NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. Basis of preparation and accounting policies

These unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

These condensed consolidated financial information should be read in conjunction with the 2004/2005 annual financial statements.

The accounting policies and methods of computation used in the preparation of these condensed consolidated financial information are consistent with those used in the annual financial statements for the year ended 31 March 2005 except that the Group has changed certain of its accounting policies following its adoption of new/revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRS") which are effective for accounting periods commencing on or after 1 January 2005.

These interim financial information have been prepared in accordance with those HKFRS standards and interpretations issued and effective as at the time of preparing these information. The HKFRS standards and interpretations that will be applicable at 31 March 2006, including those that will be applicable on an optional basis, are not known with certainty at the time of preparing these interim financial information.

The changes to the Group's accounting policies and the effect of adopting these new policies are set out in Note 2 below.

2. Changes in accounting policies

(a) Effect of adopting new HKFRS

For the six months ended 30 September 2005, the Group adopted the new/revised standards of HKFRS below, which are relevant to its operations. The 2004/2005 comparatives have been amended as required, in accordance with the relevant requirements.

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 23	Borrowing Costs
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 28	Investments in Associates
HKAS 32	Financial Instruments: Disclosures and Presentation
HKAS 33	Earnings per share
HKAS 36	Impairment of Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKAS-Int 15	Operating Leases - Incentives
HKFRS 2	Share-based Payments
HKFRS 3	Business Combinations

The adoption of new/revised HKASs 1, 2, 7, 8, 10, 16, 21, 23, 24, 27, 28, 33 and HKAS-Int 15 did not result in substantial changes to the Group's accounting policies. In summary:

- HKAS 1 has affected the presentation of share of net after-tax results of associates and other disclosures.

- HKASs 2, 7, 8, 10, 16, 23, 27, 28, 33 and HKAS-Int 15 had no material effect on the Group's policies.

- HKAS 21 had no material effect on the Group's policy. The functional currency of each of the consolidated entities has been re-evaluated based on the guidance to the revised standard. All the Group entities have the same functional currency as the presentation currency for respective entity financial statements.

- HKAS 24 has affected the identification of related parties and some other related-party disclosures.

The adoption of revised HKAS 17 has resulted in a change in the accounting policy relating to the reclassification of leasehold land from property, plant and equipment to operating leases. The up-front prepayments made for the leasehold land are expensed in the income statement on a straight-line basis over the period of the lease or where there is impairment, the impairment is expensed in the income statement. In prior years, the leasehold land was accounted for at cost less accumulated depreciation and accumulated impairment.

2. **Changes in accounting policies *(Continued)***

The adoption of HKASs 32 and 39 has resulted in a change in the accounting policy relating to the classification of other financial assets at fair value through profit or loss. On 1 April 2005, the other investment amounting to HK$4,522,000 was reclassified as other financial assets at fair value through profit or loss.

The adoption of HKFRS 2 has resulted in a change in the accounting policy for share-based payments. Until 31 March 2005, the provision of share options to employees did not result in an expense in the income statement. Effective on 1 April 2005, the Group shall expense the cost of share option provisions in the income statement. This change in accounting policy does not have any material effect on the financial statements.

The adoption of HKFRS 3, HKAS 36 and HKAS 38 results in a change in the accounting policy for goodwill. Until 31 March 2005, goodwill was:

- Amortised on a straight line basis over a period of 20 years; and

- Assessed for an indication of impairment at each balance sheet date.

In accordance with the provisions of HKFRS 3 (Notes 2.4 and 2.5):

- The Group ceased amortisation of goodwill from 1 April 2005;

- Accumulated amortisation as at 31 March 2005 has been eliminated with a corresponding decrease in the cost of goodwill; and

- From the year ending 31 March 2006 onwards, goodwill is tested annually for impairment, as well as when there is indication of impairment.

The Group has reassessed the useful lives of its intangible assets in accordance with the provision of HKAS 38. No adjustment resulted from this reassessment.

All changes in the accounting policies have been made in accordance with the transition provisions in the respective standards. All standards adopted by the Group require retrospective application other than:

- HKAS 39 – does not permit to recognise, derecognise and measure financial assets and liabilities in accordance with this standard on a retrospective basis. The Group applied the previous SSAP 24 "Accounting for investments in securities" to other investments for the 2004/2005 comparative information. The adjustments required for the accounting differences between SSAP 24 and HKAS 39 are determined and recognised at 1 April 2005;

- HKAS-Int 15 – does not require the recognition of incentives for leases beginning before 1 April 2005;

- HKFRS 2 – only retrospective application for all equity instruments granted after 7 November 2002 and not vested at 1 January 2005; and

- HKFRS 3 – prospective after the adoption date.

2. Changes in accounting policies *(Continued)*

The adoption of revised HKAS 17 resulted in an increase in opening reserves at 1 April 2004 by HK$5,941,000.

	As at	
	30 September 2005	31 March 2005
	HK$'000	*HK$'000*
Decrease in property, plant and equipment	**29,496**	29,843
Increases in leasehold land	**35,525**	35,810
Increase in retained earnings	**5,967**	5,941

	For the year ended	**For the six months ended**	
	31 March 2005	**30 September 2005**	30 September 2004
	HK$'000	***HK$'000***	*HK$'000*
Decrease in administrative expense	26	**62**	13
Increase in basic earnings per share	HK0.01 cent	**HK0.02 cent**	HK0.01 cent
Increase in diluted earnings per share	HK0.01 cent	**HK0.02 cent**	HK0.01 cent

The Group does not early adopt HKAS 19 (Amendment) - Actuarial Gains and Losses, Group Plans and Disclosures that has been issued but is not yet effective. The adoption of such standards will not result in substantial changes to the Group's accounting policies.

2. Changes in accounting policies *(Continued)*

(b) New Accounting Policies

The accounting policies used for the unaudited condensed consolidated financial information for the six months ended 30 September 2005 are the same as those set out in note 1 to the 2004/2005 annual financial statements except for the following:-

2.1 Acquisition of subsidiaries and associated companies

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

An investment in an associated company is accounted for using the equity method from the date on which it becomes an associated company. On acquisition of the investment, the measurement and recognition of goodwill is same as that of goodwill arising from the acquisition of subsidiaries. Goodwill relating to an associated company is included in the carrying amount of the investment. Appropriate adjustments to the investor's share of the profits or losses after acquisition are made to account based on their fair values at the date of acquisition.

2.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in HK dollars, which is the Company's functional and 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. 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 income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation difference on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

2. Changes in accounting policies *(Continued)*

2.3 Property, plant and equipment

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

2.4 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired associate at the date of acquisition. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

2.5 Impairment of assets

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

2.6 Investments

From 1 April 2004 to 31 March 2005:

The Group classified its investments in securities, other than subsidiaries and associated companies, as other investments.

Other investments were carried at fair value. At each balance sheet date, the net unrealised gains or losses arising from the changes in fair value of other investments were recognised in the income statement. Profits or losses on disposal of other investments, representing the difference between the net sales proceeds and the carrying amounts, were recognised in the income statement as they arose.

From 1 April 2005 onwards:

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

2. Changes in accounting policies *(Continued)*

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

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(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 arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet. (Note 2.8)

(c) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. During the period, the Group did not hold any investments in this category.

(d) 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 management intends to dispose of the investment within 12 months of the balance sheet date. During the period, the Group did not hold any investments in this category.

2. Changes in accounting policies *(Continued)*

Purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains or losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, the Group establishes 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 refined to reflect the issuer's specific circumstances.

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

2.7 Inventories

Costs of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges relating to purchases of raw materials.

2.8 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other 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. The amount of the provision is the difference between the assets's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

2. Changes in accounting policies *(Continued)*

2.9 Share capital

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

2.10 Borrowings

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

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

2.11 Share-based compensation

The Group operates an equity-settled, share-based compensation plan. 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 (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, 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.

3. Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and cash flow interest-rate risk.

Management regularly monitor the financial risks of the Group. Because of the simplicity on the financial structure and the current operations of the Group, no hedging activities were considered by the management.

(i) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that sales are made to customers with an appropriate credit history.

(ii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

(iii) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

4. Critical accounting estimate and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.4. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

5. **Turnover, revenue and segment information**

The Group has only one single business segment in the trading of frozen meat. Accordingly, no business segmental information is shown.

An analysis of the Group's revenue and results for the period by geographical segment is as follows:

	Unaudited Six months ended 30 September 2005		
	Hong Kong and Macau *HK$'000*	**Mainland China** *HK$'000*	**Total** *HK$'000*
Turnover	**218,393**	**55,878**	**274,271**
Segment results	**465**	**108**	**573**
Unallocated costs			**(432)**
Operating profit before finance costs			**141**
Finance costs			**(3,491)**
Share of profits of associated companies			**13,549**
Profit before income tax			**10,199**
Income tax expense			**(68)**
Profit attributable to equity holders of the Company			**10,131**

	Unaudited Six months ended 30 September 2004		
	Hong Kong and Macau (Restated) *HK$'000*	Mainland China *HK$'000*	Total (Restated) *HK$'000*
Turnover	235,755	54,688	290,443
Segment results	11,343	677	12,020
Unallocated costs			(382)
Operating profit before finance costs			11,638
Finance costs			(968)
Share of profits of associated companies			11,155
Profit before income tax			21,825
Income tax expense			(2,132)
Profit attributable to equity holders of the Company			19,693

6. Other revenues

An analysis of other revenues is as follows:

	Unaudited Six months ended 30 September **2005** ***HK$'000***	 2004 *HK$'000*
Interest income/(expense)	**5,364**	(5,202)
Gross rental income	**361**	545
Fair value loss on other financial assets at fair value through profit or loss	**(447)**	–
Dividend income from other financial assets at fair value through profit or loss/other investments	**25**	23
	5,303	(4,634)

7. Operating profit before finance costs

Operating profit before finance costs is stated after charging the following:

	Unaudited Six months ended 30 September **2005** ***HK$'000***	 2004 (Restated) *HK$'000*
Depreciation of property, plant and equipment	**1,213**	1,543
Amortisation of leasehold land	**285**	285
Operating leases of leasehold land and buildings	**7,555**	7,422

8. Finance costs

	Unaudited Six months ended 30 September **2005** ***HK$'000***	 2004 *HK$'000*
Interest expense on bank loans and trust receipt loans	**3,491**	968

9. **Income tax expense**

Hong Kong profits tax has been provided at the rate of 17.5% (2004: 17.5%) on the estimated assessable profit for the period.

The amount of income tax expense charged to the consolidated income statement represents:

	Unaudited Six months ended 30 September	
	2005	2004
	HK$'000	*HK$'000*
Current taxation:		
– Hong Kong profits tax	**–**	2,153
Deferred taxation relating to the origination and reversal of temporary difference	**68**	(21)
	68	2,132

Share of associated companies' taxation for the six months ended 30 September 2005 of HK$2,490,000 (30 September 2004 restated: HK$1,883,000) are included in the consolidated income statement as share of profits of associated companies.

10. **Dividends**

	Unaudited Six months ended 30 September	
	2005	2004
	HK$'000	*HK$'000*
Proposed interim dividend of HK1.0 cent per ordinary share (2004: HK 1.0 cent per ordinary share)	**2,587**	2,572

Notes:

(a) At a meeting held on 20 July 2005 the directors proposed a final dividend of HK3.0 cents per ordinary share for the year ended 31 March 2005, which was paid on 15 September 2005 and has been reflected as an appropriation of retained earnings for the six months ended 30 September 2005.

(b) At a meeting held on 15 December 2005 the directors declared an interim dividend of HK1.0 cent per ordinary share for the year ending 31 March 2006. This proposed dividend is not reflected as a dividend payable in these condensed financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 March 2006.

11. Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Unaudited Six months ended 30 September **2005**	2004
Profit attributable to equity holders of the Company (HK$)	**10,131,000**	19,693,000
Weighted average number of ordinary shares in issue	**258,377,803**	251,764,896
Basic earnings per share (HK cent per share)	**3.92**	7.82

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has only one category of dilutive potential ordinary share: share options. For the share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares during the period) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Unaudited Six months ended 30 September **2005**	2004
Profit attributable to equity holders of the Company (HK$)	**10,131,000**	19,693,000
Weighted average number of ordinary shares in issue	**258,377,803**	251,764,896
Adjustment for share options	**1,177,636**	2,388,571
Weighted average number of ordinary shares for diluted earnings per share	**259,555,439**	254,153,467
Diluted earnings per share (HK cent per share)	**3.90**	7.75

12. **Capital expenditure**

	Unaudited	
	Property, plant and equipment (Restated) *HK$'000*	**Leasehold land** (Restated) *HK$'000*
Opening net book amount as at 1 April 2005	56,814	35,810
Additions	854	–
Disposals	(500)	–
Depreciation/amortisation charge *(Note 7)*	(1,213)	(285)
Closing net book amount as at 30 September 2005	55,955	35,525
Opening net book amount as at 1 April 2004	58,165	36,380
Additions	1,537	–
Depreciation/amortisation charge *(Note 7)*	(1,543)	(285)
Closing net book amount as at 30 September 2004	58,159	36,095
Additions	123	–
Depreciation/amortisation charge	(1,468)	(285)
Closing net book amount as at 31 March 2005	56,814	35,810

13. **Trade receivables**

The Group has a defined credit policy with general credit terms ranging from 30 to 90 days. As at 30 September 2005 and 31 March 2005, the ageing analysis of the trade receivables were as follows:

	Unaudited As at 30 September 2005 *HK$'000*	Audited As at 31 March 2005 *HK$'000*
0 – 30 days	**43,755**	40,906
31 – 60 days	**12,496**	7,626
Over 60 days	**242**	484
	56,493	49,016

14. Other financial assets at fair value through profit or loss

	Unaudited As at 30 September 2005 *HK$'000*
Equity securities:	
Market value of listed equity securities in Hong Kong	6,285

15. Other investments

	Audited As at 31 March 2005 *HK$'000*
Equity securities:	
Market value of listed equity securities in Hong Kong	4,522

16. Share capital

	Unaudited As at 30 September 2005 ***HK$'000***	Audited As at 31 March 2005 *HK$'000*
Authorised		
400,000,000 (31 March 2005: 400,000,000) ordinary shares of HK$0.10 each	**40,000**	40,000
Issued and fully paid		
258,686,000 (31 March 2005: 258,286,000) ordinary shares of HK$0.10 each	**25,869**	25,829

Notes:

(a) The movements of the issued share capital of the Company during the period are summarised as follows:

	Number of ordinary shares	**Nominal value** *HK$'000*
At 1 April 2005	258,286,000	25,829
Issued on exercising of share options	400,000	40
At 30 September 2005	258,686,000	25,869

16. **Share capital *(Continued)***

(b) Share options

Share options were granted to the directors and executives under the Share Option Scheme (the "Scheme") adopted by the Company on 2 September 2002. The directors of the Company are authorised to grant options to any qualifying participant of the Company, any of its subsidiaries or any invested entity to subscribe for shares in the Company at prices according to the terms of the Scheme. The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company must not exceed 30% of the total number of shares in issue from time to time.

Movements in the number of share options outstanding under the Scheme during the period are as follows:

		Number of share options		
Category	**Exercise price** *HK$*	**Outstanding as at 1 April 2005**	**Exercised during the period**	**Outstanding as a 30 September 2005**
Directors	0.93	3,020,000	–	3,020,000
Continuous contract employees	0.93	5,000,000	(400,000)	4,600,000
		8,020,000	(400,000)	7,620,000

17. **Trade and bills payables**

At 30 September 2005, the ageing analysis of the trade and bills payables were as follows:

	Unaudited As at 30 September 2005 ***HK$'000***	Audited As at 31 March 2005 *HK$'000*
0 – 30 days	**27**	8,563
31 – 60 days	**26**	9
Over 60 days	**91**	25
	144	8,597

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18. Bank loans, secured

	Unaudited As at 30 September 2005 *HK$'000*	Audited As at 31 March 2005 *HK$'000*
The maturity of bank loans are as follows:		
Within one year	**75,242**	49,098

A bank loan of HK$2,642,000 (31 March 2005: HK$5,498,000) is secured by the building and issued shares of a subsidiary and cross guarantees of the Company and a subsidiary.

The other bank loans of the Group are secured by corporate guarantees of the Company.

The carrying amounts of bank loans approximate their fair value.

19. Contingent liabilities

At 30 September 2005, the Group did not have any material contingent liabilities.

20. Related party transactions

Significant related party transactions, which were carried out in the normal course of the Group's business are as follows:

	Unaudited Six months ended 30 September	
	2005 *HK$'000*	2004 *HK$'000*
Rental and building management fee received from related companies	**96**	96

Tenancy agreement was entered into with a related party to lease office for a period of 2 years. The lease was entered into a mutually agreed terms.