

Notes to the Financial Statements

For the year ended 31 March 2005

財務報表附註

截至二零零五年三月三十一日止年度

1. GENERAL INFORMATION

REXCAPITAL International Holdings Limited (the “Company”) was incorporated in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The principal activity of the Company is investment holding. Its subsidiaries (together with the Company referred to as the “Group”) are mainly engaged in provision of investment advisory services, participation in primary and secondary securities market and money lending.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements on pages 29 to 80 are prepared in accordance with and comply with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The financial statements are prepared under the historical cost convention as modified by the revaluation of trading securities at fair value.

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 March each year. All material intercompany transactions and balances within the Group are eliminated on consolidation.

1. 一般資料

御泰國際控股有限公司（「本公司」）於百慕達成立，股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之主要業務為投資控股，其附屬公司（與本公司合稱「本集團」）主要業務包括提供投資顧問服務、參與主要及次要證券市場活動及借貸業務。

2. 主要會計政策

編製本財務報表採納之主要會計政策載列如下：

(a) 編製基準

本財務報表第29至80頁，乃按照及符合香港會計師公會頒佈的所有適用之香港財務報告準則，以及香港《公司條例》及聯交所證券上市規則（「上市規則」）之披露要求而編製。本財務報表乃按歷史成本規定編製，並就交易證券按公允價值重估而作出修訂。

(b) 綜合基準

綜合財務報表包括本公司及其附屬公司截至每年三月三十一日止年度之財務報表。集團內公司間之重大交易及結餘均已於綜合賬目時對銷。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Basis of consolidation (continued)

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. The gain or loss on disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortized goodwill or negative goodwill taken to reserves and which was not previously charged or recognized in the consolidated income statement.

(c) Subsidiaries

Subsidiaries are those enterprises controlled by the Company.

Control exists when the Company has the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities.

In the Company's balance sheet, investments in subsidiaries are stated at cost less impairment losses. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the balance sheet date.

(d) Goodwill

Goodwill arising on acquisition represents the excess of the cost of acquisition over the Group's share of the fair value of the identifiable assets and liabilities acquired as at the date of acquisition. In respect of subsidiaries, goodwill is amortized to the consolidated income statement on a straight-line basis over its estimated useful life. Goodwill is stated in the consolidated balance sheet at original amount less accumulated amortization and impairment losses.

2. 主要會計政策 (續)

(b) 綜合基準 (續)

年內收購或出售之附屬公司之有關業績，分別由收購生效日期起計入綜合收益表或計至出售生效日期（選適用者）。出售附屬公司之盈虧乃指出售所得款項與本集團應佔該附屬公司之資產淨值之相差金額，並包括任何並未於綜合收益表攤銷之商譽或直接計入儲備而並未於綜合收益表確認之負商譽。

(c) 附屬公司

附屬公司是指由本公司控制之企業。

當本公司有權支配企業之財務及經營政策，並藉此從其活動中取得利益，則該等企業均視為受本公司控制。

本公司之資產負債表所示於附屬公司之投資是按成本減除減值虧損入賬。附屬公司之業績乃根據於結算日已收及應收之股息由本公司入賬。

(d) 商譽

收購時產生之商譽乃指收購成本超過本集團於收購之日應佔所收購之可辨識資產與負債公允值之數。在收購附屬公司方面，商譽是按其預計可用年期，以直線法在綜合收益表內攤銷。商譽是按原值減除累計攤銷及減值虧損計入綜合資產負債表。

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(d) Goodwill (continued)

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which has not been amortized through the consolidated income statement or which has previously been dealt with as a movement in the Group's reserves.

The carrying amount of goodwill is reviewed annually and written down for impairment when it is considered necessary. A previously recognized impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

(e) Property, plant and equipment

(i) Depreciation

Depreciation is provided to write off the cost of property, plant and equipment using the straight line method over the following estimated useful life:

Furniture, fixtures and equipment	4 to 5 years or over the remaining terms of the respective leases, whichever is shorter
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(ii) Measurement bases

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use. Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the assets if it can be demonstrated that such expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the assets.

2. 主要會計政策 (續)

(d) 商譽 (續)

出售附屬公司時，出售之盈虧乃參照有關公司於出售日期之資產淨值計算，當中包括未有在綜合收益表內攤銷或之前已計入本集團之儲備之應佔商譽。

商譽之賬面值會每年檢討並於需要時就減值撇賬。除非減值虧損乃由於屬於特別性質之特定外在事件所致，而該事件預期不會再次發生，且其後發生之外在事件致令該事件之影響扭轉，否則先前已確認之商譽減值虧損並不會予以撥回。

(e) 物業、廠房及設備

(i) 折舊

物業、廠房及設備之折舊乃以直線法按以下估計可使用年期撇銷其成本計算：

傢具、裝置及設備	4至5年或相關租賃剩餘租期，取兩者中較短者
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(ii) 計算基準

物業、廠房及設備乃按其成本減累計折舊及減值虧損入賬。資產成本由其購買價及任何直接使資產達致擬定工作狀況及地點作預期用途之應計成本組成。期後有關物業、廠房及設備之開支，倘能證明該項開支能為預期在應用該等資產時所產生之未來經濟效益帶來增長，則該等開支便會加入資產之賬面值。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(e) Property, plant and equipment (continued)

(ii) Measurement bases (continued)

When assets are sold or retired, any gain or loss resulting from their disposal, being the difference between the net disposal proceeds and the carrying amount of the assets is included in the consolidated income statement.

(f) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating leases. Annual rentals applicable to such operating leases are charged to the consolidated income statement on a straight line basis over the lease terms. Lease incentives received are recognized in the consolidated income statement as an integral part of the aggregate net lease payments made. Contingent rentals are charged to the consolidated income statement in the accounting period in which they are incurred.

(g) Investments in securities

Investments held on a continuing basis for an identified long-term purpose are classified as investment securities. Investment securities are stated in the balance sheet at cost less any provisions for impairment losses. Provisions are made when the fair value of such securities has declined below the carrying amounts, unless there is evidence that the decline is temporary. The amount of the reduction is recognized as an expense in the consolidated income statement.

Provisions against the carrying value of investment securities are written back to income when the circumstances and events that led to the write-downs or write-offs cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

2. 主要會計政策 (續)

(e) 物業、廠房及設備 (續)

(ii) 計算基準 (續)

當資產已變賣或已廢置，任何因此而產生之收益或虧損（即出售所得款項淨額與資產賬面值之差額）乃計入綜合收益表。

(f) 經營租賃

若資產之重大風險及回報均為出租人所有，有關租約即作為經營租約記賬。此等租約之年租支出按租約年期以直線法計算，並於綜合收益表內扣除。所收取之租約獎勵金乃在綜合收益表確認為作出之總租約付款淨額之組成部份。或然租金乃在產生之會計期間在綜合收益表扣除。

(g) 投資證券

持續持有作既定長期用途的投資，歸類為投資證券。投資證券是以成本減去任何減值虧損撥備後記入資產負債表。除非有證據證明減值是暫時性質，否則，當該證券之公允價值下跌至低於賬面金額時，便會提撥減值準備，並在綜合收益表內確認為支出。

在引致撇減或沖銷的情況及事項不再存在，並有令人信服的憑證顯示新的情況及事項將會在可見將來持續下去時，便會將就投資證券的賬面值所提撥的減值準備撥回為收益。

Notes to the Financial Statements *(continued)*

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(g) Investments in securities *(continued)*

All other securities, whether held for trading or otherwise, are stated in the balance sheet at fair value. Changes in value are recognized in the consolidated income statement as they arise.

Profits or losses on disposal of investments in securities are determined as the difference between the estimated net disposal proceeds and the carrying amount of the investments and are accounted for in the consolidated income statement as they arise.

(h) Foreign currencies

Transactions in foreign currencies are translated into Hong Kong dollars at the rates of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Hong Kong dollars at the rates of exchange ruling at that date. Gains and losses arising on exchange are dealt with in the consolidated income statement.

(i) Cash and cash equivalents

Cash comprises cash on hand and deposits repayable on demand with any bank or other financial institution.

Cash equivalents represent short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

2. 主要會計政策 (續)

(g) 投資證券 (續)

所有其他證券(不論是為買賣還是其他目的持有)均以公允價值記入資產負債表。價值的變動在產生時在綜合收益表內確認。

出售證券投資之盈虧乃根據預期出售所得款項淨額及投資的賬面值之差別計算,並在其出現時計入綜合收益表內。

(h) 外幣

外幣交易按交易日之匯率換算為港幣。以外幣結算之貨幣資產及負債,按結算日之匯率換算為港幣。匯兌所產生之盈虧會計入綜合收益表內。

(i) 現金及現金等價物

現金包括手持之現金及存放於任何銀行或其他金融機構之活期存款。

現金等價物指極流通之短期投資,可隨時轉換為已知金額之現金及僅須承受輕微之價值變動風險。就綜合現金流量表而言,須按要而償還及組成本集團現金管理之不可分割部份之銀行透支,亦為現金及現金等價物之一部份。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(j) Impairment of assets

The carrying amounts of goodwill, property, plant and equipment and interests in subsidiaries are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the consolidated income statement.

(i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment losses

An impairment loss in respect of goodwill is not reversed unless the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2. 主要會計政策 (續)

(j) 資產減值

本集團於各結算日均會檢討商譽、物業、廠房及設備及於附屬公司之權益之賬面值，以決定是否有跡象顯示出現減值。如有任何該等跡象，則會估計資產之可收回金額。減值虧損於資產之賬面值超逾可收回金額時確認。減值虧損會於綜合收益表確認。

(i) 可收回金額之計算

資產之可收回金額乃淨售價與在用價值之較高者。於評估在用價值時，估計之未來現金流量乃以除稅前折讓率折讓至現值。除稅前折讓率乃反映當時對金錢之時間價值評估及資產之特定風險。就並不能產生大量獨立現金流量之資產而言，可收回金額乃以資產所屬之現金產生單位計算。

(ii) 減值虧損撥回

商譽先前確認之減值虧損僅會於預期構成減值虧損之特殊個別外界事件不會重現，而可收回金額之增加明顯與該特定事件之影響逆轉有關時撥回。

就其他資產而言，減值虧損會於用作決定可收回金額之估計改變時撥回。

減值虧損之撥回不得超出假設有關於資產於過往年度並無確認減值虧損時原應確認之資產賬面值（扣除折舊及攤銷）。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(k) Provisions and contingent liabilities

Provisions are recognized for liabilities of uncertain timing or amount when the Company or Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(l) Employee benefits

(i) Employee entitlements

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

Non-accumulating compensated absences are not recognized until the time of leave.

2. 主要會計政策 (續)

(k) 撥備及或然負債

當本公司或本集團因過往之事件負上法律或推定責任，且可能須動用經濟利益以履行責任並得以可靠釐定所承擔之數額，則須就時間及數額不確之負債作出撥備。倘貨幣時間價值重大，則按預期履行有關承擔所須開支之現值撥備。

倘須動用經濟效益的可能性較低，或未能可靠計算所承擔之數額，便會將該承擔列為或然負債。視乎某宗或多宗未來事件會否發生才能確定存在與否的潛在義務，亦會披露為或然負債，除非這類資源外流的可能性甚低，否則亦列為或然負債。

(l) 僱員福利

(i) 僱員應享權利

僱員之年假權益在僱員有權享用時確認。就僱員直至結算日所提供之服務而享有之估計年假均會作出撥備。

不能累積之補假，並不會在休假前作出確認。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(l) Employee benefits (continued)

(ii) Pension obligations

The Group contributes to a defined contribution retirement scheme which is available to all employees. Contributions to the scheme by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to the consolidated income statement represents contributions payable by the Group to the scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund.

(m) Income tax

Income tax for the year comprises current and deferred taxes.

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized 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 tax profit nor the accounting profit.

2. 主要會計政策 (續)

(l) 僱員福利 (續)

(ii) 退休金責任

本集團為全體僱員而設的指定供款退休金計劃供款。本集團及僱員供款予退休計劃之金額以僱員基本薪金之百分比計算。在綜合收益表支銷之退休金成本指本集團對該計劃之供款。退休計劃之資產與本集團之資產分開持有，由獨立行政之基金管理。

(m) 所得稅

本年度所得稅包括當期稅項及遞延稅項。

當期稅項為年內按結算日規定稅率就應課稅收入計算之預期應付稅項，及就以往年度應付稅項所作出之調整。

遞延稅項是指根據財務報表之資產及負債之賬面值及其用於計算應課稅溢利的相應稅基之間的差額所產生之預期應付及可收回稅項，並以資產負債表負債法計算。一般情況之下，所有因應課稅暫時差異而產生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計算。如暫時性差異是由商譽或就企業合併以外某交易初次確認其他資產或負債而產生，又不影響應課稅溢利及會計溢利，則不予以確認此等資產及負債。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(m) Income tax (continued)

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

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

Deferred tax assets and liabilities are not discounted. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(n) Recognition of revenue

Provided it is probable that the economic benefits associated with a transaction will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognized as follows:

(i) Sales of trading securities

Proceeds from disposal of trading securities are accounted for on a trade date basis.

2. 主要會計政策 (續)

(m) 所得稅 (續)

除非本集團可控制有關暫時性差異之回撥或暫時性差異在可見將來都不能回撥的情況下，由投資附屬公司所產生之暫時性差異，其遞延稅項負債均需予以確認。

遞延稅項資產之賬面值需於每年之結算日作檢討，預期將來沒有足夠應課稅溢利作抵銷之差異，則其相關遞延稅項資產需作相應之扣減。若將可能具有足夠之應課稅溢利，則所作之任何扣減均須進行回撥。

遞延稅項資產及負債均不作折讓現。遞延稅項是根據預期資產兌現及負債償還時之所得稅率計算，並於綜合收益表中列入或回撥。若有關項目直接於股東權益中列入或回撥，其遞延稅項亦計入於股東權益中。

(n) 收入確認

收入是在有關交易經濟效益可能會流入本集團，及收入和成本（如適用）能夠可靠地計算時，按以下方法確認：

(i) 出售交易證券

出售交易證券收入是按交易日基準列賬。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(n) Recognition of revenue (continued)

(ii) Investment advisory fee, referral fee and placement fee

Investment advisory fee income, referral fee income and placement fee income are recognized when the services are rendered, the income can be reliably estimated and it is probable that the revenue will be received.

(iii) Interest income

Interest income is recognized on a time proportion basis on the principal outstanding and at the rates applicable.

(o) Borrowing costs

All borrowing costs are charged to the consolidated income statement in the year in which they are incurred.

(p) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

(q) Discontinuing operations

A discontinuing operation is a clearly distinguishable component of the Group's business that is disposed of or abandoned pursuant to a single plan, and which represents a separate major line of business or geographical area of operations.

2. 主要會計政策 (續)

(n) 收入確認 (續)

(ii) 投資顧問費、轉介費及配售服務費

投資顧問費收入、轉介費收入及配售服務費收入於服務已提供、收入能可靠估計及可能取得收益之情況下確認。

(iii) 利息收入

利息收入以時間比例為基準，按尚餘本金及適用利率計算。

(o) 借貸成本

所有借貸成本均於發生之年度內在綜合收益表支銷。

(p) 有關連人士

倘某一方可直接或間接監控另一方或對另一方之財務及經營決策作出重大影響，則被視為有關連人士，或雙方均受制於共同的監控或共同之重大影響下，亦被視為有關連人士。

(q) 終止經營業務

終止經營業務指本集團業務中一個可清楚劃分並根據單一計劃已出售或放棄經營之部份，其可為業務中一個獨立之主要生產線或經營地區。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(r) Segments

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

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

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

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

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, corporate and financing expenses.

2. 主要會計政策 (續)

(r) 分部

分部為本集團提供產品或服務(業務分部),或於一個特定經濟環境提供產品或服務(地區分部)並承受或獲得與其他分部不同之風險或回報而可準確劃分之部份。

根據本集團之內部財務報告,本集團決定以業務分部作為主要報告模式,而地區分部則作為次要報告模式。

分部收入、開支、業績、資產及負債包括直接歸屬該分部之項目,以及可合理的撥入該分部之項目。分部收入、開支、資產及負債乃於合併賬目過程中撤銷集團內公司間之結餘及交易前釐定,惟撤銷僅限於屬於單一分部之集團內公司間之結餘及交易。分部間之價格按向外間提供之類似條款計算。

分部資本開支乃於期內購入預計將使用超過一段會計期間之分部資產(包括有形或無形)所產生之總成本。

未分配至分部項目主要包括財務及公司資產、帶息貸款、借貸、公司及融資支出。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(s) Recently issued accounting standards

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (“new HKFRSs”) which are effective for accounting periods beginning on or after 1 January 2005.

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 March 2005.

The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

3. TURNOVER

Turnover represents:	營業額包括：
Financial advisory services	財務顧問服務
Telecommunications and technology – related services	電訊及科技 相關服務
Interest income from money lending business	貸款業務之 利息收入
Proceeds received from sale of trading securities	出售交易證券之 所得款項

2. 主要會計政策 (續)

(s) 近期頒佈之會計準則

香港會計師公會已頒佈多項全新及經修訂之香港財務報告準則以及香港會計準則(「新香港財務報告準則」),對於二零零五年一月一日或其後開始之會計期間生效。

本集團於編製截至二零零五年三月三十一日止年度之財務報表時,並無提早採納新香港財務報告準則。

本集團已就該等新香港財務報告準則之影響進行評估,惟尚未能斷定該等新香港財務報告準則對其經營業績及財務狀況會否造成重大影響。

3. 營業額

	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Turnover represents:		
Financial advisory services	715	5,840
Telecommunications and technology – related services	–	2
Interest income from money lending business	3,054	208
Proceeds received from sale of trading securities	44,405	55,134
	<u>48,174</u>	<u>61,184</u>

Notes to the Financial Statements *(continued)*

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

4. SEGMENT REPORTING

In accordance with the Group's internal financial reporting, the Group has determined that business segments are its primary reporting format, with each segment organized and managed separately.

(a) Business segments

Continuing operations:

Strategic investments and capital market activities

- Participation in primary and secondary securities market and provision of capital market advisory services

Financing

- Provision of commercial and personal loans

Discontinued operations:

Telecommunications and technology-related services

- Provision of telecommunications and technology-related services

4. 分部呈報

由於與本集團內部財務申報制度較為符合，故此選擇以業務分部資料為本集團之主要呈報方式。每一分部均分別組織及管理。

(a) 業務分部

持續經營業務：

策略性投資及資本市場活動

- 參與主要及次要證券市場及提供資本市場顧問服務

融資

- 提供商業及個人貸款

已終止經營業務：

電訊及科技相關服務

- 提供電訊及科技相關服務

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

4. SEGMENT REPORTING (continued)

(a) Business segments (continued)

	Continuing 經營中				Discontinued 已終止				Consolidated 綜合		
	Strategic investments and capital market activities 策略性投資及資本市場活動		Financing 融資		Telecommunications and technology - related services 電訊及科技相關服務		Unallocated 未分配數額		2005	2004	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Revenue from external customers	來自外界 客戶之收入	45,120	60,974	3,054	208	-	2	-	-	48,174	61,184
Segment result	分部業績	(23,148)	(1,006)	3,066	210	-	(65)	-	-	(20,082)	(861)
Unallocated operating income and expenses	未分配經營 收入及費用									(354,807)	(4,107)
Loss from operations	經營虧損									(374,889)	(4,968)
Finance costs	融資成本									(908)	(2,225)
Non-operating income	非經營收入							1	5,058	1	5,058
Loss before taxation	除稅前虧損									(375,796)	(2,135)
Taxation	稅項									(517)	-
Loss after taxation	除稅後虧損									(376,313)	(2,135)
Minority interests	少數股東權益									-	9
Loss attributable to shareholders	股東應佔虧損									(376,313)	(2,126)
Depreciation for the year	年內折舊	-	-	-	-	-	5	1	2	1	7
Amortization of goodwill for the year	年內商譽攤銷	2,712	2,712	-	-	-	-	-	-	2,712	2,712
Segment assets	分部資產	66,885	94,038	31,023	37,508	-	-	7,842	351,162	105,750	482,708
Segment liabilities	分部負債	(6,780)	(14,156)	(532)	(15)	-	-	(12,503)	(48,254)	(19,815)	(62,425)
Provision for other receivables	其他應收款項撥備	1,476	232	-	-	-	-	350,000	-	351,476	232
Unrealized loss on trading securities carried at fair value	以公允價值列賬之 交易證券之 未變現虧損	21,569	4,643	-	-	-	-	-	-	21,569	4,643

The Group did not have any inter-segment sales during either years.

本集團於此兩年內並無分部業務間之銷售。

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

4. SEGMENT REPORTING (continued)

(b) Geographical segments

The Group participates in two principal economic environments: Hong Kong and other areas of China.

In presenting information on the basis geographical segments, segment revenue is based on the country where the contract is signed or the order is placed. Segment assets, liabilities and capital expenditure are based on the geographical location of the assets and liabilities.

		Hong Kong 香港		Other areas of China 中國其他地區		Consolidated 綜合	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue from external customers	來自外界客戶之收入	3,769	6,134	44,405	55,050	48,174	61,184
Segment results	分部業績	(2,276)	(2,560)	(17,806)	1,699	(20,082)	(861)
Segment assets	分部資產	104,362	441,905	1,388	40,803	105,750	482,708
Segment liabilities	分部負債	(17,025)	(48,349)	(2,790)	(14,076)	(19,815)	(62,425)

(c) Discontinued operation

On 18 July 2003, the Group entered into an agreement with an independent third party for the disposal of a 12.5% equity interest in REXCAPITAL Infrastructure Limited, an intermediate holding company investing in the fibre-optic network in China, at a cash consideration of HK\$50,000,000.

On 29 October 2003, the Group entered into another sale and purchase agreement with another independent third party pursuant to which the Group disposed of its entire remaining interest in REXCAPITAL Infrastructure Limited at a cash consideration of HK\$350,000,000. This transaction was completed during the year ended 31 March 2004, which constituted the discontinuance of the Group's telecommunications and technology-related operations.

4. 分部呈報 (續)

(b) 地區分部

本集團在兩個主要經濟地區經營，即香港及中國其他地區。

在呈列地區分部資料時，分部收入是以簽訂合約或作出指令之國家為計算基準。分部資產、負債及資本開支按資產及負債所在地為計算基準。

(c) 已終止經營業務

於二零零三年七月十八日，本集團與獨立第三方訂立協議，以出售投資於中國光纖網絡之中間控股公司 REXCAPITAL Infrastructure Limited 之 12.5% 股本權益，現金代價為 50,000,000 港元。

於二零零三年十月二十九日，本集團與另一獨立第三方訂立另一項買賣協議，據此，本集團出售其於 REXCAPITAL Infrastructure Limited 之全部餘下權益，現金代價為 350,000,000 港元。此項交易已於截至二零零四年三月三十一日止年度內完成，促成本集團終止其電訊及科技相關業務。

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

4. SEGMENT REPORTING (continued)

(c) Discontinued operation (continued)

The telecommunications and technology-related segment is reported in the financial statements for the year ended 31 March 2004 as a discontinued operation. The turnover, results and net assets of that segment as at the dates of disposals were as follows:

		2004 二零零四年 HK\$'000 千港元
Turnover	營業額	2
Other income	其他收入	-
Operating expenses	經營開支	(67)
Loss from operations	經營虧損	(65)
Finance cost	融資成本	-
Loss before taxation	除稅前虧損	(65)
Taxation	稅項	-
Loss for the year	年內虧損	(65)
Total assets	總資產	395,020
Total liabilities	總負債	(39)
Net assets	資產淨值	394,981

The net cash flows attributable to the telecommunications and technology-related segment included in the consolidated cash flow statement are as follows:

		2004 二零零四年 HK\$'000 千港元
Net cash used in operating activities	經營活動所用之現金淨額	(76)
Net cash generated from investing activities	投資活動產生之現金淨額	-
Total cash outflows	現金流出總額	(76)

4. 分部呈報 (續)

(c) 已終止經營業務 (續)

電訊及科技相關業務於截至二零零四年三月三十一日止年度之財務報表中呈報為已終止經營業務。該分部於出售日期之營業額、業績及資產淨值如下：

計入綜合現金流量表之電訊及科技相關分部現金流量淨額如下：

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

5. OTHER INCOME

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Secondment services	借調服務	1,613	-
Others	其他	65	242
		<u>1,678</u>	<u>242</u>

5. 其他收入

6. LOSS FROM OPERATIONS

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Loss from operations is arrived at after charging:	經營虧損 已扣除:		
Amortization of goodwill	商譽攤銷	2,712	2,712
Auditors' remuneration	核數師酬金		
- current	- 本年度	390	850
- overprovision in respect of prior year	- 往年超額撥備	(108)	-
Operating lease charges in respect of properties	有關物業的經營租賃費用	306	990
Staff costs (excluding directors' remuneration and including amount recognized as expenses for defined contribution retirement benefit schemes)	員工成本(不包括董事酬金,但包括確認為開支之退休福利計劃固定供款)	5,327	6,664
Amount recognized as expenses for defined contribution retirement benefit schemes	確認為開支之退休福利計劃固定供款	115	134
		<u>115</u>	<u>134</u>

6. 經營虧損

7. FINANCE COSTS

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Interest on bank overdrafts, convertible notes and other loans	銀行透支、可轉換票據及其他借貸之利息	908	2,225
		<u>908</u>	<u>2,225</u>

7. 融資成本

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

8. NON-OPERATING INCOME

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Gain on disposals of subsidiaries	出售附屬公司之收益	-	5,045
Others	其他	1	13
		<u>1</u>	<u>5,058</u>

9. TAXATION

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Current tax – Hong Kong	現行稅項 –		
Profits Tax for the year	本年度香港利得稅	<u>517</u>	<u>-</u>

Hong Kong Profits Tax has been provided at the rate of 17.5% (2004: 17.5%) on the estimated assessable profit for the year.

For the year ended 31 March 2005 and 2004, no provision for taxation outside Hong Kong has been made as the companies comprising the Group outside Hong Kong either sustained a loss for taxation purpose or had a tax exemption.

8. 非經營收入

9. 稅項

香港利得稅乃按稅率17.5% (二零零四年: 17.5%) 就本年度之估計應課稅溢利作出撥備。

於截至二零零五年及二零零四年三月三十一日止年度, 香港境外之本集團各成員公司在計算稅項方面錄得虧損或獲得稅項豁免, 故並無為香港以外稅項作出撥備。

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

9. TAXATION (continued)

Reconciliation between tax expenses and accounting loss at applicable tax rates is as follows:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(375,796)	(2,135)
Tax effect on loss before taxation calculated at applicable rate	按適用稅率計算之除稅前虧損之稅務影響	(65,764)	(373)
Tax effect of non-deductible expenses	不可扣稅支出之稅務影響	66,919	1,538
Tax effect of non-taxable revenue	毋須課稅收益之稅務影響	(1,011)	(1,358)
Tax losses utilized	已動用稅務虧損	(20)	(13)
Tax effect of current year's tax losses not recognized	本年度未確認稅務虧損之稅務影響	393	208
Other temporary differences not recognized	其他未確認之短暫差異	-	(2)
Actual tax expense	實際稅項支出	517	-

At 31 March 2005, the Group had deferred tax assets of HK\$3,684,000 (2004: HK\$4,191,000) arising from tax losses. The deferred tax assets are not recognized as it is uncertain whether future taxable profit will be available for utilizing the tax losses. Under the current tax legislation, the tax losses can be carried forward indefinitely.

10. LOSS ATTRIBUTABLE TO SHAREHOLDERS

The consolidated loss attributable to shareholders includes a loss of HK\$355,125,000 (2004: loss of HK\$3,218,000) which has been dealt with in the financial statements of the Company.

11. DIVIDEND

The directors do not recommend the payment of a dividend for the year ended 31 March 2005 (2004: HK\$Nil) and the Company did not pay any interim dividend during the year.

9. 稅項 (續)

按適用稅率計算之稅項支出與會計虧損之對賬表如下:

	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Loss before taxation	(375,796)	(2,135)
Tax effect on loss before taxation calculated at applicable rate	(65,764)	(373)
Tax effect of non-deductible expenses	66,919	1,538
Tax effect of non-taxable revenue	(1,011)	(1,358)
Tax losses utilized	(20)	(13)
Tax effect of current year's tax losses not recognized	393	208
Other temporary differences not recognized	-	(2)
Actual tax expense	517	-

於二零零五年三月三十一日，本集團錄得稅務虧損而產生之遞延稅項資產達3,684,000港元(二零零四年:4,191,000港元)。由於未來會否獲得應課稅溢利以動用稅務虧損仍為未知之數，故此遞延稅項資產並未確認。根據現行稅務條例，稅務虧損可無限期結轉結餘。

10. 股東應佔虧損

股東應佔綜合虧損包括一筆已列入本公司財務報表之虧損355,125,000港元(二零零四年:虧損3,218,000港元)。

11. 股息

董事不建議派發截至二零零五年三月三十一日止年度之股息(二零零四年:零港元)。本公司年內亦無支付中期股息。

財務報表附註 (續)

截至二零零五年三月三十一日止年度

12. LOSS PER SHARE

(a) Basic loss per share

The calculation of the basic loss per share is based on the loss attributable to shareholders of HK\$376,313,000 (2004: loss of HK\$2,126,000) and the weighted average number of 2,085,408,000 ordinary shares (2004: 1,537,309,000) in issue during the year.

(b) Diluted loss per share

No diluted loss per share has been presented for both years because the exercise of the Company's outstanding share options would reduce net loss per share.

13. DIRECTORS' EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the remuneration paid by the Group to the directors and the five highest paid individuals (including directors and employees) for the year are as follows:

(a) Directors' emoluments

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Fees	袍金		
Executive directors	執行董事	-	-
Independent non-executive directors	獨立非執行董事	200	233
		200	233
Other emoluments	其他酬金		
Salaries, allowances and benefits in kind	薪金、津貼及非現金利益	591	591
Pension scheme contributions	退休計劃供款	12	12
		603	603
		803	836

12. 每股虧損

(a) 每股基本虧損

每股基本虧損乃按股東應佔虧損 376,313,000 港元 (二零零四年: 虧損 2,126,000 港元) 及年度內之已發行普通股之加權平均數 2,085,408,000 股 (二零零四年: 1,537,309,000 股) 計算。

(b) 每股攤薄虧損

由於行使本公司之尚未行使購股權會導致每股基本虧損減少, 故並無呈列該兩個年度之每股攤薄虧損。

13. 董事酬金及最高酬金人士

本集團於年內支付董事及五位最高酬金人士 (包括董事及僱員) 之詳情如下:

(a) 董事酬金

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

13. DIRECTORS' EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (continued)

(a) Directors' emoluments (continued)

The remuneration of the directors is within the following bands:

HK\$Nil – HK\$1,000,000 零港元至1,000,000港元

During the year, none of the directors of the Group waived any emoluments, and 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 (2004: NIL).

(b) Five highest paid individuals

The five highest paid individuals of the Group for the year include one (2004: one) director of the Company, details of those emoluments are set out above. The emoluments of the remaining four (2004: four) individuals were as follows:

Salaries, allowances and benefits in kind 薪金、津貼及非現金利益
Pension scheme contributions 退休計劃供款

13. 董事酬金及最高酬金人士 (續)

(a) 董事酬金 (續)

酬金在以下範圍內之董事人數如下:

Number of directors 董事人數	
2005 二零零五年	2004 二零零四年
9	6

年內，本集團之董事概無放棄任何酬金，本集團亦無向任何董事支付酬金以作為吸引其加入本集團或其加入本集團時之獎勵或作為離職補償 (二零零四年：零港元)。

(b) 五位最高酬金人士

年內本集團五位最高酬金人士之中包括一位 (二零零四年：一位) 本公司董事，其酬金已載於上文。其餘四位 (二零零四年：四位) 人士之酬金如下:

		2005 二零零五年	2004 二零零四年
		HK\$'000 千港元	HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及非現金利益	1,507	3,981
Pension scheme contributions	退休計劃供款	39	24
		<u>1,546</u>	<u>4,005</u>

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

13. DIRECTORS' EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (continued)

(b) Five highest paid individuals (continued)

The emoluments of the four (2004: four) individuals with the highest emoluments were within the following bands:

HK\$Nil – HK\$1,000,000	零港元至1,000,000港元
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元

During the year, no emoluments were paid by the Group to the five highest paid individuals of the Group as an inducement to join or upon joining the Group or as compensation for loss of office (2004: HK\$Nil).

13. 董事酬金及最高酬金人士 (續)

(b) 五位最高酬金人士 (續)

四位 (二零零四年: 四位) 最高酬金人士之酬金範圍如下:

	Number of individuals 人數	
	2005 二零零五年	2004 二零零四年
HK\$Nil – HK\$1,000,000	3	3
HK\$1,000,001 – HK\$1,500,000	1	1

年內, 本集團並無向五位最高酬金人士支付酬金以作為吸引其加入本集團或其加入本集團時之獎勵或作為離職補償 (二零零四年: 零港元)。

14. PROPERTY, PLANT AND EQUIPMENT

The Group 本集團

		Furniture, fixtures and equipment 傢具、裝置 及設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本		
At 1 April 2004	於二零零四年四月一日	733	733
At 31 March 2005	於二零零五年三月三十一日	733	733
Accumulated depreciation	累計折舊		
At 1 April 2004	於二零零四年四月一日	729	729
Charge for the year	本年度之折舊	1	1
At 31 March 2005	於二零零五年三月三十一日	730	730
Net book value	賬面淨值		
At 31 March 2005	於二零零五年三月三十一日	3	3
At 31 March 2004	於二零零四年三月三十一日	4	4

14. 物業、廠房及設備

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

15. GOODWILL

15. 商譽

		HK\$'000 千港元
Original amount	原值	
At 1 April 2004 and at 31 March 2005	於二零零四年四月一日及 於二零零五年三月三十一日	<u>54,218</u>
Accumulated amortization	累計攤銷	
At 1 April 2004	於二零零四年四月一日	3,616
Amortization charge for the year	年內攤銷	2,712
At 31 March 2005	於二零零五年三月三十一日	<u>6,328</u>
Net book value	賬面淨值	
At 31 March 2005	於二零零五年三月三十一日	<u>47,890</u>
At 31 March 2004	於二零零四年三月三十一日	<u>50,602</u>

Positive goodwill is recognized as expenses on a straight-line basis over 20 years. The amortization of positive goodwill for the year is included in "Other operating expenses" in the consolidated income statement.

正商譽乃以直線法按二十年攤銷。本年度正商譽之攤銷已計入綜合損益表之「其他經營開支」內。

16. INTERESTS IN SUBSIDIARIES

16. 附屬公司權益

		The Company 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本入賬	<u>1</u>	<u>1</u>
Amounts due from subsidiaries	應收附屬公司款項	1,032,879	1,039,307
Less: Provision for doubtful debts	減：呆賬撥備	(913,182)	(562,213)
		<u>119,697</u>	<u>477,094</u>
Amounts due to subsidiaries	應付附屬公司款項	(26,059)	(23,215)
		<u>93,639</u>	<u>453,880</u>

The amounts due from/to subsidiaries are unsecured, interest free and have no fixed terms of repayment.

應收／應付附屬公司款項為無抵押、免息及無固定還款期。

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

16. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries at 31 March 2005 are as follows:

Name 名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Particulars of issued share capital 已發行股本	Percentage of issued capital held by 持有已發行股本 百分比		Principal activities 主要業務
			The Group 本集團	The Company 本公司	
REXCAPITAL (Hong Kong) Limited 御泰融資(香港)有限公司	Hong Kong 香港	10,000,000 ordinary shares of HK\$1 each 10,000,000 股普通股 每股1港元	100%	-	Provision of investment advisory services 提供投資顧問服務
REXCAPITAL Enterprises Limited 御泰企業有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股普通股每股1港元	100%	-	Provision of management services 提供管理服務
D & M Finance Limited	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股普通股每股1港元	100%	-	Money lending 貸款
Golden Chino Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	100%	Participation in primary and secondary securities market 參與主要及次要 證券市場活動
REXCAPITAL Group Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	100%	Investment holding 投資控股
REXCAPITAL Technology Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	-	Investment holding 投資控股
REXCAPITAL Financial Services Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	-	Investment holding 投資控股
REXCAPITAL Strategic Investments Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	-	Investment holding 投資控股
REXCAPITAL Management Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	-	Investment holding 投資控股

16. 附屬公司權益 (續)

於二零零五年三月三十一日之主要附屬公司詳情如下：

Notes to the Financial Statements *(continued)*

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

16. INTERESTS IN SUBSIDIARIES *(continued)*

16. 附屬公司權益 (續)

Name 名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Particulars of issued share capital 已發行股本	Percentage of issued capital held by 持有已發行股本 百分比		Principal activities 主要業務
			The Group 本集團	The Company 本公司	
Capital View Investments Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	–	Provision of nominee services 提供代理人服務
Twin Star Agents Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股每股1美元	100%	–	Holding nominees shares for the Group in Hong Kong 為本集團於香港 持有代理人股份
REXCAPITAL Secretarial Services Limited 御泰秘書服務有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股普通股每股1港元	100%	–	Provision of secretarial services 提供秘書服務

Notes to the Financial Statements *(continued)*

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

17. INVESTMENTS IN SECURITIES

(a) Investments in securities

		The Group 本集團	
		2005 二零零五年	2004 二零零四年
		HK\$'000 千港元	HK\$'000 千港元
Unlisted equity securities, at cost	非上市股本證券， 按成本入賬	109,200	109,200
Less: Provision for diminution in value	減：減值 撥備	(109,200)	(109,200)
		—	—

(b) Trading securities

		The Group 本集團	
		2005 二零零五年	2004 二零零四年
		HK\$'000 千港元	HK\$'000 千港元
Listed equity securities in Hong Kong, at fair value	於香港上市之股本證券， 按公允值入賬	13,388	39,598
Market value of listed investments	上市投資之市值	13,388	39,598

At 31 March 2005, equity securities listed in Hong Kong of HK\$11,018,000 (2004: HK\$28,989,000) were pledged as security for other loans of HK\$2,787,000 (2004: HK\$10,073,000) (note 22).

於二零零五年三月三十一日，於香港上市之11,018,000港元（二零零四年：28,989,000港元）股本證券已予抵押，作為2,787,000港元（二零零四年：10,073,000港元）其他貸款之擔保（附註22）。

17. 證券投資

(a) 投資證券

(b) 交易證券

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

18. TRADE AND OTHER RECEIVABLES

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Trade receivables	應收賬款	31,187	39,297	-	-
Deposits, prepayments and other receivables	訂金、預付款及其他應收款項	4,767	351,316	4,701	-
		<u>35,954</u>	<u>390,613</u>	<u>4,701</u>	<u>-</u>

Included in the trade and other receivables are trade receivables amounted to HK\$31,187,000 (2004: HK\$39,297,000), net of specific allowance for bad and doubtful debts, with the following ageing:

		The Group 本集團	
		2005 二零零五年	2004 二零零四年
		HK\$'000 千港元	HK\$'000 千港元
Within three months	三個月內	1,005	37,829
More than three months but less than six months	多於三個月但於六個月內	444	1,468
More than six months but less than one year	多於六個月但於一年內	29,738	-
More than one year	多於一年	-	-
		<u>31,187</u>	<u>39,297</u>

Included in trade receivables are loan receivables amounted to HK\$31,020,000 (2004: HK\$37,300,000) arising from the money lending business. The loan receivables are unsecured and bear interest at prime rate plus 5% per annum. The credit terms granted to the customers by the Group range from six months to twelve months.

18. 應收賬款及其他應收款項

包括於應收賬款及其他應收款項中，為數合共 31,187,000 港元（二零零四年：39,297,000 港元）之應收賬款（已扣除呆壞賬特別撥備），其賬齡如下：

包括於以上應收賬款中，共有 31,020,000 港元（二零零四年：37,300,000 港元）產生自貸款業務。此應收貸款為無抵押並以最優惠利率加 5 厘收取利息。本集團授予客戶之信貸期由六至十二個月不等。

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

18. TRADE AND OTHER RECEIVABLES (continued)

Included in trade and other receivables is a receivable of HK\$350,000,000 representing the unsettled cash consideration from the disposal of the Group's interest comprising 875 fully paid ordinary shares in REXCAPITAL Infrastructure Limited. Pursuant to the sale and purchase agreement dated 29 October 2003, the consideration for the disposal of the Group's interest in REXCAPITAL Infrastructure Limited, amounted to HK\$350,000,000. As at 31 March 2005, none of the cash consideration of HK\$350,000,000 was settled and there has not been any subsequent settlement up to the date of approval of the financial statements. A full provision has been made in the financial statements in respect of the receivable.

19. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amount:

18. 應收賬款及其他應收款項 (續)

包括於應收賬款及其他應收款項為350,000,000港元之應收款項，代表出售本集團於REXCAPITAL Infrastructure Limited的875股已繳足普通股之權益之未收取現金代價。根據二零零三年十月二十九日之買賣協議，出售本集團於REXCAPITAL Infrastructure Limited之權益之代價為350,000,000港元。於二零零五年三月三十一日，350,000,000港元之現金代價均未支付，截至財務報表核准日期為止，亦未有任何其後之付款。於財務報表中已就該應收款項作出全數撥備。

19. 現金及現金等價物

現金流量表內之現金及現金等價物包括以下於資產負債表之金額：

	The Group 本集團		The Company 本公司	
	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Cash at banks and in hand 現金及銀行結存	<u>7,841</u>	<u>1,217</u>	<u>7,741</u>	<u>1,141</u>

20. OTHER PAYABLES AND ACCRUED CHARGES

Other payables and accrued charges
其他應付款及應計費用

20. 其他應付款及應計費用

	The Group 本集團		The Company 本公司	
	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Other payables and accrued charges 其他應付款及應計費用	<u>3,151</u>	<u>7,352</u>	<u>2,851</u>	<u>3,026</u>

All of the other payables and accrued charges are expected to be settled within one year.

所有其他應付款及應計費用預期可於一年內償清。

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

21. AMOUNT DUE TO A RELATED PARTY

The amount due to a related party is unsecured, interest free and has no fixed terms of repayment.

22. OTHER LOANS

Other loans are repayable within 1 year or on demand as follows:

21. 應付關連公司款項

應付關連公司款項為無抵押、免息及無固定還款期。

22. 其他貸款

須於一年內或接獲通知時償還之其他貸款如下：

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Secured (note 17(b))	有抵押 (附註17(b))	2,787	10,073	—	—
Unsecured	無抵押	3,965	—	—	—
		<u>6,752</u>	<u>10,073</u>	<u>—</u>	<u>—</u>

At 31 March 2005, a loan of HK\$638,000 (2004: HK\$8,010,000) was interest bearing at prime rate per annum and had no fixed terms of repayment. The remaining balance of other loans of HK\$2,149,000 (2004: HK\$2,063,000) were interest bearing at prime rate plus 3% to 8% per annum and had no fixed terms of repayment.

At 31 March 2005, a loan of HK\$3,965,000 (2004: HK\$Nil) from a related party was interest bearing at 3% per annum over the prevailing prime lending rate offered by the Hong Kong and Shanghai Banking Corporation Limited and had no fixed terms of repayment.

於二零零五年三月三十一日，一筆為數638,000港元之貸款（二零零四年：8,010,000港元），其年利率乃按最優惠利率計算，並無固定還款期。餘下為數2,149,000港元（二零零四年：2,063,000港元）之其他貸款結餘之年利率乃按最優惠利率加3厘至8厘計算，並無固定還款期。

於二零零五年三月三十一日，一筆來自關連人士為數3,965,000港元之貸款（二零零四年：零港元），其年利率乃按香港上海滙豐銀行有限公司提供的現行最優惠利率加3厘計算，並無固定還款期。

23. CONVERTIBLE NOTES

23. 可換股票據

		The Group and the Company 本集團及本公司	
		2005 二零零五年	2004 二零零四年
		HK\$'000 千港元	HK\$'000 千港元
Current	短期		
2% convertible notes	2厘可換股票據	-	45,000

(a) 2% convertible notes

On 13 December 2002, the Company issued the 2% convertible notes (the "2% Notes") of HK\$80,000,000 to a related party. The 2% Notes bear interest at a fixed rate of 2% per annum payable semi-annually in arrears on 30 June and 31 December and were due on 12 December 2004. Each of the 2% Notes carry the right to convert, on any business day prior to 5 business days before 12 December 2004, the whole or part of the principal amounts of the 2% Notes into ordinary shares of the Company at the lower of the fixed conversion price, subject to adjustment in certain events, of HK\$0.36 per share (the "2% Conversion Price"), and the floating conversion price (being 92% of the arithmetic average of the 4 lowest closing prices per share during the 20 consecutive trading days immediately prior to the relevant exercise date), provided that such price shall exceed the nominal value of the ordinary share, otherwise the conversion price shall be the nominal value of the ordinary shares.

On 24 November 2004, the 2% Notes of HK\$7,000,000 were converted into 179,487,179 ordinary shares of the Company of HK\$0.01 each at a conversion price of HK\$0.039 per share.

On 25 November 2004, the related party transferred part of the outstanding 2% Notes in the aggregate amount of HK\$8,000,000 to two transferees.

(a) 2厘可換股票據

於二零零二年十二月十三日，本公司發行80,000,000港元之2厘可換股票據（「2厘票據」）予一關連人士。該2厘票據按固定年利率2厘計息，利息每半年（即六月三十日及十二月三十一日）繳付一次，將於二零零四年十二月十二日到期。該等2厘票據具有權利可於二零零四年十二月十二日前五個營業日之前任何營業日，將全部或部分2厘票據本金，按固定換股價每股0.36港元（「2厘換股價」，在若干情況下可予調整）及浮動換股價（即緊接有關行使日期之前二十個連續交易日中四個最低每股收市價之算術平均數之92%）兩者之較低者兌換為本公司普通股，惟該價格須高於普通股之面值，否則兌換價須為普通股面值。

於二零零四年十一月二十四日，7,000,000港元之2厘票據按換股價每股0.039港元兌換為179,487,179股每股0.01港元之本公司普通股。

於二零零四年十一月二十五日，關連人士轉讓部份合共8,000,000港元之未兌換2厘票據予兩名承讓人。

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

23. CONVERTIBLE NOTES (continued)

(a) 2% convertible notes (continued)

On 29 November 2004, the 2% Notes of HK\$8,000,000 were converted into 200,000,000 ordinary shares of the Company of HK\$0.01 each at a conversion price of HK\$0.040 per share

On 30 November 2004, the related party transferred part of the outstanding 2% Notes in the aggregate amount of HK\$10,000,000 to two transferees.

On 1 December 2004, the 2% Notes of HK\$10,000,000 were converted into 238,095,238 ordinary shares of the Company of HK\$0.01 each at a conversion price of HK\$0.042 per share.

On 13 December 2004, the maturity date, the outstanding 2% Notes of HK\$20,000,000 were payable in full as none of them were converted into ordinary shares of the Company. HK\$10,940,000 were repaid during the year.

Up to 31 March 2005, the conversion rights of the 2% Notes in the aggregate amount of HK\$60,000,000 were exercised as follows:

23. 可換股票據 (續)

(a) 2厘可換股票據 (續)

於二零零四年十一月二十九日，8,000,000港元之2厘票據按換股價每股0.040港元兌換為200,000,000股每股0.01港元之本公司普通股。

於二零零四年十一月三十日，關連人士轉讓部份合共10,000,000港元之未兌換2厘票據予兩名承配人。

於二零零四年十二月一日，10,000,000港元之2厘票據按換股價每股0.042港元兌換為238,095,238股每股0.01港元之本公司普通股。

於二零零四年十二月十三日（到期日），由於20,000,000港元之未兌換2厘票據概無兌換為本公司普通股，故已獲全數支付。本年度獲償付共10,940,000港元。

截至二零零五年三月三十一日，2厘票據合共60,000,000港元之換股權已被行使如下：

		Value of the 2% Notes converted 兌換2厘 票據之價值 HK\$'000 千港元	Number of ordinary shares 普通股數目 ('000) (千股)	Range of conversion price 換股價範圍 HK\$ 港元
During the year ended 31 March 2003	於截至二零零三年 三月三十一日止年度內	18,000	112,500	0.16
During the year ended 31 March 2004	於截至二零零四年 三月三十一日止年度內	17,000	121,894	0.139 – 0.141
During the year ended 31 March 2005	於截至二零零五年 三月三十一日止年度內	25,000	617,582	0.039 – 0.042
		<u>60,000</u>	<u>851,976</u>	

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

23. CONVERTIBLE NOTES (continued)

(b) 5% convertible notes

On 26 June 2001, the Company issued the 5% convertible notes (the "5% Notes") of HK\$100,000,000 to an independent third party. The 5% Notes bear interest at a fixed rate of 5% per annum payable semi-annually in arrears on 30 June and 31 December and were due on 25 June 2004.

Up to 31 March 2004, the conversion rights of the 5% Notes in the aggregate amount of HK\$100,000,000 were exercised as follows:

23. 可換股票據 (續)

(b) 5%可換股票據

於二零零一年六月二十六日，本公司發行100,000,000港元5厘可換股票據（「5厘票據」）予一獨立第三者。5厘票據按固定年利率5厘計息，利息每半年（即六月三十日及十二月三十一日）繳付一次，並於二零零四年六月二十五日到期。

截至二零零四年三月三十一日，5厘票據合共100,000,000港元之換股權已被行使如下：

		Value of the 5% Notes converted 兌換5厘 票據之價值 HK\$'000 千港元	Number of ordinary shares 普通股數目 ('000) (千股)	Range of conversion price 換股價範圍 HK\$ 港元
During the two year period ended 31 March 2003	於截至二零零三年 三月三十一日止 兩年度期間	93,000	2,425,735	0.015 – 0.16
During the year ended 31 March 2004	於截至二零零四年 三月三十一日止年度內	7,000	51,282	0.132 – 0.143
		<u>100,000</u>	<u>2,477,017</u>	

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

24. SHARE CAPITAL

24. 股本

		2005 二零零五年		2004 二零零四年	
		Number of shares 股份數目 (‘000) (千股)	HK\$’000 千港元	Number of shares 股份數目 (‘000) (千股)	HK\$’000 千港元
Authorized:	法定股本:				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之 普通股	<u>100,000,000</u>	<u>1,000,000</u>	<u>100,000,000</u>	<u>1,000,000</u>
Issued and fully paid:	已發行及繳足股本:				
At 1 April	於四月一日	1,709,400	17,094	1,307,873	13,079
Shares issued on placement (note a)	因配售而發行股份 (附註a)	340,000	3,400	180,000	1,800
Issue of shares on conversion of 5% Notes (note 23(b))	因兌換5厘票據 而發行股份 (附註23(b))	–	–	51,282	513
Issue of shares on conversion of 2% Notes (note 23(a))	因兌換2厘票據 而發行股份 (附註23(a))	617,582	6,176	121,894	1,219
Exercise of share options (note b)	行使購股權 (附註b)	85,470	855	48,351	483
At 31 March	於三月三十一日	<u>2,752,452</u>	<u>27,525</u>	<u>1,709,400</u>	<u>17,094</u>

(a) Shares issue on placement

Pursuant to a share placement announced on 8 November 2004, the Company issued 340,000,000 ordinary shares with a nominal value of HK\$0.01 each by way of placing at HK\$0.04 per share for a total cash consideration of HK\$13,600,000. Share issue expenses of approximately HK\$464,000 was debited to the share premium account (note 25). The net proceeds were used as general working capital of the Group. Such issued shares rank pari passu in all respects with the then existing issued shares of the Company.

(a) 因配售而發行股份

根據二零零四年十一月八日公佈之股份配售，本公司發行340,000,000股每股面值0.01港元之普通股，以每股0.04港元配售，總現金代價為13,600,000港元。約464,000港元之股份發行開支已於股份溢價賬扣除（附註25），所得款項淨額已撥作一般營運資金。該等已發行股份與本公司當時之已發行股份在各方面均享有同等權利。

24. SHARE CAPITAL (continued)

(b) Share options

On 29 July 2002, the Company adopted a share option scheme (the "2002 Scheme"). Under the 2002 Scheme, the directors are authorized, at their discretion, to offer eligible participants, being employees (whether full time or part time), business consultants, agents, financial or legal advisors whom the directors consider, in sole discretion, have contributed to the Group, options to subscribe for new shares. The directors are authorized to determine the subscription price for an ordinary share granted to eligible participants. Such price will not be less than the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations on the date of offer, which must be a business day; (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of offer; and (c) the nominal value of an ordinary share.

There is no general requirement that an option must be held for any minimum period before it can be exercised but the directors are empowered to impose at their discretion any requirements at the time of granting any particular option. Upon acceptance of the option, the grantee is required to pay a consideration of HK\$1.00 for each lot of share options granted on or before the 30 days after the option is offered.

The period within which the shares must be taken up under an option will be determined by the directors at their discretion but will not be later than 10 years after the date of adoption of the 2002 Scheme.

The limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2002 Scheme, and any other schemes, if any, must not exceed 30% of the number of shares of the Company in issue from time to time.

24. 股本 (續)

(b) 購股權

於二零零二年七月二十九日，本公司採納一項購股權計劃（「二零零二年計劃」）。根據二零零二年計劃，董事獲授權可全權向彼等認為對本集團有貢獻之全職或兼職僱員、業務顧問、代理、財務或法律顧問等合資格人士授出購股權以認購新股。董事獲授權可全權釐定合資格人士認購普通股之認購價。惟該價格不得低於(a)股份於授出購股權日期（必須為營業日）在聯交所每日報價表所列之收市價；(b)授出購股權日期之前五個營業日股份在聯交所每日報價表所列之平均收市價；及(c)普通股份面值（以最高者為準）。

並無購股權承授人須持有購股權一段限期方可行使之一般規定，惟董事可酌情於授出任何購股權時施加任何規定。於接納購股權時，承授人須於授出購股權日期起計30日內就每次獲授之購股權支付代價1.00港元。

承授人獲授購股權後須認購股份之期限將由董事酌情釐定，惟不得遲於採納二零零二年計劃當日起計10年。

因行使根據二零零二年計劃或任何其他計劃（如有）授出而尚未行使之購股權而發行之股份數目上限，不得超過本公司不時已發行股份數目之30%。

24. SHARE CAPITAL (continued)

(b) Share options (continued)

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the 2002 Scheme and any other share option schemes of the Company (including exercised and outstanding options) to each eligible participants in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant.

Share option of 85,469,970 and 85,400,000 underlying shares were granted by the Company respectively on 15 September 2004 and 25 November 2004 under the 2002 Scheme.

Certain share options were exercised at HK\$0.0448 per share on 4 October 2004 which resulted in the issue of 85,469,970 ordinary shares of the Company and an increase in the issued share capital of HK\$855,000 and a share premium account of HK\$2,974,000, as detailed in note 25 financial statements.

24. 股本 (續)

(b) 購股權 (續)

截至授出購股權日期止任何12個月期間個別合資格人士因行使可能根據二零零二年計劃及本公司任何其他購股權計劃獲授之購股權(包括已行使及尚未行使之購股權)而已獲發行及可獲發行之股份總數,不得超過授出購股權日期已發行股份之1%。

本公司於二零零四年九月十五日及二零零四年十一月二十五日根據二零零二年計劃分別授出相聯股份合共85,469,970股及85,400,000股之購股權。

本公司因若干購股權於二零零四年十月四日以每股0.0448港元之行使價獲行使而發行85,469,970股普通股,從而導致增加已發行股本855,000港元及股份溢價賬2,974,000港元。有關詳情載於本財務報表附註25。

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

24. SHARE CAPITAL (continued)

(b) Share options (continued)

The following table sets out information relating to the Share Option Scheme:

At 1 April 2004 於 二零零四年 四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	At 31 March 2005 於 二零零五年 三月三十一日	Date of grant of share options 購股權授出日期	Exercise period of share options 購股權行使期	Exercise price of share options 購股權 行使價 HK\$ 港元	At grant date of options (note) 於購股權 授出日期 (附註)	At exercise date of options (note) 於購股權 行使日期 (附註)
32,234,012	-	-	(16,117,006)	16,117,006	22/12/2003	2/1/2004 - 1/1/2014	0.1600	0.16	N/A 不適用
-	85,469,970	(85,469,970)	-	-	15/9/2004	27/9/2004 - 26/9/2014	0.0448	0.04	0.045
-	85,400,000	-	-	85,400,000	25/11/2004	20/12/2004 - 19/12/2014	0.088	0.09	N/A 不適用

Note:

The price of the Company's shares disclosed as at the date of the grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the options. The price of the Company's shares disclosed as at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices over all the exercises of options within the disclosure line.

24. 股本 (續)

(b) 購股權 (續)

下表列出有關購股權計劃之資料：

Exercise period of share options 購股權行使期	Exercise price of share options 購股權 行使價 HK\$ 港元	At grant date of options (note) 於購股權 授出日期 (附註)	At exercise date of options (note) 於購股權 行使日期 (附註)
2/1/2004 - 1/1/2014	0.1600	0.16	N/A 不適用
27/9/2004 - 26/9/2014	0.0448	0.04	0.045
20/12/2004 - 19/12/2014	0.088	0.09	N/A 不適用

附註：

上表披露於購股權授出日期之本公司股份價格為於緊接購股權授出日期前之交易日之聯交所收市價。上表披露於購股權行使日期之本公司股份價格為所披露之所有獲行使購股權之聯交所收市價加權平均值。

Notes to the Financial Statements *(continued)*

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

25. RESERVES

(a) The Group

		Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 繳納盈餘 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
	於二零零三年 三月三十一日				
At 31 March 2003		386,879	596,248	(623,058)	360,069
Share issued on placement	因配售而發行股份	16,200	–	–	16,200
Expenses for placement of shares	配售股份開支	(475)	–	–	(475)
Issue of shares on conversion of 5% Notes	因兌換5厘票據 而發行股份	6,487	–	–	6,487
Issue of shares on conversion of 2% Notes	因兌換2厘票據 而發行股份	15,781	–	–	15,781
Exercise of share options	行使購股權	7,253	–	–	7,253
Loss for the year	年度虧損	–	–	(2,126)	(2,126)
	於二零零四年 三月三十一日				
At 31 March 2004		432,125	596,248	(625,184)	403,189
Share issued on placement (note 24(a))	因配售而發行股份 (附註24(a))	10,200	–	–	10,200
Expenses for placement of shares (note 24(a))	配售股份開支 (附註24(a))	(464)	–	–	(464)
Issue of shares on conversion of 2% Notes (note 23(a))	因兌換2厘票據而發行 股份 (附註23(a))	18,824	–	–	18,824
Exercise of share options (note 24(b))	行使購股權 (附註24(b))	2,974	–	–	2,974
Loss for the year	年度虧損	–	–	(376,313)	(376,313)
	於二零零五年 三月三十一日				
At 31 March 2005		<u>463,659</u>	<u>596,248</u>	<u>(1,001,497)</u>	<u>58,410</u>

25. 儲備

(a) 本集團

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

25. RESERVES (continued)

(b) The Company

		Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 繳納盈餘 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
	於二零零三年 三月三十一日				
At 31 March 2003		386,879	611,786	(650,792)	347,873
Share issued on placement	因配售而發行股份	16,200	–	–	16,200
Expenses for placement of shares	配售股份開支	(475)	–	–	(475)
Issue of shares on conversion of 5% Notes	因兌換5厘票據 而發行股份	6,487	–	–	6,487
Issue of shares on conversion of 2% Notes	因兌換2厘票據 而發行股份	15,781	–	–	15,781
Exercise of share options	行使購股權	7,253	–	–	7,253
Loss for the year	年度虧損	–	–	(3,218)	(3,218)
	於二零零四年 三月三十一日				
At 31 March 2004		432,125	611,786	(654,010)	389,901
Share issued on placement (note 24(a))	因配售而發行股份 (附註24(a))	10,200	–	–	10,200
Expenses for placement of shares (note 24(a))	配售股份開支 (附註24(a))	(464)	–	–	(464)
Issue of shares on conversion of 2% Notes (note 23(a))	因兌換2厘票據而發行 股份 (附註23(a))	18,824	–	–	18,824
Exercise of share options (note 24(b))	行使購股權 (附註24(b))	2,974	–	–	2,974
Loss for the year	年度虧損	–	–	(355,125)	(355,125)
	於二零零五年 三月三十一日				
At 31 March 2005		463,659	611,786	(1,009,135)	66,310

25. 儲備 (續)

(b) 本公司

Notes to the Financial Statements *(continued)*

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

25. RESERVES *(continued)*

- (c) Under the Companies Act of Bermuda, the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus, if:
- (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
 - (ii) the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities, issued share capital and share premium account.

In the opinion of the directors, as at 31 March 2005, the Company had no reserves available for distribution to its shareholders (2004: HK\$Nil).

25. 儲備 (續)

- (c) 根據百慕達公司法，本公司之繳納盈餘賬是屬於可供分派儲備。然而，如在下列情況下本公司則不能自繳納盈餘中宣派或支付股息，或作出分派：
- (i) 本公司當時或於有關派發後無法償還到期之債務；或
 - (ii) 本公司資產之可變現價值將因此而低於本公司負債、已發行股本與股份溢價賬之總和。

董事認為，本公司於二零零五年三月三十一日並無可供分派予股東之儲備（二零零四年：零港元）。

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

26. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

Disposal of subsidiaries

The disposal of subsidiaries in the year ended 31 March 2004 is as follows:

		2004 二零零四年 HK\$'000 千港元
Net assets/(liabilities) disposed of:	所出售資產／(負債)淨值：	
Property, plant and equipment	物業、廠房及設備	395,007
Trade and other receivables	應收賬款及其他應收款項	3
Cash and cash equivalents	現金及現金等價物	6
Trade and other payables	應付賬款及其他應付款	(61)
		394,955
Gain on disposals of subsidiaries	出售附屬公司之收益	5,045
		400,000
Satisfied by:	支付方法：	
Cash consideration received	已收取之現金代價	50,000
Cash consideration receivable included in deposits, prepayments and other receivables (note 18)	包括在訂金、預付款及其他應收款項之應收現金代價(附註18)	350,000
		400,000

The analysis of the net cash inflow/(outflow) in respect of the disposals of subsidiaries is as follows:

有關出售附屬公司之現金流入／(流出)淨額之分析如下：

		2004 二零零四年 HK\$'000 千港元
Cash consideration received	已收取之現金代價	50,000
Cash and cash equivalents of subsidiaries disposed of	出售附屬公司之現金及現金等價物	(6)
		49,994

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

27. OPERATING LEASES COMMITMENTS

At 31 March 2005, the total future minimum lease payments in respect of office premises under non-cancellable operating leases were payable by the Group as follows:

Within one year

一年內

The Group	
本集團	
2005	2004
二零零五年	二零零四年
HK\$'000	HK\$'000
千港元	千港元

— 285

28. OUTSTANDING LITIGATION

Significant litigation as at 31 March 2005 and up to the date of these financial statements is summarized as follows:

On 21 September 1999, a former director of the Company, Mr Wong Chong Shan, commenced proceedings in the High Court against the Company claiming a sum of HK\$5,000,000. Mr Wong Chong Shan alleged that he paid the said sum on the Company's behalf in August 1997 to a third party as deposit and that the Company failed to make repayment to him. The directors have considered the matter and are of the opinion that since no positive steps have been taken by Mr Wong Chong Shan to proceed with the action since June 2000, it is not necessary at this stage to make a provision in the financial statements for these proceedings.

27. 經營租賃承擔

於二零零五年三月三十一日，根據不可解除之經營租賃，本集團就日後應繳付辦公室物業經營租賃之最低租賃款項總額如下：

28. 尚未完結之訴訟

於二零零五年三月三十一日及截至本財務報表日期為止之重大訴訟概述如下：

於一九九九年九月二十一日，本公司之前任董事黃創山先生於高等法院提出向本公司索償合共5,000,000港元。黃創山先生宣稱於一九九七年八月代表本公司向第三方支付該等款項作為按金，惟本公司並未向其償還該款項。董事在考慮有關事宜後，認為由於黃創山先生自二零零零年六月後並無就有關訴訟採取行動，故認為在現階段毋須就此於財務報表中作出撥備。

Notes to the Financial Statements *(continued)*

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

29. MATERIAL RELATED PARTY TRANSACTIONS

Particulars of material related party transactions are as follows:

			2005 二零零五年	2004 二零零四年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Interest expense	利息開支			
– other loan, unsecured	– 其他貸款 (無抵押)	29(a)	99	98
– other loan, secured	– 其他貸款 (有抵押)	29(b)	–	423
– convertible notes	– 可換股票據	29(c)	518	1,028
			<u>617</u>	<u>1,549</u>
Operating lease charges	物業之經營			
in respect of properties	租賃費用	29(d)	291	979
Commission	佣金	29(e)	13	97
Financial advisory services income	財務顧問服務收入	29(f)	–	980
Secondment services	借調服務	29(g)	1,613	–

Particulars of material balances with related parties are as follows:

			2005 二零零五年	2004 二零零四年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Unsecured and interest bearing loans from a related company	關連公司給予之 無抵押及計息貸款	29(a)	3,965	–
Convertible notes	可換股票據	29(c)	–	45,000
Convertible notes interest payable	應付可換股票據利息	29(c)	335	1,417
Trade receivable	應收賬款	29(b)	–	1,205
Amount due to a related party	應付關連公司款項	29(c)	9,060	–

29. 重大關連人士交易

重大關連人士交易詳情如下：

與關連人士之重大結餘詳情如下：

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

財務報表附註 (續)

截至二零零五年三月三十一日止年度

29. MATERIAL RELATED PARTY TRANSACTIONS

(continued)

Notes:

- (a) As at 31 March 2005, short term loan of HK\$3,965,000 (2004: HK\$Nil) were advanced to the Group by a related party (the "Lender").

Interest expense payable to the Lender for the year ended 31 March 2005 amounted to HK\$99,000 (2004: HK\$98,000).

- (b) During 2004, a short-term loan was advanced to the Group by a related company. The loan due to that related company was interest bearing at prime rate plus 3% per annum. As at 31 March 2004, the loan was fully repaid.

No interest was payable to that related company for the year ended 31 March 2005 (2004: HK\$423,000).

As at 31 March 2005, no trading receivable arising from the trading of securities with that related company (2004: HK\$1,205,000).

- (c) Convertible notes of HK\$25,000,000 were converted into ordinary shares of the Company during the year. On 13 December 2004, the maturity date, the 2% Notes of HK\$20,000,000 became payable in full as none of them were converted into ordinary shares of the Company and were then transferred to other loans. HK\$10,940,000 was repaid during the year and HK\$9,060,000 was included in amount due to a related party as at 31 March 2005. As at 31 March 2004, there were 2% Notes of HK\$45,000,000 remained outstanding.

At balance sheet date, convertible notes interest payable to a related company amounted to HK\$335,000 (2004: HK\$1,417,000).

Interest expense payable to a related company for the year ended 31 March 2005 amounted to HK\$518,000 (2004: HK\$1,028,000).

- (d) During the year, operating lease charges of HK\$291,000 (2004: HK\$979,000) were paid to a related company for the use of office premises.

29. 重大關連人士交易 (續)

附註:

- (a) 於二零零五年三月三十一日，關連人士（「借入人」）向本集團借出短期貸款3,965,000港元（二零零四年：零港元）。

截至二零零五年三月三十一日止年度，應付借入人之利息開支為99,000港元（二零零四年：98,000港元）。

- (b) 於二零零四年，關連公司向本集團借出短期貸款。應付該關連公司之貸款按最優惠利率加3厘計息。於二零零四年三月三十一日，該等貸款已全數償還。

截至二零零五年三月三十一日止年度，並無應付予該關連公司任何利息（二零零四年：423,000港元）。

於二零零五年三月三十一日，並無該關連公司進行證券交易而產生之任何應收賬款（二零零四年：1,205,000港元）。

- (c) 25,000,000港元之可換股票據已於年內兌換為本公司普通股。於二零零四年十二月十三日（到期日），由於20,000,000港元之2厘票據概無兌換為本公司普通股，故已獲全數支付，其後則轉撥至其他貸款。於年內已償還10,940,000港元；而於二零零五年三月三十一日，9,060,000港元則已包括在應付關連公司款項內。於二零零四年三月三十一日，45,000,000港元之2厘票據尚未兌換。

於結算日，應付關連公司之可換股票據利息為335,000港元（二零零四年：1,417,000港元）。

截至二零零五年三月三十一日止年度應付一關連公司之利息開支為518,000港元（二零零四年：1,028,000港元）。

- (d) 於本年度，就使用辦公室物業而付予關連公司之經營租賃費用為291,000港元（二零零四年：979,000港元）。

29. MATERIAL RELATED PARTY TRANSACTIONS

(continued)

- (e) During the year, trading securities were bought and sold through broker firms (the "Broker Firms"). The sales and purchases of trading securities excluding any commission expenses through the Broker Firms for the year ended 31 March 2005 amounted to HK\$4,117,000 (2004: HK\$23,757,000) and HK\$1,125,000 (2004: HK\$8,402,000) respectively.

Commission expense incurred in respect of the sales and purchases of trading securities amounted to HK\$13,000 for the year ended 31 March 2005 (2004: HK\$97,000).

- (f) During the year, no financial advisory services income (2004: HK\$980,000) were derived from the provision of investment advisory services to related companies.
- (g) During the year, secondment services income of HK\$1,613,000 (2004: HK\$Nil) were derived from the secondment of staff to related companies.

Mr Chan How Chung, Victor, a director and a major shareholder of the Company, is a beneficial shareholder of the related companies in notes 29(a) to 29(g). He is also a director of the related companies in notes 29(a), 29(c), 29(d), 29(f), 29(g) and one of the related companies in note 29(e). Miss Lee Huei Lin, a director of the Company, is a director of the related companies in notes 29(a) to 29(g). Miss Lee is also a beneficial shareholder of the related companies in notes 29(a), 29(c) and one of the related companies in notes 29(e) and 29(f) respectively.

29. 重大關連人士交易 (續)

- (e) 於年內，本集團透過經紀行（「經紀行」）買賣交易證券。截至二零零五年三月三十一日止年度，不包括佣金開支在內，透過經紀行出售及購買交易證券之數額分別為4,117,000港元（二零零四年：23,757,000港元）及1,125,000港元（二零零四年：8,402,000港元）。

截至二零零五年三月三十一日止年度，買賣交易證券所產生之佣金開支為13,000港元（二零零四年：97,000港元）。

- (f) 年內，並無因提供投資顧問服務予關連公司所得之財務顧問服務收入（二零零四年：980,000港元）。
- (g) 因提供借調員工服務予各關連公司所得之借調服務收入為1,613,000港元（二零零四年：零港元）。

本公司董事兼主要股東陳孝聰先生，亦為附註29(a)至29(g)所述關連公司之實益股東。彼亦為附註29(a)、29(c)、29(d)、29(f)、29(g)所述之關連公司及附註29(e)所述其中一間關連公司之董事。本公司董事李慧玲小姐為附註29(a)至29(g)所述關連公司之董事。李小姐亦為附註29(a)及29(c)所述關連公司，以及為附註29(e)及29(f)所述其中一間關連公司之實益股東。

30. RETIREMENT BENEFIT SCHEMES

The Group's Mandatory Provident Fund Schemes (the "MPF Schemes") contributions are at 5% of the employees' relevant income as defined in the Hong Kong Mandatory Provident Fund Scheme Ordinance up to a maximum of HK\$1,000 per employee per month.

The Group has no obligations for payments of employee retirement benefits beyond the contributions described above.

31. POST BALANCE SHEET EVENTS

- (a) On 12 January 2004, REXCAPITAL Group Limited, a direct wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement with REXCAPITAL Financial Holdings Limited to purchase the entire issued share capital of REXCAPITAL Financial Group Limited ("RFG") at an aggregate cash consideration of HK\$229,000,000, subject to adjustment with reference to the unaudited consolidated net asset value of RFG and its subsidiaries as at the determination date in accordance with the terms of the sale and purchase agreement. On 6 May 2005, REXCAPITAL Group Limited issued a letter to REXCAPITAL Financial Holdings Limited exercising its right under the conditional sale and purchase agreement to terminate the agreement with immediate effect.
- (b) On 6 June 2005, an ordinary resolution was passed at a special general meeting approving a private placing of up to 550,000,000 warrants at an issue price of HK\$0.046 per warrant. The placing of warrants has been completed on 29 June 2005. The net proceeds was approximately HK\$23,600,000.

30. 退休福利計劃

本集團強制性公積金計劃(「強積金計劃」)之供款乃根據香港《強制性公積金計劃條例》所指定以僱員有關收入5%計算,以每人每月1,000港元為上限。

除上述供款外,本集團毋須就僱員退休福利承擔任何支出。

31. 結算日後事項

- (a) 於二零零四年一月十二日,本公司之直接全資附屬公司 REXCAPITAL Group Limited 與御泰金融控股有限公司訂立有條件買賣協議,以收購 REXCAPITAL Financial Group Limited (「RFG」)全部已發行股本,總現金代價為229,000,000港元,可參照RFG及其附屬公司於定價日之未經審核綜合資產淨值按買賣協議之條款予以調整。於二零零五年五月六日,REXCAPITAL Group Limited向御泰金融控股有限公司發出函件,以行使其根據有條件買賣協議之權利,即時終止該協議。
- (b) 於二零零五年六月六日,股東特別大會上通過普通決議案,批准按發行價每份認股權證0.046港元私人配售最多550,000,000份認股權證。認股權證之配售已於二零零五年六月二十九日完成,所得款項淨額約為23,600,000港元。

31. POST BALANCE SHEET EVENTS *(continued)*

- (c) On 9 July 2005, the Company entered into a conditional sales and purchase agreement with Multichannel Investments Limited, a company incorporated in the British Virgin Islands, to acquire the entire issued share capital of Eaglefly Technology Limited, a company incorporated in British Virgin Islands. Eaglefly is an investment holding company holding 51% interest in Terra Solar Group. The Terra Solar Group is principally carrying on business in thin-film photovoltaic industry. The aggregate consideration is HK\$123,373,750 which is to be satisfied partly by cash as to HK\$24,373,750 and the balance of HK\$99,000,000 by the issue of shares at HK\$0.165 per share.

32. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

31. 結算日後事項 (續)

- (c) 於二零零五年七月九日，本公司與於英屬處女群島註冊成立之公司 Multichannel Investments Limited 訂立有條件買賣協議，以收購於英屬處女群島註冊成立之公司 Eaglefly Technology Limited (「Eaglefly」) 之全部已發行股本。Eaglefly 為一家投資控股公司，持有 Terra Solar 集團 51% 之權益。Terra Solar 集團主要從事光伏薄膜行業。收購事項之總代價為 123,373,750 港元，其中 24,373,750 港元以現金支付，餘額 99,000,000 港元透過按每股 0.165 港元之價格發行股份之方式支付。

32. 比較數字

若干比較數字已重新分類以配合本年度之呈列方式。