公司  
香港上海匯豐銀行有限公司

#### 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>

# VXL CAPITAL LIMITED

卓越金融有限公司

Room 603A, 6th Floor,  
Empire Centre, No. 68 Mody Road,  
Tsim Sha Tsui East, Kowloon, Hong Kong

香港九龍尖沙咀東  
麼地道68號帝國中心  
六字樓603A室

[www.vxlcapital.com](http://www.vxlcapital.com)