

## NOTES TO CONDENSED INTERIM REPORTS

### 1. Basis of preparation and accounting policies

The unaudited condensed interim financial statements are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) No. 34: Interim Financial Reporting and other relevant HKASs and Interpretations, the Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The accounting policies and methods of computation used in the preparation of the interim financial statements are the same as those adopted in preparing the annual financial statements for the year ended 31 March 2005 except for the new adoption of new HKFRSs and HKASs as disclosed in note 2 below.

## 簡明財政報告附註

### 1. 編製基準及會計政策

本未經審核簡明中期財務報表乃根據香港會計師公會頒佈之香港會計準則（「香港會計準則」）第34號：「中期財務報告」、其他相關香港會計準則及詮釋及香港財務報告準則，以及香港聯合交易所有限公司證券上市規則（「上市規則」）附錄16之披露規定而編製。

編製本中期財務報表所採用之會計政策及計算方法與編製截至二零零五年三月三十一日止年度之全年財務報表所採用之政策及方法一致，惟下文附註2所披露採納之最新香港財務報告準則及香港會計準則除外。

## 2. Changes in accounting policies

### (a) Impact of new/revised HKFRSs and HKASs

The HKICPA has issued a number of new HKFRSs and HKASs and Interpretations, which are effective for the accounting periods commencing on or after 1 January 2005. The Group has adopted the following HKFRSs and HKASs issued up to 30 September 2005 which are pertinent to its operations and relevant to these interim financial statements.

HKAS 1	Presentation of Financial Statements
HKAS 32	Financial Instruments: Disclosure and Presentation
HKAS 36	Impairment of Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKFRS 3	Business Combination

The adoption of these new/revised HKFRSs and HKASs has resulted in the following changes to the Group's accounting policies that have affected the amount reported or disclosures for the current or prior year.

- (i) The adoption of HKAS 1 has affected the presentation of share of net after-tax results of associates and other disclosures.

## 2. 會計政策變動

### (a) 新訂／修訂之香港財務報告準則及香港會計準則之影響

香港會計師公會已頒佈一系列新香港財務報告準則及香港會計準則及詮釋，並於二零零五年一月一日或其後開始之會計期間生效。本集團已採納於二零零五年九月三十日之前已頒佈而又與本集團業務及本中期財務報告表有關之下列香港財務報告準則及香港會計準則。

香港會計準則	財務報表之
第1號	呈列
香港會計準則	金融工具：披露
第32號	及呈列
香港會計準則	資產減值
第36號	
香港會計準則	無形資產
第38號	
香港會計準則	金融工具：
第39號	確認及計量
香港財務報告	業務合併
準則第3號	

採納該等新訂／修訂之香港財務報告準則及香港會計準則導致本集團之會計政策發生如下變動，並對今年或去年之呈報金額或披露產生影響。

- (i) 採納香港會計準則第1號影響應佔聯營公司除稅後業績淨額之呈報及其他披露。

## 2. Changes in accounting policies (continued)

### (a) Impact of new/revised HKFRSs and HKASs (continued)

- (ii) The adoption of HKFRS 3, HKAS 36 and HKAS 38 results in a change in the accounting policy for goodwill. From the year ending 31 March 2005 onwards, goodwill is tested annually for impairment, as well as when there is indication of impairment.
- (iii) The adoption of HKAS 32 and HKAS 39 has resulted in a change in accounting policy for recognition, measurement, derecognition and disclosure of financial instruments. Following the adoption of HKAS 32 and HKAS 39, the financial assets have been classified into available-for-sale financial assets, financial assets at fair value through profit or loss, and loans and receivables.

The Group has redesignated "investment in securities" as "available-for-sale financial assets", and "financial assets at fair value through profit or loss" at 1 April 2005.

The change in policies is adopted by way of an adjustment in increasing the opening balance of retained earnings as at 1 April 2005 by HK\$13,924,464. Comparative amounts have not been restated nor has the opening balance of the fair value reserve been restated as this is prohibited by the transitional arrangements in HKAS 39.

## 2. 會計政策變動 (續)

### (a) 新訂／修訂之香港財務報告準則及香港會計準則之影響 (續)

- (ii) 採納香港財務報告準則第3號、香港會計準則第36號及香港會計準則第38號導致商譽之會計政策發生變動。自截至二零零五年三月三十一日止年度起，每年測試商譽有否減值，此外亦在有跡象顯示出現減值時進行評估。
- (iii) 採納香港會計準則第32號及香港會計準則第39號導致有關確認、計量、不確認及披露金融工具之會計政策發生變動。採納香港會計準則第32號及香港會計準則第39號後，財務資產已分類為可出售財務資產、按公平值列賬及在損益賬處理之財務資產、貸款及應收款項。

自二零零五年四月一日起，本集團將「投資證券」重新歸類為「可出售財務資產」及「按公平值列賬及在損益賬處理之財務資產」。

政策變動乃透過將於二零零五年四月一日之期初保留溢利增加13,924,464港元之調整方式採納。比較款額並無重列，而公平值儲備期初期餘亦無重列，皆因重列有關款額乃香港會計準則第39號過渡安排所禁止。

## 2. Changes in accounting policies (continued)

### (b) New accounting policies

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

#### 2.1 Investments

From 1 April 2004 to 31 March 2005:

The Group classified its investments in securities, other than subsidiaries, associates and jointly controlled entities, as investment in securities.

##### (a) Investment securities

Investment securities including those listed and unlisted securities which were held for non-trading purpose were stated at fair value at the balance sheet date. Changes in the fair value of individual securities were credited or debited to the investment revaluation reserve until the security was sold, or was determined to be impaired. Upon disposal, the cumulative gain or loss representing the difference between the net sales proceeds and the carrying amount of the relevant security, together with any surplus/deficit transferred from the investment revaluation reserve, was dealt with in the income statement.

## 2. 會計政策變動 (續)

### (b) 新會計政策

截至二零零五年九月三十日止六個月之簡明財務報表所應用之會計政策與載於截至二零零五年度之週年財務報表附註1所採納者完全一致，惟以下所述者除外：

#### 2.1 投資

由二零零四年四月一日至二零零五年三月三十一日：

本集團將其投資於證券(附屬公司、聯營公司及共同控權合資公司除外)分類為投資證券。

##### (a) 投資證券

持有作非買賣用途之投資證券(包括該等上市及非上市證券)按結算日期之公平值列賬。個別證券之公平值如有變動，則會記入投資重估儲備或從中扣除，直至證券被出售或被斷定減值為止。於出售後，累計收益或虧損(即出售所得款項淨額與有關證券賬面金額間之差額)連同自投資重估儲備轉撥之任何盈餘/虧絀一併在損益表中處理。

## 2. Changes in accounting policies (continued)

### 2.1 Investments (continued)

(a) *Investment securities (continued)*

Where there was objective evidence that individual investments were impaired the cumulative loss recorded in the investment revaluation reserve was taken to the income statement.

From 1 April 2005 onwards:

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

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

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

## 2. 會計政策變動(續)

### 2.1 投資(續)

(a) *投資證券(續)*

當有客觀證據顯示個別投資減值時，投資重估儲備所記錄之累計虧損會撥往損益表處理。

由二零零五年四月一日起：

本集團按下列類別將其投資分類：按公平值列賬及在損益賬中處理之財務資產、貸款及應收款項、持至到期日之投資以及可出售財務資產。分類視收購投資之目的而言。管理層於初步確認時決定其投資分類及於各個申報日期重新評估此指定類別。

(a) *按公平值列賬及在損益賬中處理之財務資產*

此類別共有兩個分類：持有作買賣用途及於開始時按公平值列賬及在損益賬處理之財務資產。倘若財務資產被收購之主要目的是在短期內出售或由管理層指定出售，則須分類為此類別。倘若此類別之資產乃持有作買賣用途或預期將會於結算日期起計十二個月內變現，則會被分類為流動資產。

## 2. Changes in accounting policies (continued)

### 2.1 Investments (continued)

#### (b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

#### (c) *Held-to-maturity investments*

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

#### (d) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

## 2. 會計政策變動 (續)

### 2.1 投資 (續)

#### (b) 貸款及應收款

貸款及應收款指於並非活躍市場上市而具備固定或可釐定款項之非衍生財務資產。貸款及應收款乃於本集團在無意買賣應收款項之情況下直接向債務人提供金錢、貨品或服務時產生。貸款及應收款均會列入流動資產項下，惟到期日超過結算日期後十二個月者除外，有關貸款及應收款項則列入非流動資產。

#### (c) 持至到期日之投資

持至到期日之投資指具備固定或可釐定款項及固定到期日而本集團管理層有具體計劃及能力持至到期日之非衍生財務資產。於本期間內，本集團並無持有此類別之任何投資。

#### (d) 可出售財務資產

可出售財務資產乃被指定列為此類別或並無分類為任何其他類別之非衍生財務資產。除非管理層有意於結算日期起計十二個月內將投資出售，否則可出售財務資產會列入非流動資產項下。

## 2. Changes in accounting policies (continued)

### 2.1 Investments (continued)

#### (d) Available-for-sale financial assets (continued)

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

## 2. 會計政策變動(續)

### 2.1 投資(續)

#### (d) 可出售財務資產(續)

投資之購買及出售乃於交易日期確認，即本集團承諾購買或出售資產之日期。就並非按公平值列賬及並無在損益賬處理之所有財務資產而言，投資會初步按公平值另加交易費用確認。當收取來自投資之現金流量之權利屆滿或已被轉讓，及本集團已將差不多所有擁有權風險及收益轉讓時，將不再確認有關投資。可出售財務資產及按公平值列賬及在損益賬中處理之財務資產其後會按公平值列賬。貸款及應收款項及持至到期日之投資乃以實際利息方法按攤銷成本列賬。因按公平值列賬及在損益賬處理之財務資產類別之公平值變動而產生之已變現及未變現收益及虧損，會於其產生期內列入收益賬。因被分類為可出售之非貨幣證券之公平值變動而產生之未變現收益及虧損，會於權益內確認。當被分類為可出售之證券於出售或減值時，累計公平值調整乃於收益賬內列作投資證券之收益或虧損。

## 2. Changes in accounting policies (continued)

### 2.1 Investments (continued)

(d) *Available-for-sale financial assets (continued)*

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

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

## 2. 會計政策變動 (續)

### 2.1 投資 (續)

(d) *可出售財務資產 (續)*

上市投資之公平值乃按現行買入價列賬。倘一項財務資產之市場並不活躍（及就非上市證券而言），則本集團會使用估值技巧計算公平值。估值技巧包括使用最近期按公平原則磋商之交易、參考其他大致上相同之工具、貼現現金流量分析，以及經精確計算以反映發行人具體情況之購股權定價模式。

本集團會於各結算日期評估是否有客觀證據證明一項財務資產或一組財務資產出現減值。就分類為可供銷售之股本證券而言，倘若證券之公平值顯著或持續下跌至低於其成本，則將會考慮決定證券是否減值。倘若可出售財務資產存在任何該類證據，累計虧損，相等於收購成本與現行公平值間之差額（減除先前該財務資產於損益表內已確認減值虧損）計算，將由權益移除及於損益表內確認。於損益表內確認之股本工具減值虧損不會經損益表撥回。



## 2. Changes in accounting policies (continued)

### 2.2 Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the income statement.

### 2.3 Borrowings

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

## 2. 會計政策變動 (續)

### 2.2 經營及其他應收款

經營及其他應收款初期按公平值確認，其後以實際利息方法按攤銷成本(減除任何減值撥備)計算。經營及其他應收款之減值撥備於出現客觀證據，即證明本集團無法按應收款之原有條款收回所有金額時確認。撥備金額為資產之賬面款額與估計未來現金流量現值(按實際利率貼現計算)間之差額。撥備金額於損益表內確認。

### 2.3 借款

借款初期以公平值扣除所產生交易成本後確認。交易成本為收購、發行或出售財務資產或財務負債時直接產生之遞增成本，包括向代理商、顧問、經紀及交易商支付之費用及佣金、監管機構及證券交易所徵收之費用及過戶登記稅項及稅款。借款其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值之任何差額則於借款期內使用實際利息法於損益表內確認。

## 2. Changes in accounting policies (continued)

### 2.3 Borrowings (continued)

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

### 2.4 Interest income

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognized either as cash is collected or on a cost-recovery basis as conditions warrant.

### 2.5 Foreign currency translation

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

## 2. 會計政策變動 (續)

### 2.3 借款 (續)

除非本集團擁有無條件權利，可將負債之償還日期遞延至結算日期後至少十二個月，否則借款被分類為流動負債。

### 2.4 利息收入

利息收入採用實際利息法按時間比例基準進行確認。倘應收款出現減值，本集團會將賬面值減至其按有關金融工具原有實際利率之估計貼現現金流量而設定之可收回款額，並繼續解除貼現作為利息收入。減值貸款之利息收入乃於收取現金或收回成本基準情況可行時確認。

### 2.5 外幣換算

- (a) *功能貨幣及列賬貨幣*  
本集團旗下每一公司之財務報表所列項目均採用有關公司營業所在之主要經濟環境之通用貨幣（「功能貨幣」）為計算單位。綜合財務報表以港元列賬。港元為本集團之功能貨幣及列賬貨幣。

## 2. Changes in accounting policies (continued)

### 2.5 Foreign currency translation (continued)

#### (b) Transactions and balances

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

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

## 2. 會計政策變動(續)

### 2.5 外幣換算(續)

#### (b) 交易及結餘

外幣交易按交易當日之匯率兌換為功能貨幣。因結算該等交易及按年終之匯率換算以外幣列值之貨幣資產及負債所產生之外匯收益及虧損均列入損益表。

非貨幣項目之換算差額(例如按公平值列賬及在損益賬中處理之財務工具)列作部份公平值之收益或虧損。非貨幣項目(例如列為可出售財務資產之權益)之換算差額列入權益公平值儲備。

## 2. Changes in accounting policies (continued)

### 2.5 Foreign currency translation (continued)

#### (c) Group Companies

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

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

## 2. 會計政策變動 (續)

### 2.5 外幣換算 (續)

#### (c) 集團公司

集團旗下所有公司(全部均非採用高通脹經濟體系之貨幣)之功能貨幣倘有別於列賬貨幣,其業績及財務狀況須按如下方式兌換為列賬貨幣:

- (i) 各資產負債表所列資產及負債按其結算日之收市匯率換算;
- (ii) 各損益表所列收入及開支按平均匯率換算,除非此平均匯率不足以合理地概括反映於交易日期適用匯率之累計影響,則在此情況下,收入及開支則按交易日期之匯率換算;及
- (iii) 一切因此而產生之匯兌差額均確認為權益之一個獨立組成部份入賬。

### 3. Financial risk management

#### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market price risk, credit risk, liquidity risk, interest rate risk and currency risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

##### (a) Market price risk

The Group is exposed to equity securities and debt securities which are classified on the consolidated balance sheet either as available-for-sale financial assets or financial assets at fair value through profit or loss. These are susceptible to market price risk arising from uncertainties about the future prices of the instruments. The Group's market price risk is managed through diversification of the investment portfolio ratios by exposures.

##### (b) Credit risk

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Impairment provisions are provided for losses that have been incurred by the balance sheet date, if any. The Group is responsible for monitoring the amount of credit exposure to any financial institution.

### 3. 財務風險管理

#### 3.1 財務風險因素

本集團業務面對多項不同形式之財務風險：市場風險、信貸風險、流動資金風險、利率風險及貨幣風險。本集團之整體風險管理計劃專注於金融市場無法預測之特性，以及尋求盡量減少對本集團財務表現可能造成之不利影響。

##### (a) 市場風險

本集團持有之股本證券及債務證券，乃於綜合資產負債表內分類為可出售財務資產或按公平值列賬及在損益賬中處理之財務資產。該等證券較易受到市場價格風險所影響，而該等風險則由於與該等工具之未來價格有關之不確定因素而產生。本集團之市場價格風險乃透過按風險計算之投資組合比例進行多元化管理。

##### (b) 信貸風險

本集團面對之信貸風險乃交易對手方將無法全數支付到期應付款項之風險。於結算日已產生之虧損（如有）乃提撥減值準備。本集團負責監察對任何金融機構承擔之信貸風險款額。

### 3. Financial risk management (continued)

#### 3.1 Financial risk factors (continued)

(c) *Liquidity risk*

The Group invests in both listed and unlisted securities. Those listed securities are considered readily realisable as they are listed in regulated stock exchanges. Those unlisted securities may not be traded in an organized public market and may be illiquid. As a result, the Group may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities and the ability to close out market positions.

(d) *Interest rate risk*

The Group is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows since the Group has significant interest-bearing assets and long-term borrowings issued at variable rate.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

(c) *流動資金風險*

本集團投資於上市及非上市兩類證券。由於該等上市證券在受規管之證券交易所上市，故被視為易於變現。該等非上市證券可能並非於架構完善之公開市場買賣，故流通量可能不足。因此，本集團可能無法以接近此等工具公平值之款額迅速變賣於此等工具之投資，以應付本集團之流動資金需要或回應特定事件（例如任何特定發行人之信貸水平惡化）。審慎之流動資金風險管理，意味著維持足夠現金及有價證券、透過款額充裕之信貸融資以維持可供動用資金，及結算市場頭寸之能力。

(d) *利率風險*

由於本集團擁有大量計息資產及按浮息發行之長期借貸，本集團面對因目前市場利率水平波動對其財務狀況及現金流量造成影響之有關風險。

### 3. Financial risk management (continued)

#### 3.1 Financial risk factors (continued)

(e) *Currency risk*

The Group holds assets denominated in currencies other than the HK dollars, the functional currency. The Group is therefore exposed to currency risk, as the value of the securities and foreign currency borrowings denominated in other currencies will fluctuate due to the changes in exchange rates.

#### 3.2 Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices, dealer quotes for similar instruments and other techniques, such as estimated discounted cash flows, are used to determine the fair value.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

(e) *貨幣風險*

本集團持有港元(功能貨幣)以外貨幣列值之資產。由於以其他貨幣列值之證券及外幣借貸之價值將因匯率變動而出現波動，本集團因此面對貨幣風險。

#### 3.2 公平值估計

於活躍市場買賣之財務工具之公平值乃根據於結算日期之市場報價計算。本集團持有之財務資產所採用之市場報價為現行之市場買入價。

並非於活躍市場買賣之財務工具之公平值乃採用估值技巧計算。本集團採用多種不同方法及根據於各結算日當時之市況作出假設。市場報價、同類金融工具之交易商報價及其他技巧(例如估計貼現現金流量)均用於釐定公平值。

#### 4. Turnover and other revenues

The Group principally invests in listed and unlisted securities, including equity securities and convertible bonds. Revenues recognized during the period are as follows:

#### 4. 營業額及其他收入

本集團主要投資於上市及非上市證券，包括股本證券及可換股債券。在期內確認之總收入如下：

		<b>For the six months ended 30 September</b>	
		<b>截至九月三十日止六個月</b>	
		<b>2005</b>	2004
		<b>二零零五年</b>	二零零四年
		<b>(Unaudited)</b>	(Unaudited)
		<b>(未經審核)</b>	(未經審核)
		<b>HK\$</b>	HK\$
		<b>港元</b>	港元
Turnover	營業額		
Proceeds from sale of listed securities	出售上市證券所得款項	-	4,588,144
Proceeds from sale of financial assets at fair value through profit or loss	出售按公平值於損益賬列賬之金融資產所得款項	<b>18,936,915</b>	-
Proceeds from sale of available-for-sale financial assets	出售可供出售金融資產所得款項	<b>12,109,597</b>	-
Dividend income	股息收入	<b>2,204,574</b>	246,320
		<b>33,251,086</b>	4,834,464
Other revenues	其他收入		
Interest on bank deposits	銀行存款利息收入	<b>39,184</b>	21
Other revenue	其他收入	<b>66,184</b>	15,189
		<b>105,368</b>	15,210
Total revenues	總收入	<b>33,356,454</b>	4,849,674

No analysis of the Group's turnover and contribution to operating profit (loss) for the period set out by principal activities and geographical markets is provided as the Group has only one single business segment, investment holding, and all the consolidated turnover and the consolidated results of the Group are attributable to markets in Hong Kong.

由於本集團只有投資控股單一業務，本集團所有綜合營業額及綜合業績乃源於香港市場，因此並無依據主要業務及地區市場，呈列本集團本期間之營業額及經營溢利（虧損）。



**5. Profit (Loss) from operations**

Profit (Loss) from operations has been arrived at after charging (crediting):

**5. 經營溢利(虧損)**

經營溢利(虧損)已扣除(計入)下列各項:

**For the six months ended  
30 September**

**截至九月三十日止六個月**

	<b>2005</b>	2004
	<b>二零零五年</b>	二零零四年
	<b>(Unaudited)</b>	(Unaudited)
	<b>(未經審核)</b>	(未經審核)
	<b>HK\$</b>	HK\$
	<b>港元</b>	港元
Staff cost, including HK\$6,400 (2004: HK\$5,858) to defined contributions MPF scheme	152,400	108,808
員工成本(包括強積金計劃作出之定額供款6,400港元(二零零四年: 5,858港元))		
Depreciation	2,836	-
折舊		
Minimum lease payments on properties under operating lease	120,000	-
物業根據經營租賃之最低應付租金		
	<b>120,000</b>	<b>-</b>

**6. Finance costs****6. 融資成本**

**For the six months ended  
30 September**

**截至九月三十日止六個月**

	<b>2005</b>	2004
	<b>二零零五年</b>	二零零四年
	<b>(Unaudited)</b>	(Unaudited)
	<b>(未經審核)</b>	(未經審核)
	<b>HK\$</b>	HK\$
	<b>港元</b>	港元
Interest on:		
Bank overdrafts	-	3,184
銀行透支		
Other borrowings wholly repayable within five years	175,076	8,861
其他貸款(全數於5年內償還)		
	<b>175,076</b>	<b>12,045</b>

## 7. Taxation

Hong Kong profit tax has not been provided as the Group has no assessable profit during the period.

Reconciliation between the tax expenses and accounting profit at applicable tax rate.

## 7. 稅項

由於本集團於期內並沒有錄得評稅溢利，故未有就香港利得稅撥備。

實質稅項開支與會計溢利按應用稅率之對賬。

### For the six months ended 30 September

截至九月三十日止六個月

2005

二零零五年

(Unaudited)

(未經審核)

HK\$

港元

Profit before taxation	除稅前溢利	<b><u>2,564,979</u></b>
Notional tax charge on profit before taxation, calculated at the applicable tax rate of 17.5% (2004: 17.5%)	按應用稅率 17.5% (二零零四年：17.5%) 計算除稅前溢利之 名義應課稅	<b>448,871</b>
Tax effect of profit not subject to taxation	無須課稅收入之 稅務影響	<b><u>(586,598)</u></b>
Tax loss	稅項虧損	<b><u>(137,727)</u></b>

## 8. Basic earning (loss) per share

The basic earning (loss) per share is based on the Group's profit attributable to shareholders for the period of HK\$2,564,979 (2004: loss of HK\$10,891,718) and the weighted average number of ordinary shares of 1,059,778,200 shares (2004: 1,059,778,200) in issue during the period.

No diluted earning (loss) per share for the six months ended 30 September 2005 and 2004 are presented respectively as the Company does not have dilutive potential ordinary shares.

## 8. 每股基本盈利(虧損)

每股基本盈利(虧損)乃根據期內股東應佔淨盈利2,564,979港元(二零零四年：10,891,718港元虧損)及期內已發行普通股之加權平均數1,059,778,200股(二零零四年：1,059,778,200股)計算。

由於本公司並無具有潛在攤薄影響之普通股，因此並無呈列截至二零零五年及二零零四年九月三十日止六個月之每股攤薄盈利(虧損)。

## 9. Amounts due from investee companies

Amounts due from investee companies less provision of HK\$4,327,075 (31 March 2005: HK\$4,327,075)

應收投資公司款項減 4,327,075港元撥備 (二零零五年三月三十一日: 4,327,075港元)

**30 September 2005**  
二零零五年  
九月三十日  
(unaudited)  
(未經審核)  
**HK\$**  
**港元**

31 March 2005  
二零零五年  
三月三十一日  
(audited)  
(經審核)  
**HK\$**  
**港元**

**27,387,718**

**20,945,000**

The amounts due from investee companies are unsecured, interest-free and with no fixed terms of repayment.

應收投資公司款項乃沒有抵押，沒有利息及沒有指定還款期。

## 10. Loans and other receivables

Deposits and prepayments  
Loans receivable  
Other receivable

訂金及預繳  
應收借款  
其他應收借款

**30 September 2005**  
二零零五年  
九月三十日  
(unaudited)  
(未經審核)  
**HK\$**  
**港元**

31 March 2005  
二零零五年  
三月三十一日  
(audited)  
(經審核)  
**HK\$**  
**港元**

**60,000**

60,000

**2,500,000**

5,000,000

**66,164**

58

**2,626,164**

**5,060,058**

## 10. 借貸及其他應收款項

**10. Loans and other receivables (continued)**

Loans receivable are unsecured, bearing interest at annual interest rate of 6% and are repayable on or before 31 December 2005.

No ageing analysis is disclosed for other receivables in view of the fact that they comprise mainly rental deposits, dividend receivable from listed equity securities and interest income from fixed deposit and loans.

**11. Interest bearing borrowings**

The interest-bearing borrowings represent loans from margin accounts due to a related company, Upbest Investment Company Limited, for financing the purchases of listed securities. The loans are repayable on demand, bearing interest at 11.50% per annum as at 30 September 2005 and secured by part of the listed equity securities with market value as follows:

Market value of listed equity securities pledged for securing margin loans and facilities	抵押於孖展 貸款之上市 股本證券市值
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**10. 借貸及其他應收款項 (續)**

應收借貸乃沒有抵押，利息以年利率6%計算及須於二零零五年十二月三十一日或之前償還。

由於其他應收款項主要包括租賃按金，上市股本證券應收股息及定期存款及借貸利息收益，因此並無呈列賬齡分析。

**11. 付息借貸**

付息借貸為欠關聯公司（美建投資有限公司）之孖展戶口借款，用作購買上市證券。該等款項須按通知償還，於二零零五年九月三十日按年率11.50%計算利息及以部份上市股本證券作抵押，其市值如下：

<b>30 September</b>	31 March
<b>2005</b>	2005
<b>二零零五年</b>	二零零五年
<b>九月三十日</b>	三月三十一日
<b>(unaudited)</b>	(audited)
<b>(未經審核)</b>	(經審核)
<b>HK\$</b>	HK\$
<b>港元</b>	港元

**44,880,105****39,062,425**

## 12. Share Capital

		Number of shares 股份數目	Amount 數值 HK\$ 港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股		
Authorised:	法定：		
At 30 September 2005 and 31 March 2005	於二零零五年九月三十日及 二零零五年三月三十一日	2,000,000,000	20,000,000
Issued and fully paid:	已發行及繳足：		
At 30 September 2005 and 31 March 2005	於二零零五年九月三十日及 二零零五年三月三十一日	1,059,778,200	10,597,782

## 12. 股本

## 13. Connected and related party transactions

During the period, significant connected and related party transactions, which were carried out in the ordinary course of the Group's business, are as follows:

## 13. 關連及關聯人士交易

期間本集團日常業務過程中進行之重大關連及關聯人士交易如下：

		For the six months ended 30 September 截至九月三十日止六個月	
		2005 二零零五年 (Unaudited) (未經審核)	2004 二零零四年 (Unaudited) (未經審核)
		HK\$ 港元	HK\$ 港元
	Notes 附註		
Investment management fee paid to Upbest Assets Management Limited	支付投資管理費 予美建管理 有限公司 (a)	730,434	696,849
Brokerage commission paid to Upbest Securities Company Limited	支付經紀佣金 予美建證券 有限公司 (b)	168,459	14,808
Interest paid to Upbest Investment Company Limited	支付利息予 美建投資有限 公司 (c)	175,076	8,861
Custodian fee paid to Wing Hang Bank Limited	支付託管費予 永亨銀行有限公司 (d)	30,565	30,000
Rental paid to Champion Assets Limited	支付Champion Assets Limited之租金 (e)	120,000	-

### 13. Connected and related party transactions (continued)

Notes:

- (a) The Company has entered into investment management agreements with Upbest Assets Management Limited, the investment manager, for a period of three years commencing from 1 April 2003. This agreement can be terminated by either the Company or the investment manager serving not less than six months' notice in writing prior to the expiration of the three years period. Pursuant to this agreement, monthly investment management fee is payable at 1.5% per annum of the consolidated net asset value as at the immediately preceding valuation date on the basis of the actual number of days in the relevant calendar month over a 365 days year.
- (b) Brokerage commission rate is charged at 0.25%, the prevailing market rate, of the value of the transactions.
- (c) Interest for margin account was charged at 11.50% per annum as at 30 September 2005. The Company maintained a margin account with Upbest Investment Company Limited to which the Company provided collateral for buying listed securities.

### 13. 關連及關聯人士交易 (續)

附註:

- (a) 本公司與投資經理美建管理有限公司簽訂投資管理協議，由二零零三年四月一日起為期三年。三年期限屆滿前，本公司或投資經理可以不少於六個月書面通知要求終止該協議。根據該協議，投資經理每月可按對上一個估值日綜合資產淨值 1.5% 之年率及有關曆月實際日數除以全年 365 日之基準收取投資管理費。
- (b) 經紀佣金乃按交易價值之 0.25% 計算，為市場普遍使用之百分比。
- (c) 於二零零五年九月三十日，孖展戶口利息乃按年率 11.50% 收取。本公司已於美建投資有限公司開設孖展戶口，本公司並提供抵押品以便購買上市證券。

**13. Connected and related party transactions (continued)**

Notes:

- (d) Pursuant to a custodian agreement dated 22 December 1999 between the Company and a custodian, the custodian agrees to provide securities custodian services to the Company including the safe custody of the Group's securities and the settlement of the securities of the Group, the collection of dividends and other entitlements on behalf of the Group. The appointment of the custodian commenced on the date of commencement of trading of the Company's shares on the Stock Exchange and will continue in force until it is terminated by either party giving a written notice to the other party at any time.

The custodian is regarded as a connected person of the Company under Rule 21.13 of the Listing Rules, but the custodian fee falls below the de-minimis threshold under Rule 14A.31(2) of the Revised Listing Rules.

**13. 關連及關聯人士交易 (續)**

附註:

- (d) 根據本公司與託管人於一九九九年十二月二十二日訂立之託管協議，託管人同意向本公司提供證券託管服務，包括本集團證券之妥善託管、本集團證券之結算、代表本集團領取股息及其他權益。託管人之委任期限自本公司股份於聯交所開始買賣日期起生效，並將持續有效，直至任何一方於任何時候以書面通知另一方予以終止為止。

根據上市規則第21.13條，託管人被視為本公司之關連人士，惟託管費乃低於上市規則（經修訂）第14A.31(2)條之最低限額。

### 13. Connected and related party transactions (continued)

Notes:

- (e) The Company has entered into a tenancy agreement with Champion Assets Limited for one year, commencing from January 1, 2005. The total rent paid during the period from April 1, 2005 to September 30, 2005 is amounted to HK\$120,000. The transactions were carried out at an amount agreed by both parties. The entire issued share capital of Fung Fai Growth Limited is owned by a trust of which the discretionary objects are family members of Mr. Cheng Kai Ming, Charles, including a director of the Company, Mr. Cheng Wai Lun, Andrew. The ultimate beneficial owner of the issued share capital of Champion Assets Limited is owned by Mr. Cheng Kai Ming, Charles.
- (f) Upbest Assets Management Limited, Upbest Securities Company Limited and Upbest Investment Company Limited are wholly-owned subsidiaries of Upbest Group Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the Stock Exchange. The ultimate beneficial shareholder of the Company and Fung Fai Growth Limited, a substantial shareholder of the Company, holds indirectly 70.51% per cent interest in Upbest Group Limited as at 30 September, 2005.

### 13. 關連及關聯人士交易 (續)

附註：

- (e) 本公司與 Champion Assets Limited 簽署一為期一年之租賃協議，於二零零五年一月一日起生效。二零零五年四月一日至二零零五年九月三十日期間之已付租金總額為 120,000 港元。交易之金額由雙方同意協定。Fung Fai Growth Limited 之全部已發行股本乃由一項信託持有，其酌情受益人乃鄭啟明先生之家族成員，包括本公司之董事鄭偉倫先生。Champion Assets Limited 之已發行股本乃由鄭明先生最終擁有。
- (f) 美建管理有限公司、美建證券有限公司及美建投資有限公司均為美建集團有限公司（於開曼群島註冊成立之有限公司，其股份於聯交所上市）之全資附屬公司。本公司及本公司其中一位主要股東 Fung Fai Growth Limited 之最終受益股東於二零零五年九月三十日期間接控制美建集團有限公司 70.51% 權益。