



Medical



Annual Report 年報 **2008**



Town Health International Holdings Company Limited

康健國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 8138

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本報告乃遵照聯交所《創業板證券上市規則》(「創業板上市規則」)的規定而提供有關康健國際控股有限公司(「本公司」)之資料。本公司各董事(「董事」)願共同及個別對本報告負全部責任，並在作出一切合理查詢後確認，就彼等所知及所信：(1)本報告所載資料在各重大方面均屬準確完整，且無誤導成份；(2)本報告並無遺漏其他事實致使本報告所載任何內容產生誤導；及(3)本報告內所表達之一切意見乃經審慎周詳考慮後始行發表，並以公平合理之基準及假設為依據。

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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS:

Miss Choi Ka Yee, Crystal (*Chairman*)
Dr. Cho Kwai Chee (*Chief Executive Officer*)
Dr. Fung Yiu Tong, Bennet
Mr. Cho Kwai Yee, Kevin
Dr. Hui Ka Wah, Ronnie, JP

執行董事：

蔡加怡小姐(*主席*)
曹貴子醫生(*行政總裁*)
馮耀棠醫生
曹貴宜先生
許家驊醫生，太平紳士

NON-EXECUTIVE DIRECTOR:

Dr. Francis Choi Chee Ming, JP

非執行董事：

蔡志明博士，太平紳士

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Chan Kam Chiu
Mr. Wai Kwok Hung, JP
Mr. Ho Kwok Wah, George

獨立非執行董事：

陳金釗先生
韋國洪，太平紳士
何國華先生

COMPANY SECRETARY AND QUALIFIED ACCOUNTANT:

Mr. Wong Seung Ming CPA, FCCA

公司秘書及合資格會計師：

黃尚銘先生CPA, FCCA

COMPLIANCE OFFICER:

Dr. Cho Kwai Chee

監察主管：

曹貴子醫生

AUDIT COMMITTEE:

Mr. Chan Kam Chiu (*Chairman*)
Mr. Wai Kwok Hung, JP
Mr. Ho Kwok Wah, George

審核委員會：

陳金釗先生(*主席*)
韋國洪，太平紳士
何國華先生

REMUNERATION COMMITTEE:

Mr. Wai Kwok Hung, JP (*Chairman*)
Dr. Cho Kwai Chee
Mr. Chan Kam Chiu
Mr. Ho Kwok Wah, George

薪酬委員會：

韋國洪，太平紳士(*主席*)
曹貴子醫生
陳金釗先生
何國華先生

AUTHORIZED REPRESENTATIVES:

Dr. Cho Kwai Chee
Dr. Fung Yiu Tong, Bennet

授權代表：

曹貴子醫生
馮耀棠醫生

AUDITORS:

Deloitte Touche Tohmatsu
Certified Public Accountants

核數師：

德勤•關黃陳方會計師行
執業會計師

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS:

The Hong Kong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
Bank of China (Hong Kong) Limited
Dah Sing Bank Limited
DBS Bank (Hong Kong) Limited

主要往來銀行：

香港上海滙豐銀行有限公司
恒生銀行有限公司
中國銀行(香港)有限公司
大新銀行有限公司
星展銀行(香港)有限公司

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE:

Bank of Bermuda (Cayman) Limited
P.O. Box 513 GT
Strathvale House
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George Town
Grand Cayman, Cayman Islands
British West Indies

主要股份過戶登記處：

Bank of Bermuda (Cayman) Limited
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Grand Cayman, Cayman Islands
British West Indies

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE:

Tricor Tengis Limited
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Hong Kong

香港股份過戶登記分處：

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香港
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REGISTERED OFFICE:

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總辦事處及主要營業地點：

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STOCK CODE:

8138

股份代號：

8138

CHAIRMAN'S STATEMENT

主席報告

On behalf of Town Health International Holdings Company Limited ("Town Health" or the "Company" or the "Group"), I am pleased to present this annual report for the year ended 31st March, 2008 to our shareholders.

BUSINESS REVIEW

2007 was an eventful year for Town Health. I am pleased to report that in the past financial year, Town Health has continued its good work in delivering good services and value to the community as well as our key stakeholders. The Company's consolidated profit attributable to equity holders for the financial year ended 31st March, 2008, was HK\$253,713,513, representing an increase of 18% as compared to last financial year.

Strong Focus on Clinic Chain Business

Our core business of healthcare and dental services provision has continued to be the main driver of the Group's excellent business growth in 2007. Town Health remains firmly focused on its chain clinic business and continue to look for strategic developments along that direction.

In Hong Kong, the Company further strengthened its market leading position by successfully acquiring a local chain clinics network in September 2007, increasing the total number of clinics in the "Town Health Clinic Chain" to almost 100, and further enhancing our solid patient base. Town Health chain clinics network is now the largest in Hong Kong.

In order to stay focused, the Company has announced the sale of Pacific Medical Group which is principally in the medical equipment distribution business, and also 60% equity interest in United First Investments Limited, a subsidiary engaging in management and consultancy services for dental care business in China, in March and April 2008 respectively. These strategic moves enabled the Group to focus on its core chain clinic business in both Hong Kong and the Mainland China markets.

Entering Mainland China's Healthcare and Pharmaceutical Market

With Town Health's unique competitive edge, the Group believes that it's high time for the Group to venture into the mainland healthcare market. It is widely agreed that the mainland healthcare industry has a huge growth potential. Rapid economic growth, increasingly high health awareness, ongoing urbanization and the fast aging Chinese population are among the reasons behind the market growth. The year 2008 also earmarks the year of healthcare reform of the Chinese Central Government. All these provide the Group great opportunities in entering the mainland healthcare market. With the long history of our successful chain clinics operation model, well established infrastructure, expertise and experience, the Group believes that it could enjoy the best competitive advantage when entering into the mainland market and replicating its chain clinics operation model there.

本人謹代表康健國際控股有限公司 (Town Health International Holdings Company Limited) (「康健國際」或「本公司」或「本集團」)向各股東匯報截至二零零八年三月三十一日止年度之年報。

業務回顧

二零零七年是康健國際精彩的一年。本人欣然匯報於過去財政年度，康健國際繼續表現優異，為社會大眾及主要股東提供優質服務及締造價值。於截至二零零八年三月三十一日止財政年度，本公司股權持有人應佔綜合溢利為253,713,513港元，較上一個財政年度增長18%。

專注連鎖診所業務

於二零零七年，本集團提供保健及牙科服務的核心業務繼續成為本集團卓越業務增長的主要動力。康健國際仍然堅定地專注於連鎖診所業務，並繼續沿此方向尋求策略發展。

於香港方面，本公司於二零零七年九月購入一個本地連鎖診所網絡，令「康健醫務診所」總數接近100間，進一步鞏固其市場領導地位。康健國際的連鎖診所網絡現已成為香港最大型的診所網絡。

為專注核心業務，本公司分別於二零零八年三月及四月宣佈出售主要從事醫療設備分銷業務的帕斯醫療集團，以及於中國從事牙科保健業務之管理及諮詢服務的附屬公司聯豐投資有限公司百分之六十股權。該等策略行動讓本集團得以專注其於香港及中國內地市場的核心連鎖診所業務。

進軍中國內地保健及製藥市場

憑藉康健國際獨特的競爭優勢，本集團相信現時為進軍中國內地保健市場的理想時機。各界均普遍同意中國內地保健業具有龐大增長潛力。快速經濟增長、健康意識日益提高、都市化進程持續以及中國人口急速老化均為市場增長的原因。二零零八年亦為中國中央政府展開醫療改革的一年。上述各項因素均為本集團提供進軍內地保健市場的良機。憑藉過往一直取得成功的連鎖診所經營模式、完善的基建、專業知識及經驗，本集團相信必定能夠於進軍內地市場時獲得最佳競爭優勢，並成功複製其連鎖診所經營模式。

CHAIRMAN'S STATEMENT

主席報告

BUSINESS REVIEW *(Continued)*

Entering Mainland China's Healthcare and Pharmaceutical Market *(Continued)*

The Group has also aligned with Hong Kong Health Check and Laboratory Holdings Company Limited ("Hong Kong Health Check") (stock code: 397) and established a jointly controlled entity to enter into a convertible bonds subscription agreement of Core Healthcare Investment Holdings Limited ("Core Healthcare") (stock code: 8250). This enabled the Group to invest in the pharmaceutical business and distribution network in China through collaboration with other companies.

Maintaining Operational Excellence

Town Health is equipped with the necessary resources to invest in enhancing its chain clinics core business. The Group has been improving its operating efficiency and internal control systems, and will continue its efforts in controlling the costs and streamlining the manpower deployment so as to improve its overall operating efficiency and thus profitability margin.

OUTLOOK

To Become Premier Clinic Chain Business in Hong Kong

Town Health strives to expand its chain clinics network and to provide first-class general and specialty healthcare services to the public. In the last Policy Address delivered by Chief Executive in October 2007, the Hong Kong Government proposed a 3-year trial scheme in which all elderly residents would be subsidized for seeking primary medical care services in the private market. Other initiatives were also proposed to address the public private imbalance. These government-driven policy changes and initiatives would create an exceptionally favourable environment for the private healthcare industry, and herald a new era of collaboration between public and private healthcare sectors. The Group expects that it could benefit substantially from the future favourable business environment.

業務回顧 *(續)*

進軍中國內地保健及製藥市場 *(續)*

本集團亦與香港體檢及醫學診斷控股有限公司(「香港體檢」, 股份代號: 397)合作, 並成立一家共同控制實體與確思醫藥控股有限公司(「確思醫藥」)(股份代號: 8250)訂立可換股債券認購協議, 讓本集團得以透過與其他公司合作, 投資中國的醫藥業務及分銷網絡。

維持卓越營運

康健國際具備所需資源, 以投資擴充其連鎖診所核心業務。本集團一直改進其營運效率及內部監控制度, 並將繼續控制成本及精簡人手配置, 以改善整體營運效率及邊際盈利。

展望

成為香港連鎖診所服務的翹楚

康健國際致力擴展其連鎖診所網絡, 以向公眾提供頂級的一般及專科保健服務。於行政長官在二零零七年十月發表的上份施政報告中, 香港政府建議推行三年期試驗計劃, 所有長者將會獲得津貼於私營市場尋求基本醫療護理服務, 此外亦提出其他措施, 以著手解決公私營醫療之間的不平衡。該等由政府提出的政策變動及措施將會為私營保健業締造極有利環境, 並引領公私營保健部門邁向攜手合作的新紀元。本集團預期將可受惠於此有利的營商環境。

CHAIRMAN'S STATEMENT

主席報告

OUTLOOK (Continued)

Develop & Manage Chain Clinics Operation in the Mainland China

The Group's vision is to become the leading chain clinics operator in the Mainland China market. In April 2008, the Group has entered into an exclusive framework agreement with Ping An Insurance Group ("Ping An") to develop and manage chain clinics in Guangdong province.

The mainland chain clinics project will deliver quality medical services to residents in the Pearl River Delta region initially, and throughout the whole country eventually. Backed up by our strong and reputable Chinese partner, Ping An Insurance Group, Town Health will be the pioneer in the mainland chain clinics market. The Group will leverage on its successful chain clinics business model in Hong Kong and replicate the model in the Mainland China, a market 185 times bigger than Hong Kong. The rapidly booming mainland healthcare market and the increasing demand for quality clinic services will offer the Group enormous business opportunities.

Strive to Maintain Rapid Growth

Town Health was included in Morgan Stanley Capital International (MSCI) Hong Kong Small Cap Index Series in 2007, an index comprising medium-sized companies with sustainable growth.

Thanks to the past few years' favourable performance results, and the strength of the Group's core business, the Board is now consider investing strategically in its associated companies or subsidiaries so as to capture the growth potential in other healthcare related businesses.

I would like to thank our management and medical team for their excellent work in the past year. Not only have the team successfully managed a growing and challenging business, they have also made key successful strategic development decisions. Their work definitely showed their skills, capabilities and commitment to the full.

Choi Ka Yee, Crystal

Chairman

Hong Kong, 20th June, 2008

展望(續)

於中國內地發展及管理連鎖診所業務

本集團的長遠目標是成為中國內地市場的主要連鎖診所營運商。於二零零八年四月，本集團與中國平安保險集團(「平安」)訂立獨家框架協議，以於廣東省發展及管理連鎖診所。

內地的連鎖診所項目初期將會向珠江三角洲居民提供優質醫療服務，並最終擴展至全國。憑藉強大及聲譽昭著的中方夥伴中國平安保險集團作為後盾，康健國際將會成為內地連鎖診所市場的先驅。本集團將會於較香港大185倍的中國市場複製其在香港取得成功的連鎖診所業務模式。內地保健市場快速蓬勃增長，以及對優質診所服務需求持續增加，將為本集團帶來龐大商機。

致力維持快速增長

康健國際於二零零七年躋身摩根士丹利資本國際(MSCI)香港小型股指數成分股，該指數涵蓋持續錄得增長的中型公司。

憑藉過去數年的優秀表現及本集團核心業務的實力，董事會現正考慮對其聯營公司或附屬公司作出策略性投資，以把握其他保健相關行業的增長潛力。

本人謹此感謝管理層及醫護團隊於過去一年的出色表現。此團隊不僅成功管理本集團正在增長及充滿挑戰的業務，亦作出了關鍵而成功的策略發展決定，彰顯了彼等的才幹、能力及承擔。

主席

蔡加怡

香港，二零零八年六月二十日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

The Group posted impressive results for this financial year, continuing its robust growth in the previous years. The Group's revenue from continuing operations rose 43% to a record high of HK\$338,822,614, reflecting strong organic growth. Top-line growth was driven primarily by the core healthcare and dental services business.

Gross profit margin from continuing operations remains stable at 49.4% for the year ended 31st March, 2008. The Group will continue its efforts in controlling the costs and streamlining the manpower deployment so as to improve its overall operating efficiency and thus profitability margin.

Basic earnings per share was HK1.54 cents. This was up from HK1.39 cents a year ago, as adjusted for the effect of a bonus issue of shares, on the basis of two bonus shares for every one existing share held, effective in August 2007.

Profit attributable to equity holders of the Company for the year ended 31st March, 2008 was approximately HK\$253,714,000 (2007: HK\$214,850,000). In view of the Group's major Mainland China chain clinics development as well as its plan to expand further the core medical businesses here in Hong Kong, the Board does not recommend the payment of dividend for the year ended 31st March, 2008.

REVIEW OF OPERATIONS

Established a Strong Clinic Chain Network in Hong Kong

During the period, the Group's provision of healthcare and dental services achieved strong results. The business made a profit of HK\$33,007,231 during the year, compared with HK\$23,998,835 a year ago. Revenue increased by 42% to HK\$266,561,450. The demand for private medical services continues to grow, partly because of the rapidly aging population.

In September 2007, the Group completed a Sale and Purchase Agreement with Jolly Park Limited in relation to the acquisition of a 100% equity interest comprising 21 medical clinics. Following the completion of the deal, the total number of clinics in the Group's chain network increased to almost 100, and this would further boost the Group's clinic and patient base.

財務回顧

本集團於本財政年度錄得驕人業績，繼續過往年度的強勁增長。本集團持續經營業務之收益增長43%至338,822,614港元之新高，反映內部增長強勁。營業額增長主要由核心保健及牙科服務業務所帶動。

截至二零零八年三月三十一日止年度持續經營業務之毛利率維持於49.4%。本集團將繼續控制成本及精簡人手配置，以改善整體營運效率及邊際盈利。

每股基本盈利為1.54港仙，較去年1.39港仙上升，當中已就二零零七年八月所生效按每持有一股現有股份獲發兩股紅股的紅股發行之影響作出調整。

本公司股權持有人於截至二零零八年三月三十一日止年度之應佔溢利約為253,714,000港元(二零零七年：214,850,000港元)。鑑於本集團之主要中國內地連鎖診所發展，以及進一步擴展香港核心醫療業務之計劃，董事會不建議就截至二零零八年三月三十一日止年度派發股息。

業務回顧

於香港建立強大的連鎖診所網絡

期內，本集團提供的保健及牙科服務錄得強勁業績。該項業務於年內錄得溢利33,007,231港元，而去年則為23,998,835港元。收入上升42%至266,561,450港元。由於人口迅速老化，造成對私營醫療服務之需求持續增長。

於二零零七年九月，本集團就收購21間診所全部股本權益與Jolly Park Limited完成一份買賣協議。交易完成後，本集團連鎖網絡的診所總數達接近100間，進一步擴闊本集團的診所及病人基礎。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

REVIEW OF OPERATIONS (Continued)

Established a Strong Clinic Chain Network in Hong Kong (Continued)

Town Health's clinic chain is continuing its leading position in the healthcare market, thanks to the frontline staff's high professionalism and their dedication to providing high standard and quality medical and specialty services to the public.

Tapping into China Healthcare & Medical Market

The Group has ventured into the pharmaceutical business and distribution network in China, through collaboration with other companies. A jointly controlled entity which is 50% owned by the Group and 50% owned by Hong Kong Health Check entered into an agreement under which Core Healthcare agreed to issue convertible bonds with an aggregate principal amount of HK\$150 million in November 2007. The transaction made the jointly controlled entity the largest shareholder in Core Healthcare.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31st March, 2008, the Group had cash and bank balances of approximately HK\$178,375,000 (2007: HK\$75,624,000). Net current assets amounted to approximately HK\$237,573,000 (2007: HK\$297,879,000). Current ratio (defined as total current assets divided by total current liabilities) was 2.2 (2007: 4.0).

As at 31st March, 2008, the Group had outstanding bank and other borrowings of approximately HK\$109,342,000 (2007: HK\$53,022,000). The bank borrowings bore interest at prevailing market rates and repayable in accordance with the relevant loan agreements.

CAPITAL STRUCTURE

As at 31st March, 2008, the Group had shareholders' equity of approximately HK\$1,064,143,000 (2007: HK\$436,587,000).

As at 31st March, 2008, gearing ratio (defined as total long-term liabilities divided by total shareholders' equity) was 2.4% (2007: 6.0%). Major currencies used for the Group's transactions were Hong Kong Dollars and Renminbi. As the fiscal policy of the Central Government of the People's Republic of China in relation to Renminbi is stable throughout the year, the Group considers that the potential foreign exchange exposure of the Group is limited.

業務回顧(續)

於香港建立強大的連鎖診所網絡(續)

康健國際的連鎖診所持續雄踞保健市場的領導地位，實在有賴前線員工的高度專業精神，以及彼等努力不懈向普羅大眾提供高水平的優質醫療及專科服務。

進軍中國保健與醫療市場

本集團透過與其他公司合作，進軍中國製藥業務及分銷網絡。由本集團及香港體檢分別擁有50%之共同控制實體於二零零七年十一月訂立協議，據此，確思醫藥同意發行本金總額為150,000,000港元之可換股債券。交易令共同控制實體成為確思醫藥之最大股東。

流動資金及財務資源

於二零零八年三月三十一日，本集團持有之現金及銀行結餘約為178,375,000港元(二零零七年：75,624,000港元)。流動資產淨值約為237,573,000港元(二零零七年：297,879,000港元)。流動比率(定義為總流動資產除以總流動負債)為2.2(二零零七年：4.0)。

於二零零八年三月三十一日，本集團尚未償還之銀行及其他借款約為109,342,000港元(二零零七年：53,022,000港元)。有關銀行借款乃按現行市場利率計息並須根據有關貸款協議償還。

資本架構

於二零零八年三月三十一日，本集團之股東權益約為1,064,143,000港元(二零零七年：436,587,000港元)。

於二零零八年三月三十一日，資產負債比率(定義為長期負債總額除以股東權益總額)為2.4%(二零零七年：6.0%)。本集團交易所用之主要貨幣為港元及人民幣。由於中華人民共和國中央政府就人民幣之相關財政政策於一年內維持穩定，故本集團認為，本集團之潛在匯兌風險有限。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

EMPLOYEE INFORMATION

As at 31st March, 2008, there were approximately 548 staff members (2007: 448) employed by the Group. The remuneration policies are formulated on the basis of performance of individual employees and the prevailing salaries' trends in the various regions. They are subject to be reviewed every year. The Group also provided employee training programs, a mandatory provident fund scheme and discretionary bonuses. Share options are awarded to employees on a merit basis.

CONTINGENT LIABILITIES

At 31st March, 2008, the Group had no significant contingent liabilities.

PLEDGE OF ASSETS

At 31st March, 2008, certain property, plant and equipment, investment properties and prepaid leases payment of the Group with the carrying value of HK\$4,075,000 (2007: HK\$994,000), HK\$42,175,000 (2007: HK\$38,125,000) and HK\$2,368,048 (2007: Nil) respectively and bank deposits of HK\$10,000,000 (2007: HK\$10,000,000) were pledged to secure general bank facilities granted to the Group.

CAPITAL COMMITMENTS

At 31st March, 2008, the Group had capital expenditure contracted for but not provided in the consolidated financial statements in respect of the acquisition of property, plant and equipment of approximately HK\$1,712,000 (2007: approximately HK\$2,257,000).

CHANGE IN AUDITORS OF THE COMPANY IN THE PRECEDING THREE YEARS

Messrs. Deloitte Touche Tohmatsu were first appointed as auditors of the Company on 13th March, 2003. Messrs. Deloitte Touche Tohmatsu, who have been acting as auditors of the Group since then, will offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

僱員資料

於二零零八年三月三十一日，本集團共聘用約548名(二零零七年：448名)員工。薪酬政策乃根據個別員工表現及各個地區的現行薪酬趨勢制定，並每年進行檢討。本集團亦提供僱員培訓計劃、強制性公積金計劃及酌情花紅。購股權乃按功績授予僱員。

或然負債

於二零零八年三月三十一日，本集團並無重大或然負債。

資產抵押

於二零零八年三月三十一日，本集團分別以賬面值分別為4,075,000港元(二零零七年：994,000港元)、42,175,000港元(二零零七年：38,125,000港元)及2,368,048港元(二零零七年：無)之若干本集團物業、廠房及設備、投資物業及預付租賃款項，以及10,000,000港元(二零零七年：10,000,000港元)之銀行存款作為本集團獲授之一般銀行融資之抵押。

資本承擔

於二零零八年三月三十一日，本集團就收購物業、廠房及設備有已訂約但未於綜合財務報表撥備之資本開支約1,712,000港元(二零零七年：約2,257,000港元)。

本集團核數師一職於過去三年之變動

德勤•關黃陳方會計師行於二零零三年三月十三日首次獲委任為本公司核數師。德勤•關黃陳方會計師行自此起一直擔任本集團之核數師，並願意於本公司應屆股東週年大會後留任。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

COMPETING INTERESTS

None of the directors, management shareholders or controlling shareholders of the Company (as defined in the GEM Listing Rules) has an interest in a business which competes or may compete with the business of the Group during the year.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the audit committee are to review the Company's annual report and accounts, interim reports and quarterly reports and to provide advice and comments thereon to the Board of Directors. The audit committee will also be responsible for reviewing and supervising the Group's financial reporting and internal control procedures.

The audit committee comprises three independent non-executive directors, namely Mr. Chan Kam Chiu, Mr. Wai Kwok Hung JP and Mr. Ho Kwok Wah, George. Mr. Chan Kam Chiu is the chairman of the Committee. The Committee has met four times during the year.

The audit committee has reviewed the Group's audited results for the year ended 31st March, 2008.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the period. The Company has also made specific enquiry to all Directors and the Company was not aware of any non-compliance with the required standard of dealing and its code of conduct regarding securities transactions by Directors.

競爭性權益

年內，本公司之董事、管理層股東或控股股東（定義見創業板上市規則）概無於任何與本集團業務出現競爭或可能出現競爭之業務中擁有任何權益。

審核委員會

本公司已遵照創業板上市規則第5.28至5.33條成立具明文職權範圍之審核委員會。審核委員會之主要職責乃審閱本公司年報及賬目、中期報告及季度報告，並就此向董事會提供建議及意見。審核委員會亦須負責審閱及監督本集團之財務申報事宜及內部監控之程序。

審核委員會由三名獨立非執行董事，分別為陳金釗先生、韋國洪太平紳士及何國華先生組成。陳金釗先生為委員會主席。委員會於年內曾召開四次會議。

審核委員會已審閱本集團截至二零零八年三月三十一日止年度之經審核業績。

董事進行之證券交易

期內，本公司已採納不遜於創業板上市規則第5.48至5.67條所載條款之董事進行證券交易之操守守則。本公司亦已向所有董事作出特定查詢，而本公司並不知悉董事進行證券交易時有不遵守買賣之規定準則及有關操守守則之情況。

BOARD OF DIRECTORS

董事會

EXECUTIVE DIRECTORS

Miss Choi Ka Yee, Crystal, aged 27, graduated from Boston College, the United States of America, with a bachelor degree of science in accountancy. She holds a master's degree in corporate finance from the Hong Kong Polytechnic University in 2006. Miss Choi has extensive knowledge in accounting and corporate finance. Miss Choi is a member of the Chinese People's Political Consultative Conference Jieyang, general committee member of the Chamber of Hong Kong Listed Companies, the vice chairman of Youth Professionals Committee of the Association of Hong Kong Professionals and the chairman of United We Stand Foundation Limited. She joined the Company in April 2005 as the director of the corporate finance department. Miss Choi is also an executive director of Hong Kong Health Check and Laboratory Holdings Company Limited, a company whose shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited. Miss Choi was appointed as an executive director and chairman of the Company on 12th May, 2006 and 26th October, 2006 respectively. Miss Choi is also the director of Early Light International (Holdings) Ltd and E. Lite (Choi's) Holdings Ltd. She is a daughter of Dr. Francis Choi Chee Ming, J.P., the non-executive director and vice-chairman of the Company.

Dr. Cho Kwai Chee, aged 44, is the Chief Executive Officer of the Company as well as the founder of the Group. Dr. Cho is also the compliance officer of the Company. Dr. Cho graduated from the University of Hong Kong and holds the qualifications of MBBS (HK), FHKCFP, FRACGP, DCH (London), DCH (RCP&SI), DCH (Glasgow) and DPD (Cardiff). He is also the Permanent President of Hong Kong Shatin Industries and Commerce Association Limited, the District President of Yau Tsim District of Scout Association of Hong Kong and the Vice President of the Association of Hong Kong Professionals. Dr. Cho founded the Group in December 1989 and now is responsible for directing the Group's overall business and development strategies. He is the brother of Mr. Cho Kwai Yee, Kevin, who is an executive director the Company. Dr. Cho is also an executive director of Hong Kong Health Check and Laboratory Holdings Company Limited, the shares of which are listed on the main board of the Stock Exchange and also a director of Broad Idea International Limited, the substantial shareholder of the Company and a member of the remuneration committee of the Company.

執行董事

蔡加怡小姐，現年二十七歲，畢業於美國波士頓書院，持有會計理學士學位。彼亦持有香港理工大學企業融資碩士學位。蔡小姐於會計及企業融資方面擁有豐富知識。蔡小姐為中國人民政治協商會議廣東省揭陽市政協委員、香港上市公司商會委員會委員、香港專業人士協會青年專業委員會副主席及心連心行動慈善基金有限公司會長。彼於二零零五年四月加入本公司出任企業融資部總監。蔡小姐亦為香港體檢及醫學診斷控股有限公司之執行董事，該公司為一家股份在香港聯合交易所有限公司主板上市之公司。蔡小姐分別於二零零六年五月十二日及二零零六年十月二十六日獲委任為本公司之執行董事及主席。蔡小姐亦為旭日國際集團有限公司及旭日(蔡氏)集團有限公司之董事。彼為本公司非執行董事兼副主席蔡志明博士太平紳士之女兒。

曹貴子醫生，現年四十四歲，本公司之行政總裁及本集團之創辦人。彼亦同時擔任本公司之監察主管。曹醫生畢業於香港大學，持有香港大學內外全科醫學士、香港家庭醫學院院士、澳洲皇家全科醫學院院士、英國倫敦皇家醫學院小兒科文憑、愛爾蘭皇家內外科醫學院兒科文憑、格拉斯歌皇家內外科醫學院兒科文憑及卡的夫大學實用皮膚科文憑。彼亦為香港沙田工商業聯合會永遠會長，香港童軍總會油尖區區會長及香港專業人士協會副會長。曹醫生於一九八九年十二月創立本集團，現今負責監督本集團之整體業務及發展策略。彼為本公司執行董事曹貴宜先生之胞弟。曹醫生亦為香港體檢及醫學診斷控股有限公司(其股份於聯交所主板上市)之執行董事。彼亦為本公司主要股東 Broad Idea International Limited 之董事及本公司薪酬委員會委員。

BOARD OF DIRECTORS 董事會

EXECUTIVE DIRECTORS (Continued)

Dr. Fung Yiu Tong, Bennet, aged 41, is the Director of Medical Services of the Group. He graduated from the University of Hong Kong and holds the qualifications of MBBS (HK), MRCGP, DCH (London), DFM (CUHK) and Dip Med (CUHK). He joined the Group in 1994 and is responsible for the strategic development of the Group's medical services and provides training to the medical practitioners of the Group. Dr. Fung is also an executive director and chairman of Hong Kong Health Check and Laboratory Holdings Company Limited, the shares of which are listed on the main board of the Stock Exchange.

Mr. Cho Kwai Yee, Kevin, aged 46, graduated from Newcastle Upon Tyne University in UK with a bachelor degree in 1990. He also holds a Diploma in Management Studies from The Hong Kong Polytechnic University. He has been holding various senior executive positions in a number of corporations. Mr. Cho was appointed as an executive director of the Company on 24th July, 2001. He is responsible for the overall development and operations of the healthcare services of the Group. He is the brother of Dr. Cho Kwai Chee. Mr. Cho is also a director of Broad Idea International Limited, the substantial shareholder of the Company and executive director of Hong Kong Health Check and Laboratory Holdings Company Limited, the shares of which are listed on the main board of the Stock Exchange.

Dr. Hui Ka Wah, Ronnie, J.P., aged 44, graduated from The University of Hong Kong and holds the qualifications of MBBS (HK), MRCP (UK), DCH (Ireland), DCH (Glasgow), FHKAM (Paed), FHKC Paed. Dr. Hui is a specialist in Paediatrics and is the principal of a private medical clinic in Hong Kong since 1991. Dr. Hui is also a CFA Charterholder and holds a MBA degree conferred by Universitas 21 Global. Dr. Hui is an independent non-executive director of CASH Financial Services Group Limited, E2-Capital (Holding) Limited, Winbox International (Holding) Limited and Suncorp Technologies Limited. He is also an executive director of Hong Kong Health Check and Laboratory Holdings Company Limited, a vice chairman and executive director of Core Healthcare Investment Holdings Limited, the issued shares of which are listed on the Main Board and GEM Board of The Stock Exchange of Hong Kong Limited ("Stock Exchange") respectively. Dr Hui had once been the independent non-executive director of CASH Retail Management Group Ltd from March 2004 till February 2006, which is listed in Main Board of the Stock Exchange. He was appointed as an executive director of the Company on 7th November, 2007.

執行董事(續)

馮耀棠醫生，現年四十一歲，為本集團之西醫總監。彼畢業於香港大學，持有香港大學內外全科醫學士、英國皇家全科醫學院院士資格、英國倫敦皇家醫學院小兒科文憑、香港中文大學家庭醫學文憑及香港中文大學內科醫學文憑。彼於一九九四年加入本集團，負責本集團醫療服務之策略發展及醫生之培訓。馮醫生亦為香港體檢及醫學診斷控股有限公司(其股份於聯交所主板上市)之執行董事兼主席。

曹貴宜先生，現年四十六歲，於一九九零年畢業於英國紐卡素大學，持有學士學位，彼亦持有香港理工大學之工商管理文憑。彼曾任多間公司的不同高級行政人員職位，曹先生於二零零一年七月二十四日獲委任為本公司之執行董事，彼現負責本集團之醫療服務整體發展及營運。彼為曹貴子醫生之胞兄。彼為本公司之主要股東Broad Idea International Limited之董事及香港體檢及醫學診斷控股有限公司(其股份於聯交所主板上市)之執行董事。

許家驊醫生，太平紳士，現年四十四歲，畢業於香港大學，持有香港大學內外全科醫學士、英國皇家內科醫學院院士，愛爾蘭皇家醫學院兒科文憑、格拉斯哥皇家內外科醫學院兒科文憑、香港醫學專科學院院士(兒科)及香港兒科醫學院院士。許醫生為兒科專科醫生，自一九九一年經營香港一家私營醫療診所。彼亦持有執業財務分析員之資格，並獲Universitas 21 Global頒授工商管理碩士學位。許醫生亦為時富金融服務集團有限公司、金匯投資(集團)有限公司、永保時國際(控股)有限公司及新確科技有限公司之獨立非執行董事；彼亦為香港體檢及醫學診斷控股有限公司之執行董事，以及確思醫藥投資控股有限公司之副主席及執行董事，該等公司之已發行股份於香港聯合交易所有限公司(「聯交所」)之主板及創業板上市。許醫生於二零零四年三月至二零零六年二月曾為時惠環球控股有限公司之獨立非執行董事，該公司在香港聯交所主板上市。彼於二零零七年十一月七日獲委任為本公司之執行董事。

BOARD OF DIRECTORS 董事會

NON-EXECUTIVE DIRECTOR

Dr. Francis Choi Chee Ming, J.P., aged 62, holds a master degree in business administration from Newport University in the United States of America and a bachelor degree in business administration from Sussex College of Technology in the United Kingdom. He also holds a Ph.D in Business Management from Harbin Institute of Technology, the PRC. Dr. Choi is the chairman of Early Light International (Holdings) Ltd. and has extensive business interests in the manufacturing industry and the property sector. He is the Honorary President of the Toys Manufacturer's Association of Hong Kong, Honorary President of the Hong Kong Young Industrialists Council and Council Member of the Hong Kong Polytechnic University. Dr. Choi is also a member of the National Committee of the Chinese People's Political Consultative Conference and a non-executive director and vice chairman of Regal Hotels International Holdings Limited (stock code: 78), the shares of which are listed on the main board of Stock Exchange. Dr. Choi was appointed as a non-executive director and vice-chairman of the Company on 7th February, 2006. Dr. Choi is the father of Miss Choi Ka Yee, Crystal chairman of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chan Kam Chiu, aged 55, has engaged in the catering industry for almost 31 years. He has also involved in entertainment, property and investment project in the recent years. Mr. Chan is the Permanent President (founding chairman) of Hong Kong Shatin Industries & Commerce Association Limited and currently an executive member of the Committee of the Chinese People's Political Consultative Conference of Qingxin County, Guangdong Province and member of the Committee of the Chinese People's Political Consultative Conference of Guangzhou Li Wan. He is also an honorary president and director of Shatin Sports Association Limited since 1992. He was a Hong Kong District Affairs Advisor to Xinhua News Agency for the period from January 1995 to June 1997 and he was awarded the "Chief Executive's Commendation for Community Service" on July 2004. Mr. Chan was appointed as an Independent non-executive Director and the chairman of the audit committee of the Company both on 30th July, 2002. He was also appointed as a member of the remuneration committee of the Company on 14th February, 2006.

非執行董事

蔡志明博士，太平紳士，現年六十二歲，持有美國Newport University工商管理碩士學位及英國Sussex College of Technology工商管理學士學位，並獲中國哈爾濱工業大學管理學博士之銜。蔡博士為旭日國際集團有限公司之主席，於製造業及房地產方面擁有眾多投資。彼現任香港玩具廠商會與香港青年工業家協會之名譽會長及香港理工大學校董。此外，蔡博士亦為中華人民共和國全國政協委員及為富豪酒店國際控股有限公司(股份代號：78，其股份於聯交所主板上市)之非執行董事兼副主席。蔡博士於二零零六年二月七日獲委任為本公司之非執行董事兼副主席。蔡博士為本公司主席蔡加怡小姐之父親。

獨立非執行董事

陳金釗先生，現年五十五歲，從事飲食業接近三十一年，近年亦發展娛樂、地產及投資項目。陳先生現為香港沙田工商業聯合會永遠會長(創會主席)及廣東省清新縣政治協商會議常委及廣州荔灣區政治協商會議委員。自一九九二年起，彼擔任沙田體育會名譽會長兼董事，並於一九九五年一月至一九九七年六月期間出任新華通訊社香港地區事務顧問，以及於二零零四年七月獲頒「行政長官社區服務獎狀」。陳先生於二零零二年七月三十日獲委任為本公司之獨立非執行董事及審核委員會主席以及於二零零六年二月十四日獲委任為本公司之薪酬委員會委員。

BOARD OF DIRECTORS

董事會

INDEPENDENT NON-EXECUTIVE DIRECTOR

(Continued)

Mr. Wai Kwok Hung, J.P., aged 54, is the chairman of the Shatin District Council. Mr. Wai is a councillor of the Shatin District Council since 1988. He was also the chairman of the Culture, Sports and Community Development Committee of the Shatin Provisional District Board for the period from 1998 to 1999. He is currently a vice-president of Shatin Sports Association Limited, a director of the board of governors of Po Leung Kuk Wong Chi Ho (Tin Sum Valley) Primary School. Mr. Wai was appointed as an independent non-executive Director and a member of the audit committee of the Company both on 30th July, 2002. He was also appointed as a member and the chairman of the remuneration committee of the Company on 14th February, 2006.

Mr. Ho Kwok Wah, George, aged 50, is a practicing certified public accountant in Hong Kong. He is the proprietor of George K. W. Ho & Co., Certified Public Accountants and possesses over 21 years' professional experience in accounting, auditing, tax planning and business advisory. Mr. Ho is a director of The Taxation Institute of Hong Kong and the Hong Kong Commerce and Industry Associations Limited. He is also an independent non-executive director of Belle International Holdings Company Limited, whose shares are listed on the main board of the Stock Exchange. Mr. Ho was appointed as an independent non-executive Director and a member of the audit committee of the Company both on 28th September, 2004. He was also appointed as a member of the remuneration committee of the Company on 14th February, 2006.

SENIOR MANAGEMENT

Mr. Wong Seung Ming, currently as Financial Controller, qualified accountant and company secretary of the Company. Mr. Wong holds a bachelor degree in Accountancy from the City University of Hong Kong. He is a fellow of the Association of Chartered Certified Accountants and a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants. Mr. Wong has 14 years of experience in accounting, auditing and financial management and previously worked in an international accounting firm and a number of listed and unlisted groups. He joined the Group in March 2006.

獨立非執行董事(續)

韋國洪先生，太平紳士，現年五十四歲，沙田區議會主席。韋先生自一九八八年起擔任沙田區議會議員，彼於一九九八年至一九九九年期間曾任沙田區議會文化、體育及社區發展委員會主席。彼現為沙田體育會副會長及保良局王賜豪(田心谷)小學校董。韋先生於二零零二年七月三十日獲委任為本公司之獨立非執行董事及審核委員會委員以及於二零零六年二月十四日獲委任為本公司之薪酬委員會委員及主席。

何國華先生，現年五十歲，乃一位香港執業會計師。彼為何國華會計師事務所之東主，在會計、審計、稅務計劃及業務顧問方面積逾二十一年經驗，何先生為香港稅務學會及全港各區工商聯有限公司之董事。彼亦為百麗國際控股有限公司之獨立非執行董事，其股份於聯交所主板上市。何先生於二零零四年九月二十八日獲委任為本公司之獨立非執行董事及審核委員會委員以及於二零零六年二月十四日獲委任為本公司之薪酬委員會委員。

高級管理層

黃尚銘先生，現為本公司財務總監、合資格會計師及公司秘書，持有香港城市大學會計學士學位。彼為特許公認會計師公會資深會員及香港會計師公會會員。黃先生於會計、核數及財務管理方面累積十四年經驗，曾於其中一間國際會計師行及多家上市及非上市集團工作。彼於二零零六年三月加入本集團。

BOARD OF DIRECTORS 董事會

Dr. Chan Wing Lok, Brian, Medical Director of the Group. Dr. Chan graduated from the University of Hong Kong and holds the qualifications of MBBS (HK), DCH (RCP&SI), and DPD (Cardiff). He joined the Group in 1991 and is responsible for the training and supervision of the medical practitioners of the Group, so as to enhance and sustain the Group's professional services quality.

Dr. Yau Yi Kwong, Dental Director of the Group. Dr. Yau graduated from the University of Hong Kong and holds the qualification BDS (HK) and DGDP (UK) RCS (ENG). He is responsible for the management of the dental practices. He is also organizing the continued professional education for the dental practitioners of the Group, with an aim to enhancing the overall professional standard of the dental services.

Dr. So Chi Kin, Dental Director of the Group. Dr. So graduated from the University of Hong Kong and holds the qualification BDS (HK). He joined the Group in April 1991. He is responsible for the development and management of the dental practices of the Group, and also the improvement of the Group's professional dental services.

陳永樂醫生，為本集團之西醫總監。陳醫生畢業於香港大學，持有香港大學內外全科醫學士、愛爾蘭皇家內外科醫學院兒科文憑及英國卡爾斯大學實用皮膚科文憑。彼於一九九一年加入本集團，負責培訓及監督本集團之醫生，提升及維持本集團醫生之專業服務質素。

邱易光醫生，為本集團之牙科總監。邱醫生畢業於香港大學，持有香港大學牙科醫學士及英國皇家外科醫學院牙科全科文憑。彼負責管理本集團之牙科診所，並為本集團之牙醫籌備持續專業進修事宜，致力於提升整體牙科醫療服務水平。

蘇志堅醫生，為本集團之牙科總監。蘇醫生畢業於香港大學，持有香港大學牙科醫學士。彼於一九九一年四月加入本集團，負責管理及拓展本集團之牙科診所業務，提升牙醫專業服務水平。

CORPORATE GOVERNANCE REPORT

企業管治報告書

The Board of Directors of the Company (the "Board") is committed to maintaining a high standard of corporate governance. The Board believes that a high standard of corporate governance will provide a framework for the Group to formulate the business strategies and policies, and manage the associated risks through effective internal control procedures. It will also enhance the transparency of the Group and strengthen the accountability to the shareholders and creditors.

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 15 to the GEM Listing Rules. The Company has complied with all the applicable code provisions in the Code throughout the year ended 31st March, 2008

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the year. The Company has also made specific enquiry to all Directors and the Company was not aware of any non-compliance with the required standard of dealing and its code of conduct regarding securities transactions by Directors.

BOARD OF DIRECTORS

Up to the date of this annual report, the Board comprises nine members, five of which are Executive Directors, namely Miss Choi Ka Yee, Crystal who is the Chairman of the Board, Dr. Cho Kwai Chee, Dr. Fung Yiu Tong, Bennet, Dr. Hui Ka Wah, Ronnie JP and Mr. Cho Kwai Yee, Kevin. Dr. Francis Choi Chee Ming JP is the Non-Executive Director of the Board. Three other members are Independent Non-Executive Directors, namely Mr. Chan Kam Chiu, Mr. Wai Kwok Hung JP and Mr. Ho Kwok Wah, George.

The Board held four meetings during the year ended 31st March, 2008. The Board is responsible for the formulation of the Group's business strategies and overall policies, and monitoring the performance of the management. The Executive Directors are delegated the power to execute the business strategies, develop and implement the policies in the daily operation of the Group. The Independent Directors provide their professional advices to the Group whenever necessary.

本公司董事會(「董事會」)致力維持高水平的企業管治。董事會相信，高水平的企業管治可為本集團提供制訂業務策略及政策的大綱，並可透過有效的內部監控程序管理相關風險，同時亦可提高本集團的透明度，加強對股東及債權人的問責性。

本公司採納創業板上市規則附錄15所載企業管治常規守則(「守則」)的守則條文。截至二零零八年三月三十一日止整個年度，本公司一直遵照守則內所有適用的守則條文。

董事進行證券交易

於整個年度內，本公司已就本公司董事進行證券交易採納一套操守守則，其條款不遜於創業板上市規則第5.48至5.67條所載之買賣規定標準。本公司已向所有董事作出特定查詢，而本公司並不知悉有任何違反買賣規定準則及其有關董事進行證券交易的操守守則之情況。

董事會

截至本年報日期，董事會共有九名成員，其中五名為執行董事，分別為蔡加怡小姐(董事會主席)、曹貴子醫生、馮耀棠醫生、許家驊醫生太平紳士及曹貴宜先生。蔡志明博士太平紳士為董事會非執行董事。另外三名則為獨立非執行董事，分別為陳金釗先生、韋國洪太平紳士及何國華先生。

截至二零零八年三月三十一日止年度，董事會共舉行四次會議。董事會負責制訂本公司的業務策略和整體政策，以及監督管理人員的表現。執行董事獲授權執行業務策略、發展及實施本集團日常運作的政策，而獨立董事則於有需要時向本集團提供專業意見。

CORPORATE GOVERNANCE REPORT

企業管治報告書

BOARD OF DIRECTORS *(Continued)*

All Directors have full and timely access to all the information and accounts of the Group. The Directors may seek independent professional advice at the expense of the Company.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Miss Choi Ka Yee, Crystal, the Chairman of the Company and Dr. Cho Kwai Chee, Chief Executive Officer of the Company, have segregated and clearly defined roles.

TERM OF APPOINTMENT OF NON-EXECUTIVE DIRECTORS

The Company has received written confirmation from each of the Independent Non-Executive Directors as regards to their independence to the Company as required under the Listing Rules.

The Company considers that each of the Independent Non-Executive Directors is independent to the Company.

Mr. Chan Kam Chiu and Mr. Wai Kwok Hung JP have been appointed for a term of two years expiring on 29th July, 2008, and Mr. Ho Kwok Wah, George has been appointed for a term of two years expiring on 27th September, 2008. Dr. Francis Choi Chee Ming JP does not have any service contract with the Company nor will he receive any remuneration from acting as a non-executive Director. These appointments are subject to retirement by rotation and other related provisions as stipulated in the Articles of Association of the Company.

REMUNERATION COMMITTEE

The Remuneration Committee has adopted specific written terms of reference in accordance with the provisions set out in the Code. The principal duties of the Remuneration Committee are to formulate the Company's remuneration policy and recommend remuneration packages for all the Directors and senior management to the Board for approval. The Company's remuneration policy is to provide a competitive level of remuneration in accordance with current market conditions to attract and motivate the Directors and staff for their contribution.

董事會(續)

全體董事均可及時全面查閱本集團所有資料及賬目。董事可徵求獨立專業意見，開支由本公司承擔。

主席及行政總裁

蔡加怡小姐為本公司主席，而曹貴子醫生則為本公司行政總裁，彼等的職能已明確界定與劃分。

非執行董事的任期

本公司接獲各名獨立非執行董事根據上市規則規定就彼等於本公司的獨立地位而發出的確認書。

本公司認為各獨立非執行董事均獨立於本公司。

陳金釗先生及韋國洪太平紳士之任期為兩年，於二零零八年七月二十九日屆滿，而何國華先生之任期為兩年，於二零零八年九月二十七日屆滿。蔡志明博士太平紳士並無與本公司訂立任何服務合約，亦不會就出任非執行董事收取任何薪酬。該等委任須輪流告退及受本公司之組織章程細則訂明的其他相關條文規限。

薪酬委員會

薪酬委員會已根據守則規定採納特定的書面職權範圍。薪酬委員會的主要職務為制訂本公司薪酬政策，並向董事會推薦建議所有董事及高級管理人員的薪酬待遇以供董事會審批。本公司的薪酬政策旨在根據目前市況提供具競爭力的薪酬，以吸引及推動董事及員工作出貢獻。

CORPORATE GOVERNANCE REPORT

企業管治報告書

REMUNERATION COMMITTEE (Continued)

Up to the date of this annual report, the Remuneration Committee comprises three Independent Non-Executive Directors, namely Mr. Wai Kwok Hung JP, who is the Chairman, Mr. Chan Kam Chiu and Mr. Ho Kwok Wah, George and an executive director, Dr. Cho Kwai Chee.

The Remuneration Committee held one meeting during the year ended 31st March, 2008. The Remuneration Committee reviewed the remuneration policy of the Company, assessed the performance of the Executive Directors and senior management and recommended specific remuneration packages of all the Directors and senior management to the Board.

NOMINATION OF DIRECTORS

The Company does not have a nomination committee. The Board as a whole is responsible for the procedure of agreeing to the appointment of its members and for nominating appropriate person for election by shareholders at the general meeting, either to fill a casual vacancy or as an addition to the existing directors.

The notice of the general meeting contains detailed information on election of Directors including detailed biography of all Directors standing for election or re-election to enable shareholders to make an informed decision on their election.

AUDITORS' REMUNERATION

The auditors, Deloitte Touche Tohmatsu, provide both statutory audit and non-audit services to the Group. For the year ended 31st March, 2008, fee for statutory audit for the Group amounts to approximately HK\$2,800,000. Non-audit services include tax compliance and planning, agreed upon procedures on review of financial statements and transactions, etc. Total fee paid for non-audit services during the year ended 31st March, 2008 was approximately HK\$100,000.

薪酬委員會(續)

截至本年報日期，薪酬委員會成員包括三名獨立非執行董事，分別為韋國洪太平紳士(主席)、陳金釗先生及何國華先生及一名執行董事曹貴子醫生。

截至二零零八年三月三十一日止年度，薪酬委員會舉行一次會議。薪酬委員會檢討本公司的薪酬政策、評估執行董事及高級管理人員的表現，以及向董事會推薦建議所有董事及高級管理人員的特定薪酬待遇。

提名董事

本公司並無設立提名委員會。董事會負責協定委任其成員及提名合適人選(以填補臨時空缺或作為新增董事)以供股東在股東大會推選。

股東大會通告載有推選董事的詳細資料，包括所有候選或重選董事的履歷，以供股東於選舉時作出知情的決定。

核數師酬金

核數師德勤•關黃陳方會計師行為本集團提供法定審核及非審核服務。截至二零零八年三月三十一日止年度，本集團之法定審核費用約為2,800,000港元。非審核服務包括稅務遵例及計劃、審閱財務報表及交易的議定程序等。截至二零零八年三月三十一日止年度，就非審核服務支付的總費用約為100,000港元。

CORPORATE GOVERNANCE REPORT

企業管治報告書

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the audit committee are to review the Company's annual report and accounts, interim reports and quarterly reports and to provide advice and comments thereon to the board of Directors. The audit committee will also be responsible for reviewing and supervising the Group's financial reporting and internal control procedures.

The audit committee comprises three independent non-executive Directors, namely Mr. Chan Kam Chiu (Chairman), Mr. Wai Kwok Hung JP and Mr. Ho Kwok Wah, George. The Committee convened four meetings with full attendance during the year ended 31st March, 2008. One of these meetings was also attended by the Company's external auditors so that the committee members could exchange their views and concerns with the auditors. During these meetings, the committee reviewed the annual, interim and quarterly results of the Group and made recommendations to the Board and the management in respect of the Group's financial reporting and internal control procedures.

ATTENDANCE OF DIRECTORS AT MEETINGS

The attendance of the Directors at the meetings of the Board and the Audit Committee during the year ended 31st March, 2008 is set out below:

Name of director 董事姓名		Number of board meeting held during the director's term of office 董事任期內曾舉行之 董事會會議次數	Number of meeting attended 出席會議次數
Executive directors 執行董事			
Miss Choi Ka Yee, Crystal	蔡加怡小姐	4	4
Dr. Cho Kwai Chee	曹貴子醫生	4	4
Mr. Cho Kwai Yee, Kevin	曹貴宜先生	4	4
Dr. Fung Yiu Tong, Bennet	馮耀棠醫生	4	4
Dr. Hui Ka Wah, Ronnie JP (Appointed on 7th November, 2007)	許家驊醫生太平紳士 (於二零零七年十一月七日獲委任)	3	3
Non-executive director 非執行董事			
Dr. Francis Choi Chee Ming JP	蔡志明博士太平紳士	4	4
Independent non-executive directors 獨立非執行董事			
Mr. Chan Kam Chiu	陳金釗先生	4	4
Mr. Wai Kwok Hung JP	韋國洪先生太平紳士	4	4
Mr. Ho Kwok Wah, George	何國華先生	4	4

審核委員會

本公司已遵照創業板上市規則第5.28至第5.33條成立具書面職權範圍的審核委員會。審核委員會的主要職責是審閱本公司的年報及賬目、中期報告及季度報告，並就此向董事會提供建議及意見。審核委員會亦將負責審閱及監察本集團的財務申報及內部控制程序。

審核委員會由三名獨立非執行董事(分別為陳金釗先生(主席)、韋國洪太平紳士及何國華先生)組成。該委員會於截至二零零八年三月三十一日止年度曾召開四次會議，全體成員均有出席。本公司外聘核數師亦列席其中一次會議，以便讓委員會成員與核數師交流意見及關注的問題。於該等會議中，委員會已審閱本集團的年度、中期及季度業績，並就本集團的財務申報及內部控制程序向董事會及管理層提出建議。

董事的會議出席率

截至二零零八年三月三十一日止年度，董事於董事會及審核委員會會議的出席率如下：

CORPORATE GOVERNANCE REPORT

企業管治報告書

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the accounts which give a true and fair view of the state of affairs of the Group and of the profit and cash flows for the year ended 31st March, 2008 in accordance with the Companies Ordinance. The Directors have prepared the accounts on a going concern basis, and have selected appropriate accounting policies and applied them consistently, with applicable disclosures required under the Listing Rules and pursuant to statutory requirements.

The statement issued by the auditors of the Company regarding their reporting responsibilities is set out in detail in the Auditors' Report on page 31 to 32.

INTERNAL CONTROLS

The Directors have the overall responsibility for internal control, including risk management, and sets appropriate policies having regard to the objectives of the Group. The Directors, through the Audit Committee, have continued to review the effectiveness of the Group's system of financial and non-financial controls. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. Controls are monitored by management review and by a programme of internal audits.

問責性及核數

董事了解彼等須負責根據公司條例編撰真正公平地反映截至二零零八年三月三十一日止年度本集團財務狀況、溢利及現金流量賬目。董事按持續經營基準編撰賬目，並已貫徹選用合適的會計政策，亦已根據上市規則及根據法定規例作出所需的披露。

本公司核數師就其申報責任而發出的聲明詳情載於第31至32頁的核數師報告。

內部監控

董事負責整體內部監控(包括風險管理)，並按本集團目標制訂適當政策。董事一直透過審核委員會檢討本集團財務及非財務監控系統是否有效。內部監控系統旨在管理而非消除未能達成業務目標的風險，並僅可提供合理但非絕對的無重大錯誤陳述或虧損保證。監控措施由管理人員檢討及透過內部審核程序進行監督。

DIRECTORS' REPORT

董事會報告書

The directors of the Company present their annual report and the audited consolidated financial statements for the year ended 31st March, 2008.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries and associates are set out in notes 60 and 26 respectively to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st March, 2008 are set out in the consolidated income statement on page 33 of the annual report.

The directors do not recommend the payment of a dividend for the year ended 31st March, 2008 (2007: Nil).

SUBSIDIARIES AND ASSOCIATES

Details of acquisition of subsidiaries, deemed disposal of a subsidiary, acquisition of medical and dental practices and disposal of subsidiaries and associates during the year are set out in notes 49, 50, 51 and 52 to the consolidated financial statements, respectively.

Details of the Company's principal subsidiaries and associates at 31st March, 2008 are set in notes 60 and 26 to the consolidated financial statements, respectively.

INVESTMENT PROPERTIES

During the year, the Group revalued all of its investment properties at the year end date. The net increase in fair value of investment properties, which has been credited to the consolidated income statement, amounted to HK\$4,050,000.

Details of movements in the investment properties are set out in note 21 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment of HK\$18,265,352 for the expansion of the Group's business.

本公司董事謹提呈截至二零零八年三月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，其主要附屬公司及聯營公司之業務分別載於綜合財務報表附註60及26。

業績及分配

本集團截至二零零八年三月三十一日止年度之業績載於年報第33頁之綜合收益表。

董事不建議派付截至二零零八年三月三十一日止年度之股息(二零零七年：無)。

附屬公司及聯營公司

年內收購附屬公司、視作出售一家附屬公司、收購西醫及牙醫診所，以及出售附屬公司及聯營公司之詳情分別載於綜合財務報表附註49、50、51及52。

本公司主要附屬公司及聯營公司於二零零八年三月三十一日之詳情分別載於綜合財務報表附註60及26。

投資物業

年內，本集團於年結日重估其所有投資物業。投資物業公平值之淨增加4,050,000港元已計入綜合收益表。

投資物業之變動詳情載於綜合財務報表附註21。

物業、廠房及設備

年內，本集團購置約18,265,352港元之物業、廠房及設備，以供本集團業務擴展。

DIRECTORS' REPORT

董事會報告書

PROPERTY, PLANT AND EQUIPMENT *(Continued)*

Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 22 to the consolidated financial statements.

CONVERTIBLE BONDS

Details of the convertible bonds issued by the Group, which were fully converted during the year, are set out in note 46 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 47 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year, the Company repurchased a total of 12,030,000 ordinary shares of HK\$0.01 each on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate price of HK\$1,461,104, representing an average price of HK\$0.12 paid for each share purchased. All of these shares were cancelled upon repurchase.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to shareholders as at 31st March, 2008 comprised the share premium, contributed surplus, distributable reserve and accumulated losses which in aggregate amounted to HK\$347,609,282 (2007: HK\$170,126,626). Under the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the payment of distributions or dividends, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's Articles of Association, dividends shall be payable out of the profits or other reserves, including the share premium account, of the Company.

物業、廠房及設備(續)

有關上述及本集團物業、廠房及設備於年內之其他變動詳情載於綜合財務報表附註22。

可換股債券

由本集團發行並於年內獲全面轉換之可換股債券之詳情載於綜合財務報表附註46。

股本

本公司於年內之股本變動詳情載於綜合財務報表附註47。

優先購股權

本公司之公司組織章程細則或開曼群島之法例並無有關優先購股權之規定，以規定本公司須按比例向現有股東提呈發售新股份。

購回、出售或贖回股份

於年內，本公司以1,461,104港元之總價格(相當於每股平均購買價0.12港元)於香港聯合交易所有限公司(「聯交所」)購回合共12,030,000股每股面值0.01港元之普通股。所有該等股份已於購回時註銷。

本公司之可供分派儲備

本公司於二零零八年三月三十一日可供分派予股東之儲備包括股份溢價、實繳盈餘、可供分派儲備及累計虧損，合共為347,609,282港元(二零零七年：170,126,626港元)。根據開曼群島公司法(經修訂)，本公司之股份溢價根據其組織章程大綱及細則之條文可供向股東支付分派或股息，前提為緊隨支付分派或股息後，本公司須有能力支付其於一般業務過程中之到期負債。根據本公司之組織章程細則，股息將以本公司溢利或其他儲備(包括股份溢價賬)派付。

DIRECTORS' REPORT

董事會報告書

SHARE OPTIONS

Particulars of the Company's share option scheme are set out in note 48 to the consolidated financial statements.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive directors:

Miss Choi Ka Yee, Crystal (*Chairman*)
Dr. Cho Kwai Chee (*Chief Executive Officer*)
Mr. Cho Kwai Yee, Kevin
Dr. Fung Yiu Tong, Bennet
Dr. Hui Ka Wah, Ronnie, JP
(Appointed on 7th November, 2007)

Non-executive director:

Dr. Francis Choi Chee Ming, JP

Independent non-executive directors:

Mr. Chan Kam Chiu
Mr. Wai Kwok Hung, JP
Mr. Ho Kwok Wah, George

In accordance with Article 116 of the Company's Articles of Association, Miss Choi Ka Yee, Crystal, Dr. Fung Yiu Tong, Bennet and Mr. Ho Kwok Wah, George will retire from office by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Mr. Chan Kam Chiu and Mr. Wai Kwok Hung, JP have been appointed for a term of two years expiring on 29th July, 2008, and Mr. Ho Kwok Wah, George has been appointed for a term of two years expiring on 27th September, 2008. The appointments are subject to retirement by rotation and other related provisions as stipulated in the Company's Articles of Association.

Other than as disclosed above, none of the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

購股權

本公司購股權計劃之詳情載於綜合財務報表附註48。

董事及董事之服務合約

年內及直至本報告日期之本公司董事如下：

執行董事：

蔡加怡小姐(*主席*)
曹貴子醫生(*行政總裁*)
曹貴宜先生
馮耀棠醫生
許家驊醫生，太平紳士
(於二零零七年十一月七日獲委任)

非執行董事：

蔡志明博士，太平紳士

獨立非執行董事：

陳金釗先生
韋國洪先生，太平紳士
何國華先生

根據本公司之公司組織章程細則第116條，蔡加怡小姐、馮耀棠醫生及何國華先生將於應屆股東週年大會上輪值退任，惟彼等符合資格並願意重選連任。

陳金釗先生及韋國洪先生，太平紳士之任期為兩年，將於二零零八年七月二十九日屆滿，而何國華先生之兩年任期則於二零零八年九月二十七日屆滿。以上任命須受本公司之公司組織章程細則所載有關輪值告退及其他相關條文所限制。

除上文所披露者外，各董事概無與本公司或其任何附屬公司訂立本集團不可於一年內免付賠償(法定補償除外)而予以終止之服務合約。

DIRECTORS' REPORT

董事會報告書

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 5.09 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the "GEM Listing Rules") of the Stock Exchange. The Company considers all of the independent non-executive directors are independent.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31st March, 2008, the interests of the directors and the chief executives and their associates in the shares, underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers (the "Model Code"), were as follows:

The Company

Long position in ordinary shares of HK\$0.01 each

委任獨立非執行董事

本公司已收到各獨立非執行董事就其身份之獨立性而根據聯交所創業板證券上市規則(「創業板上市規則」)第5.09條發出之週年確認書。本公司認為所有獨立非執行董事均屬獨立人士。

董事及主要行政人員於股份及相關股份之權益

於二零零八年三月三十一日，董事、主要行政人員及彼等之聯繫人士於本公司及其相聯法團之股份及相關股份中擁有記入本公司根據證券及期貨條例(「證券及期貨條例」)第352條存置之登記冊內之權益，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所之權益如下：

本公司

於每股面值0.01港元之普通股之好倉

Name of director 董事姓名	Capacity 身份	Number of issued ordinary shares held 所持已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Dr. Cho Kwai Chee 曹貴子醫生	Held by controlled corporation (note) 由受控制法團 持有(附註)	7,890,742,353	46.50%
Dr. Francis Choi Chee Ming, JP 蔡志明博士太平紳士	Held by controlled corporation (note) 由受控制法團 持有(附註)	7,890,742,353	46.50%
Dr. Fung Yiu Tong, Bennet 馮耀棠醫生	Beneficial owner 實益擁有人	8,067,270	0.05%

DIRECTORS' REPORT

董事會報告書

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Note: These 7,890,742,353 shares are owned by Broad Idea International Limited. Dr. Cho Kwai Chee and Dr. Francis Choi Chee Ming, JP are deemed to be interested in the 7,890,742,353 shares owned by Broad Idea International Limited under Part XV of the SFO given that they are beneficially interested in 50.1% and 49.9% of the issued share capital of Broad Idea International Limited respectively.

Other than as disclosed above, none of the directors, the chief executives of the Company, nor their associates had any interests or short positions in the shares, underlying shares of the Company or any of its associated corporations as at 31st March, 2008 as recorded in the register required to be kept by the Company under sections 352 of the SFO.

SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2008, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and chief executives, the following shareholders had notified the Company of relevant interests or short position in the shares or underlying shares of the Company.

Long position in the ordinary shares of HK\$0.01 each

Name of shareholder 股東名稱	Capacity 身份	Number of issued/underlying ordinary shares held 所持已發行／相關 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Broad Idea International Limited	Beneficial owner 實益擁有人	7,890,742,353	46.50%
Ping An Insurance (Group) Company of China Limited 中國平安保險(集團) 股份有限公司	Held by controlled corporation (Note) 由受控制法團 持有(附註)	3,393,583,143	19.99%
China Ping An Trust and Investment Company Limited 平安信托投資有限責任公司	Beneficial owner (Note) 實益擁有人(附註)	3,393,583,143	19.99%
Atlantis Investment Management Limited	Beneficial owner 實益擁有人	840,000,000	5.01%

董事及主要行政人員於股份及相關股份之權益(續)

附註：該 7,890,742,353 股股份由 Broad Idea International Limited 擁有。根據證券及期貨條例第XV部，基於曹貴子醫生及蔡志明博士太平紳士分別於Broad Idea International Limited之已發行股本中實益擁有50.1%及49.9%權益，故彼等被視為於Broad Idea International Limited擁有之7,890,742,353股股份中擁有權益。

除上文所披露者外，於二零零八年三月三十一日，按本公司根據證券及期貨條例第352條規定存置之登記冊所記錄，本公司各董事、主要行政人員或彼等之聯繫人士概無在本公司或任何其他相聯法團之股份或相關股份中擁有任何權益或淡倉。

主要股東

於二零零八年三月三十一日，按本公司根據證券及期貨條例第336條規定存置之主要股東登記冊顯示，除上文所披露若干董事及主要行政人員之權益外，以下股東已知會本公司其於本公司股份或相關股份之有關權益或淡倉。

於每股面值0.01港元之普通股之好倉

DIRECTORS' REPORT

董事會報告書

SUBSTANTIAL SHAREHOLDERS (Continued)

A call option is granted to China Ping An Trust and Investment Company Limited ("Ping An Trust") conditionally in which Ping An Trust shall have the right to subscribe for up to 3,393,583,143 shares pursuant to the Conditional Framework Agreement dated 29th March, 2008, in which several conditions have not yet been complied with as at 31st March, 2008. Ping An Insurance (Group) Company of China Limited is deemed to be interested in the Company through its 99.88% owned subsidiary, Ping An Trust.

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31st March, 2008.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st March, 2008, the percentage of turnover attributable to the Group's five largest customers is less than 30% of the Group's total turnovers. The five largest suppliers of the Group and the largest supplier accounted for approximately 52% and 24% of the Group's total purchases respectively.

Other than the aforementioned, at no time during the year, did a director, an associate of a director or a shareholder of the Company, which to the knowledge of the directors owns more than 5% of the Company's issued share capital, have an interest in the share capital of any of the five largest customers and suppliers of the Group.

COMPETING INTERESTS

None of the directors, management shareholders or controlling shareholders of the Company (as defined in the GEM Listing Rules) has an interest in a business which competes or may compete with the business of the Group during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the section headed "Share Options" above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate.

主要股東(續)

根據日期為二零零八年三月二十九日之有條件框架協議(於二零零八年三月三十一日,當中若干條件尚未達成),平安信托投資有限責任公司(「平安信托」)獲有條件授予認購權,據此,平安信托有權認購最多3,393,583,143股股份。中國平安保險(集團)股份有限公司被視為透過擁有其附屬公司平安信托99.88%權益於本公司擁有權益。

除上文所披露者外,於二零零八年三月三十一日,本公司並無獲悉任何人士在本公司已發行股本中擁有任何其他相關權益或淡倉。

主要客戶及供應商

截至二零零八年三月三十一日止年度,本集團五大客戶應佔之營業額佔本集團總營業額少於30%。本集團五大供應商及最大供應商分別佔本集團總採購額約52%及24%。

除上述者外,於年內任何時間,概無董事、彼等之聯繫人士或據董事所知擁有本公司已發行股本5%以上權益之本公司股東於本集團五大客戶及供應商股本中擁有任何權益。

競爭業務權益

本公司董事、管理層股東或控股股東(定義見創業板上市規則)於年內並無在與本集團業務存在競爭或可能存在競爭之業務中擁有權益。

董事購入股份或債權證之權利

除上文「購股權」一節所披露外,本公司或其任何附屬公司於年內任何時間概無訂立任何安排,致使本公司董事可藉購入本公司或任何其他法人團體之股份或債務證券(包括債權證)而取得利益。

DIRECTORS' REPORT

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

The Group entered into the following continuing connected transactions under the Rules 20.34 of the GEM Listing Rules and is subject to reporting requirements set out in Rules 20.45 to 20.46 of the GEM Listing Rules.

On 29th September, 2007, upon the completion of the acquisitions of the entire interest in Noble Pioneer Limited ("Noble Pioneer"), the Company noted that certain tenancy agreements entered into between (1) Shining Bright Development Limited ("Shining Bright"), a company wholly-owned by Dr. Lau Anthony Hun Jin ("Dr. Lau") (who previously is a shareholder and director of Noble Pioneer and remains as a director of Noble Pioneer after completion) and Noble Pioneer; (2) Dr. Lau and Noble Pioneer; and (3) Crowe Limited ("Crowe"), a company wholly-owned by Dr. Lau and Noble Pioneer, constitute continuing connected transactions.

The following are the principal terms of the tenancy agreements:

Rent paid to Shining Bright

- | | | |
|-----|-----------|-----------------------------------------------------------------------------------------------------|
| (1) | Property: | 1/F, Locwood Court, Kingswood Villas, No.1 Tin Wu Road, Tin Shui Wai, New Territories |
| | 物業： | 新界天水圍天湖路1號嘉湖山莊樂湖居1樓 |
| | Term: | 1st October, 2007 – 31st March, 2010 |
| | 租期： | 二零零七年十月一日至二零一零年三月三十一日 |
| | Rent: | HK\$39,000 per month (exclusive of rates and maintenance charges, but inclusive of government rent) |
| | 租金： | 每月39,000港元（不包括差餉及維修費，但包括地租） |
| (2) | Property: | 7/F, Valiant Industrial Centre, Nos.2-12 Au Pui Wan Street, Shatin, New Territories |
| | 物業： | 新界沙田坳背灣街2-12號威力工業中心7樓 |
| | Term: | 1st October, 2007 – 31st March, 2010 |
| | 租期： | 二零零七年十月一日至二零一零年三月三十一日 |
| | Rent: | HK\$20,000 per month (exclusive of rates and maintenance charges, but inclusive of government rent) |
| | 租金： | 每月20,000港元（不包括差餉及維修費，但包括地租） |

持續關連交易

本集團訂立以下創業板上市規則第20.34條項下持續關連交易，並須遵守創業板上市規則第20.45條至20.46條所載之申報規定。

於二零零七年九月二十九日，於收購正耀有限公司（「正耀」）全部權益完成時，本公司注意到，由(1)劉漢仁醫生（「劉醫生」）（彼先前為正耀之董事，並將於完成後留任正耀之董事）全資擁有之公司明耀發展有限公司（「明耀」）與正耀；(2)劉醫生與正耀；及(3)劉醫生全資擁有之公司佳賞有限公司（「佳賞」）與正耀訂立之若干租賃協議構成持續關連交易。

租賃協議之主要條款如下：

向明耀支付之租金

DIRECTORS' REPORT

董事會報告書

CONTINUING CONNECTED TRANSACTIONS 持續關連交易(續)

(Continued)

Rent paid to Shining Bright (Continued)

向明耀支付之租金(續)

- (3) Property: No. 67 Pak Tai Street, Kowloon
物業：九龍北帝街67號
Term: 1st October, 2007 – 31st March, 2010
租期：二零零七年十月一日至二零一零年三月三十一日
Rent: HK\$25,000 per month (exclusive of rates and maintenance charges, but inclusive of government rent)
租金：每月25,000港元（不包括差餉及維修費，但包括地租）
- (4) Property: Chu Po Building, Nos.117–125 Wo Tong Tsui Street, Kwai Chung, New Territories
物業：新界葵涌禾塘咀街117–125號珠寶大廈
Term: 1st October, 2007 – 31st March, 2010
租期：二零零七年十月一日至二零一零年三月三十一日
Rent: HK\$28,000 per month (exclusive of rates and maintenance charges, but inclusive of government rent)
租金：每月28,000港元（不包括差餉及維修費，但包括地租）
- (5) Property: No. 20, Lung Sum Road, Sheung Shui, New Territories
物業：新界上水龍琛路20號
Term: 1st September, 2007 – 30th November, 2008
租期：二零零七年九月一日至二零零八年十一月三十日
Rent: HK\$33,000 per month (inclusive of rates, maintenance charges and government rent)
租金：每月33,000港元（包括差餉、維修費及地租）
- (6) Property: Wah Cheung Mansion, 206–216 Castle Peak Road, Yuen Long, New Territories
物業：新界元朗青山公路206–216號華昌大廈
Term: 1st September, 2007 – 30th April, 2008
租期：二零零七年九月一日至二零零八年四月三十日
Rent: HK\$45,000 per month (inclusive of rates, maintenance charges and government rent)
租金：每月45,000港元（包括差餉、維修費及地租）
- (7) Property: Tong An Mansion, No. 60–70 Tseuk Luk Street, Kowloon
物業：九龍爵祿街60–70號東安大廈
Term: 1st September, 2007 – 14th April, 2009
租期：二零零七年九月一日至二零零九年四月十四日
Rent: HK\$40,000 per month (inclusive of rates, maintenance charges and government rent)
租金：每月40,000港元（包括差餉、維修費及地租）

DIRECTORS' REPORT

董事會報告書

License fee received from Shining Bright

明耀支付之特許費用

- (1) Property: Chu Po Building, Nos.117-125 Wo Tong Tsui Street, Kwai Chung, New Territories
物業：新界葵涌禾塘咀街117-125號珠寶大廈
Term: 1st August, 2007 – 31st July, 2008
租期：二零零七年八月一日至二零零八年七月三十一日
License fee: HK\$18,211 per month
特許費用：每月18,211港元

Rent paid to Dr. Lau

向劉醫生支付之租金

- (1) Property: Lung Fung Shopping Centre, Lung Sum Road, Sheung Shui, New Territories
物業：新界上水龍琛路龍豐花園商場
Term: 1st September, 2007 – 14th July, 2009
租期：二零零七年九月一日至二零零九年七月十四日
Rent: HK\$51,000 per month (exclusive of rates, maintenance charges and government rent)
租金：每月51,000港元（不包括差餉、維修費及地租）
- (2) Property: Wang Wah Mansion, 57-65 Texaco Road, No.1 Tai Ha Street, Tsuen Wan, New Territories
物業：新界荃灣大廈街1號德士古道57-65號宏華大廈
Term: 1st September, 2007 – 31st October, 2008
租期：二零零七年九月一日至二零零八年十月三十一日
Rent: HK\$30,800 per month (exclusive of rates, maintenance charges and government rent)
租金：每月30,800港元（不包括差餉、維修費及地租）
- (3) Property: 2/F, Fu Tai Shopping Centre, Fu Tai Estate, New Territories
物業：新界富泰邨富泰商場2樓
Term: 1st September, 2007 – 15th February, 2009
租期：二零零七年九月一日至二零零九年二月十五日
Rent: HK\$27,000 per month (inclusive of rates, maintenance charges and government rent, but exclusive of air-conditioning charge)
租金：每月27,000港元（包括差餉、維修費及地租，但不包括空調費用）

Rent paid to Crowe

向佳賞支付之租金

- (1) Property: Grand View Garden, 185 Hammer Hill Road, Diamond Hill, Kowloon
物業：九龍鑽石山斧山道185號宏景花園
Term: 1st September, 2007 – 31st July, 2008
租期：二零零七年九月一日至二零零八年七月三十一日
Rent: HK\$22,000 per month (exclusive of rates, maintenance charges and government rent)
租金：每月22,000港元（不包括差餉、維修費及地租）

DIRECTORS' REPORT

董事會報告書

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed under the heading "Continuing Connected Transactions", no contracts of significance to which the Company, its holding company or any of its fellow subsidiaries and subsidiaries was a party and in which a director of the Company had a material interest, whether directly and indirectly, subsisted at the end of the year or at any time during the year.

CORPORATE GOVERNANCE

A report on the principal corporate governance practices adopted by the Company is set out on pages 16 to 20 of the annual report.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors of the Company on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the year. The Company has also made specific enquiry to all directors of the Company and the Company was not aware of any non-compliance with the required standard of dealing and its code of conduct regarding securities transactions by the directors of the Company.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Board of Directors on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Board of Directors, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to eligible persons, details of the scheme are set out in note 48 to the consolidated financial statements.

POST BALANCE SHEET EVENTS

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

AUDITOR

A resolution will be submitted to the forthcoming annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Choi Ka Yee, Crystal

Chairman

Hong Kong, 20th June, 2008

董事於重要合約之權益

除「持續關連交易」一節所披露者外，本公司、其控股公司或其任何同系附屬公司及附屬公司並無訂立本公司董事於當中直接或間接擁有重大權益，並於年底或年內任何時間仍具效力且對本公司而言屬重要之合約。

企業管治

本公司所採納主要企業管治常規之報告載於年報第16至第20頁。

董事進行證券交易

於整個年度內，本公司已就本公司董事進行證券交易採納一套操守守則，其條款不遜於創業板上市規則第5.48至5.67條所載之買賣規定標準。本公司已向本公司全體董事作出特定查詢，並不知悉有任何違反買賣規定準則及其有關董事進行證券交易的操守守則之情況。

薪酬政策

本集團僱員之薪酬政策由董事會根據彼等之表現、資歷及能力制訂。

本公司董事之薪酬乃由董事會經考慮本公司之營運業績、個人表現及可作比較市場數據後決定。

本公司已採納一項購股權計劃，以獎勵合資格人士，計劃之詳情載於綜合財務報表附註48。

結算日後事項

結算日後發生之重大事項詳情載於綜合財務報表附註58。

核數師

於應屆股東週年大會上將提呈決議案，續聘德勤•關黃陳方會計師行為本公司核數師。

代表董事會

主席

蔡加怡

香港，二零零八年六月二十日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



TO THE MEMBERS OF TOWN HEALTH INTERNATIONAL HOLDINGS COMPANY LIMITED

康健國際控股有限公司
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Town Health International Holdings Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 33 to 155, which comprise the consolidated balance sheet as at 31st March, 2008 and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

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

康健國際控股有限公司
(於開曼群島註冊成立之有限公司)
列位股東

本核數師行已審核第33至155頁所載康健國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零零八年三月三十一日之綜合資產負債表、截至該日止年度之綜合收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他說明附註。

董事對綜合財務報表之責任

貴公司董事須遵照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，負責編製並真實兼公平地呈列此等綜合財務報表。此責任包括設計、實施及維護與編製並真實而公平地呈列綜合財務報表有關之內部監控，以確保綜合財務報表不存在重大錯誤陳述(不論其由欺詐或錯誤引起)；選取並採納適當之會計政策；及作出於情況合理之會計估計。

核數師之責任

本核數師之責任是根據本核數師之審核結果，對該等綜合財務報表表達意見，並僅向整體股東作出報告，本報告不作其他用途。本核數師不會就本報告內容向任何其他人士負上或承擔任何責任。本核數師乃根據香港會計師公會頒佈之香港核數準則進行審核工作。該等準則要求本核數師遵守操守規定以及計劃及進行審核以合理地確定該等綜合財務報表是否不存在任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

AUDITOR'S RESPONSIBILITY (Continued)

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st March, 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong, 20th June, 2008

核數師之責任(續)

審核工作包括進行程序以取得與綜合財務報表所載數額及披露事項有關之審核憑證。選取之該等程序須視乎本核數師之判斷，包括評估綜合財務報表存在重大錯誤陳述(不論其由欺詐或錯誤引起)之風險。在作出該等風險評估時，本核數師將考慮與公司編製並真實而公平地呈列綜合財務報表有關之內部監控，以設計於有關情況適當之審核程序，但並非旨在就公司內部監控是否有效表達意見。審核工作亦包括評估所用會計政策之恰當性及董事所作會計估計之合理性，並就綜合財務報表之整體呈列方式作出評估。

本核數師相信，本核數師已得到足夠及適當之審核憑證以作為所審核意見之基礎。

意見

本核數師認為，根據香港財務報告準則，此等綜合財務報表真實而公平地反映 貴集團於二零零八年三月三十一日之財政狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定妥善編製。

德勤•關黃陳方會計師行

執業會計師

香港，二零零八年六月二十日

CONSOLIDATED INCOME STATEMENT

綜合收益表

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

		Notes 附註	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Continuing operations	持續經營業務			
Revenue	收入	8	338,822,614	236,553,531
Cost of sales	銷售成本		(171,513,769)	(119,493,317)
Gross profit	毛利		167,308,845	117,060,214
Other income	其他收入	10	44,324,776	64,789,138
Administrative expenses	行政開支		(129,142,295)	(99,586,061)
Other expenses	其他開支	11	(13,318,378)	(7,806,536)
Finance costs	融資成本	12	(5,314,150)	(3,491,133)
Gain on disposal/deemed disposal of associates	出售／視作出售聯營公司之收益	13	31,371,779	1,915,423
Gain on disposal of subsidiaries	出售附屬公司之收益	52	2,535,717	—
Share of results of associates	應佔聯營公司業績		8,029,591	2,739,050
Share of result of a jointly controlled entity	應佔一家共同控制實體業績		235,641,714	—
(Loss) gain on fair value changes of conversion options and early redemption features embedded in convertible bonds	可換股債券所附換股權及提早贖回機制之公平值變動(虧損)收益	37	(101,825,212)	165,430,203
Gain on early redemption of convertible bonds	可換股債券提早贖回之收益	28	28,313,542	—
Increase in fair value of investment properties	投資物業公平值增加	21	4,050,000	2,300,000
Profit before tax	除稅前溢利		271,975,929	243,350,298
Income tax expense	所得稅開支	16	(11,812,197)	(14,442,477)
Profit for the year from continuing operations	持續經營業務本年度溢利		260,163,732	228,907,821
Discontinued operation	已終止業務			
Profit (loss) for the year from discontinued operation	已終止業務本年度溢利(虧損)	17	826,383	(22,123,766)
Profit for the year	本年度溢利	18	260,990,115	206,784,055
Attributable to:	以下人士應佔：			
Equity holders of the Company	本公司股權持有人		253,713,513	214,850,183
Minority interests	少數股東權益		7,276,602	(8,066,128)
			260,990,115	206,784,055
Dividends	股息	19	—	—
Earnings per share	每股盈利	20		
Form continuing and discontinued operations	自持續經營及已終止業務			
– Basic	— 基本		1.54 cents 仙	1.39 cents 仙
– Diluted	— 攤薄		1.54 cents 仙	N/A 不適用
From continuing operations	自持續經營業務			
– Basic	— 基本		1.54 cents 仙	1.54 cents 仙
– Diluted	— 攤薄		1.54 cents 仙	N/A 不適用

CONSOLIDATED BALANCE SHEET

綜合資產負債表

At 31st March, 2008
於二零零八年三月三十一日

	Notes 附註	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Non-current assets			
Investment properties	21	42,175,000	38,125,000
Property, plant and equipment	22	25,340,210	15,797,901
Prepaid lease payments	23	9,266,969	9,509,148
Goodwill	24	55,436,828	37,172,357
Intangible assets	25	10,173,488	–
Interests in associates	26	134,501,833	17,490,868
Interest in a jointly controlled entity	27	233,509,592	–
Available-for-sale investments	28	350,099,963	53,243,220
Deposits paid on acquisition of property, plant and equipment	29	6,846,400	10,097,585
		867,350,283	181,436,079
Current assets			
Inventories	30	8,785,620	13,777,997
Trade and other receivables	31	44,437,102	51,643,001
Prepaid lease payments	23	242,180	242,180
Amounts due from associates	32	13,886,752	26,527,106
Amounts due from investees	33	2,580,621	1,287,500
Amounts due from related parties	34	1,093,314	2,846,442
Amounts due from minority shareholders of subsidiaries	35	2,265,388	10,596,203
Amount due from a jointly controlled entity	35	33,706,096	–
Tax recoverable		209,691	538,670
Held for trading investments	36	–	21,021,288
Conversion options embedded in convertible bonds	37	126,648,922	182,405,395
Pledged bank deposits	38	10,000,000	10,000,000
Bank balances and cash	39	178,375,460	75,624,316
		422,231,146	396,510,098
Assets classified as held for sale	40	17,895,244	–
		440,126,390	396,510,098
Current liabilities			
Trade and other payables	41	24,581,798	41,054,213
Early redemption option embedded in convertible bonds	37	14,554,938	912,839
Amount due to an investee	33	1,259,555	–
Amounts due to minority shareholders of subsidiaries	35	5,679,762	11,541,974
Amounts due to related parties	42	50,119,726	914,859
Bank and other borrowings – due within one year	43	88,253,142	29,734,414
Obligations under finance leases – due within one year	44	–	45,600
Tax payable		11,784,051	14,427,577
		196,232,972	98,631,476
Liabilities associated with assets classified as held for sale	40	6,320,906	–
		202,553,878	98,631,476
Net current assets		237,572,512	297,878,622
Total assets less current liabilities		1,104,922,795	479,314,701

CONSOLIDATED BALANCE SHEET

綜合資產負債表

At 31st March, 2008
於二零零八年三月三十一日

		Notes 附註	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借貸			
– due after one year	– 於一年後到期	43	21,088,726	23,288,039
Obligations under finance leases	融資租約承擔			
– due after one year	– 於一年後到期	44	–	78,407
Deferred tax liabilities	遞延稅項負債	45	4,578,483	3,761,826
			25,667,209	27,128,272
			1,079,255,586	452,186,429
Capital and reserves	資本及儲備			
Share capital	股本	47	169,679,157	50,719,819
Reserves	儲備		894,463,574	385,867,406
Equity attributable to equity holders of the Company	本公司股權持有人 應佔權益		1,064,142,731	436,587,225
Minority interests	少數股東權益		15,112,855	15,599,204
Total equity	權益總額		1,079,255,586	452,186,429

The consolidated financial statements on pages 33 to 155 were approved and authorised for issue by the Board of Directors on 20th June, 2008 and are signed on its behalf by:

第33至155頁之綜合財務報表經由董事會於二零零八年六月二十日批准及授權刊發並由下列人士代表董事會簽署：

Choi Ka Yee, Crystal
Director

Cho Kwai Chee
Director

蔡加怡
董事

曹貴子
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

Attributable to equity holders of the Company

本公司股權持有人應佔權益

		Convertible bonds equity		Capital reserve	Distributable reserve	Investment revaluation reserve	Translation reserve	Accumulated (losses) profits	Share options reserve	Minority interests	Total		
		Share capital	Share premium									reserve	reserve
		股本	股份溢價	可換股債券股本儲備	資本儲備	可分派儲備	投資重估儲備	匯兌	累計(虧損) 盈餘	購股權儲備	總計	少數股東權益	總計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元
					(Note i) (附註i)	(Note ii) (附註ii)							
At 1st April, 2006	於二零零六年四月一日	49,965,935	228,846,954	2,259,893	10,032,822	62,677,057	-	220,364	(104,847,894)	-	249,155,231	(649,725)	248,505,506
Exchange difference arising on translation of foreign operations recognised directly in equity	換算海外業務時所產生並直接於權益確認之匯兌差額	-	-	-	-	-	286,432	-	-	286,432	223,870	510,302	
Fair value changes in available-for-sale investments	可供出售投資之公平值變動	-	-	-	-	2,543,927	-	-	-	2,543,927	-	2,543,927	
Profit for the year	年度溢利	-	-	-	-	-	-	214,850,183	-	214,850,183	(8,066,128)	206,784,055	
Total recognised income and expense for the year	年內已確認之收入及開支總額	-	-	-	-	2,543,927	286,432	214,850,183	-	217,680,542	(7,842,258)	209,838,284	
Capital contributed by minority shareholders	少數股東出資	-	-	-	-	-	-	-	-	-	8,952,421	8,952,421	
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	68,935	68,935	
Deemed disposal of a subsidiary (note 50)	視作出售一家附屬公司(附註50)	-	-	-	-	-	-	-	-	-	16,000,570	16,000,570	
Issue of shares upon conversion of convertible bonds	轉換可換股債券時發行股份	3,809,524	35,396,812	(2,259,893)	-	-	-	-	-	36,946,343	-	36,946,343	
Shares repurchased and cancelled	購回及註銷股份	(3,055,640)	(64,139,251)	-	-	-	-	-	-	(67,194,891)	-	(67,194,891)	
Dividend paid to minority interests	支付予少數股東之股息	-	-	-	-	-	-	-	-	-	(930,739)	(930,739)	
At 31st March, 2007	於二零零七年三月三十一日	50,719,819	200,104,515	-	10,032,822	62,677,057	2,543,927	506,796	110,002,289	-	436,587,225	15,589,204	452,186,429

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司股權持有人應佔權益										
		Convertible bonds equity			Investment revaluation reserve		Accumulated (losses) profits		Share options reserve		Minority interests	
		Share capital	Share premium	reserve	Capital reserve	Distributable reserve	Translation reserve	(losses) profits	options reserve	Total	少數股東權益	Total
		股本	股份溢價	可換股債券股本儲備	資本儲備	可分派儲備	匯兌儲備	盈利	購股權儲備	總計	權益	總計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元
					(Note i) (附註i)	(Note ii) (附註ii)						
Exchange difference arising on translation of foreign operations	換算海外業務時所產生並直接於權益確認之匯兌差額	-	-	-	-	-	(684,391)	-	-	(684,391)	-	(684,391)
Fair value changes in available-for-sale investments	可供出售投資之公平值變動	-	-	-	-	54,484,083	-	-	-	54,484,083	-	54,484,083
Share of reserves of a jointly controlled entity	一家共同控制實體之股份儲備	-	-	-	-	(2,132,130)	-	-	-	(2,132,130)	-	(2,132,130)
Share of reserves of an associate	一家聯營公司之股份儲備	-	-	-	-	(228,124)	189,283	-	-	(38,841)	-	(38,841)
Profit for the year	年度溢利	-	-	-	-	-	-	253,713,513	-	253,713,513	7,276,602	260,990,115
Total recognised income and expense for the year	年內已確認之收入及開支總額	-	-	-	-	52,123,829	(495,108)	253,713,513	-	305,342,234	7,276,602	312,618,836
Capital contribution from minority shareholder of a subsidiary	一家附屬公司少數股東貢獻之資本	-	-	-	-	-	-	-	-	-	980,049	980,049
Shares issued	發行股份	116,889,638	183,844,362	-	-	-	-	-	-	300,734,000	-	300,734,000
Transaction costs attributable to issue of shares	發行股份之交易成本	-	(10,426,144)	-	-	-	-	-	-	(10,426,144)	-	(10,426,144)
Shares repurchased and cancelled	購回及註銷股份	(120,300)	(1,340,804)	-	-	-	-	-	-	(1,461,104)	-	(1,461,104)
Recognition of equity-settled share based payment expense	確認股權結算股份付款之開支	-	-	-	-	-	-	-	9,057,520	9,057,520	-	9,057,520
Dividend paid to minority interests	支付予少數股東之股息	-	-	-	-	-	-	-	-	-	(8,743,000)	(8,743,000)
Exercise of share options	行使購股權	2,190,000	25,885,800	-	-	-	-	-	(3,766,800)	24,309,000	-	24,309,000
At 31st March, 2008	於二零零八年三月三十一日	169,679,157	398,067,729	-	10,032,822	62,677,057	54,667,756	11,888	363,715,802	5,290,720	15,112,855	1,079,255,586

Notes:

附註:

- (i) Capital reserve of the Group represents the difference between the nominal value of HK\$350,000 of the ordinary shares issued by the Company and the nominal value of the share capital of approximately HK\$10,383,000 of Town Health (BVI) Limited, a subsidiary acquired through an exchange of shares pursuant to the group reorganisation in April 2000.
- (ii) The distributable reserve of the Group represents the amount arising from the reduction of share capital net of dividend paid.
- (i) 本集團之股本儲備乃指本公司所發行普通股之面值 350,000 港元與 Town Health (BVI) Limited (根據於二零零零年四月進行之集團重組透過互換股份收購之附屬公司) 之股本面值約 10,383,000 港元之差額。
- (ii) 本集團之可供分派儲備乃指股本削減所產生款項(已扣除已付股息)。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

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

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
OPERATING ACTIVITIES	經營業務		
Profit before tax	除稅前溢利	271,975,929	243,350,298
Profit (loss) for the year from discontinued operation	已終止業務之本年度溢利(虧損)	826,383	(22,123,766)
Income tax expense from discontinued operation	已終止業務之所得稅開支	188,486	243,747
		272,990,798	221,470,279
Adjustments for:	就以下項目作出調整：		
Interest income	利息收入	(25,623,780)	(4,331,936)
Dividend income from listed investments	來自上市投資項目之股息收入	(83,471)	(187,486)
Loss (gain) on conversion options and early redemption features embedded in convertible bonds	可換股票據所附換股權及提早贖回機制之虧損(收益)	101,825,212	(165,430,203)
Impairment loss in respect of:	下列各項之減值虧損：		
– interests in associates	– 於聯營公司之權益	5,579,609	588,008
– goodwill arising on acquisition of subsidiaries, and medical and dental practices	– 收購附屬公司、西醫及牙醫診所所得商譽	4,951,305	19,747,205
– amounts due from associates	– 應收聯營公司款項	2,787,464	956,258
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	10,272,583	7,677,972
Increase in fair value of held for trading investments	持作買賣投資公平值增加	(4,502,141)	(54,283,180)
Impairment loss on slow-moving inventories, net of write back	滯銷存貨減值虧損減撥回金額	–	(451,267)
Impairment loss on trade and other receivables, net of write back	應收賬款及其他應收款項之減值虧損撥回金額	(5,066,365)	4,344,334
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	286,554	395,686
Release of prepaid lease payments	解除預付租賃款項	242,179	241,634
Amortisation of intangible assets	無形資產攤銷	1,332,584	–
Increase in fair value of investment properties	投資物業公平值增加	(4,050,000)	(2,300,000)
Share of results of associates	應佔聯營公司業績	(8,029,591)	(2,739,050)
Share of result of a jointly controlled entity	應佔一家共同控制實體業績	(235,641,714)	–
Share-based payment expenses	股份付款開支	9,057,520	–
Finance costs	融資成本	5,314,150	3,491,133
Gain on disposal of subsidiaries	出售附屬公司之收益	(5,099,904)	–
Gain on disposal/deemed disposal of associates	出售/視作出售聯營公司之收益	(31,371,779)	(1,915,423)
Gain on early redemption of convertible bonds	可換股債券提早贖回之收益	(28,313,542)	–
Operating cash inflow before movements in working capital changes	營運資金變動前之經營現金流入	66,857,671	27,273,964
Decrease in inventories	存貨減少	1,841,911	570,389
Decrease (increase) in trade and other receivables	應收賬款及其他應收款項減少(增加)	6,771,624	(54,234,192)
(Decrease) increase in trade and other payables	應付賬款及其他應付款項(減少)增加	(10,537,092)	4,303,900
Decrease in held for trading investments	持作買賣投資減少	25,523,429	39,826,342
Cash generated from operations	經營業務之現金	90,457,543	17,740,403
Hong Kong Profits Tax paid	已繳香港利得稅	(11,277,302)	(1,731,924)
NET CASH FROM OPERATING ACTIVITIES	經營業務產生現金淨額	79,180,241	16,008,479

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

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

	Notes 附註	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
INVESTING ACTIVITIES	投資活動		
Purchase of available-for-sale investments	購入可出售投資	(539,419,795)	(1,000)
Acquisition of subsidiaries	收購附屬公司	(43,962,052)	(794,155)
Advance to jointly controlled entity	墊款予共同控制實體	(33,706,096)	–
Purchase of property, plant and equipment	收購物業、廠房及設備	(12,045,397)	(7,491,224)
Acquisition of medical and dental practices	收購西醫及牙科診所	(6,044,816)	(4,069,000)
(Increase) decrease in amounts due from investees	應收一家被投資公司款項(增加)減少	(1,293,121)	829,699
Investment in a jointly controlled entity	投資一家共同控制實體	(8)	–
Proceeds from early redemption of available-for-sale investments	提早贖回可出售投資所得款項	210,000,000	–
Proceeds from disposal of associates	出售聯營公司所得款項	15,008,002	5,023,761
Decrease (increase) in amounts due from associates	應收聯營公司款項減少(增加)	9,852,890	(14,944,381)
Interest received	已收利息	8,273,515	2,488,461
Disposal of subsidiaries	出售附屬公司	4,360,364	–
Dividend received from associates	已收聯營公司股息	2,048,255	1,009,700
Decrease in amounts due from related parties	應收有關聯公司款項減少	1,753,128	1,648,923
Increase in amount due to an investee	應付一名被投資者之款項增加	1,259,555	–
Dividend received from listed investments	已收上市投資之股息	83,471	187,486
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	71,470	–
Deemed disposal of a subsidiary	視作出售一家附屬公司	–	(34,812,882)
Deposits paid on acquisition of property, plant and equipment	收購物業、廠房及設備所付按金	–	(10,097,585)
Decrease in amount due from a director	應收一名董事款項減少	–	950,000
Purchase of interests in associates	收購聯營公司權益	–	(2,771,379)
NET CASH USED IN INVESTING ACTIVITIES	投資活動耗用之現金淨額	(383,760,635)	(62,843,576)

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

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

	Notes 附註	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
FINANCING ACTIVITIES 融資活動			
Proceeds from issue of shares	發行股份所得款項	325,043,000	–
New bank and other borrowings raised	新增銀行及其他借貸	67,000,000	68,333,490
Increase in amounts due to related companies	應付有關連公司款項增加	49,204,867	914,859
Decrease in amount due to minority shareholders of subsidiaries	附屬公司少數股東所導致款額減少	8,330,815	6,693,277
Capital contributed by minority shareholder of a subsidiary	一家附屬公司少數股東貢獻之資本	980,049	8,952,421
Repayment of bank and other borrowings	償還銀行及其他借貸	(28,957,820)	(7,936,524)
Expenses paid in connection with issue of shares	就發行股份已付之開支	(10,426,144)	–
Dividend paid to minority shareholders of subsidiaries	向附屬公司少數股東支付股息	(8,743,000)	(930,739)
Interest paid	支付利息	(5,314,150)	(3,237,002)
Repayment of amounts due to minority shareholders of subsidiaries	償還應付附屬公司少數股東之款項	(5,862,212)	–
Payment on share repurchase	購回股份之付款	(1,461,104)	(67,194,891)
Repayment of obligations under finance leases	償還融資租賃承擔	(55,607)	(82,842)
NET CASH FROM FINANCING ACTIVITIES	融資活動產生之現金淨額	389,738,694	5,512,049
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加(減少)淨額	85,158,300	(41,323,048)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	(684,391)	510,302
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初之現金及現金等值項目	74,800,498	115,613,244
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及現金等同項目	159,274,407	74,800,498
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS 現金及現金等值項目結餘之分析			
Bank balances and cash	銀行結餘及現金	178,375,460	75,624,316
Bank overdrafts	銀行透支	(19,101,053)	(823,818)
		159,274,407	74,800,498

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL

The Company is incorporated as an exempted company with limited liability in the Cayman Islands and its shares are listed on the Growth Enterprise Market (“GEM Board”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). At 31st March, 2008, its ultimate holding company was Broad Idea International Limited (“Broad Idea”), a company incorporated in the British Virgin Islands. During the year ended 31st March, 2008, Broad Idea ceased to be the ultimate holding company after the placements of the shares of the Company.

The addresses of the registered office and principal place of business of the Company are disclosed in the corporation information section.

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

The Company is an investment holding company. The principal activities of its subsidiaries and associates are set out in notes 60 and 26 respectively.

2. BASIS OF PREPARATION

At 1st April, 2006, the Group held convertible bonds of HK\$60,000,000 (“Convertible Bonds I”) issued by Hong Kong Health Check and Laboratory Holdings Company Limited (“Hong Kong Health Check”). As the Convertible Bonds I were immediately convertible into shares in Hong Kong Health Check at a conversion price of HK\$0.041, the Group would be given 55.79% ownership interest and as a consequence voting rights in Hong Kong Health Check upon the conversion of the Convertible Bonds I. Hong Kong Health Check was consolidated as a subsidiary of the Group because the Group had the ability to exercise control over the financial and operating policies of Hong Kong Health Check.

On 3rd October, 2006, the Group lost its ability to exercise control over the financial and operating policies of Hong Kong Health Check following the issue by Hong Kong Health Check of convertible bonds of HK\$40,000,000 to third parties (“Convertible Bonds II”) which were also immediately convertible and diluted the Group’s ownership interest to 35.75% upon conversion of both Convertible Bonds I and Convertible Bonds II.

1. 一般事項

本公司在開曼群島註冊成立為受豁免有限公司，而其股份在香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市。其於二零零八年三月三十一日之最終控股公司為 Broad Idea International Limited（「Broad Idea」），為於英屬處女群島註冊成立之公司。於截至二零零八年三月三十一日止年度，Broad Idea 於配售本公司股份後不再為最終控股公司。

本公司之註冊辦事處及主要營業地點之地址於公司資料一節披露。

綜合財務報表以港元呈列，港元亦是本公司之功能貨幣。

本公司為一家投資控股公司，其附屬公司及聯營公司之主要業務分別載於附註 60 及 26。

2. 編製基準

於二零零六年四月一日，本集團持有香港體檢及醫學診斷控股有限公司（「香港體檢」）本金總額 60,000,000 港元之可換股債券（「可換股債券 I」）。由於可換股債券 I 可按換股價 0.041 港元即時轉換為香港體檢股份，待轉換可換股債券 I 後，本集團將獲授香港體檢 55.79% 擁有權益及有關投票權。由於本集團可對香港體檢之財務及經營政策行使控制權，因此香港體檢已綜合入賬列作本集團之附屬公司。

於二零零六年十月三日，香港體檢向第三方進一步發行本金總額為 40,000,000 港元並可即時轉換之可換股債券（「可換股債券 II」），令本集團之擁有權於轉換可換股債券 I 及可換股債券 II 後攤薄至 35.75%，導致本集團失去對香港體檢財務及經營政策之控制權。

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2. BASIS OF PREPARATION (Continued)

The Group has ability to exercise significant influence on the financial and operating policy decisions of Hong Kong Health Check, and given that the Convertible Bonds I were currently exercisable, the Group has accounted for Hong Kong Health Check as an associate and the results and assets and liabilities of Hong Kong Health Check have to be incorporated in the consolidated financial statements by using equity method of accounting.

However, during the year ended 31st March, 2007, as the Group had no equity interest in Hong Kong Health Check, no results and changes in shareholders' equity of Hong Kong Health Check were shared by the Group for the year ended 31st March, 2007.

During the year ended 31st March, 2008, Hong Kong Health Check further issued convertible bonds ("Convertible Bonds III") of HK\$500,000,000 and convertible bonds of HK\$250,000,000 ("Convertible Bonds IV") at a conversion price of HK\$0.25 to the Group and third parties, respectively.

On 9th July, 2007, the Group converted HK \$20,000,000 of its Convertible Bonds I into 487,804,878 shares in Hong Kong Health Check at a conversion price of HK\$0.041 and accordingly held 12.52% equity interest in Hong Kong Health Check, which was further diluted to 10.7% upon issue of new shares by Hong Kong Health Check.

On 17th September, 2007, Hong Kong Health Check redeemed HK\$200,000,000 and HK\$80,000,000 of the Convertible Bonds III and Convertible Bonds IV respectively.

Upon conversion of the remaining amount of the Convertible Bonds I, Convertible Bonds II, Convertible Bonds III and Convertible Bonds IV, the Group will obtain 39.5% ownership interest in Hong Kong Health Check. The Group currently held 10.7% equity interest in Hong Kong Health Check, and the directors consider that the Group has power to participate in the financial and operating policy decisions of Hong Kong Health Check. The equity interest in it is therefore considered an associate of the Group. Accordingly, the Group equity accounted for the interest in Hong Kong Health Check as an associate and shared 10.7% in the results and changes in shareholders' equity in Hong Kong Health Check during the period from 9th July, 2007 to 31st March, 2008.

2. 編製基準(續)

本集團可對香港體驗之財務及營運政策行使重大影響力，加上可換股債券I現時可予行使，故本集團將香港體驗列作聯營公司，香港體驗之業績及資產與負債將透過權益會計法綜合計入綜合財務報表。

然而，鑑於在截至二零零七年三月三十一日止年度本集團於香港體檢並無股權，本集團於截至二零零七年三月三十一日止年度並未攤佔香港體檢之任何業績及股東權益變動。

於截至二零零八年三月三十一日止年度，香港體檢按換股價0.25港元分別向本集團及第三方進一步發行本金總額為500,000,000港元之可換股債券(「可換股債券III」)及本金總額為250,000,000港元之可換股債券(「可換股債券IV」)。

於二零零七年七月九日，本集團按換股價0.041港元轉換其可換股債券I之20,000,000港元，本金額為香港體檢487,804,878股股份，並因而持有香港體檢12.52%股權，有關股權已於香港體檢發行新股後進一步攤薄至10.7%。

於二零零七年九月十七日，香港體檢分別贖回可換股債券III及可換股債券IV本金總額之200,000,000港元及80,000,000港元。

待轉換可換股債券I、可換股債券II、可換股債券III及可換股債券IV餘下本金金額後，本集團將取得香港體檢39.5%擁有權。本集團現時持有香港體檢之10.7%股本權益，董事認為，本集團有權參與決議香港體檢之財務及營運政策。當中擁有之股本權益因而視作本集團聯營公司。因此，本集團以權益會計法將香港體檢之權益列作聯營公司，並分佔香港體檢於二零零七年七月九日至二零零八年三月三十一日期間之10.7%業績以及股東權益變動。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

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

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

The adoption of these new HKFRSs had no material effect on how the results or financial position of the Group for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

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

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度，本集團首次應用下列由香港會計師公會(「香港會計師公會」)頒佈之多項新準則、修訂和詮釋(「新訂香港財務報告準則」)。新訂香港財務報告準則自本集團二零零七年四月一日開始之財政年度起生效。

香港會計準則第1號 (修訂本)	資本披露
香港財務報告準則 第7號	金融工具： 披露
香港(國際財務報告 詮釋委員會) — 詮釋第8號	香港財務報告 準則第2號之 範圍
香港(國際財務報告 詮釋委員會) — 詮釋第9號	重估內含衍生 工具
香港(國際財務報告 詮釋委員會) — 詮釋第10號	中期財務報告 及減值
香港(國際財務報告 詮釋委員會) — 詮釋第11號	香港財務報告 準則第2號： 集團及庫存 股份交易

採納新訂香港財務報告準則對本集團於本會計期間或過往會計期間之業績或財務狀況之編製及呈報方式並無重大影響。因此，毋須作出任何前期調整。

本集團分別應用香港會計準則第1號(修訂本)及香港財務報告準則第7號項下之披露規定。過往年度根據香港會計準則第32號規定呈報之若干資料已移除，而相關比較資料則根據香港會計準則第1號(修訂本)及香港財務報告準則第7號之規定於本年度首次呈報。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

- ¹ Effective for annual periods beginning on or after 1st January, 2009
- ² Effective for annual periods beginning on or after 1st July, 2009
- ³ Effective for annual periods beginning on or after 1st January, 2008
- ⁴ Effective for annual periods beginning on or after 1st July, 2008

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團並無提早應用以下已經頒佈但尚未生效之新訂及經修訂準則、修訂或詮釋。

香港會計準則第1號 (經修訂)	財務報表呈報 ¹
香港會計準則第23號 (經修訂)	借款成本 ¹
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 ²
香港會計準則第32號及第1號(修訂本)	清盤產生之可沽售金融工具及責任 ¹
香港財務報告準則第2號(修訂本)	歸屬條件及註銷 ¹
香港財務報告準則第3號(經修訂)	業務合併 ²
香港財務報告準則第8號	經營分部 ¹
香港(國際財務報告詮釋委員會) – 詮釋第12號	服務經營權安排 ³
香港(國際財務報告詮釋委員會) – 詮釋第13號	顧客長期支持計劃 ⁴
香港(國際財務報告詮釋委員會) – 詮釋第14號	香港會計準則第19號 – 界定福利資產限額、最低資金規定及其相互關係 ³

- ¹ 於二零零九年一月一日或以後開始之年度期間生效
- ² 於二零零九年七月一日或以後開始之年度期間生效
- ³ 於二零零八年一月一日或以後開始之年度期間生效
- ⁴ 於二零零八年七月一日或以後開始之年度期間生效

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July, 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent’s ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of consolidation

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

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

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

採納香港財務報告準則第3號(經修訂)或會影響收購日期為二零零九年七月一日或以後開始之首個年度會計期間或以後之業務合併所用會計方法。香港會計準則第27號(經修訂)將影響母公司於附屬公司喪失控制權以外之擁有權益變動所用會計處理法，即作為權益交易列賬。本公司董事預期，應用該等準則及詮釋將不會對本集團之業績及財務狀況構成重大影響。

4. 主要會計政策

除下文會計政策所闡釋之投資物業及若干金融工具按公平值計量外，綜合財務報表根據歷史成本法編製。

綜合財務報表根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表亦載入聯交所創業板證券上市規則及香港公司條例所規定之適用披露資料。

綜合賬目基準

綜合財務報表包括本公司及本公司所控制實體(其附屬公司)之財務報表。當本公司有能力監督一間實體之財務及經營政策以便從其業務中取得利益，則具有控制權。

於年內收購或出售之附屬公司之業績，乃按收購生效日期起計算或計至出售生效日期止(按適用情況而定)計入綜合收益表內。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

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

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

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

Business combinations

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

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

4. 主要會計政策(續)

綜合賬目基準(續)

如有需要，會對附屬公司之財務報表作出調整，以令其會計政策與本集團其他成員公司所用者一致。

集團內公司之間所有交易、結餘、收入及開支已於綜合賬目時抵銷。

綜合附屬公司淨資產內之少數股東所佔權益與本集團所佔之權益分開列賬。少數股東於淨資產之權益包括該等權益於原業務合併日期之數額及少數股東應佔該合併日期以後之股本變動。適用於少數股東之虧損超出於附屬公司股權之少數股東權益之數額將與本集團之權益作出分配，惟少數股東具約束力責任及可以額外投資補足虧損者除外。

業務合併

收購業務乃以購入法列賬。收購成本乃按特定資產於交換日期之公平值、本集團就換取被收購公司之控制權而產生或承擔之負債及所發行之股本權益工具三者總和，另加業務合併直接應佔之任何成本而計量。被收購公司符合香港財務報告準則第3號「業務合併」所載確認條件之可辨識資產、負債及或然負債乃按收購日期之公平值確認。

收購所產生之商譽乃確認為資產，並初步按成本(即業務合併成本高於本集團於所確認可辨識資產、負債及或然負債中之淨公平值權益之數額)計量。倘於重新評估後，本集團於被收購公司之可辨識資產、負債及或然負債中之淨公平值權益高於業務合併成本，則高出數額會即時於損益表確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations *(Continued)*

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

Goodwill

Goodwill arising on acquisitions before 1st January, 2005

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

For previously capitalised goodwill arising on acquisitions of net assets and operations of another entity before 1st January, 2005, the Group has discontinued amortisation from 1st April, 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash-generating unit to which the goodwill related may be impaired.

Goodwill arising on acquisitions on or after 1st January, 2005

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

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

4. 主要會計政策(續)

業務合併(續)

少數股東於被收購公司之權益初步按少數股東於所確認資產、負債及或然負債中之淨公平值比例計量。

商譽

於二零零五年一月一日前因收購而產生之商譽

因收購其他實體之淨資產及業務所產生之商譽(收購之協議日期為二零零五年一月一日前)，乃指在收購日期收購成本超出本集團於有關被收購公司可識別資產及負債中之權益公平值之差額。

對於二零零五年一月一日前因收購其他實體之淨資產及業務產生而原先已資本化之商譽，本集團已從二零零五年四月一日開始停止攤銷，而有關商譽會每年和每當有跡象顯示商譽相關之創現單位可能出現減值時進行減值測試。

於二零零五年一月一日或之後因收購而產生之商譽

因收購業務所得之商譽(收購之協議日期為二零零五年一月一日或之後)，乃指在收購日期收購成本超出本集團於有關業務或共同控制實體之可識別資產、負債及或然負債中之權益公平值之差額。有關商譽乃按成本減累計減值虧損列賬。

收購業務產生之資本化商譽於綜合資產負債表內獨立呈列。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill (Continued)

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

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

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

Investments in associates

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

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate, the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

4. 主要會計政策(續)

商譽(續)

於二零零五年一月一日或之後因收購而產生之商譽(續)

就減值測試而言，因收購附屬公司所得之商譽會分配至預期自收購所產生協同效益之有關創現單位或創現單位組別。商譽所獲分配之創現單位會每年進行減值測試，或於有跡象顯示該單位可能出現減值時進行減值測試。就因某個財政年度因收購所得之商譽而言，商譽所獲分配之創現單位會於該財政年度結束前進行減值測試。倘創現單位之可收回數額少於其賬面值，則減值虧損會先用作減低任何分配至該單位之商譽之賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。商譽減值虧損乃直接於綜合收益表內確認，惟不會於往後期間撥回。

於往後出售之相關現金產生單位，資本化商譽應佔金額會用作釐定出售損益數額。

於聯營公司之投資

聯營公司指投資者對其行使重大影響力之實體，且其並非為附屬公司或於合營企業之權益。

聯營公司之業績、資產及負債乃按權益會計法納入綜合財務報表內。根據權益法，於聯營公司之投資乃按成本另就本集團攤佔聯營公司之資產淨值於收購後之變動調整，減任何已識別減值虧損列於綜合資產負債表。當本集團攤佔聯營公司之虧損等同或超過其於該聯營公司之權益，本集團不再確認其攤佔之進一步虧損。額外攤佔虧損會提撥準備及確認為負債，惟僅以本集團已招致之法定或推定責任或代表該聯營公司支付之款項為限。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates (Continued)

Goodwill arising on acquisitions prior to 1st January, 2005

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

Goodwill arising on acquisitions on or after 1st January, 2005

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

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment is recognised immediately in profit or loss.

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

Jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which ventures have joint control over the economic activity of the entity are referred to as jointly controlled entities.

4. 主要會計政策(續)

於聯營公司之投資(續)

於二零零五年一月一日前因收購而產生之商譽

收購成本高出本集團應佔聯營公司於收購日期確認之可識別資產及負債公平淨值之差額確認為商譽。於二零零五年一月一日起，本集團已停止對商譽進行攤銷，而將有關商譽列入該投資賬面值內，並作為部分投資評估減值情況。

於二零零五年一月一日或之後因收購而產生之商譽

收購成本高出本集團應佔聯營公司於收購日期確認之可識別資產、負債及或然負債公平淨值之差額確認為商譽。有關商譽列入該投資賬面值內，並作為部分投資評估減值情況。

本集團應佔可識別資產、負債及或然負債之公平淨值高出收購成本之差額將於重估後即時在損益表確認。

當集團個體與本集團之聯營公司進行交易，損益會互相抵銷，數額以本集團於有關聯營公司之權益為限。

共同控制實體

共同控制實體指涉及成立一家個別實體而其經濟活動受企業共同控制之合營企業安排。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Jointly controlled entities (Continued)

Jointly controlled entities are accounted for using the equity method

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

Revenue recognition

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

Medical and dental consultation income is recognised when the related services are rendered.

Management and administrative service fee income in relation to provision of healthcare services is recognised when services are rendered.

Design, promotion, advertising and public relationship service fee income is recognised when the related services are rendered.

Sales of healthcare, pharmaceutical products and surgical equipment are recognised when goods are delivered and title has passed.

4. 主要會計政策(續)

共同控制實體(續)

以權益法計算之共同控制實體

共同控制實體之業績、資產及負債乃按權益會計法納入綜合財務報表內。根據權益法，於共同控制實體之投資乃按成本另就本集團攤佔共同控制實體之資產淨值於收購後之變動調整，減任何已識別減值虧損列於綜合資產負債表。當本集團攤佔共同控制實體之虧損等同或超過其於該共同控制實體之權益(包括作為本集團於共同控制實體投資淨額一部分之長遠權益)，本集團不再確認其攤佔之進一步虧損。額外攤佔虧損會提撥準備及確認為負債，惟僅以本集團已招致之法定或推定責任或代表該共同控制實體支付之款項為限。

收益確認

收入按已收及應收代價之公平值計算，乃指於日常業務過程中所提供商品及服務應收之款項，扣除折讓及銷售相關稅項。

西醫及牙醫診金收入在提供有關服務時確認入賬。

與提供醫療保健服務有關之管理及行政服務費在提供該等服務時確認入賬。

設計、推廣、廣告及公關服務收入乃於提供有關服務時確認入賬。

保健、藥劑產品及外科手術儀器銷售於交付貨品及擁有權轉移時確認入賬。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Sales revenue from restaurant operations are recognised when services are rendered to customers.

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

Dividend income from investments is recognised when the shareholders' right to receive payment has been established.

Property, plant and equipment

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

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, whether shorter, the term of the relevant lease.

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

4. 主要會計政策(續)

收益確認(續)

餐廳業務之銷售收入在向顧客提供有關服務時確認入賬。

金融資產之利息收入乃參考尚餘本金額及適用實際利率(即於金融資產預計年內將估計未來現金收款貼現至該資產之賬面淨值之比率)並以時間基準累計。

來自投資項目之股息收入乃於本集團收取股息之權利確立時確認入賬。

物業、廠房及設備

物業、廠房及設備包括持作生產、供應貨品或服務或作行政用途之樓宇，乃按成本值減累計折舊及累計減值虧損列賬。

物業、機器及設備項目在計及估計剩餘價值後，按估計可使用年期以直線法撇銷其成本作出折舊。

根據融資租約持有之資產乃按與自有資產相同之基準就其預計可使用年期或有關租約年期(以較短者為準)計算折舊。

物業、廠房及設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時解除確認。解除確認資產之任何損益(按出售所得款項淨額與該項目之賬面值之間之差額計算)在項目解除確認之年度計入綜合收益表。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets

Intangible assets acquired in a business combination

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

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

Prepaid lease payments

Prepaid lease payments which represent up-front payments to acquire leasehold land interests, are stated at cost and released to the consolidated income statement over the period of the lease on a straight-line basis.

Investment properties

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

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

4. 主要會計政策(續)

無形資產

業務合併所收購無形資產

倘業務合併所收購無形資產符合無形資產定義，且其公平值能夠可靠計量，則有關無形資產將與商譽分開識別及確認。該等無形資產之成本即其於收購當日之公平值。

初步確認後，具有有限可使用年期之無形資產按成本值減累計攤銷及任何累計減值虧損列賬。具有有限可使用年期之無形資產乃按其估計可使用年期以直線法攤銷。相反，無有限可使用年期之無形資產則按成本值減其後任何減值虧損列賬(見下文有關有形及無形資產減值虧損之會計政策)。

預付租賃款項

預付租賃款項指用作購入租賃土地權益之已付款項，乃按成本於綜合收益表列賬並按租賃年期以直線法解除。

投資物業

投資物業指持作賺取租金及／或資本增值之物業。

於初步確認時，投資物業按成本(包括任何直接應佔費用)計量。於初步確認後，投資物業採用公平值模式以公平值計量。因投資物業之公平值變動而產生之盈虧於變動產生期間計入盈利或虧損。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment properties (Continued)

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

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Impairment losses on tangible and intangible assets other than goodwill

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

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

4. 主要會計政策(續)

投資物業(續)

投資物業乃於出售後或在投資物業永久不再使用或預期出售物業不會產生未來經濟利益時取消確認。於取消確認該資產時產生之任何損益(以出售所得款項淨額與該資產之賬面值之差額計算)乃計入於該項目取消確認之年度之綜合收益表內。

借貸成本

收購、建造或生產合資格資產直接應佔之借貸成本乃資本化為該等資產之部分成本。當資產其後大致可供用作擬定用途或出售時，該等借貸成本將不再資本化。特定借貸有待用作合資格資產之開支前用作暫時投資所賺得之投資收入會自合資格資本化之借貸成本中扣除。

所有其他借貸成本乃於產生期間之損益表確認。

有形及無形資產(商譽除外)之減值虧損

本集團於各結算日審閱其資產之賬面值，衡量是否有跡象顯示該等資產已出現減值虧損。倘估計資產之可收回數額低於其賬面值，則會將資產賬面值降至其可收回數額。減值虧損隨即確認為開支。

倘其後減值虧損撥回，則資產之賬面值將增至重新估計之可收回數額，惟增加後之賬面值不得超過假設並無於過往年度就資產確認減值虧損而釐定之賬面值。減值虧損之撥回會即時確認為收入。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out basis.

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 in the consolidated income statement 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 as an expense on a straight-line basis over the lease term.

The Group as lessee

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

Retirement benefit costs

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

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date.

4. 主要會計政策(續)

存貨

存貨乃按成本及可變現淨值兩者之較低者入賬。成本乃按先入先出基準計算。

租賃

凡租約條款訂明有關資產擁有權之絕大部分風險及回報均轉移至承租人，則有關租約列為融資租約，除此之外所有其他租約分類為經營租約。

本集團作為出租人

經營租約項下之租金收入以直線法於相關租期確認記入綜合收益表。磋商及安排經營租約直接產生之初始成本計入出租資產之賬面值，並以直線法在租期確認為開支。

本集團作為承租人

經營租約項下之應付租金以直線法在有關租期內於損益表扣除。作為訂立經營租約獎勵之已收及應收利益以直線法在租期內扣減租金開支確認。

退休福利成本

國家管理之退休福利計劃及強制性公積金計劃之供款於僱員提供服務而有權享有該供款時列為開支。

外幣

在編製各個別集團個體之財務報表時，以該個體之功能貨幣以外之貨幣(外幣)計價之交易按交易日期之匯率以其功能貨幣(即個體經營業務之主要經濟環境之貨幣)記錄。在每一個結算日，以外幣為單位之貨幣性項目均按結算日之匯率再換算。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the re-translation of monetary items, are recognised in profit or loss in the period in which they arise.

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

Taxation

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

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

4. 主要會計政策(續)

外幣(續)

於結算貨幣性項目及換算貨幣性項目而產生之匯兌差額，會在其產生期間在損益表中確認。

於呈列綜合財務報表時，本集團於中華人民共和國(「中國」)其他部分之業務之資產及負債，按結算日之匯率換算為本公司之列報貨幣(即港元)，而其收入及支出則按年內之平均匯率換算，除非匯率在期間內大幅波動，在該情況下，則使用交易日期之匯率。所產生之匯兌差額(如有)，分類為權益之獨立組成部分(匯兌儲備)。該等匯兌差額將於有關中國業務出售之期間內確認為損益。

稅項

所得稅項開支是指當期應付稅項及遞延稅項之總額。

當期應付稅項是根據本年度之應課稅溢利計算。應課稅溢利與綜合收益表上呈報之溢利不同，乃由於應課稅溢利不包括其他年度之應課稅收入或可扣稅支出，亦不包括收益表內不需課稅及不可扣稅之項目。本集團當期稅項負債以結算日已制訂或實際採用之稅率計算。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

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

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

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

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

4. 主要會計政策(續)

稅項(續)

遞延稅項根據綜合財務報表資產及負債之賬面值及其用於計算應課稅溢利之相應稅基之間之差額而確認，並以資產負債表負債法計算。一般情況之下，所有因應課稅臨時差額而確認之遞延稅項負債均予確認，而遞延稅項資產則按將來應課稅溢利可用作抵銷可扣稅之臨時差額之限額內確認。如暫時性差額是由商譽或因初次確認某交易(業務合併除外)之其他資產及負債而產生，又不影響應課稅溢利及會計溢利，則不會確認此等遞延資產及負債。

於附屬公司及聯營公司之投資以及共同控制實體權益所產生應課稅臨時差額確認為遞延稅項負債，惟本集團能夠控制有關臨時差額之撥回及臨時差額有可能於可見將來不會轉回之情況則屬例外。

遞延稅項資產賬面值會於每個結算日審閱，並在應課稅溢利可能不足以收回該項資產之全部或部分時作出調減。

遞延稅項是根據預期負債償還或資產變現期間所適用之稅率計算。遞延稅項自損益表中扣除或計入損益表，惟倘遞延稅項與直接自股本中扣除或計入股本之項目相關，則遞延稅項將於股本中處理。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments

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

Financial assets

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

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL, of which interest income is excluded from net gains or losses.

4. 主要會計政策(續)

金融工具

當集團個體成為工具合約條款之一方時，會在資產負債表上確認金融資產及金融負債。金融資產和金融負債在初始確認時會以公平值進行計量。直接歸屬於購置或發行金融資產和金融負債(按公平值計入損益表之金融資產及金融負債除外)之交易費用在初始確認時計入或扣自各金融資產或金融負債(視何者適用而定)之公平值。直接歸屬於購置按公平值計入損益表之金融資產或金融負債之交易費用立即在損益表中確認。

金融資產

本集團旗下金融資產分為三類，包括按公平值計入損益表(「按公平值計入損益表」)之金融資產、可供出售金融資產以及貸款及應收款項。所有一般買賣之金融資產概於交易日予以確認及解除確認。一般買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

實際利率法

實際利率法乃計算金融資產攤銷成本及於相關期間分配利息收入之方法。實際利率乃確切折算於金融資產預期限或(倘適用)較短期間估計未來現金收款之利率，包括所有組成實際利率、交易成本以及其他溢價或貼現之即付或即收款項。

收入以債務工具之實際利率基準確認，惟指定為按公平值計入損益表之金融資產之利息收入則不會計入收益或虧損淨額。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at fair value through profit or loss

Financial assets at FVTPL represents financial assets held for trading.

A financial asset is classified as held for trading if it has been acquired principally for the purpose of selling in the near future.

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from associates/investees/a joint controlled entity/related parties/minority shareholders of subsidiaries/pledged bank deposits and bank balances are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. The Group designated debt host element of convertible bonds and certain unlisted investment as available-for-sale financial assets.

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

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益表之金融資產

按公平值計入損益表之金融資產指持作買賣之金融資產。

主要就短期銷售而購入之金融資產將被分類為持作買賣。

於初步確認後各個結算日，按公平值計入損益表之金融資產以公平值計量，公平值變動則於其產生期間在損益表直接確認。於損益表確認之收益或虧損淨額不包括金融資產項下任何股息或利息。

貸款及應收款項

貸款及應收款項為在活躍市場上並無報價而具有固定或待定期額之非衍生金融資產。於初次確認後各個結算日，貸款及應收款項(包括應收賬款及其他應收款項、應收聯營公司/被投資公司/共同控制實體/有關聯公司/附屬公司少數股東之款項、已抵押銀行存款及銀行結餘)以實際利率法按攤銷成本減任何已確認減值虧損列賬(見下文有關金融資產減值虧損之會計政策)。

可供出售金融資產

可供出售金融資產乃指定為或並非分類為按公平值計入損益表之金融資產、貸款及應收款項或持至到期投資之非衍生工具。本集團指定可換股債券之債務部分及若干非上市投資為可供出售金融資產。

於初步確認後各個結算日，可供出售金融資產按公平值計量。公平值變動於股本內確認，直至出售金融資產或釐定為減值為止，屆時以往於股本內確認之累計收益或虧損從股本剔除，並於損益表內確認(見下文有關金融資產減值虧損之會計政策)。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets (Continued)

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

Impairment of financial assets

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

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

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

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

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

可供出售金融資產(續)

至於並無於活躍市場報價且公平值未能可靠計量之可供出售股本投資以及連繫並必須以寄交有關無報價股本工具作為結算方式之衍生工具，則於初步確認後之各結算日按成本減去任何已認定之減值虧損計量(見下文有關金融資產減值虧損之會計政策)。

金融資產減值

除按公平值計入損益表之金融資產外，各個結算日均會就金融資產進行減值跡象評估。當有客觀證據證明金融資產於初步確認後出現一項或多項影響投資之預計未來現金流量之事項，則金融資產將被視為出現減值。

就分類作可供出售股本投資而言，倘有關投資之公平值顯著下降或持續低於其成本，則被視為減值之客觀證據。

就所有其他金融資產而言，減值之客觀證據包括：

- 發行人或交易方有重大財務困難；或
- 利息或本金付款出現逾期或拖欠情況；或
- 借款人有可能申請破產或進行財務重組。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For certain categories of financial asset, such as trade and other receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 to 240 days, observable changes in national or local economic conditions that correlate with default on receivables.

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

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

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

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就應收賬款及其他應收款項等若干種類金融資產而言，個別評估時獲評為未有減值之資產其後進行集體減值評估。有關應收款項組合減值之客觀證據包括集團過往收取款項情況、組合中60天至240天平均信貸期已過之延誤付款數目增加，以及與拖欠應收款項相關之全國或本地經濟狀況錄得顯著變動。

就以攤銷成本列值之金融資產而言，倘有客觀證據證明資產減值，有關減值虧損按資產賬面值與預計未來現金流量現值(經原有實際利率折算)間之差額計算得出並於損益表確認。

就以成本列值之金融資產而言，減值虧損數額乃按資產賬面值與預計未來現金流量現值(經類似金融資產目前之市場回報率折算)間之差額計算得出。有關減值虧損將不會於其後撥回。

除於撥備賬戶扣除賬面值之應收賬款及其他應收款項以及應收聯營公司款項外，所有金融資產之賬面值經減值虧損直接扣除。備抵賬戶之賬面值變動於損益表確認。倘應收賬款或其他應收款項以及應收聯營公司款項被評為無法收回，則有關款項與備抵賬戶對銷。其後收回過往所撇銷之款項將計入損益表。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments *(Continued)*

Financial assets (Continued)

Impairment of financial assets *(Continued)*

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

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

Financial liabilities and equity

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

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

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就以攤銷成本計量之金融資產而言，倘於其後期間減值虧損之數額減少，而此項減少可客觀地與確認減值虧損後發生之某一事件聯繫，則先前確認之減值虧損於損益表中予以撥回，惟於撥回減值當日之資產賬面值不得超逾假設未確認減值時原應有之已攤銷成本。

可出售股本投資之減值虧損不會於其後期間在損益表撥回。減值虧損經確認後出現之任何公平值增加於股本直接確認。就按成本值列值之可出售無報價股本投資而言，倘有關投資之公平值增加，而有關增加與減值虧損確認後出現之事項客觀相關，則已確認之減值虧損不會於其後撥回。

金融負債及股本權益

本集團發行之金融負債和股本權益工具根據所訂立之合約安排之實質內容以及金融負債和股本權益工具之定義而歸類。

股本權益工具乃證明本集團資產經扣除其所有負債後之餘額權益之任何合約。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments *(Continued)*

Financial liabilities and equity (Continued)

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities including, trade and other payables, amounts due to minority shareholders of subsidiaries/an investee and related parties, bank and other borrowings are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

Embedded derivatives

Derivatives embedded in non-derivative host contracts are separated from the relevant hosts and deemed as held-for-trading when the economic characteristic and risks of the embedded derivatives are not closely related to those of the host contracts, and the combined contracts are not measured at fair value though profit or loss.

Derecognition

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

4. 主要會計政策(續)

金融工具(續)

金融負債及股本權益(續)

實際利率法

實際利率法乃計算金融負債之攤銷成本及按有關期間攤分利息開支之方法。實際利率乃將估計日後現金付款按金融負債之預計年期，或較短期間(倘適用)實際折現之利率。

利息開支以實際利率基準確認。

金融負債

金融負債包括應付賬款及其他應付款項、應付附屬公司少數股東／一家投資公司及有關聯公司款項以及銀行及其他借貸，其後運用實際利率法以經攤銷成本計量。

股本權益工具

本公司發行之股本權益工具乃按實得款項(扣除直接發行成本)入賬

內含衍生工具

倘內含衍生工具與主合約之經濟特徵及風險並非密切相關，非衍生主合約內含之衍生工具與有關主合約分開列賬及被視作持作買賣項目，且合併合約不會按公平值計入損益表內。

解除確認

當從資產收取現金流之權利屆滿時，或金融資產已轉讓而本集團實質上已將與金融資產有關之所有權幾乎全部風險和報酬轉移，即會解除確認該項金融資產。於解除確認金融資產時，資產之賬面值與接獲之代價與已直接在權益中確認之累積損益之總和兩者之差額會在損益表中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments *(Continued)*

Derecognition *(Continued)*

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

Equity-settled share-based payment transactions

The fair value of services received from employees determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share options reserve).

At the time when the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will continue to be held in share options reserve.

4. 主要會計政策(續)

金融工具(續)

解除確認(續)

金融負債乃於有關合約中規定之義務解除、取消或到期時解除確認。解除確認之金融負債之賬面值與已付或應付之代價之間之差額會在損益表中確認。

以股權結算股份為基礎支付之交易

自僱員所獲服務之公平值乃參考購股權於授出日期之公平值釐定，於購股權即時歸屬時全數在授出日期確認為支出，並於權益(購股權儲備)中作相應增加。

購股權獲行使時，過往於購股權儲備確認之數額將轉撥至股份溢價。當購股權被沒收或於到期日期仍未行使，則過往於購股權儲備確認之數額將繼續維持於購股儲備內。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and others factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at 31st March, 2008 and the details of the recoverable amount calculation are disclosed in note 24.

Estimated fair value of embedded derivatives

Determining the fair value of embedded derivative requires estimation on the assumption used in Binomial model and The Black-Scholes Pricing Model. The Binomial model and The Black-Scholes Pricing Model requires the Group to estimate volatilities of the share price and a suitable discount rate in order to calculate the fair value. As at 31st March, 2008, the fair values of conversion options and early redemption options embedded in convertible bonds are HK\$126,648,922 (2007: HK\$182,405,395) and HK\$14,554,938 (2007: HK\$912,839) respectively. Details of the calculation are disclosed in note 37.

5. 估計涉及不確定性之主要來源

於應用附註4所述本集團會計政策時，本公司董事須就無法即時從其他途徑獲取資產及負債之賬面值作出估計及假設。有關估計及相關假設乃基於過往經驗及其他被視為相關之因素作出。實際結果可能不同於該等估計。

該等估計及相關假設按持續基準進行檢討。如修訂該等會計估計只影響修訂期間，則該等估計在該期間確認，如有關修訂影響現時及未來期間，則在修訂期間及未來期間確認。

以下有關未來之主要假設，以及於結算日估計不明朗因素之其他主要來源等重大風險，可能導致對下一財政年度資產負債賬面值作出重大調整。

商譽減值

釐定商譽是否出現減值時，需要估計商譽獲分配之現金產生單位之使用中價值。使用中價值計算需要本集團估計現金產生單位預期產生之未來現金流量及合適貼現率，以計算現值。於二零零八年三月三十一日之商譽賬面值及可收回金額計算之詳情披露於附註24。

內含衍生工具之估計公平值

釐定內含衍生工具之公平值要求對二項式模式及柏力克－舒爾斯定價模式所用之假定進行估計。為計算公平值，二項式模式及柏力克－舒爾斯定價模式要求本集團估計股價之變動及適當之貼現率。於二零零八年三月三十一日，可換股債券所附之換股權及提早贖回權之公平值分別為126,648,922港元(二零零七年：182,405,395港元)及14,554,938港元(二零零七年：912,839港元)。計算詳情披露於附註37。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Impairment loss on amount due from a jointly controlled entity

Management regularly reviews the recoverability of the amount due from a jointly controlled entity. Appropriate impairment for estimated irrecoverable amount is recognised in profit and loss when there is objective evidence that the amount is not recoverable. Specific allowance is only made for the amount due from a jointly controlled entity that are unlikely to be collected and is recognised based on the estimation of the future cash flow expected to receive and a suitable discount rate in order to calculate the present value. As at 31st March, 2008, the amount due from a jointly controlled entity amounted to HK\$33,706,096 (2007: Nil).

Impairment loss on trade receivables

The policy for allowance for bad or doubtful debts of the Group is based on the evaluation of collectability of accounts and on management's estimate. In determining whether impairment is required, the Group takes into consideration the likelihood of collection. Specific allowance is only made for receivables that are unlikely to be collected and is recognised on the difference between the estimated future cash flow expected to receive discounted using the original interest rate and the carrying value.

Allowance for obsolete inventories

The management of the Group reviews the aged analysis at each balance sheet date and identified the slow-moving inventory items that are no longer suitable for use in production or sale. The management estimates the net realisable value for finished goods based primarily on the latest invoice prices and current market conditions. In addition, the Group carries out an inventory review on a product-by-product basis at balance sheet date and makes the necessary allowance for obsolete items.

5. 估計涉及不確定性之主要來源(續)

應收一家共同控制實體款項之減值虧損

管理層定期檢討應收一家共同控制實體款項之可收回性。倘出現客觀證據顯示有關款項將不可收回時，則會就估計不可收回款額作出適當減值並於損益表確認。本集團僅會就不太可能收回之應收一家共同控制實體款項作出特定撥備，並按預期可收回之估計未來現金流量及用以計算現值之適用貼現率作出確認。於二零零八年三月三十一日，應收一家共同控制實體款項為33,706,096港元(二零零七年：無)。

應收賬款減值虧損

本集團的呆壞賬撥備政策乃基於賬款的估計可收回情況及管理層判斷。於釐定是否需要作出減值時，本集團考慮收回賬款之可能性。僅會就不大可能收回之應收款項作出特定撥備，並按估計將收回未來現金流量按原來實際利率貼現價值與賬面值差額確認。

撇減陳舊存貨

管理層於各結算日檢討賬齡分析，並對已確定不再適合用作生產之滯銷存貨項目作出撥備。管理層主要根據最近期發票價格及當時市況估計製成品的可變現淨值。本集團於各結算日檢討各項產品的存貨量，並會就陳舊項目作出所需撥備。

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6. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of debt, which includes the amounts due to related parties disclosed in note 42, the borrowings disclosed in note 43, and equity attributable to equity holders of the Company, comprising issued share capital and accumulated profits.

6. 資本風險管理

本集團管理資本之目標為保障本集團持續經營之能力，並透過優化債務及權益結餘為股東帶來最佳回報。於過往年度，本集團整體策略維持不變。

本集團之資本結構包括債務，其中包括附註42所披露應付有關聯公司之款項、附註43所披露借貸，以及由已發行股本及累計溢利組成之本公司股權持有人應佔權益。

7. FINANCIAL INSTRUMENTS

7a. Categories of financial instruments

7. 金融工具

7a. 金融工具之分類

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Financial assets	金融資產		
Fair value through profit or loss ("FVTPL")	按公平值計入損益表 (「按公平值計入損益表」)		
– Held for trading investments	– 持作買賣	–	21,021,288
– Conversion options embedded on convertible bonds investments classified as held for trading	– 分類為持作買賣之 可換股債券投資 所附換股權		
Available for sale investments	可出售投資	126,648,922	182,405,395
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金 等值項目)	350,099,963	53,243,220
		267,483,406	164,482,712
Financial liabilities	金融負債		
Amortised cost	攤銷成本		
Early redemption option embedded in convertible bonds investment classified as held for trading	分類為持作買賣之 可換股債券投資 所附提早贖回權	174,674,507	90,745,805
		14,554,938	912,839

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7. FINANCIAL INSTRUMENTS (Continued)

7b. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, amounts due from/to associates, investees, a jointly controlled entity, related parties, minority shareholders of subsidiaries, pledged bank deposits, bank balances and cash, trade and other payables, bank and other borrowings and obligations under finance leases. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

(i) *Interest rate risk*

The Group is exposed to cash flow interest rater risk in relation to variable-rate bank deposits, bank borrowings and exposed to fair value interest rate risk in relation to the debt element of the Convertible Bonds I and III in Hong Kong Health Check and the convertible bonds ("Convertible Bonds V") in Core Healthcare Investment Holdings Limited ("Core Healthcare") (included in available-for-sale investments). The Group maintains a mixture of variable rate and fixed rate borrowings and monitors the interest rate risk exposure closely and may enter any hedging activities if the need arises. The directors consider the Group's exposure of the bank deposits and bank borrowings to fair value interest rate risk are not significant as most deposits and borrowings bear variable interest rate.

7. 金融工具

7b. 金融風險管理目標及政策

本集團主要金融工具包括應收賬款及其他應收款項、應收／應付聯營公司、被投資公司；一家共同控制實體、有關聯公司、附屬公司少數股東款項；已抵押銀行存款、銀行結餘及現金、應收賬款及其他應收款項、銀行及其他借貸，以及融資租約承擔。此等金融工具之詳情於有關附註披露。與此等金融工具有關之風險包括市場風險（貨幣風險、利率風險及其他價格風險）、信貸風險及流動資金風險。有關減低相關風險之政策載於下文。管理層管理及監控該等風險，確保及時採取有效適當措施。

市場風險

本集團所面對市場風險或管理及計量有關風險之方法概無變動。

(i) *利率風險*

本集團就浮息銀行存款及銀行借貸承受現金流量利率風險，並就已計入可供出售投資的香港體檢之可換股債券I及可換股債券III以及確思醫藥投資控股有限公司（「確思醫藥」）之可換股債券（「可換股債券V」）的負債部分承受公平值利率風險。本集團保持浮息及定息借貸，並密切監察面對之利率風險及於需要時進行對沖活動。董事認為，本集團銀行存款及銀行借貸面之公平值利率風險甚微，因大部分存款及借貸均以浮動利率計息。

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7. FINANCIAL INSTRUMENTS (Continued)

7b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Interest rate risk (Continued)

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of prime rate arising from the Group's HK\$ borrowings.

Sensitivity analysis

- (i) The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the balance sheet date. For variable-rate bank balances and bank borrowings, the analysis is prepared assuming the amounts outstanding at the balance sheet date were outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31st March, 2008 would decrease/increase by approximately HK\$931,000 (2007: decrease/increase by approximately HK\$413,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank balances and bank borrowings.

7. 金融工具(續)

7b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 利率風險(續)

本集團就金融負債所承受之利率風險載於本附註流動資金風險管理一節。本集團之現金流量利率風險主要集中於本集團港元借貸產生之最優惠利率波動。

敏感度分析

- (i) 下文之敏感度分析乃根據於結算日之衍生及非衍生工具利率風險釐定。就浮息銀行結餘及銀行借貸而言，分析乃按照於結算日之未償還負債金額於整年均未償還的假設編製。於內部向主要管理人員報告利率風險時上調或下調50個基點，而有關幅度乃管理層對匯率可能出現之合理變動作出之評估。

倘利率上調／下調50個基點，而所有其他變數維持不變，本集團截至二零零八年三月三十一日止年度之溢利將會減少／增加約931,000港元（二零零七年：減少／增加約413,000港元），主要由於本集團承擔其浮息銀行結餘及銀行借貸之利率風險所致。

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7. FINANCIAL INSTRUMENTS (Continued)

7b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Interest rate risk (Continued)

Sensitivity analysis (Continued)

(II) The sensitivity analyses below have been determined based on the exposure to interest rates for the debt element of convertible bonds in Hong Kong Health Check and Core Healthcare at the balance sheet date. The analysis is prepared assuming the amount of the outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's investment revaluation reserve would decrease/increase by approximately HK\$4,325,000 (2007: HK\$696,000). This is mainly attributable to the Group's exposure to interest rates on its debt element of convertible bonds in Hong Kong Health Check and Core Healthcare.

(ii) Price risk on listed securities under available-for-sale investments

The Group is exposed to equity price risk through its investments held for trading and derivative financial instruments. The Group's equity price risk is mainly concentrated on listed equity instruments quoted in the respective Stock Exchanges and unlisted equity instruments. The management manages this exposure by closely monitoring the price risk and maintaining a portfolio of investments with different risks.

7. 金融工具(續)

7b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 利率風險(續)

敏感度分析(續)

(II) 下文之敏感度分析乃根據於結算日就香港體檢及確思醫藥之債券當中負債部分的利率風險釐定。分析乃按照於結算日之未轉換金額於整年均未轉換的假設編製。於內部向主要管理人員報告利率風險時上調或下調50個基點，而有關幅度乃管理層對匯率可能出現之合理變動作出之評估。

倘利率上調／下調50個基點，而所有其他變數維持不變，本集團之投資重估儲備將會減少／增加約4,325,000港元（二零零七年：696,000港元），主要由於本集團就香港體檢及確思醫藥之債券當中負債部分承擔利率風險所致。

(ii) 計入可出售投資的上市證券之價格風險

本集團就其持作買賣投資及衍生金融工具承受股本價格風險。本集團之股本價格風險主要集中於在有關證券交易所報告的上市股本工具及非上市股本工具。管理層透過密切監察價格風險及維持具有不同風險的投資組合管理此等風險。

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7. FINANCIAL INSTRUMENTS (Continued)

7b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

- (ii) *Price risk on listed securities under available-for-sale investments (Continued)*

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks of investments held for trading at the reporting date.

If the prices of the respective equity instruments had been 5% higher/lower, profit for the year ended 31st March, 2008 would decrease/increase by HK\$2,434,269 (2007: increase/decrease by HK\$121,438) as a result of the changes in fair value of financial assets at fair value through profit or loss.

- (iii) *Price risk on conversion option/early redemption embedded in convertible bonds*

The Group is required to estimate the fair value of the conversion option embedded in the convertible bonds at each balance sheet date with changes in fair value to be recognised in the consolidated income statements as long as the convertible bonds are outstanding. The fair value adjustment will be affected either positively or negatively, amongst others, by the changes in share price volatility of Hong Kong Health Check and Core Healthcare, the convertible bonds issuers.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to the change of share price of Hong Kong Health Check and Core Healthcare at the reporting date only.

7. 金融工具(續)

7b. 金融風險管理目標及政策(續)

市場風險(續)

- (ii) 計入可出售投資的上市證券之價格風險(續)

敏感度分析

下文之敏感度分析乃按照於報告日期持作買賣投資所承受的股本價格風險編製。

倘有關股本工具之價格上升／下跌5%，截至二零零八年三月三十一日止年度之溢利將會由於按公平值計入損益表之金融資產公平值變動而減少／增加2,434,269港元（二零零七年：增加／減少121,438港元）。

- (iii) 可換股債券所附換股權／提早贖回權之價格風險

在可換股債券未獲轉換期間，本集團須於各結算日估計可換股債券所附換股權之公平值，並於綜合收益表確認公平值變動。公平值調整將會由於(其中包括)可換股債券發行人香港體檢及確思醫藥之股價變動而受正面或負面影響。

敏感度分析

下文之敏感度分析僅按照就香港體檢及確思醫藥股價變動承受之風險釐定，原因為本公司董事認為市場利率變動將不會對換股權之公平值構成重大財務影響。

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7. FINANCIAL INSTRUMENTS (Continued)

7b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

- (iii) *Price risk on conversion option/early redemption embedded in convertible bonds (Continued)*

Sensitivity analysis (Continued)

If the share prices of Hong Kong Health Check and Core Healthcare had been 5% higher/lower and all other variables were held constant, the Group's profit for the year (as a result of changes in fair value of conversion option and early redemption option components of convertible bonds, would increase/decrease by HK\$7,014,346 (2007: HK\$8,369,930).

In management's opinion, the sensitivity analyses are unrepresentative of the inherent market risk as the pricing model used in the fair value valuation of the conversion option and early redemption component of convertible bonds involves multiple variables and certain variables are interdependent.

Credit risk

As at 31st March, 2008, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to perform an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

7. 金融工具(續)

7b. 金融風險管理目標及政策(續)

市場風險 (續)

- (iii) *可換股債券所附換股權/提早贖回權之價格風險(續)*

敏感度分析 (續)

倘香港體檢及確思醫藥之股價上升/下跌5%，而所有其他變數維持不變，本集團於本年度之溢利將會由於可換股債券換股權及提早贖回權部分之公平值變動而增加/減少7,014,346港元(二零零七年：8,369,930港元)。

管理層認為，由於可換股票債券換股權及提早贖回部分之公平值估值所用之定價模式涉及多項變數，而且若干變數是互相關連，所以敏感度分析不反映內在之市場風險。

信貸風險

於二零零八年三月三十一日，因交易方未能履行責任而對本集團造成財務損失之最大信貸風險為綜合資產負債表內所列各項已確認金融資產之賬面值。

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For the year ended 31st March, 2008
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7. FINANCIAL INSTRUMENTS (Continued)

7b. Financial risk management objectives and policies (Continued)

Credit risk (Continued)

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

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

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong, which accounted for 100% (2007: 82%) of the total trade receivables as at 31st March, 2008. In addition, the Group has concentration risk on the amount due from a jointly controlled entity amounted to HK\$33,706,096 (2007: Nil). The Group also has concentration of credit risk by customer as 56% (2007: 52%) and 45% (2007: 29%) of the total trade receivables were due from the Group's five largest customers and largest customer respectively.

Liquidity risk

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

The Group relies on bank borrowings as significant sources of liquidity. Details of which are set out in note 43. As at 31st March, 2008, the Group has available unutilised short-term bank loan facilities of approximately HK\$29,699,000 (2007: HK\$9,976,000).

7. 金融工具(續)

7b. 金融風險管理目標及政策(續)

信貸風險(續)

為減低信貸風險，本集團管理層已委派隊伍負責釐定信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期債項。此外，本集團於各結算日檢討各個別貿易債項之可收回數額，以確保就未能收回數額確認足夠減值虧損。就此而言，本公司董事認為本集團信貸風險已大幅減少。

由於交易方均為獲國際信用評級公司給予高信用評級之銀行，故流動資金之信貸風險十分有限。

本集團按地區劃分之信貸風險主要集中於香港，於二零零八年三月三十一日，佔應收賬款總額100%（二零零七年：82%）。此外，本集團於應收一家共同控制實體款項之33,706,096港元中存有集中風險（二零零七年：無）。本集團亦就其五大客戶及最大客戶承擔客戶信貸風險，分別佔應收賬款總額56%（二零零七年：52%）及45%（二零零七年：29%）。

流動資金風險

就流動資金風險管理方面，本集團監察並維持管理層視為足夠之現金及現金等值項目水平，以就本集團營運撥充資金及減低現金流量波動之影響。管理層亦監察銀行借貸之用途，確保符合貸款契諾之規定。

本集團將銀行借貸視為流動資金之重要來源，有關詳情載於附註43。於二零零八年三月三十一日，本集團有尚未動用短期銀行貸款融資約29,699,000港元（二零零七年：9,976,000港元）。

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7. FINANCIAL INSTRUMENTS (Continued)

7b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

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

Liquidity and interest risk tables

		Weighted average effective interest rate	Less than 3 months	3-6 months	6 months to 1 year	1-5 years	Total undiscounted cash flows	Carrying amount at 31.3.2008
							未貼現 現金流量 總計	於二零零八年 三月三十一日 之賬面值
		加權平均 實際利率	少於 三個月	三至 六個月	六個月 至一年	一至五年	HK\$ 港元	HK\$ 港元
2008	二零零八年							
Non-derivative financial liabilities:	非衍生金融負債：							
Trade and other payables	應付賬款及其他							
	應付款項		8,273,596	-	-	-	8,273,596	8,273,596
Amounts due to minority shareholders of subsidiaries	應付附屬公司 少數股東款項		5,679,762	-	-	-	5,679,762	5,679,762
Amounts due to related parties	應付有關聯 公司款項	1%	50,204,651	-	-	-	50,204,651	50,119,726
Amount due to an investee	應付一家被投資 公司款項		1,259,555	-	-	-	1,259,555	1,259,555
Bank and other borrowings - variable rate (2% - 6.45%)	銀行及其他借貸 - 浮動利率 (2厘至6.45厘)	4.23%	86,808,894	707,483	1,414,967	24,144,248	113,075,592	109,341,868
			152,226,458	707,483	1,414,967	24,144,248	178,493,156	174,674,507
Early redemption option embedded in convertible bonds	可換股債券所附 提早贖回權		14,554,938	-	-	-	14,554,938	14,554,938
			166,781,396	707,483	1,414,967	24,144,248	193,048,094	189,229,445

7. 金融工具(續)

7b. 金融風險管理目標及政策(續)

流動資金風險(續)

下表詳列本集團金融負債之餘下合約年限。就非衍生金融負債而言，下表乃根據本集團旗下最早到期金融負債之未貼現現金流量編製而成，並包含利率及本金現金流量。

現金流量及利率風險表

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7. FINANCIAL INSTRUMENTS (Continued)

7b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity and interest risk tables (Continued)

		Weighted average effective interest rate 加權平均 實際利率	Less than 3 months 少於 三個月 HK\$ 港元	3-6 months 三至 六個月 HK\$ 港元	6 months to 1 year 六個月 至一年 HK\$ 港元	1-5 years 一至五年 HK\$ 港元	Total undiscounted cash flows 未折算 現金流量 總計 HK\$ 港元	Carrying amount at 31.3.2007 於二零零七年 三月三十一日 之賬面值 HK\$ 港元
2007	二零零七年							
Non-derivative financial liabilities:	非衍生金融負債							
Trade and other payables	應付賬款及其他 應付款項		25,142,512	-	-	-	25,142,512	25,142,512
Amounts due to minority shareholders of subsidiaries	應付附屬公司 少數股東款項		11,541,974	-	-	-	11,541,974	11,541,974
Amounts due to related parties	應付有關聯公司 款項		914,859	-	-	-	914,859	914,859
Obligations under finance leases	融資租約承擔		21,407	11,400	22,800	68,959	124,566	124,007
Bank and other borrowings - variable rate (5.2% - 5.7%)	銀行及其他借貸 - 浮動利率 (5.2厘至5.7厘)	5.45%	26,056,986	794,841	1,589,682	26,185,365	54,626,874	53,022,453
			63,677,738	806,241	1,612,482	26,254,324	92,350,785	90,745,805
Early redemption option embedded in convertible bonds	可換股債券所附 提早贖回權		912,839	-	-	-	912,839	912,839
			<u>64,590,577</u>	<u>806,241</u>	<u>1,612,482</u>	<u>26,254,324</u>	<u>93,263,624</u>	<u>91,658,644</u>

7c. Fair value

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

- the fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid price;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input; and

7. 金融工具(續)

7b. 金融風險管理目標及政策(續)

市場風險(續)

現金流量及利率風險表(續)

7c. 公平值

金融資產及金融負債之公平值釐定如下：

- 受標準條款及條件規管及於活躍流動市場報價之金融資產之公平值乃分別參考所報市場買盤價釐定；
- 其他金融資產及金融負債(不包括衍生工具)之公平值乃根據現時可觀察市場交易價格按一般公認計價模式釐定；及

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7. FINANCIAL INSTRUMENTS (Continued)

7c. Fair value (Continued)

- for an option-based derivative, the fair value is estimated using either the Binomial or Black-Scholes model and the fair value of derivative instruments are calculated with reference to the valuation carried out by Greater China Appraisal Limited ("GCAL"), an independent firm of professional valuers not connected with the Group. GCAL possess appropriate qualifications and recent experiences in the valuation of similar derivative instruments.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at either amortised cost or fair value through profit or loss in the consolidated financial statements approximate their fair values.

8. REVENUE

Revenue represents the aggregate of the net amounts received and receivable from third parties for the year. An analysis of the Group's revenue for the year, for both continuing and discontinued operations, is as follows:

Continuing operations:	持續經營業務：
Provision of healthcare and dental services	提供醫療保健及牙科服務
Sales of healthcare and pharmaceutical products	銷售保健產品及藥品
Others	其他
Discontinued operation:	終止經營業務：
Sale of cardiology and peripheral vascular related surgical equipment	銷售心臟科及周邊血管相關外科手術儀器

7. 金融工具(續)

7c. 公平值(續)

- 換股權衍生工具之公平值乃採用二項式模式或柏力克－舒爾斯模式作出估計，而衍生工具之公平值經參照漢華評值有限公司(「漢華」，與本集團無關連之獨立專業估值師)進行之估值計算。漢華在評估類似衍生工具方面擁有適合之資格及近期經驗。

董事認為，於綜合財務報表內按攤銷成本或公平值列賬之金融資產及金融負債之賬面值與其公平值相若。

8. 收入

收入乃指本年度自第三方已收及應收款項淨額之總額。本年度本集團就持續經營及終止經營業務之收入分析如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
266,561,450	187,200,428
46,878,693	21,392,280
25,382,471	27,960,823
338,822,614	236,553,531
35,189,099	39,074,037

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9. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into three major operating divisions – (1) provision of healthcare and dental services, (2) sales of healthcare and pharmaceutical products and (3) others. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

- Provision of healthcare and dental services – Operations of the Group's medical and dental practices.
- Sales of healthcare and pharmaceutical products – Sales of healthcare and pharmaceutical products including radioactive isotopes for medical uses.
- Others – Catering services and provision of design, promotion, advertising and public relationship services.

The Group was also involved in the sales of cardiology and peripheral vascular related surgical equipment ("Cardiology Operation"). The Cardiology Operation was discontinued on 10th March, 2008 (See note 17).

9. 業務及地區分類

業務分類

為方便管理，本集團現將業務分為三大經營分部，分別為：(1)提供醫療保健及牙科服務；(2)銷售保健產品及藥品；及(3)其他。此等分部為本集團呈報其主要分類資料之基礎。

主要業務如下：

- 提供醫療保健及牙科服務 – 經營本集團之西醫及牙醫診所。
- 銷售保健產品及藥品 – 銷售保健產品及藥品，包括醫療用放射性同位素。
- 其他 – 膳食服務及提供設計、宣傳、廣告及公關服務。

本集團亦從事銷售心臟科及周邊血管相關外科技術儀器業務(「心臟科業務」)。心臟科業務已於二零零八年三月十日終止經營(見附註17)

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9. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

For the year ended 31st March, 2008

9. 業務及地區分類(續)

業務分類(續)

截至二零零八年三月三十一日止年度

		Continuing operations			Total	Discontinued	Consolidated
		持續經營業務				已終止業務	
		Provision of healthcare and dental services	Sales of healthcare and pharmaceutical products	Others		Sales of cardiology and peripheral vascular related surgical equipment	
		提供醫療保健 及牙科服務	銷售保健產品 及藥品	其他	總計	銷售心臟科及 周邊血管相關 外科手術儀器	綜合
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
REVENUE	收入	266,561,450	46,878,693	25,382,471	338,822,614	35,189,099	374,011,713
RESULTS	業績						
Segment results	分類業績	33,007,231	30,360,515	(6,636,978)	56,730,768	(3,554,930)	53,175,838
Other income	其他收入				38,233,637	2,122,617	40,356,254
Unallocated corporate expense	未分配集團開支				(20,211,848)	(117,005)	(20,328,853)
Finance costs	融資成本				(5,314,150)		(5,314,150)
Gain on disposal/deemed disposal of associates	出售/被視為出售聯營公司之收益	31,371,779	-	-	31,371,779		31,371,779
Gain on disposal of subsidiaries	出售附屬公司之收益	2,535,717	-	-	2,535,717	2,564,187	5,099,904
Share of results of associates	應佔聯營公司業績	8,029,591	-	-	8,029,591		8,029,591
Share of result of a jointly controlled entity	應佔一家共同控制實體業績	235,641,714	-	-	235,641,714	-	235,641,714
Loss on fair value changes of conversion options and early redemption features embedded in convertible bonds	可換股債券所附換股權及提早贖回機制之公平值變動虧損				(101,825,212)		(101,825,212)
Impairment loss recognised in respect of interests in associates	確認於聯營公司之權益之減值虧損	(5,579,609)	-	-	(5,579,609)		(5,579,609)
Gain on early redemption of convertible bonds	提早贖回可換股債券之收益				28,313,542		28,313,542
Increase in fair value of investment properties	投資物業公平值增加				4,050,000		4,050,000
Profit before tax	除稅前溢利				271,975,929	1,014,869	272,990,798
Income tax expenses	所得稅開支				(11,812,197)	(188,486)	(12,000,683)
Profit for the year	年度溢利				260,163,732	826,383	260,990,115

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9. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

For the year ended 31st March, 2008

9. 業務及地區分類(續)

業務分類(續)

截至二零零八年三月三十一日止年度

		Continuing operations			Discontinued operation		Consolidated
		持續經營業務			已終止業務		
		Provision of healthcare and dental services	Sales of healthcare and pharmaceutical products	Others	Total	Sales of cardiology and peripheral vascular related surgical equipment	
		提供醫療保健及牙科服務	銷售保健產品及藥品	其他	總計	銷售心臟科及周邊血管相關外科手術儀器	綜合
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
ASSETS	資產						
Segment assets	分類資產	315,427,856	29,927,542	3,548,859	348,904,257	-	348,904,257
Interests in associates	於聯營公司之權益	134,501,833	-	-	134,501,833	-	134,501,833
Interest in a jointly controlled entity	於一家共同控制實體之權益	233,509,592	-	-	233,509,592	-	233,509,592
Unallocated assets	未分配資產						590,560,991
Total assets	總資產						<u>1,307,476,673</u>
LIABILITIES	負債						
Segment liabilities	分類負債	22,518,524	754,980	1,308,295	24,581,799	-	24,581,799
Unallocated liabilities	未分配負債						<u>203,639,288</u>
Total liabilities	總負債						<u>228,221,087</u>
OTHER INFORMATION	其他資料						
Capital expenditure	資本開支	59,505,197	1,029,390	965,287	61,499,874	167,712	61,667,586
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	7,499,692	1,881,978	643,529	10,025,199	247,384	10,272,583
Impairment loss recognised in respect of:	就以下項目確認之減值虧損：						
- goodwill arising on acquisition of subsidiaries, and healthcare and dental practices	- 收購附屬公司、西醫及牙醫診所所得商譽	4,951,305	-	-	4,951,305	-	4,951,305
- amounts due from associates	- 應收聯營公司款項	2,787,464	-	-	2,787,464	-	2,787,464
- trade and other receivables	- 應收賬款及其他應收款項	167,506	-	-	167,506	-	167,506
- inventories	- 存貨	-	-	-	-	1,471,754	1,471,754
- unlisted securities	- 非上市證券	1,999,102	-	-	1,999,102	-	1,999,102
Release of prepaid lease payments	發還預付租賃款項	242,179	-	-	242,179	-	242,179

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9. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

For the year ended 31st March, 2007

9. 業務及地區分類(續)

業務分類(續)

截至二零零七年三月三十一日止年度

		Continuing operations 持續經營業務			Discontinued operation 已終止業務		
		Provision of healthcare and dental services 提供醫療保健 及牙科服務	Sales of healthcare and pharmaceutical products 銷售保健產品 及藥品	Others 其他	Total 總計	Sales of cardiology and peripheral vascular related surgical equipment 銷售心臟科及 周邊血管相關 外科手術儀器	Consolidated 綜合
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
REVENUE	收入	<u>187,200,428</u>	<u>21,392,280</u>	<u>27,960,823</u>	<u>236,553,531</u>	<u>39,074,037</u>	<u>275,627,568</u>
RESULTS	業績						
Segment results	分類業績	<u>23,998,835</u>	<u>9,618,092</u>	<u>(1,310,917)</u>	<u>32,306,010</u>	<u>(22,351,314)</u>	9,954,696
Other income	其他收入				62,397,352	471,295	62,868,647
Unallocated corporate expense	未分配集團開支				(19,658,599)	–	(19,658,599)
Finance costs	融資成本				(3,491,133)	–	(3,491,133)
Gain on disposal of associates	出售聯營公司之收益	1,915,423	–	–	1,915,423	–	1,915,423
Share of results of associates	應佔聯營公司業績	2,739,050	–	–	2,739,050	–	2,739,050
Gain on fair value changes of conversion options and early redemption features embedded in convertible bonds	可換股債券所附換股權及提早贖回機制之公平值變動收益				165,430,203	–	165,430,203
Impairment loss recognised in interests in associates	確認於聯營公司權益之減值虧損	(588,008)	–	–	(588,008)	–	(588,008)
Increase in fair value of investment properties	投資物業公平值增加				2,300,000	–	2,300,000
Profit (loss) before tax	除稅前溢利(虧損)				243,350,298	(21,880,019)	221,470,279
Income tax expense	所得稅開支				(14,442,477)	(243,747)	(14,686,224)
Profit (loss) for the year	年度溢利(虧損)				<u>228,907,821</u>	<u>(22,123,766)</u>	<u>206,784,055</u>

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9. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Business segments (Continued)

For the year ended 31st March, 2007

9. 業務及地區分類(續)

業務分類(續)

截至二零零七年三月三十一日止年度

		Continuing operations 持續經營業務			Discontinued operation 已終止業務		
		Provision of healthcare and dental services 提供醫療保健 及牙科服務 HK\$ 港元	Sales of healthcare and pharmaceutical products 銷售保健產品 及藥品 HK\$ 港元	Others 其他 HK\$ 港元	Total 總計 HK\$ 港元	Sales of cardiology and peripheral vascular related surgical equipment 銷售心臟科及 周邊血管相關 外科手術儀器 HK\$ 港元	Consolidated 綜合 HK\$ 港元
ASSETS	資產						
Segment assets	分類資產	144,839,428	44,062,804	10,991,483	199,893,715	23,970,770	223,864,485
Interests in associates	於聯營公司之權益	17,490,868	-	-	17,490,868	-	17,490,868
Unallocated assets	未分配資產						336,590,824
Total assets	總資產						577,946,177
LIABILITIES	負債						
Segment liabilities	分類負債	17,578,529	721,048	5,033,943	23,333,520	17,720,693	41,054,213
Unallocated liabilities	未分配負債						84,705,535
Total liabilities	總負債						125,759,748
OTHER INFORMATION	其他資料						
Capital expenditure	資本開支	8,524,827	1,648,326	2,750,449	12,923,602	435,475	13,359,077
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	4,573,554	1,876,336	854,878	7,304,768	373,204	7,677,972
Impairment loss recognised in respect of:	就以下項目確認之減值虧損:						
- goodwill arising on acquisition of subsidiaries, and healthcare and dental practices	-收購附屬公司、西醫及牙醫診所所得商譽	6,262,269	-	-	6,262,269	13,484,936	19,747,205
- amounts due from associates	-應收聯營公司款項	956,258	-	-	956,258	-	956,258
- trade and other receivables	-應收賬款及其他應收款項	-	-	-	-	4,976,649	4,976,649
- inventories	-存貨	-	-	-	-	1,650,500	1,650,500
Release of prepaid lease payments	發還預付租賃款項	241,634	-	-	241,634	-	241,634

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綜合財務報表附註

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

9. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Geographical segments

The Group's operations are located in Hong Kong and the PRC. Provision of healthcare and dental services and sales of healthcare and pharmaceutical products are carried out in Hong Kong. Sales of cardiology and peripheral vascular related surgical equipment were carried out in the PRC and Hong Kong.

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

Continuing operations:	持續經營業務：
Hong Kong	香港
Discontinued operation:	終止經營業務：
Hong Kong	香港
PRC	中國

The following is an analysis of the carrying amount of segment assets and additions to property, plant and equipment, analysed by geographical area in which the assets are located:

		Carrying amount of segment assets At 31st March, 分類資產之賬面值 於三月三十一日		Capital expenditure For the year ended 31st March, 資本開支 截至三月三十一日止年度	
		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Hong Kong	香港	348,904,257	212,836,429	61,667,586	13,175,478
PRC	中國	-	11,028,056	-	183,599
		348,904,257	223,864,485	61,667,586	13,359,077

9. 業務及地區分類(續)

地區分類

本集團之業務位於香港及中國。提供醫療保健及牙科服務以及銷售保健產品及藥品之業務乃於香港進行。銷售心臟科及周邊血管相關外科手術儀器之業務則於中國及香港進行。

下表列出本集團按地區市場分列之收入分析(不論貨品/服務來源地)：

Sales revenue by geographical market

按地區市場劃分之銷售收入

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
338,822,614	236,553,531
8,661,423	10,124,788
26,527,676	28,949,249
35,189,099	39,074,037

以下為按資產所在地區分析之分類資產之賬面值以及物業、廠房及設備之添置：

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10. OTHER INCOME

10. 其他收入

	Continuing operations 持續經營業務		Discontinued operation 已終止業務		Consolidated 綜合	
	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Interest income on bank deposits						
銀行存款之 利息收入	3,285,419	2,117,526	20,348	29,690	3,305,767	2,147,216
Interest income on debt securities classified as available-for-sale investments						
分類為可出售投資 之債務證券 之利息收入	22,318,013	2,184,720	-	-	22,318,013	2,184,720
Compensation income	2,048,572	-	-	-	2,048,572	-
Dividend income from listed investments classified as held for trading investments						
來自分類為持作 買賣投資之上市 投資之股息收入	83,471	187,486	-	-	83,471	187,486
Gain on fair value changes on held-for-trading investments	4,502,141	54,283,180	-	-	4,502,141	54,283,180
Rental income	4,981,775	2,093,800	-	-	4,981,775	2,093,800
Reversal of impairment loss on amounts due from associates	956,258	-	-	-	956,258	-
Write back of impairment loss on trade and other receivables	5,233,871	-	-	-	5,233,871	-
應收賬款及其他應收 款項減值虧損撥回	5,233,871	-	-	-	5,233,871	-
Sundry income	915,256	3,922,426	2,102,269	197,035	3,017,525	4,119,461
	<u>44,324,776</u>	<u>64,789,138</u>	<u>2,122,617</u>	<u>226,725</u>	<u>46,447,393</u>	<u>65,015,863</u>

11. OTHER EXPENSES

11. 其他開支

	Continuing operations 持續經營業務		Discontinued operation 已終止業務		Consolidated 綜合	
	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Impairment loss recognised in respect of:						
- interests in associates	5,579,609	588,008	-	-	5,579,609	588,008
- goodwill arising on acquisition of subsidiaries, and medical and dental practices	4,951,305	6,262,270	-	13,484,935	4,951,305	19,747,205
- amounts due from associates	2,787,464	956,258	-	-	2,787,464	956,258
	<u>13,318,378</u>	<u>7,806,536</u>	<u>-</u>	<u>13,484,935</u>	<u>13,318,378</u>	<u>21,291,471</u>

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綜合財務報表附註

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12. FINANCE COSTS

12. 融資成本

	Continuing operations 持續經營業務		Discontinued operation 已終止業務		Consolidated 綜合	
	2008	2007	2008	2007	2008	2007
	二零零八年 HK\$ 港元	二零零七年 HK\$ 港元	二零零八年 HK\$ 港元	二零零七年 HK\$ 港元	二零零八年 HK\$ 港元	二零零七年 HK\$ 港元
Interest on:	以下項目之利息：					
- Bank borrowings wholly repayable within five years	— 須於五年內全數償還之銀行借貸					
	3,330,113	743,280	-	-	3,330,113	743,280
- Bank borrowings not wholly repayable within five years	— 毋須於五年內悉數償還之銀行借貸					
	1,386,095	1,442,715	-	-	1,386,095	1,442,715
- Bank overdrafts	— 銀行透支					
	477,658	231,478	-	-	477,658	231,478
- Amounts due to related parties	— 應付有關連公司款項					
	119,726	-	-	-	119,726	-
- Convertible bonds	— 可換股債券					
	-	1,070,296	-	-	-	1,070,296
- Obligations under finance leases	— 融資租約承擔					
	558	3,364	-	-	558	3,364
	5,314,150	3,491,133	-	-	5,314,150	3,491,133

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13. GAIN ON DISPOSAL/DEEMED DISPOSAL OF ASSOCIATES

13. 出售／視作出售聯營公司之收益

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Core Healthcare Investment Holdings Limited	確思醫藥投資控股有限公司	–	1,915,423
Smart Vision (Asia) Limited	新形像(亞洲)有限公司	7,786,182	–
Star Shine Limited	盛信有限公司	5,500,000	–
New Creative Limited	新超有限公司	8,002	–
Gain on disposal of associates	出售聯營公司之收益	13,294,184	1,915,423
Gain on deemed disposal of an associate	視作出售一家聯營公司之收益	18,077,595	–
		31,371,779	1,915,423

During the year ended 31st March, 2008, the Group has disposed of certain of its investments in associates to the independent third parties and gain on disposal of associates amounted to HK\$13,294,184 is credited to the consolidated income statement.

As set out in note 2, upon partial conversion of the Convertible Bond I, during the year ended 31st March, 2008, the Group held 12.52% interest in Hong Kong Health Check. Following the issue of new shares by Hong Kong Health Check, the Group's interest was diluted from 12.52% to 10.7% and a deemed disposal gain of HK\$18,077,595 was resulted.

The amount for the year ended 31st March, 2007 represented the gain on disposal of the Group's 11.27% interest in Core Healthcare, a company listed on the GEM Board of the Stock Exchange. After completion of the disposal, the Group held approximately 8% interest in Core Healthcare. The investment in Core Healthcare was reclassified from interests in associates to available-for-sale investments.

於截至二零零八年三月三十一日止年度，本集團向獨立第三方出售其若干聯營公司投資，出售聯營公司收益13,294,184港元已計入綜合收益表。

誠如附註2所述，於截至二零零八年三月三十一日止年度轉換部分可換股債券I後，本集團擁有香港體檢12.52%權益。於香港體檢發行新股後，本集團之權益由12.52%攤薄至10.7%，並產生18,077,595港元之視作出售收益。

截至二零零七年三月三十一日止年度之款額指出售本集團於確思醫藥一間於聯交所創業板上市之公司11.27%權益之收益。出售完成後，本集團持有確思醫藥約8%之權益。於確思醫藥之投資乃由於聯營公司之權益重新分類為可供出售投資。

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14. DIRECTORS' EMOLUMENTS

During the year, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

Details of emoluments of individual executive and non-executive and independent non-executive directors are set out as below:

For the year ended 31st March, 2008

		Salaries and other benefits	Retirement benefits scheme contributions	Total emoluments
	Fees	薪金及 其他福利	退休福利 計劃供款	酬金總額
	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
<i>Executive directors</i> 執行董事				
Miss Choi Ka Yee, Crystal	-	-	-	-
Dr. Cho Kwai Chee	-	900,000	12,000	912,000
Mr. Cho Kwai Yee, Kevin	456,000	-	-	456,000
Dr. Fung Yiu Tong, Bennet	-	135,517	-	135,517
Dr. Hui Ka Wah, Ronnie, JP	48,000	-	-	48,000
	<u>504,000</u>	<u>1,035,517</u>	<u>12,000</u>	<u>1,551,517</u>
<i>Non-executive directors</i> 非執行董事				
Mr. Chan Kam Chiu	50,000	-	-	50,000
Mr. Wai Kwok Hung, JP	50,000	-	-	50,000
Mr. Ho Kwok Wah, George	36,000	-	-	36,000
Dr. Francis Choi Chee Ming, JP	-	-	-	-
	<u>136,000</u>	<u>-</u>	<u>-</u>	<u>136,000</u>
Total	<u>640,000</u>	<u>1,035,517</u>	<u>12,000</u>	<u>1,687,517</u>

14. 董事酬金

年內，本集團並無向董事支付酬金，作為加入或於加入本集團時之獎金或離職之補償。並無董事於年內放棄任何酬金。

個別執行及非執行董事及獨立非執行董事之薪酬詳情載列如下：

截至二零零八年三月三十一日止年度

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For the year ended 31st March, 2008
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14. DIRECTORS' EMOLUMENTS (Continued) For the year ended 31st March, 2007

14. 董事酬金(續) 截至二零零七年三月三十一日止年度

		Fees	Salaries and other benefits	Retirement benefits contributions	Total emoluments
		袍金	薪金及其他福利	退休福利計劃供款	酬金總額
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
<i>Executive directors</i> 執行董事					
Miss Choi Ka Yee, Crystal	蔡加怡小姐	-	-	-	-
Dr. Cho Kwai Chee	曹貴子醫生	-	1,440,000	12,000	1,452,000
Dr. Fung Yiu Tong, Bennet	馮耀棠醫生	-	217,238	12,000	229,238
Mr. Cho Kwai Yee, Kevin	曹貴宜先生	611,511	-	-	611,511
		<u>611,511</u>	<u>1,657,238</u>	<u>24,000</u>	<u>2,292,749</u>
<i>Non-executive directors</i> 非執行董事					
Mr. Chan Kam Chiu	陳金釗先生	50,000	-	-	50,000
Mr. Wai Kwok Hung, JP	韋國洪，太平紳士	50,000	-	-	50,000
Mr. Ho Kwok Wah, George	何國華先生	35,000	-	-	35,000
Dr. Francis Choi Chee Ming, JP	蔡志明博士，太平紳士	-	-	-	-
		<u>135,000</u>	<u>-</u>	<u>-</u>	<u>135,000</u>
Total	總計	<u>746,511</u>	<u>1,657,238</u>	<u>24,000</u>	<u>2,427,749</u>

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綜合財務報表附註

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

15. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, no executive director(s) of the Company whose emoluments are included in note 14 above (2007: Nil). The emoluments of the five (2007: five) individuals were as follows:

Salaries and other allowances	薪金及其他津貼
Performance bonus (note)	表現花紅(附註)
Retirement benefits scheme contributions	退休福利計劃供款
Share-based payment expenses	股份付款開支

Their emoluments were within the following bands:
彼等之酬金介乎以下範圍：

HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元
HK\$3,500,001 to HK\$4,000,000	3,500,001港至元4,000,000港元

During the year, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

Note: Pursuant to the service agreement entered into between each of the medical/dental practitioners and the Group, the practitioners are entitled to a fixed salary and a cash performance bonus of such amount representing a certain percentage of the monthly net profit (or, as the case may be, the monthly turnover) generated by the medical or dental practices at which he/she provides his/her services. The percentage is determined with reference to the qualification and experience of the practitioners, as well as the profitability of the medical centres at which the practitioners are practising.

15. 僱員酬金

本集團五名最高薪酬人士中，概無本公司執行董事之酬金已載於上文附註14(二零零七年：無)。五名(二零零七年：五名)最高薪酬人士之酬金如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
5,787,994	9,336,000
3,753,821	3,405,320
60,000	60,000
2,714,160	—
12,315,975	12,801,320

2008 二零零八年 Number of employees 僱員人數	2007 二零零七年 Number of employees 僱員人數
3	1
—	1
1	2
—	1
1	—
5	5

年內，本集團並無向五名最高薪酬人士支付酬金，作為加入或於加入本集團時之獎金或離職之補償。

附註：根據各西醫／牙醫與本集團訂立之服務協議，醫生可獲得固定薪金及現金表現花紅，數額為醫生從提供服務之西醫或牙科診所所賺取之每月純利(或視情況而定，每月營業額)的若干百分比。該百分比乃參考醫生的資格和經驗，以及醫生執業之醫療中心之溢利水平而釐定。

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16. INCOME TAX EXPENSE

16. 所得稅開支

	Continuing operations		Discontinued operation		Consolidated	
	持續經營業務		已終止業務		綜合	
	2008	2007	2008	2007	2008	2007
	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
The charge comprises:	支出包括：					
- Hong Kong Profits Tax	- 本集團應佔					
attributable to the Group	香港利得稅					
	10,980,487	14,664,436	230,000	243,747	11,210,487	14,908,183
- (Over)underprovision in	- 往年(超額					
prior years	撥備) 撥備不足					
	(164,947)	14,557	(41,514)	-	(206,461)	14,557
Deferred tax (Note 45)	遞延稅項(附註45)					
	996,657	(236,516)	-	-	996,657	(236,516)
	11,812,197	14,442,477	188,486	243,747	12,000,683	14,686,224

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

香港利得稅乃以本年度之估計應課稅溢利按 17.5% (二零零七年：17.5%) 計算。

No PRC income tax has been provided in respect of the Group's PRC subsidiaries since it incurred tax losses for the year.

由於年內本集團之中國附屬公司產生稅項虧損，故並無提撥中國所得稅。

Details of deferred tax are set out in note 45.

遞延稅項之詳情載於附註45。

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16. INCOME TAX EXPENSE (Continued)

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

16. 所得稅開支(續)

年內稅項開支可與綜合收益表所列溢利(虧損)對賬如下：

		2008	2007
		二零零八年	二零零七年
		HK\$	HK\$
		港元	港元
Profit (loss) before tax	除稅前溢利(虧損)		
– Continuing operations	–持續經營業務	271,975,929	243,350,298
– Discontinued operation	–已終止業務	1,014,869	(21,880,019)
		<u>272,990,798</u>	<u>221,470,279</u>
Tax at the domestic income tax rate of 17.5% (2007: 17.5%)	按本地所得稅率17.5% (二零零七年：17.5%) 計算之稅項	47,773,390	38,757,299
Tax effect of expenses that are not deductible in determining taxable profit	釐定應課稅溢利時不可扣稅開支的稅務影響	23,473,760	5,089,496
Tax effect of income that are not taxable in determining taxable profit	釐定應課稅溢利時毋須課稅收入的稅務影響	(16,893,975)	(30,296,430)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	2,746,120	1,507,469
Tax effect of share of results of associates	應佔聯營公司業績之稅務影響	(1,405,178)	479,334
Tax effect of share of result of a jointly controlled entity	應佔一家共同控制實體業績之稅務影響	(41,237,300)	–
Tax effect of deductible temporary differences not recognised	未確認可扣稅臨時差異之稅務影響	286,871	610,996
Utilisation of tax losses not previously recognised	運用先前未確認之稅項虧損	(2,536,544)	(1,476,497)
(Over)underprovision in prior years	往年(超額撥備)撥備不足	(206,461)	14,557
Income tax expense for the year	本年度所得稅開支	<u>12,000,683</u>	<u>14,686,224</u>

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17. DISCONTINUED OPERATION

During the year, the Group entered into a sale and purchase agreement to dispose of a subsidiary, Pacific Medical (Holding) Company Limited ("Pacific Medical"), which carried out the Group's Cardiology Operation. The disposal was effected in order to concentrate on the core business of provision of healthcare services to the general public and generate cash flows for the expansion of the Group's other businesses. The disposal was completed on 10th March, 2008, on which date control of Pacific Medical, passed to the acquirer.

The gain (loss) for the period/year from the discontinued operation is analysed as follows:

Loss of the Cardiology Operation for the year	年內心臟科業務虧損
Gain on disposal of Cardiology Operation (note 52)	出售心臟科業務收益 (附註52)

17. 已終止業務

年內，本集團訂立買賣協議出售一家附屬公司帕斯醫療控股有限公司(「帕斯醫療」)，該公司為本集團心臟科業務。進行出售旨在為專注於向普羅大眾提供保健服務之核心業務及為擴展本集團其他業務提供現金流。出售已於二零零八年三月十日完成，帕斯醫療之控制權於當日轉移至收購方。

期／年內已終止業務之收益(虧損)分析如下：

1.4.2007 to 10.3.2008 二零零七年 四月一日至 二零零八年 三月十日 HK\$ 港元	1.4.2006 to 31.3.2007 二零零六年 四月一日至 二零零七年 三月三十一日 HK\$ 港元
(1,737,804)	(22,123,766)
2,564,187	—
826,383	(22,123,766)

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17. DISCONTINUED OPERATION (Continued)

The results of the Cardiology Operation for the period from 1st April, 2007 to 10th March, 2008, which have been included in the consolidated income statement, were as follows:

Revenue	收入
Cost of sales	銷售成本
Other income	其他收入
Administrative expenses	行政開支
Other expenses	其他開支
Loss before tax	除稅前虧損
Income tax expense	所得稅開支
Loss for the period/year	期/年內虧損

During the year, Pacific Medical contributed HK\$471,298 (2007: HK\$3,009,148) to the Group's net operating cash flows, contributed HK\$79,676 (2007: paid HK\$18,386) in respect of investing activities and no contribution in respect of financing activities in both years.

The carrying amounts of the assets and liabilities of Pacific Medical at the date of disposal are disclosed in note 52.

17. 已終止業務(續)

二零零七年四月一日至二零零八年三月十日期間之心臟科業務業績(已計入綜合收益表)如下:

1.4.2007 to 10.3.2008 二零零七年 四月一日至 二零零八年 三月十日 HK\$ 港元	1.4.2006 to 31.3.2007 二零零六年 四月一日至 二零零七年 三月三十一日 HK\$ 港元
35,189,099	39,074,037
(24,324,539)	(27,158,901)
2,122,617	226,725
(14,536,495)	(20,536,945)
—	(13,484,935)
(1,549,318)	(21,880,019)
(188,486)	(243,747)
(1,737,804)	(22,123,766)

年內，帕斯醫療為本集團營運現金流量淨額帶來471,298港元(二零零七年：3,009,148港元)之貢獻，並於兩年間就投資活動貢獻79,676港元(二零零七年：支付18,386港元)，惟並無就融資活動作出貢獻。

帕斯醫療之資產及負債於出售日期之賬面值於附註52披露。

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18. PROFIT FOR THE YEAR

18. 本年度溢利

		Continuing operations		Discontinued operation		Consolidated	
		持續經營業務		已終止業務		綜合	
		2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Profit for the year has been arrived at after charging:	年度溢利已扣除下列項目：						
Staff costs	員工成本						
- Directors' remuneration (note 14)	- 董事薪酬 (附註14)	1,687,517	2,427,749	-	-	1,687,517	2,427,749
- Other staff costs	- 其他員工成本	136,862,974	108,734,561	3,628,260	3,046,083	140,491,234	111,780,644
- Other staff's retirement benefits scheme contributions	- 其他員工退休福利計劃供款	2,198,737	2,321,279	351,612	236,806	2,550,349	2,558,085
- Share-based payment expenses	- 股份付款開支	9,057,520	-	-	-	9,057,520	-
		149,806,748	113,483,589	3,979,872	3,282,889	153,786,620	116,766,478
Auditor's remuneration	核數師酬金	2,755,800	2,141,000	50,000	193,000	2,805,800	2,334,000
Cost of inventories recognised as expenses	已確認為開支的存貨成本	36,013,241	30,726,524	26,310,636	28,214,065	62,323,877	58,940,589
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	10,025,199	7,304,768	247,384	373,204	10,272,583	7,677,972
Impairment loss on slow moving inventories (included in cost of sales)	滯銷存貨減值虧損 (已計入銷售成本)	-	-	1,471,754	1,650,500	1,471,754	1,650,500
Impairment loss on trade and other receivables (included in administrative expenses)	應收賬款及其他應收款項之減值虧損 (已計入行政開支)	167,506	1,406,662	-	3,569,987	167,506	4,976,649
Impairment loss on unlisted securities (included in administrative expenses)	非上市證券之減值虧損 (已計入行政開支)	1,999,102	-	-	-	1,999,102	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	285,096	351,796	1,458	43,890	286,554	395,686
Net loss on foreign exchange	匯兌虧損淨額	7,788	309,749	-	-	7,788	309,749
Release of prepaid lease payments	發還預付租賃款項	242,179	241,634	-	-	242,179	241,634
Amortisation of intangible assets	無形資產攤銷	1,332,584	-	-	-	1,332,584	-
Share of tax of associates (included in share of results of associates)	應佔聯營公司稅項 (已計入應佔聯營公司業績)	1,687,465	765,581	-	-	1,687,465	765,581
and after crediting:	及計入下列項目：						
Gross rental income from investment properties	來自投資物業之總租金收入	4,981,775	2,093,800	-	-	4,981,775	2,093,800
Less: Direct operating expense that generated rental income	減：產生租金收入之直接經營開支	(30,026)	(58,996)	-	-	(30,026)	(58,996)
Net rental income from investment properties	來自投資物業之淨租金收入	4,951,749	2,034,804	-	-	4,951,749	2,034,804
Write back of impairment loss on trade and other receivables (included in administrative expenses)	撥回應收賬款及其他應收款項減值虧損 (已計入行政開支)	-	-	-	632,315	-	632,315
Write back of impairment loss on slow moving inventories (included in cost of sales)	撥回滯銷存貨之減值虧損 (已計入銷售成本)	-	-	-	2,101,767	-	2,101,767

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19. DIVIDENDS

No dividend was paid or proposed during 2008, nor has any dividend been proposed since the balance sheet date (2007: Nil).

19. 股息

二零零八年內並無派付或建議派付任何股息，自結算日起亦無建議派付任何股息(二零零七年：無)。

20. EARNINGS PER SHARE

For continuing and discontinued operations

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

20. 每股盈利

持續經營及已終止業務

本公司普通股本持有人應佔每股基本及攤薄盈利乃按以下基準計算：

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Earnings	盈利		
Earnings for the purposes of basic and diluted earnings per share: Profit for the year attributable to equity holders of the Company	就計算每股基本及攤薄盈利之盈利： 本公司股權持有人應佔本年度溢利	253,713,513	214,850,183
Number of shares	股份數目		
Weighted average number of ordinary shares for the purposes of basic earnings per share	就計算每股基本盈利之普通股加權平均數	16,444,771,368	15,430,594,374
Effect of dilutive potential ordinary shares: Options	潛在攤薄普通股之影響： 購股權	27,756,085	-
Weighted average number of ordinary shares for the purposes of diluted earnings per share	就計算每股攤薄盈利之普通股加權平均數	16,472,527,453	15,430,594,374

The weighted average number of ordinary shares for the purpose of basic earnings per share for the year ended 31st March, 2007 has been adjusted for the bonus issue as described in note 47.

就計算截至二零零七年三月三十一日止年度之每股基本盈利之普通股加權平均數已如附註47所述就發行紅股作出調整。

The computation of diluted earnings per share for 2008 does not assume the conversion of the outstanding convertible bonds issued by associate of the Company and an associate of the jointly controlled entity of the Company, since their exercise would result in an increase in profit per share or the exercise price of the convertible bond was higher than the average market price for the year.

於二零零八年每股攤薄盈利之計算方法並無假設本公司聯營公司及本公司共同控制實體之聯營公司所發行尚未行使可換股債券獲兌換，主要由於有關行使會導致每股盈利增加或可換股債券之行使價高於年內平均市價。

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20. EARNINGS PER SHARE (Continued)

From continuing operations

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

Earnings figures are calculated as follows:

Profit for the year attributable to equity holders of the Company	本公司股權持有人應佔年度溢利
Less: Profit (loss) for the year from discontinued operation	減：已終止業務年度溢利(虧損)
Earnings for the purposes of basic and (diluted) per share from continuing operations	就計算持續經營業務每股基本及(攤薄)盈利之盈利

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

The computation of diluted earnings per share for 2008 does not assume the conversion of the outstanding convertible bonds issued by associate of the Company and an associate of the jointly controlled entity of the Company, since their exercise would result in an increase in profit per share or the exercise price of the convertible bond was higher than the average market price for the year.

The computation of diluted earnings per share for 2007 does not assume the conversion of the Company's outstanding convertible bonds since their exercise would result in decrease in earnings per share.

From discontinued operation

Basic earnings (loss) per share for the discontinued operation is 0.01 cents per share (2007: loss per share of 0.14 cents) and diluted earnings per share for the discontinued operation for 2008 is 0.01 cents per share based on the profit for the year from the discontinued operation of approximately HK\$0.83 million (2007: loss of HK\$22.12 million) and the denominators detailed above for both basic and diluted earnings per share. The computation of diluted loss per share for 2007 does not assume the conversion of the Company's outstanding convertible bonds since their exercise would result in decrease in loss per share.

20. 每股盈利(續)

持續經營業務

本公司普通股股權持有人應佔持續經營業務之每股基本及攤薄盈利乃根據以下數據計算：

盈利數字計算如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
253,713,513	214,850,183
826,383	(22,123,766)
252,887,130	236,973,949

所用分母與上述計算每股基本及攤薄盈利所採用者貫徹一致。

於二零零八年每股攤薄盈利之計算方法並無假設本公司聯營公司及本公司共同控制實體之聯營公司所發行尚未行使可換股債券獲兌換，主要由於有關行使會導致每股盈利增加或可換股債券之行使價高於年內平均市價。

於二零零七年每股攤薄盈利之計算方法並無假設本公司尚未行使可換股債券獲兌換，主要由於有關行使會導致每股盈利減少。

已終止業務

根據已終止業務年度溢利約830,000港元(二零零七年：虧損22,120,000港元)及上文詳述計算每股基本及攤薄盈利採用之分母，已終止業務之每股基本盈利(虧損)為0.01仙(二零零七年：每股虧損0.14仙)，二零零八年已終止業務之每股攤薄盈利則為0.01仙。於二零零七年每股攤薄虧損之計算方法並無假設本公司尚未行使可換股債券獲兌換，原因為有關行使會導致每股虧損減少。

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21. INVESTMENT PROPERTIES

FAIR VALUE
At 1st April, 2006
Increase in fair value recognised in
the consolidated income statement

At 31st March, 2007
Increase in fair value recognised in
the consolidated income statement

At 31st March, 2008

The fair value of the Group's investment properties at the balance sheet date was arrived at on the basis of a valuation carried out on that day by DTZ Debenham Tie Leung Limited, independent professional valuers not connected with the Group. DTZ Debenham Tie Leung Limited, is a member of the Hong Kong Institute of Surveyors. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

The investment properties were under medium-term lease and situated in Hong Kong. All of the Group's property interests in land held under operating leases to earn rentals are measured using the fair value model and are classified and accounted for as investment properties.

The Group has pledged all of its investment properties to secure general banking facilities granted to the Group.

21. 投資物業

	HK\$ 港元
公平值	
於二零零六年四月一日	35,825,000
於綜合收益表確認 公平值增加	<u>2,300,000</u>
於二零零七年三月三十一日	38,125,000
於綜合收益表確認 公平值增加	<u>4,050,000</u>
於二零零八年三月三十一日	<u>42,175,000</u>

於結算日，本集團之投資物業之公平值乃以與本集團概無關連之獨立專業估值師戴德梁行有限公司於當日進行之估值為基準計算。戴德梁行有限公司為香港測量師學會之會員。該估值乃經參考類似物業之市場證據交易價後得出。

投資物業乃按中期租約持有，且位於香港。所有本集團於根據經營租約持有以賺取租金之土地中之物業權益均用公平值模式計量及歸類及入賬列作投資物業。

本集團已抵押其所有投資物業作為本集團獲授一般銀行融資之抵押。

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22. PROPERTY, PLANT AND EQUIPMENT

22. 物業、廠房及設備

		Building in Hong Kong under medium- term leases 於香港持有之 中期租約樓宇 HK\$ 港元	Leasehold improvements 租賃物業 裝修 HK\$ 港元	Furniture and fixtures 傢俬及裝置 HK\$ 港元	Motor vehicles 汽車 HK\$ 港元	Tools and equipment 工具及設備 HK\$ 港元	Total 合計 HK\$ 港元
COST	成本						
At 1st April, 2006	於二零零六年四月一日	2,437,314	27,635,167	1,051,159	1,688,752	22,662,870	55,475,262
Additions	添置	-	3,479,769	633,204	48,000	4,147,638	8,308,611
Acquisition of subsidiaries	收購附屬公司	-	-	318,458	147,606	-	466,064
Disposals	出售	-	(521,904)	(267,950)	(54,100)	(296,851)	(1,140,805)
Deemed disposal of subsidiaries	視作出售附屬公司	-	(546,377)	(254,114)	-	(339,466)	(1,139,957)
At 31st March, 2007	於二零零七年三月三十一日	2,437,314	30,046,655	1,480,757	1,830,258	26,174,191	61,969,175
Additions	添置	-	9,826,101	539,424	312,850	7,586,977	18,265,352
Acquisition of subsidiaries	收購附屬公司	-	1,711,923	1,055,621	-	551,895	3,319,439
Transfer to assets classified as held for sale	轉撥至分類作持作出售資產	-	-	(738,637)	-	-	(738,637)
Disposals	出售	-	(1,791,833)	(60,398)	(67,500)	(335,457)	(2,255,188)
Disposal of subsidiaries	出售附屬公司	-	-	(732,890)	(147,606)	(1,625,535)	(2,506,031)
At 31st March, 2008	於二零零八年三月三十一日	2,437,314	39,792,846	1,543,877	1,928,002	32,352,071	78,054,110
DEPRECIATION	折舊						
At 1st April, 2006	於二零零六年四月一日	399,407	24,527,604	306,372	323,036	13,695,593	39,252,012
Charge for the year	年內支出	126,512	2,348,014	473,735	437,542	4,292,169	7,677,972
Eliminated on disposals	出售時對銷	-	(311,126)	(222,669)	(28,853)	(182,471)	(745,119)
Eliminated on deemed disposal of subsidiaries	視作出售附屬公司時對銷	-	(5,706)	(3,507)	-	(4,378)	(13,591)
At 31st March, 2007	於二零零七年三月三十一日	525,919	26,558,786	553,931	731,725	17,800,913	46,171,274
Charge for the year	年內支出	125,349	4,473,060	384,440	378,210	4,911,524	10,272,583
Eliminated on disposals	出售時對銷	-	(1,544,960)	(30,079)	(54,000)	(268,125)	(1,897,164)
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	-	-	(186,286)	(147,606)	(1,498,901)	(1,832,793)
At 31st March, 2008	於二零零八年三月三十一日	651,268	29,486,886	722,006	908,329	20,945,411	52,713,900
CARRYING VALUES	賬面值						
At 31st March, 2008	於二零零八年三月三十一日	1,786,046	10,305,960	821,871	1,019,673	11,406,660	25,340,210
At 31st March, 2007	於二零零七年三月三十一日	1,911,395	3,487,869	926,826	1,098,533	8,373,278	15,797,901

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22. PROPERTY, PLANT AND EQUIPMENT (Continued)

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

Buildings	5%
Leasehold improvements	3 years or over the term of the lease, if shorter
Furniture and fixtures	20%
Motor vehicles	20%
Tools and equipment	10 – 33 $\frac{1}{3}$ %

The carrying value of furniture and fixtures of HK\$821,871 includes an amount of HK\$Nil (2007: HK\$228,000) in respect of assets held under finance leases.

The Group has pledged certain tools and equipment having carrying values of approximately HK\$4,075,000 (2007: HK\$994,000) to secure general banking facilities granted to the Group.

22. 物業、廠房及設備(續)

上述物業、廠房及設備項目以直線法按下列年利率折舊：

樓宇	5%
租賃物業裝修	三年或按租賃年期(倘較短)
傢俬及裝置	20%
汽車	20%
工具及設備	10 – 33 $\frac{1}{3}$ %

傢俬及裝置之賬面值為821,871港元，包括按融資租約持有之資產零港元(二零零七年：228,000港元)。

本集團已抵押若干賬面值約4,075,000港元(二零零七年：994,000港元)之工具及設備，作為本集團獲授一般銀行融資之抵押。

23. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise leasehold interest in land in Hong Kong under medium-term lease

Analysed for reporting purposes as: 就申報而作出之分析：

Current assets	流動資產
Non-current assets	非流動資產

23. 預付租賃款項

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
9,509,149	9,751,328
242,180	242,180
9,266,969	9,509,148
9,509,149	9,751,328

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24. GOODWILL

24. 商譽

		Subsidiaries	Medical and dental practices	Total
		附屬公司	西醫及 牙科診所	合計
		HK\$	HK\$	HK\$
		港元	港元	港元
COST		成本		
At 1st April, 2006	於二零零六年四月一日	50,865,871	22,398,125	73,263,996
Acquisitions	收購	680,210	3,904,192	4,584,402
Transfer	轉讓	2,494,155	-	2,494,155
Adjustments to measurements for acquisitions in prior periods (note)	過往期間收購計量 之調整 (附註)	(1,122,600)	-	(1,122,600)
At 31st March, 2007	於二零零七年三月三十一日	52,917,636	26,302,317	79,219,953
Acquisitions	收購	37,880,082	2,202,713	40,082,795
Transfer to assets held for sale	轉撥至持作出售資產	(11,810,256)	-	(11,810,256)
Disposal	出售	(22,134,817)	-	(22,134,817)
At 31st March, 2008	於二零零八年三月三十一日	56,852,645	28,505,030	85,357,675
IMPAIRMENT		減值		
At 1st April, 2006	於二零零六年四月一日	14,897,071	7,403,320	22,300,391
Impairment loss recognised	已確認減值虧損	15,208,641	4,538,564	19,747,205
At 31st March, 2007	於二零零七年三月三十一日	30,105,712	11,941,884	42,047,596
Impairment loss recognised	已確認減值虧損	907,186	4,044,119	4,951,305
Eliminated on disposals	出售時對銷	(17,078,054)	-	(17,078,054)
At 31st March, 2008	於二零零八年三月三十一日	13,934,844	15,986,003	29,920,847
CARRYING VALUES		賬面值		
At 31st March, 2008	於二零零八年三月三十一日	42,917,801	12,519,027	55,436,828
At 31st March, 2007	於二零零七年三月三十一日	22,811,924	14,360,433	37,172,357

Note: The amounts represented the adjustments to the contingent consideration for acquisitions in prior periods due to the compensation from profit guarantee granted by the vendors.

附註：該等款項指由於賣方授予之溢利擔保之補償而導致於過往期間對收購之或然代價作出之調整。

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24. GOODWILL (Continued)

As explained in note 9, the Group uses business segments as its primary segment for reporting segment information. For the purposes of impairment testing, goodwill have been allocated to various individual cash-generating units (CGUs) in 4 divisions of the Group, namely, healthcare and dental services, trading of cardiology and peripheral vascular related surgical equipment, trading of healthcare and pharmaceutical products and, provision of design, promotion, administrative and public relationship services divisions. The carrying amounts of goodwill (net of accumulated impairment losses) as at 31st March, 2008 allocated to these units are as follows:

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Healthcare and dental services ("Division A"):	醫療保健及牙科服務 (「A部門」):		
Bright Dignity Limited ("Bright Dignity")	威杰有限公司 (「威杰」)	2,948,895	3,506,779
Dermatonic Skincare & Laser Treatment Centre Limited ("Dermatonic")	Dermatonic Skincare & Laser Treatment Centre Limited (「Dermatonic」)	2,516,346	2,865,648
Town Health Dental Limited ("Town Health Dental")	康健牙科有限公司 (「康健牙科」)	653,370	1,589,700
Town Health Medical & Dental Services Limited ("Town Health M&D")	康健醫療及牙科服務 有限公司 (「康健醫療牙科」)	11,865,658	12,770,734
Noble Pioneer Limited (note 49)	正耀有限公司(附註49)	26,069,826	-
		44,054,095	20,732,861
Trading of cardiology and peripheral vascular related surgical equipment ("Division B"):	買賣心臟科及周邊血管 相關外科手術儀器 (「B部門」):		
Pacific Medical (Holdings) Company Limited and its subsidiaries ("Pacific Medical Group"):	帕斯醫療控股有限公司 及其附屬公司: (「帕斯醫療集團」)		
- Pacific Medical (Hong Kong) Company Limited	- Pacific Medical (Hong Kong) Company Limited		
- Pacific Medical (China) Company Limited	- Pacific Medical (China) Company Limited		
- Pacific Medical (China) Group Company Limited	- Pacific Medical (China) Group Company Limited		
- 上海帕斯醫療器材有限公司	- 上海帕斯醫療器材有限公司	-	1,882,398

24. 商譽(續)

誠如附註9所述，本集團以業務分類為其申報分類資料之主要分類申報模式。就減值測試而言，商譽將分配至本集團四個部門之多個獨立現金產生單位(現金產生單位)，即醫療保健及牙科服務、買賣心臟科及周邊血管相關外科手術儀器、買賣保健產品及藥品，以及提供設計、推廣、行政及公共關係服務。於二零零八年三月三十一日，分配至該等單位之商譽之賬面值(扣除累計減值虧損)如下：

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24. GOODWILL (Continued)

24. 商譽(續)

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Trading of healthcare and pharmaceutical products ("Division C"):	買賣保健產品及藥品： (「C部門」)		
First Oriental Medical Technology Group Limited and its subsidiaries:	名華醫療科技集團有限公司及其附屬公司：		
– First Oriental Medical Technology Limited	– 名華醫療科技有限公司		
– First Oriental Cyclotron Limited	– First Oriental Cyclotron Limited	8,366,944	8,366,944
Audio Health Hearing Care (Shatin) Limited ("Audio Health")	康聆聽覺護理(沙田)有限公司(「康聆聽覺」)	3,015,789	3,015,789
		11,382,733	11,382,733
Provision of design, promotion, advertising and public relationship services ("Division D"):	提供設計、宣傳、廣告及公關服務(「D部門」)：		
Next Dimension Advertising (H.K.) Company Limited	點•線•面廣告(香港)有限公司	–	3,174,365
		55,436,828	37,172,357

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarised below.

Division A

The recoverable amounts of CGUs of medical and dental practices have been determined based on value in use calculations. Those calculations use cash flow projections based on financial budgets approved by management covering a period of 5 years, and discount rate of 12% (2007: 11.3%). Another key assumption for the value in use calculations is the budgeted gross margin, which is determined based on the CGU's past performance and management's expectations for the market development.

During the year, the Group recognised an impairment loss of HK\$4,951,305 (2007: HK\$5,799,322) in relation to goodwill to CGU of Bright Dignity, Dermatonic, Town Health Dental and Town Health M&D in healthcare and dental services division due to the poor performance of certain medical and dental practices.

上述現金產生單位之可收回數額之基準及主要相關假設概述如下：

A部門

西醫及牙醫診所之現金產生單位之可收回數額乃基於使用價值計算釐定。此計算方式乃以管理層已批准之五年期財政預算之現金流量預測及每年12% (二零零七年：11.3%)之貼現率計算。計算使用價值之另一個重要假設為預算毛利，預算毛利乃根據現金產生單位之過往表現及管理層對市場發展之預期而釐訂。

年內，由於若干西醫及牙醫診所業績不佳，本集團就醫療保健及牙科服務部門內威杰、Dermatonic、康健牙科及康健醫療牙科之現金產生單位商譽確認減值虧損4,951,305港元(二零零七年：5,799,322港元)。

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24. GOODWILL (Continued)

Division B

The recoverable amounts of the CGUs of trading of cardiology and peripheral vascular related surgical equipment division were based on value in use calculations. Cash flow projection of the CGU of trading of cardiology and peripheral vascular related surgical equipment is based on financial budgets approved by management covering a period of 5 years, and cash flows from 5th to 10th year period are extrapolated by assuming no growth rate and discount rate of 12.6%. Cash flow projections during the budget period for the CGU are also based on the expected gross margins during the budget period and the same raw materials price inflation during the budget period. Budgeted gross margins and raw material price inflation have been determined based on past performance and management's expectations for the market development.

During the year ended 31st March, 2007, the Group recognized an impairment loss of HK\$14,607,536 in relation to goodwill to CGU of Pacific Medical Group in trading of cardiology and peripheral vascular related surgical equipment division due to adverse market change in the industries. This business segment was disposed of during the year, details of which are set out in note 52.

Division C

The recoverable amounts of the CGUs of trading in healthcare and pharmaceutical products division are based on value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts and CGU's past performances. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

24. 商譽(續)

B部門

買賣心臟科及周邊血管相關外科手術儀器部門之現金產生單位之可收回數額乃按使用價值計算。買賣心臟科及周邊血管相關外科手術儀器之現金產生單位之現金流量預測乃以管理層已批准之五年期財政預算計算，而第五至第十年內之現金流量乃假設零增長率及貼現率12.6%推算。於預算期間之現金流量預測乃根據預算期間之預期毛利及預算期間之相同原料價格通脹釐定。預算毛利及原料價格通脹已按過往表現及管理層對市場發展之預測而釐定。

於截至二零零七年三月三十一日止年度內，由於相關行業市場發生不利變化，本集團就買心臟科及周邊血管相關外科手術儀器部門內帕斯醫療集團之現金產生單位商譽已確認14,607,536港元之減值虧損。此業務分部於年內出售，有關詳情載於附註52。

C部門

買賣保健產品及藥品部門之現金產生單位之可收回金額乃按使用價值釐定。計算使用價值所作出主要假設關於貼現率、增長率以及售價和直接成本之預計變動。管理層採用除稅前比率估計貼現率，該比率反映市場現時對貨幣時間值以及現金產生單位特有風險之評估。增長率以業內增長預測及現金產生單位之過往表現為基準。售價及直接成本之變動根據慣例及對市場未來變動之期望作出估計。

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24. GOODWILL (Continued)

Division C (Continued)

The cash flow forecasts for the CGU of trading in healthcare and pharmaceutical products is derived from the most recent financial budgets for the next 5 years approved by management using a discount rate of 10.6% (2007: 10.8%). Cash flow projections during the budget period for the CGU are also based on the expected gross margins during the budget period and the same raw materials price inflation during the budget period. Budgeted gross margins and raw material price inflation have been determined based on past performance and management's expectations for the market development.

During the year, the Group recognised an impairment loss of HK\$ Nil (2007: HK\$462,947) in relation to goodwill to CGU of trading of Audio Health in healthcare and pharmaceutical products due to adverse market change in the industries.

Division D

The recoverable amount of CGU of provision of design, promotion, advertising and public relationship services were based on value in use calculations. As at 31st March, 2007 those calculations use cash flow projections based on financial budgets approved by management covering a period of 5 years, and discount rate of 10.7%. Another key assumption for the value in use calculations was the budget gross margin, which was determined based on the CGU's past performance and management's expectation for the market development. This business was disposed of during the year, details of which are set out in note 52.

24. 商譽(續)

C部門(續)

買賣保健產品及藥品之現金產生單位之現金流量預測乃根據經管理層批准之未來五年財務預算，按折現率10.6% (二零零七年：10.8%)計算。現金產生單位於預算期間的現金流量預測亦基於預算期間之預期毛利及預算期間之相同原料價格通脹。預算毛利及原料價格通脹已按過往表現及管理層對市場發展之預期而釐定。

年內，由於相關行業市場發生不利變化，本集團就買賣保健產品及藥品部門內康聆聽覺之現金產生單位之商譽確認零港元(二零零七年：462,947港元)之減值虧損。

D部門

提供設計、宣傳、廣告及公關關係服務之現金產生單位之可收回數額乃基於使用價值計算釐定。於二零零七年三月三十一日，此等計算方式乃以管理層已批准之五年期財政預算之現金流量預測及貼現率10.7%計算。計算使用價值之另一個重要假設為預算毛利，預算毛利乃根據現金產生單位之過往表現及管理層對市場發展之預測而釐定。此業務於年內出售，有關詳情載於附註52。

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25. INTANGIBLE ASSETS

25. 無形資產

		Service agreement	Trade name	Business relationship with medical card sponsors	Total
		服務協議	貿易名稱	與醫療卡贊助商之業務關係	合計
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
COST	成本				
At 1st April, 2006 and 31st March, 2007	於二零零六年四月一日及二零零七年三月三十一日	-	-	-	-
Acquired on acquisition of a subsidiary (note 49)	收購一家附屬公司(附註49)	1,819,772	5,976,888	3,709,412	11,506,072
At 31st March, 2008	於二零零八年三月三十一日	1,819,772	5,976,888	3,709,412	11,506,072
AMORTISATION	攤銷				
At 1st April, 2006 and 31st March, 2007	於二零零六年四月一日及二零零七年三月三十一日	-	-	-	-
Charge for the year	年內支出	363,954	597,689	370,941	1,332,584
At 31st March, 2008	於二零零八年三月三十一日	363,954	597,689	370,941	1,332,584
CARRYING VALUES	賬面值				
At 31st March, 2008	於二零零八年三月三十一日	1,455,818	5,379,199	3,338,471	10,173,488
At 31st March, 2007	於二零零七年三月三十一日	-	-	-	-

The above intangible assets was purchased as part of a business combination in the current year.

上述無形資產於本年度購入作為業務合併之一部分。

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

上述無形資產具有有限可使用年期。有關無形資產按直線法於以下期間攤銷：

Service agreement	2½ years	服務協議	2½年
Trade name	5 years	貿易名稱	5年
Business relationship with medical card sponsors	5 years	與醫療卡贊助商之業務關係	5年

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26. INTERESTS IN ASSOCIATES

26. 於聯營公司之權益

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Cost less accumulated impairment of investments in associates:	於聯營公司之投資成本減累計減值：		
– Listed (note 28)	– 上市(附註28)	100,284,302	–
– Unlisted	– 非上市	6,317,466	13,610,893
Increase in share of net assets of an associate upon deemed disposal of partial interest in an associate	視作出售一家聯營公司部分權益所導致應佔一家聯營公司資產淨值增加	18,077,595	–
Share of post-acquisition profits, net of dividend received	應佔收購後溢利，已扣除所收取股息	9,861,311	3,879,975
Share of post-acquisition reserves	應佔收購後儲備	(38,841)	–
		134,501,833	17,490,868
Market value of listed shares at the balance sheet date	上市股份於結算日之市值	64,878,049	–

Included in the cost of investments in associates is goodwill of HK\$101,180,584 (2007: HK\$20,245,260) arising on acquisition of associates.

收購聯營公司產生之商譽為101,180,584港元(二零零七年：20,245,260港元)計入於聯營公司投資之成本中。

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
ACCUMULATED IMPAIRMENT	累計減值		
At 1st April	於四月一日	12,467,475	27,393,570
Impairment loss recognised (note 11)	已確認減值虧損(附註11)	5,579,609	588,008
Released upon disposal	出售後撥回	–	(15,514,103)
At 31st March	於三月三十一日	18,047,084	12,467,475

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26. INTERESTS IN ASSOCIATES (Continued)

During the year ended 31st March, 2008, the directors of the Company reviewed the carrying value of the Group's associates in view of the poor performance of certain associates. The recoverable amounts of these associates are determined with reference to the estimated cash flows in the coming five years using discount rates of ranging from 10.5% to 12%. (2007: 11.3%) and growth rate of 5%. Accordingly, impairment loss of HK\$5,579,609 (2007: HK\$588,008) was identified on those associates with poor performance and charged to the consolidated income statement.

The summarised financial information in respect of the Group's associates is set out below:

26. 於聯營公司之權益(續)

於截至二零零八年三月三十一日止年度，鑑於若干聯營公司表現不佳，本公司董事已審閱本集團聯營公司之賬面值。此等聯營公司之可收回款額乃採用介乎10.5%至12%（二零零七年：11.3%）之貼現率以及5%之增長率計算未來五年估計現金流量而釐定。因此，已就該等表現不佳之聯營公司確認為數5,579,609港元（二零零七年：588,008港元）之減值虧損，並已於綜合收益表內扣除。

本集團聯營公司之財務資料概要載列如下：

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Total assets	資產總值	962,040,854	83,289,808
Total liabilities	負債總值	(389,725,434)	(68,216,892)
Net assets	資產淨值	572,315,420	15,072,916
Group's share of net assets of associates	本集團應佔聯營公司之資產淨值	51,357,637	9,713,083
Revenue	收益	168,541,551	109,466,163
Profit for the year	年度溢利	44,261,283	1,063,212
Group's share of results of associates for the year	本集團應佔聯營公司之年度業績	8,029,591	2,739,050

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26. INTERESTS IN ASSOCIATES (Continued)

The Group has discontinued recognition of its share of losses of certain associates. The amounts of unrecognised share of those associates, extracted from the relevant audited financial statements or management accounts of associates, both for the year and cumulatively, are as follows:

Unrecognised share of losses of associates for the year	本年度未確認應佔聯營公司之虧損
Accumulated unrecognised share of losses of associates	累計未確認應佔聯營公司之虧損

Details of the Group's principal associates at 31st March, 2008 and 2007 are as follows:

Name of company 公司名稱	Form of business structure 業務結構形式	Place of incorporation 註冊成立地點	Attributable proportion of nominal value of issued capital indirectly held by the Group 本集團間接持有之已發行股本面值之應佔比例	Principal activities 主要業務
Advance Bond Limited 綽峰有限公司	Incorporated 註冊成立	Hong Kong 香港	49%	Operation of medical clinics in Hong Kong 在香港經營西醫診所
Goldwell Investment Holdings Limited 金豐投資集團有限公司	Incorporated 註冊成立	Hong Kong 香港	49%	Operation of medical clinics in Hong Kong 在香港經營西醫診所
Hong Kong Health Check 香港體檢	Incorporated 註冊成立	Bermuda 百慕達	Note 附註	Provision of healthcare and medical checks services 提供醫療保健及體檢服務
Pak On Medical Company Limited 栢安醫療有限公司	Incorporated 註冊成立	Hong Kong 香港	49%	Operation of medical clinics in Hong Kong 在香港經營西醫診所
Union Crown International Limited 盛冠國際有限公司	Incorporated 註冊成立	Hong Kong 香港	25%	Provision of medical diagnostic services 提供醫療診斷服務

26. 於聯營公司之權益(續)

本集團已終止確認其應佔若干聯營公司之虧損。摘錄自聯營公司之有關經審核財務報表或管理賬目之未確認應佔該等聯營公司之款項(本年度及累計)載列如下:

	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
	<u>(1,508,471)</u>	<u>(1,923,910)</u>
	<u>(5,754,539)</u>	<u>(4,246,068)</u>

本集團之主要聯營公司於二零零七年及二零零八年三月三十一日之詳細資料如下:

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26. INTERESTS IN ASSOCIATES (Continued)

Note: During the year ended 31st March 2007, the Convertible Bonds I held by the Group, if converted, will give the Group 35.75% voting power over Hong Kong Health Check. Based on management's assessment, the exercisable Convertible Bonds I provided the Group the potential voting rights in Hong Kong Health Check which in turn provide the Group the ability to exercise significant influence on Hong Kong Health Check. In preparing the consolidated financial statements of the Group, results and assets and liabilities of Hong Kong Health Check were equity accounted for in accordance with Hong Kong Accounting Standard 28 "Investment in Associates". Since the Group had no equity interest in Hong Kong Health Check, no results and assets and liabilities were shared by the Group.

During the year ended 31st March 2008, the Group converted HK\$20,000,000 of the Convertible Bonds I into 487,804,878 shares in Hong Kong Health Check which amounted to 12.5% equity interest in Hong Kong Health Check and was diluted at 10.7% following the issue of new shares by Hong Kong Health Check.

Accordingly, 10.7% on results and assets and liabilities of Hong Kong Health Check were shared by the Group.

In the opinion of the directors, the above associates have a significant effect on the results or assets of the Group. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.

27. INTEREST IN A JOINTLY CONTROLLED ENTITY

Cost of unlisted investment in a jointly controlled entity	於一家共同控制實體之非上市投資成本
Share of post-acquisition profits	應佔收購後溢利
Share of post-acquisition reserves	應佔收購後儲備

26. 於聯營公司之權益(續)

附註：於截至二零零七年三月三十一日止年度，本集團所持有之可換股債券I倘被轉換，將會令本集團獲授香港體檢35.75%投票權。根據管理層之評估，可予行使的可換股債券I給予本集團於香港體檢之潛在投票權，從而讓本集團能夠對香港體檢行使重大影響力。於編製本集團綜合財務報表時，香港體檢之業績、資產及負債已根據香港會計準則第28號「聯營公司投資」以權益會計法入賬。由於本集團並無持有香港體檢股權，故此本集團並無攤分其業績、資產及負債。

於截至二零零八年三月三十一日止年度，本集團轉換可換股債券I之20,000,000港元本金額為香港體檢487,804,878股股份，相當於香港體檢12.5%股本權益，並於香港體檢發行新股後攤薄至10.7%。

因此，本集團攤分香港體檢之10.7%業績、資產及負債。

董事認為，上述聯營公司對本集團業績或資產有重大影響。董事認為，詳列其他聯營公司之資料將導致資料過於冗長。

27. 於一家共同控制實體之權益

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
8	—
235,641,714	—
(2,132,130)	—
233,509,592	—

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27. INTEREST IN A JOINTLY CONTROLLED ENTITY

(Continued)

As at 31st March, 2008, the Group had interests in the following jointly controlled entity:

Name of entity 實體名稱	Form of business structure 業務結構形式	Place of incorporation 註冊成立地點	Principal place of operation 主要營業地點	Class of share held 所持股份類別	Proportion of nominal value of issued capital held by the Group 本集團所持已發行股本面值比例 %	Proportion of voting power held 所持投票權比例 %	Principal activity 主要業務
Precious Success Group Limited 珍成集團有限公司	Incorporated 註冊成立	British Virgin Islands 英屬處女群島	Hong Kong 香港	Ordinary 普通股	50%	50%	Investment holding 投資控股

The summarised financial information in respect of the Group's jointly controlled entity which is accounted for using the equity method is set out below:

27. 於一家共同控制實體之權益(續)

於二零零八年三月三十一日，本集團於共同控制實體擁有以下權益：

按權益法入賬之本集團共同控制實體財務資料概要載列如下：

	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Non-current assets, comprising debt component of Convertible Bonds V (Note) 非流動資產，包括可換股債券V之債務部分(附註)	77,638,160	—
Current assets, comprising embedded derivatives component of Convertible Bonds V 流動資產，包括可換股債券V之內含衍生工具部分	456,793,199	—
Current liabilities 流動負債	67,412,192	—
Group's share of net assets of jointly controlled entity 本集團應佔共同控制實體資產淨值	233,509,592	—
Income (Note) 收入(附註)	471,533,425	—
Expenses 開支	249,998	—
Group's share of profits of jointly controlled entity for the year 本集團本年度應佔共同控制實體溢利	235,641,714	—

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27. INTEREST IN A JOINTLY CONTROLLED ENTITY

(Continued)

Note:

During the year, the Group and Hong Kong Health Check formed the above jointly controlled entity to subscribe the Convertible Bonds V with an aggregate principal amount of HK\$150,000,000 from Core Healthcare with a conversion price of HK\$0.019. The Convertible Bonds V carry interest at 1% per annum payable yearly with maturity on 30th January, 2012. Core Healthcare is a public limited company with its shares listed on the Stock Exchange. The share price as at year end is HK\$0.13. Details of the valuation of the Convertible Bonds V is set out in note 28.

A gain on the conversion option recognised and credited to income statement of the jointly controlled entity during the year amounting to approximately HK\$469,564,000 represents the difference between the fair values of the embedded derivatives at date of subscription of the Convertible Bonds V and the fair value of the conversion options at 31st March, 2008.

28. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise:

Listed securities:	上市證券：
– Equity securities	– 權益證券
Unlisted securities:	非上市證券：
– Equity securities (note a)	– 權益證券(附註a)
– Convertible debt securities (note b)	– 可換股債務證券(附註b)
Total	總計

Notes:

- (a) The above unlisted investments represent investments in unlisted equity securities. They are measured at cost less impairment at each balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.
- (b) (i) During the year ended 31st March, 2006, the Group held the Convertible Bonds I, which carried interest of 1% per annum payable semi-annually with maturity on 22nd February, 2010. The Group can exercise the conversion option at anytime until the maturity date. The conversion price is HK\$0.041 per share. The Convertible Bonds I can be redeemed at 100% of the respective outstanding principal amount, together with their unpaid interest on maturity date. Hong Kong Health Check is a public limited company with its shares listed on the Stock Exchange.

27. 於一家共同控制實體之權益(續)

附註：

年內，本集團與香港體檢成立上述共同控制實體，以向確思醫藥認購本金總額為150,000,000港元之可換股債券V。換股價0.019港元按年利率1厘計息，須每年支付，並於二零一二年一月三十日到期。確思醫藥為一間公眾有限公司，其股份於聯交所上市。股價於年結日為0.13港元。有關可換股債券V之估值詳情載於附註28。

年內於共同控制實體收益表確認及扣除之換股權收益約為469,564,000港元，相當於可換股債券V於認購日期之內含衍生工具公平值與於二零零八年三月三十一日之換股權公平值之差額。

28. 可出售投資

可出售投資包括：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
48,685,375	2,428,750
226,001	2,225,103
301,188,587	48,589,367
350,099,963	53,243,220

附註：

- (a) 上述非上市投資代表於非上市股本證券之投資。該投資乃於各結算日按成本減減值計量，此乃由於合理公平值估計之範圍極大，本公司董事認為公平值不能可靠地計量。
- (b) (i) 於截至二零零六年三月三十一日止年度，本集團持有可換股債券I，該項債券於二零一零年二月二十二日到期，按年利率1厘計息，每半年支付一次利息。本集團可於到期日前任何時間行使換股權。換股價為每股0.041港元。可換股債券I可以於到期日以各自未償還本金額之100%連同尚未支付之利息贖回。香港體檢為一間公眾有限公司，其股份於聯交所上市。

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28. AVAILABLE-FOR-SALE INVESTMENTS

(Continued)

Notes: (Continued)

(b) (i) (Continued)

During the year ended 31st March 2007, the Convertible Bonds I held by the Group and the issued convertible bonds (the "Convertible Bonds II") of an aggregate principal amount of HK\$40,000,000 at a conversion price of HK\$0.041 to third parties, if converted, will give the Group 35.75% voting power over Hong Kong Health Check. Based on management's assessment, the exercisable Convertible Bonds I provided the Group the potential voting rights in Hong Kong Health Check which in turn provide the Group the ability to exercise significant influence on Hong Kong Health Check. In preparing the consolidated financial statements of the Group, results and assets and liabilities of Hong Kong Health Check were equity accounted for in accordance with Hong Kong Accounting Standard 28 "Investment in Associates". Since the Group had no equity interest in Hong Kong Health Check, no results and assets and liabilities were shared by the Group.

As explained in Note 2, Hong Kong Health Check ceased to be a subsidiary of the Group following the issuance of the Convertible Bonds II. As the economic characteristics and risks of the embedded conversion option and the issuer's early redemption option are not closely related to those of the host contract, they are separately accounted for as derivatives and measured at fair value. The Group has classified all the debt element of the convertible bonds as available-for-sale investment. The fair values of the debt element and the derivatives are determined by the directors of the Company with reference to the valuation performed by Greater China Appraisal Limited. The changes in fair value of the debt element and the derivatives are changed to equity and consolidated income statement. Income is recognised on the effective interest basis for debt element and is included in other income of consolidated income statement.

The gain upon subscription of Convertible Bonds I in respect of the derivative elements prior to 3rd October, 2006, was not taken up as Hong Kong Health Check was consolidated as a subsidiary of the Group.

28. 可出售投資

(續)

附註：(續)

(b) (i) (續)

於截至二零零七年三月三十一日止年度，本集團所持有之可換股債券I以及按換股價0.041港元向第三方所發行本金總額40,000,000港元之已發行可換股債券(「可換股債券II」)倘被轉換，將會令本集團獲授香港體檢35.75%投票權。根據管理層之評估，可予行使的可換股債券I給予本集團於香港體檢之潛在投票權，從而讓本集團能夠對香港體檢行使重大影響力。於編製本集團綜合財務報表時，香港體檢之業績、資產及負債已根據香港會計準則第28號「聯營公司投資」以權益會計法入賬。由於本集團並無持有香港體檢股權，故此本集團並無攤分其業績、資產及負債。

誠如附註2所述，香港體檢於可換股債券II發行之後終止為本集團附屬公司。由於內含換股權之經濟特質及風險以及發行人提早贖回購股權與主合約並非緊密關連，兩者分別作為衍生工具核算並以公平值計量。本集團已將可換股債券之全部債務部分分類為可出售投資。債務部分及衍生工具之公平值乃由本公司董事參考漢華評值有限公司進行之估值而釐定。債務部分及衍生工具之公平值變動於權益及綜合收益表更改。債務部分之收入按實際利率基準確認，並於綜合收益表計入為其他收入。

由於香港體檢已綜合計入為本集團之附屬公司，於二零零六年十月三日前於認購可換股債券I時有關衍生工具部分之收益並無計算在內。

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28. AVAILABLE-FOR-SALE INVESTMENTS

(Continued)

Notes: (Continued)

(b) (i) (Continued)

During the year ended 31st March, 2008, the Group converted HK\$20,000,000 of the Convertible Bonds I into 487,804,878 shares in Hong Kong Health Check, representing 10.7% equity interest in Hong Kong Health Check. Accordingly, 10.7% on results and assets and liabilities of Hong Kong Health Check were shared by the Group.

Upon such conversion, fair value of HK\$17,340,277 debt element and HK\$82,944,025 conversion element of the Convertible Bonds I were then transferred to interests in associates.

The movement of the fair values of the components of Convertible Bonds I since 3rd October, 2006 is set out below:

		Debt element 負債部分 HK\$ 港元	Conversion option element 換股權部分 HK\$ 港元	Early redemption element 提早贖回部分 HK\$ 港元	Total 合計 HK\$ 港元
As at 3rd October, 2006	於二零零六年十月三日	46,752,430	36,174,685	(35,812)	82,891,303
Effective interest income	實際利息收入	1,843,475	-	-	1,843,475
Increase (decrease) in fair value	公平值增加(減少)	(6,538)	146,230,710	(877,027)	145,347,145
As at 31st March, 2007	於二零零七年三月 三十一日	48,589,367	182,405,395	(912,839)	230,081,923
Effective interest income	實際利息收入	2,766,213	-	-	2,766,213
Increase (decrease) in fair value	公平值增加(減少)	2,296,702	(36,017,235)	912,839	(32,807,694)
Transfer to interest in an associate (note 26)	轉撥至一家 聯營公司之 權益(附註26)	(17,340,277)	(82,944,025)	-	(100,284,302)
As at 31st March, 2008	於二零零八年三月 三十一日	<u>36,312,005</u>	<u>63,444,135</u>	<u>-</u>	<u>99,756,140</u>

The gain on fair value change of debt element of Convertible Bonds I recognised and credited to equity is amounted to HK\$2,296,702 (2007: loss of HK\$6,538 debited to equity).

The effective interest rate for the debt element of Convertible Bonds I is ranging from 6.59% to 8.29% per annum (2007: 8.65% per annum).

28. 可出售投資

(續)

附註：(續)

(b) (i) (續)

於截至二零零八年三月三十一日止年度內，本集團轉換可換股債券I之20,000,000港元本金額為香港體檢487,804,878股股份，相當於香港體檢10.7%股本權益。因此，本集團攤分香港體檢之10.7%業績、資產及負債。

於該項轉換後，可換股債券負債部分及換股部分分別為17,340,277港元及82,944,025港元之公平值已轉撥至聯營公司之權益。

可換股債券I自二零零六年十月三日之公平值部分變動如下：

於權益確認及扣除之可換股債券I債務部分之公平值收益為2,296,702港元(二零零七年：虧損6,538港元)。

可換股債券I債務部分之實際年利率介乎6.59厘至8.29厘(二零零七年：年利率8.65厘)。

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For the year ended 31st March, 2008
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28. AVAILABLE-FOR-SALE INVESTMENTS

(Continued)

Notes: (Continued)

(b) (Continued)

- (ii) On 2nd August, 2007, the Group subscribed the Convertible Bonds III with an aggregate principal amount of HK\$500,000,000 from Hong Kong Health Check at a conversion price of HK\$0.25 at interest of 2% per annum payable half-yearly with maturity on 1st August, 2011. The conversion price is HK\$0.25 per share. Convertible Bonds III can be redeemed at 105% of the respective outstanding principal amount, together with their unpaid interest on maturity date. Hong Kong Health Check is entitled at its sole discretion to early redeemed Convertible Bonds III from time to time or at any amount equal to 105% of the principal amount.

On 17th September, 2007, the Convertible Bonds III with aggregate principal amount of HK\$200,000,000 was redeemed by Hong Kong Health Check at a consideration of HK\$210,000,000. A gain on early redemption of HK\$28,313,542 was then recognised.

The movement of the fair values of the components of Convertible Bonds III since 6th August, 2007 is set out below:

		Debt element 負債部分 HK\$ 港元	Conversion option element 換股權部分 HK\$ 港元	Early redemption element 提早贖回部分 HK\$ 港元	Total 合計 HK\$ 港元
As at 2nd August, 2007	於二零零七年八月二日	398,125,153	179,043,440	(91,334,032)	485,834,561
Effective interest income	實際利息收入	14,584,053	-	-	14,584,053
Increase (decrease) in fair value	公平值增加(減少)	5,930,756	(112,820,736)	60,265,359	(46,624,621)
Early redemption during the year	年內提早贖回	(161,188,219)	(37,011,974)	16,513,735	(181,686,458)
As at 31st March, 2008	於二零零八年 三月三十一日	257,451,743	29,210,730	(14,554,938)	272,107,535

The gain on fair value change of debt component of Convertible Bonds III recognised and credited to equity during the year amounted to HK\$5,930,756 (2007: Nil).

The effective interest rate for the debt element of Convertible Bonds III is ranging from 7.92% to 8.06% per annum (2007: Nil).

28. 可出售投資(續)

附註：(續)

(b) (續)

- (ii) 於截至二零零七年八月二日，本集團向香港體檢認購本金總額為500,000,000港元之可換股債券III，換股價為0.25港元，於二零一一年八月一日到期，按年利率2%計息，每半年支付一次利息。換股價為每股0.25港元。可換股債券III可於到期日以各自尚未轉換本金額之105%連同於尚未支付之利息贖回。香港體檢有權自行決定隨時提早贖回可換股債券III或相當於本金額105%之任何金額。

於二零零七年九月十七日，香港體檢以210,000,000港元之代價贖回本金總額200,000,000港元之可換股債券III，並已於其後確認為數28,313,542港元之提早贖回收益。

可換股債券III各部分公平值自二零零七年八月六日以來之變動如下：

年內於權益確認及扣除之可換股債券III債務部分之公平值收益為5,930,756港元(二零零七年：無)。

可換股債券III債務部分之實際年利率介乎7.92厘至8.06厘(二零零七年：無)。

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28. AVAILABLE-FOR-SALE INVESTMENTS

(Continued)

Notes: (Continued)

(b) (Continued)

- (iii) During the year ended 31st March, 2008, the Group also acquired the Convertible Bonds V issued by Core Healthcare Investment Holdings Limited ("Core Healthcare") with principal amount of HK\$10,000,000 from the Group's jointly controlled entity on 28th March, 2008 at a consideration of HK\$41,818,896. The consideration was settled by the amount due from a jointly controlled entity. Core Healthcare is a public limited company with its shares listed on the GEM Board. The Convertible Bonds V carry interest at 1% per annum payable per annum with maturity on 30th January, 2012. The Group can exercise the conversion option at anytime until maturity date. The conversion price is HK\$0.19 per share. Unless previously redeemed or converted or purchased and cancelled, Core Healthcare shall redeem the convertible bonds at 100% of the principal amount at maturity date.

The fair values of the debt element and conversion option element of the Convertible Bonds V as at 31st March, 2008 are HK\$7,424,839 and HK\$33,994,057.

The methods and assumptions applied for the valuation of the convertible bonds are as follows:

(1) Valuation of debt component

The fair value of debt element was calculated based on the present value contractually determined stream of future cash flows discounted at the required yield, which was determined with reference to the credit rating of the convertible bonds issuer and remaining time to maturity. The effective interest rate of the debt component of each convertible bond at date of subscription, 31st March, 2007 and 31st March, 2008 are as follows:

		Convertible Bonds I 可換股債券I	Convertible Bonds III 可換股債券III	Convertible Bonds V 可換股債券V
Date of subscription	認購日期	8.65%	8.06%	9.37%
At 31st March, 2007	於二零零七年三月三十一日	8.29%	N/A不適用	N/A不適用
At 31st March, 2008	於二零零八年三月三十一日	7.92%	6.82%	10.59%

28. 可出售投資(續)

附註：(續)

(b) (續)

- (iii) 於截至二零零八年三月三十一日止年度，本集團亦以41,818,896港元之代價，自本集團共同控制實體購入確思醫藥投資控股有限公司(「確思醫藥」)所發行本金額10,000,000港元之可換股債券V，有關代價於二零零八年三月二十八日以應收一家共同控制實體款項支付。確思醫藥為於創業板上市之公眾有限公司。可換股債券V按年利率1厘計息，於二零一二年一月三十日到期。本集團可於到期日前任何時間行使換股權。換股價為每股0.19港元。除非先前已被贖回、轉換、購買及註銷，確思醫藥將於到期日以本金額之100%贖回可換股債券。

可換股債券V債務部分及換股權部分於二零零八年三月三十一日之公平值分別為7,424,839港元及33,994,057港元。

應用於可換股債券估值之方法及假設如下：

(1) 債務部分之估值

債務部分之公平值基於合約釐定之未來現金流量按規定收益率折現之現值計算，未來現金流量乃經參考可換股債券發行人信用評級及餘下至屆滿之時間而釐定。各項可換股債券負債部分於認購日期、二零零七年三月三十一日及二零零八年三月三十一日之實際利率分別如下：

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28. AVAILABLE-FOR-SALE INVESTMENTS (Continued)

Notes: (Continued)

(2) Valuation of conversion option element

Binomial model is used for valuation of conversion option element of Convertible Bonds I and III. The inputs into the model of each convertible bond as at date of subscription and each of the year ended 31st March, 2007 and 2008, if applicable, was as follows:

Convertible Bonds I	可換股債券 I	3rd October, 2006 二零零六年十月三日	31st March, 2007 二零零七年三月三十一日	31st March, 2008 二零零八年三月三十一日
Stock price	股價	HK\$0.108港元	HK\$0.226港元	HK\$0.133港元
Conversion price	換股價	HK\$0.04港元	HK\$0.04港元	HK\$0.04港元
Volatility	波幅	33.12%	41.75%	66.65%
Dividend yield	股息收入	—	—	—
Option life	購股權期限	3.4 years年	3 years年	2.6 years年
Risk free rate	無風險利率	3.80%	3.90%	1.24%
Convertible Bonds III	可換股債券 III		2nd August, 2007 二零零七年八月二日	31st March, 2008 二零零八年三月三十一日
Stock price	股價		HK\$0.34港元	HK\$0.133港元
Conversion price	換股價		HK\$0.25港元	HK\$0.25港元
Volatility	波幅		58.28%	66.65%
Dividend yield	股息收入		—	—
Option life	購股權期限		4 years年	3.34 years年
Risk free rate	無風險利率		4.27%	1.84%

28. 可出售投資(續)

附註：(續)

(2) 換股權部分之估值

二項式模式用於可換股債券I及III換股權部分之估值。於認購日期及截至二零零七年及二零零八年三月三十一日止年度各年，計入該模式之數據(倘適用)如下：

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28. AVAILABLE-FOR-SALE INVESTMENTS

(Continued)

(2) Valuation of conversion option element

(Continued)

Black-Scholes model is used for valuation of conversion option element of Convertible Bonds V. The inputs into the model of the Convertible Bonds of Core Healthcare are as follows:

Convertible Bonds V	可換股債券 V
Stock price	股價
Conversion price (note)	換股價(附註)
Volatility	波幅
Dividend yield	股息收入
Option life	購股權期限
Risk free rate	無風險利率

Note:

On 28th December, 2007, the board of directors of Core Healthcare proposed that each of the issued and unissued shares of HK\$0.01 each in the share capital of Core Healthcare would be subdivided into 10 shares of HK\$0.001 each. The resolution was passed by shareholders and became effective since 18th January, 2008. The conversion price of the convertible bond is then changed to HK\$0.019 per share.

Volatility of the stock price was estimated by the average annualised standard deviations of the continuously compounded rates of return on several comparable companies of the stock price of Hong Kong Health Check and Core Healthcare.

(3) Valuation of early redemption element

The fair value of the early redemption element is the difference in the values of conversion option with the early redemption and without the early redemption.

The effective interest rate for the unlisted debt securities is ranging from 6.59% to 8.29% per annum.

28. 可出售投資(續)

(2) 換股權部分之估值(續)

柏力克－舒爾斯模式用於換股權V部分之估值。計入確思醫藥可換股債券之數據如下：

31st January, 2008 二零零八年 一月三十一日	31st March, 2008 二零零八年 三月三十一日
HK\$0.105港元	HK\$0.148港元
HK\$0.19港元	HK\$0.019港元
88.85%	88.85%
—	—
4 years年	4 years年
1.92%	1.84%

附註：

於二零零七年十二月二十八日，確思醫藥董事會建議將確思醫藥股本中每股面值0.01港元之已發行及未發行股份分拆為10股每股面值0.001港元之股份。決議案已獲股東通過並自二零零八年一月十八日起生效。可換股債券之換股價已改為每股0.019港元。

股價波幅乃按數間香港體檢及確思醫藥可資比較公司之股價之持續回報複合率之平均年度偏差所預計。

(3) 提早贖回權部分之估值

提早贖回權部分之公平值為有提早贖回權與無提早贖回權換股權兩者價值之差額。

非上市債務證券之實際年利率介乎6.59厘至8.29厘。

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29. DEPOSITS PAID ON ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

At 31st March, 2007 and 2008, the deposits are paid by the Group in connection with the acquisition of certain advanced medical equipment for future expansion. The related capital commitments are set out in note 54.

29. 為收購物業、廠房及設備之已付按金

於二零零七及二零零八年三月三十一日，本集團就收購若干先進醫療設備以配合未來擴展而支付按金。相關資本承擔載於附註54。

30. INVENTORIES

Pharmaceutical supplies	藥物
Health food	保健食品
Healthcare equipment	醫療設備
Dental materials and supplies	牙科用品
Isotope for medical uses	醫療用同位素
Cardiology and peripheral vascular related surgical equipment	心臟科及周邊血管相關外科手術儀器

30. 存貨

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
6,804,476	3,762,491
–	4,012,418
1,117,431	877,433
502,397	412,111
361,316	381,196
–	4,332,348
8,785,620	13,777,997

31. TRADE AND OTHER RECEIVABLES

Trade receivables	應收賬款
Less: allowance for doubtful debts	減：呆賬撥備
Total trade receivables, net of allowance	應收賬款總額減撥備
Deposits	按金
Other receivables	其他應收款項
Prepayments	預付款項

31. 應收賬款及其他應收款項

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
15,427,213	35,783,456
(1,574,168)	(6,640,533)
13,853,045	29,142,923
15,292,558	11,996,779
11,722,730	8,458,222
3,568,769	2,045,077
44,437,102	51,643,001

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31. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- a. Most of the patients of the medical and dental practices settle in cash. Payments by patients using medical cards will normally be settled within 180 to 240 days. The Group allows an average credit period of 60 to 240 days to its trade customers under other business activities.

The following is an aged analysis of trade receivables at the balance sheet date:

0 – 60 days	0 – 60天
61 – 120 days	61 – 120天
121 – 180 days	121 – 180天
181 – 240 days	181 – 240天
241 – 360 days	241 – 360天
Over 360 days	超過360天

- b. The Group's trade and other receivables included HK\$4,795,000 (2007: HK\$6,085,060) that is denominated in RMB.
- c. These receivables relate to a number of independent customers that have a good track record with the Group. The management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit risk and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

Ageing of trade receivables which are past due but not impaired:

61 – 120 days	61 – 120天
121 – 180 days	121 – 180天
181 – 240 days	181 – 240天
241 – 360 days	241 – 360天
Total	合計

The Group has provided fully for all receivables over 365 days because historical experience is such that receivables that are past due beyond 365 days are generally not recoverable.

31. 應收賬款及其他應收款項(續)

附註：

- a. 醫療及牙醫服務之大部分病人以現金支付。使用醫療卡支付之病人一般於180至240日內結算。本集團就其他業務之貿易客戶提供60至240日之平均信貸期。

應收賬款於結算日之賬齡分析如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
8,133,046	15,621,024
4,064,586	8,278,161
3,178,230	4,297,058
51,351	1,500,406
–	2,866,369
–	3,220,438
15,427,213	35,783,456

- b. 本集團應收賬款及其他應收款項包括4,795,000港元(二零零七年：6,085,060港元)以人民幣定值之款項。
- c. 此等應收賬款與本集團多名具備良好記錄之獨立客戶有關。管理層相信，由於信貸風險並無出現重大變動，且結餘仍被視為可悉數收回，故毋須就有關結餘作出減值撥備。本集團並無持有任何有關結餘之抵押。

已逾期但未減值之應收賬款賬齡如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
51,351	2,284,161
–	1,863,928
–	2,198,029
–	3,183,224
51,351	9,529,342

由於以往經驗顯示，逾期超過365日之應收賬款一般為無法收回，故本集團已就所有逾期超過365日之應收賬款悉數作出撥備。

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31. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

Movement in the allowance for doubtful debts:

Balance at beginning of the year	年初結餘
Impairment losses recognised on receivables	應收賬款確認之減值虧損
Write back of impairment loss	減值虧損撥回
Balance at end of the year	年末結餘

The impairment recognised represents the difference between the carrying amount of the specific trade receivable and the present value of the expected recoverable amount. The trade receivables are impaired because of significant financial difficulty of the counterparties.

- d. Included in other receivables as at 31st March, 2008 are mainly representing sales proceed receivable from the disposal of a subsidiary. Next Dimension of HK\$2,598,614 (2007: Nil) and advances to independent third parties amounted to HK\$4,600,000 (2007: Nil).

The amounts at 31st March, 2008 and 2007 are unsecured, interest-free and repayable on demand. The amounts were fully settled in May 2008.

32. AMOUNTS DUE FROM ASSOCIATES

The amounts at 31st March, 2008 and 2007 are unsecured, interest-free and repayable on demand.

At 31st March, 2008, the balance includes accumulated allowances for amounts due from associates of HK\$6,187,464 (2007: HK\$4,356,258).

33. AMOUNTS DUE FROM (TO) INVESTEES

The amounts due from (to) investees are unsecured, interest-free and repayable on demand.

31. 應收賬款及其他應收款項(續)

附註：(續)

呆賬撥備變動如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
6,640,533	2,296,199
167,506	4,976,649
(5,233,871)	(632,315)
1,574,168	6,640,533

已確認減值指特定應收賬款賬面值與預期可收回金額現值之差額。由於訂約對手出現重大財務困難，故應收賬款已遭減值。

- d. 於二零零八年三月三十一日，其他應收款項主要包括應收出售附屬公司點·線·面所得銷售款項2,598,614港元(二零零七年：無)及獨立第三方墊款4,600,000港元(二零零七年：無)。

於二零零七年及二零零八年三月三十一日，有關款額為無抵押、免息及按要求償還，並已於二零零八年五月悉數清還。

32. 應收聯營公司款項

於二零零八年及二零零七年三月三十一日之款項為無抵押、免息及須按要求的償還。

於二零零八年三月三十一日，結餘包括應收聯營公司款項之累計撥備6,187,464港元(二零零七年：4,356,258港元)。

33. 應收(應付)被投資公司之款項

應收(應付)被投資公司之款項為無抵押、免息及須按要求的償還。

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34. AMOUNTS DUE FROM RELATED PARTIES

First Oriental Nuclear Medicine Limited (note a)	First Oriental Nuclear Medicine Limited(附註a)
Kowloon Hearing Services Limited (note b)	九龍聽覺服務有限公司(附註b)
Dr. Cho, Chan, Fung & Associates (note c)	Dr. Cho, Chan, Fung & Associates(附註c)
True Destination Limited (note d)	True Destination Limited(附註d)

Notes:

- (a) A company in which Dr. Yeung Wah Hin, Alex (“Dr. Yeung”) is a director and shareholder. Dr. Yeung is also a director of First Oriental Cyclotron Limited, a non-wholly owned subsidiary of the Company. The maximum balance during the year was HK\$797,550 (2007: HK\$437,100).
- (b) A company in which Mr. Lai Kwok Fai (“Mr. Lai”) is a director and shareholder. Mr. Lai is also a director of Audio Health Hearing Care (Shatin) Limited, a non-wholly owned subsidiary of the Company. The maximum balance during the year was HK\$295,764 (2007: Nil).
- (c) The partners of Dr. Cho, Chan, Fung & Associates are employee-doctors of the Group. Dr. Cho Kwai Chee and Dr. Fung Yiu Tong, Bennet, directors of the Company, are also partners of that partnership.
- (d) The ultimate holding company of an associate of the Group, Health Matrix International Limited.

The balances are unsecured, interest-free and repayable on demand.

35. AMOUNTS DUE FROM/TO MINORITY SHAREHOLDERS OF SUBSIDIARIES/A JOINTLY CONTROLLED ENTITY

The amounts are unsecured, interest-free and repayable on demand.

34. 應收有關聯公司之款項

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
797,550	409,950
295,764	–
–	2,425,962
–	10,530
1,093,314	2,846,442

附註：

- (a) 楊華顯醫生(「楊醫生」)為公司之董事及股東。楊醫生亦為First Oriental Cyclotron Limited(本公司之非全資附屬公司)之董事。於年內，結餘之最高額為797,550港元(二零零七年：437,100港元)。
- (b) 賴國輝先生(「賴先生」)為公司之董事及股東。賴先生亦為本公司非全資附屬公司康聆聽覺護理(沙田)有限公司之董事。年內，結餘之最高額為295,764港元(二零零七年：無)。
- (c) Dr. Cho, Chan, Fung & Associates之合夥人為本集團之僱員醫生，本公司董事曹貴子醫生及馮耀棠醫生亦為該合夥企業之合夥人。
- (d) Health Matrix International Limited為本集團之聯營公司之最終控股公司。

結餘為無抵押、免息及須按要求償還。

35. 應收／應付附屬公司少數股東／一家共同控制實體之款項

該等款項為無抵押、免息及須按要求償還。

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36. HELD FOR TRADING INVESTMENTS

FAIR VALUE	公平值
Listed equity securities in Hong Kong	香港上市之股本證券

The fair values of the equity securities held for trading were determined based on the quoted market bid prices available on the Stock Exchange and all of the held for trading investments were disposed of during the year.

37. CONVERSION OPTIONS EMBEDDED IN CONVERTIBLE BONDS/EARLY REDEMPTION OPTION EMBEDDED IN CONVERTIBLE BONDS

Unlisted conversion options embedded in convertible bonds	非上市可換股債券 所附之換股權
Unlisted early redemption option embedded in convertible bonds	非上市可換股債券 所附之提早贖回權

As at 31st March, 2008, conversion options and early redemption option embedded in convertible bonds represent the conversion option element and early redemption feature of the Convertible Bonds I, III and Convertible Bonds V subscribed by the Group respectively.

36. 持作買賣之投資

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
-	21,021,288

持作買賣股本證券之公平值乃根據可於聯交所獲得之所報價格釐訂，而持作買賣投資已於年內全部出售。

37. 可換股債券所附換股權／可換股債券所附提早贖回權

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
<u>126,648,922</u>	<u>182,405,395</u>
<u>(14,554,938)</u>	<u>(912,839)</u>

於二零零八年三月三十一日，可換股債券所附換股權及提早贖回權分別指本集團認購之可換股債券I、可換股債券III及可換股債券V之換股權部分及提早贖回機制。

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37. CONVERSION OPTIONS EMBEDDED IN CONVERTIBLE BONDS/EARLY REDEMPTION OPTION EMBEDDED IN CONVERTIBLE BONDS

(Continued)

As explained in note 28, the Group subscribed the Convertible Bonds III of Hong Kong Health Check during the year, an amount of HK\$179,043,440 and HK\$91,334,032 were recognised as conversion options and early redemption option embedded in convertible bonds upon the subscription which is measured at fair value at initial recognition and changes in fair value are directly recognised in profit or loss in subsequent period.

The Group also subscribed the Convertible Bonds V of Core Healthcare during the year, an amount of HK\$33,994,056 was recognised as conversion options upon the subscription which is measured at fair value at initial recognition and changes in fair value are directly recognised in profit or loss in subsequent period.

The fair value of conversion option embedded in Convertible Bonds III is based on the Binominal Model using a rate based on the market interest rate and risk premium of 4.98%.

The fair value of conversion option embedded in the Convertible Bonds V is based on the Black-Scholes model using a rate based on the market interest rate and risk premium of 8.75%

Total loss on fair value changes of the conversion options and early redemption options of HK\$101,825,212 (2007: gain of HK\$165,430,203) was recognised in the consolidated income statement which represents the aggregate loss on fair value changes of HK\$87,659,773 (2007: gain of HK\$165,430,203) of the derivatives during the year and the loss on initial recognition of Convertible Bonds III of HK\$14,165,439 in the current year.

37. 可換股債券所附換股權／可換股債券所附提早贖回權(續)

誠如附註28所闡釋，本集團於年內認購香港體檢可換股債券III，179,043,440港元及91,334,032港元之款項已於認購時分別確認為可換股債券所附之換股權及提早贖回權，並於初步確認時按公平值計量，而公平值變動直接於往後期間於損益表確認。

本集團亦已於年內認購確思醫藥可換股債券V，33,994,056港元之款項已於認購時確認為換股權，並於初步確認時按公平值計量，而公平值變動直接於往後期間於損益表確認。

可換股債券III所附之換股權公平值乃根據二項式模式按市場利率及風險溢價4.98%釐定。

可換股債券V所附換股權公平值乃按照柏力克－舒爾斯模式以8.75%之市場利率及風險溢價計算。

換股權及提早贖回權公平值變動虧損合共101,825,212港元(二零零七年：收益165,430,203港元)於綜合收益表確認，即年內衍生工具公平值變動之虧損總額87,659,773港元(二零零七年：收益165,430,203港元)及本年度可換股債券III初步確認之虧損14,165,439港元。

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38. PLEDGED BANK DEPOSITS

The amount represented deposits pledged to lenders to secure facilities granted to the Group. The deposits have been pledged to secure short-term bank and other borrowings and are therefore classified as current assets.

The deposits carried interest rate which ranged from 3.4% to 4.1% per annum. The pledged bank deposits were released upon the settlement of relevant borrowings.

39. BANK BALANCES AND CASH

Bank balances and cash comprises cash held by the Group and bank balances that bear interest at prevailing market rates ranging from 0.1% to 6.5% (2007: 1.5% to 5%) per annum and have original maturity of three months or less.

40. ASSETS CLASSIFIED AS HELD FOR SALE

On 18th March, 2008, the directors entered into agreement to dispose of one of its subsidiaries, Healthy International Limited ("Healthy International") which engaged in the sales of healthcare and pharmaceutical products, to third parties. The assets and liabilities attributable to Healthy International have been classified as a disposal group held for sale and are presented separately in the balance sheet (see below). The net proceeds of disposal are expected to exceed the net carrying amount of the relevant assets and liabilities and accordingly, no impairment loss has been recognised.

38. 已抵押銀行存款

該款項代表就取得授予本集團之融資抵押予借方之存款。該存款已就取得短期其他借款作出抵押，因此歸類為流動資產。

該存款按介乎3.4厘至4.1厘之年利率計息。已抵押銀行存款已於結算有關借貸後釋出。

39. 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金，以及原到期日為三個月以內並按0.1厘至6.5厘(二零零七年：1.5厘至5厘)之現行市場年利率計息之銀行結餘。

40. 分類為持作出售資產

於二零零八年三月十八日，董事訂立協議，將從事銷售保健及醫藥產品之附屬公司 Healthy International Limited(「Healthy International」)出售予第三方。Healthy International所佔資產與負債已分類為持作出售之出售組別，並於資產負債表獨立呈列(見下文)。預期出售所得款項淨額將超過相關資產與負債之賬面值，因此並無確認減值虧損。

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40. ASSETS CLASSIFIED AS HELD FOR SALE

(Continued)

The major classes of assets and liabilities of Healthy International classified as held for sales are as follows:

Total assets classified as held for sale	分類為持作出售資產總額
Total liabilities associated with assets classified as held for sale	與分類為持作出售資產有關負債總額

40. 分類為持作出售資產(續)

分類為持作出售之Healthy International主要資產與負債類別如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
17,895,244	–
6,320,906	–

41. TRADE AND OTHER PAYABLES

Trade payables (note)	應付賬款(附註)
Other payables	其他應付款項
Accruals	應計費用

41. 應付賬款及其他應付款項

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
6,056,926	17,400,076
3,021,144	8,722,426
15,503,728	14,931,711
24,581,798	41,054,213

Note: The following is an aged analysis of trade payables at the balance sheet date:

附註：於結算日之應付賬款賬齡分析如下：

0 – 60 days	0日 – 60日
61 – 120 days	61日 – 120日
121 – 240 days	121日 – 240日
Over 240 days	240日以上

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
5,871,804	9,115,326
59,346	5,895,877
5,040	–
120,736	2,388,873
6,056,926	17,400,076

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42. AMOUNTS DUE TO RELATED PARTIES

Classictime Investments Limited (note a)	Classictime Investments Limited (附註a)
Weissford Development Limited (note b)	威福發展有限公司(附註b)
Kowloon Hearing Services Limited (note c)	九龍聽覺服務有限公司 (附註c)

Notes:

- (a) A company is a wholly-owned subsidiary of Hong Kong Health Check, an associate of the Company.
- (b) A company in which Dr. Cho Kwai Chee and Mr. Cho Kwai Yee, Kevin are directors and have beneficial interests.
- (c) A company in which Mr. Lai is a director and shareholder. Mr. Lai is also a director of a subsidiary of the Company, Audio Health Hearing Care (Shatin) Limited.

As at 31st March, 2008, the amount is unsecured, interest bearing at 1% per annum and repayable on demand.

As at 31st March, 2007, the amounts were unsecured, interest-free and were fully repaid during the year.

42. 應付有關聯公司款項

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
50,119,726	–
–	607,599
–	307,260
<u>50,119,726</u>	<u>914,859</u>

附註：

- (a) 本公司聯營公司香港體檢之全資附屬公司。
- (b) 曹貴子醫生及曹貴宜先生出任董事並於當中擁有實益權益之公司。
- (c) 賴先生出任董事及股東之公司，賴先生亦為本公司附屬公司康聆聽覺護理(沙田)有限公司之董事。

於二零零八年三月三十一日，有關款項為無抵押、按年息1厘計息及須按要求償還。

於二零零七年三月三十一日，有關款項為無抵押、免息及已於年內悉數償還。

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43. BANK AND OTHER BORROWINGS

43. 銀行及其他借貸

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Bank overdrafts	銀行透支	19,101,053	823,818
Trust receipt loan	信託收據貸款	–	249,600
Bank loans	銀行貸款	90,240,815	51,949,035
		<u>109,341,868</u>	<u>53,022,453</u>
Analysed as:	分析為：		
Secured	有抵押	42,341,868	27,772,853
Unsecured	無抵押	67,000,000	25,249,600
		<u>109,341,868</u>	<u>53,022,453</u>
Carrying amount repayable:	須於下列年期償還之面值：		
Within one year or on demand	一年內或按要求	88,253,142	29,734,414
In the second year	第二年	2,221,238	1,929,287
In the third year	第三年	2,290,613	2,039,724
In the fourth year	第四年	2,298,898	2,156,487
In the fifth year	第五年	2,177,891	2,212,899
Over five years	超過五年	12,100,086	14,949,642
		109,341,868	53,022,453
Less: Amount due within one year included under current liabilities	減：包括於流動負債內於一年內到期之金額	(88,253,142)	(29,734,414)
Amount due after one year	於一年後到期之金額	<u>21,088,726</u>	<u>23,288,039</u>

The Group has variable-rate borrowings on bank loans which carry interest at prime rate over 1.25% to prime rate less 1.5% per annum (2007: prime rate less 2.8% to 1.5% per annum). Interest is repriced every year.

本集團擁有浮息銀行貸款借貸，利息按最優惠利率減1.25厘至1.5厘(二零零七年：按最優惠利率減2.8厘至1.5厘)之年利率計算。利息每年重新定價一次。

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

本集團借貸之實際利率(亦等同合約利率)範圍如下：

		2008 二零零八年	2007 二零零七年
Effective interest rate:	實際利率：	2.7% to 5%	5.2% to 6.3%
Variable-rate borrowings	浮息借貸	<u>2.7厘至5厘</u>	<u>5.2厘至6.3厘</u>

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43. BANK AND OTHER BORROWINGS (Continued)

During the year, the Group obtained loans from a bank in the amount of HK\$67,000,000 (2007: HK\$68,333,490).

43. 銀行及其他借貸(續)

年內，本集團從銀行取得貸款67,000,000港元(二零零七年：68,333,490港元)。

44. OBLIGATIONS UNDER FINANCE LEASES

It is the Group's policy to lease certain of its furniture and fixtures under finance leases. The average lease term is 3 years. Interest rates underlying all obligations under finance leases are fixed at respective contracts dates at 1.242% per annum. No arrangements have been entered into for contingent rental payments.

44. 融資租約承擔

根據本集團之政策，本集團之若干傢俬及裝置乃根據融資租約租賃，平均租期為三年。融資租約下之所有責任之相關利率均於各合約日期按每年1.242厘確定。並無就或然租賃款項訂立任何安排。

		Minimum lease payments		Present value of minimum lease payments	
		最低租約付款		最低租約付款之現值	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
Amounts payable under finance leases	融資租約下之應付金額				
Within one year	一年內	-	45,600	-	45,600
In more than one year but not more than two years	超過一年但不逾兩年	-	45,600	-	45,041
In more than two years but not more than three years	超過兩年但不逾三年	-	34,200	-	33,366
		-	125,400	-	124,007
Less: future finance charges	減：未來融資費用	-	(1,393)	-	-
Present value of lease obligations	租約承擔之現值	-	124,007	-	124,007
Less: Amount due for settlement within twelve months (shown under current liabilities)	減：十二個月內到期應付之款項(列於流動負債下)	-	-	-	(45,600)
Amount due for settlement after twelve months	十二個月後到期應付之款項	-	-	-	78,407

The Group's obligations under finance leases are fully repaid upon the disposal of Next Dimension Advertising (Hong Kong) Limited, a subsidiary of the Group, during the year.

本集團之融資租約責任於年內出售本集團附屬公司點•線•面廣告(香港)有限公司時悉數償還。

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45. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities (assets) recognised and movements thereon during the current and prior years:

		Accelerated tax depreciation and revaluation of investment properties	Tax losses	Others	Total
		折舊及重估 投資物業 HK\$ 港元	稅項虧損 HK\$ 港元	其他 HK\$ 港元	合計 HK\$ 港元
At 1st April, 2006	於二零零六年四月一日	5,295,081	(1,157,169)	(139,570)	3,998,342
(Credit) charge to consolidated income statement for the year	(計入)扣自 年度綜合收益表	<u>(1,273,157)</u>	<u>1,124,061</u>	<u>(87,420)</u>	<u>(236,516)</u>
At 31st March, 2007	於二零零七年 三月三十一日	4,021,924	(33,108)	(226,990)	3,761,826
Acquisition of subsidiaries	收購附屬公司	(180,000)	-	-	(180,000)
Charge (credit) to consolidated income statement for the year	扣自(計入) 年度綜合收益表	<u>1,017,647</u>	<u>-</u>	<u>(20,990)</u>	<u>996,657</u>
At 31st March, 2008	於二零零八年 三月三十一日	<u>4,859,571</u>	<u>(33,108)</u>	<u>(247,980)</u>	<u>4,578,483</u>

At 31st March, 2008, the Group has unused tax losses of HK\$26,608,495 (2007: HK\$25,410,918) available for offset against future profits. A deferred tax asset has been recognised in respect of such losses of HK\$189,188 (2007: HK\$189,188).

No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$26,419,309 (2007: HK\$25,221,730) due to the unpredictability of future profit streams and may be carried forward indefinitely.

At 31st March, 2008, the Group has deductible temporary differences associated with specific provision on trade receivables and inventories of HK\$1,574,168 (2007: HK\$9,125,366). No deferred tax asset has been recognised in relation to HK\$1,417,029 (2007: HK\$7,828,280) of such deductible temporary difference as it is uncertain that taxable profit will be available against which the deductible temporary differences can be utilised.

45. 遞延稅項負債

於年內及往年所確認之主要遞延稅項負債(資產)及其變動如下:

於二零零八年三月三十一日，本集團有約26,608,495港元(二零零七年：25,410,918港元)未動用稅項虧損可用作抵銷日後溢利。已就為數189,188港元(二零零七年：189,188港元)之虧損確認遞延稅項資產。

由於無法預測日後之溢利來源，並無就餘下稅項虧損26,419,309港元(二零零七年：25,221,730港元)確認遞延稅項資產，並可無限期結轉。

於二零零八年三月三十一日，本集團與應收賬款及存貨特定撥備相關之可扣減暫時差額為1,574,168港元(二零零七年：9,125,366港元)。由於無法確定將有應課稅溢利可用作抵銷可扣減暫時差額，故並無就該等為數1,417,029港元(二零零七年：7,828,280港元)之可扣減暫時差額確認遞延稅項資產。

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46. CONVERTIBLE BONDS

On 2nd February, 2005, the Company entered into a placing agreement with an independent placing agent in relation to the placing of up to HK\$32,000,000 2.5% convertible bonds due 2007, to independent third parties. On 11th April, 2005, an aggregate principal amount of HK\$32,000,000 convertible bonds were issued. The convertible bonds can be converted into ordinary shares in the Company at a conversion price of HK\$0.037 per share, subject to adjustment, at the option of the bondholders, at any time between the date of issue of the convertible bonds and 90 days prior to the maturity date on 10th April 2007. If the bonds have not been converted, they will be redeemed on 10th April, 2007 at par. Interest of 2.5% will be paid half yearly in arrears on 31st March, and 30th September in each year. The effective interest rate is 7.77%.

The HK\$32,000,000 2.5% convertible bonds were fully converted from 22nd April, 2005 to 23rd May, 2005 by 11 bondholders. A total of 864,864,864 shares were allotted and issued for the year ended 31st March, 2006.

On 30th August, 2005, the Company entered into a placing agreement with an independent placing agent for the purpose of arranging subscribers for the issue of 2.5% convertible bonds due 2007/2008, on a best effort basis, up to an aggregate principal amount of HK\$80,000,000 in two tranches. As at 31st March, 2006, "Tranche 1 Bonds", representing 2.5% convertible bonds due 2007 up to an aggregate principal amount of HK\$40,000,000 had been issued in full. Up to 28th February, 2006, no subscribers have been procured to subscribe on the "Tranche 2 Bonds", representing 2.5% convertible bonds due 2008 up to an aggregate principal amount of HK\$40,000,000. According to the placing agreement, the placing for the Tranche 2 Bonds was ceased and terminated and thus the whole Tranche 2 Bonds were not issued.

46. 可換股債券

於二零零五年二月二日，本公司與一名獨立配售代理訂立配售協議，向獨立第三方配售最多達32,000,000港元之2.5厘可換股債券，可換股債券於二零零七年到期。於二零零五年四月十一日，已發行本金總額32,000,000港元之可換股債券。可換股債券可按換股價每股0.037港元(可予調整)轉換為本公司普通股，債券持有人可選擇於可換股債券發行日期至到期日(二零零七年四月十日)前90日內任何時間內轉換。倘債券未獲轉換，則將於二零零七年四月十日按面值贖回。利息2.5厘將於每年之三月三十一日及九月三十日每半年如期支付。實際利率為7.77厘。

32,000,000港元之2.5厘可換股債券已於二零零五年四月二十二日至二零零五年五月二十三日獲11名債券持有人悉數轉換。截至二零零六年三月三十一日止年度配發及發行合共864,864,864股股份。

於二零零五年八月三十日，本公司與一名獨立配售代理訂立一份配售協議，旨在以盡力基準為發行於二零零七年/二零零八年到期之2.5厘可換股債券安排認購人，本金總額最多達80,000,000港元(分為兩批)。於二零零六年三月三十一日，於二零零七年到期之本金總額為40,000,000港元之2.5厘可換股債券(「第一批債券」)已悉數發行。截至二零零六年二月二十八日為止，並無促使認購人認購於二零零八年到期本金總額最多達40,000,000港元之2.5厘可換股債券(「第二批債券」)。根據配售協議，第二批債券之配售已終結及停止，因此，整批第二批債券均並無發行。

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46. CONVERTIBLE BONDS (Continued)

The Tranche 1 Bonds can be converted into ordinary shares in the Company at a conversion price of HK\$0.105 per share, subject to adjustment, at the option of the bondholders, at any time between the date of issue of the convertible bonds and 90 days prior to the maturity date on 28th September, 2007. If the bonds have not been converted, they will be redeemed on 28th September, 2007 at par. Interest of 2.5% will be paid half yearly in arrears on 30th June and 31 December in each year. The effective interest rate is 9.40%.

The Tranche 1 Bonds were fully converted on 8th June, 2006 and 8th November, 2006. A total of 380,952,380 ordinary shares of HK\$0.01 each were allotted and issued for the year ended 31st March, 2007.

46. 可換股債券(續)

第一批債券可按換股價每股0.105港元(可予調整)轉換為本公司普通股,債券持有人可選擇於可換股債券發行日期至到期日(二零零七年九月二十八日)前90日內任何時間內轉換。倘債券未獲轉換,則將於二零零七年九月二十八日按面值贖回。利息2.5厘將於每年之六月三十日及十二月三十一日每半年如期支付。實際利率為9.40厘。

第一批債券已於二零零六年六月八日及二零零六年十一月八日悉數轉換。合共380,952,380股每股面值0.01港元普通股已於截至二零零七年三月三十一日止年度內配發及發行。

47. SHARE CAPITAL

47. 股本

		Number of shares 股份數目	Amount 價值 HK\$ 港元
Authorised:	法定股本:		
Ordinary shares of HK\$0.01 each at 1st April, 2006, 31st March, 2007 and 2008	於二零零六年四月一日、 二零零七年及二零零八年 三月三十一日每股面值 0.01港元之普通股	20,000,000,000	200,000,000
Issued and fully paid:	已發行及繳足:		
Ordinary shares of HK\$0.01 each at 1st April, 2006	於二零零六年四月一日 每股面值0.01港元之普通股	4,996,593,528	49,965,935
Exercise of convertible bonds (note a)	行使可換股債券(附註a)	380,952,380	3,809,524
Share repurchased and cancelled (note b)	已購回及註銷之股份(附註b)	(305,564,000)	(3,055,640)
Ordinary shares of HK\$0.01 each at 31st March, 2007	於二零零七年三月三十一日 每股面值0.01港元之普通股	5,071,981,908	50,719,819
Issue of new shares (note c)	發行新股(附註c)	515,000,000	5,150,000
Bonus issue of shares (note d)	發行紅股(附註d)	11,173,963,816	111,739,638
Shares repurchased and cancelled (note e)	已購回及註銷之股份(附註e)	(12,030,000)	(120,300)
Exercise of share options (note f)	行使購股權(附註f)	219,000,000	2,190,000
Ordinary shares of HK\$0.01 each at 31st March, 2008	於二零零八年三月三十一日 每股面值0.01港元之普通股	16,967,915,724	169,679,157

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47. SHARE CAPITAL (Continued)

Notes:

The movements of the ordinary share capital for the year ended 31st March, 2007 were as follows:

- (a) On 8th June, 2006 and 8th November, 2006, HK\$28,000,000 and HK\$12,000,000 of the convertible bonds were converted into ordinary shares of the Company.
- (b) During the year, the Company repurchased its own shares through the Stock Exchange as follows:

Month of repurchase 購回月份	No. of ordinary shares of HK\$0.01 each 每股面值0.01港元之普通股數目
August 2006	19,554,000
September 2006	21,262,000
October 2006	133,828,000
January 2007	130,920,000
	<u>305,564,000</u>

The above shares were cancelled upon repurchase.

All the shares issued during the year rank pari passu with the then existing ordinary shares in all respects.

The movements of the ordinary share capital for the year ended 31st March, 2008 were as follows:

- (c) On 25th May, 2007, arrangement was made for a placement to independent investors of 195,000,000 shares of HK\$0.01 each in the Company in cash at a price of HK\$0.5412 per share representing a discount of approximately 66% to the closing price of HK\$0.82 per share as quoted on the Stock Exchange on 25th May, 2007.

On 29th June, 2007, arrangement was made for a placement to independent private investors of 320,000,000 shares of HK\$0.01 each in the Company in cash at a price of HK\$0.61 per share representing a discount of approximately 82% to the closing price of HK\$0.74 per share as quoted on the Stock Exchange on 29th June, 2007.

- (d) On 9th August, 2007, 11,173,963,816 bonus shares were issued under the bonus issue, representing approximately 200% of the issued share capital. The bonus issue was to be made on the basis of two bonus shares for every existing one share held on 27th July, 2007. The bonus shares were issued and credited as fully paid at par.

47. 股本(續)

附註：

截至二零零七年三月三十一日止年度之普通股股本變動如下：

- (a) 於二零零六年六月八日及二零零六年十一月八日，28,000,000 港元及 12,000,000 港元之可換股債券獲轉換為本公司普通股。
- (b) 年內本公司透過聯交所購回本身股份如下：

Price per share 每股價格		Aggregate consideration paid 合計支付代價 HK\$ 港元
Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
0.228	0.224	4,474,286
0.230	0.229	4,931,919
0.233	0.227	31,144,320
0.202	0.198	<u>26,644,366</u>
		<u>67,194,891</u>

上述股份已於購回時註銷。

年內所有發行之股份於各方面均與當時現有普通股份享有同等地位。

截至二零零八年三月三十一日止年度之普通股股本變動如下：

- (c) 於二零零七年五月二十五日，已就配售本公司每股面值 0.01 港元之 195,000,000 股股份予獨立投資者作出安排，每股作價現金 0.5412 港元，較本公司股份於二零零七年五月二十五日在聯交所所報收市價每股 0.82 港元折讓約 66%。

於二零零七年六月二十九日，已就配售本公司每股面值 0.01 港元之 320,000,000 股股份予獨立私人投資者作出安排，每股作價現金 0.61 港元，較本公司股份於二零零七年六月二十九日在聯交所所報收市價每股 0.74 港元折讓約 82%。

- (d) 於二零零七年八月九日，紅股發行項下已發行 11,173,963,816 股紅股，相當於已發行股本約 200%。發行紅股以於二零零七年七月二十七日所持每股現有股份發行兩股紅股為基準。紅股已按面值發行及悉數扣除。

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47. SHARE CAPITAL (Continued)

Notes: (Continued)

- (e) During the year, the Company repurchased its own shares through the Stock Exchange as follows:

Month of repurchase 購回月份	No. of ordinary shares of HK\$0.01 each 每股面值0.01港元之普通股數目
November 2007 二零零七年十一月	6,680,000
January 2008 二零零八年一月	5,350,000
	12,030,000

The above shares were cancelled upon repurchase.

All the shares issued during the year rank pari passu with the then existing ordinary shares in all respects.

- (f) During the year ended 31st March, 2008, 219,000,000 (2007: Nil) share options were exercised at a subscription price of HK\$0.111 per share, resulting in the issue of 219,000,000 (2007: Nil) ordinary shares of HK\$0.01 each in the Company and giving a total cash consideration of approximately HK\$24,309,000 (2007: Nil).

48. SHARE-BASED PAYMENT TRANSACTIONS

The Company's share option scheme was adopted on 24th April, 2002 (the "2002 Scheme"), for the primary purpose of providing incentives to directors and eligible employees.

Pursuant to a resolution passed at an extraordinary general meeting, the Company adopted the 2002 Scheme, which will expire on 23rd April, 2011, the Company may grant options to the eligible persons falling within the definition prescribed in the 2002 Scheme including directors, employees and consultants etc. of the Company or its subsidiaries to subscribe for shares in the Company at a consideration of HK\$1 for each lot of share options granted.

Options granted should be accepted within 21 days from the offer date. Options granted are exercisable during the period commencing on the date of grant and expiring on the date ten years after the date of grant. The maximum number of shares in respect of which options may be granted shall not exceed 10% of the issued share capital of the Company from time to time excluding any shares issued upon the exercise of options granted pursuant to the 2002 Scheme.

47. 股本(續)

附註：(續)

- (e) 年內，本公司透過聯交所購回其本身股份之詳情如下：

Price per share 每股價格		Aggregate consideration paid 已付總代價 HK\$ 港元
Highest 最高價 HK\$ 港元	Lowest 最低價 HK\$ 港元	
0.150	0.140	953,904
0.100	0.090	507,200
		1,461,104

上述股份於購回時已註銷。

所有於年內發行之股份與當時現有普通股在各方面均享有同等權利。

- (f) 於截至二零零八年三月三十一日止年度，219,000,000份(二零零七年：無)購股權已按認購價每股0.111港元行使，導致本公司發行219,000,000股(二零零七年：無)每股面值0.01港元之普通股，產生總現金代價約24,309,000港元(二零零七年：無)。

48. 股份付款交易

本公司於二零零二年四月二十四日採納購股權計劃(「二零零二年計劃」)，主要旨在向董事及合資格僱員提供獎勵。

根據股東特別大會上通過之決議案，本公司採納二零零二年計劃(將於二零一一年四月二十三日屆滿)，本公司可向二零零二年計劃指定類別之合資格人士(包括本公司或其附屬公司之董事、僱員及顧問等)授出可認購本公司股份之購股權，而授出每批購股權之代價為1港元。

所授出之購股權須於提呈日期起計21日內接納。所授出之購股權可於授出日期起至授出日期後十年屆滿當日期間內予以行使。所授出之購股權涉及之股份數目最多不得超過本公司當時之已發行股本之10%，惟不包括根據二零零二年計劃所授出購股權行使時發行之任何股份。

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48. SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

The exercise price per share is determined by the directors of the Company, and shall be at least the highest of the closing price of the Company's shares on the date of grant, the average closing price of the shares for the five business days immediately preceding the date of grant or the nominal value of the shares of the Company.

The total number of shares in respect of which options may be granted to an eligible employee under the 2002 Scheme is not permitted to exceed 1% of the aggregate number of shares issued for the time being and issuable under the 2002 Scheme.

Details of the share options granted under the 2002 Scheme to employees of the Company under the Scheme during the year and movement in such holding during the year are as follows:

	Date of grant 授出日期	Exercisable period 行使期間	Exercise price per share 每股行使價	Outstanding at 1st April, 2007	Granted	Exercised	Outstanding at 31st March, 2008
				於二零零七年 四月一日 尚未行使	during the year 於年內授出	during the year 於年內行使	於二零零八年 三月三十一日 尚未行使
Employees 僱員	9.10.2007 二零零七年十月九日	9.10.2007 to 8.10.2017 二零零七年十月九日至 二零一七年十月八日	0.111	-	526,600,000	(219,000,000)	307,600,000
Exercisable at the end of the year	可於年末行使						307,600,000

During the year ended 31st March, 2008, the options were granted on 9th October, 2007. The estimated fair values of the options granted for the year is HK\$9,057,520 (2007: Nil).

During the year, 130,800,000 share options were exercised on 13th March, 2008 and 88,200,000 share options were exercised on 25th March, 2008 with the closing price of the Company's share are HK\$0.15 and HK\$0.14 respectively.

The closing price of the Company's share on 9th October, 2007 immediately before the grant of the share options was HK\$0.10 per share.

Options granted are fully vested at the date of grant.

48. 股份付款交易(續)

每股行使價乃由本公司董事釐定，並最少須為本公司股份於提呈當日之收市價、緊接提呈日期前五個營業日股份之平均收市價或本公司股份面值之較高者。

根據二零零二年計劃可向合資格僱員授出購股權所涉及之股份總數，不得超過根據二零零二年計劃當時已發行及可發行股份總數之1%。

於年內根據二零零二年計劃向本公司僱員授出之購股權及年內有關購股權之變動詳情如下：

於截至二零零八年三月三十一日止年度，購股權乃於二零零七年十月九日授出。年內所授出購股權之公平值估計為9,057,520港元(二零零七年：無)。

年內，於二零零八年三月十三日及二零零八年三月二十五日，分別按本公司股份收市價0.15港元及0.14港元行使130,800,000份及88,200,000份購股權。

本公司股份於緊接授出購股權前日期二零零七年十月九日之收市價為每股0.10港元。

所授出購股權已於授出日期悉數歸屬。

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48. SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

The fair values were calculated using the binominal model ("Model"). The inputs into the binominal model were as follows:

Closing share price at the date of grant	於授出日期之股份收市價
Exercise price	行使價
Expected volatility	預計波幅
Expected life	預計年期
Risk-free rate	無風險率
Fair value per share option	每份購股權公平值

Expected volatility was determined by using the annualised historical volatility of the Company's share price over the previous one year. The expected life used in the model is based on management's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations.

The consideration of HK\$14 was received during the year for taking up the options granted.

The Group recognised the total expense of HK\$9,057,520 for the year ended 31st March, 2008 (2007: Nil) in relation to share options granted by the Company.

The fair values were calculated by Greater China Appraisal Limited, an independent third party. The binominal model is one of the commonly used models to estimate the fair value of the options. The value of an option varies with different variables of certain subjective assumptions. Any changes in the variables so adopted may materially affect the estimation of the fair values of an option.

49. ACQUISITION OF SUBSIDIARIES

For the year ended 31st March, 2008

On 29th October, 2007, the Group acquired the entire equity interest in Healthy International Limited ("Healthy International"), a company incorporated in Hong Kong, at a consideration of HK\$810,000. Healthy International is engaged in the trading of healthcare products in Hong Kong. This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was HK\$11,810,256.

48. 購股權計劃(續)

公平值採用二項式模式(「模式」)計算。二項式模式採用之數據如下：

2008 二零零八年	2007 二零零七年
0.10港元	—
0.111港元	—
82.45%	—
7 years年	—
4.28%	—
0.0172港元	—

預計波幅乃按本公司股價於去年之過往年度波幅釐定。模式採用之預計年期以管理層最佳估計、非轉讓性質、行使限制及表現因素為基準。

年內已就認購所授購股權收取代價14港元。

於截至二零零八年三月三十一日止年度，本集團就其授出之購股權已確認總開支9,057,520港元(二零零七年：無)。

購股權公平值由獨立第三方漢華評值有限公司計算。二項式模式為常用於估計購股權公平值之模式之一。購股權價值會因若干主觀假設之不同變數而有所不同。所採納變數之任何變動可能重大影響購股權公平值之估計。

49. 收購附屬公司

於截至二零零八年三月三十一日止年度於二零零七年十月二十九日，本集團按代價810,000港元收購於香港註冊成立之健康國際有限公司(「健康國際」)。健康國際之業務為於香港買賣保健產品。是項收購以購買法入賬。收購產生之商譽為11,810,256港元。

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49. ACQUISITION OF SUBSIDIARIES (Continued)

For the year ended 31st March, 2008 (Continued)

On 29th September, 2007, the Group acquired the entire equity interest in Jolly Park Limited ("Jolly Park"), a company incorporated in the British Virgin Islands, at a consideration of approximately HK\$45.7 million. Jolly Park and its subsidiary is engaged in the provision of medical services in Hong Kong. This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was HK\$26,069,826.

49. 收購附屬公司(續)

於截至二零零八年三月三十一日止年度 (續)

於二零零七年九月二十九日，本集團按代價約45,700,000港元收購於英屬處女群島註冊成立之Jolly Park Limited(「Jolly Park」)全部股權。Jolly Park及其附屬公司於香港從事提供醫療服務。是項收購以購買法入賬。收購產生之商譽為26,069,826港元。

		Healthy International 健康國際		Jolly Park		Total 總計 HK\$ 港元
		Acquiree's amount before combination (note) 合併前被 收購方之 賬面值(附註) HK\$ 港元	Acquiree's carrying amount before combination 賬面值 HK\$ 港元	Fair value adjustment 公平值調整 HK\$ 港元	Fair value 公平值 HK\$ 港元	
Net assets acquired:	所收購之資產淨值：					
Property, plant and equipment	物業、廠房及設備	738,637	2,580,802	-	2,580,802	3,319,439
Intangible assets (note 25)	無形資產(附註25)	-	-	11,506,072	11,506,072	11,506,072
Inventories	存貨	938,931	1,953,549	-	1,953,549	2,892,480
Trade and other receivables	應收賬款及其他應收款項	4,989,502	4,781,157	-	4,781,157	9,770,659
Bank balances and cash	銀行結餘及現金	1,159,219	1,423,401	-	1,423,401	2,582,620
Deferred tax assets	遞延稅項資產	-	180,000	-	180,000	180,000
Trade and other payables	應付賬款及其他應付款項	(18,826,545)	(2,267,058)	-	(2,267,058)	(21,093,603)
Tax payable	應付稅項	-	(493,077)	-	(493,077)	(493,077)
		(11,000,256)	8,158,774	11,506,072	19,664,846	8,664,590
Goodwill (note 24)	商譽(附註24)	11,810,256			26,069,826	37,880,082
		<u>810,000</u>			<u>45,734,672</u>	<u>46,544,672</u>
Satisfied by:	支付方式：					
Cash consideration paid	已付現金代價				45,734,672	46,544,672
Analysis of net outflow (inflow) of cash and cash equivalents in connection with the acquisition of subsidiaries:	有關收購附屬公司之 現金及現金等值項目 流出(流入)淨額 分析：					
Cash consideration paid	已付現金代價	810,000			45,734,672	46,544,672
Bank balances and cash acquired	所收購銀行結餘及現金	(1,159,219)			(1,423,401)	(2,582,620)
Net cash (inflow) outflow in respect of the acquisition of subsidiaries	有關收購附屬公司 之現金(流入)流出 淨額	<u>(349,219)</u>			<u>44,311,271</u>	<u>43,962,052</u>

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49. ACQUISITION OF SUBSIDIARIES (Continued)

The goodwill arising on acquisition of Noble Pioneer is attributable to the anticipated profitability of its business. In addition, the consideration paid for the combination effectively included amount in relation to the benefit of assembled workforce amounted HK\$560,338 of Jolly Park. This benefit is not recognised separately from goodwill as the amount is not significant.

The subsidiaries acquired during the year ended 31st March, 2008 contributed HK\$33,627,478 (2007: HK\$7,584,007) to the Group's revenue and HK\$1,118,947 (2007: HK\$463,146) to the Group's profit for the year.

Had the acquisitions during the year ended 31st March, 2008 been completed on 1st April, 2007, the Group's revenue and profit for the year from continuing operations would have been HK\$365,055,264 and HK\$275,204,893, respectively. This pro forma information is for illustrative purposes only and is not necessarily indicative of the revenue and results of the Group that would actually have been impacted had the acquisitions been completed on 1st April, 2007, nor is it intended to be a projection of future results.

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The goodwill arising on acquisition of Next Dimension is attributable to the anticipated profitability of its business.

On 29th September, 2006, the Group increased its interest in Next Dimension from 40% to 65%, at a consideration of HK\$700,000. Next Dimension is engaged in the provision of design, promotion, advertising and public relationship services and was previously treated as an associate of the Group.

49. 收購附屬公司(續)

收購正耀所產生商譽與其業務之預計盈利能力有關。此外，就合併支付之代價實際包括組合 Jolly Park 之員工之利益 560,338 港元。由於有關款額並不重大，故此並無獨立於商譽確認。

截至二零零八年三月三十一日止年度內收購之附屬公司為本集團之收入及本集團之年度溢利分別帶來 33,627,478 港元(二零零七年：7,584,007 港元)及 1,118,947 港元(二零零七年：463,146 港元)之貢獻。

倘於截至二零零八年三月三十一日止年度之收購已於二零零七年四月一日完成，本集團年內持續經營業務之營業額及溢利將分別為 365,055,264 港元及 275,204,893 港元。此備考資料僅供說明之用，不一定能反映倘收購已於二零零七年四月一日完成，本集團將可確實錄得之收益及業績，亦不擬作為未來業績之預測。

截至二零零七年三月三十一止年度

收購點•線•面所產生商譽與其業務之預計盈利能力有關。

於二零零六年九月二十九日，本集團以代價 700,000 港元將其於點•線•面之權益由 40% 增加至 65%。點•線•面主要從事提供設計、推廣、廣告及公共關係服務，過往被當作為本集團之聯營公司。

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49. ACQUISITION OF SUBSIDIARIES (Continued)

49. 收購附屬公司(續)

		2007 二零零七年 HK\$ 港元
Net assets acquired:	所收購之資產淨值：	
Property, plant and equipment	物業、廠房及設備	466,064
Trade and other receivables	應收賬款及其他應收款項	2,357,068
Tax recoverable	可收回稅項	142,908
Banks balances and cash	銀行結餘及現金	54,054
Trade and other payables	應付賬款及其他應付款項	(2,471,804)
Bank overdraft	銀行透支	(144,484)
Obligations under finance leases	融資租約承擔	(206,849)
		<u>196,957</u>
Minority interests	少數股東權益	(68,935)
Interest acquired in prior year recognised as interest in an associate	上年度所收購權益 確認為於一間聯營公司 之權益	(104,507)
Goodwill (note 24)	商譽(附註24)	<u>680,210</u>
		<u>703,725</u>
Satisfied by:	支付方式：	
Cash consideration paid	已付現金代價	700,000
Related expense paid on acquisition	收購時之相關開支	3,725
		<u>703,725</u>
Analysis of net outflow (inflow) of cash and cash equivalents in connection with the acquisition of subsidiaries:	有關收購附屬公司之 現金及現金等值項目 流出(流入)淨額分析：	
Cash consideration paid	已付現金代價	703,725
Bank balances and cash acquired	所收購銀行結餘及現金	(54,054)
Bank overdraft acquired	所收購銀行透支	144,484
Net cash outflow in respect of the acquisition of subsidiaries	有關收購 附屬公司之 現金流出淨額	<u>794,155</u>

Had the acquisitions during the year ended 31st March, 2007 been completed on 1st April, 2006, the Group's turnover and loss for the year from continuing operations would have been HK\$240,644,770 and HK\$151,002,991, respectively. This pro forma information is for illustrative purposes only and is not necessarily indicative of the revenue and results of the Group that would actually have been impacted had the acquisitions been completed on 1st April, 2006, nor is it intended to be a projection of future results.

倘截至二零零七年三月三十一日止年度之收購已於二零零六年四月一日完成，本集團年內持續經營業務之營業額及虧損將分別為240,644,770港元及151,002,991港元。此備考資料僅供說明之用，不一定能反映倘收購已於二零零六年四月一日完成，本集團將可確實錄得之營業額及業績，亦不擬作為未來業績之預測。

Note: The carrying amount of assets (liabilities) before combination approximates fair values as at the date of acquisition.

附註：合併賬目前之資產(負債)之賬面值與於收購日之公平值相若。

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50. DEEMED DISPOSAL OF A SUBSIDIARY

The deemed disposal of Hong Kong Health Check was completed on 3rd October, 2006 and the net assets of Hong Kong Health Check at the date of disposal were as follows:

50. 視作出售一家附屬公司

視作出售香港體檢已於二零零六年十月三日完成而於出售日期香港體檢之資產淨值如下：

		2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Net assets deemed disposed of:	視作出售之資產淨值：		
Property, plant and equipment	物業、廠房及設備	-	1,126,366
Deposits paid on acquisition of property, plant and equipment	於收購物業、廠房及設備時支付之按金	-	16,440,000
Held for trading investments	持作買賣投資	-	18,212,718
Trade and other receivables	應收賬款及其他應收款項	-	50,164,068
Bank balances and cash	銀行結餘及現金	-	34,812,882
Trade and other payables	應付賬款及其他應付款項	-	(4,630,844)
Bank and other borrowings	銀行及其他借貸	-	(70,013,775)
Convertible bonds	可換股債券	-	(46,049,632)
		-	61,783
Convertible bonds reserve	可換股債券儲備	-	(16,062,353)
Minority interests	少數股東權益	-	16,000,570
		-	-
Net cash outflow of cash and cash equivalents in respect of deemed disposal of Hong Kong Health Check:	與視作出售香港體檢有關之現金及現金等值項目之現金流出淨額：		
Bank balances and cash deemed disposed of	視作出售之銀行結餘及現金	-	(34,812,882)

The subsidiaries disposed of during the year ended 31st March, 2007 contributed HK\$565,857 to the Group's revenue and no contribution to the Group's profit for that year.

截至二零零七年三月三十一日止年度內視作出售之附屬公司於本年度為本集團之營業額貢獻565,857港元及並無對本集團溢利帶來貢獻。

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51. ACQUISITION OF MEDICAL AND DENTAL PRACTICES

During the year, the Group acquired two medical and dental practices at a cash consideration of HK\$6,044,816 (2007: HK\$4,069,000).

Net assets acquired:	所收購之資產淨值：
Property, plant and equipment	物業、廠房及設備
Inventories	存貨
Goodwill (note 24)	商譽(附註24)
Satisfied by:	支付方式：
Cash	現金

For the expansion of the Group's business, the Group acquired medical and dental practices with experienced doctors and nurses. Goodwill is attributable to the anticipated profitability from these clinics and the skill and experience of the employees.

The medical and dental practices acquired contributed HK\$21,703,142 (2007: HK\$6,801,384) and a loss of HK\$7,234,029 (2007: HK\$866,870) to the Group's revenue and profit for the year, respectively, during the year between the dates of acquisition and the balance sheet date.

51. 收購西醫及牙醫診所

年內，本集團以現金代價6,044,816港元(二零零七年：4,069,000港元)收購兩間西醫及牙醫診所。

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
2,968,770	50,478
873,333	114,330
3,842,103	164,808
2,202,713	3,904,192
6,044,816	4,069,000
6,044,816	4,069,000

為擴展本集團之業務，本集團收購擁有經驗豐富的醫生和護士的西醫及牙醫診所。商譽乃歸因於該等診所之預計溢利水平及僱員之技能及經驗。

於收購日期至結算日止年度內，所收購之西醫及牙醫診所為本集團年內營業額及溢利分別帶來貢獻21,703,142港元(二零零七年：6,801,384港元)及虧損7,234,029港元(二零零七年：866,870港元)。

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51. ACQUISITION OF MEDICAL AND DENTAL PRACTICES *(Continued)*

Had the acquisitions during the year ended 31st March, 2008 been completed on 1st April, 2007, the Group's revenue and profit for the year from continuing operations would have been HK\$344,345,390 and HK\$226,239,290, respectively. This proforma information is for illustrative purposes only and is not necessarily indicative of the revenue and results of the Group that would actually have been impacted had the acquisitions been completed on 1st April, 2007, nor is it intended to be a projection of future results.

Had the acquisitions during the year ended 31st March, 2007 been completed on 1st April, 2006, the Group's revenue and profit for the year from continuing operations would have been HK\$278,634,835 and HK\$129,677,931 respectively. This proforma information is for illustrative purposes only and is not necessarily indicative of the revenue and results of the Group that would actually have been impacted had the acquisitions been completed on 1st April, 2006, nor is it intended to be a projection of future results.

52. DISPOSAL OF SUBSIDIARIES

As referred to in note 17, on 10th March, 2008, the Group discontinued its Cardiology Operations at the time of disposal of its subsidiary, Pacific Medical.

Other than the disposal of discontinued operation which set out in note 17, the Group also disposed of 100% interest in Next Dimension Advertising (H.K.) Company Limited ("Next Dimension") for a consideration of HK\$3,598,614. In addition, the Group has dissolved certain subsidiaries, namely Manifold China Limited ("Manifold China") and Spring Biotech (China) Limited ("Spring Biotech").

51. 收購西醫及牙醫診所(續)

倘截至二零零八年三月三十一日止年度之收購已於二零零七年四月一日完成，本集團年內持續經營業務之營業額及溢利將分別為344,345,390港元及226,239,290港元。此備考資料僅供說明之用，不一定能反映倘收購已於二零零七年四月一日完成，本集團將可確實錄得之收入及業績，亦不擬作為未來業績之預測。

倘截至二零零七年三月三十一日止年度之收購已於二零零六年四月一日完成，本集團年內持續經營業務之收入及溢利將分別為278,634,835港元及129,677,931港元。此備考資料僅供說明之用，不一定能反映倘收購已於二零零六年四月一日完成，本集團將可確實錄得之收入及業績，亦不擬作為未來業績之預測。

52. 出售附屬公司

誠如附註17所述，於二零零八年三月十日，本集團於出售其附屬公司帕斯醫療時終止其心臟科業務。

除附註17所述出售已終止業務外，本集團亦按代價3,598,614港元出售點•線•面廣告(香港)有限公司(「點•線•面」)100%權益。此外，本集團亦解散若干附屬公司，即Manifold China Limited(「Manifold China」)及Spring Biotech Limited(「Spring Biotech」)。

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52. DISPOSAL OF SUBSIDIARIES (Continued)

The net assets of the disposed subsidiaries at the date of disposal/dissolution were as follows:

52. 出售附屬公司(續)

於出售日期已出售／解散附屬公司之資產淨值如下：

		Next Dimension 點•線•面 HK\$ 港元	Manifold China HK\$ 港元	Spring Biotech HK\$ 港元	Sub-total 小計 HK\$ 港元	Discontinued operation 已終止業務 HK\$ 港元 (note 17) (附註17)	Total 合計 HK\$ 港元
NET ASSETS DISPOSED OF	已出售資產淨值						
Property, plant and equipment	物業、廠房及設備	313,787	-	-	313,787	359,451	673,238
Inventories	存貨	-	-	-	-	5,977,348	5,977,348
Amounts due from shareholders	應收股東款項	-	-	-	-	5,380,038	5,380,038
Trade and other receivables	應收賬款及其他應收款項	2,941,718	-	-	2,941,718	5,960,041	8,901,759
Bank balances and cash	銀行結餘及現金	60,751	-	-	60,751	3,222,866	3,283,617
Trade and other payables	應付賬款及其他應付款項	(2,703,193)	-	(2)	(2,703,195)	(16,775,355)	(19,478,550)
Amounts due to shareholders	應付股東款項	(1,742,586)	(34,720)	(41,468)	(1,818,774)	-	(1,818,774)
Bank overdraft	銀行透支	(837,355)	-	-	(837,355)	-	(837,355)
Tax payable	應付稅項	-	-	-	-	(2,764,348)	(2,764,348)
Obligations under finance leases	融資租約承擔	(68,400)	-	-	(68,400)	-	(68,400)
		(2,035,278)	(34,720)	(41,470)	(2,111,468)	1,360,041	(751,427)
Goodwill	商譽	3,174,365	-	-	3,174,365	1,882,398	5,056,763
Gain on disposal	出售收益	2,459,527	34,720	41,470	2,535,717	2,564,187	5,099,904
Total consideration	總代價	3,598,614	-	-	3,598,614	5,806,626	9,405,240
Satisfied by:	支付方式：						
Cash	現金	1,000,000	-	-	1,000,000	5,806,626	6,806,626
Other receivable	其他應收款項	2,598,614	-	-	2,598,614	-	2,598,614
		<u>3,598,614</u>	<u>-</u>	<u>-</u>	<u>3,598,614</u>	<u>5,806,626</u>	<u>9,405,240</u>
Net cash inflow arising on disposal:	出售產生之現金流入淨額：						
Cash consideration	現金代價	1,000,000	-	-	1,000,000	5,806,626	6,806,626
Bank overdraft	銀行透支	837,355	-	-	837,355	-	837,355
Bank balances and cash disposed of	已出售銀行結餘及現金	(60,751)	-	-	(60,751)	(3,222,866)	(3,283,617)
		<u>1,776,604</u>	<u>-</u>	<u>-</u>	<u>1,776,604</u>	<u>2,583,760</u>	<u>4,360,364</u>

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53. RETIREMENT BENEFITS SCHEME

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme subject to a maximum of HK\$1,000 per month, which contribution is matched by employees.

The employees of the Group's subsidiary in Shanghai, the PRC, are members of a state-managed retirement benefit scheme in the PRC. The subsidiary is required to contribute a specified percentage of its payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions under the scheme. No forfeited contributions are available to reduce the contribution payable in the future years.

The total cost charged to the consolidated income statement of HK\$2,198,737 (2007: HK\$2,582,085) represents contributions payable to the above schemes by the Group during the year.

54. CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the consolidated financial statements in respect of the acquisition of property, plant and equipment

就購置物業、廠房及設備之已訂約但未於綜合財務報表內撥備之資本開支

53. 退休福利計劃

本集團為香港所有合資格僱員推行強制性公積金計劃。計劃資產與本集團之資產分開持有，並以信託人控制之基金持有。本集團向計劃作出有關薪金成本5%之供款，最多達每月1,000港元，而僱員則作出等額供款。

本集團於中國上海之附屬公司之僱員乃中國國家管理退休福利計劃成員。該附屬公司須就薪金成本之特定百分比供款至退休福利計劃以撥付福利。本集團就退休福利計劃之唯一責任為根據該計劃作出特定供款。並無已沒收供款可用作減少未來年度應付之供款。

於綜合收益表扣除之成本總額為2,198,737港元(二零零七年：2,582,085港元)，乃指本集團於年內應付上述計劃之供款。

54. 資本承擔

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
1,711,600	2,257,491

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55. OPERATING LEASES

The Group as lessee

Minimum lease payments paid under operating leases in respect of properties during the year

年內就物業經營租約所付最低租金款項

At the balance sheet date, the Group had commitments for future minimum leases payments under non-cancellable operating leases which fall due as follows:

Within one year

In the second to fifth year inclusive

一年內

第二年至第五年
(包括首尾兩年)

Operating lease payments represent rentals payable by the Group for certain of its clinics and office premises. Leases are negotiated and rentals are fixed for a term ranging from two to five years.

The Group as lessor

During the year, the Group had property rental income of HK\$4,981,775 (2007: HK\$2,093,800).

55. 經營租約

本集團為承租人

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
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44,437,244	20,846,192
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於結算日，本集團根據不可撤銷之經營租約承擔須於下列到期日支付之未來最低租金款項如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
-----------------------------	-----------------------------

34,578,061	21,449,806
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21,447,916	12,012,521
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56,025,977	33,462,327
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經營租約款項乃指本集團就其若干診所及辦公室物業應付之租金。租約及所議定之租金按兩至五年期磋商。

本集團為出租人

年內，本集團有物業租金收入4,981,775港元(二零零七年：2,093,800港元)。

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55. OPERATING LEASES (Continued)

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of premises which would fall due as follows:

Within one year	一年內
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)

All of the properties held have committed tenants for the coming one to two years.

56. PLEDGE OF ASSETS

As at 31st March, 2008, certain property, plant and equipment, investment properties and prepaid lease payments of the Group with the carrying value of HK\$4,075,000 (2007: HK\$994,000), HK\$42,175,000 (2007: HK\$38,125,000) and HK\$2,368,048 (2007: Nil) respectively and bank deposits of HK\$10,000,000 (2007: HK\$10,000,000) were pledged to secure general bank facilities granted to the Group.

55. 經營租約(續)

於結算日，本集團就物業根據不可撤銷之經營租約承擔須於下列到期日支付之未來最低租金款項如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
2,057,714	1,357,800
564,650	—
2,622,364	1,357,800

所有物業於未來一至兩年均已有作出承諾之租戶。

56. 資產抵押

於二零零八年三月三十一日，本集團以賬面值分別為4,075,000港元(二零零七年：994,000港元)、42,175,000港元(二零零七年：38,125,000港元)及2,368,048港元(二零零七年：無)之若干本集團物業、廠房及設備、投資物業以及預付租金付款，以及10,000,000港元(二零零七年：10,000,000港元)之銀行存款作為本集團獲授之一般銀行融資之抵押。

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57. RELATED PARTY TRANSACTIONS AND BALANCES

During the year, the Group entered into the following significant transactions with related parties:

57. 有關聯人士交易及結餘

年內，本集團與有關聯人士訂立下列重大交易：

Name of related party 有關聯人士名稱	Nature of transactions 交易性質	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Kowloon Hearing Services Limited (note b) 九龍聽覺服務有限公司(附註b)	Purchase of healthcare products 購買保健產品	846,656	2,716,873
Brava (Hong Kong) Limited (note a) Brava (Hong Kong) Limited(附註a)	Purchase of healthcare products 購買保健產品	34,000	—
NSA Far East Limited (note a) 安傑遠東有限公司(附註a)	Purchase of healthcare products 購買保健產品	9,120	—
Specially for you International Development Limited (note c) 特別為您國際發展有限公司(附註c)	Consultancy fee paid 支付顧問費	—	154,000
Long Faith International Limited (note a) 朗信國際有限公司(附註a)	Management services fee income 管理服務費收入	884,551	853,072
F & T Company Limited (note a) F & T Company Limited(附註a)	Management services fee income 管理服務費收入	—	235,200
Skin Health and Laser Centre Limited (note a) 激光健膚中心有限公司(附註a)	Management services fee income 管理服務費收入	223,327	536,709
	Consultancy fee paid 支付顧問費	—	502,827
Essential Health Limited (note a) 卓高醫務有限公司(附註a)	Management services fee income 管理服務費收入	—	25,039
Hope Rich Limited (note a) 皓發有限公司(附註a)	Management services fee income 管理服務費收入	960,353	960,080
Mutual Consultants Limited (note a) 創譽顧問有限公司(附註a)	Management services fee income 管理服務費收入	1,014,829	905,348

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57. RELATED PARTY TRANSACTIONS AND BALANCES (Continued) 57. 有關聯人士交易及結餘(續)

Name of related party 有關聯人士名稱	Nature of transactions 交易性質	2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
Best Mega Management Limited (note a)	Management services fee income	331,696	868,400
Best Mega Management Limited (附註a)	管理服務費收入		
Bright Top Investment Limited (note a)	Management services fee income	598,767	628,133
Bright Top Investment Limited (附註a)	管理服務費收入		
Advance Bond Limited (note a) 綽峰有限公司(附註a)	Management services fee income 管理服務費收入	–	990,561
	Consultancy fee income 顧問費收入	931,721	401,325
	Rental income 租金收入	828,000	–
	Dividend income received 收取股息收入	931,000	–
Hong Kong Health Check (note d) 香港體檢(附註d)	Management services fee income 管理服務費收入	6,623,200	–
	Laboratory fee paid 支付實驗室費	843,764	967,229
New Creative Limited (note a) New Creative Limited(附註a)	Management services fee income 管理服務費收入	1,994,086	–
Classictime Investments Limited (note e)	Loan interest paid 支付貸款利息	119,726	–
Classictime Investments Limited (附註e)			
Pak On Medical Company Limited (note a) 栢安醫療有限公司(附註a)	Dividend income received 收取股息收入	127,400	–
Goldwell Investment Holdings Limited (note a) 金豐投資集團有限公司(附註a)	Dividend income received 收取股息收入	239,855	–

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57. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Notes:

- (a) The Group's associates during the year.
- (b) A company in which Mr. Lai Kwok Fai is a director and shareholder. Mr. Lai is also a director of a subsidiary of the Company, Audio Health Hearing Care (Shatin) Limited.
- (c) A former minority shareholder of a non-wholly owned subsidiary of the Company, Harmonic Beauty and Body Slimming Company Limited.
- (d) The Group's deemed associate. Miss Choi Ka Yee, Crystal, a director of the Company, is also a director of Hong Kong Health Check.
- (e) A company is a wholly-owned subsidiary of Hong Kong Health Check, an associate of the Company.

In October 2006, the Group further acquired 25% interest in Next Dimension from the minority shareholder at a consideration of HK\$700,000.

In addition, Dr. Cho Kwai Chee issued personal guarantees to a bank to secure general banking facilities granted to the Group during the year ended 31st March, 2008 and 2007 at nil consideration.

Details of balance with related parties as at the balance sheet date are set out in the consolidated balance sheet and in notes 32, 33, 34, 35 and 42.

Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

Short-term benefits	短期福利
Post-employment benefits	僱員結束服務後之福利
Share-based payment expenses	股份付款開支

57. 有關聯人士交易及結餘(續)

附註：

- (a) 本集團年內之聯營公司。
- (b) 賴國輝先生擔任董事及股東之公司。賴先生同時亦為本公司之附屬公司康聆聽覺護理(沙田)有限公司之董事。
- (c) 本公司之非全資附屬公司悅容居專業美容及纖體有限公司之一名前少數股東。
- (d) 本集團之視作聯營公司，本公司董事蔡加怡小姐亦為香港體檢之董事。
- (e) 本公司聯營公司香港體檢之全資附屬公司。

於二零零六年十月，本集團以代價700,000港元從少數股東增購點•線•面之25%權益。

此外，曹貴子醫生不收代價向一間銀行作出個人擔保，作為本集團於截至二零零八年及二零零七年三月三十一日止年度獲授一般銀行融資之抵押。

於結算日有關聯人士結餘之詳情載於綜合資產負債表及附註32、33、34、35及42。

主要管理人員之薪酬

年內董事及主要管理層其他成員之酬金如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
1,675,517	2,883,749
12,000	36,000
172,000	—
1,859,517	2,919,749

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57. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Save as disclosed above, there were no other significant transactions with related parties during the year or significant balances with them at the end of the year.

58. POST BALANCE SHEET EVENTS

(a) On 14 April 2008, Town Health (BVI), a wholly-owned subsidiary of the Company entered into the agreement with Reach Crest Investments Limited ("Reach Crest") pursuant to which the Group agreed to sell and Reach Crest agreed to purchase the shares and the shareholder loan of United First Investments Limited, a non-wholly owned subsidiary of the Company at a total cash consideration of HK\$3,500,000. The transaction was completed on 14th April, 2008

Details of these are disclosed in the announcement of the Company dated 16th April, 2008.

(b) The Group, a wholly-owned subsidiary of Hong Kong Health Check ("Guangdong Town Health") and Ping An Trust & Investment Company Limited ("Ping An Trust") entered into the conditional framework agreement ("Framework Agreement") on 29th March, 2008 regarding an exclusive cooperation right to develop and manage chain clinics in Guangdong Province, in particular in Pearl River Delta area through setting up a joint venture. The joint venture company will principally be engaged in operation and management of medical institutes, including but not limited to development of medical institutes, community clinics and chain clinic in Guangdong Province of PRC.

57. 有關聯人士交易及結餘(續)

董事及主要行政人員之酬金乃由薪酬委員會計及個人表現及市場趨勢予以釐定。

除上文披露者外，年內概無其他有關聯人士重大交易，於年末亦無有關聯人士重大結餘。

58. 結算日後事項

(a) 於二零零八年四月十四日，本公司全資附屬公司Town Health (BVI)與至峰投資有限公司(「至峰」)訂立協議，據此，本集團同意出售而至峰同意買入本公司非全資附屬公司聯豐投資有限公司之股份及股東貸款，總現金代價為3,500,000港元。交易已於二零零八年四月十四日完成。

有關詳情於本公司日期為二零零八年四月十六日之公佈披露。

(b) 本集團、香港體檢之全資附屬公司(「廣東康健」)與平安信託投資有限責任公司(「平安信託公司」)於二零零八年三月二十九日訂立有條件框架協議(「框架協議」)，以透過成立一家合營公司，於廣東省(特別是珠江三角洲地區)以獨家形式合作發展及管理連鎖診所。合營公司將主要從事經營及管理醫療機構，包括但不限於在中國廣東省發展醫療機構、社區診所及連鎖診所。

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58. POST BALANCE SHEET EVENTS (Continued)

(b) (Continued)

The Company has also agreed to grant a conditional call option to Ping An Trust entitling it to subscribe for up to 3,393,583,143 shares of the Company, representing approximately 19.99% of the existing issued share capital of the Company, at the exercise price of HK\$0.12 in which the call option should only be exercisable upon the Framework Agreement becomes unconditional.

Details of these are disclosed in the announcement and the circular of the Company dated 3rd April, 2008 and 22nd April, 2008 respectively.

58. 結算日後事項(續)

(b) (續)

本公司亦同意向平安信託授出有條件認購權，據此，平安信託有權於框架協議成為無條件後，按行使價0.12港元認購本公司最多達3,393,583,143股股份，佔本公司現有已發行股本約19.99%。

有關詳情於本公司日期分別為二零零八年四月三日之公佈及二零零八年四月二十二日之通函披露。

59. BALANCE SHEET OF THE COMPANY

ASSETS AND LIABILITIES	資產及負債
Total assets	總資產
Total liabilities	總負債
CAPITAL RESERVES	資本儲備
Share capital	股本
Reserves (note)	儲備(附註)

59. 本公司之資產負債表

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
680,960,995	326,454,280
(163,672,556)	(105,607,835)
<u>517,288,439</u>	<u>220,846,445</u>
169,679,157	50,719,819
347,609,282	170,126,626
<u>517,288,439</u>	<u>220,846,445</u>

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59. BALANCE SHEET OF THE COMPANY (Continued)

Note:

Reserves

		Share premium	Contributed surplus	Distributable reserve	Convertible bonds equity reserve	Share options reserve	Accumulated losses	Total
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元
At 1st April, 2006	於二零零六年四月一日	228,846,954	28,179,599	62,677,057	2,259,993	-	(151,702,597)	170,261,006
Issue of shares upon conversion of convertible bonds	於可換股債券轉換時發行股份	35,396,812	-	-	(2,259,993)	-	-	33,136,819
Share repurchased	購回股份	(64,139,251)	-	-	-	-	-	(64,139,251)
Profit for the year	年度溢利	-	-	-	-	-	30,868,052	30,868,052
At 31st March, 2007	於二零零七年三月三十一日	200,104,515	28,179,599	62,677,057	-	-	(120,834,545)	170,126,626
Placing of new shares	配售新股份	295,584,000	-	-	-	-	-	295,584,000
Bonus issue	發行紅股	(111,739,638)	-	-	-	-	-	(111,739,638)
Transaction costs attributable to issue of shares	發行股份應佔交易費用	(10,426,144)	-	-	-	-	-	(10,426,144)
Issue of shares upon exercise of share options	於行使購股權時發行股份	25,885,800	-	-	-	(3,766,800)	-	22,119,000
Share repurchased	購回股份	(1,340,804)	-	-	-	-	-	(1,340,804)
Loss for the year	年度虧損	-	-	-	-	-	(25,771,278)	(25,771,278)
Recognition of equity-settled share-based payment expenses	確認以股份支付開支	-	-	-	-	9,057,520	-	9,057,520
At 31st March, 2008	於二零零八年三月三十一日	398,067,729	28,179,599	62,677,057	-	5,290,720	(146,605,823)	347,609,282

Contributed surplus of the Company represents the difference between the nominal value of HK\$350,000 of the ordinary shares issued by the Company and the net asset value of approximately HK\$28,530,000 of Town Health (BVI) Limited, a subsidiary acquired through an exchange of shares pursuant to the group reorganisation in April 2000.

The distributable reserve of the Company represents the amount arising from the reduction of share capital net of dividend paid.

59. 本公司之資產負債表(續)

附註：

儲備

		Share premium	Contributed surplus	Distributable reserve	Convertible bonds equity reserve	Share options reserve	Accumulated losses	Total
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元
At 1st April, 2006	於二零零六年四月一日	228,846,954	28,179,599	62,677,057	2,259,993	-	(151,702,597)	170,261,006
Issue of shares upon conversion of convertible bonds	於可換股債券轉換時發行股份	35,396,812	-	-	(2,259,993)	-	-	33,136,819
Share repurchased	購回股份	(64,139,251)	-	-	-	-	-	(64,139,251)
Profit for the year	年度溢利	-	-	-	-	-	30,868,052	30,868,052
At 31st March, 2007	於二零零七年三月三十一日	200,104,515	28,179,599	62,677,057	-	-	(120,834,545)	170,126,626
Placing of new shares	配售新股份	295,584,000	-	-	-	-	-	295,584,000
Bonus issue	發行紅股	(111,739,638)	-	-	-	-	-	(111,739,638)
Transaction costs attributable to issue of shares	發行股份應佔交易費用	(10,426,144)	-	-	-	-	-	(10,426,144)
Issue of shares upon exercise of share options	於行使購股權時發行股份	25,885,800	-	-	-	(3,766,800)	-	22,119,000
Share repurchased	購回股份	(1,340,804)	-	-	-	-	-	(1,340,804)
Loss for the year	年度虧損	-	-	-	-	-	(25,771,278)	(25,771,278)
Recognition of equity-settled share-based payment expenses	確認以股份支付開支	-	-	-	-	9,057,520	-	9,057,520
At 31st March, 2008	於二零零八年三月三十一日	398,067,729	28,179,599	62,677,057	-	5,290,720	(146,605,823)	347,609,282

本公司之繳入盈餘乃指本公司所發行普通股面值350,000港元與Town Health (BVI) Limited(透過根據二零零零年四月集團重組交換股份收購之附屬公司)之資產淨值約28,530,000港元之差額。

本公司之可供分派儲備乃指源自扣除已支付股息後之股本削減所產生之金額。

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

60. PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries at 31st March, 2008 are as follows:

60. 主要附屬公司

於二零零八年三月三十一日之本公司主要附屬公司詳情如下：

Name of company 公司名稱	Place of incorporation/ form of legal entity 註冊成立地點/ 法律實體類別	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Proportion of nominal value of issued capital/registered capital held by the Company 本公司持有之已發行股本/ 註冊股本 面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Audio Health Hearing Care (Shatin) Limited 康聆聽覺護理(沙田)有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$1,000 1,000港元	-	70%	Provision of audio diagnostic tests and sale of hearing-aid devices 提供聽力診斷測試及銷售助聽器設備
Billion Advance Limited 得兆有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$100 100港元	-	70%	Property investment services 物業投資服務
Dermatonic Skincare & Laser Treatment Centre Limited	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$100 100港元	-	100%	Provision of skincare and laser treatment services 提供皮膚護理及激光治療服務
First Oriental Cyclotron Limited	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$1,000,000 1,000,000港元	-	94%	Production of isotopes for medical uses 生產醫療用同位素

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綜合財務報表附註

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

60. PRINCIPAL SUBSIDIARIES (Continued)

60. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ form of legal entity 註冊成立地點/ 法律實體類別	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊股本	Proportion of nominal value of issued capital/registered capital held by the Company 本公司持有之 已發行股本/ 註冊股本 面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
First Oriental Medical Technology Group Limited 名華醫療科技集團有限公司	British Virgin Islands/ limited liability company 英屬處女群島/ 有限責任公司	US\$1,100 1,100美元	-	51%	Investment holding 投資控股
First Oriental Medical Technology Limited 名華醫療科技有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$1,000,000 1,000,000港元	-	51%	Investment holding 投資控股
Morning Ray Limited	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$100 100港元	-	100%	Provision of medical services 提供醫療服務
Noble Pioneer Limited 正耀有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$2 2港元	-	100%	Provision of medical and dental consultation services 提供醫療及牙科診症服務
Nu/Hart Hair Solutions Limited 顯赫治髮中心有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$100,000 100,000港元	-	51%	Operating of a hair transplant centre 經營植髮中心

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

60. PRINCIPAL SUBSIDIARIES (Continued)

60. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ form of legal entity 註冊成立地點/ 法律實體類別	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊股本	Proportion of nominal value of issued capital/registered capital held by the Company 本公司持有之 已發行股本/ 註冊股本 面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Oriental Elite Limited	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$100 100港元	-	100%	Property investments 物業投資
Pherson Limited	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$500,000 500,000港元	-	69%	Property investments 物業投資
Silver Ascot Limited 銀靈有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$3 3港元	-	66%	Provision of medical and dental consultation services 提供醫療及牙科 診症服務
Spring Biotech Limited	British Virgin Islands/ limited liability company 英屬處女群島/ 有限責任公司	US\$1 1美元	-	100%	Investment holding 投資控股
Town Health (Asia) Limited	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$2 2港元	-	100%	Trading of listed securities 上市證券買賣

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綜合財務報表附註

For the year ended 31st March, 2008
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60. PRINCIPAL SUBSIDIARIES (Continued)

60. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ form of legal entity 註冊成立地點/ 法律實體類別	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊股本	Proportion of nominal value of issued capital/registered capital held by the Company 本公司持有之 已發行股本/ 註冊股本 面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Town Health Bio-Medical Technology Limited 康健醫藥生物科技有限公司	British Virgin Islands/ limited liability company 英屬處女群島/ 有限責任公司	US\$1,000 1,000美元	100%	–	Investment holding 投資控股
Town Health (BVI) Limited	British Virgin Islands/ limited liability company 英屬處女群島/ 有限責任公司	US\$1,331,131 1,331,131美元	100%	–	Investment holding 投資控股
Town Health Children's Land Limited 康健兒童樂趣坊有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$500,000 500,000港元	–	65%	Operation of an education centre 經營教育中心
Town Health Dental Limited 康健牙科有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$2 2港元	–	100%	Provision of dental consultation services 提供牙科診症服務
Town Health Food and Beverage Culture Company Limited 康健飲食文化有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$2 2港元	–	100%	Catering business 膳食業務

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

60. PRINCIPAL SUBSIDIARIES (Continued)

60. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ form of legal entity 註冊成立地點/ 法律實體類別	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊股本	Proportion of nominal value of issued capital/registered capital held by the Company 本公司持有之 已發行股本/ 註冊股本 面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Town Health Management and Services Limited 康健管理及服務有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$2 2港元	-	100%	Provision of management and administrative services 提供管理及行政服務
Town Health Medical & Dental Services Limited 康健醫療及牙科服務有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$2 2港元	-	100%	Provision of medical services 提供醫療服務
Town Health Para-medical Services Limited 康健輔助醫療服務有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$2 2港元	-	100%	Investment holding 投資控股
Town Health Preventive Healthcare Services Limited 康健醫療保健服務有限公司	British Virgin Islands/ limited liability company 英屬處女群島/ 有限責任公司	US\$1 1美元	-	100%	Investment holding 投資控股
Town Health Traditional Chinese Medicine Services Limited 康健中醫服務有限公司	Hong Kong/ limited liability company 香港/ 有限責任公司	HK\$2 2港元	-	100%	Trading of listed securities 上市證券買賣

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60. PRINCIPAL SUBSIDIARIES (Continued)

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

60. 主要附屬公司(續)

上表列出董事認為對本集團業績或資產有重大影響之本集團附屬公司。董事認為，列出其他附屬公司之詳細資料將導致資料過於冗長。

各附屬公司概無於年末有任何已發行債務證券。

FINANCIAL SUMMARY

財務摘要

RESULTS

業績

		Year ended 31st March, 於截至三月三十一日止年度				
		2008 二零零八年 HK\$'000 港元	2007 二零零七年 HK\$'000 港元	2006 二零零六年 HK\$'000 港元	2005 二零零五年 HK\$'000 港元	2004 二零零四年 HK\$'000 港元
Revenue	營業額	338,823	236,554	231,179	179,536	109,717
Profit for the year from continuing operations	年內持續經營業務溢利	260,164	228,908	19,117	(76,610)	(87,269)
Profit (loss) for the year from discontinued operation	年內已終止業務溢利(虧損)	826	(22,124)	2,331	(1,771)	-
Profit (loss) for the year	年度溢利(虧損)	260,990	206,784	21,448	(78,381)	(87,269)
Attributable to:	應佔：					
Equity holders of the Company	本公司股權持有人	253,714	214,850	20,030	(84,331)	(87,669)
Minority interests	少數股東權益	7,276	(8,066)	1,418	5,950	400
		260,990	206,784	21,448	(78,381)	(87,269)

CONSOLIDATED BALANCE SHEET

綜合資產負債表

		At 31st March, 於三月三十一日				
		2008 二零零八年 HK\$'000 港元	2007 二零零七年 HK\$'000 港元	2006 二零零六年 HK\$'000 港元	2005 二零零五年 HK\$'000 港元	2004 二零零四年 HK\$'000 港元
Total assets	總資產	1,307,477	577,946	397,507	177,288	219,727
Total liabilities	總負債	(228,221)	(125,760)	(149,002)	(41,905)	(25,956)
		1,079,256	452,186	248,505	135,383	193,771
Assets attributable to equity holders of the Company	本公司股權持有人應佔資產	1,064,143	436,587	249,155	123,414	189,842
Minority interests	少數股東權益	15,113	15,599	(650)	11,969	3,929
		1,079,256	452,186	248,505	135,383	193,771

Note: The above financial summary prior to 31st March, 2004 has not been adjusted to take into account the effect on the adoption of new Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants that are effective for accounting periods beginning on or after 1st January, 2005, as the directors considered that it is not practicable to do so.

附註：由於董事認為無實質需要，故上述財務摘要中二零零四年三月三十一日之前之賬目並無作出調整，以反映採納由香港會計師公會頒布於二零零五年一月一日或之後開始之會計期間生效之新香港財務報告準則之影響。



Town Health International Holdings Company Limited

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