

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

財務報表附註

截至二零零六年三月三十一日止年度

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office and principal place of business are disclosed in the section headed "Corporate Information" of the Group's annual report.

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out note 48.

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accountings Standards ("HKASs") and Interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are effective for the Company's accounting periods beginning on or after April 1, 2005 other than HKFRS 3 "Business combinations", HKAS 36 "Impairment of Assets" and HKAS 38 "Intangible Assets" that had been early adopted by the Group for the year ended March 31, 2005. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and consolidated statement of changes in equity. In particular, the presentation of minority interests and share of tax of associates have been changed. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have an effect on how the results for the current or prior accounting years are prepared and presented:

Share-based payments

In the current year, the Group has applied HKFRS 2 "Share-based payment" which requires an expense to be recognised where the Group buys goods or obtains services in exchange for shares or rights over shares ("equity-settled transactions"), or in exchange for other assets equivalent in value to a given number of shares or rights over shares ("cash-settled transactions"). The principal impact of HKFRS 2 on the Group is in relation to the expensing of the fair value of the share options over the vesting period determined at the date of grant of the share options. Prior to the application of HKFRS 2, the Group did not recognise the financial effect of these share options until they were exercised. The Group has applied HKFRS 2 to share options granted on or after April 1, 2005. In relation to share options granted before April 1, 2005, the Group choose not to apply HKFRS 2 with respect to share options granted on or before November 7, 2002 and vested before April 1, 2005. However, the Group is still required to apply HKFRS 2 retrospectively to share options that were granted after November 7, 2002 and had not yet vested on April 1, 2005. Comparative figures have been restated (see note 2A for the financial impact).

1. 一般資料

本公司於百慕達註冊成立為一間獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處及主要營業地點於本集團年報「公司資料」一節內披露。

本公司為一間投資控股公司。本公司主要附屬公司之業務載於附註 48。

綜合財務報表乃以港元列示，與本公司之功能貨幣相同。

2. 採納新訂及經修訂香港財務報告準則

於本年度，本集團已首次採納香港會計師公會（「香港會計師公會」）所頒佈並自本公司二零零五年四月一日或之後開始之會計期間生效之多項新增香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋（以下合稱「新香港財務報告準則」），惟香港財務報告準則第3號「業務合併」、香港會計準則第36號「資產減值」及香港會計準則第38號「無形資產」除外，本集團已於截至二零零五年三月三十一日止年度提早採納此兩項準則。應用新香港財務報告準則對綜合收益表、綜合資產負債表及綜合股權變動表之呈列造成變動，特別是少數股東權益及分佔聯營公司稅項已作出更改。呈列方式之變動已追溯應用。採納新香港財務報告準則導致本集團關於以下方面之會計政策改變，並因而影響到本會計年度或過往會計年度業績之編製及呈列方式：

以股份形式付款

於本年度，本集團已應用香港財務報告準則第2號「以股份形式付款」，「以股份形式付款」規定，當本集團以股份或股份權利作為購買貨品或取得服務之代價（「股本結算交易」），或以其他等值資產換取特定數目股份或股份權利之代價（「現金結算交易」），則須確認開支。香港財務報告準則第2號對本集團之主要影響乃關乎購股權於購股權授出日期釐定之公平價值，須於歸屬期內支銷。在應用香港財務報告準則第2號前，本集團在購股權獲行使前概無確認該等購股權之財務影響。本集團已就於二零零五年四月一日或以後授出之購股權應用香港財務報告準則第2號。就於二零零五年四月一日前授出之購股權而言，本集團選擇不對於二零零二年十一月七日或以前授出及於二零零五年四月一日前已歸屬之購股權應用香港財務報告準則第2號。然而，本集團仍須就於二零零二年十一月七日以後授出而並未於二零零五年四月一日歸屬之購股權追溯應用香港財務報告準則第2號。比較數字已予重列（財務影響見附註2A）。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Financial instruments

In the current year, the Group has applied HKAS 32 “Financial instruments: Disclosure and Presentation” and HKAS 39 “Financial instruments: Recognition and Measurement”. HKAS 32 requires retrospective application. HKAS 39, which is effective for the Company’s annual periods beginning on or after April 1, 2005, generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis. The principal effects resulting from the implementation of HKAS 32 and HKAS 39 are summarised below:

Convertible note and convertible bonds

The principle impact of HKAS 32 on the Group is in relation to convertible note and convertible bonds issued by the Company that contain both liability and equity components. Previously, convertible note and convertible bonds were classified as liabilities on the balance sheet. HKAS 32 requires an issuer of a compound financial instrument (that contains both financial liability and equity components) to separate the compound financial instrument into its liability and equity components on its initial recognition and to account for these components separately except in the case that the settlement were not at fixed number of equity instrument, which HKAS 39 requires the issuer to recognise the compound financial instrument in the form of financial liability with embedded derivatives. HKAS 39 requires derivatives embedded in a non-derivatives host contract to be accounted for separately when the economic risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. In subsequent periods, the liability component is carried at amortised cost using the effective interest method. Because HKAS 32 requires retrospective application, comparative figures have been restated. Comparative profit for 2005 has been restated in order to reflect the increase in effective interest on the liability component (see note 2A for the financial impact).

Classification and measurement of financial assets and financial liabilities

The Group has applied the relevant transitional provisions in HKAS 39 with respect to classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

2. 採納新訂及經修訂香港財務報告準則 (續)

金融工具

於本年度，本集團已應用香港會計準則第 32 號「金融工具：披露及呈列」及香港會計準則第 39 號「金融工具：確認及計量」。香港會計準則第 32 號規定須予追溯應用。香港會計準則第 39 號適用於本公司二零零五年四月一日或其後開始之年度期間，一般而言並不容許金融資產及負債作追溯性之確認、取銷確認或計量。實施香港會計準則第 32 及第 39 號所構成之主要影響概述如下：

可換股票據及可換股債券

香港會計準則第 32 號對本集團之主要影響乃與本公司所發行之可換股票據及可換股債券有關，該等可換股債券包含負債及股權部份。以往，可換股票據及可換股債券乃於資產負債表上歸類為負債。香港會計準則第 32 號規定，包含金融負債及股權部份之綜合金融工具之發行人，於進行初步確認時須將綜合金融工具分為負債及股權部份，並將該等部份分開入賬。惟倘並非以固定數目之股本工具結算，香港會計準則第 39 號規定，發行人須以包含附帶衍生工具之財務負債確認綜合金融工具。香港會計準則第 39 號規定，倘經濟風險及特徵與主合同所附帶者並非密切相關，且主合同並非透過損益以公平值列賬，則附帶於主合同之衍生工具須分開處理。於往後之期間，負債部份採用實際利息法按攤銷成本入賬。由於香港會計準則第 32 號要求作出追溯應用，故比較數字已予重列。二零零五年度比較溢利數字已重列，以反映負債部份之實際利息增加（財務影響見附註 2A）。

金融資產及金融負債之分類及計量

本集團已就屬香港會計準則第 39 號範圍內之金融資產及金融負債之分類及計量，應用香港會計準則第 39 號之相關過渡性條文。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Financial instruments (Continued)

Debt and equity securities previously accounted for under the benchmark treatment of Statement of Standard Accounting Practice 24.

By March 31, 2005, the Group classified and measured its equity securities in accordance with the benchmark treatment of Statement of Standard Accounting Practice 24 (“SSAP 24”). Under SSAP 24, investments in debt or equity securities are classified as “investment securities”, “other investments” or “held-to-maturity investments” as appropriate. “Investment securities” are carried at cost less impairment losses (if any) while “other investments” are measured at fair value, with unrealised gains or losses included in the profit or loss. Held-to-maturity investments are carried at amortised cost less impairment losses (if any). From April 1, 2005 onwards, the Group classifies and measures its equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as “financial assets at fair value through profit or loss”, “available-for-sale financial assets”, “loans and receivables”, or “held-to-maturity financial assets”. The classification depends on the purpose for which the assets are acquired. “Financial assets at fair value through profit or loss” and “available-for-sale financial assets” are carried at fair value, with changes in fair values recognised in profit or loss and equity, respectively. “Loans and receivables” and “held-to-maturity financial assets” are measured at amortised cost using the effective interest method after initial recognition.

On April 1, 2005, the Group classified and measured its equity securities in accordance with the requirements of HKAS 39 (see note 2A for the financial impact).

Financial assets and financial liabilities other than investments in equity securities

From April 1, 2005 onwards, the Group classifies and measures its financial assets and financial liabilities other than debt and equity securities (which were previously outside the scope of SSAP 24) in accordance with the requirements of HKAS 39. As mentioned above, financial assets under HKAS 39 are classified as “financial assets at fair value through profit or loss”, “available-for-sale financial assets”, “loans and receivables” or “held-to-maturity financial assets”. Financial liabilities are generally classified as “financial liabilities at fair value through profit or loss” or “financial liabilities other than financial liabilities at fair value through profit or loss (other financial liabilities)”. “Other financial liabilities” are carried at amortised cost using the effective interest method (see note 2A for the financial impact).

2. 採納新訂及經修訂香港財務報告準則 (續)

金融工具 (續)

以往根據會計實務準則第24號之基準處理方法入賬之債務及股本證券

截至二零零五年三月三十一日止，本集團根據會計實務準則第24號之基準處理方法分類及計算其股本證券。根據會計實務準則第24號，債務或股本證券之投資分類為「投資證券」、「其他投資」或「持至到期日之投資」(以適用者為準)。「投資證券」按成本扣除減值虧損(如有)列賬，而「其他投資」則按公平價值計算，未變現收益或虧損計入期內溢利或虧損。持至到期日之投資按已攤銷成本扣除減值虧損(如有)列賬。自二零零五年四月一日起，本集團根據香港會計準則第39號分類及計量其股本證券。根據香港會計準則第39號，金融資產分類為「按公平價值計入損益表之金融資產」、「可供出售金融資產」、「貸款及應收款項」或「持至到期金融資產」。分類方法視乎所收購資產之用途而定。「按公平價值計入損益表之金融資產」及「可供出售金融資產」按公平價值列賬，而公平價值之變動分別於損益及權益中確認。「貸款及應收款項」及「持至到期金融資產」於初次確認後以實際利息法按攤銷成本計量。

於二零零五年四月一日，本集團根據香港會計準則第39號之規定分類及計量其股本證券(財務影響見附註2A)。

股本證券投資以外之金融資產及金融負債

自二零零五年四月一日起，本集團根據香港會計準則第39號之規定分類及計量債務及股本證券以外之金融資產及金融負債(早前屬會計實務準則第24號範圍以外)。如上文所述，根據香港會計準則第39號，金融資產分類為「按公平價值計入損益表之金融資產」、「可供出售金融資產」、「貸款及應收款項」或「持至到期金融資產」。金融負債一般分類為「按公平價值計入損益表之金融負債」或「按公平價值計入損益表之金融負債以外之金融負債(其他金融負債)」。「其他金融負債」以實際利息法按攤銷成本列值(財務影響見附註2A)。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Financial instruments (Continued)

Derivatives and hedging

From April 1, 2005 onwards, all derivatives that are within the scope of HKAS 39 are required to be carried at fair value at each balance sheet date regardless of whether they are deemed as held-for-trading or designated as effective hedging instruments. Under HKAS 39, derivatives (including embedded derivatives separately accounted for from the non-derivative host contracts) are deemed as held-for-trading financial assets or financial liabilities, unless they qualify and are designated as effective hedging instruments. The corresponding adjustments on changes in fair values would depend on whether the derivatives are designated as effective hedging instruments, and if so, the nature of the item being hedged. For derivatives that are deemed as held-for-trading, changes in fair values of such derivatives are recognised in profit or loss for the period in which they arise.

There are three types of hedge relationships under HKAS 39, including fair value hedges, cash flow hedges and net investment hedges. For cash flow hedges, changes in the fair value of the effective portion of hedging instruments are recognised initially in equity and 'recycled' into the income statement when the hedged items affect profit or loss. Changes in the fair value of the ineffective portion of hedging instruments are recognised directly in profit or loss.

The Group has applied the relevant transitional provisions in HKAS 39. For derivatives that do not meet the requirements of hedge accounting in accordance with HKAS 39, the Group has, from April 1, 2005 onwards, deemed such derivatives as held-for-trading.

Option embedded in convertible note and bonds issued during the year and change in fair value of all derivative financial instruments during the year are disclosed in note 26. On April 1, 2005, the Group recognised the fair value of stock subscription option on April 1, 2005, amounting to HK\$11,500,000, in the Group's accumulated profits (see note 2A for the financial impact).

2. 採納新訂及經修訂香港財務報告準則 (續)

金融工具 (續)

衍生工具及對沖

自二零零五年四月一日起，香港會計準則第 39 號範疇內所有衍生工具均須按於各結算日之公平價值列賬，而不論是否被視為持作買賣用途或被指定為有效對沖工具。根據香港會計準則第 39 號，衍生工具（包括與主合同分開入賬之附帶衍生工具）均被視為持作買賣之財務資產或財務負債，除非有關衍生工具合資格且被指定為有效對沖工具則作別論。公平價值變動之相應調整視乎是否指定為有效對沖工具而定，如屬指定為有效對沖工具，則視乎所對沖項目之性質而定。就視為持作買賣之衍生工具而言，該等衍生工具公平價值之變動會於產生期間之溢利或虧損中確認。

香港會計準則第 39 號羅列三種對沖關係，包括公平價值對沖、現金流量對沖及投資淨額對沖。現金流量對沖方面，對沖工具生效部分公平價值之變動，初步於權益確認，於對沖項目影響溢利或虧損時，「重撥」入收益表。對沖工具非有效部分公平價值之變動直接於溢利或虧損中確認。

本集團已應用香港會計準則第 39 號有關過渡條文。本集團自二零零五年四月一日起，按持作買賣衍生工具處理根據香港會計準則第 39 號不符合對沖會計方法規定之衍生工具。

於年內發行可換股票據及債券內附之期權，及所有衍生金融工具公平值之年內變動均於附註 26 披露。就於二零零五年四月一日，本集團已於本集團之累計溢利內確認股份認購期權於二零零五年四月一日之公平值 11,500,000 港元（有關財務影響見附註 2A）。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Owner-occupied leasehold interest in land

In previous years, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the cost model. In the current year, the Group has applied HKAS 17 "Leases". Under HKAS 17, the land and building elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and building elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. This change in accounting policy has been applied retrospectively (see note 2A for the financial impact).

Leasehold land held for undetermined future use

Previously, leasehold land held for an undetermined future use was carried at cost less impairment. The Group classifies its leasehold land held for an undetermined future use as investment properties and use the fair value model to account for such leasehold land in accordance with HKAS 40. Changes in fair value of the leasehold land are recognised directly in profit or loss. The Group has applied the relevant transitional provisions in HKAS 40 and adopted the change in accounting policy from April 1, 2005 onwards. An adjustment of HK\$6,900,000 has been made to the carrying amount of the leasehold land as at April 1, 2005 with a corresponding adjustment recognised in the accumulated profits of the Group (see note 2A for the financial impact).

2. 採納新訂及經修訂香港財務報告準則 (續)

業主佔用租賃土地權益

於過往年度，業主佔用租賃土地及樓宇列入物業、廠房及設備，按成本模式計算。於本年度，本集團已應用香港會計準則第17號「租賃」。根據香港會計準則第17號，土地及樓宇租約項下土地及樓宇項目於分類租約時分開考慮，惟租約款項不能於土地及樓宇項目之間可靠分配則除外，在此情況下，整項租約一般當作融資租約。在租約款項能夠於土地及樓宇項目之間可靠分配之情況下，土地之租賃權益重新分類為根據經營租約預付租約款項，按成本入賬，並於租賃期內以直線法攤銷。本集團已追溯應用是項會計政策變動（財務影響見附註2A）。

持作未決定未來用途之租賃土地

以往，持作未決定未來用途之租賃土地乃按成本扣除減值列賬。本集團將所持有並未決定未來用途之租賃土地分類為投資物業，並根據香港會計準則第40號以公平值模式處理該等租賃土地。租賃土地之公平值變動直接於損益確認。本集團已應用香港會計準則第40號之相關過渡性條文，並於二零零五年四月一日起採納會計政策變動。租賃土地於二零零五年四月一日之賬面值已作出6,900,000港元之調整，並於本集團之累計溢利確認相應調整（有關財務影響見附註2A）。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Investment properties

In the year ended March 31, 2006, the Group, for the first time, applied HKAS 40 "Investment property". The Group has elected to use the fair value model to account for its investment properties which requires gains or losses arising from changes in the fair value of investment properties to be recognised directly in the profit or loss for the year in which they arise. Before the adoption of HKAS 40, investment properties under predecessor standard SSAP 13 were measured at open market values, with revaluation surplus or deficit credited or charged to investment property revaluation reserve unless the balance on this reserve was insufficient to cover a revaluation decrease, in which case the excess of the revaluation decrease over the balance on the investment property revaluation reserve was charged to the income statement. Where a decrease had previously been charged to the income statement and a revaluation surplus subsequently arose, that increase was credited to the income statement to the extent of the decrease previously charged. The Group has applied the relevant transitional provisions in HKAS 40 and elected to apply HKAS 40 from April 1, 2006 onwards. Since the Group has no investment properties in the year ended March 31, 2005, hence, this change has had no material effect on the results for the periods before the adoption.

Deferred taxes related to investment properties

In previous years, deferred tax consequences in respect of revalued investment properties were assessed on the basis of the tax consequence that would follow from recovery of the carrying amount of the properties through sale in accordance with the predecessor interpretation (SSAP-Interpretation 20). In the year ended March 31, 2006, the Group has applied HK(SIC) Interpretation 21 ("HK(SIC) INT-21") Income taxes – recovery of revalued non-depreciable assets which removes the presumption that the carrying amount of investment properties is to be recovered through sale. Therefore, the deferred tax consequences of the investment properties are now assessed on the basis that reflects the tax consequences that would follow from the manner in which the Group expects to recover the property at each balance sheet date. In the absence of any specific transitional provisions in HK(SIC) INT-21, this change in accounting policy has been applied retrospectively. This change has had no material effect on the results for the periods and accordingly no adjustment is required for the periods before the adoption.

2. 採納新訂及經修訂香港財務報告準則 (續)

投資物業

於截至二零零六年三月三十一日止年度，本集團首次採用香港會計準則第40號「投資物業」。本集團選擇採用公平價值模式處理其投資物業，據此須將投資物業公平價值變動產生之損益，直接在其所產生之年度於損益內確認。於採納香港會計準則第40號前，在原先之會計實務準則第13號下之投資物業按公開市值計算，而重估盈餘或虧絀在投資物業重估儲備內計入或扣除，除非此項儲備下之餘額不足以抵銷重估減值，在此情況下重估減值超出投資物業重估儲備餘額之部分在收益表內扣除。對於以往曾在收益表內扣除之減值惟其後出現重估盈餘，以之前已扣除之減值為限將進賬計入收益表。本集團採用了香港會計準則第40號之有關過渡性條文，並選擇了由二零零六年四月一日起採用香港會計準則第40號。由於本集團於截至二零零五年三月三十一日止年度並無投資物業，因此，是項政策對採納是項準則前各期間之業績並無重大影響。

與投資物業有關之遞延稅項

於過往年度，根據原先之詮釋（會計實務準則詮釋第20號），有關重估投資物業之遞延稅務影響乃按透過出售而收回有關物業之賬面值所引致之稅務影響之基礎而作出評估。於截至二零零六年三月三十一日止年度，本集團已採用香港會計準則詮釋第21號「所得稅—收回經重估非折舊之資產」（「香港準則詮釋委員會詮釋第21號」），該詮釋排除透過出售而收回投資物業賬面值之假設。因此，投資物業之遞延稅務影響現時乃按反映本集團預期收回有關物業之方式所引致之稅務影響之基礎而於各個結算日作出評估。基於香港準則詮釋委員會詮釋第21號缺乏任何特定過渡性條文，是項會計政策之變動已追溯應用。是項變動對期間之業績並無重大影響，因此，毋須對採納是項政策前各期間作調整。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Interests in jointly controlled entities

In previous years, interests in jointly controlled entities were accounted for using the equity method. HKAS 31 “Interests in jointly controlled entities” allows entities to use either proportionate consolidation or the equity method to account for its interests in jointly controlled entities. Upon the application of HKAS 31, the Group has elected to account for its interests in jointly controlled entities using proportionate consolidation. This change has been applied retrospectively. As a result of this change, the consolidated income statement, consolidated balance sheet and consolidated cash flow statement (including the comparative figures) have been re-presented so as to reflect the proportionate share of the jointly controlled entities’ assets and liabilities, income and expenses, and cash flows (see note 2A for the financial impact).

2A. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The effect of the changes in the accounting policies described in note 2 above on the results for the current and prior period are as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Change in fair value of investment properties	投資物業之公平值變動	6,073	-
Increase in effective interest expense on the liability component of convertible note and convertible bonds	可換股票據及可換股債券之負債部份之實際利息開支增加	(8,200)	(6,158)
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動	25,669	-
Expenses in relation to share-based payments	有關以股份形式付款之開支	(8,505)	(29,474)
Increase (decrease) in net profit for the year and attributable to equity holders of the Company	本年度及本公司股權持有人應佔溢利淨額增加(減少)	15,037	(35,632)

2. 採納新訂及經修訂香港財務報告準則(續)

於共同控制企業之權益

於過往年度，於共同控制企業之權益乃以權益會計法列賬。香港會計準則第31號「於共同控制企業之權益」允許採用比例合併法或權益會計法計算於共同控制企業之權益。應用香港會計準則第31號後，本集團已選擇以比例合併法計算其於共同控制企業之權益。該項會計政策變動已作出追溯應用。由於有關變動，綜合收益表、綜合資產負債表及綜合現金流量表（包括比較數字）已重新呈列，以反映本集團於共同控制企業資產、負債、收支及現金流量之應佔比例權益（財務影響見附註2A）。

2A. 會計政策改變之影響概要

上文附註2所述之會計政策改變對本期間及前期間業績之影響如下：

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2A. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (Continued)

Analysis of increase (decrease) in profit for the period by line items presented according to their function:

2A. 會計政策改變之影響概要 (續)

按每一行呈列之項目根據其功能對期間溢利淨額增加(減少)之分析：

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Increase in revenue	收益增加	44,904	1,187
Increase in cost of sales	銷售成本增加	(27,267)	(899)
Increase in other income	其他收入增加	4,089	20
Increase in distribution costs	分銷成本增加	(1,324)	(15)
Increase in administrative expenses	行政開支增加	(19,280)	(30,784)
Increase in change in fair value of investment properties	投資物業之公平值變動增加	6,073	-
(Increase) decrease in share of results of jointly controlled entities	分佔共同控制企業業績(增加)減少	(8,857)	1,035
Increase in taxation	稅項增加	(195)	(18)
Increase in finance costs	財務費用增加	(8,637)	(6,158)
Increase in share of results of associates	分佔聯營公司業績增加	(138)	-
Increase in change in fair value of derivative financial instruments	衍生金融工具之公平值變動增加	25,669	-
		15,037	(35,632)

2A. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (Continued)

The cumulative effects of the application of the new HKFRSs as at March 31, 2005 and April 1, 2005 are summarised below:

2A. 會計政策改變之影響概要 (續)

應用新香港財務報告準則對於二零零五年三月三十一日及二零零五年四月一日之累計影響概述如下：

		Effect of	Effect of	Effect of	Effect of	Effect of	Effect of	Effect of	Effect of	As at
	As at	HKAS 1	HKFRS 2	HKAS 17	HKAS 31	HKAS 32	HKAS 40	HKAS 39	As at	As at
	March 31,	and	Effect of	Effect of	Effect of	Effect of	Effect of	Effect of	March 31,	As at
	2005	HKAS 27	HKFRS 2	HKAS 17	HKAS 31	HKAS 32	HKAS 40	HKAS 39	2005	April 1,
	於	香港會計	香港財務	香港	香港	香港	香港	香港	於	2005
	二零零五年	準則第 1	報告準則	會計準則	會計準則	會計準則	會計準則	會計準則	二零零五年	於
	三月	及 27 號	第 2 號	第 17 號	第 31 號	第 32 號	第 40 號	第 39 號	三月	二零零五年
	三十一日	之影響	之影響	之影響	之影響	之影響	之影響	之影響	三十一日	四月一日
	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
	(originally								(restated)	(restated)
	stated)								(重列)	(重列)
	(原列)								(重列)	(重列)
Balance sheet items	資產負債表項目									
Property, plant and equipment	物業、廠房及設備	998,112	-	(43,988)	540	-	-	-	954,664	954,664
Properties held for development	持作發展物業	17,500	-	(17,500)	-	-	-	-	-	-
Investment properties	投資物業	-	-	-	-	-	24,400	-	24,400	24,400
Interest in a jointly controlled entity	於共同控制企業之權益	20,454	-	-	(20,454)	-	-	-	-	-
Interests in associates	於聯營公司之權益	-	-	-	751	-	751	-	751	751
Investments in securities	證券投資	19,920	-	-	203	-	20,123	(20,123)	-	-
Available-for-sales investments	可供出售投資	-	-	-	-	-	-	20,123	20,123	20,123
Prepaid lease payments	預付租賃款項	-	-	61,488	-	-	61,488	(17,500)	43,988	43,988
Inventories	存貨	38,829	-	-	3,691	-	42,520	-	42,520	42,520
Trade and other receivables	貿易應收賬款及其他應收賬項	85,761	-	-	905	-	86,666	-	86,666	86,666
Bank balances and cash	銀行結存及現金	695,389	-	-	16,626	-	712,015	-	712,015	712,015
Trade and other payables	貿易應付賬款及其他應付賬項	(170,876)	-	-	(2,261)	-	(173,137)	-	(173,137)	(173,137)
Derivative financial instruments	衍生金融工具	-	-	-	-	-	-	(11,500)	(11,500)	(11,500)
Taxation	稅項	(157)	-	-	(1)	-	(158)	-	(158)	(158)
Convertible note	可換股票據	(35,900)	-	-	-	89	(35,811)	-	(35,811)	(35,811)
Amounts due to minority shareholders of subsidiaries	欠附屬公司少數股東款項	(133,366)	-	-	-	-	(133,366)	-	(133,366)	(133,366)
Bank and other borrowings	銀行及其他借貸	(1,323,446)	-	-	-	-	(1,323,446)	-	(1,323,446)	(1,323,446)
Other assets and liabilities	其他資產及負債	873,681	-	-	-	-	873,681	-	873,681	873,681
Total effects on assets and liabilities	對資產及負債之影響總額	1,085,901	-	-	-	89	1,085,990	6,900	(11,500)	1,081,390

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2A. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (Continued)

2A. 會計政策改變之影響概要 (續)

		Effect of					Effect of				
		As at	HKAS 1	Effect of	Effect of	Effect of	Effect of	As at	Effect of	Effect of	As at
		March 31,	and	Effect of	Effect of	Effect of	Effect of	March 31,	Effect of	Effect of	As at
		2005	HKAS 27	HKFRS 2	HKAS 17	HKAS 31	HKAS 32	2005	HKAS 40	HKAS 39	April 1,
		於	香港會計	香港財務	香港	香港	香港	於	香港	香港	於
		二零零五年	準則第 1	報告準則	會計準則	會計準則	會計準則	二零零五年	會計準則	會計準則	二零零五年
		三月	及 27 號	第 2 號	第 17 號	第 31 號	第 32 號	三月	第 40 號	第 39 號	四月一日
		三十一日	之影響	之影響	之影響	之影響	之影響	三十一日	之影響	之影響	四月一日
		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
		(originally						(restated)			(restated)
		stated)									
		(原列)						(重列)			(重列)
Share capital	股本	22,448	-	-	-	-	-	22,448	-	-	22,448
Share premium	股份溢價	907,963	-	-	-	-	708	908,671	-	-	908,671
Employee share-based compensation reserve	僱員股份 報酬儲備	-	-	29,474	-	-	-	29,474	-	-	29,474
Convertible note and bonds equity reserve	可換股票據及 債券股本儲備	-	-	-	-	-	1,354	1,354	-	-	1,354
Accumulated profits	累計溢利	42,470	-	(29,474)	-	-	(1,973)	11,023	6,900	(11,500)	6,423
Other reserves	其他儲備	15,660	-	-	-	-	-	15,660	-	-	15,660
Minority interests	少數股東權益	-	97,360	-	-	-	-	97,360	-	-	97,360
Total effects on equity	對權益之影響總額	988,541	97,360	-	-	-	89	1,085,990	6,900	(11,500)	1,081,390
Minority interests	少數股東權益	97,360	(97,360)	-	-	-	-	-	-	-	-
		1,085,901	-	-	-	-	89	1,085,990	6,900	(11,500)	1,081,390

2A. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (Continued)

The financial effects of the application of the new HKFRSs to the Group's equity on April 1, 2004 are summarised below:

2A. 會計政策改變之影響概要 (續)

應用新香港財務報告準則對本集團權益於二零零四年四月一日之財務影響概述如下：

		As originally stated	Effect of HKAS 1 and HKAS 27 香港會計 準則第 1 及 27 號 之影響	Effect of HKAS 32 香港 會計準則 第 32 號 之影響	As restated
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
Share capital	股本	15,578	–	–	15,578
Share premium	股份溢價	504,957	–	58	505,015
Convertible note and bonds equity reserve	可換股票據及 債券股本儲備	–	–	6,572	6,572
Accumulated losses	累計虧損	(85,706)	–	(1,207)	(86,913)
Other reserves	其他儲備	67,845	–	–	67,845
Minority interests	少數股東權益	–	91,121	–	91,121
Total effects on equity	對權益之影響總額	502,674	91,121	5,423	599,218

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**2A. SUMMARY OF THE EFFECTS OF THE CHANGES IN
ACCOUNTING POLICIES (Continued)**

At the date of authorisation of these financial statements, the following new standards, amendments and interpretation were issued but not yet effective.

2A. 會計政策改變之影響概要 (續)

於批准此等財務報表當日，下列新準則、修訂及詮釋經已頒佈但尚未生效。

HKAS 1 (Amendment) 香港會計準則第 1 號 (修訂本)	Capital disclosure ¹ 資本披露 ¹
HKAS 19 (Amendment) 香港會計準則第 19 號 (修訂本)	Actuarial gains and losses, group plans and disclosures ² 精算盈虧、集團計劃及披露 ²
HKAS 21 (Amendment) 香港會計準則第 21 號 (修訂本)	New investment in a foreign operation ² 海外業務投資淨額 ²
HKAS 39 (Amendment) 香港會計準則第 39 號 (修訂本)	Cash flow hedge accounting of forecast intragroup transactions ² 預測集團內部交易之現金流量對沖會計方法 ²
HKAS 39 (Amendment) 香港會計準則第 39 號 (修訂本)	The fair value option ² 公平值選擇 ²
HKAS 39 and HKFRS 4 (Amendments) 香港會計準則第 39 號及香港 財務報告準則第 4 號 (修訂本)	Financial guarantee contracts ² 財務擔保合約 ²
HKFRS 6 香港財務報告準則第 6 號	Exploration for and evaluation of mineral resources ² 勘探及評估礦物資源 ²
HKFRS 7 香港財務報告準則第 7 號	Financial instruments: Disclosures ¹ 金融工具：披露 ¹
HK(IFRIC) – INT 4 香港財務報告詮釋委員會 – 詮釋 4	Determining whether an arrangement contains a lease ² 釐定一項安排是否包括租約 ²
HK(IFRIC) – INT 5 香港財務報告詮釋委員會 – 詮釋 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds ² 解除、恢復及環境修復基金所產生權益之權利 ²
HK(IFRIC) – INT 6 香港財務報告詮釋委員會 – 詮釋 6	Liabilities arising from participating in a specific market – waste electrical and electronic equipment ³ 因參與個別市場產生之責任 – 廢料電動及電子儀器 ³
HK(IFRIC) – INT 7 香港財務報告詮釋委員會 – 詮釋 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ⁴ 應用香港會計準則第 29 號惡性通貨膨脹經濟財務報告項下之重列法 ⁴
HK(IFRIC) – INT 8 香港財務報告詮釋委員會 – 詮釋 8	Scope of HKFRS 2 ⁵ 香港財務報告準則第 2 號之範圍 ⁵
HK(IFRIC) – INT 9 香港財務報告詮釋委員會 – 詮釋 9	Reassessment of embedded derivatives ⁶ 重估附帶衍生工具 ⁶

2A. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (Continued)

- ¹ Effective for annual periods beginning on or after January 1, 2007.
- ² Effective for annual periods beginning on or after January 1, 2006.
- ³ Effective for annual periods beginning on or after December 1, 2005.
- ⁴ Effective for annual periods beginning on or after March 1, 2006.
- ⁵ Effective for annual periods beginning on or after May 1, 2006.
- ⁶ Effective for annual periods beginning on or after June 1, 2006.

The management of the Company anticipate that the application of these standards, amendments or interpretations will have no material impact on the financial statements of the Group except for the amendments to HKAS 39 regarding financial guarantee contracts.

In accordance with the amendments to HKAS 39 regarding financial guarantee contracts, financial guarantee contracts are initially recognised at fair value and are subsequently measured at the higher of (i) the amount determined in accordance with HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets” and (ii) the amount initially recognised, less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 “Revenue”.

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to March 31 each year.

2A. 會計政策改變之影響概要 (續)

- ¹ 於二零零七年一月一日或以後開展之年度期間生效。
- ² 於二零零六年一月一日或以後開展之年度期間生效。
- ³ 於二零零五年十二月一日或以後開展之年度期間生效。
- ⁴ 於二零零六年三月一日或以後開展之年度期間生效。
- ⁵ 於二零零六年五月一日或以後開展之年度期間生效。
- ⁶ 於二零零六年六月一日或以後開展之年度期間生效。

除對香港會計準則第 39 號有關財務擔保合約之修訂外，本公司管理層預期應用該等準則、修訂或詮釋將不會對本集團之財務報表構成重大影響。

根據香港會計準則第 39 號有關財務擔保合約之修訂，財務擔保合約初步以公平值確認，其後則按下列各項之較高者計量：(i) 根據香港會計準則第 37 號「撥備、或然負債及或然資產」釐訂之金額；及(ii) 初步確認之金額減（如適用）根據香港會計準則第 18 號「收益」確認之累計攤銷。

3. 重大會計政策

除若干投資物業及金融工具按重估金額或公平值計量（參下文會計政策的解釋）外，綜合財務報表乃按歷史成本基準編製。

綜合財務報表根據香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表亦載入聯交所證券上市規則及公司條例所規定的適用披露資料。

綜合基準

綜合財務報表包括本公司及其附屬公司編製至每年三月三十一日之財務報表。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

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

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

Business combinations

The acquisition of subsidiaries after April 1, 2004 is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities are recognised at their fair values at the acquisition date.

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

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

財務報表附註

截至二零零六年三月三十一日止年度

3. 重大會計政策 (續)

綜合基準 (續)

年內收購或出售之附屬公司之業績由收購生效日期起或於截至出售生效日期止 (以適用者為準) 計入綜合收益表。

如有需要，本集團會對附屬公司之財務報告作出調整，使其會計政策與本集團其他成員公司所採用者保持一致。

所有本集團內公司間之交易、結餘、收入及開支已於綜合賬目時對銷。

綜合附屬公司淨資產內的少數股東所佔權益與本集團所佔的權益分開列賬。少數股東權益包括該等權益於原本業務合併日期的數額 (見下文) 及少數股東應佔該合併日期以後的股本權益變動。適用於少數股東的虧損超出於附屬公司股權的少數股東權益的數額將與本集團的權益作出分配，惟少數股東具約束力責任及可以額外投資補足虧損者除外。

業務合併

於二零零五年四月一日後，收購附屬公司乃以購買法計算。收購之成本乃按交換日期本集團指定資產、所產生或所承擔之負債及作為交換以控制被收購人而發行之權益性工具之公平值，加上業務合併之任何直接應佔成本之總和計量。被收購人之可識別資產、負債及或然負債乃以彼等於收購日期之公平值確認。

因收購所產生之商譽乃確認為資產，並初步按成本計量，即業務合併之成本超出本集團於已確認之可識別資產、負債及或然負債之淨公平值中之權益之部份。倘於重新評估後，本集團於被收購人之可識別資產、負債及或然負債之淨公平值中之權益超出業務合併之成本，則超出部份即時於損益賬內確認。

少數股東於被收購人中之權益乃初步按少數股東於已確認之資產、負債及或然負債之淨公平值中之比例計量。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

Capitalised goodwill arising on acquisitions prior to April 1, 2004

Goodwill arising on an acquisition of a subsidiary or a jointly controlled entity for which the agreement date is before April 1, 2004 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary or jointly controlled entity at the date of acquisition.

For previously capitalised goodwill arising on acquisitions before April 1, 2004, the Group has discontinued amortisation from April 1, 2004 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired.

Capitalised goodwill arising on acquisitions on or after April 1, 2004

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary, associate or jointly controlled entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

Impairment testing on capitalised goodwill

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

3. 重大會計政策 (續)

商譽

於二零零四年四月一日前因收購所產生之已資本化商譽

收購附屬公司或共同控制實體產生之商譽（而協議日期為二零零四年四月一日前）指收購成本超逾集團於收購日期在有關附屬公司或共同控制實體之已識別資產及負債中所佔公平值之數。

對於原先於二零零四年四月一日前因收購所產生之已資本化商譽，本集團自二零零四年四月一日起不再繼續攤銷，而有關商譽每年及凡商譽有關之賺取現金單位有可能出現減值之跡象時進行減值測試。

於二零零四年四月一日或其後因收購所產生之已資本化商譽

收購一間附屬公司或共同控制實體產生之商譽乃指收購成本超逾本集團於收購當日應佔相關附屬公司、聯營公司或共同控制實體可識別資產、負債及或然負債公平淨值之權益之差額。有關商譽乃初步按成本值確認為資產，其則按成本減任何累計減值虧損列賬。

已資本化商譽之減值測試

就減值測試而言，商譽分派到預期從收購之協同效應中獲利之收購所產生的各個賺取現金單位。獲分派商譽之賺取現金單位按年測試減值，或當有跡象顯示單位可能出現減值時則更頻繁測試減值。於某個財政年度因收購產生的商譽，其所屬的賺取現金單位會於該財政年度完結前測試減值。當賺取現金單位之可收回金額少於單位之賬面值，則首先將減值虧損分派，扣減首先分派到該單位的任何商譽的賬面值，而其後則按單位內各資產的賬面值按比例分配至單位的其他資產。商譽之減值虧損均直接於收益表確認。就商譽確認之減值虧損於其後期間不予撥回。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

Impairment testing on capitalised goodwill (Continued)

On subsequent disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate is described under "investments in associates".

Excess of an acquirer's interest in the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over cost ("discount on acquisitions")

A discount on acquisition arising on an acquisition of a subsidiary, an associate, a jointly controlled entity and a business for which an agreement date is on or after April 1, 2004 represents the excess of the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination. Discount on acquisition is recognised immediately in profit or loss. A discount on acquisition arising on an acquisition of an associate (which is accounted for using the equity method) is included as income in the determination of the investor's share of results of the associate in the period in which the investment is acquired.

Interests in associates

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

財務報表附註

截至二零零六年三月三十一日止年度

3. 重大會計政策 (續)

商譽 (續)

撥作資本商譽之減值測試 (續)

出售一家附屬公司、聯營公司或共同控制實體時，商譽之應佔金額乃於釐定出售收益或虧損時載入。

本集團就因收購聯營公司所產生之商譽所採取之政策已載於「於聯營公司之投資」一段內。

收購方應佔被收購公司之可辨識資產、負債及或然負債之公允值淨額高於成本之差額 (「收購折讓」)

於協議日期為二零零四年四月一日或之後收購之附屬公司、聯營公司或共同控制實體產生之收購折讓，指應佔被收購公司之可辨識資產、負債及或然負債之公允值淨額高出業務合併成本之差額。收購折讓即時確認為損益。因收購聯營公司所產生之收購折讓 (按權益會計法入賬) 乃計入用作釐定收購投資期間投資者應佔聯營公司業績之收入。

於聯營公司之權益

聯營公司之業績及資產負債乃按權益會計法納入綜合財務報表內。根據權益會計法，於聯營公司之權益乃按成本另就本集團攤佔聯營公司之損益及權益變動於收購後之變動調整，減任何已識別減值虧損，於綜合資產負債表列賬。當本集團攤佔聯營公司之虧損等於或超過其於該聯營公司之權益 (包括實質上構成本集團在聯營公司的投資淨額之一部份之任何長期權益)，本集團不再確認其攤佔之進一步虧損。額外攤佔虧損會提撥準備及確認負債，惟僅以本集團已招致之法定或推定責任或代表該聯營公司支付之款項為限。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates (Continued)

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

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

Investments in jointly controlled entities

The Group recognises its interests in jointly controlled entities using proportionate consolidation. The Group's share of each of the assets, liabilities, income and expenses of the jointly controlled entities are combined with the Group's similar line items, line by line, in the consolidated financial statements.

When a group entity transacts with a jointly controlled entity of the Group, unrealised profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred, in which case, the full amount of losses is recognised.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Gas connection revenue is recognised when the outcome of a contract can be estimated reliably and the stage of completion at the balance sheet date can be measured reliably. Revenue from gas connection contracts is recognised on the percentage of completion method, measured by reference to the value of work carried out during the year. When the outcome of a gas connection contract cannot be estimated reliably, revenue is recognised only to the extent of contract cost incurred that it is probable to be recoverable.

Sales of petroleum, natural gas and gas appliances are recognised when goods are delivered and title has passed.

3. 重大會計政策 (續)

於聯營公司之權益 (續)

任何收購成本超逾本集團於收購日期確認聯營公司之已識別資產、負債及或然負債中所佔公平值淨額，均確認為商譽。商譽包括於投資之賬面金額，並會評估減值，作為投資之一部分。於重估後，任何本集團應佔已識別資產、負債及或然負債之公平淨額超逾收購成本之金額，則即時於損益中確認。

倘集團公司與本集團之一間聯營公司進行交易，則損益以本集團於有關聯營公司中之權益為限對銷。

於共同控制實體之投資

本集團採用比例綜合法確認於共同控制實體的權益。本集團將分佔共同控制實體的各項資產、負債、收益及開支，按類似的分項項目於綜合財務報表內逐行合併。

倘一集團公司與本集團一共同控制實體交易，未實現溢利或虧損會按本集團於有關共同控制實體所持的權益對銷，惟倘未實現虧損顯示須將資產減值轉撥而要全數確認虧損金額除外。

收入確認

收入按已收或應收代價之公允價值計算。

燃氣接駁收入乃於合同之結果得以可靠衡量及於結算日完成階段得以可靠計算時確認。燃氣接駁合同之收入乃參考年內進行工程之價值，按已完成之百分比之方法確認。倘燃氣接駁合同之結果不能可靠衡量，收入僅按產生之可收回合同成本之範圍內確認。

石油、天然氣及燃氣器具之銷售須於貨物送抵且物權轉移時確認。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Rental income under operating leases is recognised on a straight-line basis over the terms of the relevant leases.

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

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

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment loss.

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

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

Construction in progress

Construction in progress represents machinery and pipelines under construction and is stated at cost. Costs comprise direct and indirect incremental costs of acquisition or construction. Completed items are transferred from construction in progress to proper categories of property, plant and equipment when they are ready for their intended use.

財務報表附註

截至二零零六年三月三十一日止年度

3. 重大會計政策 (續)

收入確認 (續)

經營租約之租金收入乃按有關租約之年期以直線基準加以確認。

來自金融資產的利息收入乃根據未償還本金額及適用的實際利率按時間基準計算。實際利率即按金融資產預期可使用年期收取之估計未來現金款項折現至資產賬面淨值之利率。

投資之股息收入於股東收取股息之權利獲確立時加以確認。

物業、廠房及設備

物業、廠房及設備（不包括在建工程）乃按成本減其後累計折舊及累積減值虧損入賬。

折舊撥備乃按物業、廠房及設備（不包括在建工程）之估計可使用年期，並考慮其估計剩餘價值後，以直線法撇銷其成本值。

物業、廠房及設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時終止確認。終止確認資產產生之任何收益或虧損乃按資產之出售所得款項淨額與該項目的賬面值兩者之差額計算，並在項目終止確認的年度計入收益表。

在建工程

在建工程指興建中之機器及管道，並以成本值列賬。成本包括收購或建造之直接及間接增量成本。完成項目於可作擬定用途時則由在建工程撥至適當的物業、廠房及設備類別。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties

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

Leasehold land held for undetermined future use is regarded as held for capital appreciation purpose and classified as an investment property, and carried at fair value. Changes in fair value of the leasehold land are recognised directly in profit or loss for the period in which changes take place.

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

Construction contracts

Where the outcome of a construction contract can be estimated reliably, contract costs are charged to the income statement by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the proportion that costs incurred to date to estimated total costs for the contract.

Where the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When a contract covers a number of assets, the construction of each asset is treated as a separate contract when separate proposals have been submitted for each asset, each asset has been separately negotiated and the costs and revenues of each asset can be separately identified. A group of contracts, performed concurrently or in a continuous sequence, is treated as a single construction contract when they were negotiated as a single package and are so closely inter-related that they constitute a single project with an overall profit margin.

3. 重大會計政策 (續)

投資物業

於首次確認時，投資物業按成本（包括任何直接應佔費用）計量。於初次確認後，投資物業採用公平價值模式計量。因投資物業之公平價值變動而產生之盈虧於變動產生期間計入損益賬。

未決定未來用途之租賃土地被當作為資本升值目的持有，並分類列作一項投資物業及以公平值列賬。租賃土地公平值之變動會直接在變動發生期間之損益賬確認。

投資物業乃於出售後或在投資物業永久不再使用或預期出售該物業不會產生未來經濟利益時取消確認。於取消確認該資產時產生的任何損益（以出售所得款項淨額與該資產的賬面值的差額計算）乃計入於該項目取消確認的年度的收益表內。

建造合同

倘建造合同之結果得以可靠估計，合同成本乃參考合同活動於結算日之完成階段（即截至結算日所錄得之成本佔合同估計成本總額之比例）從收益表中扣除。

倘建造合同之結果未能可靠衡量，合同成本將於彼等產生之期間作開支確認。

倘合同成本總額可能超逾合同收入時，預期虧損將立即作開支確認。

當一份合約涉及多項資產，而建造每項資產須分別提交其個別建議書，或須就每項資產個別議價，或每項資產之成本及收益均可獨立區分，則建造之每項資產均被視作為一份獨立合約。倘一組合約須同時或按次序連續進行並以一籃子形式商訂，而各項合約之關係非常密切，實際上為一項具有整體利潤之工程，則該組合約將被視為單一之建造合約。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories, including construction materials, gas appliances and gas for sales, consumables and spare parts, are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business less estimated costs to completion and the estimated costs necessary to make the sale.

Impairment losses other than goodwill

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

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

Leasing

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

The Group as lessor

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

The Group as lessee

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

3. 重大會計政策 (續)

存貨

存貨，包括建築物料，作銷售之燃氣器具及燃氣、消耗品及備件乃按成本及可變現淨值兩者中較低者入賬。成本按加權平均成本法計算。可變現淨值指估計在日常業務中之售價減去完成時之估計成本及進行銷售之估計成本。

減值虧損（商譽除外）

於各結算日，本集團均審閱資產（上文所述之商譽除外）之賬面值，以釐定是否有資產減值虧損之跡象。倘資產之可收回款額估計比其賬面值為少，資產之賬面值則調低至可收回款額。減值虧損即時確認為開支。

倘減值虧損其後撥回，則資產之賬面調升至可收回款額之經修訂估計值。惟該增加之賬面值不可超過倘該資產於過往年度無減值虧損時釐定之賬面值。減值虧損之撥回即時確認為收入。

租賃

當租賃條款將資產所有權之大部份風險及回報轉讓至承租人，則該等租約均被列為融資租約。所有其他租約乃列作經營租約。

本集團作為出租人

經營租約租金收入乃按有關租約之年期以直線法確認。在磋商及安排經營租約時產生之初期直接成本，乃加入租約資產之賬面值並於租約年期以直線法確認。

本集團作為承租人

經營租約之應付租金於有關租約期間按直線法於損益賬扣除。作為促使訂立經營租約之已收及應收利益，於租約期以直線法確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange difference are also recognised directly in equity.

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

Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme ("MPF Scheme") and other defined contribution schemes are charged as an expense as they fall due.

3. 重大會計政策 (續)

外幣

在編製各個別集團公司的財務報表時，以該公司的功能貨幣以外的貨幣（外幣）計價之交易按交易日期之匯率以其功能貨幣（即公司經營業務的主要經濟環境的貨幣）記錄。在每一個結算日，以外幣為單位之貨幣性項目均按結算日之匯率再換算。以公平值列值並以外幣計價的非貨幣性項目會按確定公平值日期的匯率再換算。以歷史成本計量並以外幣計價的非貨幣性項目不會再換算。

由於結算貨幣性項目及換算貨幣性項目而產生的匯兌差額，會在其產生的期間在損益賬確認。

再換算按公平值列值的非貨幣性項目所產生的匯兌差額包括於期間之損益賬（再換算期內損益中之非貨幣性項目所產生之差額除外），但再換算損益直接在權益中確認的非貨幣性項目所產生的匯兌差額除外，在該情況下，匯兌差額亦直接在權益中確認。

於編製綜合財務報表時，本集團境外業務之資產及負債，按結算日之匯率換算為本公司的列報貨幣（即港元），而其收入及支出則按年內之平均匯率換算，除非匯率在期間內大幅波動，在該情況下，則使用交易日期的匯率。所產生之匯兌差額（如有），將確認為權益的獨立組成部分（匯兌儲備）。該等匯兌差額將於出售有關境外業務的期間內於損益賬確認。

退休福利成本

向強制性公積金計劃（「強積金計劃」）及其他定額供款計劃所作供款於到期應付時支銷。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

財務報表附註

截至二零零六年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

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

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount 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 recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited to the 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.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction on production of qualifying assets, are capitalised as part of the cost of these assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

3. 重大會計政策 (續)

稅項

所得稅開支指現時應付稅項及遞延稅項。

現時應付稅項乃按本年度應課稅盈利計算。應課稅盈利與收益表中所報盈利不同，乃由於前者不包括在其他年度應課稅或可扣稅收入及開支，並且不包括收益表內從未課稅及扣稅之項目。本集團即期稅項資產及負債以結算日已制訂或實際採用的稅率計算。

遞延稅項為就財務報表資產及負債賬面值及計算應課稅盈利相應稅基差額而須支付或收回之稅項，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時時差扣稅之應課稅盈利時提撥。若於一項交易中，因商譽或因業務合併以外原因開始確認其他資產及負債而引致之臨時時差既不影響應課稅務盈利、亦不影響會計盈利，則不會確認該等資產及負債。

遞延稅項資產之賬面值於每個結算日作檢討，並於沒可能會有足夠應課稅盈利恢復全部或部分資產價值時作調減。

遞延稅項乃按預期於負債清償或資產變現年度適用之稅率計算。遞延稅項於收益表中扣除或計入收益表。惟倘遞延稅項直接在股本權益中扣除或計入股本權益之情況（在此情況下遞延稅項亦會於股本權益中處理）除外。

借貸成本

收購、興建或生產合資格資產應佔的直接借款成本，將資本化作為該等資產的部分成本。將有關借款成本撥充資本於資產已實際上可作擬定用途或銷售時終止。

所有借貸成本於產生期間確認為開支。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

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

Financial assets

The Group's financial assets are classified into one of the two categories, including loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables including amounts due from customers for contract work, trade and other receivables, and bank balances are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 重大會計政策 (續)

金融工具

當集團公司成為工具合約條款的一方時，會在資產負債表上確認金融資產及金融負債。金融資產和金融負債在初次確認時會以公平值進行計量。於購置或發行金融資產和金融負債（按公平值計入損益之金融資產及金融負債除外）直接應佔的交易費用在初步確認時計入或扣自各金融資產或金融負債（視何者適用而定）的公平值。直接應佔購置按公平值計入損益之金融資產或金融負債的交易費用立即在損益賬確認。

金融資產

本集團之金融資產分別列入貸款和應收款項，及可出售金融資產兩項其中一項。所有以一般方式買賣之金融資產均按買賣日期基準確認及終止確認。以一般方式買賣金融資產是指須於市場規管或慣例所設定時限內交付之金融資產買賣。就各類別金融資產採納之會計政策載列如下。

貸款及應收款項

貸款及應收款項指並非於活躍市場報價而具有固定或可確定付款之非衍生金融資產。於初步確認後之各個結算日，貸款及應收款項（包括應收客戶之合同工程款項、貿易應收賬款及其他應收款項，以及銀行結餘）乃利用實際利息法按攤銷成本扣除任何已確定減值虧損列賬。減值虧損在有客觀證據顯示資產出現減值時在損益確認，並按該項資產賬面值及以原有實際利率折現所得估計未來現金流量現值兩者間之差額計算。當該項資產之可收回金額增加可客觀地與該項減值獲確認後出現之事件關連，則減值虧損可於其後期間撥回，惟該項資產於減值撥回日期之賬面值不得超出倘該項減值未獲確認本應出現之攤銷成本。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories under HKAS 39. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in subsequent periods.

Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Financial liabilities

Financial liabilities including trade and other payables, amounts due to customers for contract work, amounts due to minority shareholders of subsidiaries, bank and other borrowings are subsequently measured at amortised cost, using the effective interest method.

Convertible note and convertible bonds which settlements were in fixed number of equity instrument

Convertible note and convertible bonds issued by the Company which settlements were in fixed number of equity instrument contain both financial liability and equity components are classified separately into respective liability and equity components on initial recognition. On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the proceeds of the issue of a convertible note or bond and the fair value assigned to the liability component, representing the embedded call option for the holder to convert the note or bond into equity, is included in equity (convertible note and bonds equity reserve).

財務報表附註

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3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

可出售金融資產

可出售金融資產為根據香港會計準則第 39 號被劃定為此類別或並無歸入任何其他類別的非衍生工具。初步確認後每個結算日，可出售金融資產均以公平值計量。公平值變動在權益中確認，直至金融資產出售或確定為減值為止，屆時，先前在權益中確認的累積損益會從權益中移除，並在損益確認。可出售金融資產的任何減值虧損會在損益確認。可出售股本權益投資的減值虧損不會在往後期間轉回。

金融負債及權益

集團公司發行的金融負債和股本工具根據所訂立的合約安排的實質內容以及金融負債和股本工具的定義而歸類。

股本工具指能證明擁有本集團資產在減除其所有負債後的餘剩權益的任何合約。就金融負債和股本工具採納的會計政策載於下文。

金融負債

金融負債包括貿易應付賬款及其他應付款項、應付客戶之合約工程款項、應付附屬公司少數股東款項、銀行及其他借貸，乃其後運用實際利率法以攤銷成本計量。

以固定數目之股本工具結算之可換股票據及可換股債券

本公司所發行同時包含金融負債及股權部份的可換股票據及可換股債券（並以固定數目之股本工具結算），於初步確認時須分別歸類為負債及股權部份。初步確認時，負債部份的公平值按類似的不可兌換債務於當時的市場利率釐定。發行可換股票據或債券的收益與劃定為負債部份的公平值之間的差額，即可以持有人可轉換票據或債券為股權的內含認購期權，乃計入股權（可換股票據及債券股本儲備）。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Convertible note and convertible bonds which settlement were in fixed number of equity instrument (Continued)

In subsequent periods, the liability component of the convertible note or bond is carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in convertible note and bonds equity reserve until the embedded option is exercised (in which case the balance stated in convertible note and bonds equity reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible notes and bonds equity reserve will be released to the accumulated profit. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible note and bonds are allocated to the liability and equity components in proportion to the allocation of the proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible note and bonds using the effective interest method.

Convertible bonds which settlement were not in fixed number of equity instruments

Convertible bonds issued by the Company which settlements were not in fixed number of equity instrument are recognised as compound financial instruments in the form of financial liability with embedded derivatives (see below for accounting policy on embedded derivative). At the date of issue, both the conversion option derivative and liability component are recognised at fair value.

In subsequent periods, the liability component of the convertible bond is carried at amortised cost using the effective interest method. The conversion option derivative is subsequently measured at fair value at each balance sheet date.

Transaction costs that relate to the issue of the convertible note and bonds are allocated to the liability component and conversion derivative of the convertible bonds based on their relative fair value at the date of issue. The portion relating to the conversion option is charged to profit or loss.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

以固定數目之股本工具結算之可換股票據及可換股債券 (續)

於往後期間，可換股票據或債券的負債部份乃採用實際利率法攤銷成本列賬。股權部份（即可將負債部份轉換為本公司普通股的期權）將仍然記入可換股票據及債券股本儲備，直至內含期權獲行使為止（屆時在可換股票據及債券股本儲備內所列結餘將轉入股份溢價）。倘於到期日期權仍未行使，可換股票據及債券股本儲備的結餘則會解除至累計虧損。期權兌換或到期時將不會於損益賬確認任何盈虧。

與發行可換股票據及債券相關之交易成本乃按所得款項之劃分比例分配至負債及股權部份。與股權部份相關之交易成本乃直接計入權益內。與負債部份相關之交易成本乃計入負債部份之賬面值，並按可換股票據及債券之期限採用實際利率法攤銷。

並非以固定數目結算之可換股債券

本公司所發行並非以固定數目結算之可換股債券乃以包含衍生工作之財務負債確認為綜合金融工具（見下文有關附帶衍生工具之會計政策）。於發行日期，可換股期權衍生工具及負債部分均以公平值確認。

於往後期間，可換股債券之負債部分乃採用實際利率法以攤銷成本計量。可換股期權衍生工具其後於各結算日以公平值計量。

與發行可換股票據及債券有關之交易成本會根據彼等各自於發行日期之相關公平值，分配至可換股債券之負債部分及可換股衍生工具。與換股期權有關之部分將於損益賬內扣除。

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For the year ended March 31, 2006

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Equity instruments

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

Derivatives financial instruments

Derivative financial instruments are initially measured at fair value on the contract date, and are remeasured to fair value at subsequent reporting dates. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in profit or loss as they arise.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are separated from the relevant host contracts (the liability component) and deemed as held-for-trading when the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contracts, and the combined contracts are not measured at fair value through profit or loss. In all other circumstances, derivatives embedded are not separated and are accounted for together with the host contracts in accordance with appropriate standards. Where the Group needs to separate an embedded derivative but is unable to measure the embedded derivative, the combined contract is treated as held-for-trading.

Derecognition

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

For financial liabilities, they are removed from the Group's balance sheet when, and only when they are extinguished (i.e. when the obligation specified in the relevant contract is discharged, cancelled or expires). The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

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3. 重大會計政策 (續)

金融工具 (續)

股本工具

本公司發行之股本工具乃按實得款項（扣除直接發行成本）入賬。

衍生金融工具

衍生金融工具初步按合約日期的公平值入賬，並於其後之申報日期重新計算至公平值。不符合對沖會計法之衍生金融工具之公平值變動乃於產生時在損益確認。

附帶衍生工具

附帶於非衍生主合同之衍生工具乃自有關主合同分開（負債部份），而當附帶衍生工具之經濟特質及風險與主合同之經濟特質及風險並無密切關係，及合併合同並非按公平值計入損益時，則被視作持作買賣。在所有其他情況下，附帶衍生工具不會分開處理，並根據適用準則與主合同一併處理。倘本集團需要分開處理附帶衍生工具，惟未能計量附帶衍生工具，則整份合併合同會被當作為持作買賣。

解除確認

當從資產收取現金流的權利屆滿時，或金融資產已轉讓而本集團實質上已將與金融資產有關的所有權的大部分風險和報酬轉移，即會解除確認該項金融資產。一旦解除確認金融資產，資產的賬面值與收到的代價與已直接在權益中確認的累積損益之總和兩者的差額會在損益中確認。

當金融負債消除時（即當有關合約中規定的義務解除、取消或到期時），會將該項金融負債從本集團的資產負債表內剔除。解除確認的金融負債的賬面值與已付或應付的代價（包括已轉讓的非現金資產或所承擔的負債）間的差額會在損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity settled share-based payment transactions

Share options granted to employees of the Company

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period with a corresponding increase in equity (share option reserve).

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

Government grants

Government grants are recognised as income over the periods necessary to match them with the related costs. Grants related to depreciable assets are presented as a deduction from the carrying amount of the relevant asset and are released to income over the useful lives of the assets. Grants related to expense items are recognised in the same period as those expenses are charged in the income statement and are reported separately as “other income”.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at March 31, 2006 was HK\$275,375,000 (2005: HK\$209,394,000) with no impairment loss recognised. Details of the value in use calculation are set out in note 21. When the actual future cash flows are less than expected, a material impairment loss may arise.

3. 重大會計政策 (續)

以股本結算及以股份形式付款之交易

授予本公司僱員之購股權

經參考所授購股權於授出日期之公平值釐定之已收服務公平值，乃於歸屬期間按直線法列支，權益（購股權儲備）則會相應增加。

當購股權獲行使時，早前於購股權儲備確認之數額將轉撥至股份溢價。倘購股權於歸屬日期後被收回或於屆滿日期尚未行使，早前於購股權儲備確認之數額將轉撥至保留盈利。

政府補助金

政府補助金乃在與相關成本配對之所需期間確認為收入。有關可折舊資產的補助金均列作有關資產賬面金額之一項扣減，並按該等資產之可使用年期轉撥至收入。有關開支項目之補助金乃於該等開支於收益表支銷之同一期間確認入賬，並分開呈報為「其他收入」。

4. 估計不明朗因素之主要來源

涉及日後之主要假設及於結算日估計不明朗因素之其他主要來源（彼等均擁有導致下個財政年度之資產及負債之賬面值出現大幅調整之重大風險）討論如下。

商譽減值

釐訂商譽是否出現減值須估計商譽所分配至之賺取現金單位之使用價值。計算使用價值時，公司須估計賺取現金單位預期產生之現金流量，以及選擇一合適之貼現率以計算現值。於二零零六年三月三十一日，商譽之賬面值為 275,375,000 港元（二零零五年：209,394,000 港元），且並無確認減值虧損。計算使用價值之詳情載於附註 21。當實際未來現金流量少於預期時，則會產生重大減值虧損。

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5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include amounts due from/to customers for contract work, trade and other receivables, trade and other payables, amounts due to minority shareholders of subsidiaries, bank and other borrowings, convertible note and bonds and bank balances and cash. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies applied by the Group on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Group collects most of its revenue in Renminbi ("RMB") and most of the expenditures as well as capital expenditures are also denominated in RMB.

RMB is not a freely convertible currency. Future exchange rates of RMB could vary significantly from the current or historical exchange rates as a result of controls that could be imposed by the PRC government. The exchange rates may also be affected by economic developments and political changes domestically and internationally, and supply and demand of RMB. The appreciation or devaluation of RMB against Hong Kong dollars and United States dollars ("USD") may have positive or negative impact on the results of operations of the Group.

Certain borrowings of the Group are denominated in USD and Japanese Yen ("JPY"). The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

Interest rate risks

The Group does not have any specific interest rate policy except that the Group would regularly review the market interest rates to capture potential opportunities to reduce the cost of borrowings. Accordingly, the Group enters into interest rate swap arrangement to hedge the interest rate risks as appropriate.

Fair value interest rate risk

The Group's fair value interest rate risk relates primarily to fixed-rate bank and other borrowings and the convertible bond issued by the Group in the current year (see notes 29 and 34 for details of these borrowings and convertible bond).

5. 財務風險管理目標及政策

本集團之主要財務工具包括應收／應付客戶之合約工程款項、貿易應收賬款及其他應收賬項、貿易應付賬款及其他應付款項、應付附屬公司少數股東之款項、銀行及其他借貸、可換股票據及債券，以及銀行結餘及現金。該等金融工具詳情於各附註披露。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

貨幣風險

本集團大部份收益均以人民幣收取，而大部份開支及資本開支亦均以人民幣計值。

人民幣為不可自由兌換之貨幣。人民幣之未來匯率或會因中國政府可能施加之控制而與現時或過往之匯率出現重大差異。匯率亦會受本地及國際經濟發展及政治變動，以及人民幣之供求所影響。人民幣對港元及美元升值或貶值可能會對本集團之業績構成正面或負面影響。

本集團若干借貸及以美元及日元計值。本集團現時並無外匯對沖政策。然而，管理層會密切監察外匯風險，並將於有需要時考慮為重大外匯風險進行對沖。

利率風險

本集團並無任何特定之利率政策，惟本集團會訂期審閱市場利率，以把握降低借貸成本之潛在機會。因此，本集團會於適當情況下訂立利率掉期安排對沖利率風險。

公平值利率風險

本集團之公平值利率風險主要與定息銀行及其他借貸，以及本集團於本年度發行之可換股票據（有關該等借貸及可換股債券之詳情見附註29及34）有關。

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risks (Continued)

Cash flow interest rate risk

The Group's cash flow interest rate risk primarily relates to variable-rate bank and other borrowings (see note 29). The Group entered into interest rate swaps to hedge against its exposures to changes in fair values of the borrowings. The critical terms of these interest rate swaps are similar to those of hedged notes. These interest rate swaps do not qualify for hedge accounting. The change in fair value of the interest rate swaps are recognised in the profit and loss as they arise.

6. REVENUE

Revenue represents the sales of piped gas, gas connection fees, net amounts received and receivable for goods sold, rental income and dividend income received and receivable by the Group for the year and is analysed as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
Gas connection fees	燃氣接駁費	325,632	292,150
Sales of piped gas	銷售管道燃氣	288,115	105,030
Sales of goods	銷售貨物	15,218	13,347
Rental income	租金收入	1,070	494
Dividend income	股息收入	487	368
		630,522	411,389

7. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into four operating divisions – property investment, financial and securities investment, gas connection and sales of piped gas. These principal operating activities are the basis on which the Group reports its primary segment information.

5. 財務風險管理目標及政策 (續)

利率風險 (續)

現金流量利率風險

本集團之現金流量利率風險主要涉及以浮動利率計息之銀行及其他借貸(見附註29)。本集團訂立利率掉期，以對沖借貸公平值變動之風險。此等利率掉期之主要條款與所對沖票據之條款相若。此等利率掉期不符合對沖會計處理法。利率掉期之公平值變動於產生時在損益賬確認。

6. 收益

收益指年內本集團銷售管道燃氣收入、燃氣接駁費、已售貨品之已收及應收款項淨額、租金收入及股息收入，分析如下：

7. 業務及地域分項資料

業務分項

就管理而言，本集團目前經營四類業務—物業投資、金融及證券投資、燃氣接駁及銷售管道燃氣。此等主要經營業務乃本集團呈報其主要分類資料之基礎。

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7. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

Segment information about these businesses is presented below:

2006

		Financial and securities investment					Gas connection	Sales of piped gas	Others	Consolidated
		Property investment	Financial and securities investment	Gas connection	Sales of piped gas	Gas connection	Sales of piped gas	Others	Consolidated	
		物業投資	金融及證券投資	燃氣接駁	管道燃氣銷售	燃氣接駁	管道燃氣銷售	其他	綜合	
		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	
REVENUE	收入	1,070	487	325,632	288,115			15,218	630,522	
SEGMENT RESULT	分類業績	7,101	460	186,372	22,117			(7,708)	208,342	
Unallocated corporate revenue	未分配公司收益								35,752	
Unallocated corporate expenses	未分配公司開支								(81,204)	
Finance costs	財務費用								(44,207)	
Change in fair value of derivative financial instruments	衍生金融工具公平值變更								25,669	
Gain on disposal of subsidiaries	出售附屬公司之收益	-	-	-	443				443	
Discount on acquisition of a subsidiary, a jointly controlled entity and businesses	收購附屬公司及共同控制實體及業務之折讓	-	-	393	37,500				37,893	
Share of results of associates	應佔聯營公司業績	-	-	-	(138)				(138)	
Profit before taxation	除稅前溢利								182,550	
Taxation	稅項								(2,482)	
Profit for the year	本年度溢利								180,068	
ASSETS	資產									
Segment assets	分類資產	44,450	27,989	527,919	4,083,301			7,549	4,691,208	
Unallocated corporate assets	未分配公司資產								402,680	
Consolidated total assets	綜合資產總值								5,093,888	
LIABILITIES	負債									
Segment liabilities	分類負債	149	-	176,476	191,048			6,976	374,649	
Unallocated corporate liabilities	未分配公司負債								2,598,473	
Consolidated total liabilities	綜合負債總值								2,973,122	
OTHER INFORMATION	其他資料									
Additions to goodwill	商譽添置	-	-	-	65,981				65,981	
Additions to property, plant and equipment	物業、廠房及設備之添置	-	-	-	881,830				881,830	
Additions to property, plant and equipment (unallocated)	物業、廠房及設備之添置 (未分配)								21,256	
									969,067	
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	-	-	-	42,700				42,700	
Depreciation of property, plant and equipment (unallocated)	物業、廠房及設備之折舊 (未分配)								4,168	
									46,868	

7. 業務及地域分項資料 (續)

業務分項 (續)

此等業務之分類資料呈列如下：

二零零六年

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7. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

Geographical segments

The Group's operations are located in Hong Kong and the PRC. The Group's property investment, financial and securities investment divisions are located in Hong Kong. Sales of piped gas and gas connection are carried out in the PRC. Accordingly, no analysis of the Group's sales by geographical market, the carrying amount of segment assets, and additions to property, plant and equipment, analysed by the geographical area is presented.

7. 業務及地域分項資料 (續)

地區分部

本集團之業務位於香港及中國。本集團之物業投資、金融及證券投資分部位於香港。管道燃氣與燃氣接駁業務則於中國進行。因此，本集團並無按地區市場劃分、分部資產之賬面值與添置物業、廠房及設備對銷售作出分析。

8. OTHER INCOME

8. 其他收入

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
Interest income	利息收入	21,553	1,911
Subsidies of PRC governmental authorities (note)	中國政府機構之資助 (附註)	3,822	10,665
Sundry income	雜項收入	11,702	2,801
Gain on disposal of investment properties	出售投資物業之收益	-	300
Foreign exchange gain	匯兌	2,503	-
		39,580	15,677

Note: Pursuant to notices of compensation dated August 21, 2003 and August 26, 2003 issued by the relevant government authorities in the PRC, 蕪湖縣中燃城市發展有限公司 and 淮南中燃城市發展有限公司, subsidiaries of the Company, are entitled to receive compensation from the government authorities to subsidise their coal gas operation for two years and three years after their incorporation, respectively. During the year, HK\$3,822,000 (2005: HK\$10,665,000) was recognised as income.

附註：根據中國有關政府機關於二零零三年八月二十一日及二零零三年八月二十六日發出的賠償通知書，本公司的附屬公司蕪湖縣中燃城市發展有限公司及淮南中燃城市發展有限公司分別於註冊成立兩年及三年內有權向政府機關收取賠償資助其煤氣營業務。年內，3,822,000 港元（二零零五年：10,665,000 港元）已確認為收入。

9. FINANCE COSTS

9. 財務費用

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
Interest on:	以下項目之利息：		
Bank loans and other borrowings wholly repayable within five years	須於五年內全數償還之銀行貸款及其他借款	60,189	28,980
Bank loans not wholly repayable within five years	毋須於五年內全數償還之銀行貸款	35,126	22,189
Obligations under a finance lease	融資租賃承擔	10	20
Convertible note (note 31)	可換股票據 (附註 31)	145	1,765
Convertible bonds (note 34)	可換股債券 (附註 34)	10,436	5,438
Convertible bonds redemption premium	贖回可換股債券溢價	-	5,646
		105,906	64,038
Less: Interest capitalised to construction in progress	減：撥充在建工程成本之利息	(61,699)	(36,610)
		44,207	27,428

Borrowing costs capitalised during the year arose on the borrowing directly attributable to expenditure on qualifying assets.

年內撥充資本的來自借貸的借貸成本直接歸屬於合資格資產的開支。

10. DISCOUNTS ON ACQUISITION OF SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND BUSINESSES

10. 收購附屬公司、共同控制實體及業務之折讓

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Discount on acquisition of a subsidiary (note 36)	收購一家附屬公司之折讓 (附註 36)	-	150
Discount on acquisitions of additional interest in subsidiaries (note 46(iii))	收購附屬公司額外權益之折讓 (附註 46(iii))	-	10,815
Discount on acquisition of jointly controlled entities (note 37)	收購共同控制實體之折讓 (附註 37)	-	5,033
Discount on acquisition of businesses (note 38)	收購業務之折讓 (附註 38)	37,893	-
		37,893	15,998

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11. TAXATION

The amount represents PRC income tax for both years.

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group had no assessable profit for both years.

Taxation arising in other jurisdiction is calculated at the rates prevailing in the relevant jurisdictions.

Pursuant to the relevant laws and regulations in the PRC, certain PRC subsidiaries of the Group are entitled to exemption from PRC enterprise income tax for the first two years commencing from their first profit-making year of operation and thereafter, these PRC subsidiaries will be entitled to a 50% relief from PRC enterprise income tax for the following three years. The reduced tax rate for the relief period is ranging from 7.5% to 16.5%. The charge of PRC enterprise income tax for the years has been provided for after taking these tax incentives into account.

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11. 稅項

有關款項指二零零五年及二零零六年之中國所得稅。

由於本集團於兩年度均無應課稅溢利，故並未於財務報表就香港利得稅作出撥備。

其他司法權區之稅項乃按個別司法權區之適用稅率計算。

根據中國有關法律及法規，本集團若干中國附屬公司於首次獲得盈利年度後首兩年內獲豁免企業所得稅，其後之三年內，該等中國附屬公司將獲寬減50%之中國企業所得稅。寬減期內之已削減稅率介乎7.5厘至16.5厘。經考慮稅務優惠後，該等年度之中國企業所得稅收費已作出撥備。

11. TAXATION (Continued)

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

11. 稅項 (續)

年度稅項與收益表所示之除稅前(虧損)溢利之對賬如下:

		Hong Kong 香港		PRC 中國		Total 總計	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
(Loss) profit before taxation	除稅前(虧損)溢利	(2,368)	(70,917)	184,918	204,792	182,550	133,875
Tax at the domestic income tax rate	按本地所得稅率 計算之稅項	(414)	(12,410)	61,023	67,581	60,609	55,171
Tax effect of expenses not deductible for tax purpose	就稅項而言不可扣減之 開支之稅項影響	3,479	7,982	3,832	1,250	7,311	9,232
Tax effect of income not taxable for tax purpose	就稅項而言毋須課稅之 收入之稅項影響	(13,916)	(596)	(5,010)	(6,162)	(18,926)	(6,758)
Tax effect of estimated tax losses not recognised	並無確認之估計稅項 虧損之稅項影響	10,851	5,250	12,738	1,409	23,589	6,659
Utilisation of tax losses previously not recognised	動用過往未確認 之稅務虧損	-	(179)	-	(68)	-	(247)
Effect of tax exemption granted to certain PRC subsidiaries	授予若干中國附屬公司 之稅項豁免之影響	-	-	(70,101)	(62,517)	(70,101)	(62,517)
Others	其他	-	(47)	-	-	-	(47)
Taxation for the year	年度稅項	-	-	2,482	1,493	2,482	1,493

Note: The applicable tax rate for Hong Kong and the PRC is 17.5% and 33%, respectively (2005: 17.5% and 33%, respectively).

附註: 香港及中國適用之所得稅稅率分別為 17.5% 及 33% (二零零五年: 分別為 17.5% 及 33%)。

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12. PROFIT FOR THE YEAR

12. 本年度溢利

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
Profit for the year has been arrived at after charging (crediting):		
Auditors' remuneration	2,000	1,500
Depreciation of property, plant and equipment on:		
Owned assets	46,752	10,986
Asset held under a finance lease	116	117
	46,868	11,103
Release of prepaid lease payments	1,113	204
Loss on disposal of property, plant and equipment	-	51
Minimum lease payments for operating leases in respect of:		
- rented premises	4,699	4,640
- equipment	128	550
Staff costs:		
Directors' emoluments (below)	6,729	35,750
Salaries and allowances of other staff	63,927	29,420
Contributions to retirement benefit scheme contributions of other staff	5,430	1,477
Less: amount capitalised in construction in progress	(4,885)	(2,168)
	71,201	64,479
Unrealised holding loss on other investments	-	370
Rental income from investment properties less outgoings of HK\$42,000 (2005: HK\$54,000)	(1,028)	(440)

12. PROFIT FOR THE YEAR (Continued)**Emoluments of Directors and Employees***Directors*

The emoluments paid or payable to each of the directors were as follow:

2006

		Contributions to retirement benefits				
		Salaries and other benefits	Share-based payments	retirement benefits scheme	Total emoluments	
		Directors' fees	Share-based payments	retirement benefits scheme	Total emoluments	
		薪金及其他福利	以股份形式付款	退休福利計劃供款	酬金總額	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	
<i>Executive directors</i>		<i>執行董事</i>				
Mr. Li Xiao Yun	李小雲先生	–	–	91	91	
Mr. Xu Ying	徐鷹先生	–	–	2,261	2,273	
Mr. Liu Ming Hui	劉明輝先生	–	–	3,265	3,277	
Mr. Ma Jin Long	馬金龍先生	60	–	–	60	
Mr. Zhu Wei Wei	朱偉偉先生	–	520	12	532	
<i>Non-executive directors</i>		<i>非執行董事</i>				
Mr. Feng Zhuo Zhi	馮卓志先生	103	–	–	103	
Mr. Suresh Raghavanachari	Suresh Raghavanachari 先生	–	–	–	–	
Mr. Harrison Blacker	Harrison Blacker 先生	–	–	–	–	
Mr. Wu Bang Jie	吳邦傑先生	33	–	–	33	
<i>Independent non-executive directors</i>		<i>獨立非執行董事</i>				
Mr. Zhao Yu Hua	趙玉華先生	120	–	–	120	
Dr. Mao Er Wan	毛二萬博士	120	–	–	120	
Ms. Wong Sin Yue, Cynthia	黃倩如女士	120	–	–	120	
		556	520	5,617	36	
		6,729				

12. 本年度溢利 (續)**董事及僱員酬金***董事*

已付及應付予各董事之酬金如下：

二零零六年

		Contributions to retirement benefits				
		Salaries and other benefits	Share-based payments	retirement benefits scheme	Total emoluments	
		Directors' fees	Share-based payments	retirement benefits scheme	Total emoluments	
		薪金及其他福利	以股份形式付款	退休福利計劃供款	酬金總額	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	
<i>Executive directors</i>		<i>執行董事</i>				
Mr. Li Xiao Yun	李小雲先生	–	–	91	91	
Mr. Xu Ying	徐鷹先生	–	–	2,261	2,273	
Mr. Liu Ming Hui	劉明輝先生	–	–	3,265	3,277	
Mr. Ma Jin Long	馬金龍先生	60	–	–	60	
Mr. Zhu Wei Wei	朱偉偉先生	–	520	12	532	
<i>Non-executive directors</i>		<i>非執行董事</i>				
Mr. Feng Zhuo Zhi	馮卓志先生	103	–	–	103	
Mr. Suresh Raghavanachari	Suresh Raghavanachari 先生	–	–	–	–	
Mr. Harrison Blacker	Harrison Blacker 先生	–	–	–	–	
Mr. Wu Bang Jie	吳邦傑先生	33	–	–	33	
<i>Independent non-executive directors</i>		<i>獨立非執行董事</i>				
Mr. Zhao Yu Hua	趙玉華先生	120	–	–	120	
Dr. Mao Er Wan	毛二萬博士	120	–	–	120	
Ms. Wong Sin Yue, Cynthia	黃倩如女士	120	–	–	120	
		556	520	5,617	36	
		6,729				

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12. PROFIT FOR THE YEAR (Continued)

Emoluments of Directors and Employees (Continued)

Directors (Continued)

2005 (Restated)

		Directors' fees	Salaries and other benefits	Share-based payments	Contributions to retirement benefits scheme	Total emoluments
		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
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Li Xiao Yun	李小雲先生	1,100	–	–	–	1,100
Mr. Xu Ying	徐鷹先生	–	2,040	12,057	12	14,109
Mr. Liu Ming Hui	劉明輝先生	–	2,040	17,417	12	19,469
Mr. Ma Jin Long	馬金龍先生	–	–	–	–	–
Mr. Zhu Wei Wei	朱偉偉先生	–	460	–	12	472
<i>Non-executive directors</i>	<i>非執行董事</i>					
Mr. Wu Bang Jie	吳邦傑先生	240	–	–	–	240
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Mr. Zhao Yu Hua	趙玉華先生	120	–	–	–	120
Dr. Mao Er Wan	毛二萬博士	120	–	–	–	120
Ms. Wong Sin Yue, Cynthia	黃倩如女士	120	–	–	–	120
		1,700	4,540	29,474	36	35,750

During both years, no remuneration was paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. During the year ended March 31, 2006, Messrs. Xu Ying and Liu Ming Hui waived emoluments of HK\$7,200,000 and HK\$7,200,000 respectively. No directors waived any emoluments during the year ended March 31, 2005.

12. 本年度溢利 (續)

董事及僱員酬金 (續)

董事 (續)

二零零五年 (重列)

		Directors' fees	Salaries and other benefits	Share-based payments	Contributions to retirement benefits scheme	Total emoluments
		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
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Li Xiao Yun	李小雲先生	1,100	–	–	–	1,100
Mr. Xu Ying	徐鷹先生	–	2,040	12,057	12	14,109
Mr. Liu Ming Hui	劉明輝先生	–	2,040	17,417	12	19,469
Mr. Ma Jin Long	馬金龍先生	–	–	–	–	–
Mr. Zhu Wei Wei	朱偉偉先生	–	460	–	12	472
<i>Non-executive directors</i>	<i>非執行董事</i>					
Mr. Wu Bang Jie	吳邦傑先生	240	–	–	–	240
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Mr. Zhao Yu Hua	趙玉華先生	120	–	–	–	120
Dr. Mao Er Wan	毛二萬博士	120	–	–	–	120
Ms. Wong Sin Yue, Cynthia	黃倩如女士	120	–	–	–	120
		1,700	4,540	29,474	36	35,750

本集團於兩年內均無支付薪酬予董事作為吸引其加盟或作為離職之賠償。於截至二零零六年三月三十一日止年度，徐鷹先生及劉明輝先生分別放棄 7,200,000 港元及 7,200,000 港元之酬金。概無任何董事於截至二零零五年三月三十一日止年度放棄任何酬金。

12. PROFIT FOR THE YEAR (Continued)**EMOLUMENTS OF DIRECTORS AND EMPLOYEES (Continued)***Employees*

Of the five individuals with the highest emoluments in the Group, two (2005: three) were directors of the Company whose emoluments are included in the disclosures above. The emoluments of the remaining three (2005: two) individuals were as follows:

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries and other benefits	薪金及其他福利	7,780	1,215
Retirement benefit scheme contributions	退休福利計劃供款	66	42
		7,846	1,257

Their emoluments were within the following bands:

		2006	2005
		二零零六年	二零零五年
		No. of	No. of
		employee	employee
		僱員人數	僱員人數
		HK\$'000	HK\$'000
		千港元	千港元
HK\$nil to HK\$1,000,000	零至 1,000,000 港元	1	2
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元	1	-
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	1	-

13. DIVIDENDS

The Board recommended the payment of a final dividend of HK1 cent (2005: Nil) per share for the year ended March 31, 2006 to the holders of ordinary shares of the Company whose names appear on the Registrar of Members of the Company on August 29, 2006, subject to shareholders' approval at the forthcoming annual general meeting and subject to the proposed reorganisation of the Company as may be made by the Company. The Company will make further announcement in relation to the proposed reorganisation of the Company in due course.

The final dividend, if approved by the shareholders, is expected to be payable on or about September 29, 2006.

12. 本年度溢利 (續)**董事及僱員酬金 (續)***僱員*

本集團最高薪之五名個別人士中，兩名（二零零五年：三名）為本公司董事，彼等之酬金於上文披露。其餘三名（二零零五年：兩名）個別人士之酬金如下：

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries and other benefits	薪金及其他福利	7,780	1,215
Retirement benefit scheme contributions	退休福利計劃供款	66	42
		7,846	1,257

彼等之酬金範圍如下：

		2006	2005
		二零零六年	二零零五年
		No. of	No. of
		employee	employee
		僱員人數	僱員人數
		HK\$'000	HK\$'000
		千港元	千港元
HK\$nil to HK\$1,000,000	零至 1,000,000 港元	1	2
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元	1	-
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	1	-

13. 股息

董事會建議向於二零零六年八月二十九日名列本公司股東名冊之本公司普通股持有人派付截至二零零六年三月三十一日止年度之末期股息每股 1 港仙（二零零五年：無），惟須待股東於應屆股東週年大會批准及本公司可能作出之本公司建議重組，方告作實。本公司將於適當時候就本公司之建議重組作進一步公佈。

倘獲股東批准，末期股息預期將於二零零六年九月二十九日或相近日子派付。

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14. EARNINGS PER SHARE

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

14. 每股盈利

本公司普通股本持有人應佔每股基本及攤薄盈利乃按下列資料計算：

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
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Earnings for the purpose of basic and diluted earnings per share (Profit for the year attributable to equity holders of the Company)	計算每股基本及攤薄盈利之盈利 (本公司股本持有人應佔 本年度溢利)	156,736	96,617
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	2006 二零零六年 '000 千股	2005 二零零五年 '000 千股
--	-----------------------------	-----------------------------

Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利 之普通股加權平均數	2,548,931	1,844,957
Effect of dilutive potential ordinary shares:	普通股潛在攤薄之影響：		
Share options (note a)	購股權 (附註 a)	234,148	18,116
Stock subscription option (note b)	股份認購權 (附註 b)	2,407	-
Convertible note (note c)	可換股票據 (附註 c)	NA	NA
Convertible bonds (note c)	可換股債券 (附註 c)	NA	NA
Warrants	認股權證	42,870	31,275
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利之 普通股加權平均數	2,828,356	1,894,348

14. EARNINGS PER SHARE (Continued)

- (a) Weighted average number of ordinary shares for the purpose of the computation of diluted earnings per share has been accounted for the effect of the options with dilutive effect.
- (b) Weighted average number of ordinary shares for the purpose of computation of diluted earnings per share has been accounted for the effect of potential issuance of shares upon exercise of the option.
- (c) The computation of diluted earnings per share for the year ended March 31, 2006 and the restated diluted earnings per share for the year ended March 31, 2005, did not assume the conversion of the Company's outstanding convertible note and bonds, since their conversion would increase the earnings per share, after taken into account of the effect of imputed interest expenses incurred.

Impact of changes in accounting policy

Changes in the Group's accounting policies during the year are described in details in note 2. To the extent that those changes have had an impact on results reported for the year ended March 31, 2006 and 2005, they have had an impact on the amounts reported for earnings per share.

14. 每股盈利 (續)

- (a) 就計算每股攤薄盈利而言之普通股加權平均數已計入具攤薄影響之購股權之影響。
- (b) 就計算每股攤薄盈利而言之普通股加權平均數已計入於行使購股權時潛在發行之股份之影響。
- (c) 計算截至二零零六年三月三十一日止年度之每股攤薄盈利及重列截至二零零五年三月三十一日止年度之每股攤薄盈利並無假設本公司之未行使可換股票據及債券獲轉換，此乃由於經計及所產生之應計利息開支後，可換股票據及債券之轉換將增加每股盈利。

會計政策變更之影響

本集團於年內之會計政策之變更之詳情載於附註2。倘對截至二零零六年及二零零五年三月三十一日止年度之已申報業績有影響之變動，亦對每股盈利之所申報數額有影響。

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14. EARNINGS PER SHARE (Continued)

Impact of changes in accounting policy (Continued)

The following table summarises the impact of the changes of the Group's accounting policies on both basic and diluted earnings per share:

		Impact on basic earnings per share		Impact on diluted earnings per share	
		對每股基本盈利之影響		對每股攤薄盈利之影響	
		2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年
		HK cents	HK cents	HK cents	HK cents
		港仙	港仙	港仙	港仙
Figures before adjustments	調整前之數字	5.56	7.17	4.86	6.82
Adjustments arising from changes in accounting policies (see note 2)	因會計政策變更而產生之調整 (見附註 2)	0.59	(1.93)	0.68	(1.72)
Reported/restated	申報/重列	6.15	5.24	5.54	5.10

14. 每股盈利 (續)

會計政策變更之影響 (續)

下表概述本集團會計政策之變更對每股基本及攤薄盈利之影響：

15. INVESTMENT PROPERTIES

15. 投資物業

		HK\$'000
		千港元
FAIR VALUE	公平值	
At April 1, 2004	於二零零四年四月一日	9,620
Disposals (note a)	出售 (附註 a)	(9,620)
At March 31, 2005	於二零零五年三月三十一日	–
At April 1, 2005	於二零零五年四月一日	
– as originally stated	– 原列	–
– effect on adoption of HKAS 40 (note b)	– 採納香港會計準則第 40 號之影響 (附註 b)	24,400
– restated	– 重列	24,400
Transferred from property, plant and equipment and prepaid lease payments (note c)	轉撥自物業、廠房及設備及預付租賃款項 (附註 c)	13,977
Change in fair value (note d)	公平值變更 (附註 d)	6,073
At March 31, 2006	於二零零六年三月三十一日	44,450

15. INVESTMENT PROPERTIES (Continued)

Notes:

- (a) During the year ended March 31, 2005, the Group had disposed of all its investment properties to independent third parties at an aggregate consideration of HK\$9,920,000
- (b) Upon the adoption of HKAS 40, prepaid lease payment in respect of land held for undetermined use of HK\$17,500,000 were reclassified as investment properties as at April 1, 2005. The fair value of such investment properties was revalued on April 1, 2005 by LCH (Asia-Pacific) Surveyors Limited, independent qualified professional valuer not connected with the Group. The resulting surplus of HK\$6,900,000 was credited to accumulated profits.
- (c) Buildings and prepaid lease payments having an aggregate carrying value of HK\$12,376,000 were revalued on April 1, 2005 by LCH (Asia-Pacific) Surveyors Limited. The resulting surplus HK\$1,601,000 was credited to properties revaluation reserve.
- (d) The fair value of the Group's investment properties at March 31, 2006 have been arrived at on the basis of a valuation carried out at these dates by LCH (Asia-Pacific) Surveyors Limited. The resulting surplus HK\$6,073,000 was credited to income statement.

LCH (Asia-Pacific) Surveyors Limited has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation, which conforms to Hong Kong Institute of Surveyors Valuation Standards on Properties, was arrived at by reference to comparable market transactions and rental yield for similar properties.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

15. 投資物業 (續)

附註：

- (a) 於截至二零零五年三月三十一日止年度，本集團已全數出售其投資物業予獨立第三方，總代價為9,920,000港元。
- (b) 於採納香港會計準則第40號後，於二零零五年四月一日，價值17,500,000港元之所持未確定用途土地之預付租賃款項重新歸類為投資物業。該等投資物業之公平值於二零零五年四月一日由與本集團並無關連之獨立合資格專業估值師利駿行測量師有限公司重估。結果之6,900,000港元盈利已列入累計溢利。
- (c) 總賬面值為12,376,000港元之樓宇及預付租賃款項於二零零五年四月一日由利駿行測量師有限公司重估。重估得出之1,601,000港元盈利已列入物業重估儲備。
- (d) 本集團之投資物業於二零零六年三月三十一日之公平值乃根據利駿行測量師有限公司於該等日期進行之估值達致。結果之6,073,000港元之盈餘已列入收益表。

利駿行測量師有限公司擁有適當資格，近期亦有估算附近地區之類似物業之經驗。估值符合香港測量師學會之物業估值標準，乃參考可資比較市場交易及類似物業之回報後得出。

本集團全部根據經營租約持有以賺取租金或作為資本增值之物業權益乃以公平值模式測量及歸類及入賬記作投資物業。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Buildings	Pipelines	Construction in progress	Machinery and equipment	Furniture and fixtures	Motor vehicles	Total
		樓宇	管道	在建工程	機器及 設備	傢俬及 固定裝置	汽車	總計
		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
COST	成本							
At April 1, 2004	於二零零四年四月一日							
– as originally stated	– 原列	48,388	35,823	134,243	12,101	4,720	11,435	246,710
– effect on adoption of HKAS 17	– 採納香港會計準則 第 17 號之影響	(32,750)	–	–	–	–	–	(32,750)
as restated	重列	15,638	35,823	134,243	12,101	4,720	11,435	213,960
Additions	添置	2,303	10,906	609,984	12,522	2,639	10,695	649,049
Acquired on acquisition of subsidiaries	收購附屬公司所得	16,020	25,029	44,970	20,452	523	1,382	108,376
Acquired on acquisition of jointly controlled entities	收購共同控制 實體所得	–	–	–	–	776	–	776
Reclassification	重新分類	155	32,183	(32,338)	–	–	–	–
Disposals	出售	–	–	–	(67)	(62)	–	(129)
At March 31, 2005	於二零零五年 三月三十一日	34,116	103,941	756,859	45,008	8,596	23,512	972,032
Additions	添置	6,852	51,288	417,133	21,691	2,907	17,311	517,182
Acquired on acquisition of a jointly controlled entity	收購共同控制 實體所得	17,381	12,595	58,927	19,463	–	1,744	110,110
Acquired on acquisition of businesses	收購業務所得	51,074	152,982	15,505	50,060	1,233	4,940	275,794
Disposal of a subsidiary	出售附屬公司	–	(287)	(5,434)	(10)	(53)	(30)	(5,814)
Reclassification	重新歸類	–	223,332	(226,558)	3,226	–	–	–
Transferred to investment properties	轉撥至投資物業	(4,417)	–	–	–	–	–	(4,417)
Exchange realignment	匯兌調整	180	999	7,277	433	50	207	9,146
At March 31, 2006	於二零零六年 三月三十一日	105,186	544,850	1,023,709	139,871	12,733	47,684	1,874,033

16. PROPERTY, PLANT AND EQUIPMENT (Continued)

16. 物業、廠房及設備 (續)

		Buildings	Pipelines	Construction in progress	Machinery and equipment	Furniture and fixtures	Motor vehicles	Total
		樓宇	管道	在建工程	機器及 設備	傢俬及 固定裝置	汽車	總計
		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
DEPRECIATION AND IMPAIRMENT	折舊及減值							
At April 1, 2004	於二零零四年 四月一日							
– as originally stated	– 原列	4,521	591	–	2,062	618	1,449	9,241
– effect on adoption of HKAS 17	– 採納香港會計準則 第 17 號之影響	(1,586)	–	–	–	–	–	(1,586)
as restated	重列	2,935	591	–	2,062	618	1,449	7,655
Provided for the year	年內撥備	1,619	1,958	–	3,402	1,287	2,837	11,103
Impairment loss reversed in the income statement (note below)	已於收益表 撥回之減值虧損 (見下文附註)	(1,330)	–	–	–	–	–	(1,330)
Eliminated on disposals	出售後撇除	–	–	–	(2)	(58)	–	(60)
At March 31, 2005	於二零零五年 三月三十一日	3,224	2,549	–	5,462	1,847	4,286	17,368
Provided for the year	年內撥備	5,155	23,396	–	10,261	1,557	6,499	46,868
Eliminated on transfer to investment properties	轉撥至投資 物業後撇除	(167)	–	–	–	–	–	(167)
Eliminated on disposal of a subsidiary	出售一間附屬 公司時撇除	–	–	–	(1)	(10)	(3)	(14)
Exchange realignment	匯兌調整	8	25	–	53	13	35	134
At March 31, 2006	於二零零六年 三月三十一日	8,220	25,970	–	15,775	3,407	10,817	64,189
CARRYING VALUES	賬面值							
At March 31, 2006	於二零零六年 三月三十一日	96,966	518,880	1,023,709	124,096	9,326	36,867	1,809,844
At March 31, 2005	於二零零五年 三月三十一日	30,892	101,392	756,859	39,546	6,749	19,226	954,664

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16. PROPERTY, PLANT AND EQUIPMENT (Continued)

The carrying value of buildings of the Group shown above comprises:

16. 物業、廠房及設備 (續)

本集團上述樓宇之賬面值包括：

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
In Hong Kong		
Long lease	6,889	10,423
Outside Hong Kong		
Medium-term lease	90,077	20,469
	96,966	30,892

The following rates are used for the depreciation of property, plant and equipment:

物業、廠房及設備乃按以下比率折舊：

Buildings	Over the shorter of the remaining terms of the leases or 50 years
樓宇	租約餘下年期或 50 年兩者中較短者
Pipelines	Over the shorter of 30 years or the operation period of the relevant company
管道	按 30 年或有關公司之經營年期兩者中較短者
Machinery and equipment	10%
機器及設備	10%
Furniture and fixtures	15% – 50%
傢俬及固定裝置	15% – 50%
Motor vehicles	25%
汽車	25%

During the year ended March 31, 2006, interest capitalised in construction in progress amounted to HK\$61,699,000 (2005: HK\$36,610,000).

於二零零六年三月三十一日止年度，撥充在建工程資本化之利息為 61,699,000 港元（二零零五年：36,610,000 港元）。

The carrying value of property, plant and equipment includes an amount of HK\$165,000 (2005: HK\$281,000) in respect of an asset held under a finance lease.

物業、廠房及設備之賬面值中包括根據融資租賃持有之資產 165,000 港元（二零零五年：281,000 港元）。

Note: During the year ended March 31, 2005, the directors determined that the impairment loss of HK\$1,330,000 of certain buildings were reversed, due to the increase in the recoverable amount after change of the core business of the Group.

附註：於截至二零零五年三月三十一日止年度，董事釐定若干樓宇之 1,330,000 港元減值虧損已撥回，原因是本集團之核心業務變動後可收回款項增加。

17. PREPAID LEASE PAYMENTS

17. 預付租賃款項

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
The Group's prepaid lease payments comprise:	本集團之預付租賃款項包括：		
Leasehold land in Hong Kong	於香港之租賃土地	21,220	30,872
Leasehold land in the PRC	於中國之租賃土地	75,140	13,116
		96,360	43,988
Analysed for reporting purposes as:	就申報目的之分析：		
Non-current portion	非即期部份	94,434	43,498
Current portion	即期部份	1,926	490
		96,360	43,988

During the year ended March 31, 2005, the directors determined that the impairment loss of HK\$1,338,000 of certain prepaid lease payments were reversed, due to the increase in the recoverable amount after change of the core business of the Group.

於截至二零零五年三月三十一日止年度，董事釐定若干預付租賃款項之1,388,000港元之減值虧損撥回，原因是本集團之核心業務變動後可收回款項增加。

The leasehold land and land use rights are held under medium term lease and charged to income statement on a straight-line basis over the term of lease.

租賃土地及土地使用權乃按中期租約持有及以直線法按租賃年期計入收益表。

18. INTERESTS IN ASSOCIATES

18. 於聯營公司之權益

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
			(Restated)
			(重列)
Cost of investments in associates – unlisted	投資於聯營公司之成本—非上市	751	751
Share of post-acquisition loss	分佔收購後虧損	(138)	–
		613	751

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18. INTERESTS IN ASSOCIATES (Continued)

As at March 31, 2006, the Group had interests in the following associates:

Name of entity 實體名稱	Form of business structure 業務架構形式	Place of incorporation/ registration 註冊成立/ 註冊地點	Principal place of operation 主要營業地點	Class of capital 股本類別	Proportion of nominal value of registered capital held by the Group 本集團所持有註冊股本面值比例 %	Principal activity 主要業務
北京宏達斯特燃氣技術開發公司	Incorporated 註冊成立	PRC 中國	PRC 中國	Ordinary 普通	22.1	Trading of natural gas 天然氣銷售
北京華昊恒通有限責任公司	Incorporated 註冊成立	PRC 中國	PRC 中國	Ordinary 普通	19.6 (note) (附註)	Trading of natural gas 天然氣銷售

Note: The Group is able to exercise significant influence over this company because it has the power to appoint two out of the six directors of that company.

附註：本集團可對該公司行使重大影響力，原因為本集團有權委任該公司6名董事之中2名。

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

本集團之聯營公司之財務資料概要載列如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Total assets	資產總值	14,689	15,497
Total liabilities	負債總額	(12,488)	(11,899)
Net assets	資產淨值	2,201	3,598
Group's share of associates' net assets	本集團分佔聯營公司之資產淨值	613	751
Revenue	收益	23,194	—
Loss for the year	年內虧損	(1,439)	—
Group's share of associates' loss for the year	本集團分佔聯營公司本年度虧損	(138)	—

19. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

At March 31, 2006, the Group had interests in the following significant jointly controlled entities:

Name of entity	Form of business structure	Place of incorporation/ registration	Principal place of operation	Class of capital	Proportion of nominal value of registered capital held by the Group	Principal activity
實體名稱	業務架構形式	註冊成立/ 註冊地點	主要 營業地點	股本類別	本集團持有 註冊股本 面值比例 %	主要業務
Beijing Jinggang Gas Development Company Limited* ("Beijing Jinggang") 北京京港燃氣有限公司 (「北京京港」)	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Ordinary 普通	49.0 (note a) (附註 a)	Trading of natural gas 天然氣銷售
柳州中燃城市燃氣有限公司 (「柳州中燃」)	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Ordinary 普通	50.0 (note b) (附註 b)	Trading of natural gas 天然氣銷售
揚州中燃城市燃氣發展有限公司 (「揚州中燃」)	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Ordinary 普通	50.0 (note b) (附註 b)	Trading of natural gas 天然氣銷售

* English name is for identification purposes only.

Notes:

- (a) The Group holds 49% of the issued share capital of Beijing Jinggang and three out of the seven directors of Beijing Jinggang are appointed by the Group, hence the Group controls 42.9% of the voting power in general meeting. As all the decisions made in the Board of Directors meeting require at least 2/3 votes from all of the directors, Beijing Jinggang is accounted for as a jointly controlled entity.
- (b) The Group holds 50% of the issued share capital of these companies and three out of the seven directors of these companies are appointed by the Group, hence the Group controls 42.9% of the voting power in general meeting. As all the decisions made in the Board of Directors meeting require at least 2/3 votes from all of the directors, these companies are accounted for as jointly controlled entities.

19. 於共同控制實體之投資

於二零零六年三月三十一日，本集團於以下重大共同控制實體擁有權益：

Name of entity	Form of business structure	Place of incorporation/ registration	Principal place of operation	Class of capital	Proportion of nominal value of registered capital held by the Group	Principal activity
實體名稱	業務架構形式	註冊成立/ 註冊地點	主要 營業地點	股本類別	本集團持有 註冊股本 面值比例 %	主要業務
Beijing Jinggang Gas Development Company Limited* ("Beijing Jinggang") 北京京港燃氣有限公司 (「北京京港」)	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Ordinary 普通	49.0 (note a) (附註 a)	Trading of natural gas 天然氣銷售
柳州中燃城市燃氣有限公司 (「柳州中燃」)	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Ordinary 普通	50.0 (note b) (附註 b)	Trading of natural gas 天然氣銷售
揚州中燃城市燃氣發展有限公司 (「揚州中燃」)	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Ordinary 普通	50.0 (note b) (附註 b)	Trading of natural gas 天然氣銷售

* 英文名稱僅供識別。

附註：

- (a) 本集團持有北京京港49%之已發行股本，而北京京港七名董事中三名由本集團委任，因此，本集團控制其股東大會42.9%之投票權。由於董事會之所有決定均需要所有董事之三分之二投票支持，北京京港被入賬列作本公司之共同控制實體。
- (b) 本集團持有該等公司50%之已發行股本，而該等公司七名董事中三名由本集團委任，因此，本集團控制其股東大會42.9%之投票權。由於董事會之所有決定均需要所有董事之三分之二投票支持，該等公司被入賬列作本公司之共同控制實體。

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19. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

(Continued)

The summarised financial information on the proportionate consolidated basis in respect of the Group's jointly controlled entities which are associated for using proportionate consolidation with the line-by-line reporting format is set out below:

19. 於共同控制實體之投資 (續)

本集團之共同控制實體之財務資料概要乃根據比例綜合基準編製，並按比列綜合列賬，並以下列之分項基準呈報：

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Current assets	流動資產	219,454	21,222
Non-current assets	非流動資產	232,847	1,494
Current liabilities	流動負債	60,938	2,262
Non-current liabilities	非流動負債	75,169	-
Revenue	收益	44,904	1,187
Profit (loss) for the year	本年度溢利 (虧損)	8,857	(1,035)

20. INVESTMENTS

Upon the adoption of HKAS 39 on April 1, 2005, the Group's investment securities and other investments have been reclassified to available-for-sale investments.

20. 投資

於二零零五年四月一日採納香港會計準則第39號後，本集團之證券投資及其他投資已重新歸類為可供出售投資。

		Investment securities		Other investments		Available-for-sale investments	
		投資證券	其他投資	其他投資	可供出售之投資		
		2006	2005	2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
		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
			(Restated)				
			(重列)				
Equity securities listed in Hong Kong, at fair value	於香港上市之股本證券，按公平值	-	5,490	-	14,430	19,386	-
Unlisted equity securities, at cost	非上市股本證券，按成本值	-	203	-	-	5,217	-
Club debenture, at fair value	會所債券，按公平值	-	-	-	-	3,386	-
		-	5,693	-	14,430	27,989	-
Carrying amount analysed for reporting purpose as:	賬面值分析 供呈報用途：						
Current	流動	-	-	-	14,430	-	-
Non-current	非流動	-	5,693	-	-	27,989	-
		-	5,693	-	14,430	27,989	-

Equity securities listed in Hong Kong are stated at fair value. The fair values of listed equity securities are based on quoted market price. Decrease in fair value of the listed equity securities classified as available-for-sale investments for the year ended March 31, 2006 of HK\$5,259,000 was charged to investment revaluation reserve. For the year ended March 31, 2005, unrealised loss on other investments of HK\$370,000 was charged to income statement.

Unlisted equity securities issued by private entities are measured at cost less impairment at the balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Group are of the opinion that their fair values cannot be measured reliably. During the year ended March 31, 2006, HK\$4,400,000 (2005: nil) impairment loss was recognised, as in the opinion of the directors, the investment could not demonstrate a predictable future cash inflow to the Group.

於香港上市之股本證券乃按公平值列賬。上市股本證券之公平值乃根據所報之市價釐定。於截至二零零六年三月三十一日止年度，被歸類為可供出售投資之上市股本證券之公平值減少5,259,000港元自投資重估儲備扣除。於截至二零零五年三月三十一日止年度，其他投資之未變現虧損370,000港元乃自收益表扣除。

由私人公司發行之非上市股本證券乃於結算日按成本減減值計量，原因為合理公平值之估計之範圍太大，本集團董事認為，其公平值不能可靠地計量。於截至二零零六年三月三十一日止年度，已確認4,400,000港元（二零零五年：無）之減值虧損，此乃由於董事認為，投資未能反映本集團之可預計未來現金流入。

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20. INVESTMENTS (Continued)

Club debentures are stated at fair value. Fair value of the club debenture has been determined by reference to the bid prices quoted in active market.

20. 投資 (續)

會所債券乃按公平值列賬。會所債券之公平值乃經參與活躍市場所報之投標價格釐定。

21. GOODWILL

21. 商譽

		HK\$'000 千港元
COST	成本值	
At April 1, 2004	於二零零四年四月一日	107,133
Arising on acquisitions of subsidiaries (note 36)	年內收購附屬公司所產生 (附註 36)	51,718
Arising on acquisitions of additional interest in subsidiaries (note 46(iv))	增購附屬公司權益所產生 (附註 46(iv))	50,543
At April 1, 2005	於二零零五年四月一日	209,394
Arising on acquisitions of a jointly controlled entity (note 37)	增購共同控制企業所產生 (附註 37)	65,981
At March 31, 2006	於二零零六年三月三十一日	275,375
CARRYING AMOUNTS	賬面值	
At March 31, 2006	於二零零六年三月三十一日	275,375
At March 31, 2005	於二零零五年三月三十一日	209,394

The Group tests goodwill annually for impairment in the financial year in which the acquisition takes place, or more frequently if there are indications that goodwill might be impaired.

本集團於發生收購之每個財政年度檢討商譽有否減值，以及是否有跡象表明商譽可能減值。

The management considers each subsidiary represents a separate cash generating unit ("CGU") for the purpose of goodwill impairment testing. At the balance sheet date, the carrying amount of goodwill mainly represents goodwill arising from the acquisition of Clever Decision Enterprises Limited, Suzhou Zhongran City Gas Development Co., Ltd., Beijing Zhongran Xiangke Oil Gas Technology Company Limited and other subsidiaries of HK\$141,716,000, HK\$44,802,000, HK\$15,540,000 and HK\$7,336,000 respectively and acquisition of 柳州中燃, a jointly controlled entity of HK\$65,981,000 during the year.

管理層認為，就商譽減值測試而言，各附屬公司代表獨立現金產生單位（「現金產生單位」）。於結算日，商譽之賬面值主要包括於年內來自收購 Clever Decision Enterprises Limited、宿州中燃城市燃氣發展有限公司、北京中燃翔科油氣技術有限公司及其他附屬公司而分別產生之 141,716,000 港元、44,802,000 港元、15,540,000 港元及 7,336,000 港元及收購共同控制實體柳州中燃所產生之 65,981,000 港元。

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

現金產生單位之可回收價值乃按使用價值釐定。計算使用價值主要假設於期內售價之折扣率、增長率及預期變動及直接成本值。管理層按反映目前評估金錢之時間值及現金產生單位之特定風險之稅前比率估計折扣率。增長率按業內預期增長釐定。售價變動及直接成本按過往慣例及預期市場未來之變動而釐定。

21. GOODWILL (Continued)

The Group prepares cash flows forecasts derived from the most recent financial budgets approved by management for the next five to seven years, which is the general development period for natural gas business and extrapolates cash flows for the following five to seven years based on the estimated growth rate of 3%. The financial budgets and growth rates are estimated according to the stage of each operation with reference to the development curve of the natural gas industry in the PRC region. The rates used to discount the forecast cash flows for CGUs are from 15% to 17%. In the opinion of the directors, no material impairment loss is identified as at March 31, 2006.

22. DEPOSITS FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

The amount includes HK\$38,173,000 (2005: HK\$34,187,000) which was paid to a minority shareholder of a subsidiary for acquisition of property, plant and equipment.

23. INVENTORIES

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)

The following is an analysis of inventories at the reporting date:

以下為存貨於呈報日期之分析：

Construction materials	建材	99,384	33,387
Consumables and spare parts	消耗品及備件	2,218	1,886
Natural gas	天然氣	6,422	7,247
		108,024	42,520

Cost of inventories recognised as expenses during the year is HK\$266,452,000 (2005: HK\$115,335,000).

年內確認為開支之存貨成本達 266,452,000 港元 (二零零五年：115,335,000 港元)。

21. 商譽 (續)

本集團根據管理層批准未來五年至七年（天然氣業務之一般發展期間）之最近期財務預算編製現金流量預算，以及根據預期增長率 3% 推算日後五至七年之現金流量。財務預算及增長率乃根據各業務之發展階段及經參考中國地區之天然氣行業之發展曲線後估計。用於現金產生單位之現金流量折扣比率由 15% 至 17% 不等。董事認為，於二零零六年三月三十一日概無重大可辨認減值虧損。

22. 收購物業、廠房及設備之按金

該款項包括就收購物業、廠房及設備向一家附屬公司一名少數股東支付 38,173,000 港元（二零零五年：34,187,000 港元）。

23. 存貨

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24. AMOUNTS DUE FROM (TO) CUSTOMERS FOR CONTRACT WORK

24. 應收（應付）客戶之合約工程款項

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Contracts in progress at balance sheet date:	於結算日之在建工程：	
Contract costs incurred plus recognised profits less recognised losses	已錄得之合約成本加 已確認溢利減已確認虧損	378,496
Less: progress billings	減：進度付款	(12,724)
	453,705	365,772
Represented by:	代表：	
Due from customers included in current assets	計入流動資產之應收客戶款項	366,664
Due to customers included in current liabilities	計入流動負債之應付客戶款項	(892)
	453,705	365,772

At March 31, 2006 and 2005, there were no retention monies held by customers for contract work performed. At March 31, 2006, advances received from customers for contract work amounted to HK\$14,292,000 (2005: HK\$6,109,000) which were included in trade and other payables.

於二零零六年及二零零五年三月三十一日，並無保留款項由客戶就已進行之合約工程而持有。於二零零六年三月三十一日，已向合約工程客戶收取之墊款為 14,292,000 港元（二零零五年：6,109,000 港元），並已列入應付賬款及其他應付款項。

The directors consider that the carrying amounts of amounts due from/to customers for contract work approximate to their fair values.

董事認為，應收／應付客戶之合約工程款項賬面值與其公平值相若。

25. TRADE AND OTHER RECEIVABLES

Other than certain major customers with good repayment history which the Group allows a longer credit period, the Group allows an average credit period of 30 to 60 days to its trade customers.

25. 貿易應收賬款及其他應收賬項

除若干付款記錄良好之主要客戶獲本集團准許有較長信貸期外，本集團向其貿易客戶提供平均 30-60 日之信貸期。

25. TRADE AND OTHER RECEIVABLES (Continued)

The following is an aged analysis of trade and other receivables at the reporting date:

25. 貿易應收賬款及其他應收賬項 (續)

於申報當日，貿易應收賬款及其他應收賬項之賬齡分析如下：

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
			(Restated)
			(重列)
0 – 30 days	0 – 30 日	60,738	7,930
31 – 60 days	31 – 60 日	1,459	11,487
61 – 90 days	61 – 90 日	8,763	78
91 – 120 days	91 – 120 日	7,980	2,295
121 – 180 days	121 – 180 日	22,678	1,080
Over 180 days	180 日以上	38,595	7,070
Trade receivable	貿易應收賬款	140,213	29,940
Deposits paid for construction materials	建材已付按金	22,979	7,161
Other receivables, deposits and prepayments	其他應收賬項、按金及預付款項	182,278	49,070
Amounts due from minority shareholders of subsidiaries	應收附屬公司少數股東款項	2,196	495
		347,666	86,666

During the year ended March 31, 2006, the Group recognised an impairment loss of HK\$11,000,000 (2005: nil) in respect of the trade receivables.

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

於截至二零零六年三月三十一日止年度內，本集團就貿易應收賬款確認減值虧損 11,000,000 港元（二零零五年：無）。

董事認為，貿易應收賬款及其他應收賬項賬面值與其公平值相若。

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26. DERIVATIVE FINANCIAL INSTRUMENTS

26. 衍生金融工具

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Derivative financial assets:	衍生金融工具：		
Interest rate swap contracts not qualify for hedge accounting	不符合資格作為對沖會計之利率掉期合約	21,669	-
Early redemption option embedded in a convertible bond	嵌入可換股債券之提前贖回選擇權	5,991	-
		27,660	-
Derivative financial liabilities:	衍生金融負債：		
Embedded conversion option	內附換股權	40,609	-
Stock subscription options granted to Merrill Lynch International ("ML")	授予 Merrill Lynch International (「美林」) 之認股期權	7,500	-
Mandatory redemption option embedded in a convertible bond	內附於可換股債券之強制贖回選擇權	1,260	-
		49,369	-

Major terms of the interest rate swap contracts are as follows:

利率掉期合約之主要條款如下：

Notional amount 面值	Maturity 到期日	Swaps 掉期
US\$30,000,000 30,000,000 美元	April 18, 2008 二零零八年四月十八日	From USD LIBOR BBA + 1.50% to 5.05% 由美金倫敦銀行同業拆息 + 1.50 厘至 5.05 厘
US\$30,000,000 30,000,000 美元	April 18, 2008 二零零八年四月十八日	From USD LIBOR BBA + 1.50% to 5.08% 由美金倫敦銀行同業拆息 + 1.50 厘至 5.08 厘
US\$50,000,000 50,000,000 美元	February 15, 2009 二零零九年二月十五日	From USD LIBOR BBA + 2.35% to 5.73% 由美金倫敦銀行同業拆息 + 2.35 厘至 5.73 厘

The fair values of the interest rate swaps are determined based on market prices quoted from financial institutions for equivalent instruments and the application of discounted cash flow method at the balance sheet date.

利率掉期之公平值乃根據財務機構就同等工具所報之市價及於結算日採用貼現現金流法釐定。

26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

Embedded conversion option represents the fair value of the bondholders' option to convert the convertible bond issued on June 29, 2005 (as detailed in note 34) into equity of the Company, but the conversion will be settled other than by the exchange of a fixed number of the Company's own equity. Early redemption option and mandatory redemption option represent the fair value of the Company's option to early redeem and the fair value of the redemption at the option of certain bondholder in respect of convertible bond is issued on June 29, 2005 respectively. Stock subscription options represent the fair value of the option granted to ML to subscribe new shares of the Company. Details of such convertible bond and the subscription arrangement are set out in note 34. The fair value of the early redemption option and stock subscription option are calculated using the Black-Scholes-Merton Option Pricing Model. The inputs into the model were as follows:

		Embedded conversion option	Early redemption option	Stock subscription option
		內附換股權	提前贖回權	認股期權
Conversion price/exercise price	轉換價／行使價	HK\$1.731 港元	HK\$1.731 港元	HK\$1.128 港元
Expected volatility (note a)	預期波幅 (附註 a)	33.33%	30.36%	32.46%
Expected life (note b)	預期有效年期 (附註 b)	2.3 years 年	1.8 years 年	2.9 years 年
Risk free rate (note c)	無風險利率 (附註 c)	4.303%	4.269%	4.296%

Notes:

- (a) Expected volatility for early redemption option was determined by calculating the historical volatility of the Company's share price over 100 trading days; embedded conversion option and stock subscription options were determined by calculating the historical volatility of the Company's share price over 260 trading days.
- (b) Expected life was the expected remaining life of the respective options.
- (c) The risk free rate is determined by reference to the Hong Kong Government Bond Yield.

The fair value of the mandatory redemption option is determined by application of binomial method, using effective yield at 4.5% and time to maturity equal to the expected remaining life of the option.

During the year, HK\$25,669,000 was recognised as charge in fair value of derivative financial instruments.

26. 衍生金融工具 (續)

內附換股權指債券持有人把二零零五年六月二十九日發行之可換股債券 (詳見附註 34) 轉換為本公司股本之選擇權之公平值，但不會以交換固定數目之本公司股本結算換股。提前贖回選擇權及強制贖回選擇權分別代表本公司提前贖回之選擇權之公平值及於二零零五年六月二十九日發行之可換股債券之債券持有人的贖回選擇權之公平值。認股期權代表授予美林認購本公司新股份之選擇權之公平值。可換股債券及認購安排之詳情載於附註 34。提前贖回選擇權及認股期權之公平值乃按柏力克 — 舒爾斯期權定價模式計算。模式之輸入數字如下：

	Embedded conversion option	Early redemption option	Stock subscription option
	內附換股權	提前贖回權	認股期權
Conversion price/exercise price	HK\$1.731 港元	HK\$1.731 港元	HK\$1.128 港元
Expected volatility (note a)	33.33%	30.36%	32.46%
Expected life (note b)	2.3 years 年	1.8 years 年	2.9 years 年
Risk free rate (note c)	4.303%	4.269%	4.296%

附註：

- (a) 提前贖回選擇權之預期波幅乃經計算本公司之股價於 100 個交易日之歷史波幅而釐定。內附換股權及認股期權乃根據本公司股價於 260 個交易日之歷史波幅而釐定。
- (b) 預期有效年期指各期權之預計餘下年期。
- (c) 無風險利率乃經參考香港政府債券孳息率釐定。

強制贖回選擇權之公平值按實際孳息率 4.5 厘及相當於選擇權預計餘下年期之到期年期以二項法釐定。

年內，25,669,000 港元獲確認為衍生金融工具之公平值開支。

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27. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The bank deposits bearing floating interest at effective interest of 2% to 4% per annum. The directors consider that the carrying amount of bank balances and cash approximates to their fair value. At March 31, 2006, the bank balances and cash of approximately HK\$1,446,367,000 (2005: HK\$639,580,000) was denominated in RMB, which is not freely convertible into other currencies.

28. TRADE AND OTHER PAYABLES/AMOUNTS DUE TO MINORITY SHAREHOLDERS OF SUBSIDIARIES

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The following is an aged analysis of trade and other payables at the reporting date:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
0 – 60 days	0 – 60 日	123,175	50,827
61 – 90 days	61 – 90 日	5,190	6,866
91 – 120 days	91 – 120 日	5,681	6,199
121 – 180 days	121 – 180 日	13,731	14,495
Over 180 days	180 日以上	59,347	18,170
Trade payables	貿易應付賬款	207,124	96,557
Other payables and accrued charges	其他應付賬項及應計支出	184,641	76,580
		391,765	173,137

Amounts due to minority shareholders of subsidiaries were unsecured, non-interest bearing and were repayable on demand.

The directors consider that the carrying amounts of trade and other payables and amounts due to minority shareholders of subsidiaries approximate to their fair values.

27. 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金及原本於三個月內到期之短期銀行存款。銀行存款按每年2至4厘實際利率之浮動利率計息。董事認為，銀行結餘及現金之賬面值與其公平值相若。於二零零六年三月三十一日，銀行結餘及現金約1,446,367,000港元（二零零五年：639,580,000港元）乃以人民幣計值，人民幣並不可自由兌換為其他貨幣。

28. 貿易應付賬款及其他應付賬項／應付 附屬公司少數股東款項

貿易應付賬款及其他應付賬項包括貿易買賣及持續成本之未結清數額。於申報當日，貿易應付賬款及其他應付賬項之賬齡分析如下：

應付附屬公司少收股東款項為無抵押、免息及須於要求時償還。

董事認為，貿易應付賬款及其他應付賬項及應付附屬公司少數股東款項之賬面值與其公平值相若。

29. BANK AND OTHER BORROWINGS

29. 銀行及其他借貸

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Bank loans	銀行貸款	1,672,706	1,180,950
Mortgage loan	按揭貸款	18,798	18,158
Other loans	其他貸款	319,948	124,338
		2,011,452	1,323,446
Secured	有抵押	1,264,511	967,803
Unsecured	無抵押	746,941	355,643
		2,011,452	1,323,446
The maturity profile of the above loans is as follows:	上述貸款之到期明細如下：		
On demand or within one year	於要求時或於一年內償付	345,662	172,928
More than one year, but not exceeding two years	多於一年但不超過兩年	192,217	72,705
More than two years, but not exceeding five years	多於兩年但不超過五年	906,727	420,049
More than five years	多於五年	566,846	657,764
		2,011,452	1,323,446
Less: Amount due within one year shown under current liabilities	減：一年內到期列入流動負債之款項	(345,662)	(172,928)
Amount due after one year	一年後到期之款項	1,665,790	1,150,518
Borrowings comprise:	借貸包括：		
Fixed-rate borrowings	平息借貸	1,462,302	1,234,120
Floating-rate borrowings	浮息借貸	549,150	89,326
		2,011,452	1,323,446

The range of effective interest rate (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

本集團借貸之實際利率之範圍（相等已訂約利率）如下：

		2006 二零零六年	2005 二零零五年
Effective interest rate per annum:	實際年利率：		
Fixed-rate borrowings	平息借貸	2.00% to 至 7.34%	2.00% to 至 6.73%
Floating-rate borrowings	浮息借貸	4.83% to 至 6.02%	4.83% to 至 6.02%

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29. BANK AND OTHER BORROWINGS (Continued)

The details of the Group's borrowings which are denominated in foreign currencies are set out below:

		USD 美元 HK\$'000 千港元	JPY 日圓 HK\$'000 千港元
At March 31, 2006	於二零零六年三月三十一日	459,397	44,035
At March 31, 2005	於二零零五年三月三十一日	-	-

During the year, the Group obtained a new loan in the amount of US\$60,000,000 (approximate HK\$468,000,000). The loan is unsecured, carry interest at LIBOR plus 1.5% per annum and will be repayable from 2007 to 2010. The proceeds were used for investing in natural gas projects and general working capital of the Group.

The directors estimate the fair value of the Group's borrowings, by discounting their future cash flows at the market rate. The directors consider that the carrying value approximate to their fair values.

29. 銀行及其他借貸 (續)

本集團以外幣計值之借貸之詳情載列如下：

年內，本集團取得60,000,000美元（約468,000,000港元）之新造貸款。該貸款為無抵押、每年按倫敦銀行同樣拆息加1.5厘計息，須於二零零七年至二零一零年償還。所得款項乃用作本集團投資天然氣項目及一般營運資金。

董事將本集團借貸按市場利率貼現其未來現金流以估計其公平值。董事認為，借貸之公平值之賬面值與其公平值相若。

30. OBLIGATIONS UNDER A FINANCE LEASE

30. 融資租賃承擔

		Minimum lease payments 最低租約付款		Present value of minimum lease payments 最低租約付款之現值	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Amounts payable under a finance lease:	根據融資租賃應付金額：				
Within one year	一年內	66	66	64	64
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	-	131	-	121
		66	197	64	185
Less: Future finance charges	減：未來融資費用	(2)	(12)	N/A	N/A
Present value of lease obligations	租約承擔之現值	64	185	64	185
Less: Amount due for settlement within one year (shown under current liabilities)	減：一年內到期支付之款項（列作流動負債）			(64)	(64)
				-	121

30. OBLIGATIONS UNDER A FINANCE LEASE (Continued)

It is the Group's policy to lease certain of its property, plant and equipment under finance lease. The lease term is 3 years. For the year ended March 31, 2006, the effective borrowing rate was approximately 8% (2005: 8%) per annum. Interest rate is fixed at the contract date. The lease is on a fixed repayment basis and no arrangement has been entered into for contingent rental payments.

The Group's obligations under a finance lease are secured by the lessor's charge over the leased asset.

The carrying value of the Group's finance lease obligations, determined based on the present value of the estimated future cash flows discounted using the prevailing market rate at the balance sheet date approximates to their fair value.

31. CONVERTIBLE NOTE

Pursuant to an agreement dated June 10, 2003, the Company issued a convertible note (the "CN") amounting to US\$6 million (equivalent to HK\$46,800,000) to an independent third party, Eastern Linker Holdings Limited. The CN carried interest at the rate of 2% per annum on the outstanding principal amount of the CN. The conversion price is HK\$2 per share and is matured on June 10, 2005.

During the year ended March 31, 2005, the Company repaid US\$1,397,000 (equivalent to HK\$10,900,000) to the holder of the CN, and the remaining US\$4,603,000 (equivalent to HK\$35,900,000) was fully repaid during the year ended March 31, 2006.

The CN contains two components, liability and equity elements. In accordance with the requirements of HKAS 32 "Financial instruments: Disclosure and Presentation" (see note 2 for details), the CN were split between the liability and equity elements. The equity element is presented in equity heading "convertible note and bonds equity reserve". The effective interest rate of the liability component is 4%.

30. 融資租賃承擔 (續)

本集團之政策為根據融資租賃租用若干物業、廠房及設備。租期3年。截至二零零六年三月三十一日止年度，實質借貸年利率約為8厘（二零零五年：8厘）。利息乃於訂約日期釐定。租約乃以固定還款基準訂立，並無就或然租約付款作出安排。

本集團於融資租賃之承擔乃以出租人以租賃資產設立之押記作抵押。

本集團融資租賃承擔之賬面值乃根據估計未來現金流按結算日之現行市場利率貼現之現值釐定，與其公平值相若。

31. 可換股票據

根據二零零三年六月十日之協議，本公司向一獨立第三方 Eastern Linker Holdings Limited 發行 6,000,000 美元（相當於 46,800,000 港元）之可換股票據（「可換股票據」）。可換股票據以可換股票據之未償還本金額按年利率 2 厘計息。換股價為每股 2 港元，並於二零零五年六月十日屆滿。

年內，本公司已償付 1,397,000 美元（相當於 10,900,000 港元）予可換股票據持有人，餘額 4,603,000 美元（相當於 35,900,000 港元）已於截至二零零六年三月三十一日年度內悉數償還。

可換股票據包括兩個成份，負債及權益部份。根據香港會計準則第 32 號「金融工具：披露及呈列」（詳情見附註 2），可換股票據分為負債及權益部份。權益成份於「可換股票據及債券權益儲備」下列作權益。負債部份之實際利率為 4 厘。

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31. CONVERTIBLE NOTE (Continued)

The movement of the liability and equity components of the CN during the year is set out below:

		Liability	Equity	Total
		負債	權益	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At April 1, 2004	於二零零四年四月一日			
– As originally stated	– 原列	46,800	–	46,800
– Effect on adoption of HKAS 32:	– 採納香港會計準則第 32 號之影響：			
Recognition of equity component	確認權益成份	(1,765)	1,765	–
Interest charge	利息開支	728	–	728
– As restated	– 重列	45,763	1,765	47,528
Interest charged (note 9)	利息開支 (附註 9)	1,765	–	1,765
Interest paid	已付利息	(817)	–	(817)
Redeemed during the year	年內贖回	(10,900)	(411)	(11,311)
At April 1, 2005	於二零零五年四月一日	35,811	1,354	37,165
Interest charged (note 9)	利息開支 (附註 9)	145	–	145
Interest paid	已付利息	(56)	–	(56)
Redeemed during the year	年內贖回	(35,900)	(1,354)	(37,254)
At March 31, 2006	於二零零六年三月三十一日	–	–	–

The directors consider that the carrying amount of the CN approximates its fair values.

31. 可換股票據 (續)

年內，可換股票據之負債及權益成份之變動載列如下：

		Liability	Equity	Total
		負債	權益	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At April 1, 2004	於二零零四年四月一日			
– As originally stated	– 原列	46,800	–	46,800
– Effect on adoption of HKAS 32:	– 採納香港會計準則第 32 號之影響：			
Recognition of equity component	確認權益成份	(1,765)	1,765	–
Interest charge	利息開支	728	–	728
– As restated	– 重列	45,763	1,765	47,528
Interest charged (note 9)	利息開支 (附註 9)	1,765	–	1,765
Interest paid	已付利息	(817)	–	(817)
Redeemed during the year	年內贖回	(10,900)	(411)	(11,311)
At April 1, 2005	於二零零五年四月一日	35,811	1,354	37,165
Interest charged (note 9)	利息開支 (附註 9)	145	–	145
Interest paid	已付利息	(56)	–	(56)
Redeemed during the year	年內贖回	(35,900)	(1,354)	(37,254)
At March 31, 2006	於二零零六年三月三十一日	–	–	–

董事認為可換股票據之賬面值與其公平值相若。

32. SHARE CAPITAL

32. 股本

		Ordinary shares		Convertible preference shares		Total
		普通股		可換股優先股		
		No. of shares		No. of shares		
		'000		'000		
		at HK\$0.01		at HK\$1.00		
		each		each		
		千股股數		千股股數		
		每股面值	HK\$'000	每股面值	HK\$'000	HK\$'000
		0.01 港元	千港元	1.00 港元	千港元	千港元
Authorised	法定	9,000,000	90,000	124,902	124,902	214,902
Issued and fully paid:	已發行及繳足：					
At April 1, 2004	於二零零四年四月一日	1,557,780	15,578	–	–	15,578
Issue of new ordinary shares	發行新普通股	430,100	4,301	–	–	4,301
Conversion of convertible bonds	轉換可換股債券	81,153	811	–	–	811
Exercise of share options (note 45)	行使購股權 (附註 45)	5,780	58	–	–	58
Exercise of warrants (note e)	行使認股權證 (附註 e)	170,000	1,700	–	–	1,700
At March 31, 2005	於二零零五年三月三十一日	2,244,813	22,448	–	–	22,448
Issue of new ordinary shares	發行新普通股					
(notes a, b, c and d)	(附註 a, b, c 及 d)	555,000	5,550	–	–	5,550
Exercise of share options (note 45)	行使購股權 (附註 45)	31,750	318	–	–	318
Exercise of warrants (note e)	行使認股權證 (附註 e)	90,000	900	–	–	900
At March 31, 2006	於二零零六年三月三十一日	2,921,563	29,216	–	–	29,216

Notes:

- (a) On May 3, 2005, pursuant to the subscription agreement dated on February 19, 2005, the Company allotted and issued 210,000,000 ordinary shares of HK\$0.01 each in the Company at a price of HK\$1.158 per share to GAIL (India) Limited.
- (b) On October 28, 2005, the Company entered into subscription agreement with Templeton Strategic Emerging Market Fund II LDC ("TSEMF II") and Nederlandse – Maatschappij Voor Ontwikkelingslanden N.V. ("FHO"), pursuant to which TSEMF II and FHO agreed to subscribe for and the Company agreed to allot an aggregate of 133,000,000 shares at a subscription price of HK\$1.16 per share.
- (c) On January 19, 2006, pursuant to the subscription agreement dated November 28, 2005, the Company allotted and issued of 210,000,000 ordinary shares of HK\$0.01 each in the Company at a price of HK\$1.185 per share to Oman Oil company S.A.O.C.

附註：

- (a) 於二零零五年五月三日，根據於二零零五年二月十九日訂立之認購協議，本公司按每股 1.158 港元配發及發行本公司股本中 210,000,000 股每股面值 0.01 港元之普通股予 GAIL (India) Limited。
- (b) 於二零零五年十月二十八日，本公司與鄧普頓新興市場基金 II (「TSEMF II」) 及荷蘭開發銀行 (「FHO」) 訂立認購協議，據此，TSEMF II 與 FHO 同意認購及本公司同意配發合共 133,000,000 股股份，認購價為每股 1.16 港元。
- (c) 於二零零六年一月十九日，根據於二零零五年十一月二十八日訂立之認購協議，本公司向 Oman Oil Company S.A.O.C 配發及發行 210,000,000 股本公司每股面值 0.01 港元之普通股，每股代價 1.185 港元。

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32. SHARE CAPITAL (Continued)

- (d) On February 6, 2006 and February 21, 2006, pursuant to a subscription letter on October 29, 2003, the Company issued a total of 2,000,000 ordinary shares at HK\$0.01 each in the Company at a price of HK\$1.128 per share to ML. Details of the subscription letter have been set out in note 34.
- (e) On September 28, 2004, pursuant to agreements made between the Company and two independent investors, 260,000,000 warrants were issued at a price of HK\$0.01 per warrant. Each of the warrants will give the holder the right to subscribe in cash for one share of the Company at an initial subscription price of HK\$0.66 per share of HK\$0.01 of the Company at any time from the date of issue thereof up to and including September 27, 2009.

During the year, 90,000,000 (2005: 170,000,000) warrants were exercised and 90,000,000 (2005: 170,000,000) ordinary shares of HK\$0.01 each in the Company at a price of HK\$0.66 (2005: HK\$0.66) per share were issued.

These shares issued during the year rank pari passu with the then existing shares in all respects.

33. AMOUNT DUE TO A MINORITY SHAREHOLDER OF A SUBSIDIARY

The amount is unsecured, interest bearing at 2% per annum and repayable in year 2013. Accordingly, amount is classified as non-current liability as at the balance sheet date.

The effective interest rate on the amount due to a minority shareholder of a subsidiary is equal to contracted interest rate. The carrying value of the amount due to a minority shareholder of a subsidiary, determined based on the present value of the estimated future cash flows discounted using the prevailing market rate at the balance sheet date approximate its fair value.

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32. 股本 (續)

- (d) 於二零零六年二月六日及二零零六年二月二十一日，根據日期為二零零三年十月二十九日之認購函，本公司合共發行本公司股本中2,000,000股每股面值0.01港元之普通股予美林，每股作價1.128港元。認購函之詳情載於附註34。
- (e) 於二零零四年九月二十八日，根據本公司與兩名獨立投資者訂立之協議，260,000,000份認股權證乃按每份認股權證0.01港元之價格發行。各份認股權證將授予持有權利由認股權證發行日期直至二零零九年九月二十七日(包括該日)止期間，以現金按初步認購價每股0.66港元認購一股本公司每股面值0.01港元之股份。

年內，90,000,000份(二零零五年：170,000,000份)認股權證獲行使，90,000,000股(二零零五年：170,000,000股)本公司股本中每股面值0.01港元之普通股按每股0.66港元(二零零五年：0.66港元)發行。

於年內發行之股份於所有方面與現有股份享有同等權利。

33. 欠一間附屬公司一名少數股東之款項

該款項為無抵押、每年按2厘計息及須於二零一三年償還。據此，該款項於結算日被列為非流動負債。

欠一間附屬公司一名少數股東之款項之實際利率相等於已訂約利率。於結算日，欠一間附屬公司一名少數股東之款項之賬面值乃根據估計未來現金流量按現行市場利率貼現之現值而釐定，其與公平值相若。

34. CONVERTIBLE BONDS

On June 23, 2005, the Company entered into a conditional subscription agreement with CQS Convertible and Quantitative Strategies Master Fund Limited (“CQS”) and Courtenay Enterprises Limited (“Courtenay”), independent third parties of the Group, whereby CQS and Courtenay subscribed the USD denominated Bonds (“Bond”) issued at par by the Company in an aggregate principal amount of US\$40,000,000. The Bond was issued on June 29, 2005 and carries interest at 1% per annum and is matured on June 29, 2010. The initial conversion price of the Bond is HK\$1.7310 and can be exercised at any time on or after June 29, 2005 up to seven business days prior to June 29, 2010. The Bond may be early redeemed by the Company at an amount equal to 115.314 per cent of the principal amount of the Bond on June 29, 2008 and 127.070 per cent of the principal amount of the Bonds on June 29, 2010 (“Redemption Amount”). On June 29, 2008, each bondholder shall have the right to require the Company to redeem all or part of the Bond at the 115.314 per cent of the principal amount of the Bond.

On October 29, 2003, the Company and ML entered into a subscription agreement (“Agreement”) pursuant to which the Company would issue up to US\$41 million 1.0 per cent unlisted and unsecured convertible bonds due 2008 in five tranches (“ML Bonds”) and ML subscribed in an aggregate principal amount of US\$6 million (“Tranche 1 Bonds”). Pursuant to the Agreement, the Company would grant to ML options to subscribe for additional four tranches of the ML Bonds in aggregate principal amount of up to US\$35 million if certain conditions are met (see below for more details). Under the terms and conditions of the ML Bonds, ML might convert the ML Bonds at any time from and including the respective date of issue of the ML Bonds up to the date falling one week prior to October 30, 2008 (“Maturity Date”).

Besides, the Company has also entered into a subscription letter on October 29, 2003 with ML pursuant to which the Company granted to ML, the rights to subscribe for new shares of the Company (the “Letter”). Under the terms of the Letter, ML would have a right to subscribe for new shares up to 15% of the principal amount of each tranche of the ML Bonds issued divided by 0.94 with a subscription price of HK\$1.128 per share (subject to adjustments). The subscription right are exercisable by ML at any time from and including the date of issue of the relevant tranche of the ML Bonds to and including the Maturity Date. Upon the adoption of HKAS 39, the fair value of the stock subscription option has been recognised as derivative financial instruments as set out in note 26.

34. 可換股債券

於二零零五年六月二十三日，本公司與CQS Convertible and Quantitative Strategies Master Fund Limited（「CQS」）及Courtenay Enterprises Limited（「Courtenay」）（兩者均為獨立第三方）訂立有條件認購協議，據此CQS及Courtenay認購本公司按面值發行總本金額為40,000,000美元之以美元計值債券（「債券」）。債券於二零零五年六月二十九日發行，按年利率1厘計息並於二零一零年六月二十九日到期。債券之初步轉換價為1.17310港元，可由二零零五年六月二十九日至二零一零年六月二十九日前七個營業日期間任何時間行使。債券可由本公司於二零零八年按債券本金額115.314%之價格及於二零一零年六月二十九日按本金額127.070%之價格（「贖回金額」）提早贖回。於二零零八年六月二十九日，各債券持有人有權要求本公司按債券本金額115.314%之價格贖回全部或部份債券。

於二零零三年十月二十九日，本公司與美林訂立認購協議（「該協議」），據此，本公司將分五期發行最多41,000,000美元於二零零八年到期之1.0厘非上市及無抵押可換股債券（「美林債券」）而美林認購總本金額為6,000,000美元之債券（「第一批債券」）。根據該協議，在達致若干條件之情況下，本公司將向美林授出購股權以認購額外四批本金總額最多為35,000,000美元之美林債券（詳情見下文）。根據美林債券之條款及條件，美林可由各美林債券發行日期（包括該日）起至二零零八年十月三十日（「到期日」）前一星期之日內任何時間將美林債券換股。

此外，本公司亦於二零零三年十月二十九日與美林訂立認購書（「函件」），據此，本公司向美林授出認購本公司新股份之權利。根據函件之條款，美林將有權認購新股份，並以相關已發行美林債券本金額之15%除以0.94之數目為限，認購價為每股1.128港元（可予調整）。美林可於有關批數之美林債券發行日期（包括該日）起至到期日（包括該日）期間內隨時行使上述認購權。於採納香港會計準則第39號後，認股期權之公平值已確認為衍生金融工具，詳情載於附註26。

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34. CONVERTIBLE BONDS (Continued)

The Tranche 1 Bonds of US\$6 million and the bonds with an aggregate principal amount of US\$7 million ("Tranche 2 Bonds") were issued to ML on November 13, 2003 and June 10, 2004, respectively.

The issue of remaining three tranches of the ML Bonds is subject to the approval from the shareholders of the Company. The proposed resolutions to approve the issue of these three tranches of the ML Bonds and the shares to be issued upon conversion of such ML Bonds and the exercise of the related subscription rights were not passed by the shareholders at the Special General Meeting held on December 19, 2003.

During the year ended March 31, 2005, approximately US\$4.6 million (approximately HK\$35.6 million) of the Tranche 1 Bonds and approximately US\$1 million (approximately HK\$7.8 million) of the Tranche 2 Bonds were converted to ordinary shares of the Company.

Pursuant to the repurchase and amendment agreement ("Amended Agreement") dated October 7, 2004, the Company repurchased the principal amount of approximately US\$3.5 million (approximately HK\$27.3 million) of the Tranche 2 Bonds at a repurchase price of approximately US\$3.85 million (approximately HK\$30.0 million). The remaining outstanding because of the Tranche 2 Bonds can be redeemed by the Company for an amount equal to 115% of the principal amount pursuant to the Amended Agreement. Remaining outstanding balance of approximately US\$2.5 million (approximately HK\$19.5 million) of the Tranche 2 Bonds were redeemed by the Company during the year ended March 31, 2005.

34. 可換股債券 (續)

第 1 批 6,000,000 美元之債券與本金總額 7,000,000 美元之債券 (「第 2 批債券」) 乃分別於二零零三年十一月十三日及二零零四年六月十日發行予美林。

餘下三批美林債券須取得本公司股東批准後方可發行。有關發行此三批美林債券及因此等美林債券換股而將予發行之股份及相關認購權之行使之擬議決議案在二零零三年十二月十九日舉行之股東特別大會上並未獲股東通過。

於截至二零零五年三月三十一日止年度，約 4,600,000 美元 (約 35,600,000 港元) 之第一批及約 1,000,000 美元 (約 7,800,000 港元) 之第二批債券已轉換為本公司之普通股份。

根據日期為二零零四年十月七日之購回及修訂協議 (「修訂協議」)，本公司以購回價 3,850,000 美元 (約 30,000,000 港元)，購回本金額約為 3,500,000 美元 (約 27,300,000 港元) 之第二批債券。根據修訂協議，餘下尚未償還之第二批債券可由本公司以相當於本金額 115% 之金額贖回。餘額約 2,500,000 美元 (約 19,500,000 港元) 之第二批債券於截至二零零五年三月三十一日止年度內已由本公司贖回。

34. CONVERTIBLE BONDS (Continued)

The net proceeds received from the issue of convertible bonds contain the following components that are required to be separately accounted for in accordance with HKAS 32 “Financial instruments: Disclosure and Presentation” and HKAS 39 “Financial instruments: Recognition and Measurement”:

- (a) Liability component for the Bond and ML Bonds represents the present value of the contractually determined stream of future cash flows discounted at the rate of interest at that time by the market to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the conversion option. The effective interest rate of the liability component is 4.5% (2005: 4.3%).
- (b) Equity component of the ML Bonds represents the fair value of the embedded conversion option stated as equity to convert the liability into equity of the Company and the conversion will be settled by the exchange of fixed amount of cash or another financial asset for a fixed number of the Company's own equity.
- (c) Embedded conversion option of the Bond to be accounted for as a separate financial liability represents the fair value of the option to convert the liability into equity of the Company but the conversion will be settled other than by the exchange of a fixed number of the Company's own equity.
- (d) Embedded early redemption option represents Company's option to early redeem all or part of the Bond.
- (e) Mandatory redemption option of the Bond represents redemption at the option of the bond holders.

34. 可換股債券 (續)

發行可換股債券之所得款項淨額包括以下成份，需要根據香港會計準則第32號「金融工具：披露及呈列」及香港會計準則第39號「金融工具：確認及計量」獨立入賬：

- (a) 債券之負債成份及美林債券指合約所定之未來現金流量按當時市場上向具有大致相同的信貸級別但無換股期權並提供大致相同的現金流量的財務票據之市場利率進行貼現後的現值。負債成份之實際利率為4.5厘（二零零五年：4.3厘）。
- (b) 美林債券之權益成份代表列作權益之附帶換股期權之公平值，附帶換股期權可將負債轉換為本公司之權益，而轉換將以定額現金或其他金融資產交換本公司之定額權益之方式進行。
- (c) 將以個別金融工具列賬之債券之附帶換股期權指轉換負債為本公司權益之選擇權公平值，惟該轉換將以藉交換固定數目之本公司本身權益以外之方式進行。
- (d) 附帶提前贖回選擇權代表本公司提早贖回全部或部份債券之選擇權。
- (e) 債券之強制贖回選擇權代表按債券持有人之意願進行之贖回。

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34. CONVERTIBLE BONDS (Continued)

The movement of different components of the convertible bonds during the year is set out below:

34. 可換股債券 (續)

年內可換股債券之不同成份之變動載列如下：

		Liability	Equity	Embedded Conversion option	Early redemption option	Mandatory redemption option	Total
		負債	權益	附帶 換股權	提早贖回 選擇權	強制贖回 選擇權	總計
		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
At April 1, 2004	於二零零四年四月一日						
– As originally stated	– 原列	35,644	–	–	–	–	35,644
– Effect on adoption of HKAS 32:	– 採納香港會計 準則第 32 號之影響：						
Recognition of equity component	確認權益成份	(4,807)	4,807	–	–	–	–
Interest charged	利息支出	421	–	–	–	–	421
– As restated	– 重列	31,258	4,807	–	–	–	36,065
Issued during the year, net of issued cost	年內發行，已扣除 發行成本	48,711	5,812	–	–	–	54,523
Interest charged (note 9)	利息支出 (附註 9)	5,438	–	–	–	–	5,438
Interest paid	已付利息	(228)	–	–	–	–	(228)
Redeemed during the year	年內贖回	(46,725)	(4,981)	–	–	–	(51,706)
Converted during the year	年內轉換	(38,454)	(5,638)	–	–	–	(44,092)
At April 1, 2005	於二零零五年四月一日	–	–	–	–	–	–
Issued during the year, net of issued cost	年內發行， 已扣除發行成本	264,863	–	40,609	(5,991)	1,260	300,741
Interest charged (note 9)	利息支出 (附註 9)	10,436	–	–	–	–	10,436
Interest paid	利息支出	(2,325)	–	–	–	–	(2,325)
At March 31, 2006	於二零零六年三月三十一日	272,974	–	40,609	(5,991)	1,260	308,852

The directors consider that the carrying amount of the convertible bonds approximates to their fair values.

董事認為，可換股債券之賬面值與其公平值相若。

35. DEFERRED TAXATION

The following is the deferred tax liabilities (assets) recognised and movements thereon during the current and prior reporting periods.

		Accelerated tax depreciation	Tax losses	Total
		加速稅項折舊	稅項虧損	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At April 1, 2004	於二零零四年四月一日	3	(3)	-
Charge (credit) to income statement for the year	年內於收益表扣除 (抵免)	15	(15)	-
At March 31, 2005	於二零零五年三月三十一日	18	(18)	-
Charge (credit) to income statement for the year	年內於收益表扣除 (抵免)	1,466	(1,466)	-
At March 31, 2006	於二零零六年三月三十一日	1,484	(1,484)	-

At March 31, 2006, the Group has estimated unused tax losses of HK\$228,512,000 (2005: HK\$127,906,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$8,480,000 (2005: HK\$102,000) of the tax losses. No deferred tax asset has been recognised for the remaining estimated tax losses of HK\$220,032,000 (2005: HK\$127,804,000) due to the uncertainty of future profits streams. Included in unrecognised estimated tax losses are losses of HK\$43,593,000 (2005: HK\$4,993,000) that will expire within 5 years from the balance sheet date. Other losses may be carried forward indefinitely.

Temporary difference arising in connection with interests in associates is insignificant.

35. 遞延稅項

以下為於本申報期間及前申報期間之已確認遞延稅項負債 (資產) 以及相關變動。

於二零零六年三月三十一日，本集團可用以抵銷未來溢利之估計未動用稅項虧損為228,512,000港元 (二零零五年：127,906,000港元)。已就8,480,000港元 (二零零五年：102,000港元) 之稅項虧損確認遞延稅項資產。由於未可肯定未來溢利來源，其餘估計稅項虧損220,032,000港元 (二零零五年：127,804,000港元) 並無確認遞延稅項資產。未確認估計稅項虧損中包括將於結算日起計五年內屆滿之43,593,000港元 (二零零五年：4,993,000港元) 虧損。其他虧損可無限期結轉。

與聯營公司有關而產生之暫時差異並不重要。

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36. ACQUISITION OF SUBSIDIARIES

Acquisition in 2005

On December 20, 2004, December 22, 2004 and July 15, 2004, the Group acquired 100% equity interests in China Gas Investment Construction Limited, China Gas Pipeline Limited and United Keen Investment Limited, respectively, at a total consideration of HK\$101,587,000.

36. 收購附屬公司

二零零五年之收購

於二零零四年十二月二十日、二零零四年十二月二十二日及二零零四年七月十五日，本集團以總代價 101,587,000 港元分別收購 China Gas Investment Construction Limited、China Gas Pipeline Limited 及 United Keen Investment Limited 之 100% 權益。

		Acquirees' carrying amounts before combination and fair values
		被收購公司 於合併前之 賬面值及公允值
		HK\$'000
		千港元
NET ASSETS ACQUIRED	收購之淨資產	
Property, plant and equipment	物業、廠房及設備	108,376
Prepaid lease payments	預付租賃款項	3,317
Inventories	存貨	475
Trade and other receivables	貿易應收賬款及其他應收賬項	1,761
Bank balances and cash	銀行結存及現金	22,177
Trade and other payables	貿易應付賬款及其他應付賬項	(20,478)
Bank and other borrowings	銀行及其他借貸	(57,143)
Minority interests of subsidiaries of China Gas Investment Construction Limited	China Gas Investment Construction Limited 附屬公司之少數股東權益	(8,466)
		50,019
Goodwill	商譽	51,718
Discount on acquisition	收購附屬公司折讓	(150)
		101,587
SATISFIED BY	支付方式	
Cash consideration	現金代價	94,920
Deposits for investments	投資用之存款	6,667
		101,587
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之現金流出淨額	
Cash consideration paid	已付現金代價	(94,920)
Bank balances and cash acquired	收購之銀行結存及現金	22,177
		(72,743)

36. ACQUISITION OF SUBSIDIARIES (Continued)

These subsidiaries acquired are engaged in trading of natural gas and gas pipeline construction. The goodwill arising on the above acquisitions is attributable to the anticipated profitability of gas connection and sales of piped gas businesses of these companies. Since the natural gas business in the PRC has barrier of entry, the directors considered that such barrier of entry allows these companies to exercise monopolistic power in respective local markets and able to obtain a steady future cash inflow.

The subsidiaries acquired during the year ended March 31, 2005 contributed HK\$38,192,000 to the Group's revenue, and a profit of HK\$24,860,000 to the Group's profit from operations.

If the acquisition had been completed on April 1, 2004, the Group's revenue (unaudited) and the Group's net profit (unaudited) for the year ended March 31, 2005 would have been HK\$412,344,000 and HK\$129,650,000, respectively. The pro forma information is presented for illustrative purposes only and is not necessarily an indicative revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on April 1, 2004, and is not intended to be a projection of future results.

36. 收購附屬公司 (續)

已收購之附屬公司乃從事天然氣買賣及管道建設業務。因上述收購所產生之商譽乃基於該等公司之燃氣接駁及銷售管道燃氣業務之預期盈利能力。由於中國之天然氣業務擁有進入門檻，董事認為，該等進入門檻將令該等公司於本土市場享有獨家經營優勢，因而可獲得穩定未來現金流入。

年內收購附屬公司對本集團之收益及經營溢利分別貢獻 38,192,000 港元及溢利 24,860,000 港元。

假如收購事項已於二零零四年四月一日完成，本集團之收益（未經審核）及本集團於二零零五年三月三十一日止年度之溢利淨額（未經審核）將分別為 412,344,000 港元及 129,650,000 港元。備考之資料只作解說之用，並不必然地說明本集團如二零零四年四月一日完成收購時會達到之收益及業績，及無意圖對將來之業績作預測。

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37. ACQUISITION OF JOINTLY CONTROLLED ENTITIES

Acquisition in 2006

On December 22, 2005, the Group acquired 50% equity interests in 柳州中燃 at a consideration of HK\$144,688,000.

37. 收購共同控制企業

於二零零六年之收購

於二零零五年十二月二十二日，本集團收購柳州中燃 50% 股本權益，代價為 144,688,000 港元。

		Acquirees' carrying amounts before combination and fair values under proportionate consolidation 被收購公司於合併前 之賬面值及根據比例 合併法計算之公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	收購之淨資產	
Property, plant and equipment	物業、廠房及設備	110,110
Prepaid lease payments	預付租賃款項	13,452
Inventories	存貨	4,762
Trade and other receivables	貿易應收賬款及其他應收賬項	31,074
Bank balances and cash	銀行結餘及現金	14,557
Trade and other payables	貿易應付賬款及其他應付賬項	(15,733)
Bank borrowings	銀行借貸	(79,515)
		78,707
Goodwill	商譽	65,981
		144,688
SATISFIED BY	支付方式	
Cash consideration	現金代價	144,688
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之現金流出淨額	
Cash consideration paid	已付現金代價	(144,688)
Bank balances and cash acquired	收購之銀行結存及現金	14,557
		(130,131)

柳州中燃 is engaged in trading of natural gas business in the PRC. The goodwill arising on the acquisition of 柳州中燃 is attributable to the anticipated profitability of the gas connection and sales of piped gas businesses of this Company. Since the natural gas business in the PRC has barrier of entry, the directors considered that such barrier of entry allows 柳州中燃 to exercise monopolistic power in the market and able to obtain a steady future cash inflow.

During the year ended March 31, 2006, 柳州中燃 contributed HK\$13,076,000 to the Group's revenue, and a profit of HK\$4,357,000 to the Group's profit for the year under proportionate consolidation.

柳州中燃於中國從事燃氣貿易業務。因收購柳州中燃而產生之商譽乃基於該公司之燃氣接駁及銷售管道燃氣業務之預期盈利能力。由於中國之天然氣業務擁有進入門檻，董事認為，該等進入門檻將令柳州中燃於市場上享有獨家經營優勢，因而可獲得穩定未來現金流入。

於截至二零零六年三月三十一日止年度，按比例合併法計算，柳州中燃對本集團之收益及本集團之溢利分別貢獻 13,076,000 港元及 4,357,000 港元。

37. ACQUISITION OF JOINTLY CONTROLLED ENTITIES*(Continued)***Acquisition in 2005**

During the year ended March 31, 2005, the Group acquired 49% equity interests in Beijing Jingang and its jointly controlled entities at a total consideration of HK\$7,210,000.

37. 收購共同控制企業 (續)**二零零五年之收購**

於截至二零零五年三月三十一日止年度，本集團收購北京京港49%股本權益及其共同控制實體，總代價為7,210,000港元。

		Acquirees' carrying amounts before combination and fair values under proportionate consolidation
		被收購公司於合併前之賬面值及根據比例合併法計算之公平值
		HK\$'000
		千港元
NET ASSETS ACQUIRED	收購之淨資產	
Property, plant and equipment	物業、廠房及設備	776
Interests in associates	於聯營公司之權益	751
Investment in securities	證券投資	203
Inventories	存貨	4,308
Trade and other receivables	貿易應收賬款及其他應收賬項	1,294
Bank balances and cash	銀行結餘及現金	7,015
Trade and other payables	貿易應付賬款及其他應付賬項	(2,100)
Taxation	銀行借貸	(4)
		12,243
Discount on acquisition	收購之折讓	(5,033)
		7,210
SATISFIED BY	支付方式	
Cash consideration	現金代價	7,210
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之現金流出淨額	
Cash consideration paid	已付現金代價	(7,210)
Bank balances and cash acquired	收購之銀行結存及現金	7,015
		(195)

The discount on acquisition arising on the acquisition is attributable to the excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

The jointly controlled entities acquired during the year ended March 31, 2005 contributed HK\$1,187,000 to the Group's turnover, and a loss of HK\$1,035,000 to the Group's result for the year.

因收購而產生之折讓乃基於本集團於被收購公司之可辨認資產、負債及或然負債之淨公平值之權益與業務合併之成本之差額而產生。

於截至二零零五年三月三十一日止年度收購之共同控制實體對本公司之營業額貢獻1,187,000港元，及為本集團於本年度帶來1,035,000港元之虧損。

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38. ACQUISITION OF BUSINESS

Establishment of a subsidiary

On March 7, 2006, the Group established a subsidiary in the PRC, namely 寶雞中燃城市燃氣發展有限公司 (“寶雞中燃”) which the Group owns 64% issued share capital. The Group contributed the capital in cash of HK\$ 163,523,000 and 寶雞市天然氣總公司 (“寶雞天然氣”), the minority shareholder contributed the capital in form of assets and liabilities. The assets and liabilities contributed by 寶雞天然氣 after considering the fair value adjustment was approximate HK\$150,575,000. The assets and liabilities contributed by 寶雞天然氣 enable 寶雞中燃 to continue the operation of the existing natural gas business which 寶雞天然氣 previously engaged. This transaction has been accounted for using the purchase method of accounting.

38. 收購業務

成立附屬公司

於二零零六年三月七日，本集團於中國成立一間附屬公司，名為寶雞中燃城市燃氣發展有限公司（「寶雞中燃」），本集團持有其已發行股本64%。本集團以現金163,523,000港元之形式注資，而少數股東寶雞市天然氣總公司（「寶雞天然氣」）以資產及負債之方式注資。經計及公平值調整後，寶雞天然氣所注入之資產及負債約為150,575,000港元。寶雞天然氣所注入之資產及負債令寶雞中燃可繼續經營現有天然氣業務，該業務過往乃由寶雞天然氣進行。該交易採用收購會計法入賬。

38. ACQUISITION OF BUSINESS (Continued)**Establishment of a subsidiary (Continued)**

		Carrying amount of the assets injected		
		注入資產 賬面值 HK\$'000 千港元	Adjustment 調整 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	收購之淨資產			
Property, plant and equipment	物業、廠房及設備	216,438	(33,953)	182,485
Prepaid lease payments	預付租賃款項	15,916	19,577	35,493
Inventories	存貨	13,302	(3,953)	9,349
Trade and other receivables	貿易應收賬款及其他應收賬項	33,574	–	33,574
Bank balances and cash	銀行結存及現金	196,609	–	196,609
Trade and other payables	貿易應付賬款及其他應付賬項	(15,017)	–	(15,017)
Borrowings	借貸	(125,382)	–	(125,382)
Minority interest of subsidiaries of 寶雞中燃 (Note)	寶雞中燃附屬公司之少數 股東權益 (附註)	(3,013)	–	(3,013)
		332,427	(18,329)	314,098
Minority interest	少數股東權益			(113,075)
				201,023
Discount on acquisition	收購折讓			(37,500)
Total consideration	總代價			163,523
SATISFIED BY	支付方式			
Cash consideration	現金代價			163,523
NET CASH INFLOW ON ACQUISITION	因收購而產生之 現金流入淨額			
Cash consideration	現金代價			(163,523)
Bank balances and cash acquired	收購之銀行結存及現金			196,609
				33,086

Note: Included in the assets contributed by the minority shareholder, there were investments in 52% equity interests in 寶雞市豐潤燃氣工程有限公司 and 51% equity interests in 寶雞市同昌燃氣工程設計有限責任公司.

附註：少數股東注入資產包括於寶雞市豐潤燃氣工程有限公司之 52% 股本權益及於寶雞市同昌燃氣工程設計有限責任公司之 51% 股本權益投資。

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38. ACQUISITION OF BUSINESS (Continued)

Establishment of a subsidiary (Continued)

In the opinion of the directors, the discount on acquisition of the business from 寶雞天然氣 to establish a new subsidiary 寶雞中燃 represents an intended discount provided by the PRC regulator to attract foreign investor to engage in encourage foreign investment project. Introduction of the foreign investment to the PRC energy business which was previously operated by state-owned enterprise lead to the improvement of the corporate governance standard and to increase the operational effectiveness.

寶雞中燃 contributed to the Group's revenue of HK\$4,467,167 and contributed loss to the Group's result for the year of HK\$2,121,000.

Establishment of a jointly controlled entity

On December 19, 2005, the Group established a jointly controlled entity in the PRC, namely 揚州中燃, which the Group owns 50% issued share capital. The Group contributed the capital in form of HK\$207,212,000 and the other shareholder contributed the capital in form of assets and liabilities. The assets and liabilities contributed by the other shareholder was approximate HK\$207,998,000. The assets and liabilities contributed by the other shareholder enable 揚州中燃 to continue the operation of the existing natural gas business which the other shareholder previously engaged. This transaction has been accounted for using the purchase method of accounting.

38. 收購業務 (續)

成立附屬公司 (續)

董事認為，向寶雞天然氣收購業務之折讓以成立新附屬公司寶雞中燃代表中國管理當局擬提供之折讓，以吸引外國投資者從事促進外資項目。引入外資從事過往由國有企業營運之中國能源業務令企業管治水平有所改善及提升營運效率。

寶雞中燃為本集團收入貢獻約4,467,167港元及為本年度本集團業績帶來2,121,000港元虧損。

成立共同控制企業

於二零零五年十二月十九日，本集團於中國成立共同控制企業，名為揚州中燃，本集團持有其已發行股本50%。本集團以現金207,212,000港元之形式注資，而其他股東以資產及負債之形式注資。其他股東注入之資產及負債約為207,998,000港元。其他股東注入之資產及負債令揚州中燃可繼續經營過往由其他股東經營之現有天然氣業務。該交易採用會計收購法入賬。

38. ACQUISITION OF BUSINESS (Continued)**Establishment of a jointly controlled entity (Continued)****38. 收購業務 (續)****成立共同控制企業 (續)**

		Carrying amount of the assets injected and fair value under proportionate consolidation
		注入資產之賬面值 及根據 比例合併法 計算之公平值
		HK\$'000 千港元
NET ASSETS ACQUIRED	收購之淨資產	
Property, plant and equipment	物業、廠房及設備	93,309
Inventories	存貨	44,324
Trade and other receivables	貿易應收賬款及其他應收賬項	29,728
Bank balances and cash	銀行結存及現金	117,851
Trade and other payables	貿易應付賬款及其他應付賬項	(77,607)
		207,605
Discount on incorporation	註冊成立時折讓	(393)
Total consideration	總代價	207,212
SATISFIED BY	支付方式	
Cash consideration	現金代價	207,212
NET CASH OUTFLOW ON ACQUISITION	收購之現金流出淨額	
Cash consideration	現金代價	(207,212)
Bank balances and cash acquired	收購之銀行結存及現金	117,851
		(89,361)

The discount on acquisition arising on the acquisition is attributable to the excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

揚州中燃 contributed to the Group's revenue of HK\$19,409,000 and contributed to the Group's profit HK\$9,389,000 under proportionate consolidation.

收購時所產生之收購折讓乃因本集團於被收購方之可識別資產、負債及或然負債之淨公平值之權益超過業務合併成本。

揚州中燃為本集團收入貢獻約 19,409,000 港元及為本集團業績帶來 9,389,000 港元溢利。

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39. DISPOSAL OF A SUBSIDIARY

Disposal in 2006

During the year ended March 31, 2006, the Group disposed of 51% equity interest in 遵化中燃翔科天然氣有限公司 (“遵化中燃”), which represent the total shareholding owned by the Group, at a consideration of HK\$2,692,000.

39. 出售附屬公司

於二零零六年之出售

於截至二零零六年三月三十一日止年度，本集團以代價2,692,000港元出售於遵化中燃翔科天然氣有限公司（「遵化中燃」）之51%股本權益，為本集團所持有之總持股量。

		HK\$'000 千港元
NET ASSETS DISPOSED OF	出售之淨資產	
Property, plant and equipment	物業、廠房及設備	5,800
Trade and other receivables	貿易應收賬款及其他應收賬項	8,457
Bank balances and cash	銀行結存及現金	10
Trade and other payables	貿易應付賬款及其他應付賬項	(9,858)
Minority interests	少數股東權益	(2,160)
		2,249
Gain on disposals	出售收益	443
Total cash consideration	現金代價總額	2,692
Net cash flow arising on disposal:	出售產生之現金流量淨額：	
Cash consideration received	已收現金代價	2,692
Bank balances and cash disposed of	出售之銀行結存及現金	(10)
		2,682

遵化中燃 contributed to the Group's revenue of HK\$3,255,000 and contributed a loss of HK\$34,000 to the Group's result for the year.

遵化中燃為本集團收入貢獻約3,255,000港元及為本年度本集團業績帶來34,000港元虧損。

39. DISPOSAL OF A SUBSIDIARY (Continued)**Disposal in 2005**

During the year ended March 31, 2005, the Group disposed of 100% equity interest in Luckford Enterprises Limited at a consideration of HK\$17,050,000.

		HK\$'000 千港元
NET ASSETS DISPOSED OF	出售之淨資產	
Prepaid lease payments	預付租賃款項	18,700
Trade and other receivables	貿易應收賬款及其他應收賬項	25
Trade and other payables	貿易應付賬款及其他應付賬項	(25)
		18,700
Loss on disposals	出售虧損	(1,650)
Total cash consideration	現金代價總額	17,050
Net cash flow arising on disposal:	出售產生之現金流量淨額：	
Cash consideration	現金代價	17,050

Luckford Enterprises Limited did not have any material effect on the Group's revenue and the Group's profit from operations for the year ended March 31, 2005.

39. 出售附屬公司 (續)**於二零零五年之出售**

於截至二零零五年三月三十一日止年度，本集團以代價 17,050,000 港元出售於六福企業有限公司之 100% 股本權益。

截至二零零五年三月三十一日，六福企業有限公司對本集團之收入及本集團之經營溢利並無重大影響。

40. MAJOR NON-CASH TRANSACTIONS

During the year ended March 31, 2006, property, plant and equipment and prepaid lease payments amounting to HK\$4,250,000 and HK\$8,126,000, respectively, were transferred to investment properties.

During the year ended March 31, 2006, a minority shareholder of a subsidiary of the Company injected property, plant and equipment with a fair value of HK\$20,192,000, to satisfy the commitment to inject capital in this subsidiary agreed by the minority shareholder on the incorporation date.

40. 主要非現金交易

於截至二零零六年三月三十一日止年度，物業、廠房及設備及預付租賃款項分別為 4,250,000 港元及 8,126,000 港元，已轉撥至投資物業。

於截至二零零六年三月三十一日止年度內，本公司附屬公司之少數股東注入公平值達 20,192,000 港元之物業、廠房及設備，以履行少數股東於該附屬公司註冊成立當日同意向其注資之承諾。

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41. OPERATING LEASE ARRANGEMENTS

The Group as lessee

At the balance sheet date, the Group had commitment for future minimum lease payments under non-cancellable operating leases in respect of rented premises and equipments which fall due as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Within one year	一年內	4,630	1,432
In the second to fifth year inclusive	第二年至第五年（包括首尾兩年）	1,136	316
After five years	五年後	476	—
		6,242	1,748

Operating lease payments represent rentals payable by the Group in respect of leasehold land and buildings and equipments. Leases for rented premises and equipments are negotiated for an average term of 2 years with fixed rental.

The Group as lessor

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Within one year	一年內	840	—
In the second to fifth year inclusive	第二年至第五年（包括首尾兩年）	3,360	—
After five years	五年後	3,360	—
		7,560	—

Leases are negotiated for an average term of two years.

41. 經營租約安排

本集團作為承租人

於結算日，本集團根據在下列期間屆滿之租賃物業之不可撤銷經營租約而承諾將於未來支付之最低租金如下：

經營租約之付款指本集團就所租用之土地及樓宇及設備應付之租金。租賃物業租約經議定平均為期兩年，租金固定。

本集團作為出租人

於結算日，根據在下列期間屆滿之不可撤銷租賃物業經營租約，本集團已與租戶就以下未來最低租金簽訂合約：

租約之平均年期經議定為兩年。

42. CAPITAL COMMITMENTS

- (i) On October 24, 2004, a subsidiary of the Company entered into an agreement with Gangzhou Municipal Government 滄州市人民政府, (“Gangzhou Government”) pursuant to which the Company and Gangzhou Government have agreed to establish a sino-foreign equity joint venture company (“Gangzhou JV”) in the PRC which principally engages in the design, construction and operation of natural gas pipeline network and ancillary facilities as well as provision of piped natural gas in Gangzhou. Pursuant to the terms of the agreement, the subsidiary will contribute HK\$35,000,000 to Gangzhou JV. Gangzhou JV will be owned as to 70% by the Group, 30% by Gangzhou Government. Gangzhou JV is a subsidiary of the Group after completed of the establishment. The transaction was not yet completed at the balance sheet date.
- (ii) On April 11, 2005, a subsidiary of the Company entered into an agreement with 紹興縣中國輕紡城管道燃氣有限公司 (“PRC Party”) pursuant to which the Company and the PRC Party have agreed to establish a sino-foreign equity joint venture company, Shaoxing Zhongran City Gas Development Co., Ltd. (“Shaoxing JV”) in the PRC which principally engages in the design, construction and operation of natural gas pipeline network and ancillary facilities as well as provision of piped natural gas in Shaoxing. Pursuant to the terms of the agreement, the subsidiary will contribute RMB38,500,000 (approximate HK\$37,019,000) to Shaoxing JV. The registered capital of Shaoxing JV will be RMB70,000,000 (approximate HK\$67,308,000). The transaction was not yet completed at the balance sheet date.
- (iii) On May 9, 2005, a subsidiary of the Company entered into a cooperation agreement with 廣水市人民政府 pursuant to which a wholly owned subsidiary namely Guangshui Zhongran City Gas Development Company Ltd (“Guangshui Zhongran”) will be formed and wholly owned by the Group. Guangshui Zhongran will have registered capital of HK\$7,500,000. The transaction was not yet completed at the balance sheet date.

Save as disclosed above, as at March 31, 2006, the Group has capital commitments in respect of the acquisition for property, plant and equipment and construction materials for property, plant and equipment contracted for but not provided in the financial statements amounting to HK\$453,224,000 (2005: HK\$661,157,000) and HK\$175,573,000 (2005: HK\$405,968,000), respectively.

42. 資本承擔

- (i) 二零零四年十月二十四日，本公司一家附屬公司與滄州市人民政府訂立協議。據此，本公司與滄州市人民政府同意於中國成立一家中外合資經營公司（「滄州合資公司」），主要於滄州從事設計、建造及經營天然氣管道網絡及配套設施，以及提供管道天然氣。根據協議之條款，該附屬公司將向滄州合資公司出資35,000,000港元。滄州合資公司分別由本集團及滄州市人民政府擁有70%及30%權益。滄州合資公司於完成設立後為本集團之附屬公司。於結算日，交易仍未完成。
- (ii) 於二零零五年四月十一日，本公司附屬公司與紹興縣中國輕紡城管道燃氣有限公司（「中國訂約方」）訂立協議。本公司與中國訂約方同意據此於中國成立中外合資公司紹興中燃城市燃氣發展有限公司（「紹興中燃」）。紹興中燃主要從事紹興縣天然氣管道網絡及配套設施之設計、建造及經營，並提供管道天然氣。根據協議之條款，該附屬公司將向紹興中燃注資人民幣38,500,000元（約37,019,000港元）。紹興中燃之註冊資本將為人民幣70,000,000元（約67,308,000港元）。於結算日，交易仍未完成。
- (iii) 於二零零五年五月九日，本公司附屬公司與廣水市人民政府訂立合作協定，並據此成立全資附屬公司廣水中燃城市燃氣發展有限公司（「廣水中燃」），廣水中燃由本集團全資擁有。廣水中燃之註冊資本為7,500,000港元。於結算日，交易仍未完成。

除以上所披露者外，於二零零六年三月三十一日，本集團就已訂約而尚未於財務報表上撥備之收購物業、廠房及設備及物業、廠房及設備之建材分別作出為數453,224,000港元（二零零五年：661,157,000港元）及175,573,000港元（二零零五年：405,968,000港元）之資本承擔。

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43. PLEDGE OF ASSETS

The Group pledged certain property, plant and equipment and prepaid lease payments having a net carrying value of HK\$355,417,000 (2005: HK\$399,393,000) and investment properties having a carrying value of HK\$16,450,000 (2005: nil) and certain subsidiaries pledged their equity investments in other subsidiaries to banks to secure loan facilities granted to the Group.

44. RETIREMENT BENEFITS SCHEMES

With effective from December 1, 2000, the Group has joined a MPF Scheme for all employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect of the MPF Scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in the future years at March 31, 2006 and 2005.

Employees of the Group's subsidiaries in the PRC are covered by the retirement and pension schemes defined by local practice and regulations. The subsidiaries are required to contribute a specific percentage of their payroll costs to the retirement and pension schemes. The only obligation of the Group in respect to the retirement benefits scheme is to make the specified contribution.

The calculation of contributions for PRC eligible staff is based on certain percentage of the applicable payroll costs. The contribution to the MPF Scheme is calculated based on the rules set out in the MPF Ordinance which is 5% on the basic salary of the relevant employee subject to a specific ceiling.

45. SHARE OPTION SCHEME AND SHARE BASED PAYMENTS

The share option scheme was adopted by the shareholders pursuant to a resolution passed on February 6, 2003 (the "Scheme") for the primary purpose of providing incentives to any directors of the Company, any employees of the Group, or any employee, partner or director of any business consultant, joint venture partner, financial adviser or legal adviser of the Group.

43. 資產抵押

本集團已抵押賬面淨值355,417,000港元(二零零五年:399,393,000港元)之若干物業、廠房及設備及預付租賃款項,以及賬面值為1,645,000港元(二零零五年:無)之投資物業,以及若干附屬公司抵押彼等於其他附屬公司之股本投資予銀行,以令本集團獲授貸款融資。

44. 退休福利計劃

自二零零零年十二月一日起,本集團為所有香港僱員參加強制性公積金計劃。強積金計劃乃根據強制性公積金計劃條例,向強制性公積金計劃管理局註冊。強積金計劃之資產與本集團之資產分開持有並由獨立受託人管理。根據強積金計劃之規則,僱主及僱員皆須以規則指定之比率向該計劃供款。本集團就強積金計劃之唯一責任為按該計劃之要求供款。於二零零六年及二零零五年三月三十一日,並無沒收供款可作減低未來數年應付之供款。

本集團國內附屬公司之僱員受地方慣例及規定界定之退休及退休金計劃保障。附屬公司須向退休及退休金計劃就彼等工資成本之特定百分比作出供款。本集團就退休福利計劃之責任僅為作出特定供款。

國內合資格員工供款乃根據適用工資成本某個百分比計算。對強積金計劃之供款乃根據強積金條例所列明規則計算,即有關僱員底薪之5%加特定上限。

45. 購股權計劃及以股份形式付款

本公司之購股權計劃(「該計劃」)乃由股東根據本公司二零零三年二月六日通過之決議案而採納。新計劃之宗旨乃為獎勵本公司任何董事、本集團任何僱員或任何業務顧問、合營夥伴、財務顧問或法律顧問之任何僱員、夥伴或董事。

45. SHARE OPTION SCHEME AND SHARE BASED PAYMENTS (Continued)

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at the date of shareholders' approval of the Scheme ("Scheme Mandate Limit") or, if such 10% limit is refreshed, at the date of shareholders' approval of the renewal of the Scheme Mandate Limit. The maximum aggregate number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme must not exceed 30% of the total number of shares of the Company in issue from time to time. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company then in issue. Each grant of options to any director, chief executive or substantial shareholder must be approved by independent non-executive directors. Where any grant of options to substantial shareholder or an independent non-executive director or any of their respective associate would result in the shares of the Company issued and to be issued upon exercise of options already granted and to be granted in excess of 0.1% of the Company's issued share capital and with a value in excess of HK\$5,000,000 in the 12-month period up to the date of grant must be approved in advance by the Company's shareholders.

Options granted must be taken up within 28 days from the date of grant, upon payment of HK\$10 per each grant. Options may be exercised at any time from the date to be determined by the board of directors to the tenth anniversary of the date of grant. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant and (iii) the nominal value of a share.

The life of the Scheme is effective for 10 years from the date of adoption until February 5, 2013.

45. 購股權計劃及以股份形式付款 (續)

根據新計劃可授出之購股權所涉及之股份總數股東批准該計劃當日本公司已發行股份之 10% (「計劃授權上限」) 或如該 10% 限額予以更新，則指股東批准續授計劃授權上限當日本公司已發行股份之 10%。因行使根據該計劃而授出但尚未行使之所有未行使購股權而可能發行之股份總數上限不得超出本公司不時已發行股份總數之 30%。任何一個年度授予任何人士之購股權所涉及之股份數目，不得超過當時本公司已發行股份數目 1%。每授出購股權予任何董事、行政總裁或主要股東須得到獨立非執行董事批准。任何授出購股權予主要股東或任何獨立非執行董事或其任何聯繫人士會引至於行使時已授權及即將授權之本公司已發行及即將發行股份超過本公司已發行股本 0.1% 而截至授權日為止十二個月價值超過 5,000,000 港元，需要得到本公司股東事先批准。

授出之購股權須於授出日期起計 28 日內承購，每次授出購股權之作價 10 港元。購股權可於董事會決定之日期起至授出日期之十週年期間隨時行使。行使價由本公司董事釐定，並將不可低於以下之較高者：(i) 授出日期本公司股份收市價；(ii) 授出日期對上五個營業日股份之平均收市價及 (iii) 股份面值。

該計劃有效期由採納日期至二零一三年二月五日止十年。

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45. SHARE OPTION SCHEME AND SHARE BASED PAYMENTS (Continued)

The following table discloses details of the Company's share options held by employees (including directors) and movements in such holdings during the two years ended March 31, 2006:

45. 購股權計劃及以股份形式付款 (續)

下表列出僱員（包括董事）所持本公司購股權之詳情及截至二零零六年三月三十一日止兩年度持有購股權之變動情況：

Date of grant 授出日期	Exercisable period 可行使期限	Exercise price per share 每股行使價 HK\$ 港元	Number of share options at 4.1.2004 於二零零四年四月一日 之購股權數目			Number of share options at 3.31.2005 於二零零五年三月三十一日 之購股權數目			Number of share options at 3.31.2006 於二零零六年三月三十一日 之購股權數目		
			Granted during the year 年內已授出	Exercised during the year 年內已行使	Lapsed during the year 年內已失效	Granted during the year 年內已授出	Exercised during the year 年內已行使	Lapsed during the year 年內已失效	Granted during the year 年內已授出	Exercised during the year 年內已行使	Lapsed during the year 年內已失效
Directors 董事											
1.9.2004	9.1.2004										
	to 至 1.8.2014	0.80	33,240,711	-	-	-	33,240,711	-	-	(2,000,000)	31,240,711
10.6.2004	(Note 1) (附註1)	0.71	-	220,000,000	-	-	220,000,000	-	-	-	220,000,000
10.6.2004	3.20.2005										
	to 至 10.5.2014										
	(Note 2) (附註2)	0.71	-	9,100,000	-	-	9,100,000	-	(700,000)	(1,000,000)	7,400,000
10.20.2005	10.20.2010										
	to 至 10.19.2015	1.50	-	-	-	-	-	5,000,000	-	-	5,000,000
			33,240,711	229,100,000	-	-	262,340,711	5,000,000	(700,000)	(3,000,000)	263,640,711
Other employees 其他僱員											
1.9.2004	9.1.2004										
	to 至 1.8.2014	0.80	88,000,000	-	(5,780,000)	(1,100,000)	81,120,000	-	(10,810,000)	(1,800,000)	68,510,000
10.6.2004	3.20.2005										
	to 至 10.5.2014										
	(Note 2) (附註2)	0.71	-	166,300,000	-	-	166,300,000	-	(20,240,000)	-	146,060,000
10.20.2005	10.20.2010										
	to 至 10.19.2015	1.50	-	-	-	-	-	151,800,000	-	-	151,800,000
1.27.2006	1.27.2011										
	to 至 1.26.2016	1.52	-	-	-	-	-	6,500,000	-	-	6,500,000
			88,000,000	166,300,000	(5,780,000)	(1,100,000)	247,420,000	158,300,000	(31,050,000)	(1,800,000)	372,870,000
			121,240,711	395,400,000	(5,780,000)	(1,100,000)	509,760,711	163,300,000	(31,750,000)	(4,800,000)	636,510,711
Weighted average exercise price 加權平均行使價											
			HK\$0.80 港元	HK\$0.71 港元	HK\$0.80 港元	HK\$0.80 港元	HK\$0.73 港元	HK\$1.50 港元	HK\$0.74 港元	HK\$0.78 港元	HK\$0.93 港元

45. SHARE OPTION SCHEME AND SHARE BASED PAYMENTS (Continued)

Notes:

- (1) The exercise of the options will be subject to the condition that the consolidated net asset value of the Company and its subsidiaries which shall be certified by the auditors appointed by the Company as at the date of the exercise of the options being not less than HK\$1 billion. Exercisable period is between November 22, 2004 to October 5, 2014.
- (2) The original exercisable period was July 1, 2005 to October 5, 2014. Pursuant to a resolution passed in the board of directors meeting held on March 20, 2005, the exercisable period is changed to the period from March 20, 2005 to October 5, 2014.

The consideration received during the year from the directors and employees for taking up the options granted amounted to HK\$520 (2005: HK\$1,000).

As stated in note 2, the Group has, for the first time, applied HKFRS 2 "Share-based payment" to account for its share options in the current year. In accordance with HKFRS 2, fair value of share options granted to employees determined at the date of grant is expensed over the vesting period, with a corresponding adjustment to the Group's share option reserve. In the current year, an amount of share-based payment expenses in respect of its share options of approximately HK\$8,505,000 (2005: HK\$29,474,000) has been recognised with a corresponding adjustment recognised in the Group's share option reserve.

The options outstanding at the end of the year have a weighted average remaining contractual life of 9 years (2005: 9 years). In 2006, options were granted on October 20, 2005 and January 27, 2006. The estimated fair values of the options granted on those dates are HK\$22,467,000 and HK\$2,013,000, respectively. In 2005, options were granted on October 6, 2004. The estimated fair values of the options granted on October 6, 2004 which fall within the scope of HKFRS 2 is HK\$35,000,000.

45. 購股權計劃及以股份形式付款 (續)

附註：

- (1) 行使購股權須視乎本公司所聘任之核數師於行使購股權時確認，本公司及其附屬公司之綜合資產淨值不少於10億港元。可行使期為二零零四年十一月二十二日至二零一四年十月五日止。
- (2) 行使期原為由二零零五年七月一日至二零一四年十月五日。根據於二零零五年三月二十日召開董事會會議所通過之決議案，行使期更改為二零零五年三月二十日至二零一四年十月五日。

就董事及僱員接納之獲授購股權而於年內已收總代價為 520 港元（二零零五年：1,000 港元）。

誠如附註 2 所述，本集團已首次採納香港財務報告準則第 2 號「以股份形式付款」，以計算其於本年度之購股權。根據香港財務報告準則第 2 號，於授出日期釐定授予僱員之購股權公平值乃於歸屬期支銷，連同對本集團之購股權儲備作出相應調整。於本年度，就購股權之以股份形式付款開支約 8,505,000 港元（二零零五年：29,474,000 港元）已予確認，相應調整已於本集團購股權儲備確認。

年終尚未行使購股權之加權平均剩餘合約年期為 9 年（二零零五年：9 年）。於二零零六年，購股權乃於二零零五年十月二十日及二零零六年一月二十七日授出。於該等日期授出之購股權之公平值分別為 22,467,000 港元及 2,013,000 港元。於二零零五年，購股權乃於二零零四年十月六日授出。於二零零四年十月六日授出之購股權估計公平值（於香港財務報告準則第 2 號範圍內）為 35,000,000 港元。

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45. SHARE OPTION SCHEME AND SHARE BASED PAYMENTS (Continued)

These fair values were calculated using the Black-Scholes-Merton Option Pricing Model. The inputs into the model were as follows:

Weighted average share price	加權平均股價
Exercise price	行使價
Expected volatility (note a)	預期波幅 (附註 a)
Expected life (note b)	預期年限 (附註 b)
Risk free rate (note c)	無風險利率 (附註 c)
Expected dividend yield (note d)	預期股息率 (附註 d)

Notes:

- (a) Due to the lack of the comparable performance of the Company, the volatility to made reference to the historical volatility of the share price of the other company in the similar industry over 260 trading days.
- (b) Expected life used has been adjusted, based on the management's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations.
- (c) The risk free rate is determined by the reference to the 10 year Exchange Fund Notes issued by Hong Kong Monetary Authority.
- (d) The expected dividend yield was based on historical dividend payment record of the Group and consensus from analyst forecast.

In the current year, the Group chooses not to apply HKFRS 2 with respect to the share options granted on or before November 7, 2002 and vested before April 1, 2005 in accordance with the transitional provision of HKFRS 2. The financial impact of the share options granted and fully vested before April 1, 2005 is not recorded in the Company's or the Group's financial statements until such time as the options are exercised, and no charge is recognised in the income statement in respect of the value of options granted in the year. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

45. 購股權計劃及以股份形式付款 (續)

該等公平值乃運用柏力克－舒爾斯期權定價模式計算。計入該模式之因素如下：

Share option grant date		
購股權授出日期		
January 27, 2006	October 20, 2005	October 6, 2004
二零零六年 一月二十七日	二零零五年 十月二十日	二零零四年 十月六日
HK\$1.536 港元	HK\$1.240 港元	HK\$0.710 港元
HK\$1.520 港元	HK\$1.500 港元	HK\$0.710 港元
27.56%	29.59%	42.34%
2 years 年	2 years 年	2 years 年
4.102%	4.220%	3.850%
0%	0%	0%

附註：

- (a) 以本公司之可比較表現為基礎，波幅乃參考其他從事類似行業之公司於 260 個交易日之歷史股份波幅釐訂。
- (b) 所運用之預期年期已根據管理層之最佳估計、不可轉讓性之影響、行使限制及行為考慮作出調整。
- (c) 無風險利率乃參考香港金融管理局發行之十年期外匯基金票據釐定。
- (d) 預期股息率乃根據本集團之歷史股息派付紀錄及分析員預測之一致意見計算。

本年度，本集團根據香港財務報告準則第 2 號之過渡性條文，選擇並不應用香港財務報告準則第 2 號於二零零二年十一月七日或之前授出及於二零零五年四月一日前歸屬之購股權。已於二零零五年四月一日前授出及悉數歸屬之購股權之財務影響於購股權行使時方會於本公司或本集團財務報表中紀錄，故並無就年內授出之購股權價值於收益表確認借項。於購股權行使時，因而產生之已發行股份乃由本公司按股份面值紀錄為額外股本，而每股行使價超出股份面值之部分乃由本公司紀錄於股份溢價賬。行使日期前失效或註銷之購股權乃自未行使購股權登記冊中剔除。

46. RELATED PARTY TRANSACTIONS

The Group entered into the following transactions with related parties that are not members of the Group:

- (i) During the year, the Group purchased gas for total amount of HK\$7,029,000 (2005: HK\$23,710,000) from minority shareholders of subsidiaries.
- (ii) On April 28, 2004, arrangements were made to make for a private placement to Mr. Liu Ming Hui, the managing director of the Company of 130,000,000 ordinary shares of HK\$0.01 each of the Company for a total consideration of HK\$84,500,000.
- (iii) On May 19, 2004, 中亞燃氣實業(深圳)有限公司 (“中亞燃氣”), a wholly owned subsidiary of the Company, entered into an agreement with a minority shareholder of 淮南中燃城市燃氣發展有限公司 (“Huainan China Gas”) in relation to the acquisition of the remaining 30% equity interests of a non-wholly owned subsidiary – Huainan China Gas City Gas Development Co., Ltd. at zero consideration (“Huainan China Gas Acquisition”).

On July 27, 2004, 中亞燃氣 entered into an agreement with a minority shareholder of 隨州中燃城市燃氣發展有限公司 (“Suizhou Zhongran”) in relation to the acquisition of the remaining 10% equity interests of a non-wholly owned subsidiary – Suizhou Zhongran at zero consideration (“Suizhou Zhongran China Gas Acquisition”).

Discount on acquisitions arising from the Huainan China Gas Acquisition and Suizhou Zhongran China Gas Acquisition is HK\$10,815,000.

46. 關連人士交易

本集團與並非本集團成員公司之關連人士訂立下列交易：

- (i) 年內，本集團以總金額7,029,000港元（二零零五年：23,710,000港元）向附屬公司少數股東購買氣體。
- (ii) 於二零零四年四月二十八日，本公司向本公司董事總經理劉明輝先生安排私人配售130,000,000股每股面值0.01港元之普通股，總代價為84,500,000港元。
- (iii) 於二零零四年五月十九日，本公司全資附屬公司中亞燃氣實業（深圳）有限公司（「中亞燃氣」）與淮南中燃城市燃氣發展有限公司（「淮南中燃」）就以零代價收購非全資附屬公司淮南中燃餘下之30%股權訂立協議（「淮南中燃收購」）。

於二零零四年七月二十七日，中亞燃氣與隨州中燃城市燃氣發展有限公司（「隨州中燃」）之少數股東就以零代價收購非全資附屬公司—隨州中燃餘下之10%股權訂立協議（「隨州中燃收購」）。

淮南中燃收購及隨州中燃收購就收購產生折讓10,815,000港元。

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46. RELATED PARTY TRANSACTIONS (Continued)

- (iv) On August 19, 2004, the Company entered into an agreement with the vendor in relation to the acquisition of the entire share capital and the shareholder loan of Great Sun Investment Co. Ltd., which held 25% equity interests in Xiaogan Zhenrong Gas Co., Ltd., Hanchuan Jiaxu Gas Co., Ltd., Yingcheng Jiaxu Gas Co., Ltd., Yumeng Jiaxu Gas Co., Ltd., and Xiaogan Jianxu Gas Co., Ltd., at a total consideration of RMB81,600,000 (approximately HK\$77,714,000). On the same date, 中亞燃氣 entered into agreements with the vendor in relation to acquisition of 10% equity interests in Hanchuan Jiaxu Gas Co., Ltd., Yingcheng Jiaxu Gas Co., Ltd., Yumeng Jiaxu Gas Co., Xiaogan Jianxu Gas Co., Ltd., at a total consideration of RMB17,700,000 (approximately HK\$16,856,000). The goodwill arising from the above acquisitions of additional interest in subsidiaries is HK\$50,543,000. The goodwill arising on this acquisition is attributable to the anticipated profitability of the Group's gas connection and sales of piped gas businesses.

The remuneration of key management of the Group was as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Short-term benefits	短期福利	14,127	36,198
Post employment benefits	離職後福利	72	50
		14,199	36,248

The remuneration of key management is determined by the remuneration committee having regard to the performance of individuals and market trends.

46. 關連人士交易 (續)

- (iv) 於二零零四年八月十九日，本公司與賣方就收購嘉旭投資有限公司（持有孝感振戎天然氣有限公司、漢川嘉旭天然氣有限公司、應城嘉旭天然氣有限公司、雲夢嘉旭天然氣有限公司及孝感嘉旭天然氣有限公司的股權25%）全部股權及股東貸款訂立協議，代價總額為人民幣81,600,000元（約77,714,000港元）。於同日，中亞燃氣與賣方就收購漢川嘉旭天然氣有限公司、應城嘉旭天然氣有限公司、雲夢嘉旭天然氣有限公司及孝感嘉旭天然氣有限公司之10%股權訂立協議，代價總額為人民幣17,700,000元（約16,856,000港元）。上述收購附屬公司額外權益而產生之商譽達50,543,000港元。有關收購產生之商譽計入本集團燃氣接駁及管道燃氣銷售業務之預期溢利。

本集團主要管理層之酬金如下：

主要管理層酬金由薪酬委員會經考慮個人表現及市場趨勢後釐定。

47. POST BALANCE SHEET EVENTS

- (i) On May 8, 2006, the Company entered into sale and purchase agreement with Honest Great Development Limited pursuant to which the Company will acquire 100% equity interest in China City Natural Gas Investment Limited at a consideration of RMB155,200,000 (approximate HK\$149,231,000). China City Natural Gas Investment Limited is engaged principally in the natural gas business. The completion of the acquisition is pending for the completion of due diligence process.

47. 結算日後事項

- (i) 於二零零六年五月八日，本公司與 Honest Great Development Limited 訂立買賣協議，據此，本公司將以代價人民幣155,200,000元（約149,231,000港元）收購 China City Natural Gas Investment Limited 之100%股本權益。China City Natural Gas Investment Limited 主要從事天然氣業務。收購事項須待盡職審查過程完成方告完成。

47. POST BALANCE SHEET EVENTS (Continued)

- (ii) On May 31, 2006, the Company through the auction process, acquired 38.69% equity interest of 重慶鼎發實業股份有限公司 for a consideration of RMB62,160,000 (approximate HK\$59,769,000) which principally engages in exploration, collection transportation, purification and sales of nature gas.
- (iii) On June 6, 2006, the Group entered into an investment agreement (“Investment Agreement”) with Dalian SOA Administration Bureau to establish a subsidiary namely 大連中燃城市燃氣發展有限公司 (“Dalian JV”). Dalian JV will engage principally in the natural gas business. The Group will hold 75% equity interest of Dalian JV after its establishment. Pursuant to the Investment Agreement, the registered capital of the Dalian JV will be RMB1,000,000,000 (approximate HK\$961,538,000). RMB750,000,000 (approximate HK\$721,154,000) will be contributed by the Group by way of cash and the remaining RMB250,000,000 (approximate HK\$240,384,000) will be contributed by Dalian SOA Administration Bureau by way of assets injection.
- (iv) On June 8, 2006, the Group entered into a joint venture agreement (“JV Agreement”) with 撫順市人民政府國有資產監督管理委員會 (“Fushun Partner”) to established a subsidiary namely 撫順中燃城市燃氣發展有限公司 (“Fushun JV”). Fushun JV will engage principally in the natural gas business. The Group will hold 70% equity interest of Fushun JV after its establishment. Pursuant to the JV Agreement, the registered capital of the Fushun JV will be RMB133,330,000 (approximate HK\$128,202,000). RMB93,330,000 (approximate HK\$89,740,000) will be contributed by the Group by way of cash and RMB40,000,000 (approximate HK\$38,462,000) will be contributed by Fushun Partner by way of assets injection.

47. 結算日後事項 (續)

- (ii) 於二零零六年五月三十一日，本公司透過入標競投以代價人民幣 62,160,000 元（約 59,769,000 港元）收購重慶鼎發實業股份有限公司 38.69% 股本權益，該公司主要從事天然氣勘探、收集運輸、淨化及銷售。
- (iii) 於二零零六年六月六日，本集團與大連國資管委會訂立投資協議（「投資協議」），以成立一間名為大連中燃城市燃氣發展有限公司（「大連合營公司」）之附屬公司。大連合營公司將主要從事天然氣業務。於大連合營公司成立後，本集團將持有其 75% 股本權益。根據投資協議，大連合營公司之註冊股本將為人民幣 1,000,000,000 元（約 961,538,000 港元）。本集團將以現金方式注入人民幣 750,000,000 元（約 721,154,000 港元），而餘下人民幣 250,000,000 元（約 240,384,000 港元）將由大連國資管委會以注入資產方式出資。
- (iv) 於二零零六年六月八日，本集團與撫順市人民政府國有資產監督管理委員會（「撫順夥伴」）訂立合營協議（「合營協議」），以成立一間名為撫順中燃城市燃氣發展有限公司（「撫順合營公司」）之附屬公司。撫順合營公司將主要從事天然氣業務。於撫順合營公司成立後，本集團將持有其 70% 股本權益。根據合營協議，撫順合營公司之註冊股本將為人民幣 133,330,000 元（約 128,202,000 港元）。本集團將以現金方式注入人民幣 93,330,000 元（約 89,740,000 港元），而餘下人民幣 40,000,000 元（約 38,462,000 港元）將由撫順夥伴以資產注入方式出資。

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48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries at March 31, 2006 are as follows:

48. 主要附屬公司詳情

於二零零六年三月三十一日，主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立 或註冊/ 營業地點	Form of business structure 業務架 構形式	Paid up issued share capital/ registered capital 繳足已發行 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/註冊 資本面值比例		Principal activities 主要業務
				Directly 直接 %	Indirectly 間接 %	
Hai Xia Finance Limited 海峽財務有限公司	Hong Kong 香港	Incorporated 註冊成立	Ordinary HK\$2 普通股 2 港元	–	100	Securities investment 證券投資
Iwai's Holdings (Hong Kong) Limited	Hong Kong 香港	Incorporated 註冊成立	Ordinary HK\$1,000 Non-voting deferred shares HK\$1,000,000 (note) 普通股 1,000 港元 無投票權股份 1,000,000 港元 (附註)	–	100	Investment holding, property investment and provision of management services to group companies 投資控股、物業投資 及提供管理服務予 集團公司
Wellgem Asia Limited 偉寶亞洲有限公司	Hong Kong 香港	Incorporated 註冊成立	Ordinary HK\$10,000 普通股 10,000 港元	100	–	Property development 物業發展
Central Asia Natural Gas (Shenzhen) Company Limited* 中亞燃氣實業(深圳) 有限公司	PRC 中國	Wholly owned foreign enterprise 外商獨資企業	Registered US\$29,800,000 註冊資本 29,800,000 美元	100	–	Investment holding and treasury 投資控股及財資
Beijing Zhongran Xiangke Oil Gas Technology Company Limited* 北京中燃翔科油氣技術 有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB20,000,000 註冊資本人民幣 20,000,000 元	–	60	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

48. 主要附屬公司詳情 (續)

(Continued)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立 或註冊/ 營業地點	Form of business structure 業務架 構形式	Paid up issued share capital/ registered capital 繳足已發行 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/註冊 資本面值比例		Principal activities 主要業務
				Directly 直接 %	Indirectly 間接 %	
Elegant Cheer Limited 雅緻有限公司	Hong Kong 香港	Incorporated 註冊成立	Ordinary HK\$10,000 普通股 10,000 港元	–	100	Property holding 持有物業
Wuhan China Natural Gas Investment Company Limited* 武漢中燃投資有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB69,980,000 註冊資本人民幣 69,980,000 元	–	100	Investment holding 投資控股
Yiyang Central Gas & City Gas Development Co., Ltd.* 益陽中燃城市燃氣發展 有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB44,000,000 註冊資本人民幣 44,000,000 元	–	80	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Wuhu City Natural Gas Development Company Limited* 蕪湖中燃城市燃氣 發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB100,000,000 註冊資本人民幣 100,000,000 元	–	90	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
北京中油翔科科技 有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB2,000,000 註冊資本人民幣 2,000,000 元	–	80	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

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48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

48. 主要附屬公司詳情 (續)

(Continued)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立 或註冊/ 營業地點	Form of business structure 業務架 構形式	Paid up issued share capital/ registered capital 繳足已發行 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/註冊 資本面值比例		Principal activities 主要業務
				Directly 直接 %	Indirectly 間接 %	
唐山翔科燃氣有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB1,000,000 註冊資本人民幣 1,000,000 元	–	70	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
廊坊市翔科危險貨物 運輸有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB500,000 註冊資本人民幣 500,000 元	–	80	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
廊坊市翔科油氣技術 有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB2,680,000 註冊資本人民幣 2,680,000 元	–	51	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Yichang Zhongran City Gas Development Limited* 宜昌中燃城市燃氣 發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB70,000,000 註冊資本人民幣 70,000,000 元	–	70	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
藁城翔科燃氣有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB2,000,000 註冊資本人民幣 2,000,000 元	–	95	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Clever Decision Enterprises Limited	BVI 英屬處女群島	Incorporated 註冊成立	Ordinary US\$100 普通股 100 美元	100	–	Investment holding 投資控股

48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

48. 主要附屬公司詳情 (續)

(Continued)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立 或註冊/ 營業地點	Form of business structure 業務架 構形式	Paid up issued share capital/ registered capital 繳足已發行 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/註冊 資本面值比例		Principal activities 主要業務
				Directly 直接 %	Indirectly 間接 %	
北京通寶華油燃氣 技術發展有限公司	PRC 中國	Wholly owned foreign enterprise 外商獨資企業	Registered RMB20,000,000 註冊資本人民幣 20,000,000 元	–	100	Investment holding 投資控股
Huainan China Gas City Gas Development Co., Ltd.* 淮南中燃城市燃氣 發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB72,000,000 註冊資本人民幣 72,000,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Suizhou Zhongran City Gas Development Co., Ltd.* 隨州中燃城市燃氣 發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB35,000,000 註冊資本人民幣 35,000,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Xiaogan China Gas Co., Ltd. (Formerly known as "Xiaogan Zhenrong Gas Co., Ltd.*") 孝感中燃天然氣有限公司 (前稱「孝感振戎 天然氣有限公司」)	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB48,950,000 註冊資本人民幣 48,950,000 元	–	55	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

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48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

48. 主要附屬公司詳情 (續)

(Continued)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立 或註冊/ 營業地點	Form of business structure 業務架 構形式	Paid up issued share capital/ registered capital 繳足已發行 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/註冊 資本面值比例		Principal activities 主要業務
				Directly 直接 %	Indirectly 間接 %	
Xiaogan China Gas Co., Ltd. (Formerly known as "Xiaogan Jiaxu Gas Co., Ltd.*") 孝感中亞城市燃氣發展 有限公司 (前稱「孝感嘉旭 天然氣有限公司」)	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB16,002,000 註冊資本人民幣 16,002,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Hanchuan Jchina Gas Co., Ltd. (Formerly known as "Hanchuan Jiaxu Gas Co., Ltd.*") 漢川中燃城市燃氣發展 有限公司 (「前稱 漢川嘉旭天然氣 有限公司」)	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB11,274,000 註冊資本人民幣 11,274,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Yunmeng China Gas Co., Ltd. (Formerly known as "Yunmeng Jiaxu Gas Co., Ltd.*") 雲夢中燃城市燃氣發展 有限公司 (前稱 「雲夢嘉旭天然氣 有限公司」)	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB9,708,000 註冊資本人民幣 9,708,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

48. 主要附屬公司詳情 (續)

(Continued)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立 或註冊/ 營業地點	Form of business structure 業務架 構形式	Paid up issued share capital/ registered capital 繳足已發行 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/註冊 資本面值比例		Principal activities 主要業務
				Directly 直接 %	Indirectly 間接 %	
Yingcheng Jiaxu China Gas Co., Ltd. (Formerly known as "Yingcheng Jiaxu Gas Co., Ltd.*") 應城中燃城市燃氣發展有限公司 (前稱「應城嘉旭天然氣有限公司」)	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB10,074,000 註冊資本人民幣 10,074,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Dangyang Zhongran Gas Co., Ltd.* 當陽中燃天然氣有限公司	PRC 中國	Wholly owned foreign enterprise 外商獨資企業	Registered HK\$20,000,000 註冊資本 20,000,000 港元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣 及燃氣管道建造
Pizhou Zhongran City Gas Development Co., Ltd.* 邳州中燃城市燃氣發展有限公司	PRC 中國	Wholly owned foreign enterprise 外商獨資企業	Registered US\$3,060,000 註冊資本 3,060,000 美元	–	100	Trading of natural gas and gas pipeline 買賣天然氣及燃氣管道
Suzhou Zhongran City Gas Development Co., Ltd.* 宿州中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered US\$3,625,000 註冊資本 3,625,000 美元	–	75	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Cangzhou Zhongran City Gas Development Co., Ltd.* 滄州中燃城市燃氣發展有限公司	PRC 中國	Wholly owned foreign enterprise 外商獨資企業	Registered HK\$2,000,000 註冊資本 2,000,000 港元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

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48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

48. 主要附屬公司詳情 (續)

(Continued)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立 或註冊/ 營業地點	Form of business structure 業務架 構形式	Paid up issued share capital/ registered capital 繳足已發行 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/註冊 資本面值比例		Principal activities 主要業務
				Directly 直接 %	Indirectly 間接 %	
Nanpian Zhongran City Gas Development Co., Ltd.* 南皮縣中燃城市燃氣 發展有限公司	PRC 中國	Wholly owned foreign enterprise 外商獨資企業	Registered HK\$2,000,000 註冊資本 2,000,000 港元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道
Wuhuxian Zhongran City Gas Development Co., Ltd.* 蕪湖縣中燃城市 燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB10,000,000 註冊資本人民幣 10,000,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Qinzhou Zhongran City Gas Development Co., Ltd.* 欽州中燃城市燃氣 發展有限公司	PRC 中國	Wholly owned foreign enterprise 外商獨資企業	Registered RMB20,000,000 註冊資本人民幣 20,000,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Yangzhou Zhongran City Gas Development Co., Ltd.* 揚中中燃城市燃氣 發展有限公司	PRC 中國	Wholly owned foreign enterprise 外商獨資企業	Registered US\$1,000,000 註冊資本 1,000,000 美元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Tianmen Zhongran City Gas Development Co., Ltd.* 天門中燃城市燃氣發展 有限公司	PRC 中國	Wholly owned foreign enterprise 外商獨資企業	Registered RMB10,000,000 註冊資本人民幣 10,000,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

(Continued)

48. 主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立 或註冊/ 營業地點	Form of business structure 業務架 構形式	Paid up issued share capital/ registered capital 繳足已發行 股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/註冊 資本面值比例		Principal activities 主要業務
				Directly 直接 %	Indirectly 間接 %	
Baoji Zhongran City Gas Development Co., Ltd. 寶雞中燃城市燃氣發展 有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB265,725,000 註冊資本人民幣 265,725,000 元	–	64	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Nanjing Zhongran City Gas Development Co., Ltd.* 南京中燃城市燃氣 發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB200,000,000 註冊資本人民幣 200,000,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Qinzhou Zhongran City Gas Development Co., Ltd.* 欽州中燃城市燃氣 發展有限公司	PRC 中國	Wholly owned foreign enterprise 外商獨資企業	Registered RMB20,000,000 註冊資本人民幣 20,000,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Yulin Zhongran City Gas Development Co., Ltd.* 玉林中燃城市燃氣 發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB20,000,000 註冊資本人民幣 20,000,000 元	–	100	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

* English name is for identification purposes only.

* 英文名稱僅供識別。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

財務報表附註

截至二零零六年三月三十一日止年度

48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

(Continued)

The above table lists the principal subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Note: The deferred shares, which are not held by the Group, practically carry no rights to dividends or to receive notice of or to attend or vote at any general meeting of the company or to participate in any distribution on winding up.

None of the subsidiaries had any debt securities outstanding at the end of the year.

48. 主要附屬公司詳情 (續)

上表載列董事認為對本集團業績或資產有主要影響之本集團各主要附屬公司。董事認為，提供其他附屬公司詳情會導致資料過於冗長。

附註：遞延股份並非由本集團持有，而實際上並不附帶收取股息、接獲本公司任何股東大會通告、出席會議或於會上投票或於清盤時分享任何分派之權利。

各附屬公司於年終時並無任何未償還債務證券。